

[For Immediate Release]



Sa Sa Announces Unaudited 2008/09 Third Quarter (Sep – Dec) Operations Update

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Unaudited Third Quarter Operations Highlights

Group - Retail & Wholesale

YoY increase/decrease	3 months ended 31 Dec 2008	6 months ended 30 Sep 2008
Group turnover	+10.2%	+16.5%

HK & Macau - Retail

YoY increase/decrease	3 months ended 31 Dec 2008	6 months ended 30 Sep 2008
Retail sales growth	+10.1%	+12.0%
Same store sales growth	+4.0%	+5.2%
Average sales per transaction (HK\$)	287 (-0.7%)	249 (-0.6%)
Total no. of transactions (million)	3.0 (+10.9%)	5.2 (+12.6%)

(8 January 2009 – HONG KONG) – Sa Sa International Holdings Limited ('Sa Sa' or the 'Group', stock code: 0178), Asia's leading cosmetics retailing group, announced today its unaudited 2008/09 third quarter operations update for the three months ended 31 December 2008.

For the three months ended 31 December 2008, the Group's retail and wholesale business achieved a year-on-year increase in turnover of 10.2%. Retail sales growth in Hong Kong and Macau rose by 10.1%, with an increase in same store sales by 4.0%. The sales growth was driven by a 10.9% increase in the number of transactions. The markets other than Hong Kong and Macau saw a year-on-year growth of 20.8% in retail turnover.

The Group added 9 retail outlets to its network in the third quarter, including 3 stores in Hong Kong and Macau market. Our retail network stood at 152 outlets as at 31 December 2008.

Number of Outlets (Stores/Counters) by Market

	As at 31 Dec 2008	As at 30 Sep 2008
Hong Kong & Macau	67*	64*
Mainland China	31 ^{##}	28 [#]
Taiwan	14	14
Singapore	14	14
Malaysia	26	23
Total	152	143

* Include a La Colline store and an Elizabeth Arden counter

Include 21 Suisse Programme counters

Include 22 Suisse Programme counters

Commenting on the Group's performance, Mr. Simon Kwok, Chairman and Chief Executive Officer of the Group, said, "We have taken proactive measures in order to meet market challenges amidst the global financial crisis. We have been adapting the product offerings and promotions to meet the changing preferences of the customers. In addition to various cost control measures, the Group endeavoured to improve inventory management to enhance cost effectiveness and efficiency. To manage the rental pressure, the Group has been strengthening the efficiency of the overall retail network, and seizing the opportunities to expand the retail network in markets that offer growth potential"

Mr. Kwok added, "While we enhance our operation efficiency, we also welcome the Central Government's extension of the individual visit scheme and various policies to support Hong Kong and the Hong Kong SAR Government's various measures to boost the economy and encourage consumption to support the retailers. The Group remains confident on the growth of its retail business in the medium to long term."

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About Sa Sa International Holdings Limited

Sa Sa is a leading cosmetics retailing group in Asia. Its over 150 stores and counters in Asia sell more than 400 brands of skin care, fragrance, make-up and hair care products including its own-brands and other exclusive international brands. Over 1,200 well-trained beauty consultants are employed to provide professional services to its customers.

Sa Sa runs the largest cosmetics specialty store chain in Asia Pacific region, as ranked by Retail Asia magazine, KPMG and Euromonitor in 2008. As one of the major sole agents in cosmetics in Hong Kong, Sa Sa also represents more than 100 international beauty brands in Asia. Sa Sa prospers on its successful and proven “one-stop cosmetics specialty store” concept which aims to provide customers with the widest range of quality products. Its e-commerce arm, Sasa.com, provides online shopping service to customers as well as a strong marketing tool for the Group. Sa Sa, established in 1978, was listed on The Stock Exchange of Hong Kong since June 1997.

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