

[For Immediate Release]



Sa Sa Announces Unaudited Operational Update For The First Quarter (April to June) of FY2012/13

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Highlights

Group - Retail & Wholesale

	3 months ended 30 June 2012
Group turnover (HK\$ million)	1,557.9
YoY % change	+18.5%
Group turnover (HK\$ million) <i>(Excluded adjustments under HK(IFRIC) – Int 13 in respect of bonus points scheme*)</i>	1,586.1
YoY % change	+19.8%

HK & Macau - Retail & Wholesale

Retail & wholesale sales growth (HK\$ million)	1,196.7
YoY % change	+15.1%
Retail & wholesale sales growth (HK\$ million) <i>(Excluded adjustments under HK(IFRIC) – Int 13 in respect of bonus points scheme*)</i>	1,224.1
YoY % change	+16.7%
Same store sales growth	
YoY % change	+12.3%
Same store sales growth <i>(Excluded adjustments under HK(IFRIC) – Int 13 in respect of bonus points scheme*)</i>	
YoY % change	+14.1%
Average sales per transaction (HK\$)	338
YoY % change	+10.8%
Total no. of transactions (million)	3.4
YoY % change	+4.1%

* Adjustments according to Hong Kong International Financial Reporting Interpretation Committee - Interpretation 13 on the bonus points scheme.

(10 July 2012 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178), Asia's leading cosmetics retailing group, announced today the unaudited operational update of the Group for the three months ended 30 June 2012.

For the three months ended 30 June 2012, the Group's retail and wholesale business maintained steady growth and achieved a year-on-year increase in turnover of 18.5%. During the period, Sa Sa continued to benefit from the growing demand for cosmetics and beauty products, and strengthened penetration in non-traditional tourist areas to better capture opportunities brought by the increasing number of Mainland short-haul tourists. Turnover in Hong Kong and Macau rose 15.1%, with same store sales growth of 12.3%. The number of transactions and average sales per transaction increased by 4.1% and 10.8% respectively.

The Group's retail and wholesale turnover in markets outside of Hong Kong and Macau (including Mainland China, Singapore, Malaysia, Taiwan and sasa.com) recorded year-on-year growth of 31.5%.

The Group had a net increase of 7 stores and counters to its network in the first quarter, including 3 stores in the Hong Kong and Macau market, 1 store in Singapore, 2 stores in Malaysia and 1 store in Taiwan. As at 30 June 2012, the Group's retail network had a total of 256 stores, including 21 single-brand counters / stores.

Number of Stores/Counters by Market

	As at 30 June 2012	As at 31 March 2012
Hong Kong & Macau	92*	89*
Mainland China	68#	68##
Singapore	22	21
Malaysia	47	45
Taiwan	27	26
Total	256	249

* Included 2 single-brand stores

Included 19 counters

Included 20 counters

Commenting on the Group's performance for the first quarter, Dr. Simon Kwok, *BBS, JP*, Chairman and Chief Executive Officer of the Group, said, "Amidst the lower growth of the Hong Kong retail market, as well as the relatively high base of the Group's Hong Kong & Macau turnover in the same period last year, the Group was able to maintain reasonable growth in the first quarter. This proved the relatively strong resilience of the cosmetics retail industry, and reflected the Group's solid foundation and the effectiveness of the adjustment in its business development strategy. As we saw improvement in the sales performance of our Hong Kong & Macau business in June as compared with April and May, we remain optimistic about the sales performance of this fiscal year. We will continue the disciplined and measured store expansion strategy to drive business growth and strengthen brand recognition and operational efficiency. We will also diversify the product mix, sharpen our competitiveness in order to cement the Group's leading position in the industry."

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About Sa Sa International Holdings Limited

Sa Sa is a leading cosmetics retailing group in Asia. The Group operates over 250 stores and counters in Asia that sell more than 600 brands of skin care, fragrance, make-up and hair care products including its own-brands and other exclusive international brands. Over 1,900 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 2011. The Group is named the Medium-Cap Corporate of the Year in Hong Kong by Asiamoney Magazine in its poll of Best Managed Companies 2011. 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 and has become a constituent member of the “Hang Seng Corporate Sustainability Benchmark Index” since September 2011.

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