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MODERN BEAUTY SALON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

POSITIVE PROFIT ALERT

This announcement is made by Modern Beauty Salon Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 (1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors of the Company (the “Board”) wishes to announce to the shareholders of the Company and potential investors that, based on the preliminary review of the management accounts of the Group for the twelve months ended 31 March 2011, which has not been reviewed by auditors of the Company, the Group is expected to record a significant increase in profit for the year ended 31 March 2011 as compared with the previous corresponding year.

The Board considers that the expected profit increase is mainly attributable to (1) substantial growth in turnover due to greater demand for high-quality beauty and skincare services, along with the improving consumer sentiment in Hong Kong; (2) new services and product lines launched; (3) the Group’s effective control of operating expenses.

The Company is still in the course of preparing the Group’s annual results for the year ended 31 March 2011 and the results announcement is expected to be released by the end of June 2011.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in shares of the Company.

This announcement is made by the order of the Board, of which the directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement.

By Order of the Board
Modern Beauty Salon Holdings Limited
Leung Man Kit
Executive Director

Hong Kong, 27 May 2011

As at the date of this announcement, the Board consists of Four Executive Directors, Ms Tsang Yue, Joyce, Mr Yip Kai Wing, Mr Leung Man Kit and Mr Wong Shu Pui and Three Independent Non-executive Directors, Ms Liu Mei Ling, Rhoda, Mr Wong Man Hin, Raymond and Mr Hong Po Kui, Martin