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自然美
natural beauty

Natural Beauty Bio-Technology Limited
自然美生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00157)

**TRADING STATEMENT –
ISSUE OF PRICE SENSITIVE INFORMATION
UPDATE OF TURNOVER OF THE GROUP**

The board of directors (the “Board”) of Natural Beauty Bio-Technology Limited (the “Company”) wishes to update the market of the turnover of the Company and its subsidiaries (together, the “Group”) for the second half of 2008.

Due to the increasing pressures seen in the overall People’s Republic of China (the “PRC”, and for the purposes of this announcement, excludes Hong Kong, Macau and Taiwan) and Taiwan economy and in consumer spending as well as the negative growth trends experienced by the Group in recent months, the Board notes that:

- (i) the turnover of the Group from the PRC and Taiwan (the “Greater China Turnover”) in aggregate for the second half of 2008 decreased by approximately 12% as compared to that of the first half of 2008;
- (ii) the Greater China Turnover in November 2008 was lower than that of November 2007, which contributed to a lower aggregate Greater China Turnover for the fourth quarter of 2008 as compared to that of the fourth quarter of 2007; and
- (iii) the growth rate of the Greater China Turnover for the second half of 2008 compared against the second half of 2007 was lower than the growth rate of the Greater China Turnover for the first half of 2008 compared against the first half of 2007.

In addition, the PRC's introduction of the new Unified Enterprise Tax Law (the "New Law") became effective on 1 January 2008. Prior to the New Law, dividends paid to foreign investors are exempted from withholding tax. Under the New Law, certain subsidiaries of the Group will be subject to 5% to 10% withholding tax on dividends paid to intermediate holding companies incorporated outside the PRC within the Group. As a result, additional tax will be payable in 2009 by the Group in the PRC for dividends declared in respect of the year ending 31 December 2008. Going forward, additional tax will continue to be payable by the Group in the PRC if and when dividends are declared.

In spite of the above, the Greater China Turnover for the whole year of 2008 increased as compared to that of the whole year of 2007, mainly due to the strong performance in the PRC and Taiwan in the first half of 2008.

The Board wishes to remind investors the above turnover data for the year ended 31 December 2008 is based on the financial information of the Group which has not been reviewed nor audited by the auditors. Shareholders and potential shareholders of the Company are cautioned not to unduly rely on such data and are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Natural Beauty Bio-Technology Limited
Dr. Su Chien Cheng
Executive Director

Hong Kong, 23 January 2009

As at the date of this announcement, Executive Directors of the Company are Dr. Tsai Yen Yu, Mr. Lee Ming Ta, Dr. Su Chien Cheng and Dr. Su Sh Hsyu. The Independent Non-executive Directors of the Company are Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.