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STONE GROUP HOLDINGS LIMITED

四通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 409)

PROFIT WARNING

This announcement is made by the Company pursuant to the requirements of Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and investors that the Group expects to record losses in the 2008/2009 Results and such losses may be material.

The expected losses in the 2008/2009 Results, which may be material, are mainly due to a number of factors including (i) the decrease in operating profit of the healthcare products business of the Group; and (ii) the recognition of impairment loss on the interest in the MTY Group.

As the Company is still in the process of finalizing the 2008/2009 Results, the information contained in this announcement is only a preliminary estimate prepared by the management of the Company and is not based on figures or information reviewed by the Company's auditors.

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

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

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and investors that the Group expects to record losses in the audited consolidated results of the Group for the financial year ended 31 March 2009 (“2008/2009 Results”) and such losses may be material. The Group’s audited consolidated results for the financial year ended 31 March 2008 recorded a profit.

The expected losses in the 2008/2009 Results, which may be material, are mainly due to a number of factors including (i) the decrease in operating profit of the healthcare products business of the Group; and (ii) the recognition of impairment loss on the interest in Me To You Holdings Limited and its subsidiaries (the “MTY Group”).

During the year ended 31 March 2009, the healthcare products business of the Group experienced a material decrease in operating profit, as significant additional advertising and promotion expenses have been incurred to protect its market share in the healthcare products market in the PRC and to promote the sale of its new healthcare products in the second half of the financial year.

The MTY Group has continued to incur losses since the financial year 2006 and due to the recent financial turmoil, the market for its high value consumer products such as GPS navigators, mobile communication service and telematics service remained weak. In view of this, after consideration of the market demands and financial viability of the MTY Group’s business in the foreseeable future, the management has assessed the recoverable amount of the interest in the MTY Group and considered that there is an impairment of the Group’s interest in the MTY Group. Accordingly, an impairment is expected to be recognized in the 2008/2009 Results.

As the Company is still in the process of finalizing the 2008/2009 Results, the information contained in this announcement is only a preliminary estimate prepared by the management of the Company and is not based on information reviewed by the Company’s auditors.

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

On behalf of the Board
Stone Group Holdings Limited
DUAN Yongji
Chairman

Hong Kong, 30 April 2009

As at the date of this announcement, the Board of the Company comprises ten Directors, of which Messrs. DUAN Yongji, SHI Yuzhu, SHEN Guojin, CHEN Xiaotao, ZHANG Disheng and LIU Zuowei are executive directors, Mr. CHENG Fumin is non-executive director and Messrs. NG Ming Wah, Charles, Andrew Y. YAN and LIU Jipeng are independent non-executive directors.