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For Immediate Release

China-Biotics, Inc. Signs Third Bulk Additive Customer

Shanghai, China – May 19, 2008 – China-Biotics, Inc. (OTC BB: CHBT) (“China-Biotics,” “the Company”), a leading Chinese firm specializing in the manufacture, research, development, marketing and distribution of probiotics products, today announced it signed a one-year contract with a subsidiary of Holiland Enterprise Investment Management Co., Ltd. (“Holiland”) to supply probiotics for Holiland’s bakery products. The agreement runs through April 2009.

Operating 500 retail stores in China, Holiland is one of the country’s best known national baked food manufacturers and distributors. Holiland will use a combination of two Shining Probiotics products, *Lactobacillus acidophilus* and *Bifidobacterium bifidum* (“LA-BB”), in its newly introduced bakery products, such as probiotics mousse cake and probiotics iced dessert. LA-BB is helpful in maintaining a balanced gastrointestinal tract. The Holiland product packaging will include China-Biotics’ registered “Shining Probiotics” trademark.

“We are pleased to begin this partnership with Holiland, which is one of the largest suppliers of bakery products in China,” said Mr. Jinan Song, China-Biotics’ Chairman and Chief Executive Officer. “This is our second customer to use our probiotics as a baking ingredient; further broadening our solid customer base and expanding our target market. We believe our expertise in the application of probiotics as food additives will continue to attract more business opportunities in this rapidly growing market. In addition, once we unveil our new bulk additives plant in 2009, we will be able to widen the scope of offerings to our customers.”

Economic growth in China exceeded 10% for a fifth consecutive year in 2007 and as the standard of living increases, so does public awareness of health and dietary issues.

Demand for health foods is expected to reach \$9.7 billion by 2010, according to Pacific Bridge Medical. Various applications of probiotics in daily food, such as dairy products or bakery products, will benefit consumers' intestinal health.

“Our close working relationship with leading food suppliers in China creates an innovative health concept which lessens peoples' reliance on medicine, especially anti-biotics. We are confident with our growth strategy as a pioneer in the promising new market,” said Mr. Song.

About Holiland

Established in 1992, Holiland Group is one of the best known national baked food manufacturers and distributors in China. It owns a number of factories that comply with HACCP and ISO9000 standards. It has a large product portfolio that includes cakes, biscuits and pastries. With 500 retail stores in 50 cities in China, Holiland is one of the best known brands in China. For more information, please visit <http://www.holiland.com.cn>.

About China-Biotics, Inc.

Headquartered in Shanghai, China-Biotics, Inc. (“China-Biotics”, “the Company”) was founded in 1999 and is one of China's largest suppliers of probiotics. Probiotics are beneficial live bacteria used as dietary supplements and food additives to improve intestinal health and digestion. The Company's product portfolio contains live microbials made with proprietary technology. Currently, these products are sold over-the-counter under the “Shining” brand through large distributors to more than 1,000 pharmacies and 100 supermarkets in Shanghai, Jiangsu and Zhejiang. Shining is one of the most recognized brands in Shanghai. China-Biotics plans to expand its retail sales to other major cities in China and is launching 300 Shining brand logistic centers in these cities. The Company's flagship product, “Shining Essence”, has been a profit driver since its launch in April 2001. There is a significant demand for probiotics for use in the bulk additive market, which is currently met by imports. China-Biotics is building a new plant which will increase its production capacity manifolds to capture this market. For more information, please visit <http://www.chn-biotics.com>.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such factors include, but are not limited to, the Company's ability to market existing and new products, ability to access to capital for expansion, and changes from anticipated levels of sales, future national or regional economic and competitive conditions, changes in relationships with customers, dependence on its flagship product profits and other factors detailed from time to time in the Company's filings with the United States Securities and Exchange Commission and other regulatory authorities. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future

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