



Contact:
CCG Elite Investor Relations
Crocker Coulson, President
Phone: +1-646-213-1915 (New York)
E-mail: crocker.coulson@ccgir.com
Website: <http://www.ccgelite.com>

For Immediate Release

China-Biotics, Inc. to Supply Probiotics to Pharmaceutical Company

Shanghai, China – June 26, 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 Jiangxi Lijia Pharmaceutical Co., Ltd. (“Lijia”) to supply probiotics for Lijia’s probiotics-based dietary supplements in both powder and tablet forms. The agreement runs through May 2009.

Lijia will use a combination of two Shining Probiotics, *Bifidobacterium adolescentis* and *Bifidobacterium infantis*, as additives in its newly developed dietary supplement powders and tablets. These probiotics will help to reduce the symptoms of lactose intolerance, to improve gastrointestinal tract health and to boost immune system health.

“We are delighted to begin providing our Shining Probiotics products to Lijia, a well-known, GMP-certified pharmaceutical company with many different products,” said Mr. Jinan Song, China-Biotics’ Chairman and Chief Executive Officer. “This is our first bulk additives customer specializing in the manufacturing of pharmaceuticals and supplements, an important part of our bulk additives growth strategy. We look forward to adding more bulk customers in new industries, which will further diversify our revenue stream. We are also excited to add new delivery forms of probiotics, which will further advance the public’s health.”

About Jiangxi Lijia Pharmaceutical Co., Ltd.

Based in Jiangxi Province, China, Lijia is engaged in the development, manufacturing and distribution of pharmaceuticals and supplements. It manufactures more than 60

products in its GMP-certified facility. Lijia's sales network spans more than 20 provinces in China.

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 events or otherwise.

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