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For Immediate Release

China-Biotics, Inc. Expands Retail Store Network

Shanghai, China – August 1, 2007 – China-Biotics, Inc. (OTC BB: CHBT), a leading Chinese firm specializing in the research, development, manufacture, marketing and distribution of probiotics dietary supplements, today announced it opened five additional retail stores in July, increasing the total number of company-owned retail stores to 14.

Among the five new retail stores, three are located in Shanghai, raising the total number of stores to 12 in this region. The remaining two new stores are located in Changchun, one of the major cities in Northeast China, which is a new market for China-Biotics' retail chain network expansion program. By expanding into Changchun, which has more than 7 million residents, the Company has begun to develop a potentially large market for probiotics products.

Located in commercial and residential areas of these two cities, each store is between 535 and 760 square feet and offers nine products, including the Company's flagship product, Shining Essence. The others are Shining Signal, Shining Energy, Shining Golden Shield (in adult and children's dosages), Shining Stomach Protection, Shining Beauty Essence, Shining Sicanel and Shining Companion Bifidus Factor.

“With a network of 12 retail stores in Shanghai and two in Changchun, China-Biotics is seeing rapid growth in our retail expansion strategy. Through our own stores, we will be able to reduce time to market as we launch more of our new probiotics products without relying on intermediate distributors,” said Mr. Jinan Song, Chief Executive Officer and Chairman of China-Biotics. “We are on track with our plan to open 100 stores by the end of the 2008 fiscal year.”

About China-Biotics, Inc.

China-Biotics, Inc. (“China-Biotics”, “the Company”), a leading manufacturer of biotechnology products and supplements, engages in research, development, marketing and distribution of probiotics dietary supplements. Through its wholly owned subsidiary, Shanghai Shining Biotechnology Co., Ltd., the Company has operations in Shanghai. Its proprietary product portfolio contains live microbial nutritional supplements under the “Shining” brand. Currently, the products are sold OTC through large distributors to pharmacies and supermarkets in Shanghai, Jiangsu, and Zhejiang. China-Biotics plans to launch 300 Shining brand stores in major cities in China during the next two years. The Company’s flagship product, “Shining Essence,” was approved by the Chinese Ministry of Health for production and to market as a health product in August 2000, and has been a profit driver since its launch in Shanghai in April 2001. Currently, China-Biotics is strategically expanding its production capacity of probiotics to meet growing demand in the bulk additive market.

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, market acceptance of its retail store concept, 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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