

China-Biotics, Inc. Provides Preliminary FY2011 Third Quarter Revenue

Shanghai, China, January 24, 2010 -- China-Biotics, Inc. ("China-Biotics" or "the Company"), (NASDAQ: CHBT) the leading developer, manufacturer and distributor of probiotics products in China, today announced preliminary, unaudited revenues for fiscal year 2011 third quarter ended December 31, 2010.

Preliminary unaudited fiscal year 2011 third quarter revenues were between \$32 million and \$33 million compared with \$23 million for the same period in fiscal year 2010. The strong top line growth was mainly due to the ongoing demand of the company's retail nutritional supplement products and growing acceptance of its bulk additive and cultures probiotics products by Chinese animal feed and dairy producers. Encouraged by the government, both the academia and corporations have been increasing their efforts in expanding the application of probiotics as well as its potential as a replacement for anti-biotics in China. China-Biotics continues to invest in R&D and has increased exchanges with multinational probiotics producers. The company has scheduled to report its fiscal year 2011 third quarter results on Feb 9, 2011.

As of December 31, 2010, total bulk customers were 51, including 22 additives customers in animal feed, functional food and pharmaceuticals, as well as 29 customers in dairy cultures. Bulk additive and cultures products are sold under the brand name "Biogrowing" (English) or "Runying" (Chinese pronunciation). In addition, there were a total of 34 retail distributors, including the 4 recently contracted distributors in the Pan-Beijing area and online shopping platform Rokuten, selling the Company's retail products in malls, supermarkets, functional food stores and online. In light of double digit rise in labor costs and leases in operating retail outlets in metropolitan areas in China, the company has successfully shifted its retail product sales channels through larger established distributors and online shopping platform.

Mr Jinan Song, Chairman and CEO of China-Biotics, commented, "We have made great efforts to provide corporate transparency, uphold corporate reputation and enhance our shareholders' value. In the recent quarters, our ability to continue to sign new customers, expand business and attract new talents to join our company speak volume for our company's value, future prospects and strategic position in the industry. We are confident that the viability and sustainability of our probiotics business will eventually be fully and fairly recognized by investment community."

About China-Biotics

China-Biotics, Inc. ("China-Biotics" or "the Company"), a leading manufacturer of biotechnology products and supplements, engages in the research, development, marketing and distribution of probiotics dietary supplements in China. Through its wholly owned subsidiaries, Shanghai Shining Biotechnology Co., Ltd. and Growing Bioengineering (Shanghai) Co. Ltd., the Company develops and produces a proprietary product portfolio. Currently, its retail products are sold over the counter, mainly through large distributors, to pharmacies and supermarkets in Beijing, Shanghai, and Jiangsu and Zhejiang provinces. The Company also sells bulk products to institutional customers such as dairy and animal feed producers as well as pharmaceutical companies. In February 2010, China-Biotics began its commercial production in China's largest probiotics production facility to meet the growing demand in China. For more information, please visit <http://www.chn-biotics.com>.

Safe Harbor Statement

The information in this release contains forward-looking statements which involve risks and uncertainties, including statements regarding the Company's capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements, which may be identified by terminology such as "may," "should," "will," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "forecast," "project," or "continue," the negative of such terms or other comparable terminology. Readers should not rely on forward-looking statements as predictions of future events or results. Any or all of the Company's forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions, risks and uncertainties and other factors which could cause actual events or results to be materially different from those expressed or implied in the forward-looking statements. In evaluating these statements, readers should consider various factors, including the risks described in "Item 1A. Risk Factors" beginning on page 17 and elsewhere in the Company's 2010 Annual Report on Form 10-K. These factors may cause the Company's actual results to differ materially from any forward-looking statement. In addition, new factors emerge from time to time and it is not possible for the Company to predict all factors that may cause actual results to differ materially from those contained in any forward-looking statements. The Company disclaims any obligation to publicly update any forward-looking statements to reflect events or circumstances after the date of this document, except as required by applicable law.

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