

China-Biotics Wins First US Customer

SHANGHAI, March 18, 2011 -- China-Biotics, Inc. (Nasdaq: CHBT - News) ("China-Biotics" or "the Company"), the leading developer, manufacturer and distributor of probiotics products in China, today announced that the Company has entered into an agreement with a US based nutritional product company.

This new contract marks the major milestone in the China-Biotics' corporate history as it is the first contract win outside of China. The company's R&D representatives recently attended Natural Product Expo West in Anaheim, California, which attracted approximately 3400 exhibitors and a wide array of health food industry participants.

Mr. Jinan Song, CEO and Chairman of China-Biotics, commented, "we are very excited about winning our first overseas customer, in a market which not only carries the world's leading standard in food safety but also consumes large volume and varieties of health food. This is a solid testimony that our product quality and technology capability have been received by the international market. With this new win, we are now officially a new contender for the US market, which is historically dominated by European probiotics producers. We are confident that this is just the start of our future expansion in the international market."

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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