

Press Release



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Synutra International, Inc. Announces New Product Launches

Additions in Super Series and U-Smart Gold and segmentation in U-Strong Series aim to enhance brand appeal and broaden market coverage and product lines

March 22, 2006, Qingdao, China/Rockville, MD, USA. Synutra International, Inc. (OTCBB: SYUT), a leading manufacturer of dairy-based nutritional products for infants and adults in China, announces the launch of one new product and two product line extensions beginning April 1, 2006. Dr. Willie Wu, Vice President, Marketing and Sales, commented, "These scheduled launches will help solidify Synutra's position as a leading manufacturer and marketer of infant formulas in China, enabling us to further expand into the fast-growing premium sector while broadening our already formidable presence in the vast medium-priced sector."

U-Smart Gold: Building on Leading Brand to Tap into the Fast Growing Premium Sector

The launch of U-Smart Gold in formulation phases 1, 2 and 3 will help expand Synutra's current leading brand, U-Smart, into the premium infant formula sector. While the total Chinese infant formula market grew year-on-year by nearly 50% in the first half of 2005, the premium sector grew year-on-year by an impressive 84%*. This was driven in part by growing consumer acceptance of infant formulas and by increasing recognition of the brain development benefits associated with premium formula products. Along with the company's existing Super Series premium line, the U-Smart Gold Series will accelerate Synutra's expansion into the premium sector, tapping this growth opportunity by featuring nutrients that are considered essential for normal brain and eye development. Priced at levels 50% above the regular U-Smart brands, the U-Smart Gold Series launch offers a robust value proposition. Synutra management expects the new series to generate \$7.5 million incremental sales in the fiscal year ending March 31, 2007.

Super 4: Fully Balanced Nutrition for Children Ages 4 - 7

There are approximately 68 million children between the ages of 4 and 7 years old in China, a figure that is roughly 4 times the number of newborns. The consensus among pediatricians is that

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healthy growth and development of children in this age group depends on balanced and complete nutrition. Super phase 4 formula is a line extension designed to meet the nutritional needs of children aged 4 - 7, complementing the premium Super Series phases 0 through 3. Three months after its launch, Synutra management anticipates that Super 4 will reach the shelf of 70% of the stores currently selling the Super Series and is expected to generate \$500,000 in sales. Total Super 4 revenue is projected to be \$1.25 million in the fiscal year ending March 31, 2007.

U-Strong Series Upgrade: Line Extensions Offering Fully Balanced Nutrition for the Rural Market

In 2004, the milk powder market in underdeveloped rural China was estimated to be \$500 million. This market is now growing by 20% on an annual basis, due largely to steady increases in rural income. To fully leverage its marketing prowess and presence in the vast country, Synutra will upgrade the U-Strong series from a calcium-fortified-only milk powder to a fully formulated product line with balanced nutritional benefits relating to brain, bone, and immune system development. At the same time, the upgrade splits the original single offering of U-Strong phase 2 formula into two products, namely: "U-Strong 2, Follow-on Infant Formula," and "U-Strong 3, Children Growth Formula."

Synutra management believes the U-Strong upgrade will help transform the series into the leading brand in the medium and medium-to-lower priced formula sector in three years, with estimated gross annual sales reaching \$30 million.

* Source: AC Nielsen

About Synutra International, Inc.

Synutra operates six subsidiaries developing, producing, distributing and selling dairy-based nutritional products across the People's Republic of China. It offers name brand products for infants, children, adults, pregnant women and nursing mothers under the "Sheng Yuan" label, which means "Great Beginnings" in Chinese. The Group's extensive sales network covers 28 provinces and 227 cities throughout China. For more

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The information contained herein includes forward-looking statements. These statements relate to future events or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. The safe harbor for forward-looking statements contained in the Securities Litigation Reform Act of 1995 protects companies from liability for their forward looking statements if they comply with the requirements of the Act.

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