

Press Release



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Synutra Reports 145% Sales Growth for the First Quarter Ended June 30, 2006

Earnings per share was \$0.18, a 500% increase over the same period in 2005

August 8, 2006, Qingdao, PRC/Rockville, MD, USA -- Synutra International, Inc. (OTCBB: SYUT), one of China's leading manufacturers of dairy-based nutritional products for infants, children and adults, today reported fiscal results for the first quarter ended June 30, 2006. The Company's strong operational and financial performance is detailed in its Form 10-Q, which has been filed with the US Securities and Exchange Commission.

Synutra International, Inc. (Synutra) Chairman and Chief Executive Officer Liang Zhang commented, "I am pleased to report another quarter of increased revenue and profit growth. Our performance this quarter is an indication of management's continued dedication to executing our strategy for profitable growth. We are committed to making and distributing the highest quality products.

"Sales increased by \$25 million to \$42.7 million for the first quarter ended June 30, 2006, a 145% increase from the same period a year ago. This increase was brought about by greater market penetration as a result of successful measures to continue to align compensation with sales performance."

Synutra Vice President of Sales and Marketing Dr. Willie Wu added, "Our first quarter growth in infant formulas stems from expanding brand acceptance across the board, growth in our premium brands such as the Super series; successful new product launches, including the U-Smart Gold lines; and improved line extensions of U-Strong brand formulas. The quarter also saw sales system enhancement designed to improve sales productivity through targeted resource allocation down to the store level. We are confident that Synutra's strong execution and brand building initiatives will drive continued overall growth."

Fiscal First Quarter

Sales in the first quarter ended June 30, 2006 increased by \$25 million or 145% to \$42.7 million as compared to \$17 million for the same three months in 2005. Gross profit was \$22 million or 51% of sales for the three-month period. First quarter net income increased by \$7.4 million, or 434%, to \$9 million from the same three months in 2005. Synutra earned \$0.18 per share in the first quarter, up from \$0.03 earned in same three-month period.

Synutra 10-Q available on-line: www.synutra.com

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Synutra announced on July 24, 2006 its intention to move trading of its common stock from the OTC Bulletin Board to the NASDAQ Global Market (formerly named the NASDAQ National Market), pending a review and approval of its application by the NASDAQ Listing Qualifications Panel. The stock is expected to continue trading under the present symbol "SYUT" at the completion of the transfer.

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 its products for infants, children, adults and pregnant women and nursing mothers under the brand series of "Super," "U-Smart" and "U-Strong." The Group's extensive sales network covers 24 provinces, 227 cities and more than 800 counties throughout China. For more information, please contact Weiguo Zhang of Synutra, Inc. (301 840 3888, wzhang@synutra.com), Brian Rafferty of Taylor Rafferty (212 889 4350, synutra@taylor-rafferty.com) or visit: www.synutra.com.

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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