



Bodisen Biotech Sees Strong Earnings Momentum for Remainder of 2004

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Second Quarter Earnings \$0.12 Per Share, Net Income up 174%

YANG LING--(BUSINESS WIRE)--July 29, 2004--Bodisen Biotech, Inc. (stock symbol: BBOI, website: www.bodisen.com) announced financial results for its second quarter ending June 30, 2004. The following are some of the highlights in its recent quarterly filing with the SEC:

- Earnings of \$0.12 per share doubled compared to Q2 2003;
- 174% increase in net income for Q2 2004 compared to Q2 2003;
- 86% increase in Gross Profit for Q2 2004 compared to Q2 2003;
- Gross margin increased to 47% in Q2 2004 vs. 33% for Q2 2003; and
- Corporate governance: Board consists of a majority of independent board members.

REVENUE

Bodisen generated revenues of \$4,230,205 for the three months ended June 30, 2004 which represented an increase of \$953,887 or 29% compared to \$3,276,318 for the three months ended June 30, 2003. The increase in revenues is primarily attributable to expanded distribution channels, which resulted in increase in our customer base and related volume of recurring and new customer sales.

NET INCOME

Bodisen generated net income of \$1,824,015 for the three months ended June 30, 2004, an increase of \$1,157,321 or 174% compared to \$666,694 for the three months ended June 30, 2003. The increase is attributed to the substantial growth in the demand for the Company's products throughout China and increased sales of products with higher profit margin in the period ended June 30, 2004.

GROSS PROFIT

Bodisen achieved a gross profit of \$1,987,372 for the three months ended June 30, 2004, an increase of \$921,498 or 86%, compared to \$1,065,874 for the three months ended June 30, 2003. Gross margin, as a percentage of revenues, increased from 33% for the three months ended June 30, 2003, to 47% for the three months ended June 30, 2004. The increase in gross margin was primarily attributable to increased sales of products with a higher profit margin such as liquid fertilizers and pesticides, and an increase in purchase volume discounts for raw materials.

Ms. Qiong Wang, Chairman and CEO of Bodisen Biotech commented: "Our business is exceptionally strong and we had a great quarter, which reaffirms our strategy of expanding distribution channels, improving operating efficiency and selling higher margin products. Our distribution network now reaches customers in 20 provinces in China and Vietnam and continues to grow. Since the beginning of the 3rd quarter of 2004, the company continues to see robust demand for its products from customers throughout China. Company management expects strong earnings momentum for the rest of 2004."

Using proprietary technologies, Bodisen sells over 60 packaged products, broken down into three product categories: Organic Compound Fertilizer; Organic Liquid Fertilizer; and Organic Pesticides & Insecticides. Bodisen's organic fertilizers can be absorbed by plants within 48 hours while enriching soil conditions without the damaging effects associated with chemical fertilizers.

About Bodisen Biotech, Inc.

Bodisen is headquartered in Shaanxi, China, an agricultural hub of China and the economic gateway to the western regions of China. The Bodisen brand is a highly respected organic brand in China. Its "green" products support the mandate of the Chinese national government to increase crop yields for the purpose of decreasing China's dependency on food imports. Bodisen's products enjoy brand recognition and a price premium over competitive brands in China. With distribution in 20 provinces and an expanding geographic footprint, Bodisen is well positioned to take advantage of the growing demand for organic agricultural products in China.

Safe Harbor Statement

This press release may contain forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations or beliefs of Bodisen Biotech, Inc. management and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: adverse weather conditions, historical seasonality, loss of customers, increased competition and other risks detailed from time to time in filings with the Securities and Exchange Commission. Consequently, if such management assumptions prove to be incorrect or such risks or uncertainties materialize, the Company's actual results could differ materially from the results forecast in the forward-looking statements.

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