

April 27, 2009

China Sky Removed from Investor's Business Daily 100 List.

On Friday, China Sky One Medical, Inc. (NASDAQ: CSKI) was removed from the Investor's Business Daily IBD 100 list of stocks. The IBD list, updated weekly, compiles stocks selected for certain favorable quantitative metrics. China Sky appeared on the IBD list for only one week. The company also appeared on the IBD list in January, again for only one week.

A report was previously distributed by asensio.com titled "China Sky Placed on Investor's Business Daily 100 List Erroneously." This report questioned the percentage change in earnings per share (EPS) used by IBD as a metric determining China Sky's ranking on the list. The report also questioned the discrepancy between technical factors that determined IBD's ranking of China Sky and an IBD article with a negative view of China Sky's technicals.

[Attached to this report are exhibits](http://www.asensio.com/CSKI/CSKI_EPS.pdf) showing the various discrepancies in China Sky's disclosures on EPS and in the associated calculation of percentage change in EPS.

Two representatives of IBD were contacted on the issue of EPS metric used in IBD's list. One stated, "The quality of China Sky One's accounting is considered lower-tier, but we don't assume the numbers are wrong." The other representative stated that the list "is not a buy or recommendation list of any kind."