



Medical Nutrition USA, Inc.
10 West Forest Avenue, Englewood, NJ 07631

FOR IMMEDIATE RELEASE

Contacts:	<u>Medical Nutrition USA, Inc.</u>	<u>Investor Relations.</u>
	Alan Levy	Andrew Barwicki
	Vice President/Finance	516.662.9461
	Chief Financial Officer	andrew@barwicki.com
	800.221.0308	
	alevy@mnidirect.net	

Medical Nutrition USA Branded Product Sales Increase 31%

FOR IMMEDIATE RELEASE

Englewood, NJ – September 11, 2007/Marketwire. Medical Nutrition USA, Inc. (NASDAQ:MDNU) today announced financial results for the quarter and six months ended July 31, 2007.

Review of Operating Results

Sales for the quarter ended July 31, 2007 increased 23% to \$3,353,300 as compared to \$2,718,900 for the quarter ended July 31, 2006. The increase in sales for the quarter resulted primarily from sales of branded products, which increased 31% to \$2,816,800. Branded product sales consist primarily of the Company's Pro-Stat® line of hydrolyzed, liquid, modular proteins and Fiber-Stat™ liquid fiber supplement.

Sales for the six months ended July 31, 2007 increased approximately 26% to \$6,184,500 as compared to \$4,896,000 for the six months ended July 31, 2006. The increase in sales for the six months resulted primarily from sales of branded products, which increased 35% to \$5,286,000.

Gross profit for the quarter increased approximately 25% to \$1,790,400 or 53% of sales as compared to \$1,433,300, or 53% of sales for the quarter of the prior fiscal year. For the six months ended July 31, 2007, gross profit increased approximately 28% to \$3,332,500 or 54% of sales as compared to \$2,611,100 or 53% of sales for the six months ended July 31, 2006. The increase in gross profit for the quarter was primarily attributable to increased sales of branded products.

Selling, general and administrative expenses (SG&A) for the quarter increased by \$307,300 to \$1,532,900, or 46% of sales, from \$1,225,600, or 45% of sales, as compared to the comparable quarter in the prior year. SG&A for the six months ended July 31, 2007 increased by \$542,000 to \$2,941,300, or 48% of sales, from \$2,399,300, or 49% of sales for the six months ended July 31, 2006. The increase was primarily attributable to increased sales and marketing expenses resulting from expansion of the Company's sales force.

The Company had no interest expense during the quarter and six months of the current fiscal year as compared to \$1,424,300 for the prior year quarter and \$2,657,100 for the prior year six months ended July 31, 2006. The decrease was primarily a result of the completion of the amortization of debt discount related to the Company's 2003 convertible promissory notes and warrants, all of which had been converted into common stock as of January 31, 2007.

Net income for the quarter was \$160,500 or \$0.01 per share, compared to a net loss of \$(1,231,400) or \$(0.12) per share for the quarter ended July 31, 2006. Net Income for the six months ended July 31, 2007 was \$214,200 or \$0.02 per share, compared to a net loss for the six months ended July 31, 2006 of \$(2,427,800) or \$(0.30) per share.

"We are pleased to report continuing robust growth in sales and profitability," said Frank A. Newman, Chairman and Chief Executive Officer. "We expect branded product sales to increase 30-40% in the third quarter as a result of broadening demand for our products, the ongoing roll-out of Pro-Stat Profile™ and the efforts of our expanded sales team."

The Company will host a conference call to discuss these results on Wednesday, September 12th at 11:00 A.M. EDT. To participate, please call 877-407-0778 (US and Canada) and 201-689-8565 (International). Replays will be available shortly after the call at 877-660-6853 (US and Canada) and 201-612-7415 (International). Enter Account # 286 and Conference ID # 253591 to access the replay, which will be available until September 19, 2007.

About Medical Nutrition USA Inc.

Medical Nutrition USA Inc. develops and distributes products for the nutritionally at risk who are under medical supervision. Its products are used primarily in long-term care facilities, hospitals, dialysis clinics and bariatric clinics. The Company's product lines include Pro-Stat®, Fiber-Stat®, as well as private label products.

This press release contains forward-looking statements that are subject to certain risks and uncertainties. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed. Risks and uncertainties that could cause or contribute to such material difference include, but are not limited to, general economic conditions, changes in customer demand, changes in trends in the nursing home, renal care, health food and bariatric surgery markets, changes in competitive pricing for products, and the impact of our competitors' new product introductions. Our future financial condition and results of operations, as well as any forward- looking statements are subject to change and inherent risk and uncertainties. Other important factors that may cause actual results to differ materially from those expressed in forward-looking statements is contained in the Medical Nutrition USA, Inc. Annual Report on Form 10-KSB for the year ended January 31, 2007 as filed with the Securities and Exchange Commission on May 16, 2007 and Form 10QSB for the quarter ended April 30, 2007 as filed on June 14, 2007.

MEDICAL NUTRITION USA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	SIX MONTHS ENDED		THREE MONTHS ENDED	
	JULY 31,		JULY 31,	
	2007	2006	2007	2006
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales	\$ 6,184,500	\$ 4,896,000	\$ 3,353,300	\$ 2,718,900
Cost of sales	2,852,000	2,284,900	1,562,900	1,285,600
Gross profit	<u>3,332,500</u>	<u>2,611,100</u>	<u>1,790,400</u>	<u>1,433,300</u>
Selling, general and administrative expenses	2,941,300	2,399,300	1,532,900	1,225,600
Research and development	91,400	58,400	91,400	58,400
Operating income	<u>299,800</u>	<u>153,400</u>	<u>166,100</u>	<u>149,300</u>
Other income (expense):				
Interest income	199,300	99,300	104,800	67,000
Interest expense	-	(2,657,100)	-	(1,424,300)
Total other income (expense)	<u>199,300</u>	<u>(2,557,800)</u>	<u>104,800</u>	<u>(1,357,300)</u>
Income (loss) before income taxes	499,100	(2,404,400)	270,900	(1,208,000)
Income tax expense	284,900	23,400	110,400	23,400
Net income (loss)	<u>\$ 214,200</u>	<u>\$ (2,427,800)</u>	<u>\$ 160,500</u>	<u>\$ (1,231,400)</u>
Earnings (loss) per common share:				
Basic	<u>\$ 0.02</u>	<u>\$ (0.30)</u>	<u>\$ 0.01</u>	<u>\$ (0.12)</u>
Diluted	<u>\$ 0.01</u>	<u>\$ (0.30)</u>	<u>\$ 0.01</u>	<u>\$ (0.12)</u>
Weighted average common shares outstanding				
Basic	<u>14,084,092</u>	<u>8,034,692</u>	<u>14,108,193</u>	<u>10,514,798</u>
Diluted	<u>15,616,442</u>	<u>8,034,692</u>	<u>15,764,791</u>	<u>10,514,798</u>

MEDICAL NUTRITION USA, INC.

CONSOLIDATED BALANCE SHEETS

	JULY 31, 2007 (Unaudited)	JANUARY 31, 2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 713,300	\$ 8,103,300
Short-term investments	8,224,000	-
Accounts receivable, net of allowance of \$42,200 and \$44,200 at July 31, 2007 and January 31, 2007, respectively	999,100	1,050,300
Inventory	525,400	496,200
Deferred income taxes	760,900	250,500
Prepaid income taxes	220,000	-
Other current assets	187,100	57,800
Total current assets	11,629,800	9,958,100
Fixed Assets , net of accumulated depreciation of \$216,000 and \$189,200, respectively	174,300	162,700
Other assets:		
Deferred income taxes	677,400	1,442,100
Security deposits	15,300	15,300
Investment in Organics Corporation of America	125,000	125,000
Intangible assets, net of amortization	233,500	240,700
	\$ 12,855,300	\$ 11,943,900
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 554,500	\$ 653,200
Accrued expenses	427,600	276,600
Accrued rebates	72,100	94,000
Total current liabilities	1,054,200	1,023,800
Stockholders' Equity:		
Preferred stock \$.001 par value, 5,000,000 shares authorized, no shares outstanding at July 31, 2007 and January 31, 2007	-	-
Common stock, \$.001 par value; 20,000,000 shares authorized; 14,162,011 shares issued at July 31, 2007 and 14,050,145 shares issued at January 31, 2007, respectively	14,200	14,000
Additional paid-in-capital	24,551,000	23,884,400
Accumulated deficit	(12,660,700)	(12,874,900)
	11,904,500	11,023,500
Less: treasury stock, at cost; 22,851 shares as of July 31, 2007 and January 31, 2007	(103,400)	(103,400)
Total stockholders' equity	11,801,100	10,920,100
	\$ 12,855,300	\$ 11,943,900