



Contact: Robert Jaffe
PondelWilkinson Inc.
(310) 279-5980

**LANNETT RECEIVES FDA APPROVAL FOR
HYDROCHLOROTHIAZIDE CAPSULES, 12.5 MG**

Philadelphia, PA – January 30, 2012 – Lannett Company, Inc. (NYSE AMEX: LCI) today announced it has received approval from the U.S. Food and Drug Administration (FDA) of its Abbreviated New Drug Application (ANDA) for Hydrochlorothiazide Capsules, 12.5 mg. Hydrochlorothiazide Capsules, 12.5 mg, is therapeutically equivalent to the reference listed drug, Microzide® Capsules, 12.5 mg, of Watson Pharmaceuticals. Sales of Hydrochlorothiazide Capsules, 12.5 mg, at Average Wholesale Price (AWP) were approximately \$204 million for the 12 months ending October 2011, according to Wolters Kluwer. Shipping is expected to commence shortly.

"We have received approvals for and launched a record number products thus far in fiscal 2012, following a lack of approvals last year," said Arthur P. Bedrosian, president and chief executive officer of Lannett. "Hydrochlorothiazide is an important addition to our offering and represents the eighth product approval (seven ANDAs and one NDA) we have received over the last seven months. We look forward to additional approvals over the next several months."

Hydrochlorothiazide is indicated in the management of hypertension.

About Lannett Company, Inc.:

Lannett Company, founded in 1942, develops, manufactures, packages, markets and distributes generic pharmaceutical products for a wide range of indications. For more information, visit the company's website at www.lannett.com.

This news release contains certain statements of a forward-looking nature relating to future events or future business performance. Any such statements, including, but not limited to, successfully commercializing Hydrochlorothiazide 12.5mg Capsules, whether expressed or implied, are subject to risks and uncertainties which can cause actual results to differ materially from those currently anticipated due to a number of factors which include, but are not limited to, the difficulty in predicting the timing or outcome of FDA or other regulatory approvals or actions, the ability to successfully commercialize products upon approval, Lannett's estimated or anticipated future financial results, future inventory levels, future competition or pricing, future levels of operating expenses, product development efforts or performance, and other risk factors discussed in the company's Form 10-K and other documents filed with the Securities and Exchange Commission from time to time. These forward-looking statements represent the company's judgment as of the date of this news release. The company disclaims any intent or obligation to update these forward-looking statements.

###