

LANNETT COMPANY, INC.
FOR NOVEMBER 16, 2004 RELEASE

***LANNETT® COMPANY, INC. ANNOUNCES THE LAUNCH OF THREE NEW
DRUG PRODUCTS***

PHILADELPHIA, PA – November 16, 2004 – LANNETT® COMPANY, INC. (AMEX: LCI-news), a manufacturer of generic pharmaceuticals, is pleased to announce the launch of three new drug products: Hydromorphone 2 and 4 milligram tablets and a veterinary drug product. Hydromorphone tablets, generic versions of Dilaudid®, marketed by Abbott Laboratories, are narcotic analgesics prescribed for pain. The veterinary drug is the Company's first product in the field of veterinary medicine—it is used in small dogs and cats. All three products are manufactured by Lannett.

The active pharmaceutical ingredient (API) used in Lannett's Hydromorphone tablets is supplied by Cody Laboratories (Cody), based in Cody, Wyoming. Lannett and Cody have collaborated on several generic drug projects, including projects in which Cody manufactures the API exclusively for Lannett. Hydromorphone is the first collaborative project between the two companies which has been successfully brought to the commercial market. The other projects are still in development. The current total annual brand retail sales market volume for Dilaudid® 2 and 4 milligram tablets is approximately \$10 million. The size of the market for the new veterinary product is unknown as this time.

This release contains forward-looking statements, which express the current beliefs and expectations of management. Such statements are based on current expectations and involve a number of known and unknown risks and uncertainties that could cause Lannett's future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include Lannett's ability to successfully develop and commercialize additional pharmaceutical products, the introduction of competitive generic products, the impact of competition from brand-name companies that sell their own generic products or successfully extend the exclusivity period of their branded products, the availability of product liability coverage in the current insurance market, the impact of pharmaceutical industry regulation and pending legislation that could affect the pharmaceutical industry, the difficulty of predicting U.S. Food and Drug Administration and other regulatory authority approvals, acceptance and demand for new pharmaceutical products and new therapies, uncertainties regarding market acceptance of innovative products newly launched, currently being sold or in development, the impact of restructuring of clients, reliance on strategic alliances, exposure to product liability claims, dependence on patent and other protections for

innovative products, fluctuations in currency, exchange and interest rates, operating results and other factors that are discussed in Lannett's Annual Report on Form 10K for its fiscal year ended June 30, 2004 and its other filings with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.