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LANNETT TO COMMENCE MARKETING MELOXICAM FOR ARTHRITIS

Philadelphia, PA January 11, 2007 – Lannett Company, Inc. (AMEX:LCI), a manufacturer of generic pharmaceuticals, announced today that it will shortly commence distributing Meloxicam, the generic equivalent of Boehringer Ingelheim's Mobic®. Sales of Meloxicam, a nonsteroidal anti-inflammatory drug (NSAID) indicated for the relief of the signs and symptoms of osteoarthritis and rheumatoid arthritis, were approximately \$1.4 billion for the twelve months ended November 2006, according to Wolters Kluwer.

Meloxicam will be supplied to Lannett by Unichem Laboratories, Inc., an India-based company with which Lannett formed a strategic alliance in 2004. The U.S. Food and Drug Administration (FDA) recently approved Unichem's Abbreviated New Drug Application (ANDA) for Meloxicam.

"Over the last several years, we have entered into a number of strategic alliances to augment our internal drug development program and expand the company's product offering," said Arthur Bedrosian, president and chief executive officer of Lannett Company. "While other generic manufacturers received their approvals for Meloxicam before Unichem, thus limiting its potential financial contribution to Lannett, we are pleased that our alliance with Unichem has produced its first tangible result and are hopeful of more to come."

About Lannett Company:

Lannett Company, founded in 1942, develops, manufactures, packages, markets and distributes generic pharmaceutical products for a wide range of indications. For more information, visit Lannett Company's Web site 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, 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 Meloxicam and/or other 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.

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