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**LANNETT COMPANY FILES UNIVERSAL SHELF REGISTRATION
STATEMENT ON FORM S-3**

Philadelphia, PA – October 2, 2009 – Lannett Company, Inc. (NYSE Amex: LCI), a manufacturer of generic pharmaceuticals, today announced that it has filed a \$150 million universal shelf registration statement on Form S-3 with the Securities and Exchange Commission (SEC).

Under the shelf registration, if and when declared effective by the SEC, the company and certain selling stockholders may, from time to time, in one or more offerings and at prices and on terms to be determined at the time of an offering, if any, offer for sale up to an aggregate of \$150 million of shares of common stock, debt securities, warrants to acquire common stock or debt securities, or any combination of such securities. Neither Lannett nor the selling stockholders are required to offer or sell the securities in the future under the shelf registration statement. The terms of any offering under the registration statement will be established at the time of the offering.

A registration statement relating to these securities has been filed with the SEC, but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any offering may be made only by means of the prospectus included in the registration statement and one or more related prospectus supplements that may be used with respect to such offering.

A copy of the final prospectus relating to any offering under the registration statement will be filed with the SEC and can be obtained, when available, by contacting Lannett Company, Inc., Attention: Chief Financial Officer, 9000 State Road, Philadelphia, PA 19136.

Information about the selling stockholders, including their identities and the number of shares of common stock to be registered on their behalf, will be set forth in an applicable prospectus supplement.

Lannett will use the net proceeds of any offering for general corporate purposes, including, without limitation, research and development expenses, general and administrative expenses, manufacturing expenses, potential acquisitions of companies, technologies and properties that complement its business (although Lannett is not currently party to any binding agreements or commitments with respect to any such acquisitions) and working capital. Pending these uses, Lannett expects to invest the net proceeds of any capital raised in investment-grade, interest-bearing instruments.

About Lannett Company, Inc.

Lannett, founded in 1942, develops, manufactures, packages, markets and distributes generic pharmaceutical products for a wide range of indications. For more information, visit Lannett'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, the ability of Lannett to offer and sell securities under the registration statement, 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 U.S. Food and Drug Administration 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 Lannett's Annual Report on Form 10-K and other documents filed with the Securities and Exchange Commission from time to time. These forward-looking statements represent Lannett's judgment as of the date of this news release. Lannett disclaims any intent or obligation to update these forward-looking statements.

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