



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

LANNETT RECEIVES APPROVAL TO MARKET BACLOFEN 10MG TABLETS

-- New Dosage Expands Sales Reach --

Philadelphia, PA – July 12, 2007 – Lannett Company, Inc. (AMEX: LCI), a manufacturer of generic pharmaceuticals, today announced that it has received approval from the U.S. Food and Drug Administration (FDA) for its Abbreviated New Drug Application (ANDA) for Baclofen 10mg tablets, bolstering the company’s existing product offering of Baclofen 20mg tablets.

Total U.S. annual sales as of May 2007 for Baclofen 10mg were \$153 million and \$108 million for Baclofen 20mg, according to Wolters Kluwer, a market research firm. Baclofen is useful for the alleviation of signs and symptoms of spasticity resulting from multiple sclerosis, particularly for the relief of flexor spasms and concomitant pain, clonus, and muscular rigidity.

“We are grateful to our employees for their hard work and dedication in bringing about these results and ultimately enhancing the product’s sales opportunity for the company now that we have both strengths,” said Arthur Bedrosian, president and chief executive officer of Lannett. “Lannett has a number of drug applications now pending at the FDA, and while a backlog at the FDA is delaying many drug approvals, we expect to receive more approvals for our products in the coming months.”

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 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, 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 Baclofen and 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.

###