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

LANNETT COMPANY COMMENTS ON RECENT FDA ANNOUNCEMENT FOR LEVOTHYROXINE SODIUM

Philadelphia, PA – October 10, 2007 – Lannett Company, Inc. (AMEX:LCI), a manufacturer of generic pharmaceuticals, is pleased to comment on the recent Food and Drug Administration (FDA) announcement regarding Levothyroxine sodium. The FDA issued a public notice adopting the recommendation of an advisory group of endocrinologists tightening the label specifications for potency range to 95-105%.

As previously announced, Lannett has had an exclusive distribution right with Jerome Stevens Pharmaceuticals, Inc., the manufacturer that holds the first FDA approval for Levothyroxine Sodium.

The company noted to date:

- Jerome Stevens was the first company in the U.S. to receive FDA approval of a New Drug Application for its Levothyroxine sodium products;
- Jerome Stevens has used the same process and formulation for over 16 years;
- Jerome Stevens' Levothyroxine sodium products have never been recalled;
- Jerome Stevens has never had a batch failure on its Levothyroxine sodium products;
- Jerome Stevens' Levothyroxine sodium products have always maintained stability throughout their 24 month expiration date;
- Jerome Stevens' Levothyroxine sodium products meet the new specifications for potency announced by FDA.

"We applaud the FDA's decision to implement a recommendation from the advisory group of endocrinologists. We are dismayed, however, to see the FDA allow the regulated community an additional two years to meet the new standards," said Arthur Bedrosian, president and chief executive officer of Lannett. "Our company continues to supply the market with Jerome Stevens' Levothyroxine sodium products that meet the new standards today. There is no reason why the FDA should not require the new standards to be met immediately.

“Lannett will continue to do all that it can to communicate this information to the various healthcare professionals across the U.S., and we hope to capture a larger share of the market accordingly,” Bedrosian added.

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, including, but not limited to, capturing a larger share of the market, 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 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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