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LANNETT COMPANY GRANTED IMPORT LICENSE FROM DEA

-- Company to Enter Pain Management Market --

Philadelphia, PA –July 28, 2008 – Lannett Company, Inc. (AMEX: LCI), a manufacturer of generic pharmaceuticals, today announced that its wholly owned subsidiary, Cody Laboratories (Cody), a manufacturer/supplier of bulk active pharmaceutical ingredients (API) acquired by Lannett in April 2007, has received approval for its import registration application from the U.S. Drug Enforcement Administration (DEA). This approval allows Lannett, through Cody, to directly import raw materials for processing into controlled substance pain management products.

"The import license allows Lannett to enter the pain management market, which has few competitors and favorable demographics," said Arthur Bedrosian, Lannett's president and chief executive officer. "We have made substantial investments, including upgrading Cody's facilities, necessary to commercialize this opportunity. Adding pain management products to our portfolio will expand and diversify our business and customer base."

In January 2006, Cody applied to the DEA to be registered as an importer of the basic classes of controlled substances. DEA considered a number of factors and determined that the registration of Cody to import the basic classes of controlled substances is consistent with the public interest. DEA investigated Cody, including inspection and testing of the company's physical security systems, to ensure that the company's registration would be consistent with the public interest.

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 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 pain management pharmaceuticals, successfully develop 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 launches, 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, 2007 and its other filings with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of t he 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.

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