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LANNETT ANNOUNCES CLOSING OF REGISTERED PUBLIC OFFERING OF COMMON STOCK

Philadelphia, PA – December 17, 2010 – Lannett Company, Inc. (AMEX:LCI), a manufacturer of generic pharmaceuticals, today announced the closing of its previously announced underwritten registered public offering of 5,000,000 shares of its common stock. The company offered 2,500,000 shares of common stock and a selling stockholder of the company offered 2,500,000 shares of common stock. The net proceeds to Lannett from the sale of the shares, after the underwriting discounts and commissions and estimated offering expenses payable by Lannett, are expected to be approximately \$11.4 million.

The company said it intends to use the net proceeds of the offering for general corporate purposes, including, without limitation, research and development expenses, general and administrative expenses, expansion of its API manufacturing operations at Cody Labs and its dosage operations at Lannett, manufacturing expenses, potential acquisitions of companies, technologies and properties, complementary to Lannett's business (although the company is not currently party to any binding agreements or commitments with respect to any such acquisitions) and working capital. Pending these uses, the company expects to invest the net proceeds in investment-grade, interest-bearing instruments.

Oppenheimer & Co. and Roth Capital Partners acted as co-book running managers, and Emerging Growth Equities acted as co-manager for the offering. The company has also granted the underwriters a 30-day option to purchase up to 750,000 shares to cover over-allotments, if any.

The securities described above are being offered by Lannett and the selling stockholder pursuant to a "shelf" registration statement on Form S-3, Registration Number 333-162318, previously filed with the Securities and Exchange Commission (SEC) and declared effective by the SEC on November 20, 2009. A prospectus supplement related to the offering dated December 14, 2010 and filed with the SEC on December 15, 2010 is available on the SEC's web site at <http://www.sec.gov>. The prospectus supplement and accompanying base prospectus may be obtained by sending a request to Oppenheimer & Co. Inc., Attention: Syndicate Prospectus Department, 300 Madison Avenue, 5th Floor, New York, NY, 10017, Telephone number: (212) 667-8563, Email: EquityProspectus@opco.com. This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

About Lannett Company, Inc.:

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, Lannett's expectations regarding the completion, timing and size of its public offering, 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, risks and uncertainties associated with market conditions, 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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