Elite Pharmaceuticals, Inc. Reports Financial Results for the Fiscal Year Ended March 31, 2011

Release: 6/30/2011

Revenues up 28% - Positive Cash Flow – Lodrane Discontinued

Northvale, New Jersey, Thursday, June 30, 2011: Elite Pharmaceuticals, Inc. (OTC:BB: ELTP), a specialty pharmaceutical company dedicated to developing and commercializing oral controlled release product formulations and the manufacturing of generic pharmaceuticals, announced results for the fiscal year ended March 31, 2011.

Consolidated revenues were $4.3 million, an increase of 28% over last year's revenues of $3.3 million. Elite's operations generated $1.6 million in positive cash flow, compared with negative operating cash flows of $1.4 million last year. The substantial increases in revenues and cash flows, were almost solely derived from the manufacture, sale and lab services related to the Lodrane family of products, which were discontinued in April 2011, in accordance with an announcement by the US Food and Drug Administration (FDA) ordering the removal of approximately 500 cough/cold and allergy products including Lodrane from the US market.

Consolidated loss from operations was $(0.9 million) for the 2011 fiscal year, compared with a loss from operations of $(1.9 million) in the prior year. Elite's reported operating loss this fiscal year includes $1.4 million in charges resulting from a recent decision by the FDA which would be detrimental to the Company. These decisions, which are being appealed, may significantly delay our market entry of two recently purchased ANDAs. Exclusive of these items, the Company would have reported a profit from operations for the year.

GAAP net loss, including non-cash expenses relating to the accounting treatment of preferred share and warrant derivatives was $(13.6 million), compared to a GAAP net loss of $(8.1 million) in the prior year.

Basic and diluted loss per common share was $(0.14) on a weighted average 100.0 million common shares outstanding, this fiscal year, compared to a basic and diluted per common share of $(0.11) and a weighted average common shares outstanding of 75.6 million shares in the prior fiscal year.

Jerry Treppel, Chairman and CEO of Elite commented, "I am extremely proud of all the employees at Elite who helped the Company complete an astonishing operational turnaround from the verge of bankruptcy to an operating profit. Of course we cannot control the decision-making process of the FDA which has negated much of our hard work. Nonetheless, we have generated other revenue producing opportunities and will continue to do so.

The Company will host a conference call to discuss the results of operations and provide an update on recent business developments on June 30, 2011 at 4:30PM EST. Company executives will also conduct a question and answer session following their remarks.

About Elite Pharmaceuticals, Inc.

Elite Pharmaceuticals, Inc. develops oral sustained and controlled release products. Elite's strategy includes assisting partner companies in the life cycle management of products, to improve off-patent drug products, and developing generic versions of controlled release drug products with high barriers to entry. Elite has four ANDA products partnered with TAGI Pharma; one ANDA has launched, two ANDAs are in the process of a manufacturing site transfer and an additional ANDA is currently under review by the FDA. Elite's lead pipeline products, ELI-216, a once-daily abuse resistant oxycodone, and ELI-154, a once-daily oxycodone, are novel sustained release oral formulations of opioids for the treatment of chronic pain, which address two of the limitations of existing oral opioids: the provision of consistent relief of baseline pain levels and deterrence of potential abuse. Elite also has partnered with Mikah Pharma to develop a new product and with Hi-Tech Pharmacal to develop an intermediate for a generic product. Elite operates a GMP and DEA registered facility for research, development, and manufacturing located in Northvale, NJ.
This news release contains forward-looking statements, including those related to the preliminary nature of the clinical program results and the potential for further product development, that involve known and unknown risks, delays, uncertainties and other factors not under the control of Elite, which may cause actual results, performance or achievements of the companies to be materially different from the results,

performance or other expectations implied by these forward-looking statements. In particular, because substantial future testing will be required prior to approval, the results described above may not be supported by additional data or by the results of subsequent trials. These risks and other factors, including the timing or results of pending and future clinical trials, regulatory reviews and approvals by the Food and Drug Administration and other regulatory authorities, and intellectual property protections and defenses, are discussed in Elite's filings with the Securities and Exchange Commission such as the 10K, 10Q and 8K reports. Elite undertakes no obligation to update any forward-looking statements.

Contact:

For Elite Pharmaceuticals, Inc.
Dianne Will, Investor Relations, 518-398-6222
Dianne@elitepharma.com
www.elitepharma.com

This news release contains forward-looking statements, including those related to the preliminary nature of the clinical program results and the potential for further product development, that involve known and unknown risks, delays, uncertainties and other factors not under the control of Elite, which may cause actual results, performance or achievements of the companies to be materially different from the results, performance or other expectations implied by these forward-looking statements. In particular, because substantial future testing will be required prior to approval, the results described above may not be supported by additional data or by the results of subsequent trials. These risks and other factors, including the timing or results of pending and future clinical trials, regulatory reviews and approvals by the Food and Drug Administration and other regulatory authorities, and intellectual property protections and defenses, are discussed in Elite's filings with the Securities and Exchange Commission such as the 10K, 10Q and 8K reports. Elite undertakes no obligation to update any forward-looking statements.