

**LightPath Technologies, Inc. Announces  
First Quarter Fiscal 2007 Financial Results**

**For Immediate Release**

(November 15, 2006) ORLANDO, FL LightPath Technologies, Inc. (NASDAQ: LPTH), a manufacturer and integrator of families of precision molded aspheric optics, GRADIUM® glass products, high-performance fiber-optic collimators and isolators, today announced financial results for its fiscal 2007 first. Our Disclosure Backlog, as defined in our Annual Report on Form 10-K for June 30, 2006, was \$4.1 million at September 30, 2006 compared to \$2.5 million at the same date in the prior year. Principally on the strength of orders for our fiber delivery systems for defense related applications and molded optics for industrial customers our Disclosure Backlog increased approximately 64% from \$2.5 million as of September 30, 2005. Compared to the same period in the prior year, sales increased by 62%, to \$4.4 million for the first fiscal quarter.

**Financial Quick Reference**

(In Millions, except for per share data)	Three Months Ended September 30,	
	2006	2005
<b>Unaudited</b>		
Total revenues	\$ 4.39	\$ 2.70
Total costs and expenses	\$ 4.86	\$ 3.52
Net loss	\$ (0.45)	\$ (0.81)
Net loss per share	\$ (0.10)	\$ (0.22)
Increase\ (Decrease) in cash and cash equivalents	\$ (0.62)	\$ (0.73)

  

(In Millions)	September 30, 2006	June 30, 2006
Cash and cash equivalents	\$ 3.14	\$ 3.76

**Detailed comments about the first quarter of fiscal 2007:** For the quarter ended September 30, 2006, the Company reported total revenues of \$4.39 million compared to \$2.7 million for the same quarter of the previous fiscal year, an increase of 62%. Net loss for the quarter was \$0.45 million, or \$0.10 per share. Our gross margin percentage in the first quarter is higher, at 24%, by four points than in the comparable quarter of the prior year when it was approximately 20%. While we are seeing improved margins from lower material costs, better utilization of our manufacturing plant and from higher volumes of product sales, our efforts to improve margins remain a principal focus. SG&A expenses were increased from \$1.37 million last year to \$1.55 million in this most recent quarter, largely due to stock compensation and legal and professional expenses, which were partially offset by reduced insurance costs. New Product Development expenses were essentially level at \$0.27 million compared to last year's first quarter when it was \$0.26 million, a result of slightly higher personnel costs offset by lower consumable material and outside services costs.

**Cash Status:** For the quarter ended September 30, 2006, net cash declined by \$0.62 million vs. a decrease of \$0.73 million in the same period of the prior year. In the first fiscal quarter of 2007 \$0.33 million was spent on fixed assets to support our cost savings initiatives and our growth.

**Comments:** Ken Brizel, President and CEO of LightPath, stated “We believe the increase in our backlog to \$4.1 million from \$2.5 million at September 30, 2005, coupled with increased sales to customers in the industrial and military markets along with a moderate improvement in the communications market, will result in increased revenue for the second quarter of fiscal 2007 compared to the same period in fiscal 2006. This highlights the importance of our ongoing market diversification initiatives. This quarter cost LightPath’s Shanghai facility produced 40% of the revenue.”

Additional information concerning the Company and its products can be found at the Company’s web site at [www.lightpath.com](http://www.lightpath.com).

**Webcast Details:**

LightPath plans to hold an audio webcast at 3:00 p.m. EST on November 15, 2006 to discuss details regarding the company's performance for the first quarter of fiscal 2007. The session may be accessed at [www.lightpath.com](http://www.lightpath.com). A transcript archive of the webcast will be available for viewing or download on our web site shortly after the call is concluded.

LightPath manufactures optical products, including precision molded aspheric optics, GRADIUM® glass products, proprietary collimator assemblies, laser components utilizing proprietary automation technology, higher-level assemblies and packing solutions. LightPath has a strong patent portfolio that has been granted or licensed to us in these fields. LightPath common stock trades on the Nasdaq Capital Market under the symbol "LPTH." Investors are encouraged to go to LightPath's website for additional financial information.

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*This news release includes statements that constitute forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. This information may involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, factors detailed by LightPath Technologies, Inc. in its public filings with the Securities and Exchange Commission.*