



For Immediate Release:

Lifeway Foods Celebrates Silver Anniversary of Meeting Consumers' Demand for Healthier Options

Building on 25 Years of Active Culture, the Kefir Craze Rolls on

Morton Grove, IL— January 20, 2011 —To celebrate its silver anniversary this year, Lifeway Foods, Inc., (Nasdaq: LWAY) is serving up innovative new offerings that continue to meet consumers' demands for delicious, healthy foods with functional ingredients that contribute to an overall healthier lifestyle.

To commemorate its 25th anniversary, Lifeway is launching a new birthday-cake flavor of its delicious, creamy, smoothie-like beverage, special 25th Anniversary packaging and a nationwide promotional tour that will culminate in company representatives ringing the NASDAQ bell on May 16 in New York City. The festivities are aimed at spreading the word about the immune-building and digestive-health properties of Lifeway's unique line of kefir products. The quarter-century milestone not only celebrates kefir's move into the mainstream, but also signals major success in this quintessential American entrepreneur story.

Lifeway Foods, founded in 1986, has grown under the management of siblings Edward and Julie Smolyansky to nearly \$65 million in annual revenue with nationwide distribution in major supermarkets. The company has pioneered a broad line of products that now include Lowfat Kefir in 11 different flavors, Holiday, Organic and Nonfat varieties. Each offers the fundamental benefits of immune-supporting probiotics in a tasty, convenient, on-the-go, no-spoon-required drink.

"Consumers have grown more aware of the benefits of sustainable food with functional ingredients like probiotics—and the problems that synthetic additives and genetically modified foods can cause. Lifeway has responded with convenient and delicious products that are good for you, too," said Lifeway CEO Julie Smolyansky. "Innovation has been the key to our success and we will continue to deliver new and exciting nutritional products to reach a growing number of consumers."

As consumers' active lifestyles have evolved to demand healthy options that are both convenient and flavorful, Lifeway has introduced new products to meet that demand. Its Green Kefir with Phytoboost™ features the company's proprietary blend of health-promoting green nutrients. The new BioKefir™ 3.5 oz. "power shots" offer targeted health benefits in a range of flavors for those who prefer their probiotic punch in a smaller, low-calorie package. And, its innovative ProBugs™ kids' line has introduced a whole new generation to the yummy, fruit-flavored smoothies that taste so good, kids are eager to drink their "good bugs."

Currently available at more than 5,000 retailers nationwide, the company's Kefir products have not only earned a loyal consumer following, but also the respect and recognition of professional chefs, health and nutrition professionals and even those in the fashion industry. To keep pace with its growing fan

base, Lifeway has recently expanded distribution at Costco, BJ's, Safeway, Walmart and Aldi, to name a few. The company is currently exploring foodservice options through hotels, restaurants, airports, hospitals and other institutional food markets.

As part of the yearlong Silver Anniversary celebration, the Lifeway tour will start in Los Angeles and work its way across the country making a series of appearances at family events, college campuses and consumer events complete with human-powered blender bikes that will mix Lifeway Kefir smoothies on the spot and work to raise \$25,000 for local charities.

For more information about Lifeway Foods' Kefir products, visit www.lifewaykefir.com. To stay updated on Lifeway's 25th Anniversary mobile tour, "Like" Lifeway Kefir on Facebook at www.facebook.com/lifewaykefir or follow Lifeway on Twitter @lifeway_kefir.

Lifeway Foods, Inc.
Phone: 877.281.3874
Email: info@Lifeway.net
www.Kefir.com and www.StarfruitCafe.com

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About Lifeway Foods, Inc.

Lifeway Foods, Inc. (LWAY), recently named one of Fortune Small Business' Fastest Growing Companies for the fifth consecutive year, is America's leading supplier of the cultured dairy products known as kefir and organic kefir. Lifeway Kefir is a dairy beverage that contains 10 exclusive live and active probiotic cultures plus ProBoost™. While most regular yogurt contains only two or three of these "friendly" cultures, Lifeway Kefir products offer greater nutritional benefits and support a healthier life. Lifeway produces various different flavors of its drinkable Kefir and Organic Kefir beverage, and recently introduced a series of innovative new products such as a children's line of Organic Kefir called ProBugs™ with a no-spill pouch and kid-friendly flavors like Goo Berry Pie and Strawnana Split. In addition to its line of Kefir products, the company produces a variety of probiotic cheese products. Lifeway also sells frozen kefir, kefir smoothies and kefir parfaits through its Starfruit™ retail stores.

Lifeway Foods, Inc.
Phone: 877.281.3874
Email: info@Lifeway.net
www.Kefir.com and www.StarfruitCafe.com