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Lifeway Foods, Inc. Declares Second Annual Dividend

MORTON GROVE, IL, May 20, 2013 -- Lifeway Foods, Inc., (Nasdaq: LWAY), a leading supplier of cultured dairy products known as kefir and organic kefir, today announced that its Board of Directors declared an annual cash dividend of \$0.08 per common share. The dividend is payable on June 28, 2013 to shareholders of record as of the close of business on May 31, 2013. As of March 31, 2013, there were 16,346,017 common shares outstanding. Lifeway Foods paid its first annual dividend of \$.07 per share on June 29, 2012.

About Lifeway Foods, Inc.

Lifeway Foods, Inc. (Nasdaq: 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™. In addition to its line of Kefir products, the company produces a variety of Frozen Kefir and probiotic cheese products. Lifeway also sells frozen kefir, kefir smoothies and kefir parfaits through its Starfruit™ retail stores.

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