

Lifeway Foods, Inc.
For Immediate Release

Lifeway announces Free Kefir Giveaway to Celebrate the Launch of New Website, www.lifeway.net

Morton Grove, IL—July 1, 2009—Lifeway Foods, Inc., (NASDAQ: LWAY), makers of the nutritious, probiotic dairy beverage called kefir, announced today a Kefir giveaway to celebrate the launch of their new website, and the 4th of July holiday weekend. Between Thursday July 2, 2009 and Sunday July 5, or while supplies last, consumers can register for a printable coupon for one 32oz bottle of Kefir, and will have through July 6th 2009 to redeem it at participating locations.

Lifeway's new website will be more interactive and extremely user-friendly. Additionally, there are new features such as a virtual kefir bar where visitors can create their very own kefir concoctions, an expanded educational health and wellness section which breaks down the benefits of Lifeway's probiotics, a kids' corner, and much more. Perhaps the most exciting feature is the newly updated store locator, which will help consumers easily locate the nearest retail outlet where they can purchase Kefir, and other Lifeway Foods products as well as allow retailers to add their stores to the locator. This is the first major update to the company's website in over 6 years.

Julie Smolyansky, CEO commented, "Our new website promotion, which coincides with the 4th of July weekend, is our version of the American Stimulus Plan. This is the first time we have ever done a promotion like this, and we are very excited to see the consumer response. Our new website is really geared towards providing a large amount of needed information about our products, probiotics, and health and wellness, while at the same time providing a greater connection with our customers and retailers."

The revamped website also allows for much greater and more frequent interaction with a community of people who are Lifeway customers or those interested in learning more about the company, planned events and promotions, leading a healthy lifestyle and a wide variety of other topics. The Kefir Kommunity blog (found in the Community section) will feature regular posts on these issues, recipes and much more. An active company presence on social networking sites Twitter and Facebook is already allowing for frequent real-time interaction, sharing of information, answering questions from the public and encouraging and cultivating fans of the Lifeway Foods brand and products. Additionally, Flickr and YouTube allow for the sharing and disseminating of multimedia content across the social web. Designed not only to entertain and educate, these initiatives also serve to enhance customer service and company responsiveness in a significant way.

About Lifeway Foods

Lifeway, recently named Fortune Small Business' 97th Fastest Growing Small Business, and one of only 4 companies to ever be named to the list four straight years in a row, is America's leading supplier of the cultured dairy product known as kefir, and now America's only supplier of Organic Kefir. Lifeway Kefir is a dairy beverage that contains Lifeway's exclusive 10 Live and Active probiotic cultures. While most regular yogurt only contains two or three of these "friendly" cultures, Lifeway kefir products offer more nutritional benefits. Lifeway offers 12 different flavors of its Kefir beverage, Organic Kefir and SoyTreat (a soy based kefir). Lifeway recently introduced a series of innovative new products such as pomegranate kefir, Greek-style kefir, a children's line of organic kefir products called ProBugs (TM) in a no-spill pouch in kid-friendly flavors like Orange Creamy Crawler and Sublime Slime Lime, and a line of organic whole milk kefir. Lifeway also produces a line of products marketed in US Hispanic communities, called La Fruta, Drinkable Yogurt (yogurt drinks distinct from kefir). In addition to its line of Kefir products, the company produces a variety of cheese products and recently introduced a line of organic pudding called It's Pudding!

For more information, contact Lifeway Foods, Inc. at (877) 281-3874 or e-mail at info@lifeway.net and visit <http://www.lifeway.net> and <http://www.starfruitcafe.com>

Also find Lifeway Foods, Inc. on Facebook: <http://www.facebook.com/lifeway.kefir>, Twitter: http://twitter.com/lifeway_kefir and <http://twitter.com/starfruitcafe>, Flickr: http://www.flickr.com/photos/lifeway_kefir/ and YouTube: <http://www.youtube.com/user/lifewaykefir>

This news release contains forward-looking statements. Investors are cautioned that actual results may differ materially from such forward-looking statements. Forward-looking statements involve risks and uncertainties including, but not limited to, competitive pressures and other important factors detailed in the Company's reports filed with the Securities and Exchange Commission.