

## **Lifeway Foods, Inc.**

For Immediate Release

### **Lifeway Kefir gains new distribution in Colorado with King Soopers chain**

Morton Grove, Illinois, February 12, 2008-- Lifeway Foods, Inc. (Nasdaq: LWAY), the nation's leading kefir manufacturer announced that 4 flavors of Lowfat Organic Kefir will now be distributed to Colorado's King Soopers Grocery stores, owned by Kroger, based in Cincinnati, Ohio. Shipments of organic Blueberry, Pomegranate/Acai, Raspberry, and Strawberries n' Cream kefir will begin this week. Expanded demo, marketing and advertising in the market is being coordinated in conjunction with Earth Month in April to support new kefir sales at the chain and promote the benefits of organic foods.

"We are incredibly excited that Lifeway Kefir continues to gain acceptance in the mass market grocery chains," exclaimed Julie Smolyansky, Lifeway Foods' President and CEO. Smolyansky also added, "We still have many chains to expand distribution with our conventional and organic kefirs as well as our other new products including ProBugs™ and our multipack kefirs. We will immediately begin to benefit from our recent expansion project and have no concerns over limited capacity."

King Soopers operates about 140 stores in the Colorado area.

#### **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 Julie Smolyansky at Lifeway Foods, Inc. at (877) 281-3874 or e-mail at [info@lifeway.net](mailto:info@lifeway.net) and visit <http://www.lifeway.net>.

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.