

Lifeway Foods Ramps Up Kefir Production at New Waukesha Facility

Morton Grove, IL—August 21, 2015: [Lifeway Foods, Inc.](#) (Nasdaq: LWAY), the nation's leading supplier of kefir cultured dairy products, today announced the beginning of kefir production at the former Golden Guernsey dairy plant in Waukesha, WI, that it acquired in May 2013 to increase its manufacturing capacity. Lifeway has been processing raw milk and producing its own bottles at the plant for more than a year, following major renovations as well as food safety certification of the upgraded facility.

With the global market for probiotics expected to reach USD 52.34 billion by 2020, the company plans to capitalize with their 170,000-square-foot plant that will more than quintuple the combined manufacturing capacity of Lifeway's three existing facilities to support ongoing growth in the company's kefir business. The company plans to produce its top-selling products in Waukesha, taking advantage of both the large space and new high-speed manufacturing equipment to meet the demand for nutritious products from consumers throughout the country.

The Waukesha plant currently employs over 40 people, of whom more than 25% are former Golden Guernsey employees who lost their jobs after a bankruptcy filing closed the 58-year-old business. Lifeway purchased the shuttered plant for \$7.4 million.

"We acquired the Golden Guernsey plant because we urgently needed more production capacity," said Julie Smolyanksy, President and CEO of Lifeway Foods. "Renovating the building to meet our specific manufacturing and packaging needs has been a top priority, and the start of kefir production in Waukesha is an important milestone that will help drive the next chapter in the company's growth."

About Lifeway Foods, Inc.

Lifeway Foods, Inc. (LWAY), recently named one of Forbes' Best Small Companies, is America's leading supplier of the probiotic fermented beverage known as kefir. In addition to its line of drinkable kefir, the company also produces frozen kefir, specialty cheeses and a ProBugs line for kids. Lifeway's tart and tangy cultured dairy products are now sold across the United States, Canada, Latin America and the United Kingdom. Learn how Lifeway is good for more than just you at Lifewaykefir.com.

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Forward Looking Statements

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.

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