Lifeway Foods Introduces New 3.5-Oz. 'BioKefir' Shots: To Your Health!

MORTON GROVE, IL—July 20, 2010—Lifeway Foods, Inc., (NASDAQ: LWAY), the leading U.S. supplier of healthy Kefir beverages, today announced the launch of new probiotic 3.5-oz. Lifeway BioKefir™ shots specifically designed to support immunity, heart health and digestion. Sold in four-packs with just 60 calories each, the new super-powered Kefir drinks will be available in five flavors with more than 20 billion units of live and active probiotic activity – twice the amount in other regular Kefir and similar yogurt varieties.

BioKefir for Immunity – available in Pomegranate/Blueberry and Kiwi/Passion fruit – is packed with Acerola derived from a native plant of the West Indies. Acerola is one of the richest sources of Vitamin C in the world with an average of over 1600mg of vitamin C per 100g of fruit, and is also rich in other antioxidants including carotenoids and anthocyanins. One 3.5-oz serving provides 100% of the USDA's recommended daily value of Vitamin C.

BioKefir for Heart Health – available in Blackberry and Black Cherry – features the power of grape concentrate as well as pomegranate, apple and green tea extracts that pack a punch of antioxidants to fight free radical damage. The antioxidant blend also contains resveratrol that is believed to help ward off carcinogens and provide cardiovascular support.

BioKefir for Digestion – available in Vanilla – balances the digestive ecosystem with an exclusive Lifeway probiotic formula designed to soothe upset stomachs, alleviate diarrhea and help regulate the symptoms of irritable bowel syndrome (IBS) and other digestive ailments. Vanilla BioKefir is also an excellent source of fiber, increasing the digestive benefits.

All five BioKefir flavors contain ProBoost[™], Lifeway's exclusive new blend of live and active probiotic cultures that have been clinically proven to strengthen immune response and alleviate digestive troubles. ProBoost enhances Lifeway's long-time 10-Kefir culture probiotic combination with two new strains − Bifidobacterium lactis HN019 and Lactobacillus acidophilus NCFM − that add extra benefits for building immunity and aiding digestion. All 12 powerful probiotic cultures are contained in every sip of BioKefir.

"Our new BioKefir shots will enable health-conscious consumers to get their daily dose of probiotics, Vitamin C, antioxidants, and fiber quickly, easily and with no interference to their schedules or diets," said Julie Smolyansky, CEO of Lifeway Foods. "The 3.5-oz. package fits with today's fast-paced lifestyles, can be carried anywhere, and ensures that you can always add a health boost to your day."

For more information on the products, please visit www.kefir.com/biokefir or contact:

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

Lifeway Foods, Inc. (LWAY), recently named one of Fortune Small Business' Fastest Growing Companies for the fourth consecutive year, is America's leading supplier of the cultured dairy product, known as Kefir, and Organic Kefir. Lifeway Kefir is a dairy beverage that contains 10 exclusive live and active probiotic cultures. While most regular yogurt contains only two or three of these "friendly" cultures, Lifeway Kefir products offer even more nutritional benefits. Lifeway produces 12 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 (TM) with a no-spill pouch and kid-friendly flavors like Orange Creamy Crawler, Goo Berry Pie, Strawnana Split, and Sublime Slime Lime. In addition to its line of Kefir products, the company produces a variety of probiotic cheese products. Lifeway also sells frozen kefir and kefir smoothies through its Starfruit™ retail stores.

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.