Form 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person
SMOLYANSKY JULIE
C/O LIFEWAY FOODS, INC.
6431 W. OAKTON ST.
MORTON GROVE IL 60053

2. Issuer Name and Ticker or Trading Symbol
LIFEWAY FOODS INC [ LWAY ]

3. Date of Earliest Transaction (Month/Day/Year)
07/17/2013

4. If Amendment, Date of Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
X Director 10% Owner
X Officer (give title below)

President and CEO

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>1. Title of Security (Instr. 3)</th>
<th>2. Transaction Date (Month/Day/Year)</th>
<th>2A. Deemed Execution Date, if any (Month/Day/Year)</th>
<th>3. Transaction Code (Instr. 8)</th>
<th>4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</th>
<th>5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>7. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock, no par value</td>
<td>07/17/2013</td>
<td>S</td>
<td>400</td>
<td>D</td>
<td>$17.91</td>
<td>517,865</td>
<td>D</td>
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<tr>
<td>Common stock, no par value</td>
<td>07/18/2013</td>
<td>S</td>
<td>1,574</td>
<td>D</td>
<td>$19.05</td>
<td>516,291</td>
<td>D</td>
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<tr>
<td>Common stock, no par value</td>
<td>07/18/2013</td>
<td>S</td>
<td>200</td>
<td>D</td>
<td>$19.03</td>
<td>516,091</td>
<td>D</td>
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<tr>
<td>Common stock, no par value</td>
<td>07/18/2013</td>
<td>S</td>
<td>2,600</td>
<td>D</td>
<td>$18.99</td>
<td>513,491</td>
<td>D</td>
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<td>Common stock, no par value</td>
<td>07/18/2013</td>
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<td>22</td>
<td>D</td>
<td>$18.98</td>
<td>513,469</td>
<td>D</td>
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<td>Common stock, no par value</td>
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<td>D</td>
<td>$18.88</td>
<td>512,081</td>
<td>D</td>
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<tr>
<td>Common stock, no par value</td>
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<td>D</td>
<td>$18.75</td>
<td>509,581</td>
<td>D</td>
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<tr>
<td>Common stock, no par value</td>
<td>07/18/2013</td>
<td>S</td>
<td>1,112</td>
<td>D</td>
<td>$18.61</td>
<td>508,469</td>
<td>D</td>
</tr>
<tr>
<td>Common stock, no par value</td>
<td>07/19/2013</td>
<td>S</td>
<td>204</td>
<td>D</td>
<td>$18.95</td>
<td>508,265</td>
<td>D</td>
</tr>
<tr>
<td>Common stock, no par value</td>
<td>07/19/2013</td>
<td>S</td>
<td>5,000</td>
<td>I</td>
<td>See footnote</td>
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</tbody>
</table>

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

<table>
<thead>
<tr>
<th>1. Title of Derivative Security (Instr. 3)</th>
<th>2. Conversion or Exercise Price of Derivative Security</th>
<th>3. Transaction Date (Month/Day/Year)</th>
<th>3A. Deemed Execution Date, if any (Month/Day/Year)</th>
<th>4. Transaction Code (Instr. 8)</th>
<th>5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>6. Date Exercisable and Expiration Date (Month/Day/Year)</th>
<th>7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)</th>
<th>8. Price of Derivative Security (Instr. 5)</th>
<th>9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>11. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
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</thead>
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</table>

Explanation of Responses:
1. Held for the benefit of minor children.

By: /s/ Julie Smolyansky
07/23/2013

http://www.sec.gov/Archives/edgar/data/814586/000107261313000309/xslF345X03/jsmoly... 4/3/2014