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 LUDMILA
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]

5. Relationship of Reporting Person(s) to Issuer
X Director
X 10% Owner

3. Date of Earliest Transaction (Month/Day/Year)
06/19/2013

6. Individual or Joint/Group Filing (Check Applicable Line)
X Form filed by One Reporting Person

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

<table>
<thead>
<tr>
<th>Title of Security (Instr. 3)</th>
<th>Transaction Date (Month/Day/Year)</th>
<th>Deemed Execution Date, if any (Month/Day/Year)</th>
<th>Transaction Code (Instr. 8)</th>
<th>Shares Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</th>
<th>Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4 and 5)</th>
<th>Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock, no par value</td>
<td>06/19/2013</td>
<td></td>
<td>S</td>
<td>1,000</td>
<td>$17.11</td>
<td>7,399,584</td>
<td>I</td>
</tr>
</tbody>
</table>

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

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

Explanation of Responses:

1. The shares are held by the Ludmila Smolyansky Trust 2/1/05, of which Ludmila Smolyansky is the trustee.

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

** Signature of Reporting Person

/Ludmila Smolyansky/ 06/21/2013

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.