

Lifeway Foods Rides Watermelon Kefir Wave to Expanded Seasonal Strategy

Will Release Limited-Edition Flavors on Rotating Schedule to Provide Variety & Drive New Sales

Morton Grove, Ill.—September 10, 2015: Leading kefir supplier [Lifeway Foods, Inc.](#) (Nasdaq: LWAY) announced today that the success of the new Lowfat Watermelon Kefir it introduced in June has prompted a decision to rotate seasonal flavors on an ongoing basis throughout the year. The company will be adding variety to its extensive line of probiotic cultured milk smoothies, creating new opportunities to augment Lifeway's presence in the refrigerated aisle.

Watermelon Kefir, the company's first summer flavor, generated the strongest sales of any limited-edition kefir in Lifeway's history and will remain on store shelves through September. Seasonal Pumpkin Spice, Eggnog and Cranberry Crème Brulee Kefir varieties that previously made periodic holiday appearances will be released in small batches in September, November and December, respectively. In addition, a new spring flavor now under development is scheduled to debut in March.

The five limited-run Lifeway Kefir varieties will provide continuous seasonal coverage, complementing the kefir varieties in the company's year-round lineup. In 2016, the company will also be re-releasing its popular Birthday Cake flavor in honor of Lifeway's 30th anniversary.

"Our Watermelon Kefir is the fourth seasonal flavor we have introduced since 2009. It practically flew off the shelves because it was clearly a product that would be available for a limited time only and shoppers wanted to grab it before it disappeared. That convinced us to expand our seasonal strategy to ensure that there is always a special, limited-run flavor for shoppers to buy," said Lifeway CEO Julie Smolyansky. "It's a way to vary the menu for regular kefir drinkers, attract new customers by offering unusual flavor profiles, and continue to build our footprint in the market."

Each of the three limited edition flavors will contain just 140 calories per serving, 11 grams of protein, and Lifeway's signature 12 live and active probiotic cultures. Pumpkin Spice delivers a distinctive blend of cinnamon, ginger, nutmeg and pumpkin that evokes the essence of fall; Cranberry Crème Brulee bursts with the rich flavor of vanilla custard and caramelized sugar infused with tangy cranberry; and Eggnog Kefir is a creamy alternative to calorie-laden traditional eggnog for a healthy holiday pick-me-up.

All three 32 oz SKUs will feature the new labeling style that debuted on the company's Watermelon Kefir, including high-impact graphics and easy-to-see nutritional content information on the front of the bottles. Like all Lifeway kefir products, they are also all-natural, gluten-free and 99 percent lactose-free.

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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