**SEC Form 5**

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**ANNUAL 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

**Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).**

**Form 3 Holdings Reported.**

**Form 4 Transactions Reported.**

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**1. Name and Address of Reporting Person**

<table>
<thead>
<tr>
<th>(Last)</th>
<th>(First)</th>
<th>(Middle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMOLYANSKY JULIE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C/O LIFEWAY FOODS, INC.

6431 W. OAKTON ST.

MORTON GROVE, IL 60053

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**2. Issuer Name and Ticker or Trading Symbol**

| LIFEWAY FOODS INC | LWAY |

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**3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)**

12/31/2014

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**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 at end of Issuer's Fiscal Year (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>12/22/2014</td>
<td>G</td>
<td>777</td>
<td>A</td>
<td>$0</td>
<td>513,042</td>
<td>D</td>
</tr>
<tr>
<td>Common Stock, no par value</td>
<td>12/22/2014</td>
<td>G</td>
<td>2,331</td>
<td>D</td>
<td>$0</td>
<td>510,711</td>
<td>D</td>
</tr>
<tr>
<td>Common Stock, no par value</td>
<td>12/22/2014</td>
<td>G</td>
<td>3,108</td>
<td>A</td>
<td>$0</td>
<td>8,108</td>
<td>I</td>
</tr>
<tr>
<td>Common Stock, no par value</td>
<td>12/22/2014</td>
<td>G</td>
<td>1,554</td>
<td>A</td>
<td>$0</td>
<td>1,554</td>
<td>I</td>
</tr>
</tbody>
</table>

See Footnote (1) and Footnote (2)

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**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. 4)</th>
<th>10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>11. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
</table>

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**Explanation of Responses:**

1. Held for the benefit of minor children.
2. Held by the Reporting Person's spouse.

/s/ Julie Smolyansky

**Signature of Reporting Person**

02/09/2015

Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).


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.