LIFEWAY FOODS, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box)

☑ No fee required.
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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LIFEWAY FOODS, INC.
SUPPLEMENT TO PROXY STATEMENT

This document (this "Supplement") supplements the definitive proxy statement dated April 29, 2016 (the "Proxy Statement") filed on Schedule 14A by Lifeway Foods, Inc., an Illinois corporation (the "Company"), in connection with the Company's 2016 Annual Meeting of Shareholders to be held on June 17, 2016 at 2:00 p.m., local time (the "Annual Meeting"), at the Holiday Inn, 5300 W. Touhy Avenue, Skokie, Illinois 60077. The Proxy Statement was mailed to the Company's shareholders (the "Shareholders") on or about April 29, 2016.

Except as described in this Supplement, the information provided in the Proxy Statement continues to apply and this Supplement should be read in conjunction with the Proxy Statement. To the extent the following information differs from, updates or conflicts with information contained in the Proxy Statement, the information contained herein controls.

Supplemental Disclosures

On June 16, 2016, the Company announced that Susie Hultquist informed the Company that she had chosen not to stand for election as a director of the Company at the Annual Meeting in order to focus on other business opportunities, including her new venture, Spokin, a native mobile app (now in the development stage) that will help users fighting food allergies to meaningfully connect. As a result, all references to Susie Hultquist as a director nominee should be removed from the Proxy Statement.

The Company's board of directors (the "Board") will consider whether to fill the vacancy on the Board or reduce the size of the Board subsequent to the Annual Meeting.

The Board does not intend to circulate updated proxy cards, as any votes with respect to Susie Hultquist will be disregarded. If a Shareholder has already submitted a proxy card, the persons named as proxies therein will vote the Shareholder's shares of common stock as indicated on the proxy card submitted. Because Susie Hultquist, however, has withdrawn herself from consideration as a nominee on the Company's slate of director nominees, the persons named as proxies on the proxy card will vote in the manner indicated on the submitted proxy card only with respect to the remaining seven director nominees unanimously recommended by the Board: (1) Ludmila Smolyansky; (2) Julie Smolyansky; (3) Pol Sikar; (4) Renzo Bernardi; (5) Paul Lee; (6) Jason Scher; and (7) Mariano Lozano.

The section of the Proxy Statement entitled "PROPOSAL ONE ELECTION OF DIRECTORS" is hereby superseded and replaced by the disclosure set forth below under the same caption.

PROPOSAL ONE
ELECTION OF DIRECTORS

The Board currently consists of seven (7) directors, each of whom have been nominated for re-election, and one (1) vacancy. Shareholders and their proxies cannot vote for more than eight (8) persons at the Annual Meeting. Each nominee has consented to being named as a nominee for election as a director and has agreed to serve if elected. At the Annual Meeting, directors will be elected to serve one-year terms expiring at the next annual meeting of shareholders or until their successors are elected or until their earlier resignation or removal.

The directors shall be elected by a plurality of the Votes Cast at the Annual Meeting. A "plurality" means that the individuals who receive the largest number of Votes Cast are elected as directors up to the maximum number of directors to be elected at the Annual Meeting. If any nominee is not available for election at the time of the Annual Meeting (which is not anticipated), the proxy holders named in the proxy, unless specifically instructed otherwise in the proxy, will vote for the election of such other person as the existing Board may recommend, unless the Board decides to reduce the number of directors of the Company. Certain information about the nominees to the Board is set forth below.
MARIANO LOZANO, 49, has been a director of the Company since March 2015. He is an Argentine citizen and was appointed President and CEO of the Dannon Company, Inc., effective January 1, 2014. From March 2009 to December 2013, Mr. Lozano was General Manager of DANONE Brazil. Mr. Lozano started his career in various sales functions at Cervecería y Maltería Quilmes, leader of the Argentinean beer market, and was then appointed Sales Director of Pilsbury Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in Africa. From 2000 to 2004 he was General Manager of Sales and Marketing for DANONE and La Serenisima products in Argentina. Mr. Lozano started his career in various sales functions at Cervecería y Maltería Quilmes, leader of the Argentinean beer market, and was then appointed Sales Director of Pilsbury Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in Africa. From 2000 to 2004 he was General Manager of Sales and Marketing for DANONE and La Serenisima products in Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in Africa. From 2000 to 2004 he was General Manager of Sales and Marketing for DANONE and La Serenisima products in Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in Africa. From 2000 to 2004 he was General Manager of Sales and Marketing for DANONE and La Serenisima products in Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in Africa. From 2000 to 2004 he was General Manager of Sales and Marketing for DANONE and La Serenisima products in Argentina. Mr. Lozano joined DANONE in March, 2000 as General Manager of Logistica La Serenisima S.A., in charge of sales and distribution for DANONE and La Serenisima products in Argentina. From 2004 to 2006 he was General Manager of DANONE Slovakia and from January 2006 to May 2009, General Manager of DANONE Clover (Pty) in
South Africa. Mr. Lozano has been designated by DS Waters, LP (as the related successor to The Dannon Company, Inc.) to be its representative to the Board. Mr. Lozano holds an Industrial Engineer Diploma from the University of Buenos Aires, Argentina and brings deep industry experience. Mr. Lozano devotes as much time as necessary to the business of the Company and currently holds no other directorships in any other reporting company.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF THE NOMINEES NAMED ABOVE.