

**P R E S S R E L E A S E**Press Page

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GALAXY FOODS ANNOUNCES DISTRIBUTION TO ALE HOUSE RESTAURANTS

ORLANDO, FLORIDA (March 23, 1999) - Galaxy Foods Company (NASDAQ: GALX), makers of healthy cheese and dairy-related products, today announced distribution to The Ale House chain of restaurants. The Ale House is a very progressive and successful casual dining chain of restaurants with 22 stores throughout Florida. The chain is poised for rapid expansion with plans to add 8 new stores by September 1999. Galaxy will be supplying cheese products for use on the restaurant chain's popular nachos and other menu items. Galaxy has received the first order which is expected to ship by the end of this month.

Galaxy's president, Angelo Morini, stated, "We are very pleased about the addition of The Ale House to our growing list of foodservice customers. We feel we can provide foodservice customers with great tasting, healthy products at a competitive price. The plan is to begin a progressive roll out to the various stores within the chain over the next several months. Once the roll out is complete, we expect this new business to yield approximately \$3.5 million in annual sales for Galaxy. We believe a megatrend shift to health and food safety is now taking place in the food industry; the foodservice channel represents half of this total business. The freedom of choice markets are now firmly established in the health position and we expect foodservice to follow this trend. Galaxy is the number one growth brand in its category in Retail and Health food stores, we hope to duplicate this success in foodservice"

Galaxy Foods Company is the inventor and originator of a new, healthier and better way to make cheese and dairy-related products. Galaxy's products are primarily low or no fat (no saturated fat), have no cholesterol and no lactose and contain more vitamins and minerals than conventional cheese. Galaxy brand names include Veggie, formägg, Soyco, Soymage, Wholesome Valley, and Lite Bakery. For more information, contact Tracy Rushwin at (407) 855-5500, extension 105. You may also obtain more information from our site on the World Wide Web at <http://www.galaxyfoods.com>.
