

**P R E S S R E L E A S E**

Press Page

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Contact

Wilma Williams, Investor Relations
Galaxy Nutritional Foods
407/855-5500
wwilliams@galaxyfoods.com

Jennifer Colbert, Robert Rinderman
Jaffoni & Collins Incorporated
212/835-8500
gxy@jcir.com

GALAXY FOODS REPORTS RECORD REVENUES AND PROFITABLE FISCAL 2001 SECOND QUARTER

ORLANDO, Florida (November 6, 2000) - Galaxy Foods Company (AMEX: GXY), a leading producer of nutritional, health-promoting dairy and dairy related alternatives for the retail, foodservice and industrial markets, today announced financial results for its fiscal 2001 second quarter and six-month periods ended September 30, 2000.

For the three months ended September 30, 2000, net sales increased 16% to a record level of \$12.2 million, versus \$10.5 million in the comparable period of the prior year. Net income for the second quarter of fiscal 2001 was \$712,230, or \$0.07 per diluted share, compared to \$784,720, or \$0.08 per diluted share in the second quarter of fiscal 2000.

Galaxy achieved net sales growth of 12% to \$23.5 million in the six-month period ended September 30, 2000, versus \$20.9 million in the first half of fiscal 2000. Net income for the first half of fiscal 2001 was \$1,401,554, or \$0.15 per diluted share, compared to \$1,400,404, or \$0.15 per diluted share in the six months ended September 30, 1999.

Commenting on the results, Chief Financial Officer Keith Ewing, stated, "Fiscal 2001 second quarter results were in line with Company and Wall Street expectations. Strong sales growth in our flagship Veggie line and Soyco line more than offset a planned decline in our lower margin private label business. Profit margins were lower due to increased marketing expenses incurred to expand distribution, enhance brand recognition and secure product placement."

President, Chairman and Chief Executive Officer Angelo Morini, commented, "We are continuing to implement methods for building Galaxy and its profitability with the goal of enhancing shareholder value. Strategic marketing initiatives are intended to enhance consumer awareness of the Veggie and Soyco brands in the second half of this fiscal year, ramping up demand in conjunction with increased manufacturing capabilities derived from the installation of our new equipment. Additionally, we are streamlining corporate

operations in an effort to remain a lean, efficient organization."

About Galaxy Foods Company

Galaxy Foods Company is a leading producer of health-promoting dairy and dairy related alternatives for the retail, foodservice and industrial markets. The Company's plant-based products are low or no fat (no saturated fat), have no cholesterol and no lactose and contain more vitamins and minerals than conventional dairy products. Galaxy products, available at health food stores and grocers, are part of the nutritional or functional food category, the fastest growing segment of the retail food market. Galaxy brand names include Veggie Milk™, Veggie Slices™, formägg®, Soyco®, Soymage®, Wholesome Valley™, and Lite Bakery®. For more information, please visit the Company's web site at www.galaxyfoods.com.

This press release contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, or other factors which may cause actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on those forward-looking statements which speak only as of the date hereof. The company undertakes no obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect unanticipated events or developments.

Galaxy Chairman, President and CEO Angelo Morini and CFO Keith Ewing will be hosting a conference call and simultaneous Webcast today, November 6, 2000 at 11:00 a.m E.S.T., which are open to the general public. The conference call dial-in number is 888/604-5272. The Webcast of the call will be available at www.vcall.com