

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

Press Page

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**SUBWAY FOUNDER INCREASES OWNERSHIP IN
GALAXY NUTRITIONAL FOODS**

ORLANDO, Florida (November 12, 2001) - Galaxy Nutritional Foods (AMEX: GXY), a leading producer of nutritious plant-based dairy alternatives for the retail and foodservice markets, today reported that Mr. Fred DeLuca, the Founder and Chairman of Subway, the number one fast-food chain in the nation with over 15,604 restaurants in 73 countries, increased his ownership position in Galaxy to 571,429 shares of common stock representing 5.8% of the total number of shares outstanding.

Galaxy Chairman, Angelo S. Morini, stated, "On October 1, we reported that the John Hancock Small Cap Value Fund increased its stake in Galaxy from 10.5% to 16.5%. Now, I am extremely pleased that Mr. DeLuca has shown his belief in our products and our future by increasing his position as well. I believe both Mr. DeLuca, one of our nation's leading entrepreneurs, and John Hancock, a great American institution, have given Galaxy a significant vote of confidence by their actions."

ABOUT GALAXY NUTRITIONAL FOODS

Galaxy Nutritional Foods is the leading producer of health-promoting plant-based dairy and dairy-related alternatives for the retail and foodservice markets. These phytonutrient-enriched products, made from nature's best grains - soy, rice and oats - are low and no fat (no saturated fat and no trans-fatty acids), have no cholesterol, no lactose, are growth hormone and antibiotic free and have more calcium, vitamins and minerals than conventional dairy products. Because they are made with plant proteins, they are more environmentally friendly and economically efficient than dairy products derived solely from animal proteins. Galaxy's products are part of the nutritional or functional foods category, the fastest growing segment of the retail food market. Galaxy brand names include: Veggie™, Nature's Alternative, Galaxy™, Soyco™, Soymage™, Wholesome Valley™, formägg®, Lite Bakery®, Veggie Café™ and Veggie Lite Bakery™. For more information, please visit Galaxy's website 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.