

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

Press Page

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Galaxy Nutritional Foods® Expands Wal-Mart Relationship

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- 9 Veggie® Brand Products Introduced to 78 Wal-Mart Supercenters in the Southeast -

ORLANDO, Fla. (June 13, 2002) - Galaxy Nutritional Foods (AMEX: GXY), a leading producer of nutritious plant-based dairy alternatives for the retail and foodservice markets, announced today that it has been chosen by Wal-Mart Stores, Inc., the world's largest retailer, to directly distribute nine Veggie Brand items to two of its Wal-Mart Supercenters' distribution warehouses in the Southeastern United States, encompassing approximately 78 Wal-Mart Supercenters. The nine Veggie® Brand items include: Veggie Slices™ American, Pepper Jack, Cheddar, Swiss, Mozzarella and Cheddar Jalapeno; Veggie Shreds™ Cheddar and Mozzarella; and Veggie Chef's Award™ Cheddar.

In total, the Company will distribute Veggie Brand products to approximately 578 Wal-Mart Supercenters, which includes distribution to an additional 500 stores through Frieda's, Inc., the nation's leading marketer and distributor of specialty produce. Galaxy Nutritional Foods plans to expand into an additional three Wal-Mart Supercenter distribution warehouses by the end of July 2002, which will add approximately 120 Wal-Mart Supercenters.

"We are pleased that Wal-Mart has asked us to distribute our Veggie Brand products direct to the new 2002 Wal-Mart distribution centers," commented Angelo Morini, Galaxy's Chairman and President. "Wal-Mart's reach across a broad customer base in the United States will enable us to increase exposure for the Veggie Brand products. We believe this relationship will further our efforts to bring healthy alternative dairy products to mainstream America."

"We look forward to a mutually beneficial relationship with Wal-Mart in the future," added Mr. Morini.

About Galaxy Nutritional Foods®, Inc.

Galaxy Nutritional Foods® is the leading producer of health-promoting plant-based dairy and dairy-related alternatives for the retail and foodservice markets. An exclusive, new and technologically advanced, safer, "hot process" is used to produce these phytonutrient-enriched products, made from nature's best grains - soy,

rice and oats. Veggie products are low fat and fat free (saturated fat and trans-fatty acid free), cholesterol and lactose free, are growth hormone and antibiotic free, and have more calcium, vitamins and other minerals than conventional dairy products. Because they are made with plant proteins, the products 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: Galaxy Nutritional Foods®, Veggie®, Nature's Alternative™, Veggie Lite Bakery™, Veggie Café™, Soyco®, Soymage®, Wholesome Valley®, Lite Bakery®, and formägg®. 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.