

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

Press Page

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**GALAXY NUTRITIONAL FOODS® AWARDED "SUPPLIER OF THE YEAR"
BY LARGEST U.S. REFRIGERATED SPECIALTY DISTRIBUTOR**

- Award Recognizes Galaxy Nutritional Foods Doubling Sales and Becoming DPI West's 6th Largest Selling Vendor -

ORLANDO, Fla., June 25, 2002 - Galaxy Nutritional Foods (AMEX:GXY), a leading producer of nutritious plant-based dairy alternatives for the retail and foodservice markets, announced today that DPI West of Ontario, CA, the nation's largest direct store distributor of retail perishable goods, has awarded Galaxy Nutritional Foods its highest annual award.

The award was presented to Galaxy management at DPI's annual dinner and trade show on June 19, 2002. In 2001, sales of Galaxy's product through DPI West doubled over the prior year, making Galaxy DPI West's sixth largest selling vendor. DPI represents 600 vendors with over 7,400 different products and Galaxy presently has six products in DPI's top selling seventy-five.

"We represent the products of approximately 600 vendors so we understandably take great care and pride in identifying those vendors who receive our highest annual award," said Jim DeKeyser, President of DPI West. "We look forward to the continued expansion of Galaxy brands and, if the results of our recent trade show are any indication, Galaxy's sales will continue to grow as new customers are coming on board," Mr. DeKeyser concluded.

Angelo S. Morini, Galaxy's President, stated, "This award could not have been realized without all the pioneering efforts and hard work of one of the country's finest food brokers, John Rissi and Tim Keyes of Rissi-Keyes, Inc. in Yorba Linda and Huntington Beach, California. For over seven years, John, Tim and their associates have been powerful advocates of our Veggie® Brand Dairy Alternatives and their faith and belief in our Company and its products has never wavered. This award is the fruit of all their efforts. On behalf of Galaxy and all of our partners, we thank DPI West and Rissi-Keyes for giving us the opportunity to earn this very prestigious award."

Morini concluded, "Galaxy, with over 91% share of its market, remains the leader and innovator in the

healthy dairy alternatives category providing products of superior quality, taste and value. When you think that Galaxy's Veggie® Brand Dairy Alternatives were the sixth highest selling products of the nation's largest direct store perishable distributor which sells 7,400 products of 600 other suppliers, it confirms what industry experts and food analysts are all reporting. The healthy, natural and organic food category, of which our Veggie® Brand Dairy Alternatives are an important part of, is the fastest rising in the food business today. Galaxy's Veggie® brand products are also a part of the \$160 billion dairy and dairy-related products category in which full-fat dairy product sales are declining and sales of healthier alternative dairy products are steadily growing. All indications are that sales of healthy and all natural food products will continue to increase significantly for the foreseeable future and Galaxy, through its product expansion and marketing goals, intends to remain the major supplier in its niche."

About DPI West

Founded in 1951, DPI West (DPI) currently distributes more than 7,400 products to one of the nation's largest population centers; an area that includes Arizona, California, including Southern California and the Bay area, and Nevada. The company specializes in perishable specialty products with unique handling requirements. Its investment in warehousing and delivery has helped the company earn a reputation for providing consistent, reliable distribution. Its fill rate is one of the industries highest, and its frequency of delivery is superior to other perishable distributors in its region. DPI offers a cafeteria approach to pricing, giving customers the flexibility to choose the services they need.

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.