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NEW DEVELOPMENT PLANS ANNOUNCED AT PIZZA INN

Agreements Provide Chain With Growth Opportunities In Key Markets

The Colony, Texas – May 18, 2007 -- PIZZA INN INC. (NASDAQ:PZZI) announced the signing of development agreements with franchisees in the Greenville/Spartanburg, South Carolina and Dallas-Fort Worth, Texas markets. In addition, the Company also announced the transfer of its' Lindale, Texas Pizza Inn franchised restaurant to a new licensee.

Pizza Inn signed an agreement with Viren and Mina Patel to open a new buffet restaurant in Spartanburg, South Carolina by the Fall of 2007. The new restaurant will be located near Westgate Mall on the city's west side. It will also mark the second Pizza Inn location opened in the Greenville/Spartanburg area since March 2007.

In addition, the Company signed a franchise agreement with Aaron and Deena Tran to open a new buffet restaurant in Plano, Texas. The restaurant will open in Summer 2007 and will mark the second Pizza Inn location operated by the Tran family.

The Company also announced the transfer of the Lindale, Texas location to Nathan Crouch, a second-generation Pizza Inn franchisee who previously managed the chain's Sulphur Springs, TX location.

"We continue to see progress in the re-establishment of Pizza Inn as a strong domestic and international brand," said Pizza Inn President and CEO Tim Taft. "With the addition of the Spartanburg, SC and Plano, TX buffet operations, we will not only improve our market share in these key markets, we will also introduce these neighborhoods to Pizza Inn's made-from-scratch pizza with a totally new dining experience. In addition, we welcome Nathan Crouch to Pizza Inn's franchise family. Nathan's experience with Pizza Inn as a second-generation franchisee provides him with an opportunity to further improve the operating success of our Lindale, Texas location."

Pizza Inn, Inc. (www.pizzainn.com) is headquartered in The Colony, Texas, along with its distribution division, Norco Restaurant Services Company. Pizza Inn franchises approximately 359 restaurants and owns three restaurants with annual domestic and international chain-wide sales of approximately \$145 million.