

FOR IMMEDIATE RELEASE

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**PIZZA INN, INC. REPORTS RESULTS FOR
FISCAL YEAR 2008**

Chain reports same store sales growth of 2.6% for fiscal year 2008

The Colony, Texas – September 25, 2008 -- PIZZA INN, INC. (NASDAQ:PZZI) today reported net income of \$2,825,000, or \$0.29 per share, for the fiscal year ended June 29, 2008, versus net income of \$206,000, or \$0.02 per share, for the prior fiscal year. For the fourth quarter, the Company reported net income of \$729,000, or \$0.08 per share, for fiscal 2008 versus \$658,000, or \$0.06 per share, in the same quarter in the prior fiscal year. Highlights for the fourth quarter and fiscal year 2008 included:

- Comparable domestic buffet restaurant sales increased 2.3% for the fourth quarter and 3.5% for fiscal 2008 compared to the prior fiscal year.
- Total comparable domestic restaurant sales increased 2.6% for fiscal 2008 and 1.8% for the fourth quarter compared to the prior fiscal year.
- The fourth quarter of fiscal 2008 represented the 5th consecutive quarter of same store sales growth compared to the prior year.
- General and administrative expenses decreased 23% in fiscal 2008 compared to the prior year despite fourth quarter expenses of \$215,000, or \$0.02 per share, related to an internal controls assessment and other compliance work in accordance with the Sarbanes-Oxley Act of 2002.

Charlie Morrison, President and CEO, commented, "It has been a great year for Pizza Inn. We accomplished nearly all of our goals in the continued effort to turn around this brand. Our positive same store sales growth is evidence of a preference by customers to choose Pizza Inn's quality over that of our competition. Much of the work completed this year will manifest itself in the opening of our next Company-operated restaurant in Denton, Texas next month. This buffet-style restaurant will showcase a new, yet familiar, look to the Pizza Inn brand which represents the future of Company-owned and franchised Pizza Inn's everywhere."

Certain statements in this press release, other than historical information, may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are intended to be covered by the

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safe harbors created thereby. These forward-looking statements are based on current expectations that involve numerous risks, uncertainties and assumptions. Assumptions relating to these forward-looking statements involve judgments with respect to, among other things, future economic, competitive and market conditions, regulatory framework and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond Pizza Inn's control. Although the assumptions underlying these forward-looking statements are believed to be reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that any forward-looking statements will prove to be accurate. In light of the significant uncertainties inherent in these forward-looking statements, the inclusion of such information should not be regarded as a representation that Pizza Inn's objectives and plans will be achieved.

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 319 restaurants and owns one restaurant with annual and domestic and international chain-wide sales of approximately \$150 million.