

FOR IMMEDIATE RELEASE

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PIZZA INN ANNOUNCES MULTI-UNIT AGREEMENT IN MEXICO

12 Unit Development Plan Extends Chain's International Growth Strategy

The Colony, Texas – July 30, 2008—Pizza Inn, Inc. (NASDAQ:PZZI) today announced the signing of a multi-unit development agreement to open up to 12 new restaurants in the state of Chihuahua, Mexico. Pizza Inn, famous for it's made from scratch crust and genuine hospitality, has awarded a territorial agreement to Promotora de Restaurantes del Norte S.A de C.V., owned and operated by Agustin Terrazas. The announcement is a continuation of the brand's expansion through international development.

"This is a very exciting day for us," stated Ward Olgreen, Senior Vice-President of Worldwide Franchising. "Mr. Terrazas and his operating team have a tremendous amount of experience in the foodservice and hospitality industries, making this a perfect match for the brand's expansion into Mexico. We believe that Pizza Inn's quality and price-value will make this the right concept for this market."

Promotora de Restaurantes del Norte also operates multiple restaurants in Chihuahua and Juarez, Mexico in addition to Holiday Inn® and Holiday Inn Express® units.

"We are already working on the first Pizza Inn buffet opening in Chihuahua," stated Mr. Terrazas. "This restaurant will offer families the perfect destination to enjoy a wide variety of great tasting items in addition to games and a dining room designed for fun and relaxation."

Pizza Inn is actively seeking new franchisees for both international and domestic development. To learn more about these opportunities, go to www.pizzainn.com for details and contact information.

Certain statements in this press release, other than historical information, may be considered forward-looking statements, within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from those anticipated, estimated or expected. Among the key factors that may have a direct bearing on Pizza Inn's operating results, performance or financial condition are its ability to implement its growth strategies; success of its franchise operations; national, regional and local economic conditions affecting the restaurant industry; competition within the restaurant industry; restaurant sales cannibalization; negative publicity; fluctuations in quarterly results of operations, including seasonality; government regulations; weather; and commodity, insurance and labor costs.

Pizza Inn, Inc. (www.pizzainn.com) is headquartered in The Colony, Texas, along with its distribution division, Norco Restaurant Services Company. The Company is a franchisor and food and supply distributor to a system of franchised and company owned restaurants operating both domestically and internationally under the trade name "Pizza Inn."