

FOR IMMEDIATE RELEASE

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PIZZA INN, INC. REPORTS RESULTS FOR THE THIRD QUARTER OF FISCAL YEAR 2008

Momentum continues with 1.1% Domestic Chain-wide Comparable Sales Growth

The Colony, Texas – May 7, 2008-- PIZZA INN, INC. (NASDAQ:PZZI) today reported basic and diluted net income of \$0.09 per share for its third fiscal quarter ended March 23, 2008 compared to \$0.05 per share in the same quarter in the prior fiscal year. The quarter resulted in net income of \$898,000, versus net income of \$457,000 for the same quarter in the prior fiscal year, on revenues of \$11,668,000 and \$11,583,000, respectively.

Operating performance for the third quarter of fiscal year 2008 included the following:

- Comparable domestic buffet restaurant sales increased 1.8% for the third quarter and 3.4% year-to-date from the prior fiscal year.
- Comparable domestic chain-wide comparable sales increased 1.1% for the third quarter and 2.3% year-to-date from the prior fiscal year.
- General and administrative expenses were lower by 23% for the third quarter and 43% year-to-date compared to the prior fiscal year.
- The Company recorded income of \$714,000 related to the release of a valuation allowance against its deferred tax asset. This amount was offset by an expense of \$498,000 for income taxes estimated for the nine months ended March 23, 2008.

As of April 7, 2008, the Company had repurchased substantially all of the 1,016,000 shares of Company stock authorized under the 2007 Stock Purchase Plan, approved by the Board of Directors in the fourth quarter of fiscal 2007.

Charlie Morrison, President and CEO, commented, "We are making excellent progress toward our goal of revitalizing the Pizza Inn brand. We continue to see momentum in our sales performance even in a tough economic environment. As we celebrate our 50th anniversary this year, our franchisees and supplier partners are focused on executing the fundamentals that have fueled our five decades of

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success, including the delivery of fresh, hot pizzas to customers at home or in our restaurants with an unmatched level of service .”

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 various risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ 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, national, regional and local economic conditions affecting the restaurant/entertainment industry, competition within the restaurant and entertainment industries, success of franchise operations, negative publicity, 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.”