



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

FOR IMMEDIATE RELEASE

PIZZA INN ANNOUNCES 4TH QUARTER FINANCIAL RESULTS

THE COLONY, TEXAS -SEPTEMBER 4, 2003- PIZZA INN, INC. (NASDAQ:PZZI) today reported net income for its fourth quarter ended June 29 of \$522,000 or 5 cents a share, compared to a net loss of \$498,000, or 5 cents a share a year ago, on revenues of \$14.1 million versus \$18.1 million in the previous year. The net loss for the quarter ended June 30, 2002 was primarily attributable to a pretax charge of approximately \$1.9 million to reserve for the possible nonpayment for a note receivable owed to the Company from the Company's former Chief Executive Officer. The Company received payment in full for the note receivable in December 2002. The fourth quarter ended June 30, 2002 included 14 weeks versus 13 weeks for the same quarter this year.

For fiscal year 2003, earnings per share were 31 cents versus 11 cents last year. Net income was \$3,093,000 compared to \$1,137,000 on revenues of \$58.8 million versus \$66.6 million last year. Revenues consist of gross sales of Norco, the Company's food and equipment division, franchise fees, and royalties. Comparable chainwide same store sales finished down 5.7% for the year. Net income for the year ended June 29, 2003 includes a pretax gain of approximately \$1.9 million for the recovery of the note receivable described above. Fiscal 2002 included 53 weeks versus 52 weeks in fiscal 2003.

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

Pizza Inn, Inc. For more information contact:  
 3551 Plano Parkway Ronald W. Parker  
 The Colony, TX 75056 President and Chief Executive Officer  
 (469) 384-5000

For more information about the company, visit Pizza Inn at [www.pizzainn.com](http://www.pizzainn.com)  
 -----

<TABLE>  
 <CAPTION>

PIZZA INN, INC.  
 (In thousands, except share and per share amounts)

4TH QUARTER  
 -----

<u>&lt;S&gt;</u>	<u>&lt;C&gt;</u>	<u>&lt;C&gt;</u>
	June 29, 2003	June 30, 2002
	-----	-----
Revenue . . . . .	\$ 14,059	\$ 18,061
Income (loss) before taxes. . . . .	\$ 747	(\$755)
Net Income (Loss) . . . . .	\$ 522	(\$498)
Diluted earnings (loss) per share . .	\$ 0.05	(\$0.05)
Basic earnings (loss) per share . . .	\$ 0.05	(\$0.05)
Weighted average shares outstanding:		
Diluted. . . . .	10,060,528	10,058,094
Basic. . . . .	10,058,674	10,058,094

TWELVE MONTHS  
 -----

June 29, . . . June 30,

	2003	2002
	-----	-----
Revenue . . . . .	\$ 58,782	\$ 66,642
Income before taxes . . . . .	\$ 4,643	\$ 1,723
Net Income. . . . .	\$ 3,093	\$ 1,137
Diluted earnings per share. . . . .	\$ 0.31	\$ 0.11
Basic earnings per share. . . . .	\$ 0.31	\$ 0.11
Weighted average shares outstanding:		
Diluted. . . . .	10,060,729	10,095,085
Basic. . . . .	10,058,475	10,091,817

</TABLE>