

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D

INFORMATION TO BE INCLUDED IN STATEMENTS FILED  
PURSUANT TO RULE 13d-1(a) AND AMENDMENTS  
THERE TO FILED PURSUANT TO RULE 13d-2(a)

(Amendment No. 5)1

PIZZA INN, INC.

(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE

(Title of class of securities)

725848 10 5

(CUSIP Number)

STEVEN WOLOSKY, ESQ.  
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP  
505 Park Avenue  
New York, New York 10022  
(212) 753-7200

(Name, address and telephone number of person  
authorized to receive notices and communications)

October 27, 2003

(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box / /.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 27 Pages)

1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NEWCASTLE PARTNERS, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 7 SOLE VOTING POWER 3,568,100

8 SHARED VOTING POWER 0

9 SOLE DISPOSITIVE POWER 3,568,100

10 SHARED DISPOSITIVE POWER 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 3,568,100

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 35.4%

14 TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NEWCASTLE CAPITAL MANAGEMENT, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / / (b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF 7 SOLE VOTING POWER

SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

3,568,100

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

3,568,100

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,568,100

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

/ /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

35.4%

14 TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NEWCASTLE CAPITAL GROUP, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) / /  
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

/ /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

7 SOLE VOTING POWER

3,568,100

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

3,568,100

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,568,100

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

/ /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

35.4%

14 TYPE OF REPORTING PERSON\*

00

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

MARK E. SCHWARZ

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) / /  
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

/ /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 7 SOLE VOTING POWER

3,578,100

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

3,578,100

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,578,100

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

/ /

35.5%

14 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

STEVEN J. PULLY

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

NUMBER OF 7 SOLE VOTING POWER  
SHARES  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON WITH 0

8 SHARED VOTING POWER  
0

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING  
PERSON  
0

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES\* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
0.0%

14 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Barry M. Barron, Sr.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED / /  
PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

NUMBER OF 7 SOLE VOTING POWER  
SHARES  
BENEFICIALLY OWNED BY 0  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER  
0

9 SOLE DISPOSITIVE POWER  
0

10 SHARED DISPOSITIVE POWER  
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING  
PERSON  
0

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES / /  
CERTAIN SHARES\*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
0.0%

14 TYPE OF REPORTING PERSON\*  
IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Robert B. Page

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

7 SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 0

8 SHARED VOTING POWER 0

9 SOLE DISPOSITIVE POWER 0

10 SHARED DISPOSITIVE POWER 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 0

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.0%

14 TYPE OF REPORTING PERSON\* IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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The following statement constitutes Amendment No. 5 to the Schedule 13D filed by the undersigned (the "Statement"). Except as specifically amended by this Amendment No. 5, the Statement remains in full force and effect.

Item 2 is hereby amended and restated as follows:

Item 2. Identity and Background.

(a)-(c). This Statement is jointly filed by Newcastle Partners, L.P., a Texas limited partnership ("NP"), Newcastle Capital Management, L.P., a Texas limited partnership ("NCM"), Newcastle Capital Group, L.L.C., a Texas limited liability company ("NCG"), Mark E. Schwarz, Steven J. Pully, Barry M. Barron, Sr. and Robert B. Page (NP, NCM, NCG, and Messrs. Schwarz, Pully, Barron and Page are hereinafter collectively referred to as the "Reporting Persons"). Mark E. Schwarz is the managing member of NCG, which is the general partner of NCM, which in turn is the general partner of NP (Mark E. Schwarz, NCG and NCM are hereinafter referred to as the "Newcastle Control Persons"). The Newcastle Control Persons may each be deemed, pursuant to Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Act"), to be the beneficial owners of all shares of Common Stock held by NP. The Reporting Persons are filing this joint







Schedule 13D with respect to the securities of the Company, and (iv) NP agreed to bear certain expenses of the Reporting Persons incurred in connection with the Solicitation.

Item 7 is hereby amended to add the following exhibits:

7. Letter from Newcastle Partners, L.P. to Pizza Inn, Inc. dated October 27, 2003.
8. Joint Filing and Solicitation Agreement dated as of October 31, 2003 by and among Newcastle Partners, L.P., Newcastle Capital Management, L.P., Newcastle Capital Group, L.L.C., Mark E. Schwarz, Steven J. Pully, Barry M. Barron, Sr. and Robert B. Page.

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SIGNATURES  
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After due inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: October 31, 2003

NEWCASTLE PARTNERS, L.P.

By: Newcastle Capital Management, L.P., its  
general partner

By: Newcastle Capital Group, L.L.C., its  
general partner

By: /s/ Mark E. Schwarz

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Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL MANAGEMENT, L.P.

By: Newcastle Capital Group, L.L.C., its  
general partner

By: /s/ Mark E. Schwarz

-----  
Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL GROUP, L.L.C.

By: /s/ Mark E. Schwarz

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Mark E. Schwarz, Managing Member

/s/ Mark E. Schwarz

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MARK E. SCHWARZ

/s/ Steven J. Pully

-----  
STEVEN J. PULLY

/s/ Barry M. Barron, Sr.

-----  
BARRY M. BARRON, SR.

/s/ Robert B. Page

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ROBERT B. PAGE

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EXHIBIT INDEX

EXHIBIT		PAGE
1.	Joint Filing Agreement dated as of December 11, 2002 by and among Newcastle Partners, L.P., Newcastle Capital Group, L.L.C., Newcastle Capital Management, L.P. and Mark E. Schwarz (previously filed).	--
2.	Omnibus Agreement dated as of December 6, 2002 by and between Newcastle Partners, L.P. and C. Jeffrey Rogers (previously filed).	--
3.	Promissory Note dated December 6, 2002 in the aggregate principal amount of \$7,373,726.42 made by C. Jeffrey Rogers in favor of Newcastle Partners, L.P. (previously filed).	--
4.	Pledge Agreement dated December 6, 2002 by and between C. Jeffrey Rogers and Newcastle Partners, L.P. (previously filed).	--
5.	Agreement by and between Pizza Inn, Inc. and Newcastle Partners, L.P. dated December 18, 2002 (previously filed).	--
6.	Joint Filing Agreement dated as of December 20, 2002 by and among Newcastle Partners, L.P., Newcastle Capital Group L.L.C., Newcastle Capital Management, L.P., Mark E. Schwarz and Steven J. Pully (previously filed).	--
7.	Letter from Newcastle Partners, L.P. to Pizza Inn, Inc. dated October 27, 2003.	14 to 17
8.	Joint Filing and Solicitation Agreement dated as of October 31, 2003 by and among Newcastle Partners, L.P., Newcastle Capital Management, L.P., Newcastle Capital Group, L.L.C., Mark E. Schwarz, Steven J. Pully, Barry M. Barron, Sr. and Robert B. Page.	18 to 27

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JOINT FILING AND SOLICITATION AGREEMENT

WHEREAS, Newcastle Partners, L.P., a Texas limited partnership ("Newcastle Partners"), Newcastle Capital Management, L.P., a Texas limited partnership ("Newcastle Management"), Newcastle Capital Group, L.L.C., a Texas limited liability company ("Newcastle Group") and Mark E. Schwarz are shareholders, direct or beneficial, of Pizza Inn, Inc., a Missouri corporation (the "Company");

WHEREAS, Newcastle Partners, Newcastle Management, Newcastle Group, Mark E. Schwarz and Steven J. Pully have entered into a joint filing agreement and have filed a joint Schedule 13D (and amendments thereto) with respect to the Common Stock of the Company;

WHEREAS, Newcastle Partners has nominated Steven J. Pully, Barry M. Barron, Sr. and Robert B. Page (collectively, the "Nominees") as nominees to be elected to the Board of Directors of the Company at the 2003 annual meeting of shareholders of the Company scheduled to be held on December 16, 2003, or any other meeting of shareholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "Annual Meeting");

WHEREAS, Newcastle Partners has submitted shareholder proposals for consideration at the Annual Meeting to (i) repeal certain amendments to the Company's by-laws approved by the Board of Directors on December 18, 2002 and (ii) approve the reimbursement from the Company of expenses incurred by Newcastle Partners in connection with the matters described in this Agreement (collectively, the "Shareholder Proposals");

WHEREAS, the parties hereto intend to solicit proxies or written

consents from the shareholders to elect the Nominees and to approve the Shareholder Proposals at the Annual Meeting.

NOW, IT IS AGREED, as of this 31st day of October 2003, by the parties hereto:

1. The parties hereto agree to take all actions that they deem necessary in order to solicit proxies or written consents for the election of the Nominees or any other person(s) nominated by Newcastle Partners to the Board of Directors of the Company at the Annual Meeting.

2. The parties hereto agree to take all actions that they deem necessary in order to solicit proxies or written consents to approve the Shareholder Proposals.

3. To the extent the parties hereto are required to file a Schedule 13D with respect to the securities of the Company, they hereby agree, in accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, to the joint filing on behalf of each of them of such statement. Each of the parties shall be responsible for the accuracy and completeness of his/its own disclosure therein.

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4. So long as this Agreement is in effect, each of the parties hereto shall provide written notice to Olshan Grundman Frome Rosenzweig & Wolosky LLP ("Olshan") of (i) any of his/its purchases or sales of securities of the Company; or (ii) any securities over which he/it acquires or disposes of beneficial ownership. Notice shall be given no later than 24 hours after each such transaction.

5. The relationship of the parties hereto shall be limited to carrying on the business set forth herein in accordance with the terms of this Agreement. Such relationship shall be construed and deemed to be for the sole and limited purpose of carrying on such business as described herein. Nothing herein shall be construed to authorize any party to act as an agent for any other party, or to create a joint venture or partnership, or to constitute an indemnification. Nothing herein shall restrict any party's right to purchase or sell securities of the Company, as he/it deems appropriate, in his/its sole discretion, provided that all such transactions are effected in compliance with applicable securities laws.

6. Newcastle Partners hereby agrees to bear all expenses incurred by the parties for the solicitation of proxies or written consents by the parties hereto in connection with the Annual Meeting. Notwithstanding the foregoing, Newcastle Partners shall not be required to reimburse any party for (i) out-of-pocket expenses incurred by a party in the aggregate in excess of \$250 without Newcastle Partners' prior written approval; (ii) the value of the time of any party; (iii) legal fees incurred without Newcastle Partners' prior written approval; or (iv) the costs of any counsel, other than Olshan, employed in connection with any pending or threatened litigation without Newcastle Partners' prior written consent.

7. The principal address of Newcastle Partners and the other parties hereto for the purposes of the matters described in this Agreement shall be c/o Newcastle Partners, L.P., 300 Crescent Court, Suite 1110, Dallas, Texas 75201.

8. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

9. In the event of any dispute arising out of the provisions of this Agreement, the parties hereto consent and submit to the exclusive jurisdiction of the Federal and State Courts in the State of Texas.

10. Any party hereto may terminate his/its obligations under this Agreement at any time on 72 hours written notice to all other parties, with a copy by fax to Steve Wolosky at Olshan, Fax No. (212) 755-1467. Each party acknowledges that Olshan shall act as counsel for Newcastle Partners and each of the other parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NEWCASTLE PARTNERS, L.P.

By: Newcastle Capital Management, L.P., its  
general partner

By: Newcastle Capital Group, L.L.C., its  
general partner

By: /s/ Mark E. Schwarz

-----  
Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL MANAGEMENT, L.P.

By: Newcastle Capital Group, L.L.C., its  
general partner

By: /s/ Mark E. Schwarz

-----  
Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL GROUP, L.L.C.

By: /s/ Mark E. Schwarz

-----  
Mark E. Schwarz, Managing Member

/s/ Mark E. Schwarz

-----  
MARK E. SCHWARZ

/s/ Steven J. Pully

-----  
STEVEN J. PULLY

/s/ Barry M. Barron, Sr.

-----  
BARRY M. BARRON, SR.

/s/ Robert B. Page

-----  
ROBERT B. PAGE

October 27, 2003

BY MESSENGER AND FAX

Keith Clark  
Secretary  
Pizza Inn, Inc.  
3551 Plano Parkway  
The Colony, Texas 75056

Re: Notice of Intention to Nominate Individuals for Election as  
Directors at the 2003 Annual Meeting of Shareholders of  
Pizza Inn, Inc. ("Pizza Inn" or the "Company")

Dear Mr. Clark:

Newcastle Partners, L.P., a Texas limited partnership ("Newcastle"), is the beneficial owner and/or owner of record of 3,568,100 shares of common stock, \$.01 par value per share, of Pizza Inn (the "Common Stock"). Newcastle holds certain of its shares of Common Stock through the Depository Trust Company, whose address is 55 Water Street, 50th Floor, New York, New York 10041. Newcastle's current address is 300 Crescent Court, Suite 1110, Dallas, Texas 75201.

Pursuant to Section 6, Article IV of the Company's bylaws, through this letter (the "Notice"), Newcastle hereby nominates and notifies you of its intent to nominate Steven J. Pully, Barry M. Barron, Sr. and Robert B. Page (collectively the "Nominees") to be elected to the Board of Directors of Pizza Inn (the "Pizza Inn Board") at the next annual meeting of shareholders of the Company, or any other meeting of shareholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "Annual Meeting"). To the extent there are in excess of three vacancies on the Pizza Inn Board to be filled by election at the Annual Meeting or the Company attempts to increase the size of the board or change the number of directors up for election, Newcastle reserves the right to nominate additional nominees to be elected to the Pizza Inn Board at the Annual Meeting.

Information required by Section 6, Article IV of the Company's bylaws with respect to the three nominees of Newcastle is set forth below:

1. Steven J. Pully

(i) the name, age, business address and residence address of the nominee:

Steven J. Pully, 43

Business address: 300 Crescent Court, Suite 1110  
Dallas, Texas 75201Residence address: 4564 Meadowood  
Dallas, Texas 75220

(ii) the principal occupation or employment of the nominee:

President, Newcastle Capital Management, L.P.; Chief Executive Officer,  
Pinnacle Frames and Accents, Inc.

(iii) the class and number of shares of capital stock of the Company which are beneficially owned by the nominee:

None; Mr. Pully disclaims beneficial ownership of all shares of the  
Company owned by Newcastle.

(iv) any other information related to the nominee that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended:

In addition to the information already provided above, Mr. Pully is also a director and officer of Geoworks Corporation, a director of MaxWorldwide, Inc. and Pizza Inn (since December 2002 pursuant to that certain agreement dated December 18, 2002 by and between Newcastle and Pizza Inn) and a director of privately-held Pinnacle Frames and Accents, Inc. Prior to joining Newcastle Capital Management, L.P. in December 2001, from May 2000 to December 2001, he was a managing director in the mergers and acquisitions department of Banc of America Securities and from January 1997 to May 2000 he was a senior managing director at Bear Stearns. Prior to becoming an investment banker, Mr. Pully practiced securities and corporate law at the law firm Baker & Botts. Mr. Pully is a CPA and a member of the Texas Bar.

Except as otherwise set forth herein in this Notice, as of the date hereof, Steven J. Pully (i) has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) in the past ten years; (ii) does not own any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, directly or indirectly, beneficially or of record, and has not purchased or sold any securities of Pizza Inn within the past two years, and none of his associates beneficially owns, directly or indirectly, any securities of Pizza Inn; (iii) does not own

any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, of record but not beneficially; (iv) is not, and was not within the past year, a party to any contract arrangement or understanding with any person with respect to any securities of Pizza Inn, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits or the giving or withholding of proxies; (v) has no, and his associates or any member of his immediate family have no (a) employment with Pizza Inn or its affiliates or (b) material interest, direct or indirect in any transaction, or series of similar transactions, to which Pizza Inn or any of its subsidiaries was, is or will be a party to and in which the amount involved exceeds \$60,000.00; (vi) has no, and his associates have no arrangements or understandings with any person pursuant to which he was or is to be selected as a director, nominee or officer of Pizza Inn; (vii) has no substantial interest in the matters to be acted on at the Annual Meeting, except his interest in being nominated and elected as a director; and (viii) has not been a party to a legal proceeding described in Item 401(f) of Regulation S-K of the Securities Exchange Act of 1934 in the past five years.

2. Barry M. Barron, Sr.

(i) the name, age, business address and residence address of the nominee:

Barry M. Barron, Sr., 47

Business address: 1231 Greenway Drive  
Suite 600  
Irving, Texas 75038  
United States

Residence address: 5125 Balmoral Lane  
Flower Mound, Texas 75028

(ii) the principal occupation or employment of the nominee:

Executive Vice President, ACE Cash Express, Inc.

(iii) the class and number of shares of capital stock of the Company which are beneficially owned by the nominee:

None

(iv) any other information related to the nominee that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended:

Mr. Barron joined ACE Cash Express in February 2001, where he currently serves as Executive Vice President. From March 1998 until February 2001, Mr. Barron was Senior Vice President, International Division at Papa John's International, Inc., an owner and franchisor of pizza restaurants, and from April 1995 until March 1998, he was Vice President of Operations of the Southwest Division at Papa John's International, Inc. While at Papa John's he developed operations in Alaska, Hawaii, Canada, Mexico, Latin America, South America and the Middle East. From 1994 to 1995, Mr. Barron was Division President at Golden Corral Corporation, an owner of family-style restaurants. He served in various positions at Pizza Hut, Inc. from 1984 to 1994, most recently as Region Manager of the Dallas, Texas region.

Except as otherwise set forth herein in this Notice, as of the date hereof, Mr. Barron (i) has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) in the past ten years; (ii) does not own any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, directly or indirectly, beneficially or of record, and has not purchased or sold any securities of Pizza Inn within the past two years, and none of his associates beneficially owns, directly or indirectly, any securities of Pizza Inn; (iii) does not own any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, of record but not beneficially; (iv) is not, and was not within the past year, a party to any contract arrangement or understanding with any person with respect to any securities of Pizza Inn, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits or the giving or withholding of proxies; (v) has no, and his associates or any member of his immediate family have no (a) employment with Pizza Inn or its affiliates or (b) material interest, direct or indirect in any transaction, or series of similar transactions, to which Pizza Inn or any of its subsidiaries was, is or will be a party to and in which the amount involved exceeds \$60,000.00; (vi) has no, and his associates have no arrangements or understandings with any person pursuant to which he was or is to be selected as a director, nominee or officer of Pizza Inn; (vii) has no substantial interest in the matters to be acted on at the Annual Meeting, except his interest in being nominated and elected as a director; and (viii) has not been a party to a legal proceeding described in Item

401(f) of Regulation S-K of the Securities Exchange Act of 1934 in the past five years.

3. Robert B. Page

(i) the name, age, business address and residence address of the nominee:

Robert B. Page, 44

Business address: 6515 Ringgold Road  
East Ridge, Tenn. 37412

Residence address: 4715 Conner Creek Drive  
Signal Mountain, Tenn. 37377

(ii) the principal occupation or employment of the nominee:

Shoney's franchisee

(iii) the class and number of shares of capital stock of the Company which are beneficially owned by the nominee:



None

- (iv) any other information related to the nominee that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended:

Since August 2003, Mr. Page has been a franchisee for Shoney's. From November 2000 until September 2002, Mr. Page was Chief Operations Officer of Gordon Biersch Brewery Restaurants, Inc. and from 1993 through 1998, he worked for Romacorp, which owned Tony Roma's, where he was chief executive officer and a board member from 1998 through 2000 and president and chief operations officer from 1993 through 1998. From 1988 through 1993, he worked for NPC International, which owned approximately 370 Pizza Hut franchisees, and was Senior Vice President of Operations from 1991 through 1993. Prior to working for NPC, he also worked in the food service industry for Rally's Hamburgers, Godfather's Pizza, Luther's BBQ and Pizza Hut, Inc., holding such positions as area supervisor, district manager and restaurant manager.

Except as otherwise set forth herein in this Notice, as of the date hereof, Mr. Page (i) has not been convicted in a criminal proceeding

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(excluding traffic violations or similar misdemeanors) in the past ten years; (ii) does not own any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, directly or indirectly, beneficially or of record, and has not purchased or sold any securities of Pizza Inn within the past two years, and none of his associates beneficially owns, directly or indirectly, any securities of Pizza Inn; (iii) does not own any securities of Pizza Inn, or any parent or subsidiary of Pizza Inn, of record but not beneficially; (iv) is not, and was not within the past year, a party to any contract arrangement or understanding with any person with respect to any securities of Pizza Inn, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits or the giving or withholding of proxies; (v) has no, and his associates or any member of his immediate family have no (a) employment with Pizza Inn or its affiliates or (b) material interest, direct or indirect in any transaction, or series of similar transactions, to which Pizza Inn or any of its subsidiaries was, is or will be a party to and in which the amount involved exceeds \$60,000.00; (vi) has no, and his associates have no arrangements or understandings with any person pursuant to which he was or is to be selected as a director, nominee or officer of Pizza Inn; (vii) has no substantial interest in the matters to be acted on at the Annual Meeting, except his interest in being nominated and elected as a director; and (viii) has not been a party to a legal proceeding described in Item 401(f) of Regulation S-K of the Securities Exchange Act of 1934 in the past five years.

Messrs. Pully, Barron and Page have consented to be named as nominees in this Notice, to be named as nominees in any proxy statement filed by Newcastle and to serve as directors of the Company if so elected. Such consents are attached hereto as Exhibit A.

Pursuant to Section 13, Article III of the Company's bylaws, Newcastle hereby provides notice of its intention to solicit the consent of shareholders at the Annual Meeting through a proxy statement to repeal certain of the amendments to the Company's bylaws adopted on December 18, 2002. The amendments that were adopted on December 18, 2002 that Newcastle seeks to have repealed include an amendment to Article III, Section 7, a new Article III, Section 13 and a new Article IV, Section 6. The purpose of soliciting these changes to the Company's bylaws is to restore certain rights to the shareholders of the Company. Newcastle will also seek approval from the shareholders to have all of its expenses incurred in connection with any proxy or other solicitation materials reimbursed by the Company since the solicitation will provide benefit to the shareholders. Newcastle has a material interest in the matters set forth in this paragraph in its capacity as a shareholder and also as the beneficiary of any expense reimbursement.

If this Notice shall be deemed for any reason by a court of competent jurisdiction to be ineffective with respect to the nomination of any of the Nominees at the Annual Meeting, or if any individual Nominee shall be unable to serve for any reason, this Notice shall continue to be effective with respect to the remaining Nominee(s) and as to any replacement Nominee(s) selected by Newcastle.

Please address any correspondence to Newcastle Partners, L.P., 300 Crescent Court, Suite 1110, Dallas, Texas 75201, Attention: Mark E. Schwarz, telephone (214) 661-7474, facsimile (214) 661-7475 (with a copy to our counsel, Olshan Grundman Frome Rosenzweig & Wolosky LLP, 505 Park Avenue, New York, New York 10022, Attention: Steve Wolosky, Esq., telephone (212) 753-7200, facsimile (212) 755-1467).

Very truly yours,

NEWCASTLE PARTNERS, L.P.  
By: Newcastle Capital Management, L.P.  
its General Partner

By: Newcastle Capital Group, L.L.C.  
its General Partner

/s/ Mark E. Schwarz

Mark E. Schwarz  
Managing Member

EXHIBIT A

STEVEN J. PULLY  
300 CRESCENT COURT, SUITE 1110  
DALLAS, TEXAS 75201

October 24, 2003

Keith Clark  
Secretary  
Pizza Inn, Inc.  
3551 Plano Parkway  
The Colony, Texas 75056

Dear Mr. Clark:

You are hereby notified that the undersigned consents to (i) being named as a nominee in the notice provided by Newcastle Partners, L.P. ("Newcastle") of its intention to nominate the undersigned as a director of Pizza Inn, Inc. ("Pizza Inn") at the 2003 annual meeting of stockholders scheduled to be held on December 16, 2003, or any other meeting of stockholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "Meeting"), (ii) being named as a nominee in any proxy statement filed by Newcastle in connection with the solicitation of proxies or written consents for election of the undersigned at the Meeting, and (iii) serving as a director of Pizza Inn if elected at the Meeting.

Very truly yours,

/s/ Steven J. Pully  
Steven J. Pully

BARRY M. BARRON  
5125 BALMORAL LANE  
FLOWER MOUND, TEXAS 75028

October 24, 2003

Keith Clark  
Secretary  
Pizza Inn, Inc.  
3551 Plano Parkway  
The Colony, Texas 75056

Dear Mr. Clark:

You are hereby notified that the undersigned consents to (i) being named as a nominee in the notice provided by Newcastle Partners, L.P. ("Newcastle") of its intention to nominate the undersigned as a director of Pizza Inn, Inc. ("Pizza Inn") at the 2003 annual meeting of stockholders scheduled to be held on December 16, 2003, or any other meeting of stockholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "Meeting"), (ii) being named as a nominee in any proxy statement filed by Newcastle in connection with the solicitation of proxies or written consents for election of the undersigned at the Meeting, and (iii) serving as a director of Pizza Inn if elected at the Meeting.

Very truly yours,

/s/ Barry M. Barron  
Barry M. Barron

ROBERT B. PAGE  
4715 CONNER CREEK DRIVE  
SIGNAL MOUNTAIN, TENN. 37377

October 24, 2003

Keith Clark  
Secretary  
Pizza Inn, Inc.  
3551 Plano Parkway  
The Colony, Texas 75056

Dear Mr. Clark:

You are hereby notified that the undersigned consents to (i) being named as a nominee in the notice provided by Newcastle Partners, L.P. ("Newcastle") of its intention to nominate the undersigned as a director of Pizza Inn, Inc. ("Pizza Inn") at the 2003 annual meeting of stockholders scheduled to be held on December 16, 2003, or any other meeting of stockholders held in lieu thereof, and any adjournments, postponements, reschedulings or continuations thereof (the "Meeting"), (ii) being named as a nominee in any proxy statement filed by Newcastle in connection with the solicitation of proxies or written consents for

election of the undersigned at the Meeting, and (iii) serving as a director of Pizza Inn if elected at the Meeting.

Very truly yours,

/s/ Robert B. Page  
Robert B. Page