

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report: January 23, 2004

PIZZA INN, INC.

(Exact name of registrant as specified in its charter)

MISSOURI 0-12919 47-0654575
(State or other jurisdiction (Commission (I.R.S. Employer
of incorporation or organization) File Number) Identification Number)

3551 PLANO PARKWAY, THE COLONY, TX 75056

(Address of principal executive offices)(zip code)

Telephone number of registrant, including area code: (469) 384-5000

ITEM 5.

See attached Exhibit 1.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PIZZA INN, INC.

By: _____
Shawn M. Preator, Chief Financial Officer

Date: January 23, 2004

P R E S S R E L E A S E
FOR IMMEDIATE RELEASE

PIZZA INN, INC. REPORTS 2ND QUARTER EARNINGS

THE COLONY, TEXAS -JANUARY 23, 2004- PIZZA INN, INC. (NASDAQ:PZZI) today reported earnings per share for its second quarter ended December 28, 2003 of 6 cents versus 19 cents for the same quarter last year. Net income was \$558,000 versus \$1,892,000, on revenues of \$14.8 million versus \$15.2 million in the previous year. For the six-month period, earnings per share were 11 versus 22 last year. Net income was \$1,062,000 compared to \$2,196,000 on revenues of \$30.1 million versus \$30.5 million last year.

The previous year's quarter included the reversal of a previously recorded pre-tax charge of approximately \$1.9 million. This reserve was previously recorded in the fourth quarter of fiscal 2002 to fully 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.

Excluding the above-described reversal in the previous year's quarter, net income for our second quarter ended December 29, 2002 was \$606,000 or 6 cents per share, compared to net income of \$558,000 or 6 cents per share for the quarter ended December 28, 2003. Excluding the above-described reversal in the previous year's quarter, net income for the six-month period ended December 29, 2002 was \$910,000 or 9 cents per share, compared to net income of \$1,062,000 or 11 cents per share for the six months ended December 28, 2003.

Additionally, effective December 28, 2003, the Company reacquired the area developer rights for Tennessee and portions of Kentucky for approximately \$962,000, of which \$682,000 was a cash payment.

Comparable chainwide same-store sales finished down 1.4% for the quarter ended December 28, 2003 and down 3.1% for the six months ended December 28, 2003.

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

2nd Quarter

	December 28, December 29,	
	2003	2002
Revenue	\$ 14,769	\$ 15,164
Income before taxes	\$ 845	\$ 2,867
Net Income	\$ 558	\$ 1,892
Diluted earnings per share	\$ 0.06	\$ 0.19
Basic earnings per share	\$ 0.06	\$ 0.19
Weighted average shares outstanding:		
Diluted	10,122,605	10,060,465
Basic	10,071,037	10,058,431

Six Months

	December 28, December 29,	
	2003	2002
Revenue	\$ 30,145	\$ 30,525
Income before taxes	\$ 1,609	\$ 3,327

Net Income	\$	1,062	\$	2,196
Diluted earnings per share	\$	0.11	\$	0.22
Basic earnings per share	\$	0.11	\$	0.22
Weighted average shares outstanding:				
Diluted		10,104,332		10,059,407
Basic		10,065,130		10,058,339