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Luby's Added to Russell 3000® Index

HOUSTON, TX – June 27, 2011 –Luby's, Inc. (NYSE: LUB) announced today that it has joined the broad-market Russell 3000® Index after Russell Investments ("Russell") reconstituted its comprehensive set of U.S. and global equity indexes on June 24, 2011. Inclusion in the Russell 3000 Index indicates that Luby's, based upon its total market capitalization, will also be added to the widely followed Russell 2000® Index for U.S. small-cap stocks.

Chris Pappas, President and CEO, remarked, "Over the past two years, we have focused our operations to concentrate on generating cash flow and returns. Due to our strong balance sheet and experienced operations team, last year we were able to complete the Fuddruckers acquisition, which added another dimension to our growth opportunities. I would like to thank our employees for their hard work and dedication for without them we would not have been added to the Russell 3000 Index."

The annual reconstitution of Russell's U.S. indexes captures the 4,000 largest U.S. stocks as of the end of May, ranking them by total market capitalization. Membership in the Russell 3000 Index, which remains in place for one year, means automatic inclusion in either the large-cap Russell 1000® Index or small-cap Russell 2000 Index, as well as the appropriate growth and value style indexes. Russell determines membership for its equity indexes primarily by objective, market-capitalization rankings and style attributes. The Russell 3000 Index also serves as the U.S. component of the Russell Global® Index, which Russell launched in 2007. The Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for both passive and active investment strategies. An industry-leading \$3.9 trillion in assets currently are benchmarked to them.

About Luby's

Luby's, Inc. operates restaurants under the brands Luby's and Fuddruckers and provides food service management through its Luby's Culinary Services division. The company operated restaurants include 95 cafeterias, 56 Fuddruckers restaurants, and four other non-core restaurants. Its 95 Luby's restaurants are located throughout Texas and other states. Its Fuddruckers restaurants include 56 company-operated locations and 127 franchises across the United States (including Puerto Rico) and Canada. Luby's Culinary Services provides food service management to 20 sites consisting of healthcare, higher education and corporate dining locations.

The Company wishes to caution readers that various factors could cause its actual financial and operational results to differ materially from those indicated by forward-looking statements made from time to time in news releases, reports, proxy statements, registration statements, and other written communications, as well as oral statements made from time to time by representatives of the Company. Any statements made in this news release and in such oral and written communications other than historical statements, including statements regarding the expected financial performance of the Company's prototype restaurant, the execution of the Company's strategic plan, and future openings of new or replacement restaurants are forward-looking statements. Forward-looking statements involve risks and uncertainties, including but not limited to general business conditions, the impact of competition, the success of operating initiatives, changes in the cost and supply of food and labor, the seasonality of the Company's business, taxes,

inflation, governmental regulations, and the availability of credit, as well as other risks and uncertainties disclosed in the Company's periodic reports on Form 10-K and Form 10-Q.

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