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**MANHATTAN BAGEL® SELECTS RED BANK LOCATION FOR COMPANYWIDE
PROTOTYPE AND TRAINING CENTER**

Local Husband and Wife Entrepreneur Team to Focus on Brick, New Jersey's Manhattan Bagel

Red Bank, NJ (December 2007) – Manhattan Bagel, the popular East Coast bagel bakery chain featuring its genuine New York style boil and bake bagel, has purchased the chain's Red Bank, New Jersey franchise location and will continue to operate it as well as utilize it as a corporate training center. The first newly built version of Manhattan Bagel's latest prototype restaurant, the Red Bank Manhattan Bagel will serve as the model in design and operations as the chain primes itself for rapid expansion throughout the east coast.

Howell residents Pete and Donna McCann are selling the location which opened in early-2006 in Red Bank's City Centre Plaza. The McCann's also own and operate the Manhattan Bagel in Brick Township, New Jersey—the highest volume location in the 100-plus unit Manhattan Bagel franchise network.

"It is truly a testament to Pete and Donna's hard work and dedication to the brand that we are choosing this location as the prototype and training store," said Gerardo Donatiello, vice president of operations for Manhattan Bagel. "Our new growth plan will benefit greatly because of what the McCann's have started in Red Bank."

Featuring the chain's new look, complete with comfortable seating and trendy décor, the Red Bank Manhattan Bagel creates a cozy yet vibrant dining environment. Consumer response has been remarkable as the Red Bank location has set the company standard for superior operations.

"For one of my stores to be chosen as the first ever model store is an enormous honor and I am flattered at the recognition of my leadership, innovation and devotion to operating a successful Manhattan Bagel location," said Pete McCann, Manhattan Bagel franchisee. "Donna and I are excited for the potential of the Red Brick location and we look forward to our continued success in Brick."

Based on the confidence the Einstein Noah Restaurant Group, Inc. (NASDAQ: BAGL), parent company to Manhattan Bagel, has in the chain's rapid growth, the new training center in Red Bank will not only serve as a model example of a properly run franchise but also as a test vehicle for new marketing programs and menu offerings.

“When guests sit down to eat Manhattan Bagel’s food, we want them to taste our innovation. We want them to experience the ‘wow factor’ with each experience in our restaurant and every bite,” added Donatiello. “Pete has accomplished just that with the Red Bank location and we look forward to developing it further. The entire franchise network will benefit from this step forward for the brand.”

Manhattan Bagel’s innovative menu items include 15 flavors of bagels and a wide variety of cream cheeses, made-to-order breakfast and lunch sandwiches, fresh salads, hearty soups, baked goods for breakfast and afternoon snacks along with premium coffees. Manhattan Bagel’s full menu is available all day. Further, the chain’s hot breakfast and lunch sandwiches, are grilled, a distinguishing characteristic in the quick casual bakery segment providing Manhattan Bagel with a competitive edge. Most chains use microwaves to heat their sandwiches.

About Einstein Noah Restaurant Group

Einstein Noah Restaurant Group, Inc. is a leading company in the quick casual restaurant industry that operates locations primarily under the Einstein Bros. and Noah's New York Bagels brands and primarily franchises locations under the Manhattan Bagel brand. The company's retail system consists of approximately 600 restaurants in 36 states and the District of Columbia. It also operates a dough production facility. The company's stock is traded under the symbol BAGL. Visit www.einsteinnoah.com for additional information.

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