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Contact: Gregg Cebrzynski, 847-945-1300, ext. 224

MANHATTAN BAGEL ANNOUNCES SIGNING OF DEVELOPMENT AGREEMENT

*Franchisee Plans to Open Popular Brand's First Restaurant
in Summit, New Jersey*

Summit, NJ – June 30, 2009 – Manhattan Bagel®, the popular neighborhood bagel bakery featuring genuine New York style bagels, is pleased to announce the signing of a development agreement with Akram Kwaik to open a Manhattan Bagel restaurant in Summit, New Jersey.

Kwaik, a resident of Montville, N.J., has been a franchisee for nine years and operates six other Manhattan Bagel Restaurants in central and northern New Jersey.

“Summit is the perfect location for Manhattan Bagel,” Kwaik said. “The crave-able food and comfortable atmosphere of the popular Manhattan Bagel brand fit in well with the area. I am pleased to bring its neighborhood-friendly atmosphere and variety of great-tasting menu items with high-quality ingredients and quick-casual service to Summit.”

“Akram is an outstanding franchisee, and we have the utmost confidence that he will continue to represent everything the brand stands for,” said Kevin Kruse, vice president of franchise development with Manhattan Bagel. “Residents of Summit can expect to enjoy the same great food and service he provides customers at his other restaurants. We are committed to supporting Akram and all of our franchisees, present and future, as the system continues to grow.”

Kwaik’s agreement with Manhattan Bagel is the second recent franchise expansion deal for the brand. The company also just announced a new store planned for the Greater Cherry Hill, New Jersey, area.

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. The chain’s hot breakfast and lunch sandwiches are grilled, a distinguishing characteristic in the quick-casual bakery segment that provides Manhattan Bagel with a competitive edge. Most chains use microwaves to heat their sandwiches.

Manhattan Bagel’s full menu is available all day.

“We are very excited about the strong interest being shown in the Manhattan Bagel brand from experienced restaurant operators,” said Paul Carolan, senior vice president of

franchising and licensing for Einstein Noah Restaurant Group, franchisor of the Manhattan Bagel brand. “Manhattan Bagel has been a solid performer over the last two decades, and we see a bright future ahead of us with solid franchise partners on board.”

For more information about franchise opportunities with Manhattan Bagel, contact Kevin Kruse at (609) 737-7266 or kkruise@einsteinnoah.com.

About Einstein Noah Restaurant Group

Einstein Noah Restaurant Group Inc. is a leading company in the quick-casual restaurant industry that operates and licenses 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 on the NASDAQ under the symbol BAGL. Visit www.einsteinnoah.com for additional information.

Forward-looking statements

Certain statements in this press release constitute forward-looking statements or statements which may be deemed or construed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "forecast," "estimate," "project," "plan to," "is designed to," "expectations," "intend," "indications," "expect," "should," "would," "believe," "target", "trend", “will be able”, “is going to be”, “will play” and similar expressions and all statements which are not historical facts are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which could cause the actual results or achievements to differ from those expressed or implied by such forward-looking statements. These factors include but are not limited to the following: the ability of Akram Kwaik to build, open and successfully run a Manhattan Bagel location is dependent upon, among other factors, his ability to find a suitable location, reach acceptable lease terms, have adequate capital, find available contractors, obtain licenses and permits, locate and train staff appropriately and properly manage the new restaurant. These and other risks are more fully discussed in the Company's SEC filings.

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