

Panera Bread Updates Previously Issued Second Quarter 2008 Earnings Guidance

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Second quarter diluted EPS target raised to \$0.48 to \$0.50 per diluted share - Second quarter comparable bakery-cafe sales target raised to 6.1% to 6.4%

Panera Bread Company (NASDAQ:PNRA) today announced that it is increasing its fiscal second quarter 2008 earnings per diluted share target to \$0.48 to \$0.50 from its previously announced target of \$0.40 to \$0.44 per diluted share. The increase is driven by projected company-owned comparable bakery-cafe sales growth of 6.1% to 6.4% (versus its previously targeted range of 5% to 6%), and better than expected margin improvement on higher growth in gross profit per transaction.

The Company also announced that with the continuing rise in gasoline prices, the Company expects an incremental \$(0.02) to \$(0.03) per diluted share of negative impact on the previously announced earnings per diluted share target range for the second half of 2008. The Company will update its second half targets in its earnings report to be released on July 22, 2008.

Additionally, the Company announced today that it has locked in approximately 95% of its fiscal first and second quarter 2009 wheat requirements at a total cost (futures cost + basis cost) of approximately \$10.00 per bushel versus the approximately \$15.00 per bushel paid by the Company on the average for the same period in 2008. The Company has not locked its requirements for the third and fourth fiscal quarters of 2009 because suppliers are not offering commitments on basis for that time period. Further, although the Company expects to benefit from the year-over-year decrease in wheat costs in 2009, the Company also notes that part of that benefit will be offset by higher commodity costs, notably proteins, dairy, and packaging, and the increasing cost of gasoline.

Tomorrow, the Company's Chief Financial Officer, Jeff Kip, will be presenting at the William Blair Growth Stock Conference at the Four Seasons Hotel in Chicago, Illinois.

Panera Bread Company owns and franchises 1,185 bakery-cafes under the Panera Bread(R) and Saint Louis Bread Co.(R) names as of March 25, 2008.

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