

Uno Restaurant Holdings Corporation Decides to End Discussions With Bondholders and Pays Interest Ahead of September 15, 2008 Due Date

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Uno Restaurant Holdings Corporation announced today that it has decided to end discussions with its bondholders regarding a proposed recapitalization of its balance sheet and has paid the interest payment on its bonds ahead of the September 15, 2008 due date. Uno also anticipates that future interest payments can and will be made in a timely fashion.

The interest payment was initially deferred by Uno's in accordance with a contractual 30-day grace period available under the bond indenture while Uno's and a group of its bondholders discussed a potential recapitalization of Uno's balance sheet. However, given that terms acceptable to Uno's could not be agreed upon, Uno's decided to end the negotiations and make the interest payment. According to Uno's Chief Financial Officer, Mr. Louie Psallidas "Given the Company's current level of profitability and liquidity position, we did not feel compelled to agree to terms that were not in the best interests of the Company. As such, we have decided to end our current discussions and make the interest payment ahead of the September 15, 2008 due date."

The Company remains in compliance with all provisions of its bond indenture as well as its bank debt agreements and has sufficient liquidity post the interest payment to fund several of the strategic initiatives already underway. Such initiatives include domestic and international franchise development, the continued rollout of the Uno Express concept, investments in the consumer products division, investing in facilities similar to the newly-opened or refurbished restaurants located in Swampscott and Burlington Massachusetts and Winter Garden Florida and the rollout of Uno's newest concept, Uno Due Go, which is scheduled to debut in two locations in the Dallas Fort Worth airport later this fall.

Mr. Frank Guidara, Chairman and Chief Executive Officer of Uno's stated "While we are disappointed that a mutually acceptable agreement that would enable Uno's to accelerate growth could not be worked out with our bondholders at this time, our operating results combined with our existing liquidity will enable us to meet our financial obligations and continue to invest in strategic initiatives. We will continue our focus on delivering a Best in Class experience to our restaurant guests, franchisees and customers of our consumer products division."

Based in Boston, Uno Restaurant Holdings Corporation currently has 206 company-owned and franchised full service units located in 29 states, the District of Columbia, Puerto Rico, and select international cities.

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