

Cereality® Cereal Bar and Cafe Expands Chicagoland Presence to Meet Suburban Demand and Support Expansion Initiatives

Company Inks Deal on Premier Evanston Site for Flagship Café, Franchise Training Facility and Commissary for Online and Catering Ventures

Training Program Branded "Always Saturday Morning BootCamp™"

Chicago, March 14, 2006 – Cereality® Cereal Bar & Café today announced it has signed a lease for a 2,400 square-foot site on the ground floor of Sherman Plaza, the much-anticipated 152,000 square-foot lifestyle retail component of this major mixed-use development (including 253 luxury condominium units and a 1,600-car garage) in booming downtown Evanston. This will be the company's second location in Chicago; the first Cereality site is located in the Loop opposite the Mercantile Exchange.

Scheduled to open in late summer, the new space will include a full-service café with all the signature Cereality elements—kitchen-inspired serving area, community farm table, comfy living room seating area, flat-screen televisions, etc. It will also be home to the "Always Saturday Morning Boot Camp™," the company's new franchise training facility named for its trademarked customer service promise, and "Cereality Kitchens™," its commissary for online order fulfillment and its innovative distance catering program. All of these initiatives are moving forward with great momentum.

"We're excited to be part of such a high-profile and nationally touted retail complex," said David Roth, Cereality's CEO and co-founder. "We think Cereality will really thrive here, as neighbors to great retail brands such as Barnes & Noble Booksellers, LA Fitness, Ann Taylor Loft, Elizabeth Arden Red Door Spa, and Pier 1 Imports, and from being at the hub of Evanston's central business district, new residents of the luxury condominiums in the development and other new condominium buildings, the Northwestern University campus, and all the area's major train and bus stations."

Roth notes that Cereality's downtown Loop location, as well as its Philadelphia site, demonstrate exceptionally strong business from families and tourists on the weekends and on holidays. "We are thrilled with the repeat business we see from the suburbs. Our customers show up in fluffy slippers and bathrobes. They plan parties at our cafes, for kids and for adults. Our downtown Loop location is booked for a wedding rehearsal dinner in a few months," said Roth. The new Evanston site will have dedicated space for special events and young children as well.

"All roads lead to downtown Evanston; it is a major retail, dining, entertainment and cultural draw for the north lakefront of the city of Chicago and its suburbs," commented one of Sherman Plaza's developers, Jim Klutznick. "We knew Cereality was drawing large crowds at their Loop location and began discussions with them as soon as we learned they were looking for a premier suburban flagship site. We believe it will be a great showplace for this rapidly growing brand," said Klutznick.

About Cereality

Cereality is an exciting new business that breaks the mold of traditional foodservice to bring a unique, highly personal, healthy eating experience to the consumer, entirely focused around brand-name cereals. One of the most compelling aspects of Cereality is that the menu offerings are already famous, with favorite brands from Quaker Oats, Kellogg's, General Mills, Post, and Nature's Path.

Customers can choose from more than 30 different cereal varieties, over 40 different toppings, a variety of milks (including soy and lactose-free) and choices of hot and cold beverages. The menu also features a wide range of popular signature Cereality blends of cereals, toppings, and mix-ins. These include many delicious made-to-order varieties of Quaker Oatmeal®.

Yet, these cereals aren't just served in bowls. They're also used in proprietary cereal bars and other homemade bakery items, snack mixes, granolas, parfaits, and smoothies. The unique residential, home kitchen atmosphere is punctuated by familiar brand-name cereal boxes displayed in custom-built kitchen cabinets and pajama-clad Cereologists[™] prepare orders to customers' specifications.

For more information about Cereality, go to www.cereality.com. Photos of the various Cereality locations can be provided upon request.

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