

GRILL CONCEPTS, INC.

NEWS RELEASE

CONTACTS:

Wayne Lipschitz
Chief Financial Officer
Grill Concepts, Inc.
(818) 251-7070

Angie Yang/Roger Pondel
PondelWilkinson Inc.
(310) 279-5980
investor@pondel.com

CHARLES MATHEWSON INCREASES STAKE IN GRILL CONCEPTS

WOODLAND HILLS, Calif. – Sept. 5, 2008 – (GLOBE NEWSWIRE) – Grill Concepts, Inc. (Nasdaq:GRIL) today announced the completion of a \$5 million private offering of convertible preferred stock and warrants to Charles N. Mathewson as trustee of the Charles N. Mathewson Trust.

“The company has made great strides successfully executing an accelerated expansion strategy that was initiated over two years ago, and this capital infusion ensures our ongoing progress,” said Philip Gay, president and chief executive officer. “Chuck Mathewson has been a long time friend and investor of the company. Chuck's increased investment underscores his firm belief in the value of our Grill on the Alley and Daily Grill offerings and the promising prospects for our company. We welcome his support and trust.”

Grill Concepts sold 5,000 shares of convertible preferred stock, which are entitled to cumulative dividends at the rate of 7.5 percent per year. Each preferred share is convertible into 250 shares, or an aggregate of 1,250,000 shares, of Grill Concepts common stock, representing an effective conversion price of \$4.00 per share. The transaction included warrants for the purchase of up to 600,000 additional shares of common stock at \$4.00 per share, exercisable for a period of seven years. The company intends to use the proceeds of the private offering for its restaurant expansion program and general working capital purposes. Additional information related to the private offering is detailed in a filing made by the company with the Securities and Exchange Commission on September 5, 2008.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities. At the time of their issuance, the shares of common stock and the underlying shares of common stock issuable upon exercise of the warrants have not been registered under the Securities Act, or any applicable state securities laws and may not be offered or sold in the United States, absent registration or an applicable exemption from such registration requirements.

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About Grill Concepts, Inc.

Grill Concepts owns, manages and licenses upscale casual and fine dining, full service restaurants under two core brand names: The Grill on the Alley and Daily Grill; as well as a newly launched quick casual concept named In Short Order - Daily Grill. The company operates 31 restaurants including five The Grill on the Alley-branded restaurants in Beverly Hills, Hollywood and San Jose, California; Chicago, Illinois; and Dallas, Texas; 25 Daily Grill restaurants in California; the Washington, D.C. metropolitan region; Houston and Austin, Texas; Portland, Oregon; Memphis, Tennessee; Seattle, Washington; Boston, Massachusetts; and Tulsa, Oklahoma; as well as one In Short Order - Daily Grill in Seattle, Washington.

This news release contains forward-looking statements, which are based on current operations, plans and expectations. Such statements include, but are not limited to, the company's ability to execute its restaurant expansion plans. Actual results may differ materially from these statements due to risks and uncertainties beyond the company's control, which are detailed from time to time in its filings with the United States Securities and Exchange Commission.

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