RESULTS OF 2007 ANNUAL MEETING OF SHAREHOLDERS

On September 14, 2007, Chairman and Chief Executive Officer Clarence Otis, Jr. welcomed shareholders to Darden’s annual meeting in Orlando. Shareholders were asked to elect twelve directors and to ratify the Board’s appointment of KPMG LLP to audit our consolidated financial statements for fiscal 2008. Over 85% of our outstanding shares were represented at the meeting. All of our director nominees were elected and the appointment of KPMG was ratified. Detailed voting results appear in Darden’s Form 10-Q for the quarter ended November 25, 2007.

Darden Restaurants, Inc. is traded on the New York Stock Exchange under the stock symbol DRI. The Company’s transfer agent is Wells Fargo Shareowner Services, 161 N. Concord Exchange, South St. Paul, MN 55075-1139, (877) 602-7596. Shareholders seeking information about Darden Restaurants may contact our Investor Relations Department at (800) 832-7336 or visit our website address at www.darden.com. Shareholders may request copies of press releases, the annual report on Form 10-K or quarterly reports on Form 10-Q free of charge.

Forward-looking statements in this mid-year report, if any, are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Certain important factors could cause results to differ materially from those anticipated by the forward-looking statements including the impact of intense competition, changing economic or business conditions, the price and availability of food, ingredients and utilities, supply interruptions, labor and insurance costs, increased advertising and marketing costs, higher-than-anticipated costs to open or close restaurants, litigation, unfavorable publicity, a lack of suitable restaurant locations, government regulations, a failure to achieve growth objectives, weather, risks associated with our plans to expand our newer concepts Bahama Breeze and Seasons 52, our ability to combine and integrate the business of RARE Hospitality International, Inc., develop new LongHorn Steakhouse and The Capital Grille restaurants and achieve synergies, the risks of incurring substantial additional debt, and other factors discussed from time to time in reports filed by the Company with the Securities and Exchange Commission.
We welcome the opportunity to update you on the first half of fiscal 2008. It was a period that was highlighted by our ability to deliver competitively strong sales and earnings in an environment where there was widespread concern over the consequences of a meaningful commodity cost inflation. We achieved profitable new unit growth at LongHorn’s first half, which was well-above the Knapp-Track industry benchmark, made progress enhancing the brand at Red Lobster, while also strengthening our restaurant operations. In this year’s first half, Red Lobster was well into Phase 2 of its plan to achieve sustainable growth, which involves aligning consumer touchpoints around a compelling brand promise.

LongHorn’s first half sales, which for Darden results include October and November only, were $126.0 million. On a same-restaurant basis, sales were down 3.9% for October and November. By the end of the first half, LongHorn operated 295 restaurants, compared to 296 restaurants at the same point last year. The Capital Grille delivered increased same-restaurant sales growth of 0.7% for October and November. By the end of the first half, the Capital Grille operated 30 restaurants, compared to 26 restaurants at the same point last year.

Bahama Breeze’s same-restaurant sales were down 1.3% during the first quarter and increased 0.1% in the second quarter. At Bahama Breeze, key business fundamentals are improving, driven by a focus on delivering a more approachable Caribbean escape for our guests. Bahama Breeze has made tremendous progress over the last two years improving its guest experience, increasing restaurant-level returns and broadening the appeal of the brand. Given this performance, the strategic focus for Bahama Breeze is to prepare the business for disciplined new restaurant growth, which is expected to begin with two new restaurants in fiscal 2009.

Seasons 52, Darden’s newest internally developed restaurant concept, focused on building new capacity and current operations for our new restaurants. Seasons 52 is focused on building a solid foundation for expansion, including a strong new restaurant site pipeline.

We continued the buyback of our common stock in the open market during the first half of the fiscal year, purchasing 1.0 million shares. Cumulatively, since initial authorization of our repurchase program in December 1995, we have repurchased 143.0 million of our shares, a testament to our strong cash flows. We still have approximately 19.4 million shares remaining for repurchase under current authorizations. We also changed our dividend structure to a quarterly dividend of 18 cents per share from a semi-annual dividend of 23 cents per share, representing a 57% increase in our annual dividend.

As we move into the second half of fiscal 2008, we believe we are well positioned to deliver competitively superior results in any operating environment. At its core, our approach is about having a terrific team working on the things it takes to succeed in our dynamic industry – brand management, restaurant operations and restaurant support excellence.

We thank you for being a valued owner of Darden Restaurants. We encourage you to bring the attached complimentary gift certificate into any of our restaurants and let us show you the exciting things we are doing to earn the distinction of being the best in our business – now and for generations.

Clarence Otis, Jr.
Chaiman and Chief Executive Officer
January 22, 2008