Darden Restaurants Reports January Same-Restaurant Sales Results

ORLANDO, Fla., Jan 31, 2001 /PRNewswire via COMTEX/ -- Darden Restaurants, Inc. (NYSE: DRI) today reported same-restaurant sales for the four-week January fiscal month ended January 28, 2001. This period is the second month of Darden's fiscal 2001 third quarter.

Same-restaurant sales at Red Lobster were up 8% to 9% for the January fiscal month, driven by a 4% to 5% increase in guest counts, a 3% increase in pricing and a 1% increase in check average due to menu mix changes. Red Lobster's "One Pound of Crab" promotion, which is priced at $10.99, began January 15 and continues until February 11. In fiscal January of last year, Red Lobster recorded a 5% to 6% same-restaurant sales increase.

Same-restaurant sales at Olive Garden were up 8% to 9% for the month. Olive Garden's same-restaurant sales growth for the month reflected a 4% to 5% increase in guest counts, a 3% increase in pricing and a 1% increase in check average due to menu mix changes. Olive Garden began its "Chicken Scampi" promotion on January 1 and this promotion, which is priced at $8.95, will run through February 4. In fiscal January of last year, Olive Garden had a 9% to 10% same-restaurant sales increase.

"Sales and traffic were very strong this month, following the weather challenges we saw in December," said Clarence Otis, Darden's Chief Financial Officer. "We have had more moderate earnings flow-through than usual, primarily because of a sharp increase in utility costs. Based on the first two months of our fiscal third quarter, utility costs for the full quarter will be approximately $5 million higher than we anticipated, with a corresponding reduction in pretax earnings. The utility markets have been more stable in recent weeks, so we remain comfortable with our utility cost and earnings estimates for the fourth quarter. We are very pleased with the overall strength of our business, as reflected in Red Lobster and Olive Garden's January sales and traffic."

Darden Restaurants, Inc., in Orlando, Fla., owns and operates Red Lobster, Olive Garden, Bahama Breeze and Smokey Bones restaurants.

Forward-looking statements in this news release, 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 changing economic or business conditions, the impact of competition, the availability of favorable credit and trade terms, the impact of changes in the cost or availability of food and real estate, government regulation, construction costs, weather conditions and other factors discussed from time to time in reports filed by the company with the Securities and Exchange Commission.