Darden Restaurants Reports December Same-Restaurant Sales Results

ORLANDO, Fla., Jan 9, 2001 /PRNewswire via COMTEX/ -- Darden Restaurants, Inc. (NYSE: DRI) today reported that same-restaurant sales increased 2% to 3% at both Red Lobster and Olive Garden for the five-week December fiscal month ended December 31, 2000. This period is the first month of Darden's fiscal 2001 third quarter.

Red Lobster's same-restaurant sales increase in December reflected a 2% to 3% increase in pricing, a 1% to 2% increase in average check due to menu mix changes and a 2% decline in guest traffic. Favorable shifts in Christmas and New Year's Day contributed 1.7 percentage points to Red Lobster's comparable sales and traffic results, while unusually severe weather throughout much of the country had a more than offsetting negative effect of approximately 3.5 percentage points. In fiscal December of last year, Red Lobster recorded a 6% to 7% same-restaurant sales increase.

Olive Garden's December same-restaurant sales gain reflected a 2% to 3% increase in pricing, a 1% to 2% increase in average check due to menu mix changes and a 2% decline in guest traffic. Olive Garden's sales and traffic results also include a 1.7 percentage points gain from the favorable holiday shifts and a negative weather effect of approximately 3.5 percentage points. In fiscal December of last year, Olive Garden had an 8% to 9% same-restaurant sales increase.

"With an economy that is slowing to a more normal level, we would expect same-restaurant sales growth within the 3% to 5% range at Red Lobster and Olive Garden," said Clarence Otis, Darden's Chief Financial Officer. "While we expected December results within that range, our results for the month were below these expectations due to the unusually inclement weather. We remain confident in the underlying strength and potential of our business."

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.