

Darden Restaurants Announces Expected First Quarter Diluted Net Earnings Per Share and Revises Fiscal Year 2009 Earnings Outlook

2008-08-26

Darden Restaurants, Inc. (NYSE:DRI) today reported that it expects diluted net earnings per share from continuing operations for its fiscal first quarter ended August 24, 2008 to be between \$0.57 and \$0.59, including anticipated integration costs and purchase accounting adjustments related to its acquisition of RARE Hospitality International, Inc. (RARE) in October 2007 which are expected to adversely affect diluted net earnings per share for the quarter by approximately three cents.

Excluding the anticipated integration costs and purchase accounting adjustments, estimated diluted net earnings per share for the fiscal first quarter are expected to be \$0.60 to \$0.62. The Company also reported that, for the first quarter, Red Lobster, Olive Garden and LongHorn Steakhouse's combined U.S. same-restaurant sales are expected to decline -1.1% versus the prior year. Preliminary first quarter U.S. same-restaurant sales results at Olive Garden, Red Lobster and LongHorn Steakhouse are +2.4%, -3.7% and -4.9%, respectively. The Company expects to release its fiscal 2009 first quarter earnings on Tuesday, September 16, 2008, after the market close.

Darden announced that it now expects combined full-year U.S. same-restaurant sales growth in fiscal 2009 of approximately 0% to 1% for Red Lobster, Olive Garden and LongHorn Steakhouse, and that it expects to open approximately 75 to 80 net new restaurants in fiscal 2009. As a result, the Company expects total sales growth of between 12% and 13% in fiscal 2009 off a base of total sales from continuing operations in fiscal 2008 of \$6.63 billion. Anticipated total sales growth for the full fiscal year reflects a 53rd week in fiscal 2009, which boosts the growth rate by two percentage points, excluding the 53rd week, expected total sales growth is approximately 10% to 11%.

The Company also announced that it now anticipates reported diluted net earnings per share growth from continuing operations to be between 5% and 10% in fiscal 2009, which includes the impact of the 53rd week and anticipated integration costs and purchase price adjustments related to the RARE acquisition. This compares to reported diluted net earnings per share from continuing operations of \$2.55 in fiscal 2008. The additional week is expected to contribute approximately two percentage points, or \$0.05 per diluted share, of growth in fiscal 2009.

Excluding the estimated integration costs and purchase accounting adjustments, which totaled approximately 19 cents, net earnings from continuing operations were \$2.74 per diluted share in fiscal 2008. In fiscal 2009, these costs and adjustments are expected to be approximately 6 to 7 cents per diluted share. Excluding the impact of integration costs and purchase accounting adjustments for both fiscal 2008 and fiscal 2009, the Company expects diluted net earnings per share growth to be between 0% and 5% on a 53-week basis and -2% and +3% on a 52-week basis. This compares to the Company's previous guidance of 9% to 10% growth on a 53-week basis and 7% to 8% growth on a 52-week basis.

"With a more challenging than anticipated economic and consumer environment this quarter, our initial expectations for our same-restaurant sales performance proved optimistic," said Clarence Otis, Chairman and Chief Executive Officer of Darden. "Our revised earnings outlook for the full year reflects expected first quarter results as well as our expectation that same-restaurant sales will remain under pressure for the balance of the fiscal year. Importantly, we continue to be on track to achieve the cost and operational synergies expected as a result of our acquisition of RARE. As we work to respond to today's challenges, we remain confident in the strength of our brands and that our teams will continue to deliver competitively superior guest experiences. We know that these are the key to success in this demanding consumer environment and to our long-term success."

Darden Restaurants, Inc., (NYSE:DRI) headquartered in Orlando, Fla., is the world's largest company-owned and operated full-service restaurant company with almost \$6.7 billion in annual sales and approximately 180,000 employees. The Company owns and operates over 1,700 restaurants including Red Lobster, Olive Garden, LongHorn Steakhouse, The Capital Grille, Bahama Breeze and Seasons 52.

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