



Earnings Call

Fiscal 2025: First Quarter Results
September 19, 2024

Disclaimer/Non-GAAP Information

IMPORTANT NOTICE

The following slides are part of a presentation by Darden Restaurants, Inc. (the "Company") and are intended to be viewed as part of that presentation (the "Presentation"). No representation is made that the Presentation is a complete description of the Company's performance, financial condition or outlook.

Forward-looking statements in this communication regarding our expected earnings performance and all other statements that are not historical facts, including without limitation statements concerning our future economic performance, are made under the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Any forward-looking statements speak only as of the date on which such statements are first made, and we undertake no obligation to update such statements to reflect events or circumstances arising after such date. We wish to caution investors not to place undue reliance on any such forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties that could cause actual results to materially differ from those anticipated in the statements. The most significant of these uncertainties are described in Darden's Form 10-K, Form 10-Q and Form 8-K reports. These risks and uncertainties include: a failure to address cost pressures and a failure to effectively deliver cost management activities, economic factors and their impacts on the restaurant industry and general macroeconomic factors including unemployment, energy prices and interest rates, the inability to hire, train, reward and retain restaurant team members, a failure to develop and recruit effective leaders, labor and insurance costs, health concerns including food-related pandemics or outbreaks of flu or other viruses, food safety and food-borne illness concerns, technology failures including failure to maintain a secure cyber network, compliance with privacy and data protection laws and risks of failures or breaches of our data protection systems, the inability to successfully complete our acquisition and integration of Chuy's Holdings operations into our business, risks relating to public policy changes and federal, state and local regulation of our business, intense competition, changing consumer preferences, an inability or failure to manage the accelerated impact of social media, a failure to execute innovative marketing and guest relationship tactics, climate change, adverse weather conditions and natural disasters, long-term and non-cancelable property leases, failure to execute a business continuity plan following a disaster, shortages or interruptions in the delivery of food and other products and services, failure to drive profitable sales growth, a lack of availability of suitable locations for new restaurants, higher-than-anticipated costs to open, close, relocate or remodel restaurants, risks of doing business with franchisees, licensees and vendors in foreign markets, volatility in the market value of derivatives, volatility leading to the inability to hedge equity compensation market exposure, failure to protect our intellectual property, environmental, social and governance risk, including disclosure expectations and the impacts of third party ratings, litigation, unfavorable publicity, disruptions in the financial markets, impairment in the carrying value of our goodwill or other intangible assets, changes in tax laws or unanticipated tax liabilities, failure of our internal controls over financial reporting and other factors and uncertainties discussed from time to time in reports filed by Darden with the Securities and Exchange Commission.

The information in this communication includes financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"), such as adjusted diluted net earnings per share from continuing operations and adjusted EBITDA. The Company's management uses these non-GAAP measures in its analysis of the Company's performance. The Company believes that the presentation of certain non-GAAP measures provides useful supplemental information that is essential to a proper understanding of the operating results of the Company's businesses. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included under "Additional Information" in this presentation.





A full-service restaurant company with ...

1 Mission

Be financially successful through great people consistently delivering outstanding food, drinks and service in an inviting atmosphere making every guest loyal.

4 Competitive Advantages

Significant Scale



Extensive Data & Insights



Rigorous Strategic Planning



Results-Oriented Culture

1 Driving Philosophy

Back-To-Basics

Culinary Innovation & Execution



Attentive Service



Engaging Atmosphere



Integrated Marketing

9 Iconic Brands





Steak Gorgonzola Alfredo

Olive Garden[®]
ITALIAN KITCHEN



Stuffed Chicken Marsala

NEW



Lemon Garlic Chicken

NEW

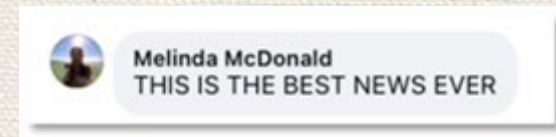
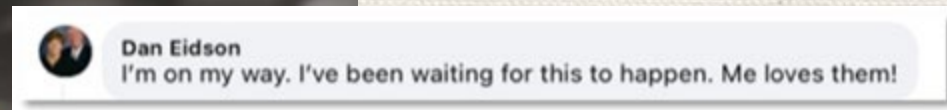


Dragonfruit Margarita



Cheddar's

SCRATCH  KITCHEN





Service

Atmosphere



Never Ending Pasta Bowl



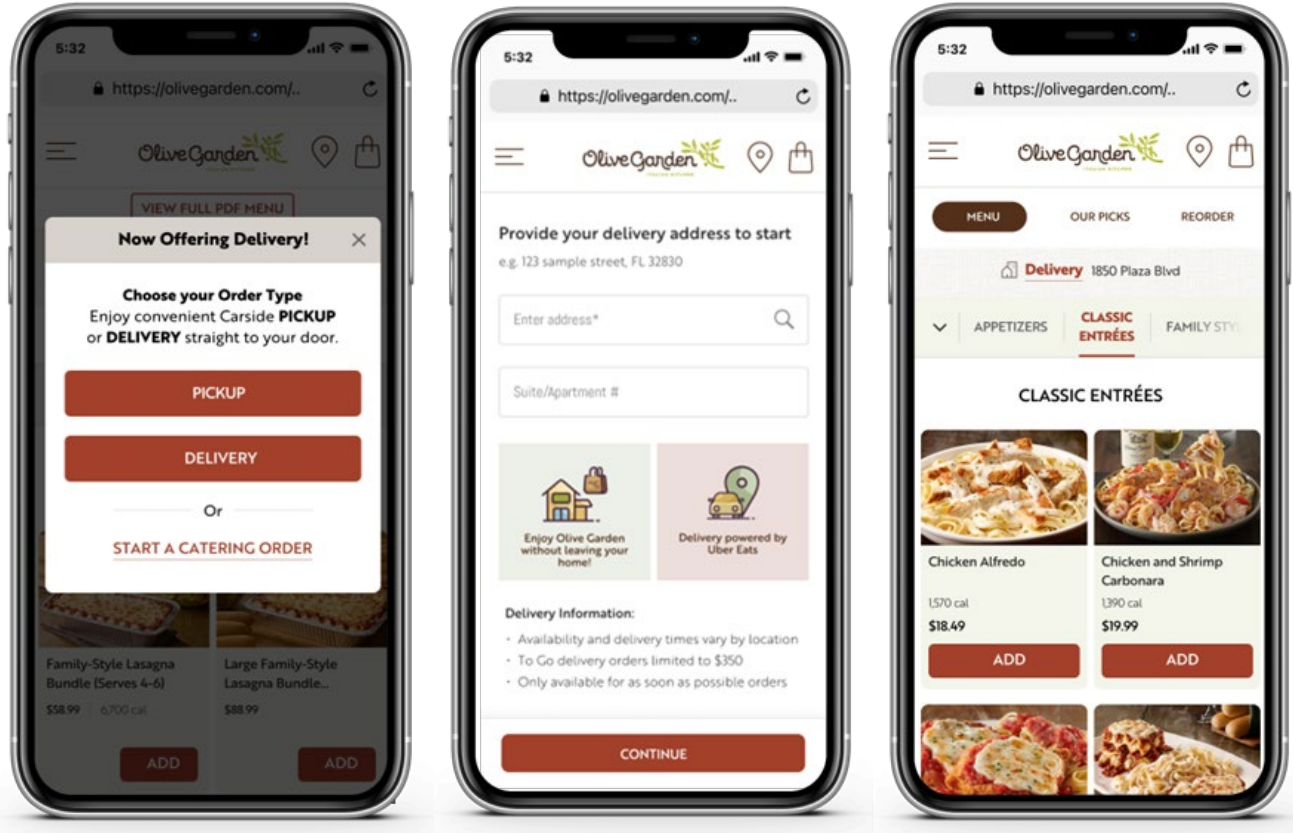
Elevates Brand Equity | Simple to Execute | Not at a Deep Discount

Digital Marketing





Uber Direct



// Enhances the guest experience

// Protects the team member experience

// Strengthens and defends our competitive advantages

// Protects our simple operating model

Thank You To Our Team Members



Fiscal 2025 First Quarter Financial Highlights



\$2.8 Billion
TOTAL SALES

1.0%
TOTAL SALES GROWTH

(1.1)%
SAME-RESTAURANT SALES
GROWTH¹

\$392 Million
ADJUSTED EBITDA²

\$1.75
ADJUSTED DILUTED NET EPS
FROM CONTINUING
OPERATIONS²

\$338 Million
CASH RETURN³

¹ Will not include Ruth's Chris Steak House until they have been owned and operated by Darden for a 16-month period (Q2 Fiscal 2025).

² A reconciliation of Non-GAAP measures can be found in the Additional Information section of this presentation.

³ Includes dividends paid and repurchases of common stock.



Margin Analysis vs. Prior Year

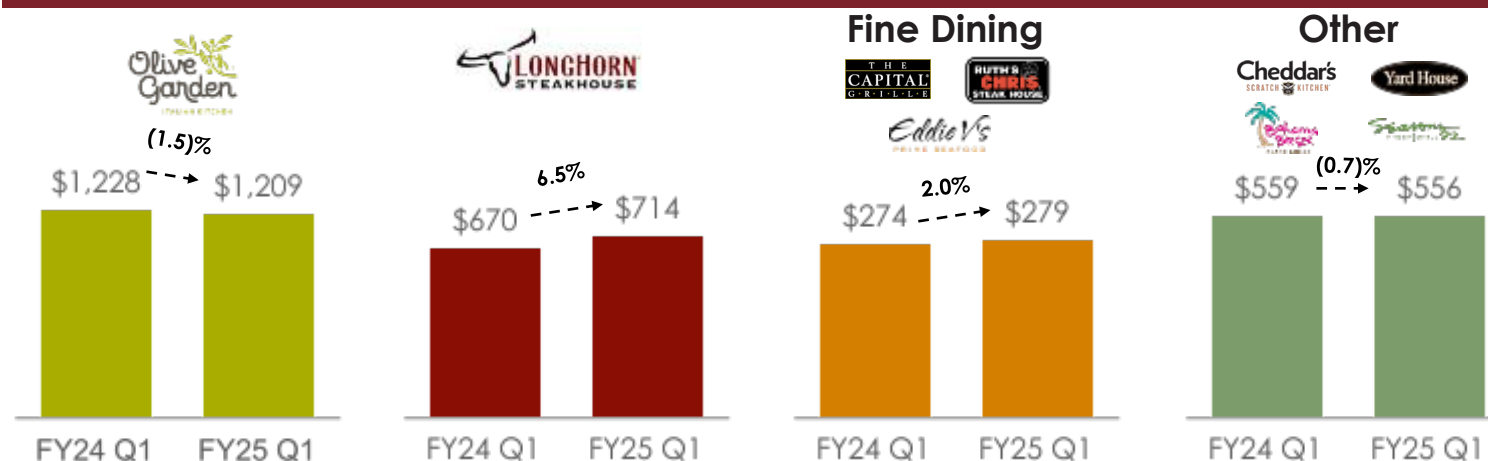
	As Reported		As Adjusted ¹	
	Q1 2025 (\$ millions)	Q1 2025 (\$ millions)	Q1 2025 % of Sales	vs Q1 2024 (bps) Favorable/(Unfavorable)
Sales	\$2,757.0	\$2,757.0		
Food and Beverage	\$846.7	\$846.7	30.7 %	50
Restaurant Labor	\$889.3	\$889.3	32.3 %	(20)
Restaurant Expenses	\$458.2	\$458.2	16.6 %	(30)
Marketing Expenses	\$44.7	\$44.7	1.6 %	(20)
Restaurant-Level EBITDA	\$518.1	\$518.1	18.8 %	(20)
General and Administrative Expenses	\$126.4	\$124.9	4.5 %	20
Depreciation and Amortization	\$121.5	\$121.5	4.4 %	(40)
Impairment and Disposal of Assets, Net	\$1.0	\$1.0	— %	10
Operating Income	\$269.2	\$270.7	9.8 %	(40)
Interest Expense	\$37.1	\$37.1	1.3 %	(30)
Earnings Before Income Tax	\$232.1	\$233.6	8.5 %	(60)
Income Tax Expense	\$24.5	\$24.8	0.9 %	20
Note: Effective Tax Rate	10.6%	10.6%		
Earnings From Continuing Operations	\$207.6	\$208.8	7.6 %	(40)

Note: Continuing operations, values may not foot due to rounding.

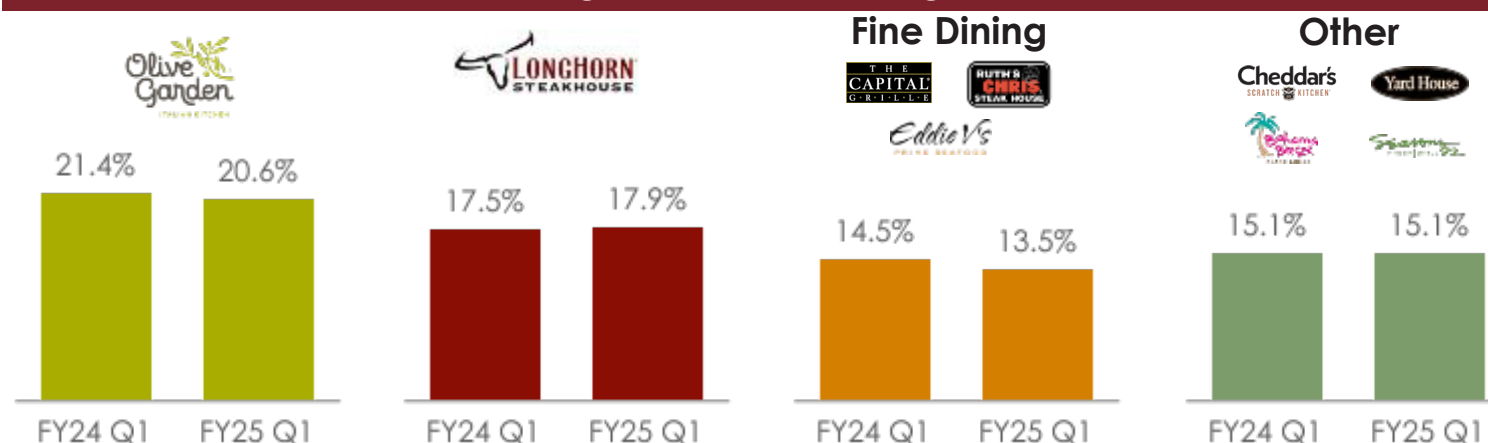
¹ A reconciliation of Non-GAAP measures can be found in the Additional Information section of this presentation.

First Quarter Segment Performance¹

Segment Sales (\$ millions)



Segment Profit Margin²



¹ From the date of acquisition forward, sales and profits from Ruth's Chris company-owned restaurants are included within the Fine Dining segment. Royalties from Ruth's Chris franchise and managed locations reside in the Other Business segment.

² Segment profit margin calculated as (sales less costs of food & beverage, restaurant labor, restaurant expenses and marketing expenses) / sales.



// On-track to close mid-October pending Chuy's Shareholder approval

// "Go-Shop" and regulatory waiting periods have expired

// Financing secured to complete transaction

// Expected to be neutral impact to adjusted net earnings per share in fiscal 2025 excluding acquisition and integration-related expenses

Question & Answer Session

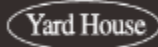
Additional Information

Reiterating Fiscal 2025 Annual Outlook

SALES	DEVELOPMENT	MARGIN
Total Sales \$11.8 to \$11.9 Billion	Restaurant Openings 45 to 50	Total Inflation: ~3.0% Commodities: ~2.0%
Same-Restaurant Sales Growth¹ 1.0% to 2.0%	Capital Spending \$550 to \$600 Million	Effective Tax Rate Approximately 13.0%

Diluted Earnings per Share
\$9.40 to \$9.60
(~119 Million Weighted Average Diluted Shares Outstanding)

¹ Excludes Ruth's Chris Steak House as they were not owned and operated by Darden for a 16-month period at the beginning of Fiscal 2025.



Commodities Outlook – Second and Third Quarter

September - February FY2025			
	Spend by category	Coverage	Outlook
Beef	25%	50%	Low single digit inflation
Dairy / Oil ¹	13%	40%	Low single digit deflation
Produce	12%	85%	Flat
Seafood	9%	90%	Flat
Chicken	8%	70%	Mid single digit deflation
Wheat ²	7%	80%	Low single digit inflation
Non-Perishable / Other	26%	45%	Low single digit inflation
<i>Weighted average coverage</i>	100%	60%	

¹ Includes cheese, cream, butter, and shortening.

² Includes breadsticks and pasta.

Reported to Adjusted Earnings Reconciliations

	Q1 2025				Q1 2024			
\$ in millions, except EPS	Earnings Before Income Tax	Income Tax Expense	Net Earnings	Diluted Net Earnings Per Share	Earnings Before Income Tax	Income Tax Expense	Net Earnings	Diluted Net Earnings Per Share
Reported Earnings from Continuing Operations	\$ 232.1	\$ 24.5	\$ 207.6	\$ 1.74	\$ 223.2	\$ 28.4	\$ 194.8	\$ 1.60
Adjustments:								
Acquisition Transaction and Integration Related Costs	1.5	0.3	1.2	0.01	24.8	2.6	22.2	0.18
Adjusted Earnings from Continuing Operations	\$ 233.6	\$ 24.8	\$ 208.8	\$ 1.75	\$ 248.0	\$ 31.0	\$ 217.0	\$ 1.78
Interest			37.1				29.7	
Adjusted Income Tax			24.8				31.0	
Adjusted Operating Income			\$ 270.7				\$ 277.7	
Depreciation and Amortization			121.5				109.8	
Adjusted EBITDA			\$ 392.2				\$ 387.5	