# Darden Restaurants Inc.

**DRI**

NYSE; shops; SIC 5812, Retail-Eating Places; CIK 0000940944

**C**

**middle fifth of 255 graded peers in shops**

rank 133 of 255; percentile 52.0; sampling error 3.0 points; lower is stronger

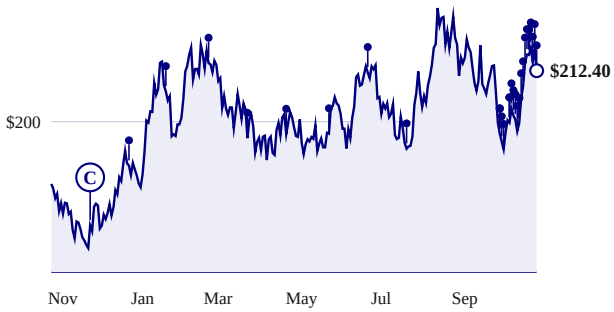
A B C D E

**C, the tortoise**



| Scoreboard | |
|---|---|
| **Profitability** | B/C<br>percentile 40.2 |
| **Solvency** | D<br>percentile 65.7 |
| **Growth and financing** | B/C<br>percentile 42.9 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $12.9B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 12 of 14 |
| **Graded from** | filings received through Jul 24, 2026<br>93 days before the rescan; latest periodic filing 10-Q received Oct 2, 2026 |
| **Last close** | $212.31<br>2026-10-23; market equity $24.0B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Jul 24, 2026*

Darden Restaurants, Inc. ("Darden," the "Company," "we," "us," or "our") is a full-service restaurant company, and as of May 31, 2026, we owned and operated 2,202 restaurants through subsidiaries in the United States under the Olive Garden®, LongHorn Steakhouse®, Yard House®, Ruth's Chris Steak House® ("Ruth's Chris"), Cheddar's Scratch Kitchen®, The Capital Grille®, Chuy's®, Seasons 52®, Eddie V's Prime Seafood® ("Eddie V's"), Bahama Breeze®, and The Capital Burger® trademarks.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

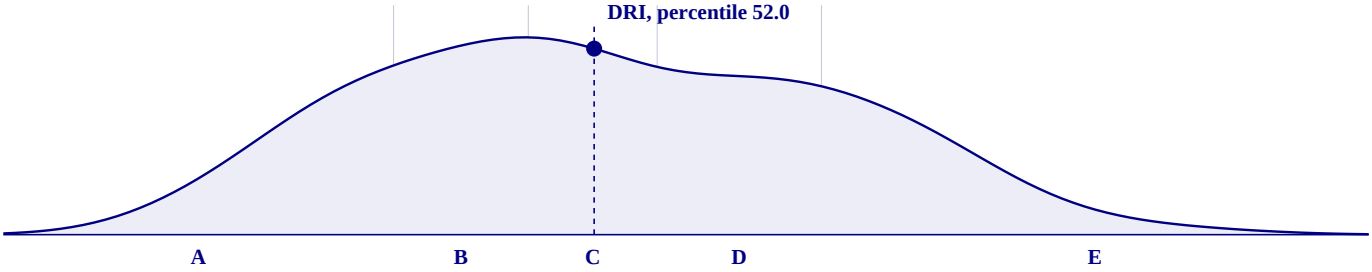
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 40.2** | | | | | | |
| Gross profitability | 20.9% | 42.3% | | 79.9 | 240 | 2026-05-31 |
| Return on invested capital | 35.4% | 10.9% | | 15.7 | 84 | 2026-05-31 |
| Accruals ratio | (5.1%) | (4.9%) | | 49.6 | 285 | 2026-05-31 |
| Gross margin stability, five years | 0.5 pts | 1.2 pts | | 15.7 | 217 | 2026-05-31 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| **Solvency, sleeve percentile 65.7** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | (0.03) | 1.93 | 68.4 | 207 | 2026-05-31 | |
| Net debt to EBITDA | 0.66x | 1.84x | 32.3 | 100 | 2026-05-31 | |
| Interest coverage | not computable | 2.49x | | | | |
| *latest aligned inputs end 2023-05-28; latest annual assets end 2026-05-31* | | | | | | |
| Current ratio | 0.31x | 1.38x | 96.2 | 294 | 2026-05-31 | |
| **Growth and financing, sleeve percentile 42.9** | | | | | | |
| Revenue growth, three-year compound | 8.0% | 1.6% | 20.4 | 266 | 2026-05-31 | |
| Free cash flow growth, three-year compound | 4.2% | 5.5% | 54.1 | 147 | 2026-05-31 | |
| Reinvestment rate | (41.9%) | 8.4% | 83.4 | 152 | 2026-05-31 | |
| Asset growth, three years | 7.9% | 3.4% | 28.4 | 269 | 2026-05-31 | |
| Net share issuance, one year | (2.5%) | (0.6%) | 28.0 | 208 | 2026-05-31 | |

## Among 255 peers

*shops; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 128 | Reliance, Inc. (RS) | 50.0 | C | |
| 129 | TD Synnex Corp. (SNX) | 50.4 | C | |
| 130 | Foster L B Co. (FSTR) | 50.8 | C | |
| 131 | Titan Machinery Inc. (TITN) | 51.2 | C | fortress balance sheet |
| 132 | Mckesson Corp. (MCK) | 51.6 | C | |
| 133 | Darden Restaurants Inc. (DRI) | 52.0 | C | |
| 134 | Bath & Body Works, Inc. (BBWI) | 52.4 | C | |
| 135 | Hudson Technologies Inc. (HDSN) | 52.8 | C | |
| 136 | Walmart Inc. (WMT) | 53.1 | C | |
| 137 | Penske Automotive Group, Inc. (PAG) | 53.5 | C | |
| 138 | Insight Enterprises Inc. (NSIT) | 53.9 | C | |

## What the price implies

*at the 2026-10-23 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 16.1% | 0.6% | 65 |
| Distance from 52-week high | (6.7%) | (22.7%) | 82 |
| EBIT to enterprise value | 6.2% | 5.3% | 59 |
| Free cash flow yield | 4.7% | 4.1% | 56 |
| Book value to price | 0.09 | 0.35 | 22 |
| Sales to price | 0.55 | 1.68 | 17 |
| Composite equity issuance, five years | (31.7%) | (16.8%) | 23 |
| Relative strength against the sector, log excess return | 0.17 | 0.03 | 65 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2026-05-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $220.5M |
| Operating cash flow, four quarters | $1.8B |
| Months of runway | not finite |
| Days since last periodic filing | 23 (10-Q received Oct 2, 2026) |
| Median daily dollar volume, 63 sessions | $233.4M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $2.7B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 2 | assets | us-gaap:Assets | $12.9B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $1.6B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $1.4B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $174.9M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 6 | total debt | us-gaap:LongTermDebt | $1.6B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 7 | book equity | us-gaap:StockholdersEquity | $2.2B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $219.5M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 9 | total debt | us-gaap:LongTermDebt | $2.1B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 10 | book equity | us-gaap:StockholdersEquity | $2.3B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $240.0M | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 12 | net income | us-gaap:NetIncomeLoss | $1.2B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.9B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 14 | assets | us-gaap:Assets | $12.6B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $13.2B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 16 | gross profit | us-gaap:GrossProfit | $2.5B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $12.1B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 18 | gross profit | us-gaap:GrossProfit | $2.3B | 2024-05-26 | 2026-07-24 | 10-K | 26-000025 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $11.4B | 2024-05-26 | 2026-07-24 | 10-K | 26-000025 |
| 20 | gross profit | us-gaap:GrossProfit | $2.0B | 2023-05-28 | 2025-07-18 | 10-K | 25-000038 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $10.5B | 2023-05-28 | 2025-07-18 | 10-K | 25-000038 |
| 22 | gross profit | us-gaap:GrossProfit | $1.9B | 2022-05-29 | 2024-07-19 | 10-K | 24-000035 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $9.6B | 2022-05-29 | 2024-07-19 | 10-K | 24-000035 |
| 24 | current assets | us-gaap:AssetsCurrent | $942.9M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $3.0B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$108.4M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 27 | liabilities | us-gaap:Liabilities | $10.7B | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $561.1M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | $1.2B | 2023-05-28 | 2025-07-18 | 10-K | 25-000038 |
| 30 | interest expense | us-gaap:InterestExpense | $50.2M | 2023-05-28 | 2023-07-21 | 10-K | 23-000037 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $734.0M | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.7B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $644.6M | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.6B | 2024-05-26 | 2026-07-24 | 10-K | 26-000025 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $601.2M | 2024-05-26 | 2026-07-24 | 10-K | 26-000025 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.6B | 2023-05-28 | 2025-07-18 | 10-K | 25-000038 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $564.9M | 2023-05-28 | 2025-07-18 | 10-K | 25-000038 |
| 38 | current assets | us-gaap:AssetsCurrent | $937.7M | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $2.2B | 2025-05-25 | 2026-07-24 | 10-K | 26-000025 |
| 40 | assets | us-gaap:Assets | $11.3B | 2024-05-26 | 2025-07-18 | 10-K | 25-000038 |
| 41 | assets | us-gaap:Assets | $10.2B | 2023-05-28 | 2024-07-19 | 10-K | 24-000035 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 114,077,969 | 2026-05-31 | 2026-07-24 | 10-K | 26-000025 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 117,033,830 | 2025-05-25 | 2025-07-18 | 10-K | 25-000038 |

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