NEWS RELEASE

The Story Behind the Numbers – 3 Things You May Have Missed During Signet's Q2 FY23 Results

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Earlier this month, Signet's CEO, Gina Drosos, and Chief Financial and Strategy Officer, Joan Hilson, shared the company's **second quarter financial results**. Among the financial highlights were Signet's ability to deliver a double-digit operating margin, accelerate growth in our jewelry services business and achieve strong sales in our Accessible Luxury price tiers.

While these stories made the news headlines, there were additional compelling stories that you may have missed. Here are three key takeaways from our second quarter FY23 earnings call on September 1st:

1. Going beyond engagement rings to win in bridal

Signet's current share of the bridal jewelry market is approximately 30%, due in part to high consumer awareness and compelling, always-on marketing campaigns. But Gina shared emerging opportunities to build on Signet's bridal strength and capture more gifting around wedding related events:

> Gina: "Our data suggests that jewelry represents 43 percent of the gifts shared at wedding-related celebrations – including gifts for the bridal party, mothers, and the couple themselves – making this a $1.9 billion dollar opportunity in the U.S. Because Signet delights so many couples with engagement ring purchases, we're now focused on making the most of all wedding opportunities.
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> "We've made changes to our assortment, services, and marketing – and are creating new digital content, online shopping guides, and targeted media campaigns – all to serve our customers throughout their special events and capture the entire value of the wedding."

2. The Internet of Things – in jewelry?

Signet isn't letting up on its industry-leading investments in digital capabilities. Gina mentioned eTags as one area where Signet is leading the jewelry industry in delivering an innovative and elevated shopping experience. eTagging was developed at Signet and increasingly links the company's digital and physical experiences. Here are a few of the advantages according to our CEO:

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> Gina: “Because our eTags enable storytelling, with a visible QR code, customers can easily access information about each diamond. Second, by leveraging a motion sensor and sales data, eTags give us the ability to dynamically adjust pricing or offer incentives to close a sale within seconds. We can now optimize inventory levels and maximize sales and margin on a nearly real-time basis.
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> “Nearly every loose diamond at Jared will soon have an eTag, and we are continuing to expand the technology across other products and banners. With the digital innovation of our proprietary eTag system, we’re essentially adding Internet of Things technology to our Connected Commerce capabilities in a way that no other jewelry company is doing.”

3. Stocked to meet consumer demand this Holiday

As many retailers around the world project another holiday shopping season with supply chain uncertainty, Signet is prepared to once again meet consumer demand – just like last year. Joan Hilson explained the company’s focus on supply chain and inventory readiness:

> Joan: "We continue to use the appropriate levers to maintain a healthy level of inventory and are well prepared for the Holiday season. We’ve partnered with our vendors to secure the right inventory to meet consumer demands and trends -- while still maintaining the rigorous inventory management that drives much of our cash and cost discipline. We manage inventory holistically to grow market share and improve operating margin. This has become a reliable component of our annual double-digit operating margin commitment."

View the full news release for more on Signet’s second quarter results.