SIGNET JEWELERS

“Competitive Advantages Reinforcing Sector Leadership”

October 2010

KAY JEWELERS
Every kiss begins with Kay®
kay.com

JARED®
The Galleria Of Jewelry
jared.com

H.SAMUEL
THE JEWELLER

Ernest Jones
The Diamond & Watch Specialist

Safe Harbor Statement
(Private Securities Litigation Reform Act of 1995)

This presentation contains statements which are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, based upon management's beliefs and expectations as well as on assumptions made by and data currently available to management, appear in a number of places throughout this presentation and include statements regarding, among other things, our results of operation, financial condition, liquidity, prospects, growth, strategies and the industry in which Signet operates. The use of the words "expects," "intends," "anticipates," "estimates," "predicts," "believes," "should," "potential," "may," "forecast," "objective," "plan" or "target," and other similar expressions are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including but not limited to general economic conditions, the merchandising, pricing and inventory policies followed by the Signet, the reputation of Signet and its brands, the level of competition in the jewelry sector, the cost and availability of diamonds, gold and other precious metals, regulations relating to consumer credit, seasonality of Signet's business and financial market risks.

For a discussion of these and other risks and uncertainties which could cause actual results to differ materially, see the "Risk Factors" section of the Signet's Fiscal 2010 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on March 30, 2010. Actual results may differ materially from those anticipated in such forward-looking statements. Signet undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

Certain financial measures used during this presentation are considered to be 'non-GAAP financial measures'. For a reconciliation of these to the most directly comparable GAAP financial measures, please refer to Signet's press release dated August 26, 2010 available on Signet's website, www.signetjewelers.com and slides 22 to 26.

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World's Largest Specialty Jeweler

Group sales $3,290.7 million – 78% US/22% UK



Kay Jewelers - #1 mid market brand
Sales: $1,508.2 m Stores: 923 in 50 states



H.Samuel - #1 in UK
Sales: £247.8m Stores: 347



Jared - #1 Off-Mall "Category Killer"
Sales: $722.5m Stores: 178 in 35 states



Ernest Jones - #1 UK upper middle market
Sales: £209.8m Stores: 205

As at January 30, 2010

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Broadly Maintain Successful Strategy in Fiscal 2011

- Enhance position as strongest middle market specialty retail jeweler
  - take advantage of capacity reduction
  - many firms less able to compete
  - focus on sustainable competitive advantages
- Reduce business risk
  - aim to improve store productivity
  - maintain financial strength & flexibility
- Focus on profit & cash flow maximization
  - tightly control gross merchandise margin, costs & inventory

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Free Cash Flow[(1)] Target Fiscal 2011

- Fiscal 2011 free cash flow[(1)]
  - original target of between $150 million and $200 million
  - now increased to $225 million to $275 million
    - better than planned net income in year to date
    - tight management of working capital
- Capital expenditure planned to be ~$80 million
- No shareholder distributions in fiscal 2011

(1) Net cash provided by operations less net cash flows used in investing activities

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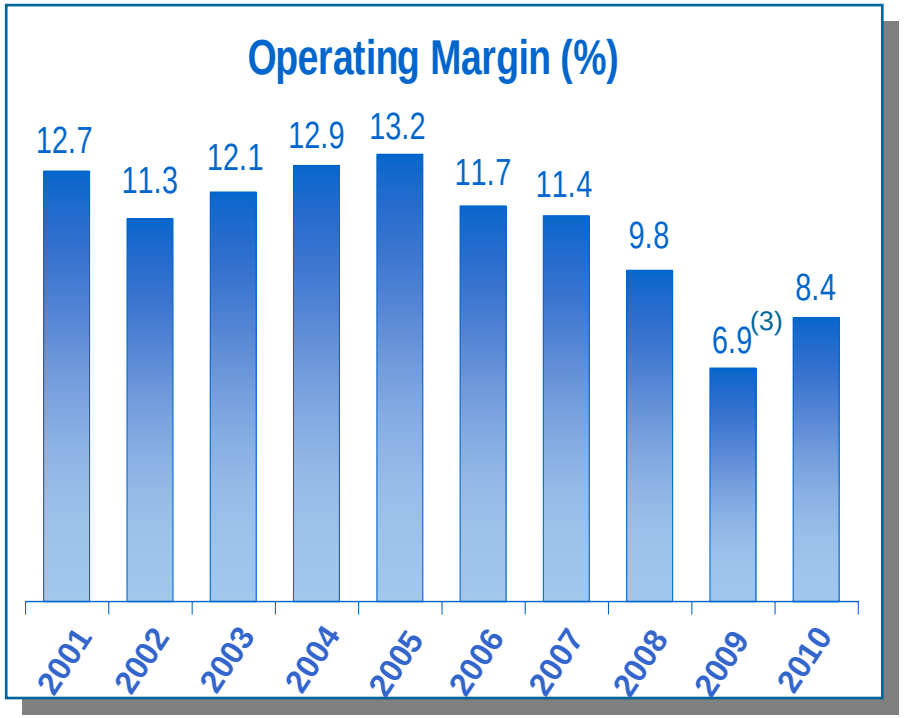
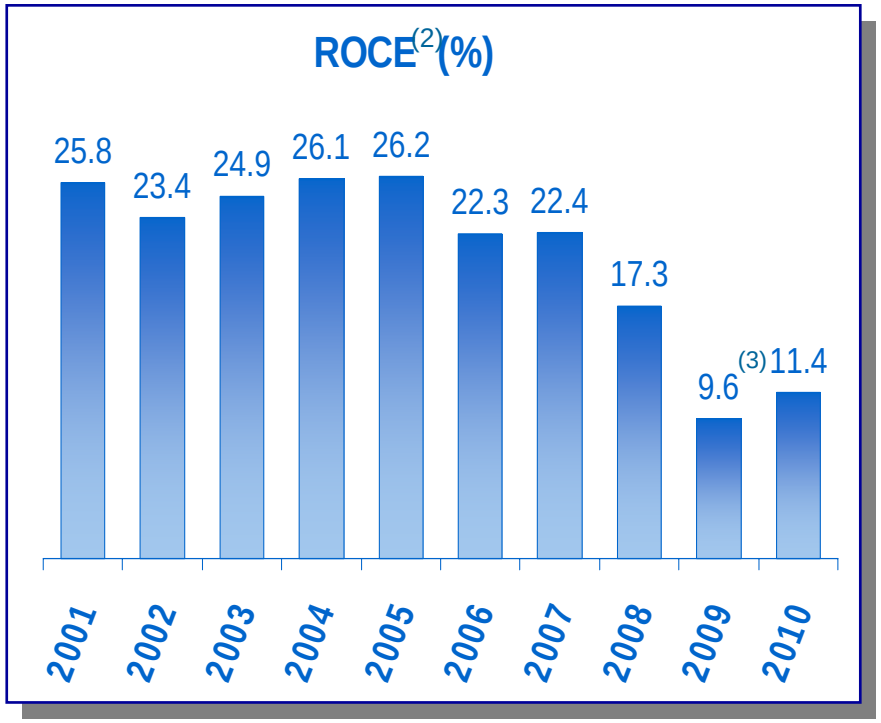
Signet's Historic Returns(1)



Fiscal 2001-2007 average: 12.2%



Fiscal 2001-2007 average: 24.4%

(1) Fiscal 2001-2003 prepared under UK GAAP, fiscal 2004-2010 prepared under US GAAP. Fiscal year to end January.
(1) ROCE excludes goodwill, see page 53 of 10-K for definition
(2) Fiscal 2009 before goodwill impairment of $516.9m and relisting costs of $10.5m

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Fiscal 2011 YTD Highlights

- Same store sales up 5.2%
  - total sales $1,532.8 million
- Operating income up 50.3% to $148.8 million
- Operating margin up 300 bpts to 9.7%
- Diluted earnings per share up 69.8% to $1.07
- Positive free cash flow(1) of $240.2 million
- Net cash(1) at July 31, 2010 of $231.4 million
  - net debt(1) at August 1, 2009 of $200.5 million

(1) Non-GAAP measure see slides xx & xx

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US Division

- Market leader, nearly twice size of nearest competitor
- Consistent record of gaining share in a rationalizing specialty sector
  - 9% market share in 2009 versus 5% in 1999
- Many competitors under operating and financial pressure
- Signet continuing to grow market share & reinforce sustainable competitive strengths
- Primary near term drivers to improve returns
  - build store productivity / capture market share
  - improve receivables performance

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2009 US Specialty Jewelry Market

- Total specialty jewelry sales of $28.3bn(1)
  - Kay/Jared(2) share 9.1%
- Bridal category estimated to be ~$13bn
  - engagement, bridal & anniversary
  - Kay/Jared(2) share ~9-10%
  - initiatives aimed to increase market share

(1) Source: US Census Bureau
(2) Includes regional brands

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Rationalization of Top US Brands

Mid market brands	Sales $m			No. of stores		
Calendar	**2004**	**2008**	**2009**	**2004**	**2008**	**2009**
Kay[1]	1,174	1,439	1,508	832	926	923
Zales[1,2]	1,071	1,363	1,110	757	784	693
Gordons[1,2]	314			287	261	202
Jared[1]	415	726	723	135	154	178
Fred Meyer[3,4]	475	410	375	436	386	376
Helzberg[3]	500	400	375	265	235	235
Friedman's[3]	425	n/a	n/a	646	Liquidated 2008	
Finlay Speciality[1,2,7]	nil	310	n/a	Nil	Liquidated 2009	
Shane[6]	150	212	n/a	17	In Chapter 11 since January 2009	
Whitehall[1,5]	334	243	n/a	382	Liquidated 2008	

(1) Source: Accounts.
(2) July year end.
(3) Source: National Jeweler estimate.
(4) Includes Littman's and departments in supermarkets.
(5) Includes Lundstrom.
(6) Chapter 11 filing.
(7) Bailey, Banks & Biddle; Carlyle; Congress.

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US Competitive Advantages

- Excellence in customer service
  - quality of people, staff training and incentivization programs
- Superior merchandising
  - leading middle market supply chain expertise and merchandising systems
  - successfully development of differentiated ranges
- National television advertising
- High quality real estate
- In-house customer financing
- Leading information systems in sector

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Differentiated Ranges









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US YTD Fiscal 2011 Performance

	Sales	Same store sales	Change in sales
YTD Fiscal 2011			
Kay	$712.2m	3.5%	3.0%
Regionals	$141.6m	2.0%	(7.0)%
Jared	$394.1m	14.9%	18.2%
US Division	$1,247.9m	6.6%	6.0%
Operating margin	12.4%, up 330 bpts		
Operating income	$154.4 million, up 44.6%		

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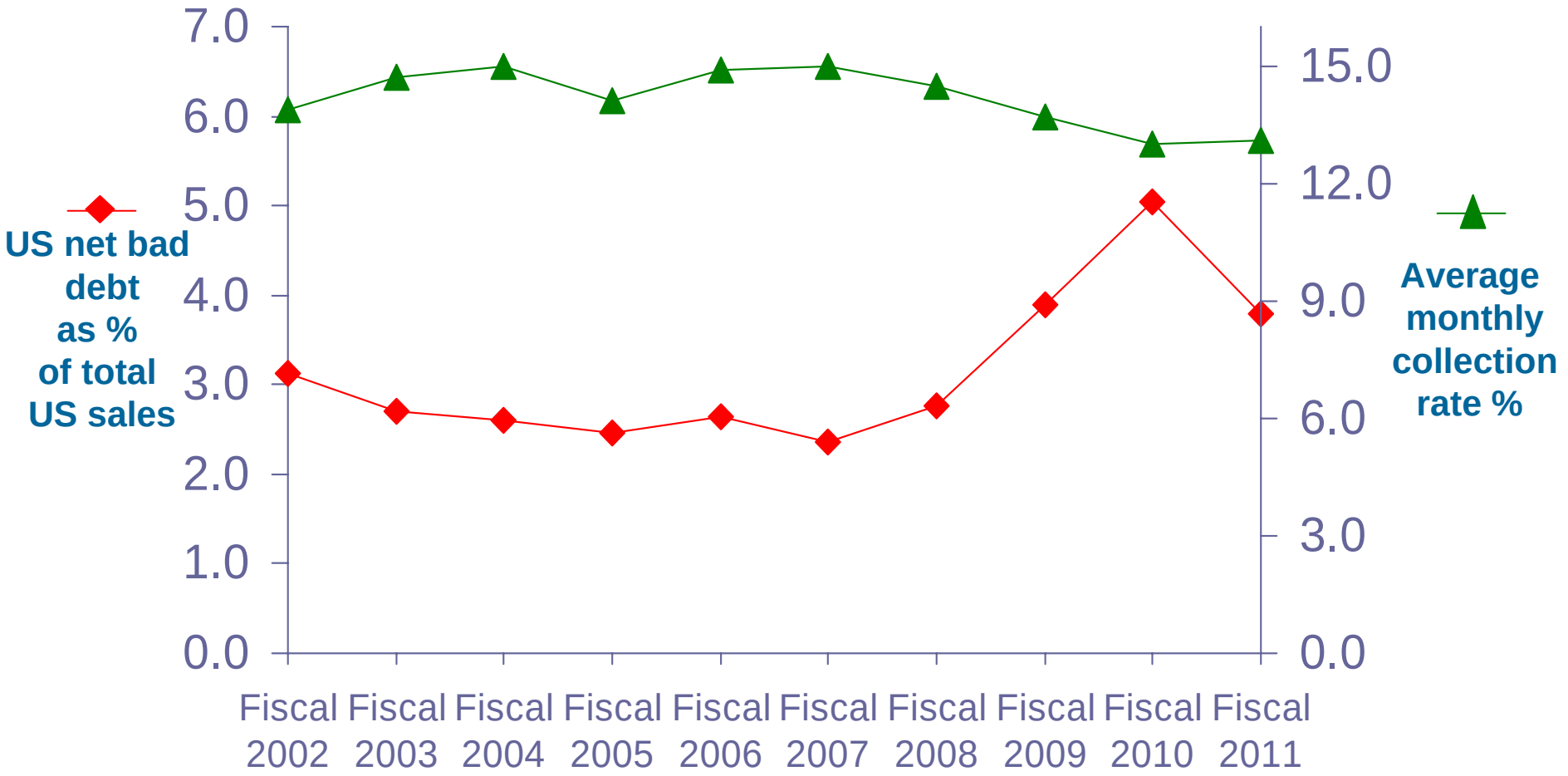
Improvement in Receivables Year To Date



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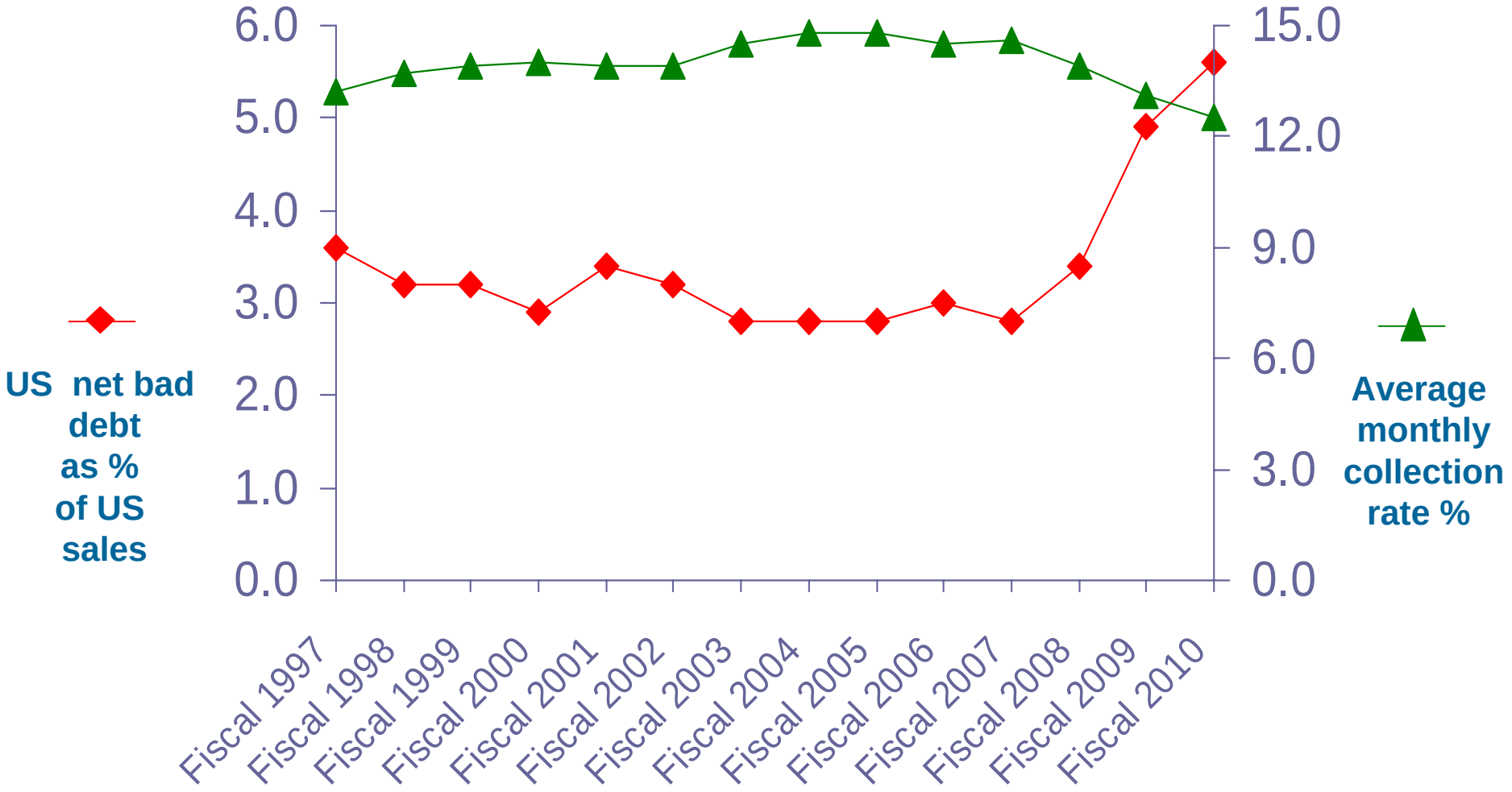
US Receivables Performance



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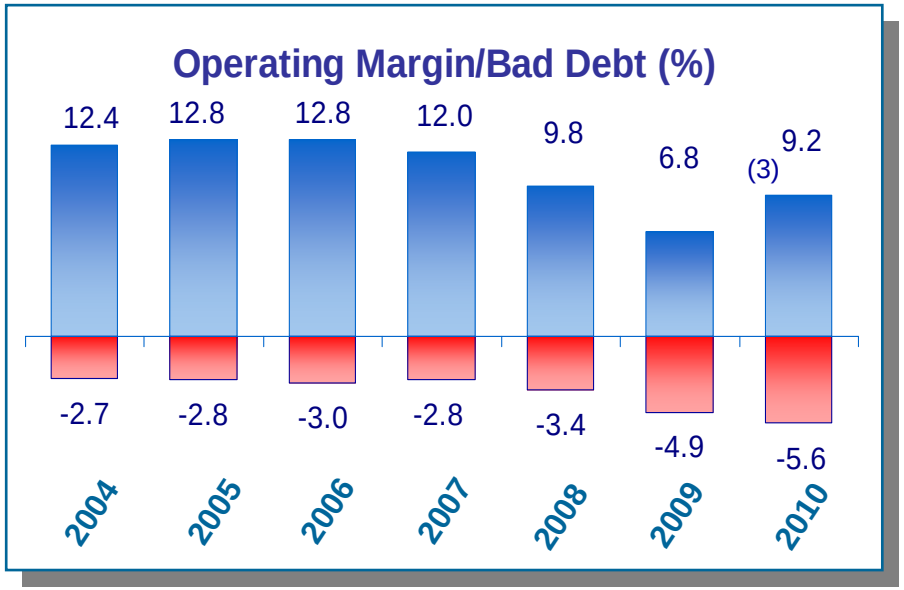
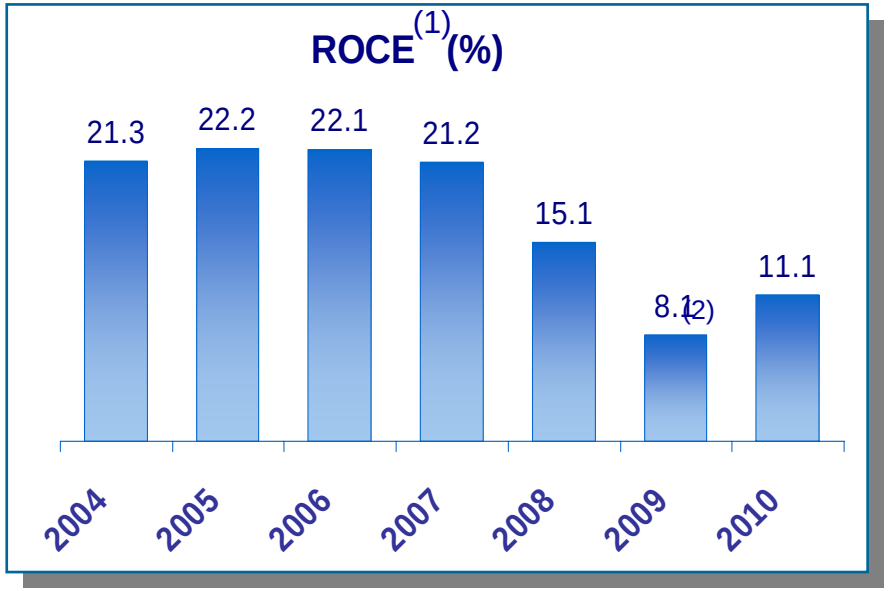
US Historic Returns(1)





Fiscal 2004-2007 average:
Operating Margin: 12.5%
Net Bad Debt to Sales: -2.8%

Fiscal 2004-2007 average: 21.7%

- Primary drivers to rebuild returns
  - rebuild store productivity
  - reduce net bad debt levels

(1) ROCE excluding goodwill
(2) Fiscal 2009 before goodwill impairment of $408.0m

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UK Division

- Market leader, ~1.7 times size of nearest competitor
- No. 1 & 2 specialty jewelry websites in UK
- High historic operating margins and return on capital
- Good cash flow generation
- Tightly managing costs and merchandising margin in a tough environment

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UK Sustainable Competitive Advantages

- Leading staff training & development recognized by National Association of Goldsmiths
- Scale, direct sourcing supply chain capability & merchandising expertise
- 14 million name database for customer relationship marketing
- Shopping trend to regional malls favorable
- Utilization of US best practice & access to exclusive merchandise

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UK Fiscal 2011 YTD Performance

	YTD Fiscal 2011			
	Sales million	Same store sales	Change in sales at CER[1]	Reported sales
H.Samuel	$148.0	(1.6)%	(2.8)%	(4.7)%
Ernest Jones	$136.9	1.0%	0.8%	(1.2)%
UK division	$284.9	(0.4)%	(1.8)%	(3.8)%
Operating income	$3.3m; up $3.6m			

1 Change in sales at constant exchange rates, non-GAAP measure, the exchange translation impact on the total sales of H.Samuel was (1.9)%, for Ernest Jones was (2.0)% and for the UK division was (2.0)%.

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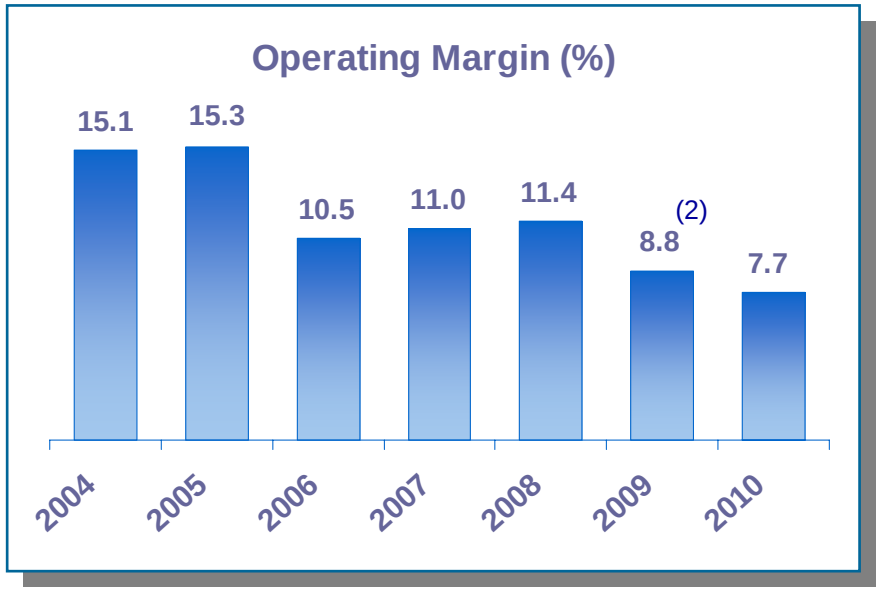
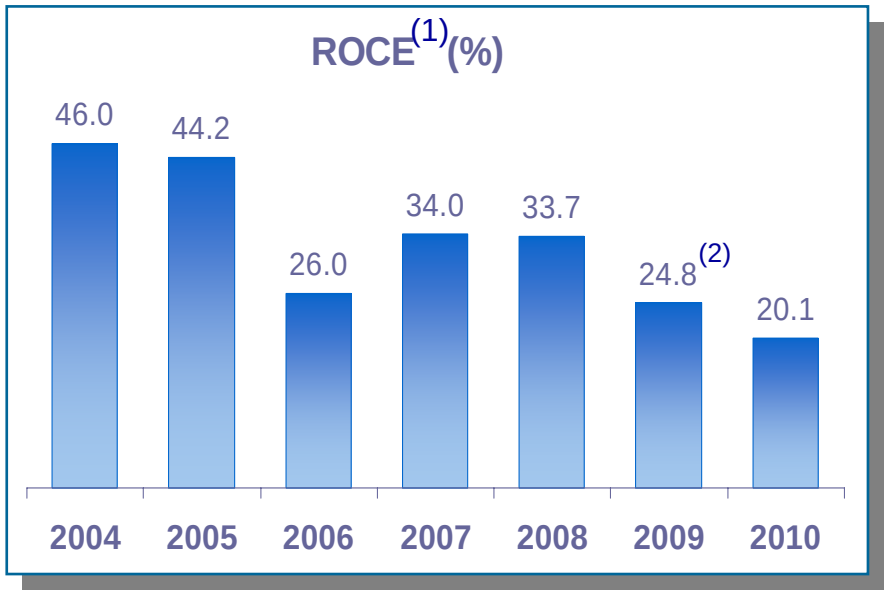
UK Historic Returns(1)



Fiscal 2004-2007 average: Operating Margin: 13.0%



Fiscal 2004-2007 average: 37.6%

⇨ Primary driver of returns is store productivity

(1) ROCE excluding goodwill
(2) Before goodwill impairment of $108.9m

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Signet's Strengths

- Market leader in sector undergoing rationalization
  - many competitors under operating and financial pressure
- Record of gaining market share
  - quality of sales people / customer service / in-store experience
  - ability to leverage supply chain leadership
  - development of differentiated merchandise
  - largest national TV advertising budget
  - superior real estate locations
  - in-house customer finance in US
- Financial strength and flexibility
  - positive free cash flow target of $225m to $275m in fiscal 2011
- Management transition well underway
  - new CEO and CFO appointed
  - strong divisional management teams provide bench strength

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Regulation G

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Fiscal 2011 Sales

Signet has historically used constant exchange rates to compare period-to-period changes in certain financial data. This is referred to as 'at constant exchange rates' throughout this presentation and constitutes a "non GAAP financial measure". Management considers this to be a useful measure for analysing and explaining changes and trends in Signet's results. The impact of the re-calculation of sales at constant exchange rates, including a reconciliation to GAAP results, is analysed below.

	13 weeks ended July 31, 2010	13 weeks ended August 1, 2009	Change as reported	Impact of exchange rate movement[1]	Change at constant exchange rates (non-GAAP)	Change at constant exchange rates (non-GAAP)
	$m	$m	%	$m	$m	%
US	580.8	552.5	5.1	-	552.5	5.1
UK, Channel Islands & Republic of Ireland	142.0	158.3	(10.3)	(13.4)	144.9	(2.0)
Sales	**722.8**	**710.8**	**1.7**	**(13.4)**	**697.4**	**3.6**

	26 weeks ended July 31, 2010	26 weeks ended August 1, 2009	Change as reported	Impact of exchange rate movement[1]	Change at constant exchange rates (non-GAAP)	Change at constant exchange rates (non-GAAP)
	$m	$m	%	$m	$m	%
US	1,247.9	1,177.4	6.0	-	1,177.4	6.0
UK, Channel Islands & Republic of Ireland	284.9	296.0	(3.8)	(5.8)	290.2	(1.8)
Sales	**1,532.8**	**1,473.4**	**4.0**	**(5.8)**	**1,467.6**	**4.4**

1 In the second quarter, the exchange translation impact on the total sales of H.Samuel was (8.3)% and for Ernest Jones was (8.4)% and for the year to date, was (1.9)% for H.Samuel and ((2.0)% for Ernest Jones.

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Q2 Fiscal 2011 Results

Signet has historically used constant exchange rates to compare period-to-period changes in certain financial data. This is referred to as 'at constant exchange rates' throughout this presentation and constitutes a "non GAAP financial measure". Management considers this to be a useful measure for analysing and explaining changes and trends in Signet's results. The impact of the re-calculation of operating income/(losses) at constant exchange rates, including a reconciliation to GAAP results, is analysed below.

	13 weeks ended July 31, 2010	13 weeks ended August 1, 2009	Change as reported	Impact of exchange rate movement	Change at constant exchange rates (non-GAAP)	Change at constant exchange rates (non-GAAP)
	$m	$m	%	$m	$m	%
US	63.3	50.4	25.6	-	50.4	25.6
UK, Channel Islands & Republic of Ireland	4.7	1.0	370.0	0.1	1.1	327.3
Unallocated	(4.7)	(4.8)	(2.1)	0.3	(4.5)	4.4
Operating income, net	**63.3**	**46.6**	**35.8**	**0.4**	**47.0**	**34.7**

	26 weeks ended July 31, 2010	26 weeks ended August 1, 2009	Change as reported	Impact of exchange rate movement	Change at constant exchange rates (non-GAAP)	Change at constant exchange rates (non-GAAP)
	$m	$m	%	$m	$m	%
US	154.4	106.8	44.6	-	106.8	44.6
UK, Channel Islands & Republic of Ireland	3.3	(0.3)	n/a	-	(0.3)	n/a
Unallocated	(8.9)	(7.5)	18.7	0.2	(7.3)	21.9
Operating income, net	**148.8**	**99.0**	**50.3**	**0.2**	**99.2**	**50.0**

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Net Cash or Net Debt

Net debt is a “non GAAP financial measure”. Management considers it to be a useful additional measure for analyzing and explaining changes and trends in Signet’s financial position. It is calculated as set out below:

	July 31, 2010	January 30, 2010	August 1, 2009
	$million	$million	$million
Long-term debt	(229.1)	(280.0)	(280.0)
Loans & overdrafts	(24.9)	(44.1)	(13.3)
	(254.0)	(324.1)	(293.3)
Cash & cash equivalents	485.4	316.2	92.8
Net cash/(net debt)	231.4	(7.9)	(200.5)

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Free Cash Flow

Free cash flow is a “non GAAP financial measure” defined as the net cash provided by operating activities less net cash flows used in investing activities. Management considers that this is helpful in understanding how the business generating cash from its operating and investing activities that can be used to meet the financing needs of the business. Free cash flow does not represent the residual cash flow available for discretionary expenditure.

	26 weeks ended	
	July 31, 2010	August 1, 2009
	$million	$million
Net cash provided by operating activities	254.6	295.0
Net cash flows used in investing activities	(14.4)	(17.5)
Free cash flow	240.2	277.5

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