SIGNET JEWELERS

Fiscal 2011

Holiday Season Statement

January 11, 2011

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

Forward Looking Statements & Other Disclosure Matters

Forward-Looking Statements - 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, deterioration in consumers' financial condition, exchange rate fluctuations, changes in consumer attitudes regarding jewelry, management of social, ethical and environmental risks, inadequacy in and disruptions to internal controls and systems, changes in assumptions used in making accounting estimates relating to such items as extended service plans and pensions, and risks relating to our being a Bermuda corporation.

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.

Non-GAAP Measures - 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 January 11, 2011 available on Signet's website, www.signetjewelers.com or to the appendix of this presentation.

Correction of Immaterial Error – During the third quarter of Fiscal 2011, Signet changed the period of revenue and cost deferral for its extended service plans. Signet has adjusted in this quarter for the affected prior periods. Please refer to the press release dated January 11, 2011 available on Signet's website, www.signetjewelers.com or to the appendix of this presentation for additional information regarding the correction of the immaterial error.

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Sales Performance

To January 1, 2011	9 weeks			48 weeks		
	US	UK	Total	US	UK	Total
Change in sales	%	%	%	%	%	%
Same store sales	11.7	(4.2)	8.1	8.9	(1.7)	6.6
Space impact	(1.3)	(1.1)	(1.2)	(0.9)	(1.6)	(1.1)
Change at constant exchange rate	10.4	(5.3)	6.9	8.0	(3.3)	5.5
Exchange translation impact	—	(3.5)	(0.9)	—	(3.1)	(0.7)
Total sales as reported	10.4	(8.8)	6.0	8.0	(6.4)	4.8

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Expected Fiscal 2011 Performance

Reported

- Income before income taxes $287.5 - $302.5 million, up 25% - 31%
- Diluted earnings per share $2.20 - $2.32, up 20% - 27%

Excluding Non-recurring Item[1]

- Income before income taxes $335 - $350 million, up 45% - 52%
- Diluted earnings per share $2.54 - $2.66, up 39% - 45%

Free Cash Flow[2]

- $275 – $300 million, compared to original target of $150 - $200 million

1 $47.5 million 'Make Whole' payment arising from prepayment of private placement notes.

2 Cash flows from operating activities less cash flows from investing activities excluding 'Make Whole' payment

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Fiscal 2011 Operating Margin

- Gross margin
  - improved gross merchandise margin
  - US net bad debt to total sales down 130 – 150 bpts
  - leverage of store occupancy costs
- Selling, General & administrative costs
  - Fiscal 2010 change in vacation entitlement policy
  - management transition costs
  - underlying costs tightly controlled
- Other operating income
  - amendments to the Truth in Lending Act
- Operating margin
  - expected to be up 240 – 290 bpts, to 10.5% - 11.0%

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Financial & Other Items

- Interest items
  - $47.5 million ‘Make Whole’ payment
  - other interest costs expected to be about $25 million
  - Fiscal 2012 net interest expense expected to be $6 - $7 million
- Tax items
  - expected tax rate for Fiscal 2011 of ~34%
  - geographic mix of profits
- Fiscal 2011 forecast diluted eps $2.20 - $2.32, excluding non-recurring item $2.54 - $2.66[1]

1 Excluding ‘Make Whole’ payment; non-GAAP measure, see slide 18

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US Jewelry

"Further growth from a proven strategy"

KAY® JEWELERS
Every kiss begins with Kay.®
kay.com

JARED®
The Galleria Of Jewelry
jared.com

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US Performance

Change from comparable prior year period	Holiday Fiscal 2011		Year to Date	
	Same store sales, %	ASP[1] %	Same store sales, %	ASP[1] %
Kay	10.6	8.8	6.8	7.1
Jared	18.7	10.4	16.0	6.9
Regional Brands	1.4	9.9	2.0	4.5
US division	11.7	11.3	8.9	8.1
Space change	(1.3)		(0.9)	
Total sales US division	10.4		8.0	

Expected Fiscal 2011 gross merchandise margin up 130 bpts – 150 bpts

Expected Fiscal 2011 operating margin 12.0% - 12.5%

1 Excluding charm bracelet category

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Management Actions Driving Holiday Sales

- Well trained and motivated staff
- Continued success of differentiated ranges
  - Fiscal 2011 participation forecast to be up ~300bpts
- Robust, flexible supply chain
- Increased national television advertising impressions
  - Kay impressions up ~5%
  - Jared impressions up ~10%
- In-house customer finance

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In-house Receivables

- Forecast credit metrics for Fiscal 2011
  - participation up 10 to 30 bpts
  - net bad debt to total US sales 4.1% to 4.3%
    - down 150 to 130 bpts
  - collection rate about 12.7% - up about 20 bpts
- Performance driven by:
  - sales growth
  - macro-economic environment
  - focus on execution
- Adverse impact of amendments to Truth in Lending Act forecast to be~$15 million

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UK Jewelry

"Making existing space work harder"

H.SAMUEL
THE JEWELLER

ERNEST JONES
THE DIAMOND & WATCH SPECIALIST

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UK Performance

Change from comparable prior year period	Holiday Fiscal 2010		Year to Date	
	Same store sales, %	ASP[1] %	Same store sales, %	ASP[1] %
H.Samuel	(2.8)	4.5	(2.1)	8.0
Ernest Jones	(5.9)	8.1	(1.3)	9.4
UK division	(4.2)	4.9	(1.7)	9.2
Space change	(1.1)		(1.6)	
Total sales UK division at constant exchange rates[2]	(5.3)		(3.3)	

Expected Fiscal 2011 gross merchandise margin down 10 – 30 bpt

Expected Fiscal 2011 operating margin of 7.5% - 8.0%

1 excluding the charm bracelet category
2 Non-GAAP measure, see slide 17

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Management Actions Driving Holiday Performance

- Further improvements in customer service
- Merchandise successes
  - charm bracelets and gold rings
- Improved in-store presentation
- Leverage of marketing scale
  - increased TV advertising by H.Samuel
  - customer relationship marketing expanded for both H.Samuel and Ernest Jones
- Good control of gross merchandise margin and expenses

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Signet's Strengths

- Record of gaining market share
  - quality of sales associates / customer service / in-store experience and divisional management
  - ability to leverage supply chain leadership
  - development & growth of differentiated merchandise
  - high customer awareness driven by largest national TV advertising budget and quality of campaigns
  - in-house customer finance in US
- Balance Sheet strength and financial flexibility
- Many competitors under operating and financial pressure
- Well positioned for Fiscal 2012

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Regulation G

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Correction of Immaterial Error

During the third quarter of Fiscal 2011, Signet changed its accounting for extended service plans. Previously, revenue from the sale of extended service plans was deferred, net of direct costs arising from the sale, and was recognized in proportion to the historical actual claims incurred. Signet conducted a review of the claims cost patterns, including estimates of future claims costs expected to be incurred, and concluded that the deferral period required extension and that claims cost is a more appropriate basis for revenue recognition than the number of claims incurred. In addition, Signet now defers all revenues and recognizes direct costs in proportion to the revenue recognized. These changes are in accordance with ASC 605-20-25.

The impact resulted in an overstatement of extended service plan revenue and an understatement of deferred revenue. These plans are only sold by the US division and therefore only affect the US segment reporting.

Signet evaluated the effects individually and in the aggregate and determined that its prior period financial statements are not materially misstated. However, Signet determined that the cumulative effect of adjusting in the third quarter of Fiscal 2011 would be material to the Fiscal 2011 financial statements. Therefore, Signet adjusted the affected prior periods and presented the results in its third quarter report.

All comparative numbers and percentages in this announcement reflect the impact of applying this correction for all periods presented. As a result of applying this correction, the Fiscal 2010 consolidated income statement is presented below for comparative purposes and was impacted as follows:

Impact on consolidated income statement	52 weeks ended January 30, 2010 $million	
	Amounts previously reported	As corrected
Sales	3,290.7	3,273.6
Cost of sales	(2,213.8)	(2,208.0)
Gross margin	1,076.9	1,065.6
Operating income	275.8	264.5
Income before income taxes	241.8	230.5
Income taxes	(77.7)	(73.4)
Net income	164.1	157.1
Earnings per share – basic	$1.92	$1.84
– diluted	$1.91	$1.83

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Exchange Translation Impact on 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.

9 weeks to January 1, 2011	Growth at actual exchange rates	Impact of exchange rate movement	Growth at constant exchange rates (non-GAAP)
	%	%	%
Sales by origin and destination			
US	10.4	—	10.4
UK, Channel Islands & Republic of Ireland	(8.8)	3.5	(5.3)
	6.0	0.9	6.9

48 weeks to January 1, 2011	Growth at actual exchange rates	Impact of exchange rate movement	Growth at constant exchange rates (non-GAAP)
	%	%	%
Sales by origin and destination			
US	8.0	—	8.0
UK, Channel Islands & Republic of Ireland	(6.4)	3.1	(3.3)
	4.8	0.7	5.5

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Impact of Non-recurring Item

On November 26, 2010, Signet incurred a $47.5m non-recurring ‘Make Whole’ payment arising from the prepayment in full of its private placement notes. Management considers it useful to exclude this significant, unusual and non-recurring item to analyze and explain changes and trends in Signet’s results. The impact is shown below:

	Income before income taxes	Diluted EPS
	$ million	$
Fiscal 2011 Forecast	287.5 to 302.5	2.20 to 2.32
Impact of Make Whole Payment	47.5	0.34
As adjusted	335.0 to 350.0	2.54 to 2.66

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