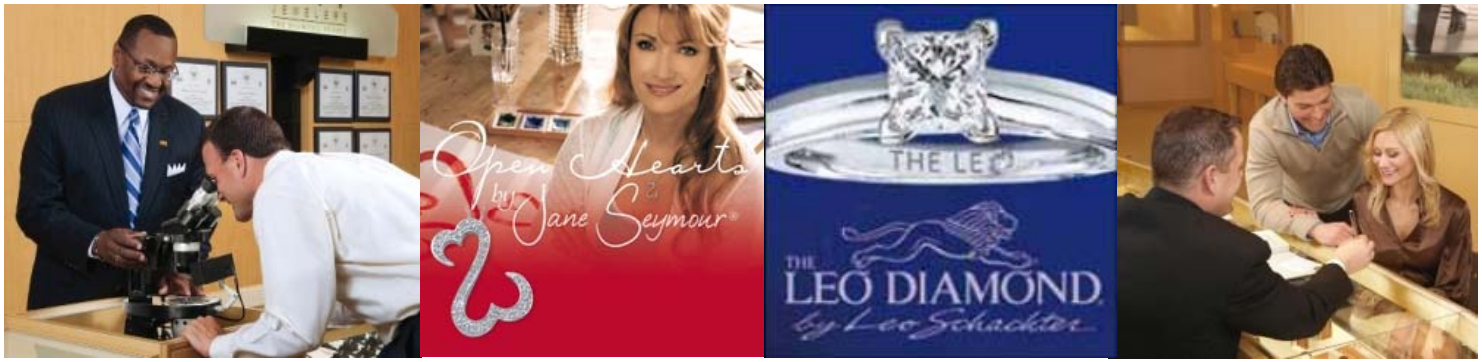


SIGNET JEWELERS

Fiscal 2012 Results

Thursday, March 22, 2012



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 "targets," 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, security breaches and other disruptions to Signet's information technology infrastructure and databases, 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 pension, 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 2012 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the SEC") on March 22, 2012. 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 March 22, 2012, which is being filed with the SEC and is available on Signet's website, www.signetjewelers.com or to the appendix of this presentation.

Fiscal 2012 Results Highlights

- Same store sales up 9.0%
  - US division up 11.1%
  - UK division up 0.9%
- Income before income taxes $502.1 million, up 67.1%[1]
- Diluted earnings per share $3.73, up 60.8%[1]

1. There was a non-recurring item in the 52 weeks ended January 29, 2011 ("Fiscal 2011") of $47.5 million relating to a "Make Whole" payment arising from prepayment of private placement notes on November 26, 2010, after tax cost $29.5 million, impact on EPS of $0.34 (the "Make Whole Payment"). Excluding this item, income before income taxes was up 44.3% and diluted EPS up 40.2% in Fiscal 2012; non-GAAP measures.

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Shareholder Distribution

- $0.10 per share dividend initiated in Fiscal 2012
- Quarterly dividend increased in first quarter of Fiscal 2013 to $0.12, up 20.0%
- $300 million share buy-back program commenced in January 2012

US Performance

	Sales	Change in same store sales	Change in sales
Fiscal 2012			
Kay	$1,786.8m	11.8%	12.2%
Jared	$956.8m	12.1%	12.8%
Regionals	$290.5m	4.1%	(4.1)%
US division	$3,034.1m	**11.1%**	**10.6%**

Operating income, net	$478.0m	up 39.5%
Operating margin	15.8%	up 330 bpts





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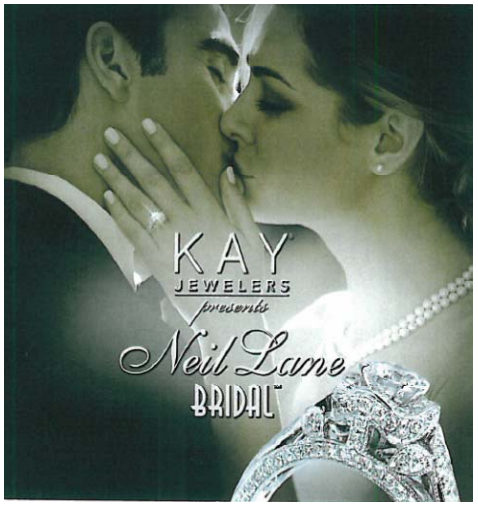
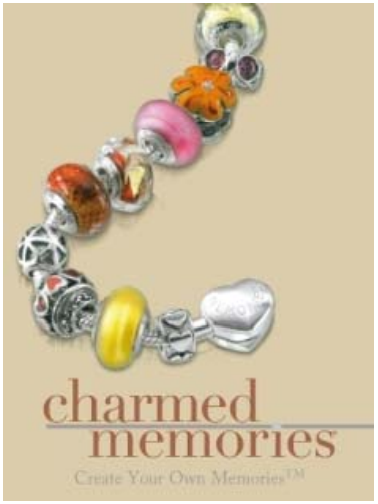
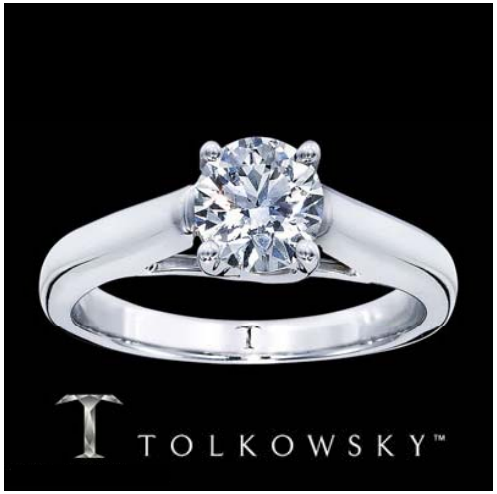
US Performance Drivers - Merchandise









- ⇨ Bridal & fashion initiatives
- ⇨ Strong watch performance
- ⇨ Differentiated and exclusive brands up 400 bpts to 26% of merchandise sales
- ⇨ Maintained gross merchandise margin rate

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US Performance Drivers – Marketing

- Marketing up 16.7% to $188.4 million
- Increased focus on bridal category
- Major improvements to Kay & Jared websites





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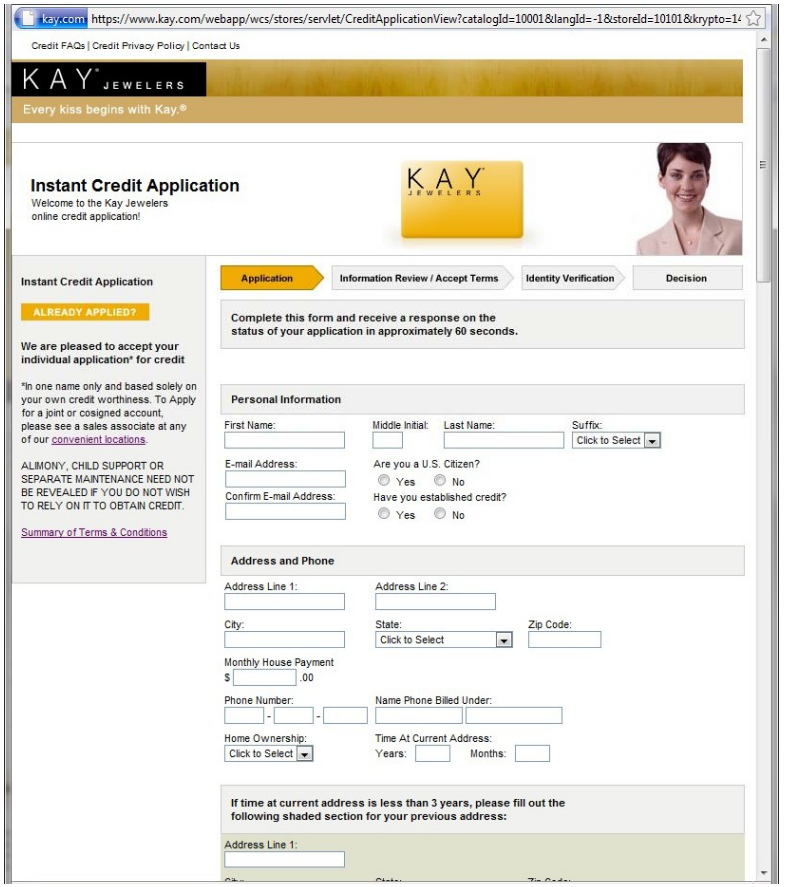
US Performance Drivers – In-House Customer Finance

- ⇨ Tailored to our customer's needs
- ⇨ Participation up 190 bpts to 56.1%



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UK Performance

	Sales	Change in same store sales	Change in sales at CER[1]
Fiscal 2012			
H.Samuel	$389.0m	1.6%	0.9%
Ernest Jones	$326.1m	0.0%	(1.1)%
UK division	$715.1m	**0.9%**	**(0.1)%**
Operating income, net		$56.1m	down 4.8% at CER[1]
Operating margin		7.8%	down 40 bpts



1. Change at constant exchange rates, non-GAAP measure.



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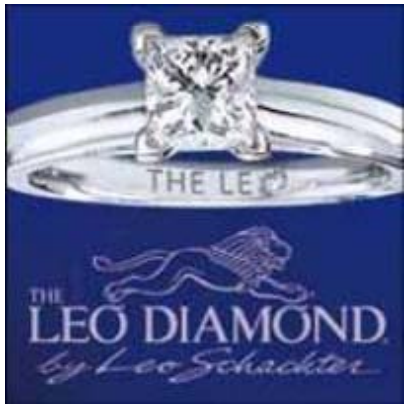
UK Performance Drivers

- Outperformance by branded jewelry, fashion watches, and bridal





- Marketing up 21.7%



- eCommerce up 15.5%

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UK Performance Drivers – Store Environment

- New Ernest Jones store design
  - development of watch boutiques
- Testing new H.Samuel store design





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"Our mission is to further enhance Signet's position as the market leader in both the US and the UK specialty retail jewelry markets by offering a unique customer experience and driving customer loyalty."









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Strategic Imperatives

- Develop & train our team members to consistently enhance the retail experience of our customers
- Grow new & existing brands & categories to delight customers
- Drive competitive strengths & infrastructure to enable growth
- Optimize capital structure to manage risk & make investments to drive long-term shareholder value
- Increase share & maximize sustainable profit levels

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Developing & Training Team Members

- Recruit and retain the best
- Training to support initiatives
  - merchandising
  - in-store systems
  - digital environment





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Brands Delighting Customers

- Bridal
  - Leo® Diamond
  - Neil Lane Bridal®
  - Tolkowsky® Diamond
- Fashion jewelry
  - Open Hearts by Jane Seymour®
  - Charmed Memories®
  - Le Vian®
- Watches





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Drive Competitive Strengths & Infrastructure to Enable Growth

- ⇨ Add appropriate senior management expertise
- ⇨ Establish permanent international capabilities in selected locations
- ⇨ Seeking further improvements in sourcing capabilities



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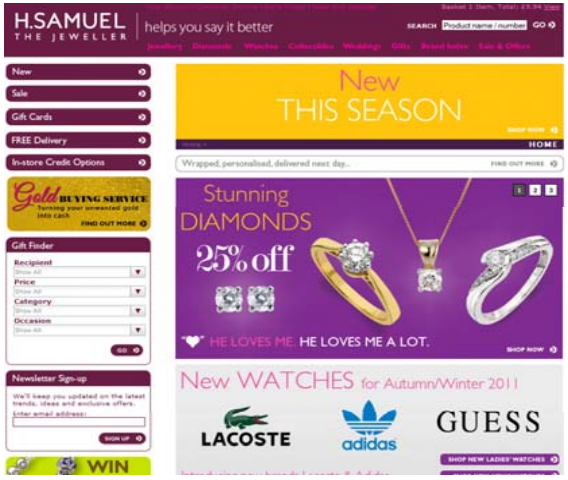
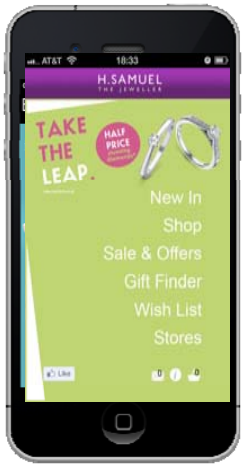
Investing in Sales-Enhancing Technology











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Investing in the Future

- Store investment of $95 - $105 million planned
  - plan to open 45 US stores
  - 110 major store refurbishments or relocations scheduled – 90 US & 20 UK
- $40 - $45 million for sales-enhancing technology and IT infrastructure

Fiscal 2012 Sales Performance

	US	UK	Total
Sales Fiscal 2012 $m	**3,034.1**	**715.1**	**3,749.2**
Sales Fiscal 2011 $m	2,744.2	693.2	3,437.4

Change in sales	%	%	%
Change in same store sales	11.1	0.9	9.0
Change in store space, net	(0.5)	(1.0)	(0.6)
Change in total sales at constant exchange rate[1]	10.6	(0.1)	8.4
Exchange translation impact	—	3.3	0.7
Change in total sales as reported	10.6	3.2	9.1

1. Non-GAAP measure.

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Fiscal 2012 Reconciliation

		% of sales
Income before tax Fiscal 2011	**$300.4m**	**8.7%**
Gross margin movement	$194.7m	2.1%
Selling, general & admin. expense movement	$(76.3)m	0.3%
Other operating income movement	$16.5m	0.3%
Operating income movement	**$134.9m**	**2.7%**
Net interest movement inc. Make Whole	$66.8m	2.0%
Income before tax Fiscal 2012	**$502.1m**	**13.4%**
Income taxes	**$(177.7)m**	
Net income	**$324.4m**	
Diluted earnings per share	**$3.73**	

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Fiscal 2012 SG&A Reconciliation

	$m	% of sales
SG&A Fiscal 2011	**980.4**	**28.5%**
Incremental advertising investment	30.1	
Store staff flex	26.9	
401(k) increase	6.5	
Currency movement	6.2	
Change in other items	6.6	
SG&A Fiscal 2012	**1,056.7**	**28.2%**

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US Customer Finance Statistics

	Fiscal 2012	Fiscal 2011
Customer finance participation	**56.1%**	54.2%
Average outstanding balance at year end	**$1,068**	$1,029
Average monthly collection rate	**12.7%**	12.6%
Net bad debt to US sales	**3.4%**	4.2%
Closing receivables	**$1,155.5m**	$995.5m

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Cash Flow

	Fiscal 2012	Fiscal 2011
	$m	$m
Net cash provided by operating activities	**325.2**	323.1
Net cash used in investing activities	**(97.8)**	(55.6)
	227.4	267.5
Net cash used in financing activities	**(40.0)**	(282.3)
Increase/(decrease) in cash & cash equivalents	**187.4**	(14.8)
Cash and cash equivalents, end of year	**486.8**	302.1

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Current Trading

	February Fiscal 2013	February Fiscal 2012
Kay	**8.4%**	11.4%
Jared	**8.1%**	9.4%
Regional brands	**1.2%**	3.5%
Total US	**7.6%**	10.0%
H.Samuel	**-2.3%**	-1.0%
Ernest Jones	**-4.1%**	-4.4%
Total UK	**-3.1%**	-2.6%
Total Consolidated	**6.2%**	8.1%

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Calendar Shifts

- Impact of movement of Mother's Day
  - transfers sales from Q1 to Q2
- Impact of 53rd week
  - Fiscal 2014 Valentine's Day marketing starts in Fiscal 2013

Fiscal 2013 Financial Objectives

- Signet's goal is to deliver record results & make strategic investments for future growth
  - increase sales & gain profitable market share
  - maintain gross margin rate while offsetting commodity costs
  - at a minimum to maintain SG&A to sales ratio
  - invest $145 million to $165 million



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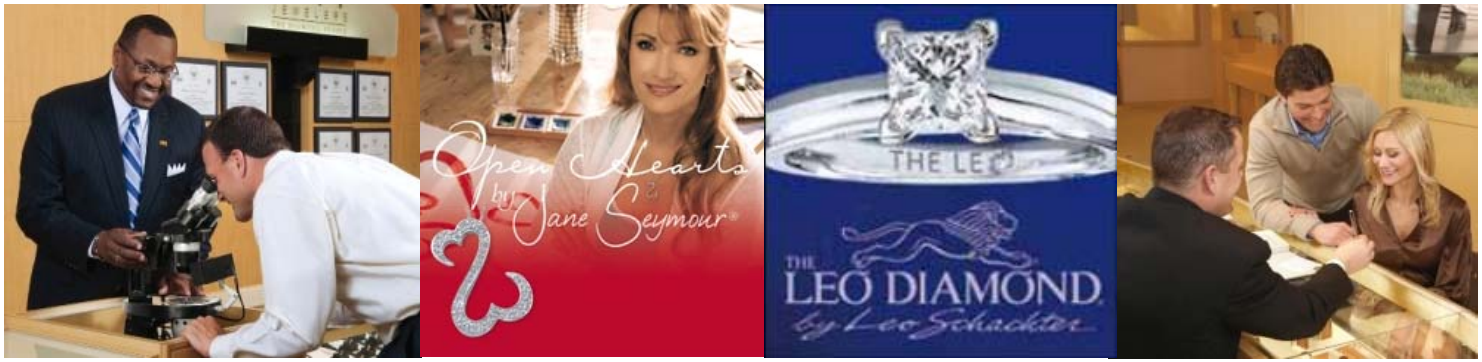

Appendix
Regulation G

Impact of Non-recurring Item

On November 26, 2010, Signet incurred a $47.5 million 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	300.4	2.32
Impact of ‘Make Whole’ payment	47.5	0.34
As Adjusted	347.9	2.66

Exchange Translation Impact on Fiscal 2012 Results

Signet has historically used constant exchange rates to compare period-to-period changes in certain financial data. Management considers this a useful measure for analyzing and explaining changes and trends in Signet's results. The impact of the re-calculation, including a reconciliation to the Signet's GAAP results, is analyzed below.

	Fiscal 2012 as reported $m	Fiscal 2011 as reported $m	Change as reported %	Impact of exchange rate movement $m	Fiscal 2011 at constant exchange rates (non-GAAP) $m	Change at constant exchange rates (non-GAAP) %
US	3,034.1	2,744.2	10.6	—	2,744.2	10.6
UK	715.1	693.2	3.2	22.4	715.6	(0.1)
Sales	**3,749.2**	**3,437.4**	9.1	22.4	3,459.8	8.4
Cost of sales	(2,311.6)	(2,194.5)	(5.3)	(15.2)	(2,209.7)	4.6
Gross margin	**1,437.6**	**1,242.9**	15.7	7.2	1,250.1	15.0
Selling, general and administrative expenses	(1,056.7)	(980.4)	7.8	(6.2)	(986.6)	7.1
Other operating income, net	126.5	110.0	15.0	—	110.0	15.0
Operating income, net	**507.4**	**372.5**	36.2	1.0	373.5	35.9
Interest expense, net	(5.3)	(72.1)	92.6	—	(72.1)	92.6
Income before income taxes	**502.1**	**300.4**	67.1	1.0	301.4	66.6
Income taxes	(177.7)	(100.0)	77.7	(0.3)	(100.3)	77.2
Net income	**324.4**	**200.4**	61.9	0.7	201.1	61.3
Earnings per share – basic	**3.76**	**2.34**	60.7	0.01	2.35	60.0
Earnings per share – diluted	**3.73**	**2.32**	60.8	0.01	2.33	60.1
US	**478.0**	**342.7**	39.5	—	342.7	39.5
UK	**56.1**	**57.0**	(1.6)	1.9	58.9	(4.8)
Unallocated	**(26.7)**	**(27.2)**	1.8	(0.9)	(28.1)	5.0
Operating income, net	**507.4**	**372.5**	36.2	1.0	373.5	35.9

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