

SIGNET JEWELERS

Fiscal 2014
Fourth Quarter and Full Year Results

Thursday, March 27, 2014

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 release and include statements regarding, among other things, Signet's 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, risks relating to Signet being a Bermuda corporation, the merchandising, pricing and inventory policies followed by 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, 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 items such as extended service plans and pensions, the ability to complete the acquisition of Zale Corporation ("Zale"), the ability to obtain requisite regulatory approval without unacceptable conditions, the ability to obtain Zale stockholder approval, the potential impact of the announcement and consummation of the Zale acquisition on relationships, including with employees, suppliers, customers and competitors and any related impact on integration and anticipated synergies, the impact of stockholder litigation with respect to the Zale acquisition, and our ability to successfully integrate Zale's operations and to realize synergies from the transaction..

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 2014 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") on March 27, 2014. 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 and disclosure relating to usefulness of such non-GAAP measures, please refer to Signet's Fiscal 2014 Annual Report on Form 10-K available through Signet's website, www.signetjewelers.com .

Fourth Quarter Fiscal 2014 Financial Results

- Same store sales up 4.3%
  - US division up 4.0%, led by Kay +4.9% and Jared +4.1%
  - UK division up 5.7%, led by Ernest Jones +8.5% and H.Samuel +3.6%
- Operating income $270.6 million
- Diluted earnings per share $2.18









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JARED The Galleria Of Jewelry
SIGNET JEWELERS
ERNEST JONES LOVE & LIFE
H.SAMUEL THE JEWELLER

Fourth Quarter Fiscal 2014 Highlights

- US Division
  - Strong performance across a variety of merchandise categories
  - Bridal, colored diamonds, fashion jewelry, beads and watches all performed well
  - Branded differentiated and exclusive brands +21.8%
- UK Division
  - Strong growth in bridal and fashion diamond jewelry, and watches
- Diligence activities for the Zale transaction

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Zale Acquisition Update

- Complementary strengths supports Signet growth strategies
- Opportunity to contribute Signet's expertise and together with Zale's team, improve Zale performance
- Cost-effective financing alternatives
- Synergy opportunities: $100 million within first 3 fiscal years after closing, and continued development of ideas
- Integration planning supported by McKinsey Consulting

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Fiscal 2014 Results and Highlights

- Same store sales up 4.4%
  - US division up 5.2%
  - UK division up 1.0%
- Record profitability
  - Operating income $570.5 million, up 1.8%
  - Diluted earnings per share $4.56, up 4.8%
- Repurchased 1.9% of outstanding shares
- Increased dividend
- Acquired rough-to-polished factory in Gaborone, Botswana
- Opened 76 new Kay and Jared stores, versus 53 LY

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US Performance

Fiscal 2014	Total sales	Change in same store sales[1]	Change in total sales
Kay	$2,157.8m	6.5%	9.0%
Jared	$1,064.7m	4.7%	6.1%
Regionals	$295.1m	(2.4)%	1.2%
US division	**$3,517.6m**	**5.2%**	**7.4%**

US division		
Operating income	$553.2m	up 1.0%
Operating margin	15.7%	down 100 bps





1. Based only on stores operated for 12 months. The 53rd week in Fiscal 2013 has resulted in a shift in Fiscal 2014, as the fiscal year began a week later than the previous fiscal year. As such, same store sales are being calculated by aligning the weeks of the year to the same weeks in the prior year. Total reported sales continue to be calculated based on the reported fiscal periods.

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FY 2014 US Performance Drivers: Merchandise



Neil Lane · TOLKOWSKY · LE VIAN · Shades of Wonder · Open Hearts by Jane Seymour™

- Broad based sales growth
- Branded differentiated and exclusive merchandise gained relative share
  - Sales up 23.2%
  - 31.1% of merchandise sales
- Bridal up double-digit percentage; remains about half of business

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FY 2014 US Performance Drivers: Marketing

- Everyone knows *Every Kiss Begins With Kay®* and *He Went to Jared®*
- Outstanding, creative advertising engages customers emotionally and drives sales
- Industry-leading share of voice



Every kiss begins with Kay®

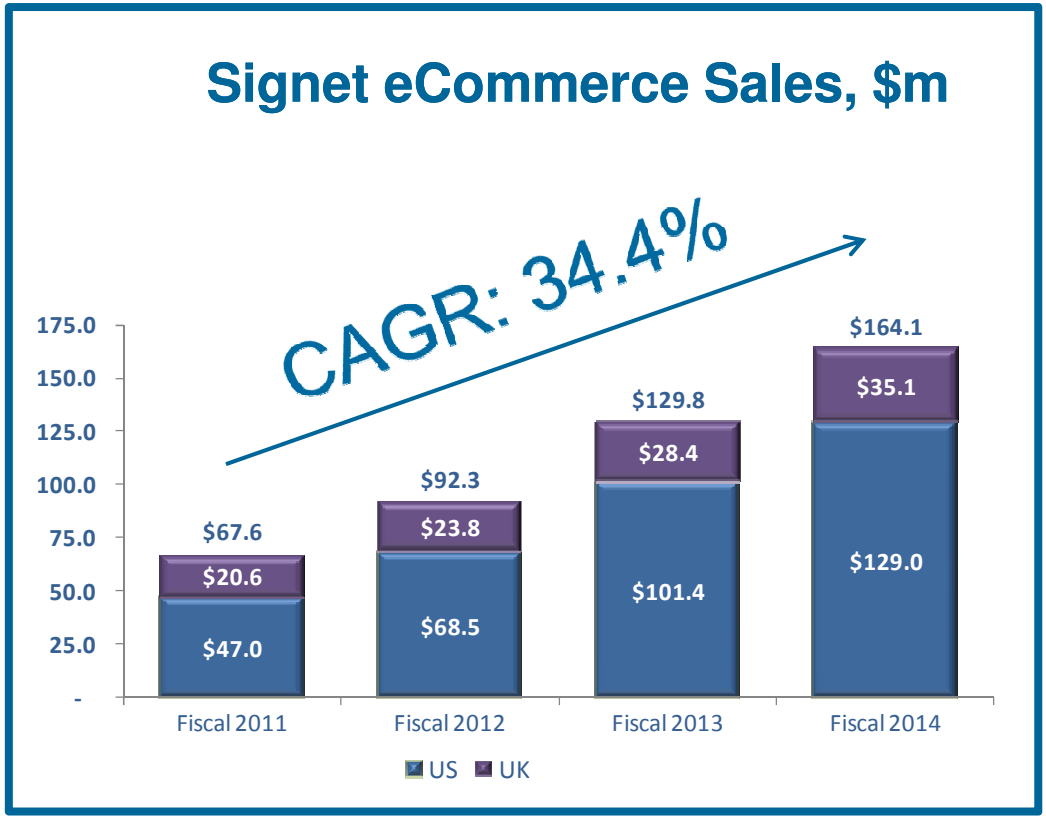


He went to Jared!®

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FY 2014 US Performance Drivers: Best-in-Class Digital Ecosystem



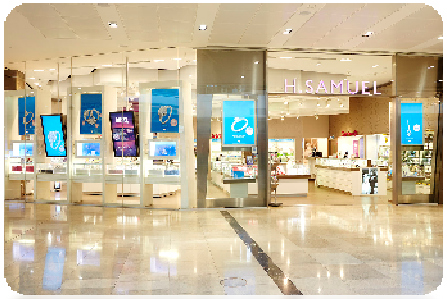


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UK Performance

Fiscal 2014	Total sales	Change in same store sales[1]	Change in total sales at CER[2]	Change in total sales as reported
H.Samuel	$368.9m	(0.3)%	(4.2)%	(4.7)%
Ernest Jones	$316.7m	2.6%	(1.1)%	(1.8)%
UK division	**$685.6m**	**1.0%**	**(2.8)%**	**(3.4)%**

Operating income	$42.4m	up 6.0%
Operating margin	6.2%	up 60 bps



1. Based only on stores operated for 12 months. The 53rd week in Fiscal 2013 has resulted in a shift in Fiscal 2014, as the fiscal year began a week later than the previous fiscal year. As such, same store sales are being calculated by aligning the weeks of the year to the same weeks in the prior year. Total reported sales continue to be calculated based on the reported fiscal periods.
2. Change at constant exchange rates, non-GAAP measure.



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UK: Committed to Long-Term Plan

- Primary focus on merchandise assortment
- Real estate and channel optimization
- Cost control





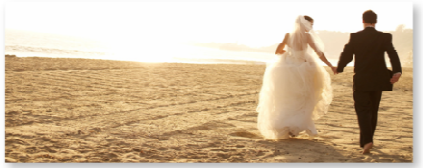
2014: Supported Goal By Executing Strategies

celebrate life…



and express love







- ⇨ Maximize mid-market
- ⇨ Best in bridal
- ⇨ Best-in-class digital ecosystem
- ⇨ Expand our footprint
- ⇨ People, purpose and passion

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Fourth Quarter Fiscal 2014 Sales Performance

	US	Other[1]	UK	Total
Sales Q4 2014 $m	**1,288.0**	**3.8**	**272.2**	**1,564.0**
Sales Q4 2013 $m	1,244.9	—	268.4	1,513.3
Change in sales	%	%	%	%
Change in same store sales[2,3]	4.0	—	5.7	4.3
Non-same store sales, net[3,4]	3.2	NM	(1.1)	2.7
Impact of 14th week	(3.7)	—	(5.1)	(4.0)
Change in total sales at constant exchange rate[5]	3.5	NM	(0.5)	3.0
Exchange translation impact[5]	—	—	1.9	0.4
Change in total sales as reported	3.5	NM	1.4	3.4

1. Includes sales from Signet's diamond sourcing initiative. NM – not meaningful as Fiscal 2014 is the first year of sales.
2. Based only on stores operated for 12 months.
3. The 53rd week in Fiscal 2013 has resulted in a shift in Fiscal 2014, as the fiscal year began a week later than the previous fiscal year. As such, same store sales are being calculated by aligning the weeks of the quarter to the same weeks in the prior year. Total reported sales continue to be calculated based on the reported fiscal periods.
4. Includes all sales from stores not open or owned for 12 months,
5. Non-GAAP measure.

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Fourth Quarter Fiscal 2014 Reconciliation

Signet		% of sales
Operating income Q4 2013	**$267.7m**	**17.7%**
Gross margin movement	$11.7m	(0.6)%
Selling, general & admin. expense movement	$(14.9)m	(0.1)%
Other operating income movement	$6.1m	0.3%
Operating income Q4 2014	**$270.6m**	**17.3%**
Diluted earnings per share		**$2.18**

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SG&A Bridge

( ) = decrease		% of sales
SG&A Q4 Fiscal 2013	**$410.9m**	**27.1%**
Change in US	$15.6m	
Change in UK	$0.1m	
Corporate	$(0.8)m	
SG&A Q4 Fiscal 2014	**$425.8m**	**27.2%**

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Fiscal 2014 Inventory

- Ending inventory was $1,488.0 million, up $91.0 million or 6.5%, which includes:
  - New stores increased inventory by $40 million
  - Investment in bridal increased net inventory by $20 million
  - Signet's diamond sourcing initiative inventory of $53.5 million, which was up $17.4 million over prior year
  - UK inventory up $14 million primarily due to foreign currency translation
- Excluding increases due to foreign currency and new stores, inventory increased 2.6%
- Inventory is well positioned

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Credit Statistics

Fourth Quarter	**Fiscal 2014**	Fiscal 2013
Accounts receivable, net	**$1,374.0m**	$1,205.3m
Credit participation – US	**55.5%**	53.5%
US average monthly collection rate	**11.5%**	11.9%

Year to Date	**Fiscal 2014**	Fiscal 2013
Accounts receivable, net	**$1,374.0m**	$1,205.3m
Credit participation – US	**57.7%**	56.9%
US average monthly collection rate	**12.1%**	12.4%

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Credit Statistics

Fourth Quarter	**Fiscal 2014**	Fiscal 2013
Net bad debt	**($45.5)m**	($41.1)m
As a % of US sales	**3.5%**	3.3%
Other operating income, net	**$47.6m**	$41.5m
As a % of Signet sales	**3.0%**	2.7%
Net Impact	**$2.1m**	$0.4m

Year to Date	**Fiscal 2014**	Fiscal 2013
Net bad debt	**($138.3)m**	($122.4)m
As a % of US sales	**3.9%**	3.7%
Other operating income, net	**$186.7m**	$161.4m
As a % of Signet sales	**4.4%**	4.1%
Net Impact	**$48.4m**	$39.0m

Financial Guidance

First Quarter Fiscal 2015	
Same store sales	3% to 4%
Diluted earnings per share – Signet	$1.24 - $1.28
Diluted earnings per share – Acquisition Costs	($0.10) – ($0.08)
Diluted earnings per share – Signet including Acquisition Costs	$1.14 - $1.20

Fiscal 2015	
Capital spending	$180 million - $200 million
New Kay and Jared stores	75 – 85

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