

KAY JEWELERS

ZALES THE DIAMOND STORE®

H.SAMUEL THE JEWELLER

ERNEST JONES LOVE & LIFE

PEOPLES CANADA'S #1 DIAMOND STORE

JARED The Galleria Of Jewelry

PIERCING Pagoda ear piercing & more a brand of Zale Corporation

SIGNET JEWELERS

Fiscal 2016

First Quarter Results

Thursday, May 28, 2015

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, 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 customer credit, seasonality of Signet's business, financial market risks, deterioration in customers' financial condition, exchange rate fluctuations, changes in Signet's credit rating, 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 impact of the acquisition of Zale Corporation on relationships, including with employees, suppliers, customers and competitors, the impact of stockholder litigation with respect to the acquisition of Zale Corporation, 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 from those expressed in any forward-looking statement, see the "Risk Factors" section of Signet's Fiscal 2015 Annual Report on Form 10-K filed with the SEC on March 26, 2015. 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 slides 8 and 10 and Signet's Fiscal 2015 Annual Report on Form 10-K available on Signet's website, www.signetjewelers.com.

Q1 Fiscal 2016 Financial Results

- Signet increased same store sales 3.6%
- Signet earnings per share (EPS)
  - $1.48, up 23.3%
  - Adjusted EPS[1], $1.62, up 25.6%
  - Comparable basis EPS[1,2], $1.35, up 4.7%
- Same store sales by division:
  - Sterling division up 2.3%
  - Zale division up 5.6%
  - UK division up 6.2%
- Drivers: bridal, fashion diamond collections and omni-channels





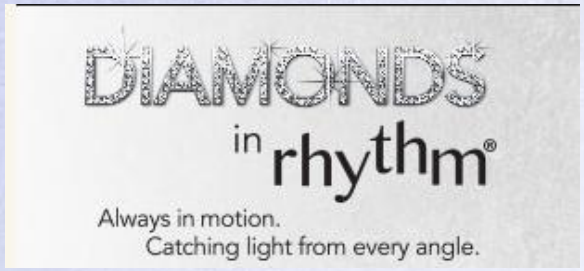






1-Non-GAAP measure. See slide eight. 2-Adjusted EPS less per share contribution of Zale [$0.20] and impact of capital structure and financing [$0.07].

Sterling Q1 Performance Drivers









- Results led by Kay
  - Diamond jewelry and watches
  - Omni-channel
  - Field operations
- Jared
  - Merchandise drivers: several fashion collections, Movado and Citizen
  - Test initiatives: Vera Wang Love, incremental radio advertising, brand book





Zale Q1 Performance Drivers











- Branded bridal and fashion diamond collections: Vera Wang Love, Celebration Diamond and Unstoppable Love
- In-store teams
- Divisional collaboration
- Other drivers (e.g. Canada, kiosks, e-commerce)



UK Q1 Performance Drivers











- Focus on selling diamonds: Perfect Fit, the Forever Diamond, Neil Lane, Leo, Tolkowsky
- Other merchandise wins: watches, select fashion jewelry
- Outlets; eCommerce
- Executing selling and collaborative culture





Q1 Fiscal 2016 Sales Performance

First Quarter Fiscal 2016	Change in same store sales[1]	Total sales at constant exchange rate[2]	Exchange translation impact[2]	Change in total sales	Total sales (in millions)
Kay	3.6%	6.0%	—	6.0%	$596.6
Jared	0.2%	4.4%	—	4.4%	$295.5
Regional brands	0.8%	(9.5)%	—	(9.5)%	$52.1
Sterling Jewelers division	**2.3%**	**4.5%**	**—**	**4.5%**	**$944.2**
Zales Jewelers	6.1%				$297.3
Gordon's Jewelers	(3.1)%				$20.8
Zale US Jewelry	5.4%				$318.1
Peoples Jewellers	6.6%				$47.2
Mappins	2.9%				$7.6
Zale Canada Jewelry	6.1%				$54.8
Zale Jewelry	5.5%				$372.9
Piercing Pagoda	6.1%				$64.2
Zale division	**5.6%**				**$437.1**
H.Samuel	4.2%	4.8%	(9.9)	(5.1)%	$74.8
Ernest Jones	8.3%	8.6%	(10.2)	(1.6)%	$71.7
UK Jewelry division	**6.2%**	**6.6%**	**(10.0)**	**(3.4)%**	**$146.5**
Other	**—**	**NM**	**NM**	**NM**	**$2.8**
Signet	**3.6%**	**46.9%**	**(2.0)**	**44.9%**	**$1,530.6**
Adjusted Signet[3]					$1,539.2
Adjusted Signet excluding Zale[3]					$1,093.5

1. Based on stores opened for at least 12 months. 2. Non-GAAP measure. 3. Non-GAAP measure. Reconciliations on slides 8 and10. NM-Not meaningful.

Non-GAAP Reconciliation (in millions of $ except per share data)

		Adjustments		
	Adjusted Signet	Purchase Accounting	Transaction Costs	Signet
Sales	1,539.2	(8.6)	—	1,530.6
Cost of goods sold	(957.8)	(6.9)	—	(964.7)
Gross margin	581.4	(15.5)	—	565.9
SGA	(450.9)	(4.1)	(6.4)	(453.2)
Other operating income, net	63.5	—	—	63.5
Operating income (loss)	194.0	(11.4)	(6.4)	176.2
Interest expense, net	(11.0)	—	—	(11.0)
Income (loss) before income taxes	183.0	(11.4)	(6.4)	165.2
Income taxes	(52.8)	4.0	2.4	(46.4)
Net income (loss)	130.2	(7.4)	(4.0)	118.8
Earnings (loss) per share - diluted	$1.62	($0.09)	($0.05)	$1.48
Signet's First Quarter Guidance	$1.57 to $1.62	($0.12) to ($0.10)	($0.03)	$1.42 to $1.49

Q1 Fiscal 2016 Operating Income (Loss)

	Q1 FY2016		Q1 FY2015	
	$m	% of Division Sales	$m	% of Division Sales
Sterling Jewelers division	$178.2	18.9%	$166.3	18.4%
Zale division[1]	$15.5	3.5%	--	--
UK Jewelry division	$0.5	0.3%	$0.0	0.0%
Other[2]	($18.0)	NM	($15.6)	NM
Signet	$176.2	11.5%	$150.7	14.3%

1. Zale division includes $11.4 million in purchase accounting costs in FY2016.

2. Other includes $6.4 million in transaction-related and integration expense in FY2016 and $8.4 million in pre-transaction costs in FY2015.

NM – Not meaningful

Q1 Fiscal 2016 Adjusted Signet Detail[1]

	Adjusted Signet excluding Zale[2]		Zale operations		Adjusted Signet	
	$m	%	$m	%	$m	%
Sales	1,093.5	100.0%	445.7	100.0%	1,539.2	100.0%
Cost of goods sold	(670.1)	(61.3)%	(287.7)	(64.6)%	(957.8)	(62.2)%
Gross margin	423.4	38.7%	158.0	35.4%	581.4	37.8%
SGA	(320.5)	(29.3)%	(130.4)	(29.3)%	(450.9)	(29.3)%
Other operating income, net	64.2	5.9%	(0.7)	(0.1)%	63.5	4.1%
Operating income (loss)	167.1	15.3%	26.9	6.0%	194.0	12.6%
Interest expense, net	(10.2)	(0.9)%	(0.8)	(0.1)%	(11.0)	(0.7)%
Income (loss) before income taxes	156.9	14.4%	26.1	5.9%	183.0	11.9%
Income taxes	(42.6)	(3.9)%	(10.2)	(2.3)%	(52.8)	(3.4)%
Net income (loss)	114.3	10.5%	15.9	3.6%	130.2	8.5%
Earnings per share - diluted	**$1.42**		**$0.20**		**$1.62**	

1. Non-GAAP measure. See slide 8.
2. Includes $0.07 benefit related to capital structure and financing costs.

Q1 Fiscal 2016 Adjusted Income Statement Highlights[1]

	$m	% of Adjusted Sales
Adjusted operating Income Q1 2015	$159.1	15.1%
Adjusted gross margin	$581.4	37.8%
Adjusted selling, general & admin.	$450.9	29.3%
Other operating income	$63.5	4.1%
Adjusted operating income Q1 2016	$194.0	12.6%
Adjusted earnings per share[2]	**$1.62**	

1. Non-GAAP measure. See slide 8.
2. Includes $0.07 benefit related to capital structure and financing costs.

Q1 Fiscal 2016 Inventory

- Ending inventory $2,487.8 million, up $963.9 million due to
  - Zale division inventory of $896 million
  - New store growth of $40 million
  - Higher diamond inventory associated with bridal business and diamond sourcing initiative of $56 million







Credit Metrics

First Quarter	Fiscal 2016	Fiscal 2015
Accounts receivable, net (in millions)	$1,499.9	$1,308.2
Sterling credit participation	60.7%	58.1%
Sterling average monthly collection rate	12.6%	13.2%

Q1 Fiscal 2016 Credit Statistics

(in millions)	Fiscal 2016	Fiscal 2015
Net bad debt	($28.1)	($22.3)
Other operating income	$63.5	$54.0
Net Impact	$35.4	$31.7
Allowance as a % of ending accounts receivable	**6.5%**	**6.4%**

Financial Guidance

Second Quarter Fiscal 2016	
Same store sales	**2% to 3%**
EPS	$0.99 to $1.05
Adjustments:	
Purchase accounting	($0.05)
Transaction costs	($0.07) to ($0.06)
Adjusted EPS (EPS less adjustments per share)	$1.11 to $1.16

Fiscal 2016	
Effective tax rate	28% to 29%
Capital expenditures	$275M to $325M
Net selling square footage growth	2% to 3%



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