

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

SIGNET JEWELERS

Fiscal 2016

Fourth Quarter Results

Thursday, March 24, 2016

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, 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 2016 Annual Report on Form 10-K filed with the SEC on March 24, 2016. 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 slide 9 and Signet's Fiscal 2016 Annual Report on Form 10-K available on Signet's website, www.signetjewelers.com.

Q4 Fiscal 2016 – Financial Highlights

- Total sales growth 5.1% -- materially faster than U.S. jewelry industry growth[1]
- Same store sales growth 4.9% -- among fastest growth in U.S. retail
- Top line growth and excellent expense management led to:
  - Operating margin expansion: Operating margin, +180 bps; Adjusted operating margin[2], +160 bps
  - Earnings per share (EPS) growth: EPS, 20.4%; Adjusted EPS[2], 18.6% -- among best in industry
- Surpassed acquisition net synergy expectations

1. Source: US Bureau of Economic Analysis. Subject to revision. 2. Non-GAAP measure. See slide 9.

Q4 Fiscal 2016 – Sales Driver Highlights

- Select diamond fashion jewelry and bridal
  - Ever Us, Earrings, Bracelets
  - Vera Wang Love, Neil Lane, Tolkowsky, Perfect Fit
- Targeted marketing campaigns
- Store banner leaders: Kay Jewelers, Zales, Piercing Pagoda, Ernest Jones
- Store operations enhancements (Zales, Jared)













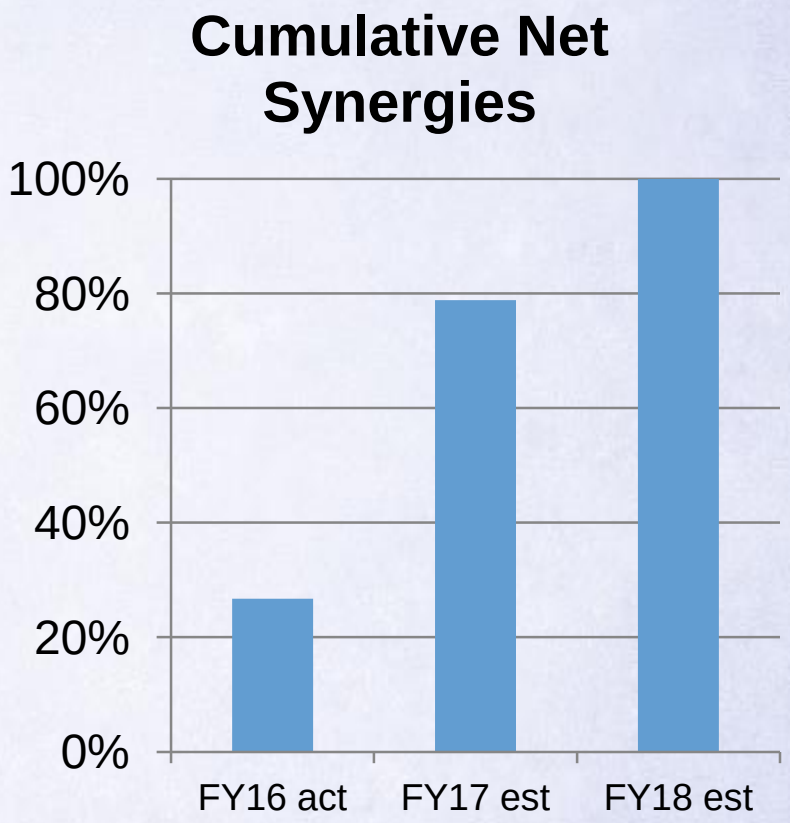


Since Q4 Fiscal 2016 End

- Continued momentum in business reflected in quarterly and annual financial guidance
- Pre-announced strong Q4 and new $750 million stock repurchase plan
- Repurchased SIG shares due to significant disconnect between stock price weakness and business strength
- Increased insider ownership requirements
- Increased guidance on synergies from Zale acquisition due to:
  - Significant integration progress
  - Acceleration of initiatives
  - Deep pipeline of work streams

Three-Year Net Synergies from Zale Acquisition

- February 1, 2015 - January 31, 2018 net synergy target increased:
  - **New: $225 million - $250 million**
    Old: $150 million - $175 million
- Delivered $60 million in Fiscal 2016
- Majority of remaining synergies to be realized in Fiscal 2017.



Fiscal 2016 Accomplishments – 1 of 2

- Furthered 1-team mindset / Manage by functional area vs division
- $6.55 billion in sales
- SIG added to S&P 500
- Cross-selling brands
- Ever Us: Innovation and leveraging position as #1 jewelry retailer
- The Wrist: bracelets; select watches









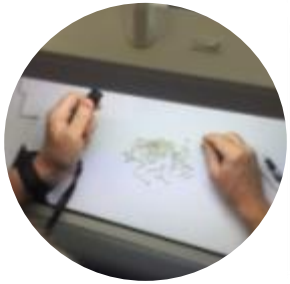


Fiscal 2016 Accomplishments – 2 of 2

- Repair: In-sourced, more centers
- Successfully deployed learnings from customer segmentation study
- Gross margin synergies: product sourcing, discount controls, indirect material
- Brand development and line extensions
- New store concepts
- Omni-channel advances
- Watershed store ops changes and additions in Jared and Zales
- Profitable comp growth led to market share gain; operating margin expansion
- Capital allocation: 5th consecutive year of dividend growth; share buyback











Q4 Fiscal 2016 Sales Performance

	Change in same store sales[1]	Total sales at constant exchange rate[2]	Exchange translation impact[3]	Change in total sales	Total sales (in millions)
Kay	7.4%	9.1%	0.0%	9.1%	$ 940.8
Jared	1.4%	5.3%	0.0%	5.3%	$ 439.5
Regional brands	-1.8%	-7.6%	0.0%	-7.6%	$ 72.2
Sterling Jewelers division	**5.0%**	**6.9%**	**0.0%**	**6.9%**	**$1,452.5**
Zales Jewelers	6.3%	8.0%	0.0%	8.0%	$ 461.2
Gordon's Jewelers	- 7.5%	-15.6%	0.0%	-15.6%	27.1
Zale US Jewelry	**5.4%**	**6.3%**	**0.0%**	**6.3%**	**488.3**
Peoples Jewelers	0.3%	1.2%	-15.6%	-14.4%	77.0
Mappins	-7.6%	-10.0%	-14.0%	-24.0%	11.7
Zale Canada Jewelry	**- 0.8%**	**-0.4%**	**-15.4%**	**-15.8%**	**88.7**
Zale Jewelry	**4.4%**	**5.2%**	**-3.0%**	**2.2%**	**577.0**
Piercing Pagoda	6.4%	8.3%	0.0%	8.3%	78.1
Zale division	**4.7%**	**5.6%**	**-2.7%**	**2.9%**	**655.1**
H.Samuel	3.0%	3.6%	-4.2%	-0.6%	151.2
Ernest Jones	6.6%	8.7%	-4.3%	4.4%	131.4
UK Jewelry division	**4.7%**	**5.9%**	**-4.2%**	**1.7%**	**282.6**
Other		nm		nm	2.4
Signet	**4.9%**	**6.4%**	**-1.3%**	**5.1%**	**2,392.6**
Adjusted Signet[3]					2,397.8

Notes: 1=For stores open for at least 12 months. 2=For stores not open in the last 12 months. 3=Non-GAAP measure. nm=not meaningful.

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

		Adjustments		
	Adjusted Signet	Purchase Accounting	Transaction Costs	Signet
Sales	2,397.8	(5.2)	-	2,392.6
Cost of goods sold	(1,377.1)	0.5	-	(1,376.6)
Gross margin	1,020.7	(4.7)	-	1,016.0
SGA	(666.0)	(1.5)	(19.1)	(686.6)
Other operating income, net	63.7	-	-	63.7
Operating income (loss)	418.4	(6.2)	(19.1)	393.1
Interest expense, net	(12.1)	-	-	(12.1)
Income (loss) before income taxes	406.3	(6.2)	(19.1)	381.0
Income taxes	(117.8)	1.8	6.9	(109.1)
Net income (loss)	288.5	(4.4)	(12.2)	271.9
Earnings (loss) per share – diluted	3.63	(0.06)	(0.15)	3.42

Q4 Fiscal 2016 Adjusted Income Statement Highlights[1]

	In millions	% of Adjusted Sales
Adjusted operating income Q4 2015	**$361.7**	**15.8%**
Adjusted gross margin	$1,020.7	42.6%
Adjusted selling, general & admin.	($666.0)	(27.8)%
Other operating income	$63.7	2.6%
Adjusted operating income Q4 2016	**$418.4**	**17.4%**
Adjusted earnings per share	$3.63	

1. Non-GAAP measures. See slide 9.

Fiscal 2016 Inventory

- Ending inventory $2.45 billion, up $15 million or 0.6% with annual sales growth of 14.2%
- Sound inventory management across the board: bridal and fashion; country-by-country; high ticket and low ticket products
- Material improvement with Zale
- Ever Us contribution
- Inventory well-positioned to start Fiscal 2017







In-House Credit

- Signet has provided in-house credit to its customers for nearly 30 years
- In-house credit provides Signet a number of competitive advantages:
  - Enables and facilitates incremental profitable sales and customer loyalty
  - Supports sales volume through greater number of purchases, higher units per transaction and greater value sales
  - Support Signet's "Best in Bridal" strategy
    - Significant portion of credit extended to customers seeking to finance merchandise primarily in bridal category
    - Develops lifetime customers and long-term growth potential adding stability
    - Enhances marketing capabilities





In-House Credit

1. Designed to collect outstanding credit balance as quickly as possible, minimizing risk and enabling customer to make additional jewelry purchases using their credit facility. Weighted average minimum monthly payment requires approximately 9% of outstanding balances – a greater proportion than industry.
2. Portfolio balance weighted FICO score consistent. In mid-660s over many years.
3. Receivables aging method, recency, unchanged in company's history. Qualifying payment ≥ 75% of minimum payment and increases with delinquency level [see appendix].
4. **Regardless of aging method, balance sheet and income statement yield same result. Under US GAAP, receivables must be stated at the net realizable value.**



Sterling Division Credit Metrics (in millions except percentages)

	Fiscal 2016	Fiscal 2015
Accounts receivable (A/R), net	$1,756.4	$1,567.6
Credit participation	61.5%	60.5%
Average monthly collection rate	11.5%	11.9%
Allowance as % of ending A/R	7.0%	6.8%
Net bad debt	($190.5)	($160.0)
Interest income from in-house finance program	$252.5	$217.9
Net Impact	$62.0	$57.9

	Q4 2016	Q4 2015
Net bad debt	($60.0)	($54.2)
Interest income from in-house finance program	$63.9	$56.5
Net Impact	$3.9	$2.3

Capital Allocation and Stock Repurchase

- Maintain strong balance sheet that provides flexibility
  - Invest in business; support execution of strategic priorities
  - Ensure adequate liquidity
  - Return excess cash to shareholders
- Maintain investment grade rating
- Adjusted debt / adjusted EBITDAR at or below 3.5x
- Distribute 70% - 80% of annual free flow cash to shareholders through combination of growth in dividends and share repurchase
- Repurchase authorization of $886M as of February 29 – anticipate it lasting two to three years

Financial Guidance

First Quarter Fiscal 2017	
Same store sales	3% to 4%
EPS	$1.80 to $1.87
Adjusted EPS	$1.90 to $1.95
Share repurchases	~$125 million

Fiscal 2017	
Same store sales	3.0% to 4.5%
EPS	$7.88 to $8.23
Adjusted EPS	$8.25 to $8.55
Effective tax rate	~28%
Capital expenditures	$315 million to $365 million
Net selling sq. footage growth	3.0% to 3.5%





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APPENDIX

Receivables Aging Rules

Under the recency method, an account that is current will begin to age as a past due account when less than 75% of the scheduled payment is received. Past due accounts will continue to age unless a "qualifying payment" is received. If a "qualifying payment" is received, the account is considered current. A "qualifying payment" is defined as follows for accounts at various stages of aging:

Aged 0-30 days (Recency 0)	75% or more of the scheduled payment.
Aged 31-60 days (Recency 1)	75% or more of the scheduled payment.
Aged 61-90 days (Recency 2)	One full scheduled payment.
Aged 91-180 days (Recency 3 - 5)	Payment of the amount past due or the equivalent of three scheduled payments within 90 days of rolling to Recency 3.
Aged 181 days or more (Recency 6)	Payment of the amount past due and greater.

Under the recency method, a past due account either (a) moves back to current if a qualifying payment is made or (b) moves to the next recency level if a qualifying payment is not received. The one exception is for past due accounts in Recency 3 and greater. If a scheduled payment is received, the account will remain in its current recency level.

Definitions:

Scheduled payment – minimum monthly payment, does not include any past due amount.

Qualifying payment – see table above.