SIGNET JEWELERS

KAY JEWELERS | JARED The Galleria Of Jewelry | ZALES THE DIAMOND STORE | PIERCING Pagoda

ERNEST JONES LOVE & LIFE | H.SAMUEL THE JEWELLER | PEOPLES CANADA'S #1 DIAMOND STORE

Holiday Sales Results

Wednesday, January 11, 2017

Forward Looking Statements

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, regulatory changes following the United Kingdom's announcement to exit from the European Union, 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 and quarterly reports on Form 10-Q 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.

Key Take-Aways

1. Holiday same store sales lower than expected.
2. Same store sales guidance revised.
3. Earnings guidance range tightened.
4. Drivers:
   - Underperformance of Sterling division's e-commerce business
   - Relatively weak jewelry industry holiday season
   - Lower mall traffic and highly promotional and competitive retail environment
   - Partially offsetting declines: Strength in select collections, selling channels, and marketing initiatives

Holiday Season Fiscal 2017 Sales Drivers

Favorable:

- **Categories**. Diamond fashion jewelry, bracelets, earrings.
- **Collections**. Ever Us, Vera Wang Love.
- **Channels**. Kay off-mall, Zale e-comm, Piercing Pagoda kiosks.

Unfavorable:

- **Channels**. Sterling division online tech issues. Mall underperformance.
- **Industry**. Jewelry did not perform as well as retail overall.
- **Promotional environment.** Signet did not engage in discounted selling as much as other retailers leading to share-of-wallet loss among consumers.

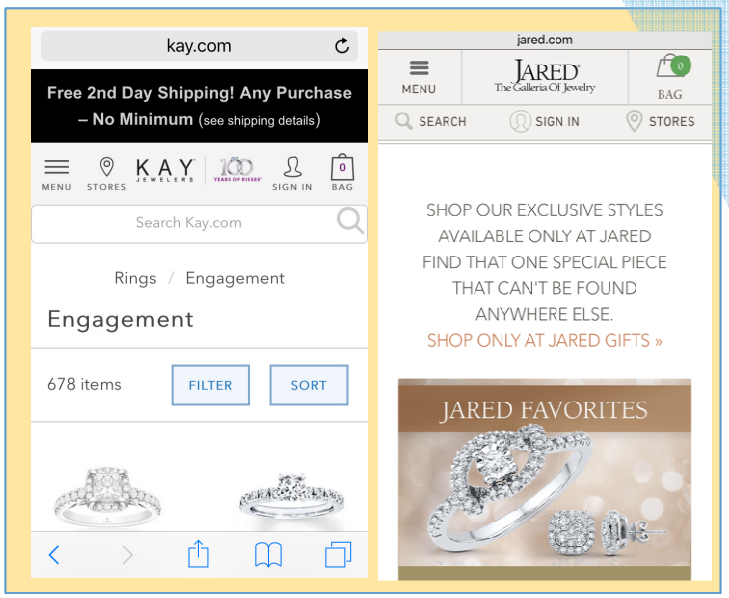







In Response to Holiday Season Sales

- **Online Issues.** Executing the following:
  - Improved platform for Valentine's Day
  - Investing capital and directing resources to ensure long-term customer journey improvements
  - Greater search engine marketing investment already aiding business
- **Valentine's Day**. Implementing holiday learnings.
  - Improved online technical execution
  - Branded collections: Vera Kindred Heart, Ever Us, Open Hearts by Jane Seymour
  - Redirected media spend to improve online search results



Sales Performance

Holiday Season	Same Store Sales %[1]	Non-same store sales %, net[2]	Total sales % at constant exchange rate	Exchange translation impact %	Total sales %	Total sales (in millions $)
Kay	-4.6	2.2	-2.4		-2.4	792.5
Jared	-4.7	1.0	-3.7		-3.7	363.6
Regional brands	-16.9	-10.9	-27.8		-27.8	44.9
Sterling Jewelers division	-5.2	1.1	-4.1		-4.1	1,201.0
Zales Jewelers	-3.7	2.6	-1.1		-1.1	392.8
Gordon's Jewelers	-11.7	-16.7	-28.4		-28.4	16.6
Zale US Jewelry	-4.0	1.4	-2.6		-2.6	409.4
Peoples Jewellers	-7.8	0.7	-7.1	1.4	-5.7	62.4
Mappins	-3.4	-6.6	-10.0	1.8	-8.2	9.0
Zale Canada Jewelry	-7.3	-0.2	-7.5	1.4	-6.1	71.4
Zale Jewelry	-4.6	1.2	-3.4	0.3	-3.1	480.8
Piercing Pagoda	4.2	1.4	5.6		5.6	69.6
Zale division	-3.5	1.2	-2.3	0.2	-2.1	550.4
H.Samuel	-4.9	0.3	-4.6	-16.4	-21.0	99.2
Ernest Jones	-2.2	0.7	-1.5	-16.9	-18.4	85.1
UK Jewelry division	-3.7	0.5	-3.2	-16.6	-19.8	184.3
Other segment[3]		NMF	NMF		NMF	5.2
Signet	**-4.6**	**1.3**	**-3.3**	**-1.8**	**-5.1**	**1,940.9**
Adjusted Signet[4]					-5.2	1,942.9

Notes: 1=For stores open for at least 12 months. 2=For stores not open in the last 12 months. 3= Not meaningful figure. 4= Includes $2.0 million deferred revenue adjustment related to acquisition accounting which resulted in a reset of deferred revenue associated with extended service plans sold by Zale Corporation prior to the acquisition on May 29, 2014.

Q4 & FY 2017 Sales and Earnings Guidance Revised

Q4 Fiscal 2017	Current	Previous
Same store sales	**(4.8%) to (4.3%)**	(4.0%) to (2.0%)
Earnings per share	**$3.91 to $3.98**	$3.91 to $4.13
Adjusted earnings per share	**$4.00 to $4.05**	$4.00 to $4.20
Weighted average common shares	**76 million**	76 million
Fiscal Year 2017	**Current**	**Previous**
Same store sales	**(2.5%) to (2.0%)**	(2.5%) to (1.0%)
Earnings per share	**$7.03 to $7.10**	$7.03 to $7.25
Adjusted earnings per share	**$7.38 to $7.43**	$7.38 to $7.58

Note: Adjusted earnings per share is defined as earnings per share minus adjustments. Adjustments, estimated at $0.07 to $0.09 per share for Q4 and $0.33 to $0.35 per share for FY 2017, are purchase accounting and integration costs. Purchase accounting includes deferred revenue adjustments related to acquisition accounting which resulted in a reset of deferred revenue associated with extended service plans previously sold by Zale Corporation. Integration is consulting costs associated with information technology implementations.

Signet Jewelers Ltd.



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