

SIGNET JEWELERS

Fiscal 2010

Holiday Trading Statement

January 12, 2010

KAY[®]
JEWELERS
Every kiss begins with Kay.[®]
kay.com

JARED[®]
The Galleria Of Jewelry
jared.com

H.SAMUEL
THE JEWELLER

Ernest Jones
The Diamond & Watch Specialist

Safe Harbor Statement

(Private Securities Litigation Reform Act of 1995)

This presentation include 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 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 the Group operates. Our use of the words "expects," "intends," "anticipates," "estimates," "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, the merchandising, pricing and inventory policies followed by the Group, the reputation of the Group, the level of competition in the jewelry sector, the price and availability of diamonds, gold and other precious metals, seasonality of the Group's business, consumer credit regulations and financial market risk.

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 Company's Fiscal 2009 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on April 1, 2009 and other filings made by the Company with the Commission. Actual results may differ materially from those anticipated in such forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein may not be realized. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

Certain financial information 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 the Company's press release date January 12, 2010 available on the Company's website, www.signetjewelers.com

Further Progress in Executing Strategy

- ⇒ Maximize profit and cash flow
 - ⇒ expect income before tax of \$222.5 million to \$232.5 million
 - ⇒ expected earnings per share of \$1.76 to \$1.84
- ⇒ Strengthen balance sheet
 - ⇒ net debt anticipated to be reduced by over \$420 million*
- ⇒ Reduce business risk
- ⇒ Focus on competitive advantages
- ⇒ Gain profitable share in a consolidating sector
 - ⇒ significantly increased market leadership in US
- ⇒ Be well placed for economic challenges and recovery in consumer spending

* Non-GAAP financial measure, see slide 18

Further Improvement in Sales Trend

	Holiday Fiscal 2010			Year to Date		
	US	UK	Group	US	UK	Group
	%	%	%	%	%	%
Same store sales	7.6	(0.8)	5.6	(0.1)	(2.2)	(0.6)
Change in store space	(0.6)	0.1	(0.5)	0.7	2.4	1.1
Constant exchange rate	7.0	(0.7)	5.1	0.6	0.2	0.5
Exchange impact	-	9.3	2.2	-	(10.1)	(2.4)
As reported	7.0	8.6	7.3	0.6	(9.9)	(1.9)

Good Progress Against 2010 Financial Objectives

⇒ Gross merchandise margin expectations

⇒ US up about 30 bpts: UK down about 20 bpts

⇒ Objective

- US: at least at last year's level
- UK: little below last year

⇒ Slightly ahead of US cost reduction program

⇒ \$100 million full year objective*

⇒ UK costs slightly up on last year

* Before inflation, bad debt, volume variances

Good Progress Against 2010 Financial Objectives

⇒ Capital expenditure

- ⇒ fiscal 2010 about \$49 million (fiscal 2009: \$114.9 million)
- ⇒ fiscal 2010 target \$55 million
- ⇒ 20% IRR criteria maintained

⇒ Inventory

- ⇒ anticipated reduction in fiscal 2010 of \$160 million to \$180 million
- ⇒ fiscal 2010 objective \$100 million reduction

Continued Improvement in Cash Flow & Net Debt

	Forecast Fiscal 10 \$m	Fiscal 09 \$m
Adjusted net income [†]	260-270	259.8
Decrease / (increase) in operating assets*	Over 215	(28.7)
Investing activities*	~(35)	(74.3)
Investment in new US stores	~(30)	(105.6)
Dividends	-	(123.8)
Issue of shares	1	-
Foreign exchange impact	-	(23.5)
Decrease / (increase) in net debt	Over 420	(96.1)

† including adjustments for amendment fees, depreciation and other non-cash items

* exc. new US stores

US Jewelry

“Further growth from a proven strategy”

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Strong Performance Over Holiday Season

	Holiday Fiscal 2010		Year to Date	
	Same store sales	ASP	Same store sales	ASP
Kay	8.4%	\$264	4.4%	\$305
Regional Brands	2.3%	\$278	(4.5)%	\$327
Jared	8.6%	\$633*	(6.9)%	\$707*
US division	7.6%		(0.1)%	
Space change	(0.6)%		0.7%	
Total sales US division	7.0%		0.6%	
Expected gross merchandise margin	down about 40 pts		up about 30 bpts	
Expected operating margin			about 8.5%	

* Excluding Pandora range

Management Actions Driving Holiday Sales

- ⇒ Well trained and motivated staff
- ⇒ Increased selection of differentiated ranges
- ⇒ Robust, flexible supply chain
- ⇒ Additional targeted promotional activity
- ⇒ National television impressions broadly similar to last year
- ⇒ Increased focus on differentiated merchandise in marketing
- ⇒ Further improvements to e-commerce sites

In-house Receivables a Competitive Advantage

- ⇒ Forecast credit metrics for fiscal 2010
 - ⇒ participation up 10 bpts
 - ⇒ approval rate up by about 200 bpts
 - ⇒ net bad debt to total sales about 5.7%
 - up about 80 bpts
 - ⇒ collection rate about 12.9% - down by about 50 bpts
- ⇒ Performance driven by macro-economic factors
- ⇒ Credit offer unchanged while many competitors constrained
- ⇒ Adverse impact of Truth in Lending Act remains unclear

UK Jewelry

*“Making existing space
work harder”*

H.SAMUEL
THE JEWELLER

ERNEST JONES
THE DIAMOND & WATCH SPECIALIST

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Satisfactory Performance Over Holiday Season

	Holiday Fiscal 2010		Year to Date	
	Same store sales	ASP	Same store sales	ASP
H.Samuel	(1.5)%	£52	(1.6)%	£52
Ernest Jones	<u>0.2%</u>	£203*	<u>(3.1)%</u>	£226*
UK division	(0.8)%		(2.2)%	
Space change	<u>0.1%</u>		<u>2.4%</u>	
Total sales UK division at constant exchange rates	(0.7)%		0.2%	
Expected gross merchandise margin	down about 80 bpts		down about 20 bpts	
Expected operating margin	about 7.5%			

* excluding the charm bracelet category

Management Actions Driving Holiday Performance

- ⇒ Further improvements in customer service
- ⇒ Merchandise successes
 - ⇒ H.Samuel: charm bracelets and diamonds
 - ⇒ Ernest Jones: charm bracelets and prestige watches
- ⇒ Leverage of marketing scale
 - ⇒ utilization of 10 second TV advertising spots by H.Samuel
 - ⇒ customer relationship marketing expanded for both H.Samuel and Ernest Jones
- ⇒ Continued development of e-commerce

Outlook for Fiscal 2011

⇒ Economic environment

- ⇒ better than 12 months ago, but still challenging, particularly in the UK

⇒ Operating strategy largely unchanged

- ⇒ focus on reinforcing competitive advantages
- ⇒ tight control of gross merchandise margin, costs and inventory
- ⇒ disciplined approach to investment
- ⇒ further significant cash inflow anticipated but substantially lower than in fiscal 2010

Competitive Advantages Reinforcing Sector Leadership

- ⇒ Gaining profitable market share in sector undergoing accelerated rationalization
- ⇒ Effective strategy in tough environment
- ⇒ Strong balance sheet and cash flow
- ⇒ Strengthening significant competitive advantages
- ⇒ Well positioned for recovery

Regulation G

Net Debt

Net debt is a “non-GAAP financial measure”. Management considers it to be a useful additional measure for analyzing and explaining changes and trends in Signet’s financial position. It is calculated as set out below:

At January 31, 2009	\$million
Long-term debt	380.0
Loans & overdrafts	<u>187.5</u>
	567.5
Less	
Cash & cash equivalents	<u>(96.8)</u>
Net debt	<u>470.7</u>