

**SIGNET JEWELERS LIMITED**  
**CONSOLIDATED INCOME STATEMENTS**

<i>(in millions, except per share amounts)</i>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>	<b>Notes</b>
Sales	\$ 6,253.0	\$ 6,408.4	\$ 6,550.2	5
Cost of sales	(4,063.0)	(4,047.6)	(4,109.8)	
Gross margin	2,190.0	2,360.8	2,440.4	
Selling, general and administrative expenses	(1,872.2)	(1,880.2)	(1,987.6)	
Credit transaction, net	1.3	—	—	3
Other operating income, net	260.8	282.6	250.9	11
Operating income	579.9	763.2	703.7	5
Interest expense, net	(52.7)	(49.4)	(45.9)	
Income before income taxes	527.2	713.8	657.8	
Income taxes	(7.9)	(170.6)	(189.9)	10
Net income	519.3	543.2	467.9	
Dividends on redeemable convertible preferred shares	(32.9)	(11.9)	—	7
Net income attributable to common shareholders	\$ 486.4	\$ 531.3	\$ 467.9	
Earnings per common share:				
Basic	\$ 7.72	\$ 7.13	\$ 5.89	8
Diluted	\$ 7.44	\$ 7.08	\$ 5.87	8
Weighted average common shares outstanding:				
Basic	63.0	74.5	79.5	8
Diluted	69.8	76.7	79.7	8
Dividends declared per common share				
	\$ 1.24	\$ 1.04	\$ 0.88	7

The accompanying notes are an integral part of these consolidated financial statements.

**SIGNET JEWELERS LIMITED**  
**CONSOLIDATED BALANCE SHEETS**

<i>(in millions, except par value per share amount)</i>	February 3, 2018	January 28, 2017	Notes
<b>Assets</b>			<b>2</b>
Current assets:			
Cash and cash equivalents	\$ 225.1	\$ 98.7	1
Accounts receivable, net	692.5	1,858.0	12
Other receivables	87.2	95.9	
Other current assets	158.2	136.3	
Income taxes	2.6	4.4	
Inventories	2,280.5	2,449.3	13
Total current assets	<u>3,446.1</u>	<u>4,642.6</u>	
Non-current assets:			
Property, plant and equipment, net	877.9	822.9	14
Goodwill	821.7	517.6	15
Intangible assets, net	481.5	417.0	15
Other assets	171.2	165.1	16
Deferred tax assets	1.4	0.7	10
Retirement benefit asset	39.8	31.9	20
Total assets	<u>\$ 5,839.6</u>	<u>\$ 6,597.8</u>	
<b>Liabilities and Shareholders' equity</b>			
Current liabilities:			
Loans and overdrafts	\$ 44.0	\$ 91.1	21
Accounts payable	237.0	255.7	
Accrued expenses and other current liabilities	448.0	478.2	22
Deferred revenue	288.6	276.9	23
Income taxes	19.6	101.8	
Total current liabilities	<u>1,037.2</u>	<u>1,203.7</u>	
Non-current liabilities:			
Long-term debt	688.2	1,317.9	21
Other liabilities	239.6	213.7	24
Deferred revenue	668.9	659.0	23
Deferred tax liabilities	92.3	101.4	10
Total liabilities	<u>2,726.2</u>	<u>3,495.7</u>	
Commitments and contingencies			26
Series A redeemable convertible preferred shares of \$0.01 par value: 500 shares authorized, 0.625 shares outstanding	613.6	611.9	6
Shareholders' equity:			
Common shares of \$0.18 par value: authorized 500 shares, 60.5 shares outstanding (2017: 68.3 outstanding)	15.7	15.7	7
Additional paid-in capital	290.2	280.7	
Other reserves	0.4	0.4	
Treasury shares at cost: 26.7 shares (2017: 18.9 shares)	(1,942.1)	(1,494.8)	7
Retained earnings	4,396.2	3,995.9	7
Accumulated other comprehensive loss	(260.6)	(307.7)	9
Total shareholders' equity	<u>2,499.8</u>	<u>2,490.2</u>	
Total liabilities, redeemable convertible preferred shares and shareholders' equity	<u>\$ 5,839.6</u>	<u>\$ 6,597.8</u>	

The accompanying notes are an integral part of these consolidated financial statements.

**SIGNET JEWELERS LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

<i>(in millions)</i>	<b>Fiscal 2018</b>	<b>Fiscal 2017</b>	<b>Fiscal 2016</b>
<b>Cash flows from operating activities:</b>			
Net income	\$ 519.3	\$ 543.2	\$ 467.9
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	203.4	188.8	175.3
Amortization of unfavorable leases and contracts	(13.0)	(19.7)	(28.7)
Pension benefit	(3.5)	(1.6)	—
Share-based compensation	16.1	8.0	16.4
Deferred taxation	(33.4)	27.7	25.0
Excess tax benefit from exercise of share awards	—	(2.4)	(6.9)
Amortization of debt discount and issuance costs	3.7	2.8	3.6
Credit transaction, net	(30.9)	—	—
Other non-cash movements	2.4	0.4	3.6
Changes in operating assets and liabilities:			
Decrease (increase) in accounts receivable	242.1	(102.7)	(189.8)
Proceeds from sale of in-house finance receivables	952.5	—	—
Decrease (increase) in other receivables and other assets	11.0	(20.4)	(44.1)
(Increase) decrease in other current assets	(17.0)	13.5	(26.5)
Decrease (increase) in inventories	210.9	(9.7)	(46.0)
Decrease in accounts payable	(51.4)	(7.0)	(6.4)
Increase (decrease) in accrued expenses and other liabilities	3.9	(21.8)	51.8
Increase in deferred revenue	10.0	43.6	76.3
(Decrease) increase in income taxes payable	(82.4)	38.9	(25.7)
Pension plan contributions	(3.2)	(3.3)	(2.5)
Net cash provided by operating activities	<u>1,940.5</u>	<u>678.3</u>	<u>443.3</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment	(237.4)	(278.0)	(226.5)
Purchase of available-for-sale securities	(2.4)	(10.4)	(6.2)
Proceeds from sale of available-for-sale securities	2.2	10.0	4.0
Acquisition of R2Net Inc., net of cash acquired	(331.8)	—	—
Net cash used in investing activities	<u>(569.4)</u>	<u>(278.4)</u>	<u>(228.7)</u>
<b>Financing activities</b>			
Dividends paid on common shares	(76.5)	(75.6)	(67.1)
Dividends paid on redeemable convertible preferred shares	(34.7)	—	—
Repurchase of common shares	(460.0)	(1,000.0)	(130.0)
Proceeds from issuance of common shares	0.3	2.1	5.0
Proceeds from issuance of redeemable convertible preferred shares, net of issuance costs	—	611.3	—
Net settlement of equity based awards	(2.9)	(4.9)	(8.3)
Excess tax benefit from exercise of share awards	—	2.4	6.9
Proceeds from term and bridge loans	350.0	—	—
Repayments of term and bridge loans	(372.3)	(16.4)	(25.0)
Proceeds from securitization facility	1,745.9	2,404.1	2,303.9
Repayments of securitization facility	(2,345.9)	(2,404.1)	(2,303.9)

Proceeds from revolving credit facility	<b>814.0</b>	1,270.0	316.0
Repayments of revolving credit facility	<b>(870.0)</b>	(1,214.0)	(316.0)
Payment of debt issuance costs	<b>(1.4)</b>	(2.7)	—
Principal payments under capital lease obligations	<b>—</b>	(0.2)	(1.0)
Repayments of bank overdrafts	<b>(0.1)</b>	(10.2)	(47.1)
Net cash used in financing activities	<b>(1,253.6)</b>	(438.2)	(266.6)
Cash and cash equivalents at beginning of period	<b>98.7</b>	137.7	193.6
Increase (decrease) in cash and cash equivalents	<b>117.5</b>	(38.3)	(52.0)
Effect of exchange rate changes on cash and cash equivalents	<b>8.9</b>	(0.7)	(3.9)
Cash and cash equivalents at end of period	<b>\$ 225.1</b>	\$ 98.7	\$ 137.7
Non-cash investing activities:			
Capital expenditures in accounts payable	<b>\$ 7.0</b>	\$ 9.2	\$ 9.3
Supplemental cash flow information:			
Interest paid	<b>\$ 50.2</b>	\$ 47.1	\$ 41.6
Income taxes paid	<b>\$ 122.3</b>	\$ 104.0	\$ 180.1

The accompanying notes are an integral part of these consolidated financial statements.