



BUTLER

UNIVERSITY

BULLDOG REPORTS

STUDENT-LED EQUITY RESEARCH

EQUITY RESEARCH REPORT

Signet Jewelers

Analysts:
Hayden Couey
Kyle Johnson

Japnam Kular
Gannon Smith
Alex Urbina

Student Managing Director: Hannah Olson
Alumni Mentor: Rob Kreloff
Faculty Director: Dr. Thomas Hanson, CFA

APRIL 24, 2026

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LETTER FROM THE FACULTY DIRECTOR

It is a pleasure to share with you the result of months of work by our student research analysts in this inaugural year for Bulldog Reports. This experiential learning program is designed to provide students with the opportunity to practice all aspects of financial research: quantitative and qualitative analysis, researching and writing, modeling and presenting. Partnering with small- and mid-cap companies in the Midwest also allows students to meet with management and develop networking skills and teamwork.

With student development as its cornerstone, the program emphasizes asking the right questions, evaluating information, and building, presenting, and defending a financial argument. These skills are vital in any career. They incorporate humanistic skills and liberal arts knowledge in a way that will help students thrive in a time of technological change and development.

We are happy to share the results of that analysis in this presentation. Join me in recognizing the effort and the development of this fantastic talent pipeline of finance majors at Butler University.

Sincerely,
Dr. Thomas A. Hanson, CFA

FOR MORE INFORMATION, VISIT
BUTLER.EDU/BULLDOGREPORTS

COVERAGE PORTFOLIO

On April 24, 2026, Bulldog Reports analysts initiated coverage on the following firms:

Calumet (CLMT)	Core Molding Technologies (CMT)	Hillman (HLMN)	MillerKnoll (MLKN)
Patrick Industries (PTK)	Portillo's (PTLO)	Signet Jewelers (SIG)	Visteon (VC)

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SIG

Signet Jewelers

(NYSE: SIG)

Recommendation: Buy

Target Price: \$105.70

Closing Price: \$94.27

Upside: 12.1%

SIGNET
JEWELERS



Butler University
Bulldog Reports





Company Overview & ESG

Signet Jewelers

Company Overview

Founded in 1949, Signet operates jewelry retail brands across North America



Leading U.S. bridal jewelry retailer



75+ years in business



6 - 7B in annual revenue

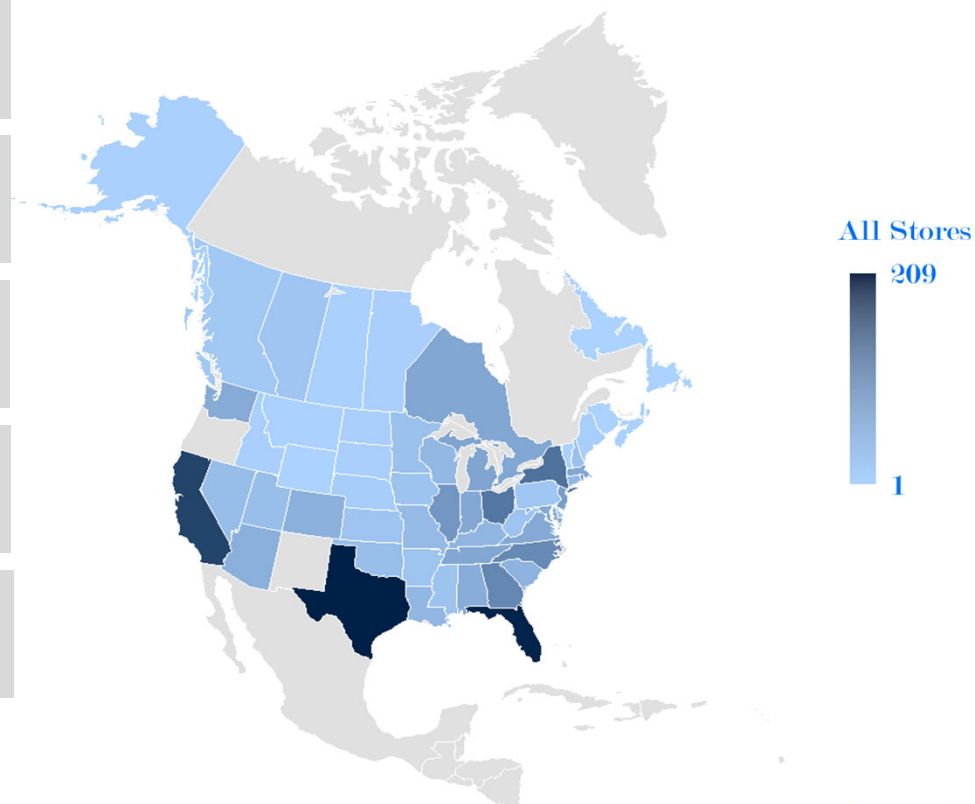


2000+ stores in North America wide



Multi-brand portfolio

Stores by Geography



Company

ESG

Industry

Thesis

Financials

Valuation

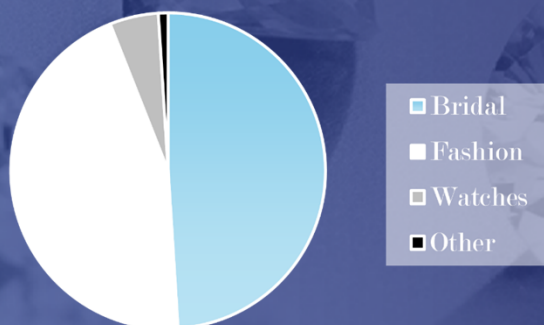
Risks

Summary

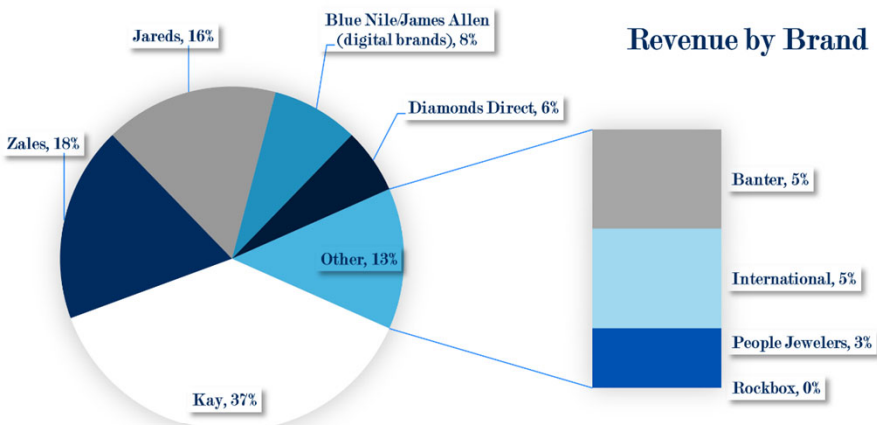
Brand Portfolio

Diverse Brand Portfolio

Revenue Mix by Product Category



Revenue by Brand



	Kay	Zales	Jared
Target Customer	Women	Men	Couples
What they Buy	Bridal	Fashion/Bridal	Luxury/High end pieces
Why they choose	Cheaper	Deals/Variety	Quality/Customization

Company

ESG

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SWOT Analysis

S



Strengths

- Lab grown diamonds
- Services and Repair businesses
- Ecommerce and Digital Growth
- Younger consumer targeting

W



Weaknesses

- Declining mall traffic impacts legacy stores
- Heavy reliance on bridal demand
- Exposure to discretionary spending cycles

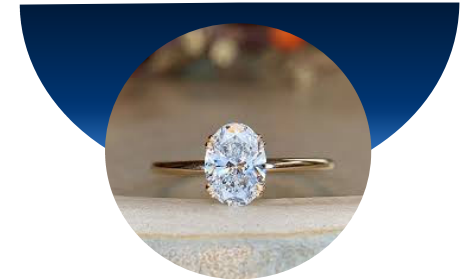
O



Opportunities

- Lab grown diamonds
- Services and Repair businesses
- Ecommerce and Digital Growth
- Younger consumer targeting

T



Threats

- Macroeconomic pressure
- Commodity price volatility
- Shifting consumer preferences (Fashion)



Company

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ESG Strategy Overview

Environment 	Social 	Governance 
<ul style="list-style-type: none"> • 2030 emissions target: -11% • LED upgrades across stores • Recycled metals & sustainable packaging 	<ul style="list-style-type: none"> • Conflict-free diamond sourcing • 100% Tier 1 supplier certification • Ethical sourcing → stronger brand trust 	<ul style="list-style-type: none"> • Independent, NYSE-aligned board • Portfolio strategy: Kay, Zales, Jared • Experienced retail leadership team





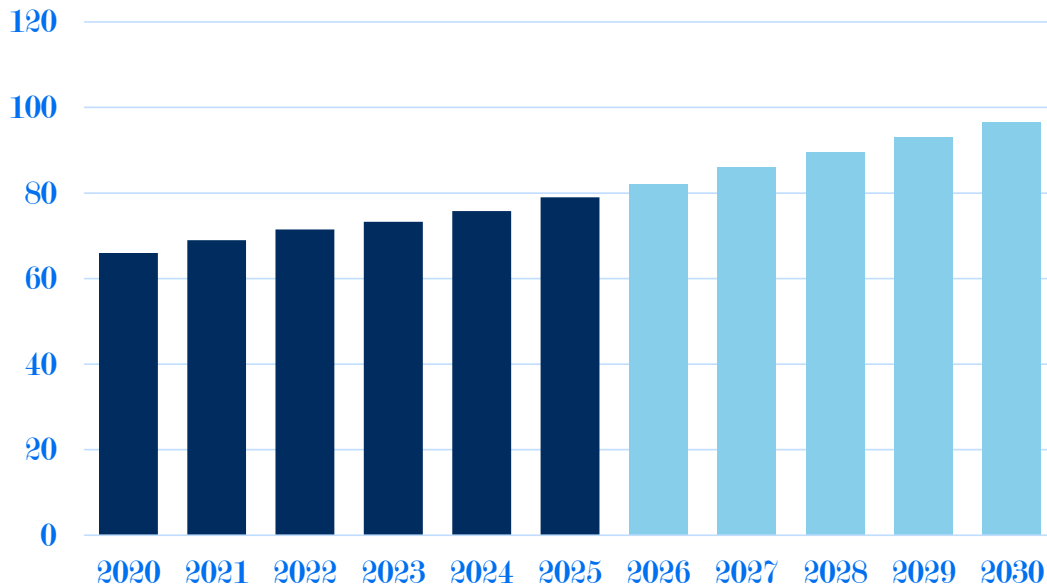
Industry Overview

Signet Jewelers

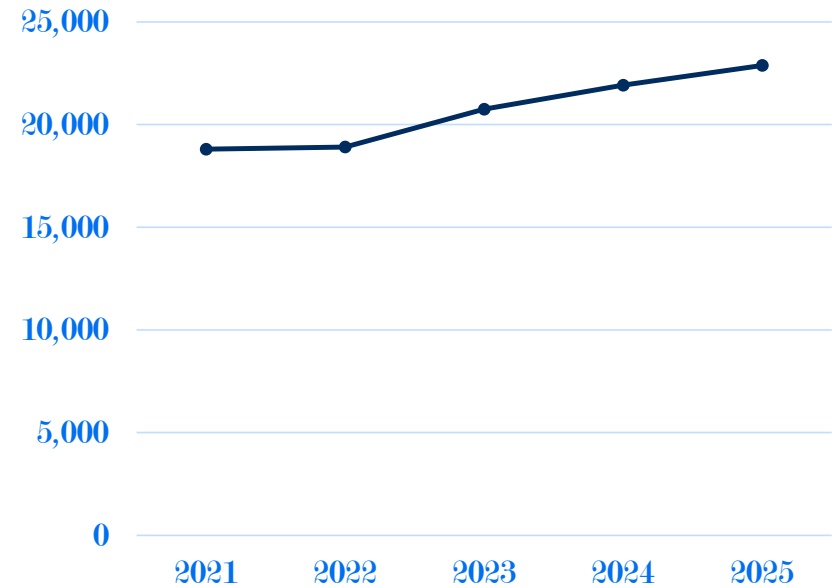
Jewelry Industry Overview

Consumer demand supported by Income Growth

Jewelry Market Size (\$B)



Disposable Income (\$ Billions)



4% annual growth supports long-term demand



Company

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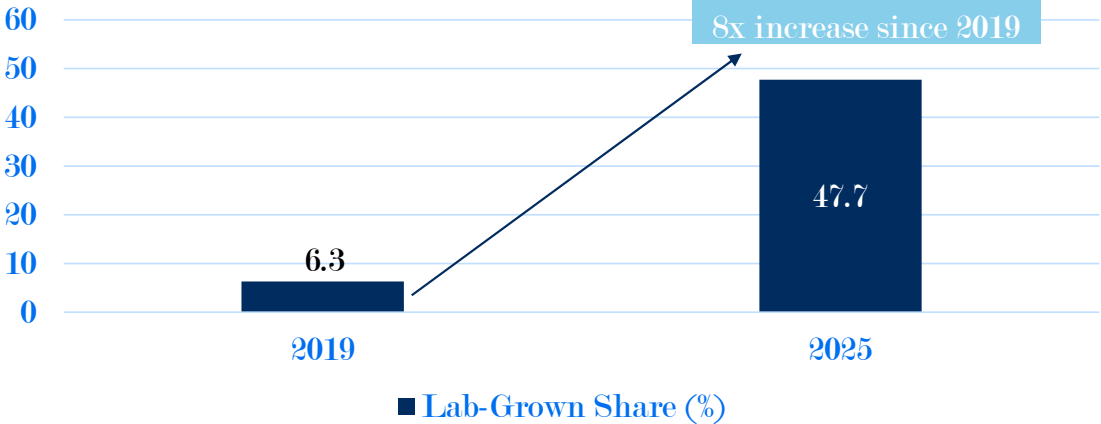
Risks

Summary

Porters Five Forces

Substitution increases

Lab-Grown Engagement Ring Share (%)



<p>Natural</p> <ul style="list-style-type: none"> Higher Price Perceived Rarity 	<p>Lab Grown</p> <ul style="list-style-type: none"> Same chemical & physical properties Faster Production
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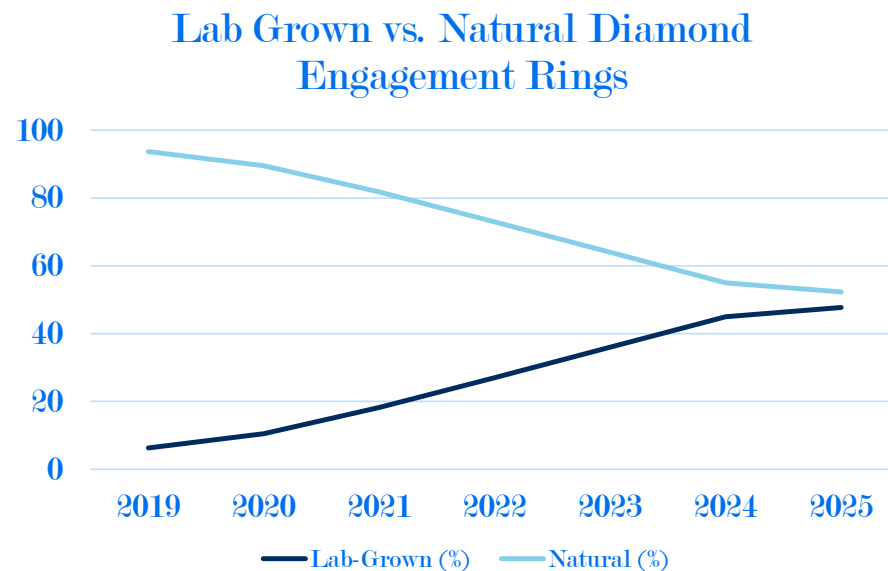
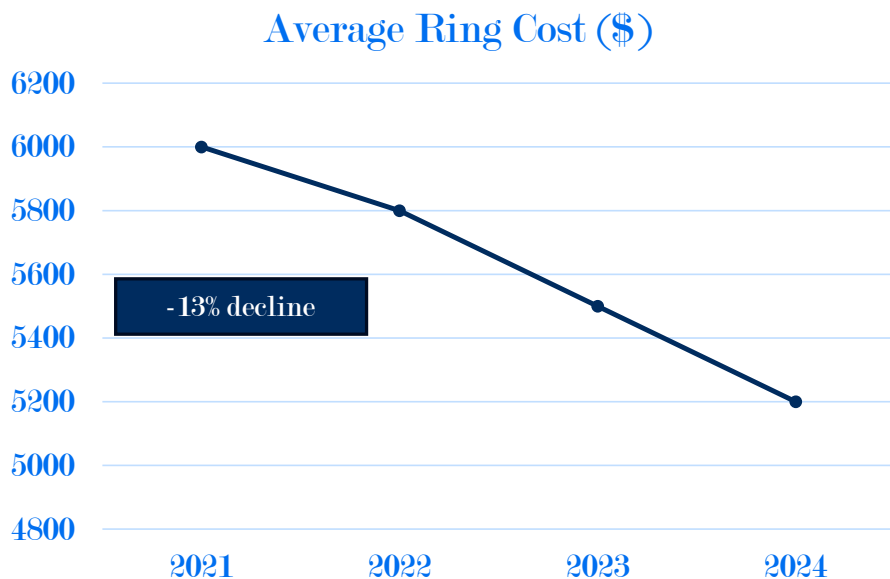


Substitutes Increasing

- Lab grown diamonds 48% of engagement rings
- 60% - 80% lower cost than natural diamond
- Rapid Adoption reducing demand for natural diamonds

Porters Five Forces

Buyer pressure power increasing



Buyer Power = High. Many choices with a declining ring spending.



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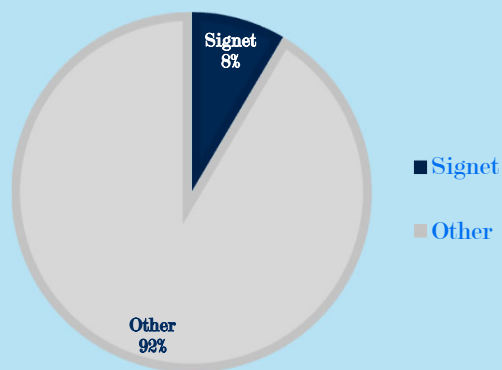
Porters Five Forces

High Competition

High Rivalry

- Fragmented market structure
- Signet holds 8% share
- High promotional competition

MARKET SHARE (%)



Moderate Supplier Power

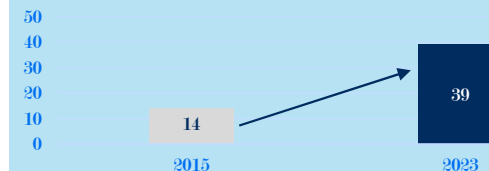
- Diamond supply concentrated among few largen suppliers
- Limited alternatives for natural diamonds
- Lab-grown diamonds reduce dependence on traditional suppliers
- Greater sourcing flexibility



Low Threat of New Entrants

- High upfront costs: Inventory, store buildouts, security, marketing
- Strong brand trust and customer loyalty create barriers
- Online/DTC models lower entry costs
- 39% of engagement ring purchases made online in 2023

% Online Purchases



Thesis Summary – We see 3 key reasons to invest

We issue a **BUY** recommendation, implying a **12.1% UPSIDE**



Grow Brand Love



Lab Grown Diamonds



Capital Allocation



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The image shows the exterior and interior of a Zales jewelry store. The exterior features a light-colored stone or concrete facade with a large, decorative wooden lattice structure above the entrance. The word "ZALES" is prominently displayed in large, dark, three-dimensional letters above the lattice. The interior is visible through the entrance, showing a modern, well-lit space with a central circular counter, display cases, and a large circular wooden ceiling fixture. The floor is made of light-colored tiles.

ZALES

Financial & Valuation Analysis

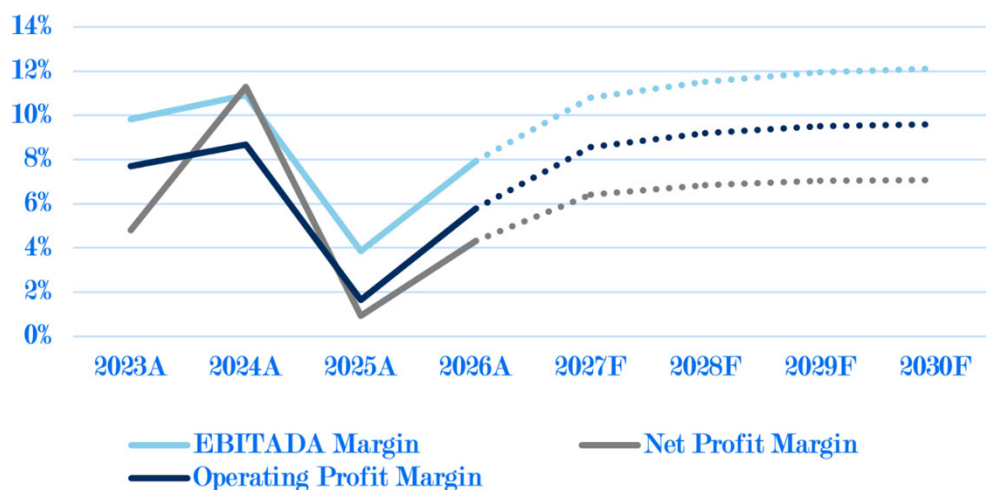
Signet Jewelers

We are Climate
A Step in the Right Direction
Learn more at [aldosho.com](#)

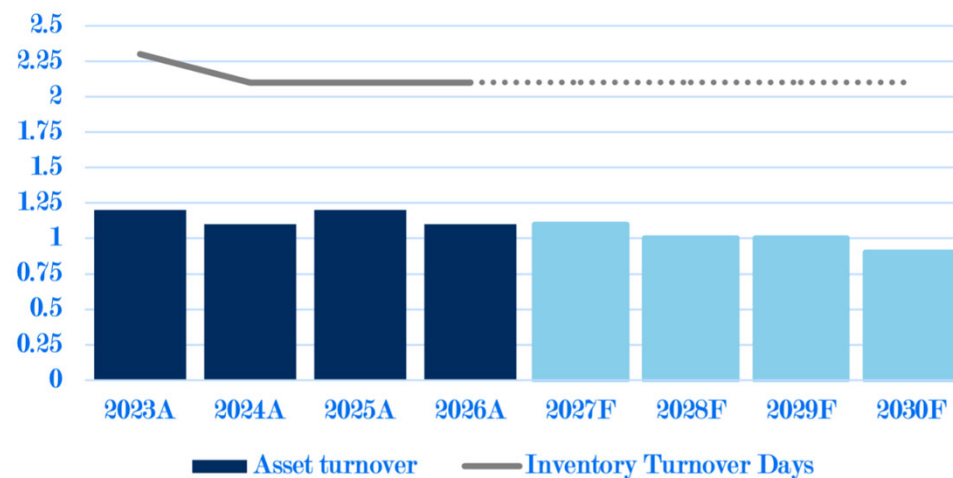
Operating Performance and Efficiency

Profitability improves over time while operations remain disciplined and stable

Profitability Margins



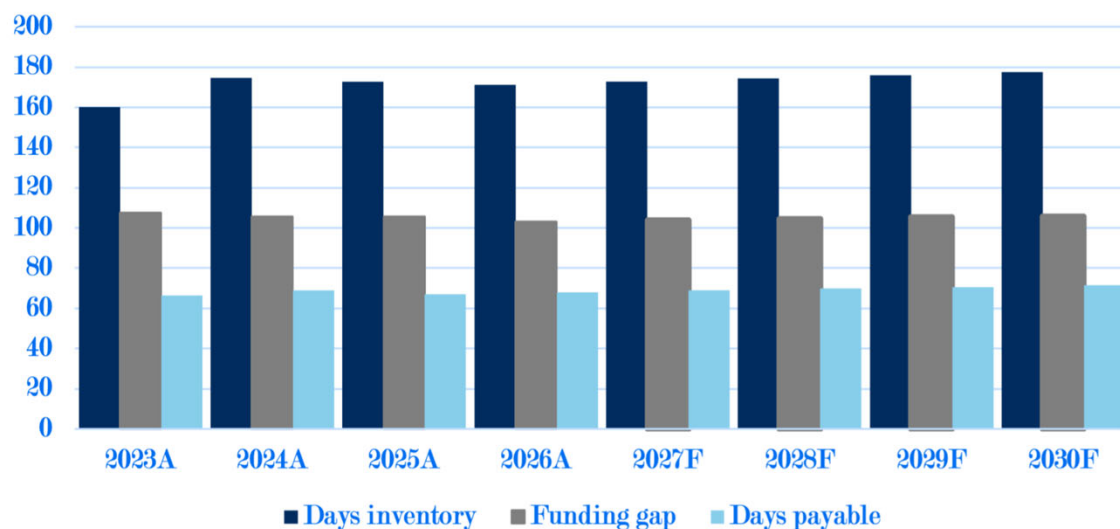
Operating Efficiency



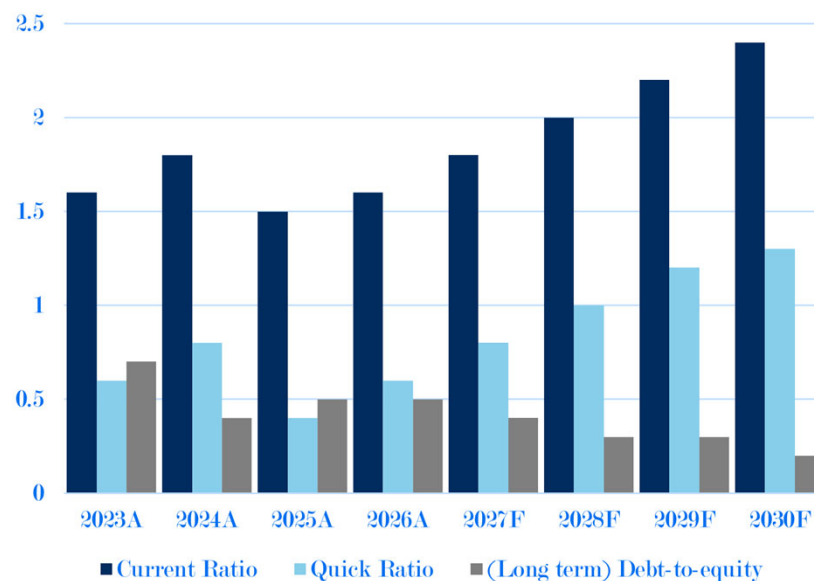
Financial Strength and Cash Flow

Balance-sheet strength and working capital controlled, supports shareholder returns

Cash Conversion Cycle



Liquidity & Solvency



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Our projections of SIG

SIG Stock



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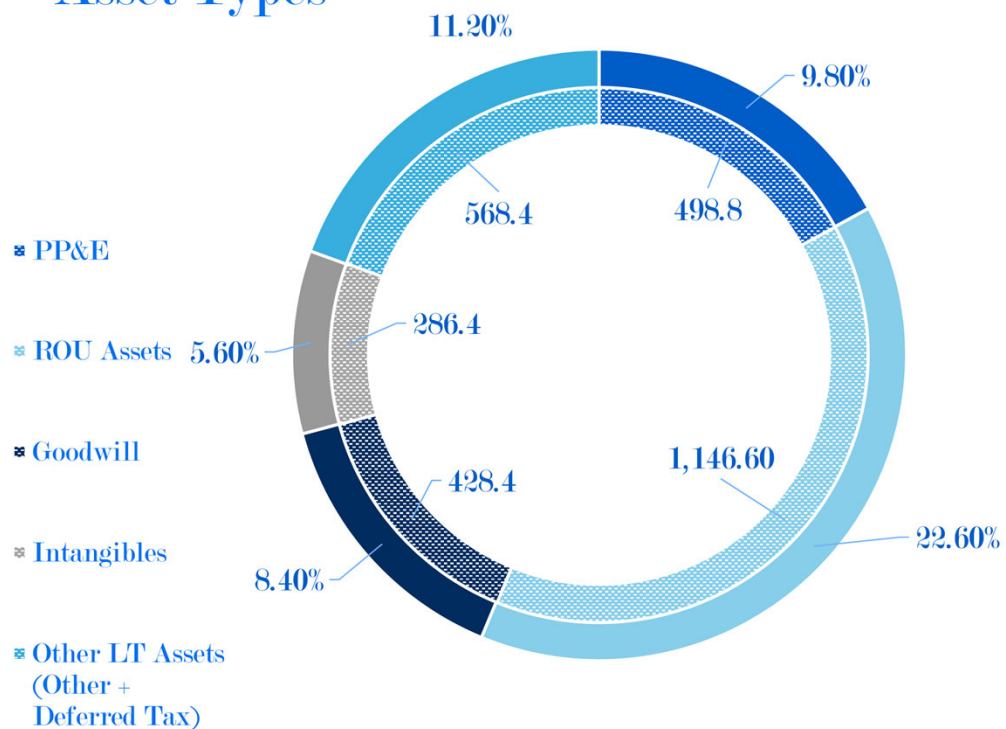
Risks

Summary

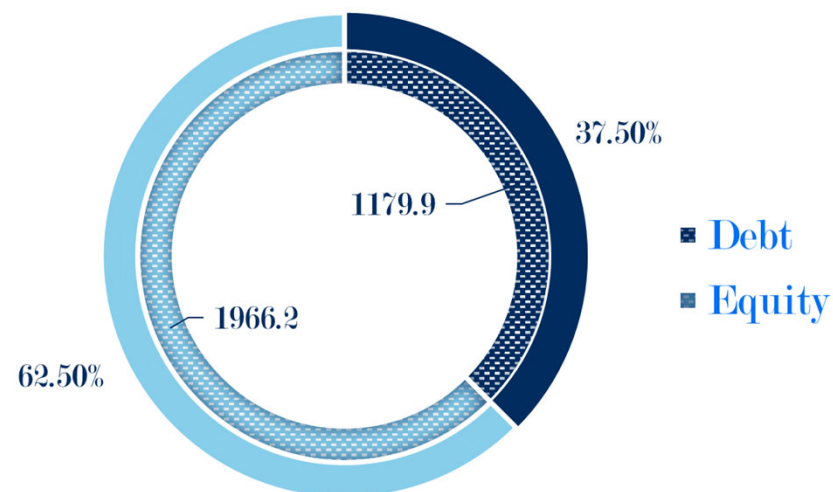
Valuation

Asset Types and Capital Structure

Asset Types



Capital Structure

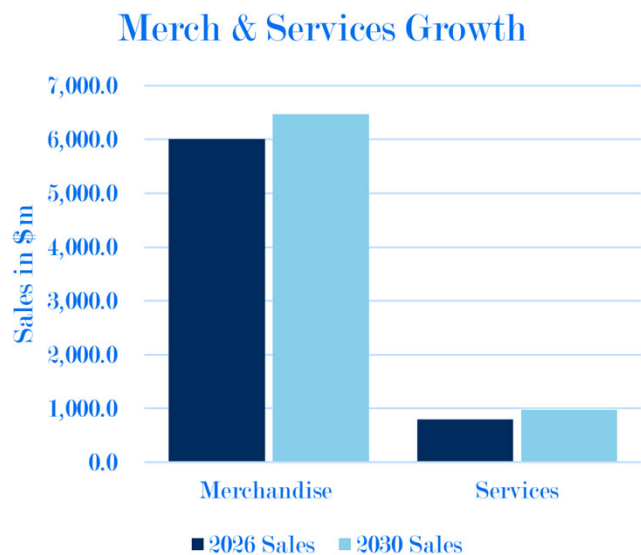


- Balanced capital structure supports financial stability
- Strong asset base across stores, inventory, and brand portfolio
- Low reliance on debt enhances flexibility in downturns



Valuation

The growth of the company and the profitability of SIG



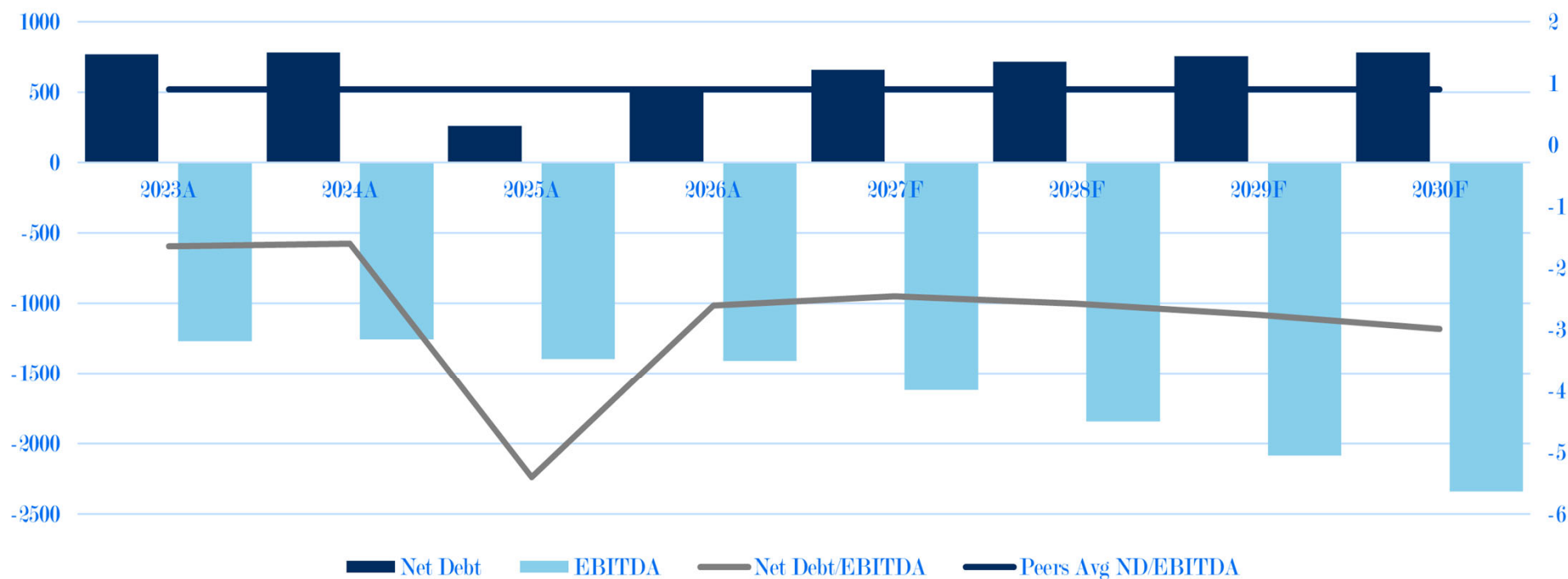
Revenue grows steadily while margins expand, the mix shifts toward higher-margin services, and disciplined cost control preserves earnings through cycles.



Valuation

How our Net Debt compares to Competition

Net Debt Vs. Competition



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Risks & Summary

Signet Jewelers

Market, Political, and Operational Investment Risks

Impact vs Probability Matrix

Risk Matrix

		Risk Matrix		
		Low	Medium	High
IMPACT	High		R3	R2
	Medium		O2	R1
	Low		O1	
		PROBABILITY		

R1 - Growth of Lab Grown Diamonds

- Lower price point vs natural diamonds
- Increasing consumer adoption

R2- Cyclical Customer Spending

- Discretionary spending
- Sensitive to inflation rates
- Lower demand in downturns

R3 - Direct – to – Consumer Brands

- Online competitors undercut pricing
- Shifting to digital channels

O1 – Lab Grown Diamond Expansion

- Lower cost → higher margins
- Larger stone attracts more buyers

O2 – Omnichannel Growth

- Seamless online + in-store experience
- Higher conversion rates + customer retention



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Thesis Summary

We issue a **BUY** recommendation, implying a **12.1% UPSIDE**

S

SIGNATURE

Strengthening brand identity and building lasting customer loyalty.



I

INNOVATION

Signet's leadership and momentum in lab-grown diamonds.



G

GROWTH

Capital allocation that expands long-term shareholder value.



BUY

Recommendation:
BUY
Target Price: 105.70
Upside: 12.1%

\$94.27 → \$105.70
Upside: 12.1%



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Signet Jewelers

Income Statement

\$ thousands

	2023A	2024A	2025A	2026A	2027F	2028F	2029F	2030F
Merchandise sales	7,135.5	6,429.6	5,958.6	6,010.1	6,040.2	6,161.0	6,315.0	6,472.9
Service sales	706.6	741.5	745.2	803.5	847.7	894.3	939.0	981.3
Total sales	7,842.1	7,171.1	6,703.8	6,813.6	6,887.8	7,055.3	7,254.0	7,454.1
Cost of sales	(4,790.0)	(4,345.7)	(4,078.2)	(4,119.0)	(4,139.6)	(4,222.4)	(4,340.6)	(4,470.8)
Gross margin	3,052.1	2,825.4	2,625.6	2,694.6	2,748.2	2,832.9	2,913.4	2,983.3
Selling, general & administrative expenses	(2,214.6)	(2,197.7)	(2,122.6)	(2,173.2)	(2,194.9)	(2,221.3)	(2,261.3)	(2,306.5)
Asset impairments, net	(22.7)	(9.1)	(372.0)	(91.6)	(50.0)	(50.0)	(50.0)	(50.0)
Other operating (expense) income, net	(209.9)	2.9	(20.3)	(36.7)	(37.0)	(37.3)	(37.6)	(37.8)
Operating income	604.9	621.5	110.7	393.1	466.3	524.3	564.6	589.0
Interest income (expense), net	(13.5)	18.7	9.8	4.0	(8.7)	(12.1)	(16.0)	(20.1)
Other non-operating income (expense), net	(140.2)	(0.4)	3.7	1.0	0.0	0.0	0.0	0.0
Income before income taxes	451.2	639.8	124.2	398.1	457.6	512.2	548.6	568.9
Income taxes	(74.5)	170.6	(63.0)	(103.7)	(105.2)	(117.8)	(126.2)	(130.8)
Net income	376.7	810.4	61.2	294.4	352.3	394.4	422.4	438.0
Dividends on redeemable convertible preferred shares	(34.5)	(34.5)	(96.8)	-	0.0	0.0	0.0	0.0
Net (loss) income attributable to common shareholders	342.2	775.9	(35.6)	294.4	352.3	394.4	422.4	438.0
Earnings per common share – Basic	7.34	17.28	(0.81)	7.13	8.53	9.55	10.23	10.61
Earnings per common share – Diluted	6.04	14.37	(0.81)	7.08	8.47	9.48	10.15	10.53
Weighted average common shares outstanding – Basic	46.6	44.9	44.1	41.3	41.3	41.3	41.3	41.3
Weighted average common shares outstanding – Diluted	56.7	54.0	44.1	41.6	41.6	41.6	41.6	41.6

Signet Jewelers

Cash Flow Statement

\$ thousands

	2023A	2024A	2025A	2026A	2027F	2028F	2029F	2030F
Net income	376.7	810.4	61.2	294.4	352.3	394.4	422.4	438.0
Depreciation and amortization	164.5	161.9	148.2	147.5	153.1	164.6	176.7	189.4
Amortization of unfavorable contracts	(1.8)	(1.8)	(1.8)	(1.8)	-	-	-	-
Share-based compensation	42.0	41.1	22.2	26.9	-	-	-	-
Deferred taxation	(99.3)	(180.3)	(30.7)	20.6	-	-	-	-
Asset impairments, net	22.7	9.1	372.0	91.6	50.0	50.0	50.0	50.0
Pension settlement loss	133.7	0.2	-	-	-	-	-	-
Loss (gain) on divestiture	-	(12.3)	2.6	4.1	-	-	-	-
Other non-cash movements	7.2	9.6	2.1	3.0	-	-	-	-
Changes in:								
Inventories	(16.5)	182.5	1.0	23.2	(20.4)	(51.7)	(80.7)	(82.2)
Other assets	16.1	(36.8)	49.6	16.9	(17.7)	7.7	6.6	6.6
Accounts payable	(101.6)	(134.5)	28.7	5.4	10.7	23.0	34.5	37.3
Accrued expenses and other liabilities	120.0	(251.1)	(31.2)	14.7	7.8	12.8	18.9	19.4
Change in operating lease assets and liabilities	18.2	(39.7)	(18.8)	(9.0)	-	-	-	-
Deferred revenue	27.9	(7.0)	5.1	35.9	-	-	-	-
Income tax receivable and payable	98.5	(3.0)	(19.3)	5.4	-	-	-	-
Pension plan contributions	(10.4)	(1.4)	-	-	-	-	-	-
Net cash provided by operating activities	797.9	546.9	590.9	678.8	535.8	601.0	628.4	658.6
Capital expenditures	(138.9)	(125.5)	(153.0)	(153.5)	(165.8)	(170.8)	(175.0)	(179.4)
Acquisitions, net of cash acquired	(391.8)	(6.0)	-	-	-	-	-	-
Divestitures	-	53.8	-	(2.0)	-	-	-	-
Other investing activities, net	(14.7)	1.9	(6.1)	(2.0)	-	-	-	-
Net cash used in investing activities	(545.4)	(75.8)	(159.1)	(157.5)	(165.8)	(170.8)	(175.0)	(179.4)
Dividends paid on common shares	(36.6)	(39.9)	(48.6)	(51.9)	(35.2)	(39.4)	(42.2)	(43.8)
Dividends paid on redeemable convertible preferred shares	(32.9)	(32.9)	(18.5)	-	-	-	-	-
Repurchase of common shares	(376.1)	(139.3)	(138.0)	(205.2)	-	-	-	-
Repurchase of redeemable convertible preferred shares	-	-	(813.8)	-	-	-	-	-
Repayment of Senior Notes	-	-	(147.8)	-	-	-	-	-
Proceeds from asset-based credit facility	-	-	253.0	-	-	-	-	-
Repayments of asset-based credit facility	-	-	(253.0)	-	-	-	-	-
Payment of debt issuance costs	-	-	(4.3)	-	-	-	-	-
Other financing activities, net	(44.4)	(47.6)	(28.5)	(7.7)	-	-	-	-
Net cash used in financing activities	(490.0)	(259.7)	(1,199.5)	(264.8)	(35.2)	(39.4)	(42.2)	(43.8)
Cash and cash equivalents at beginning of period	1,418.3	1,166.8	1,378.7	604.0	874.8	1,209.6	1,600.4	2,011.5
(Decrease) increase in cash and cash equivalents	(237.5)	211.4	(767.7)	256.5	334.8	390.8	411.1	435.4
Effect of exchange rate changes on cash and cash equivalents	(14.0)	0.5	(7.0)	14.3	-	-	-	-
Cash and cash equivalents at end of period	1,166.8	1,378.7	604.0	874.8	1,209.6	1,600.4	2,011.5	2,446.9

Signet Jewelers

Balance Sheet

\$ thousands

	2023A	2024A	2025A	2026A	2027F	2028F	2029F	2030F
Cash and cash equivalents	1,166.8	1,378.7	604.0	874.8	1,209.6	1,600.4	2,011.5	2,446.9
Accounts receivable	14.5	-	-	-	-	-	-	-
Inventories	2,150.3	1,936.6	1,937.3	1,940.1	1,960.5	2,012.2	2,092.9	2,175.1
Income taxes	9.6	9.4	14.3	18.7	18.7	18.7	18.7	18.7
Other current assets	165.9	211.9	156.6	189.9	207.6	199.9	193.3	186.7
Total Current Assets	3,507.1	3,536.6	2,712.2	3,023.5	3,396.4	3,831.2	4,316.4	4,827.4
Property, plant and equipment, net	586.5	497.7	506.5	498.8	511.5	517.6	515.9	505.8
Operating lease right-of-use assets	1,049.3	1,001.8	1,102.4	1,146.6	1,146.6	1,146.6	1,146.6	1,146.6
Goodwill	751.7	754.5	482.0	428.4	378.4	328.4	278.4	228.4
Intangible assets, net	407.4	402.8	307.2	286.4	286.4	286.4	286.4	286.4
Other assets	281.7	319.3	314.8	291.0	291.0	291.0	291.0	291.0
Deferred tax assets	36.7	300.5	301.5	277.4	277.4	277.4	277.4	277.4
Total Assets	6,620.4	6,813.2	5,726.6	5,952.1	6,287.7	6,678.6	7,112.1	7,563.0
Current portion of long-term debt	-	147.7	-	-	-	-	-	-
Accounts payable	879.0	735.1	767.0	772.1	782.8	805.9	840.3	877.7
Accrued expenses and other current liabilities	638.7	400.2	366.8	387.3	395.1	407.9	426.8	446.2
Deferred revenue	369.5	362.9	362.5	377.1	377.1	377.1	377.1	377.1
Operating lease liabilities	288.2	260.3	279.9	286.9	286.9	286.9	286.9	286.9
Income taxes	72.7	69.8	55.3	65.4	65.4	65.4	65.4	65.4
Total Current Liabilities	2,248.1	1,976.0	1,831.5	1,888.8	1,907.3	1,943.2	1,996.5	2,053.3
Long-term debt	147.4	-	-	-	-	-	-	-
Operating lease liabilities	894.7	835.7	900.0	930.4	930.4	930.4	930.4	930.4
Other liabilities	100.1	96.0	85.1	82.8	82.8	82.8	82.8	82.8
Deferred revenue	880.1	881.8	885.1	908.6	908.6	908.6	908.6	908.6
Deferred tax liabilities	117.6	201.7	173.1	175.3	175.3	175.3	175.3	175.3
Total Liabilities	4,388.0	3,991.2	3,874.8	3,985.9	4,004.4	4,040.3	4,093.6	4,150.4
Commitments and contingencies	-	-	-	-	-	-	-	-
Redeemable Series A Convertible Preferred Shares	653.8	655.5	-	-	-	-	-	-
Common shares	12.6	12.6	12.6	12.6	12.6	12.6	12.6	12.6
Additional paid-in capital	259.7	230.7	120.1	120.4	120.4	120.4	120.4	120.4
Other reserves	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Treasury shares at cost	(1,574.7)	(1,646.9)	(1,749.3)	(1,934.9)	(1,934.9)	(1,934.9)	(1,934.9)	(1,934.9)
Retained earnings	3,144.8	3,835.0	3,745.5	3,986.9	4,304.0	4,659.0	5,039.2	5,433.4
Accumulated other comprehensive loss	(264.2)	(265.3)	(277.5)	(219.2)	(219.2)	(219.2)	(219.2)	(219.2)
Total Shareholders' Equity	1,578.6	2,166.5	1,851.8	1,966.2	2,283.3	2,638.3	3,018.5	3,412.7

Signet Jewelers

Discounted Cash Flow Valuation

x \$ thousands	2023A	2024A	2025A	2026A	2027F	2028F	2029F	2030F	
DCF Assumptions									
Terminal growth rate	1.50%								
WACC	10.46%								
Valuation date	4/6/2026								
Free cash flow to the firm (FCFF)									
EBIT					466.3	524.3	564.6	589.0	
Tax rate					23%	23%	23%	23%	
NOPAT					359.1	403.7	434.7	453.5	
Plus depreciation and amortization					153.1	164.6	176.7	189.4	
Less capital expenditures					(165.8)	(170.8)	(175.0)	(179.4)	
Less change in working capital					(19.6)	(8.1)	(20.7)	(18.9)	
FCFF					326.8	389.5	415.7	444.7	
DCF Valuation									
Terminal value (perpetual growth)									5,036.5
Total Cash flow					326.8	389.5	415.7	5,481.1	
Enterprise value	4,605.0								
Less debt	1,179.9								
Plus cash	874.8								
Equity value	4,299.9								
Shares outstanding	40.7								
Implied share price	\$105.70								
Current share price	\$94.27								
Upside/Downside	12.1%								