

## Signet Sales Rise, Company Ups Forecast



**Signet Jewelers raised its full-year outlook after the latest quarter's sales beat expectations in a challenging market.**

Revenue increased 2.9% year on year to \$1.58 billion for the three months that ended October 29, reflecting the acquisition of store chain [Diamonds Direct](#) and e-commerce brand [Blue Nile](#), the company reported Tuesday. Management previously predicted sales of \$1.46 billion to \$1.49 billion. Signet's stock price jumped 19% in early trading Tuesday.

"Our strong third-quarter results exceeded guidance and evidence why we believe Signet is uniquely positioned to deliver consistent market-share growth and value creation," said Signet CEO Virginia Drosos.

Same-store sales — at shops open for at least a year — fell 7.6% due to inflation, the return of spending on experiences, and the impact of the British pound's depreciation

on UK results. The negative comparison with the equivalent fiscal quarter a year ago, when US government stimulus supported sales, also had a negative effect. Group net profit dropped 60% to \$37.5 million.

The US-based retailer, which also owns Kay Jewelers, Zales and Jared, forecast sales of \$2.59 billion to \$2.66 billion for the fourth fiscal quarter, which runs through late January. That will translate into full-year revenue of \$7.77 billion to \$7.84 billion, compared with a former plan of \$7.6 billion to \$7.7 billion. Last year's actual sales totaled \$7.83 billion.

The influence of inflation and the unfavorable year-on-year comparison is likely to remain similar in the fourth quarter, the company said. "Signet continues to anticipate some shift of consumer discretionary spending away from the jewelry category, reflecting pent-up demand for experience-oriented categories," it added.

Sales rose 3.2% year on year to \$5.18 billion for the nine months ending October 29, with same-store sales slipping 4.4% and net profit down 78% at \$99.4 million.

*Jewelry by designer Monique Lhuillier at a Kay Jewelers launch event in October 2021.  
(Getty Images/Gonzalo Marroquin)*