

SIGNET GROUP PLC
Form 6-K
January 12, 2006

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Special Report of Foreign Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of
The Securities and Exchange Act of 1934

For the date of January 12, 2006

SIGNET GROUP plc
(Translation of registrant's name into English)

Zenith House
The Hyde
London NW9 6EW
England
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

CHRISTMAS LIKE FOR LIKE SALES UP 1.1%
PROFIT EXPECTED TO BE WITHIN THE RANGE OF MARKET ESTIMATES

Edgar Filing: SIGNET GROUP PLC - Form 6-K

Like for like sales 9 weeks to 31 December 2005

Group	up 1.1%
US	up 5.5%
UK	down 9.3%

Like for like sales 48 weeks to 31 December 2005

Group	up 2.2%
US	up 6.8%
UK	down 8.4%

COMMENT

Terry Burman, Group Chief Executive, commented: "Group like for like sales were up 1.1% over the nine week period with a solid performance by the US business (c.73% of Group sales) offsetting the downturn in the UK division. Profit before tax for 2005/06 is currently expected to be within the range of market estimates and to fall between GBP193 million and GBP199 million.

In the US, the business again significantly outperformed its main competition and gained market share. Like for like sales rose by 5.5% and total dollar sales increased by 10.5% building on the consistent growth record of the business. Kay made further progress enhancing its position as the number one speciality retail jewellery brand in the US. Jared, the off-mall destination superstores, continued to trade particularly well. The divisional operating profit is anticipated to be comfortably ahead for the year as a whole.

In the UK, difficult trading conditions were experienced during the Christmas period and like for like sales decreased by 9.3%. Although divisional operating profit is likely to be significantly lower than last year, the business is still expected to achieve a healthy operating margin and return on capital."

Enquiries:

Terry Burman, Group Chief Executive	+44 (0) 20 7399 9520
Walker Boyd, Group Finance Director	+44 (0) 20 7399 9520
Mike Smith, Brunswick	+44 (0) 20 7404 5959
Pamela Small, Brunswick	+44 (0) 20 7404 5959

Signet operated 1,820 speciality retail jewellery stores at 31 December 2005; these included 1,219 stores in the US, where the Group trades as "Kay Jewelers", "Jared The Galleria Of Jewelry" and under a number of regional names. At the same date Signet also operated 601 stores in the UK, where the Group trades as "H.Samuel", "Ernest Jones" and "Leslie Davis". Further information on Signet is available at www.signetgroupplc.com.

GROUP

Like for like sales were up by 1.1% in the nine week period to 31 December 2005. Total sales rose by 4.8% at constant exchange rates and by 11.7% on a reported basis (Note 1).

In the 48 weeks to 31 December 2005 like for like sales advanced by 2.2%. Total sales increased by 5.8% at constant exchange rates and by 8.3% on a reported basis.

Profit before tax for 2005/06 is currently expected to be within the range of market estimates and to fall between GBP193 million and GBP199 million. The

Edgar Filing: SIGNET GROUP PLC - Form 6-K

average US dollar exchange rate is anticipated to be c. GBP1/\$1.80 (2004/05: GBP1/\$1.86).

The Group's cash flow for the full year is expected to be broadly neutral and the balance sheet remains strong.

United States (circa 73% of Group annual sales)

In the nine week period to 31 December 2005, US like for like sales rose by 5.5% and total dollar sales increased by 10.5% building on the consistent growth record of the business. Total sales on a reported basis rose by 21.3%.

The business continued to implement its proven growth strategy and to focus on its competitive advantages. Television advertising again proved successful. Diamond fashion jewellery, the bridal and engagement categories and watches performed particularly well. Gross margin declined in-line with expectations.

In the 48 weeks to 31 December 2005, like for like sales increased by 6.8%, with total sales up by 11.7% at constant exchange rates and by 15.4% on a reported basis. Net new store space has increased by 9% in 2005/06. The bad debt percentage for the year is anticipated to be broadly in-line with the average of recent years. The divisional operating profit for 2005/06 is expected to be comfortably ahead of last year.

United Kingdom (circa 27% of Group annual sales)

In the nine week period to 31 December 2005, difficult trading conditions were experienced and the UK division's like for like sales fell by 9.3% and total sales were down by 8.5%. The average selling price and diamond participation again increased, in line with strategy. Pricing discipline was maintained and the gross margin is slightly ahead of last year.

In the 48 weeks to 31 December 2005, like for like sales fell by 8.4% and total sales by 7.6%. Although divisional operating profit is likely to be significantly lower than last year, the business is still expected to achieve a healthy operating margin and return on capital.

The breakdown of UK like for like sales performance is shown below:

Period	Ernest Jones (c. 12% of Group)	H.Samuel (c. 15% of Group)	UK (c. 27% of Group)
9 weeks to 31 Dec. 2005	-9.2%	-9.3%	-9.3%
48 weeks to 31 Dec. 2005	-7.8%	-8.9%	-8.4%

There will be a conference call for all interested parties today at 2.00 p.m. GMT (9.00 a.m. EST and 6.00 a.m. Pacific Time) and a simultaneous audio webcast at www.signetgroupplc.com. To help ensure the conference call begins in a timely manner, could all participants please dial in 5 to 10 minutes prior to the scheduled start time. The call details are:

UK dial-in:	+44 (0) 20 7365 1834	
US dial-in:	+1 718 354 1171	
UK 48hr. replay:	+44 (0) 20 7784 1024	Pass code: 3364593#
US 48hr. replay:	+1 718 354 1112	Pass code: 3364593#

Fourth quarter sales figures are expected to be announced on 2 February 2006.

Note 1 - Impact of constant exchange rates

Edgar Filing: SIGNET GROUP PLC - Form 6-K

The Group has historically used constant exchange rates to compare period-to-period changes in certain financial data. This is referred to as 'at constant exchange rates' throughout this release. The Group considers this to be a useful measure for analysing and explaining changes and trends in the Group's results. The impact of the re-calculation of sales growth at constant exchange rates is shown below.

9 weeks to 31 December 2005	Growth at actual exchange rates	Impact of exchange rate movement	Growth at constant exchange rates (non-GAAP)
	%	%	%
Sales by origin and destination			
UK, Channel Islands & Republic of Ireland	(8.5)	-	(8.5)
US	21.3	(10.8)	10.5
	11.7	(6.9)	4.8

48 weeks to 31 December 2005	Growth at actual exchange rates	Impact of exchange rate movement	Growth at constant exchange rates (non-GAAP)
	%	%	%
Sales by origin and destination			
UK, Channel Islands & Republic of Ireland	(7.6)	-	(7.6)
US	15.4	(3.7)	11.7
	8.3	(2.5)	5.8

This release includes 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 release 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 jewellery sector, the price and availability of diamonds, gold and other precious metals, seasonality of the Group's business 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 and Other Factors" section of the Company's 2004/05 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on May 3, 2005 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

Edgar Filing: SIGNET GROUP PLC - Form 6-K

clear that any projected results expressed or implied therein may not be realised. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SIGNET GROUP plc

By: /s/ Walker Boyd

Name: Walker Boyd

Title: Group Finance Director

Date: January 12, 2006