Directors' remuneration report

Information contained in sections and figures marked ß has been audited.

The role of the Remuneration Committee

The Remuneration Committee's role is to set the remuneration policy for executive directors and other senior executives and to ensure that they are fairly rewarded for their individual contributions to Group performance, having due regard for the interests of shareholders, the financial and commercial health of the Group and pay and conditions throughout the Group. It is also the role of the Committee to ensure that the Group's remuneration policies remain competitive.

All members of the Committee are independent without any personal financial interest (other than as shareholders) in matters decided by the Committee, other than Sir Malcolm Williamson who takes no part in any discussion relating to his own remuneration. No executive director or senior manager is involved in determining their own remuneration.

The Remuneration Committee sets the remuneration of the Chairman of the Board and of the Group Chief Executive. The remuneration of the other executive directors and the Group Company Secretary is set based on recommendations made by the Group Chief Executive after consultation with the Chairman. The Committee also monitors the remuneration of certain other senior executives and sets performance targets. Where executive directors are involved in assisting the Remuneration Committee, care is taken to recognise and avoid possible conflicts of interest.

The Remuneration Committee regularly uses external professional advice and makes use of competitive market surveys conducted independently in both the US, where more than 70% of sales and profit are generated, as well as in the UK. The Committee has retained Towers Perrin as advisers and they are not retained by the Group in any other capacity. Advice on legal aspects of remuneration is provided by Herbert Smith LLP (in the UK) and Weil, Gotshal & Manges (in the US). These firms also provide general legal advice to Signet.

The remuneration of the non-executive directors is not within the remit of the Remuneration Committee. This is determined by the Chairman and the executive members of the Board after consideration of, among other factors, external comparisons, the time commitment and the responsibilities of the non-executive directors. The Remuneration Committee consists of Robert Blanchard (Chairman), Robert Walker, Russell Walls (until 3 March 2008), Dale Hilpert (with effect from 3 March 2008), Lesley Knox (with effect from 6 May 2008) and Sir Malcolm Williamson. The Committee met eight times during 2007/08 with full attendance at all meetings.

The Remuneration Committee's terms of reference are available on request from the Group Company Secretary and on the Group's website.

Remuneration principles

The Remuneration Committee believes that to be effective, remuneration policy must be based on sound, clear principles which are well understood and recognise the long term interests of the Group, its shareholders and employees. The Remuneration Committee, after consultation with shareholders, formally adopted the following six principles which have been the basis for all remuneration decisions since 2002:

(i) Signet's primary business objective is to deliver results which should consistently outperform the average of the industry sector.

(ii) It is recognised that to consistently deliver above industry average performance Signet will need to retain, and where necessary attract, executives of well above industry average ability and leadership potential.

(iii) It is also recognised that to retain, or recruit, senior executives of this calibre, the Group will be required to provide above industry average remuneration.

(iv) Therefore, Signet's executive directors and other senior executives should be remunerated in a range beginning with the 51st and ending with the 75th percentiles of industry total remuneration, based on relevant surveys of relevant companies appropriate to the executive's position and geographic location. The remuneration of each executive within this range will be based on performance (both of the Group and the individual), potential (i.e. the executive's potential to grow in responsibility and performance), and scarcity (i.e. the availability of candidates to replace the executive should he/she leave the Group).

(v) Total remuneration for executive directors and other senior executives should be highly geared towards performance with the proportion of "at risk" pay increasing according to: a) the level of performance achieved, and b) the seniority of the executives and their ability to influence results. Excluding pension contributions, the provision of a company car and private health insurance, there should only be one element of guaranteed remuneration: base salary. The performance related portion of total remuneration should separately reward short term performance (through the annual bonus) and long term performance (through share options and Long Term Incentive Plan Awards).

(vi) Surveys will be undertaken on a regular basis to ensure that total remuneration packages remain in the percentile range described in (iv) above. Recognising that more than 70% of the Group's sales and profits are generated in the US and that significant remuneration differences exist between the US and the UK markets, separate surveys are conducted in each country.

The components of total remuneration are:

(a) Base salary and other benefits

The base salary of each senior executive reflects the size and scope of his/her responsibilities and is reviewed annually, based upon individual performance, experience, surveyed competitive data and trends and geographic location of each position as well as the movement of base pay in the Group.

Directors' remuneration report (continued)

(b) Annual bonus plan
Annual bonus targets are set by the Remuneration Committee each year after considering the Group's current business plans. There is a maximum bonus level set each year on such awards, which is equal to twice the target level, and a threshold performance below which no payments are made.

(c) Share option plans
The Remuneration Committee believes that an executive share option plan is an appropriate and necessary element of remuneration in order to execute the remuneration principles set out on page 67, and is an effective tool to incentivise executives to deliver the long term performance needed to generate strong returns to shareholders.

The Company operates the following executive share option plans: the Signet Group plc 1993 Executive Share Option Scheme (the "1993 Scheme") under which no further options may be granted but existing options are exercisable until the scheme expires in 2013. In 2003 new plans were introduced replacing the 1993 Scheme and consist of: the Signet Group plc UK Inland Revenue Approved Share Option Plan 2003; the Signet Group plc International Share Option Plan 2003; and the Signet Group plc US Share Option Plan 2003 (the "2003 Plans"). Further details of the plans and the applicable performance conditions are set out on page 71.

It is the policy of the Remuneration Committee that all employees, including directors, who satisfy certain qualifying conditions, should have the opportunity to participate in the equity of the Company. This is achieved through a savings-related share option plan, for which invitations are normally made annually. Under the relevant legislation the exercise of these share options is not subject to performance criteria.

(d) Long term incentive plan
The Remuneration Committee believes that in order to execute the principles discussed above and to encourage executive directors, and other senior executives, to achieve stretching long term financial objectives set by the Committee, it is appropriate to operate a long term incentive plan. The policy is to make annual awards expressed as a percentage of salary with vesting dependent on the achievement of challenging performance conditions set by the Committee at the time the awards are made. Further details of the long term incentive plan and the applicable performance conditions are set out on page 72.

(e) Performance criteria
The Remuneration Committee considers it to be part of its role to carefully review proposed measures and targets to ensure that they will effectively motivate management and drive the creation of shareholder value. Annual bonuses need to be reviewed regularly to ensure that they remain appropriate and clearly aligned with business strategy and objectives and that the targets are set at a level that is stretching but not out of reach.

During the course of the last year the Remuneration Committee has become increasingly aware that whilst financial performance should represent the majority of the target, it does not reflect a company's performance in its entirety and therefore other measures which also support the business goals should be included.

The choice of performance measures should be made in the context of the Group's business strategy and reflect the Group's particular circumstances and be related to overall corporate performance.

The Remuneration Committee believes that where performance criteria are used they should be: easily understood; be directly linked to the performance of the Group or the relevant business unit; be directly influenced by management's actions; be designed to incentivise profit growth significantly above the rate of inflation; incentivise the efficient use of capital; and, for long term awards be equity based. In assessing actual performance it is the Remuneration Committee's policy to measure the results on the basis of constant exchange rates so that executives neither benefit from nor are penalised simply by exchange rate fluctuations over which they have no control. For 2005/06 and beyond performance has been calculated against previously reported results restated for IFRS.

(f) Pensions
(i) UK executive directors
UK based executive directors (the Group Finance Director and the Chief Executive of the UK division) are members of the UK Group Scheme, which is a funded, HMRC registered, final salary, occupational pension scheme with a separate category of membership for directors. Pensionable salary is the member's base salary, excluding all bonuses.

The main features of the directors' category are:

(i) a normal pension age of 60;

(ii) pension at normal pension age of two-thirds of final pensionable salary, subject to completion of 20 years' service;

(iii) life assurance cover of four times pensionable salary; and

(iv) spouse's pension on death.

All UK Group Scheme benefits were, until 5 April 2006, subject to Inland Revenue limits. Where such limitation was due to the Inland Revenue earnings cap the Signet Group Funded Unapproved Retirement Benefit Scheme (the "FURBS") was, until April 2006, used to supplement pension benefits. This was a defined contribution arrangement.

As a result of the changes to pension taxation in the UK from 6 April 2006 the Remuneration Committee agreed that pension provision through the UK Group Scheme should continue broadly as before. However members should not benefit from a windfall gain through the removal of existing limits, and therefore a scheme specific earnings cap was maintained equivalent to the previous earnings cap, increased by RPI annually. As the tax treatment of the FURBS and the other advantages of such a funding scheme have been eroded, the Group has ceased paying contributions to the FURBS. In substitution a supplement is paid to the member on the same basis as with other elements of remuneration: on an individual basis and in accordance with the remuneration principles. After review the Remuneration Committee agreed that it was necessary to increase the supplement paid to executive directors in order to achieve the appropriate positioning within the percentile ranges forming part of the remuneration principles. The Remuneration Committee has therefore taken the first steps to redress that balance during 2007/08. The Group will not compensate members for any increase in taxation that they may face as a result of the changes and members will not be protected by the Group from the consequences of the changes in taxation, but will be provided with a cash supplement in lieu of pension accrual once members reach the Lifetime Allowance limit set by the new legislation if they choose to exercise this option. The UK Group Scheme does allow for the new range of flexibility in pension arrangements without additional cost or administrative burden and for example, the new flexibility on tax-free cash has been incorporated.

(ii) US executive directors
In the US there are two savings vehicles by which provision for pension payments is made: the Sterling Jewelers Inc. 401(k) Retirement Savings Plan (the "401(k) Plan") and the Deferred Compensation Plan (the "DCP"). These are defined contribution arrangements.

In the US division the primary retirement vehicle is the US company sponsored 401(k) Plan which is a qualified plan under Federal guidelines. The company matches employee contributions to the 401(k) Plan at 25% of an employee's contribution up to a maximum of 6% of an employee's basic salary. Under Federal guidelines the 401(k) Plan contributions by senior management may be reduced based on the participation levels of lower paid employees. Consequently, in a similar way to other US companies, a supplemental plan, the DCP, has been established for senior management to assist with pre-tax retirement savings.

The DCP, which was established in 1996 as an unfunded non-qualified plan under Federal guidelines, is therefore considered to be an important savings vehicle in addition to the 401(k) Plan. The employer makes a matched contribution to the DCP equal to 50% of an employee's contribution up to a maximum of 10% of the individual's basic salary and bonus.

The Group Chief Executive has pension benefits provided via the 401(k) Plan and the DCP. The DCP rules allow for individual contractual matching arrangements without any effect to its tax beneficial status and at present the only contractual contribution matching arrangement is with the Group Chief Executive which provides for a contribution equal to 20% of basic salary without any deferral being required.

The Chief Executive of the US division is a member of the 401(k) Plan and the DCP. The DCP provides a contribution on a matched basis equal to 50% of the maximum of 10% of base salary and bonus.

(g) Other policy matters
Apart from remuneration itself, there are several other policy matters which concern the Remuneration Committee.

These are:

(i) Companies used for comparison
To faithfully execute the remuneration principles discussed on page 67, and to ensure that the executives are properly compensated relative to respective competitive environments, the Remuneration Committee considers comparative data from a range of companies from both within and outside the retail sector. These companies are chosen on the basis of their turnover, market capitalisation, profits, number of employees and the complexity and geographic spread of their operations.

(ii) Service contracts
It is the Remuneration Committee's policy that the contracts of executive directors should be on a rolling basis with the notice period to terminate by either party not exceeding one year. Should it be necessary to grant a longer period of notice in order to recruit externally, this will be reduced to a maximum of one year after an initial period. No executive director has a contract exceeding one year.

(iii) Early termination
Although the circumstances of early termination will vary, only in very exceptional circumstances will explicit terms relating to compensation for early termination be included in contracts for directors. Where no explicit compensation terms are included, departing directors or senior managers are expected to mitigate their loss.

(iv) External appointments
The Group recognises the benefits to the individual and to the Group when executive directors also act as non-executive directors of companies not associated with Signet. Subject to certain conditions, unless otherwise determined by the Board, executive directors may accept one appointment as a non-executive director of another company and may retain any fees paid for such service. Mr Burman was appointed a non-executive director of Yankee Holding Corp. in October 2007.

Directors' remuneration report (continued)

Directors' remuneration

Directors' emoluments[8]

Details of directors' emoluments for the year to 2 February 2008 were as follows:

	Basic salary or fees		Benefits[1]		Short term bonuses		Total	
	2008 $000	2007 $000	**2008 $000**	2007 $000	**2008 $000**	2007 $000	**2008 $000**	2007 $000
Chairman:								
Sir Malcolm Williamson[4]	**427**	271[2]	**–**	–	**–**	–	**427**	271
James McAdam[3][4]	**–**	238	**–**	26	**–**	–	**–**	264
Executive:								
Robert Anderson[4] *UK Chief Executive*	**653**	564	**58**	51	**–**	241	**711**	856
Walker Boyd[4] *Group Finance Director*	**840**	729	**45**	39	**–**	356	**885**	1,124
Terry Burman *Group Chief Executive*	**1,559**	1,545	**109**	94	**–**	1,418	**1,668**	3,057
Mark Light *US Chief Executive*	**785**	724	**38**	36	**–**	354	**823**	1,114
Non-executive:								
Robert Blanchard	**109**	96	**–**	–	**–**	–	**109**	96
Dale Hilpert	**92**	87	**–**	–	**–**	–	**92**	87
Lesley Knox[4][5]	**6**	–	**–**	–	**–**	–	**6**	–
Brook Land[4]	**117**	105	**–**	–	**–**	–	**117**	105
Robert Walker[4]	**92**	87	**–**	–	**–**	–	**92**	87
Russell Walls[4]	**109**	96	**–**	–	**–**	–	**109**	96
Total	**4,789**	4,542	**250**	246	**–**	2,369	**5,039**	7,157

(1) Benefits incorporate all benefits, other than pension benefits, arising from employment by the Group, which in the main relate to the provision of a company car and private health insurance and in the case of Mr. Burman also includes spousal travel and life assurance.
(2) Sir Malcolm Williamson was appointed Chairman in June of fiscal year 2006/07.
(3) James McAdam retired as a director on 9 June 2006. Prior to his retirement, his basic salary was £350,000 per annum. On his retirement from the Company, Mr. McAdam remains a member of the Signet Health Care Scheme but he fully reimburses the Company for the premium paid on his behalf.
(4) Sir Malcolm Williamson, Messrs. Anderson, Boyd, Land, McAdam, Walker, Walls and Ms. Knox had their emoluments specified and paid in pounds sterling and an average exchange rate of US$2.00 was used (2006/07:US$1.88).
(5) From Ms. Knox's appointment on 9 January 2008.

The figures above represent emoluments earned as directors during the relevant financial year. Such emoluments are paid in the same financial year with the exception of bonus payments, which are paid in the year following that in which they are earned.

(a) Salary and benefits

The Group Chief Executive, the highest paid director, and the Chief Executive of the US division are US citizens residing in the US. Their remuneration packages are based on the execution of the Group's remuneration principles in the context of the US market and are set and paid in US dollars. Similarly the remuneration packages of the Group Finance Director and the Chief Executive of the UK division are based on the execution of the Group's remuneration principles in the context of the UK market and are set and paid in pounds sterling as they reside in the UK.

Details of the salaries received by executive directors are shown above.

The Remuneration Committee normally reviews the salary and benefits of executive directors annually. Although the Remuneration Committee's normal review of percentile positioning would have resulted in much larger salary increases for all of the executive directors, the Remuneration Committee has agreed to their request that their base salary increases be capped this year. This reflects the difficult economic and trading conditions in both the US and UK, and the resulting management decision to impose a salary cap on the organisation in order to better control costs. The Remuneration Committee respects this decision. However, as a result, the percentile positioning of all the executive directors will inevitably decline. This is of concern as the Group continued to achieve a superior operating performance for the jewellery sector. The Remuneration Committee will attempt to re-establish the appropriate percentile positioning for the executive directors as economic and trading conditions permit.

Following the 2008 annual reviews the Remuneration Committee increased the base salaries of the executive directors as follows: the Group Chief Executive from $1,575,000 to $1,622,250, the Group Finance Director from £425,000 to £437,750, the Chief Executive of the UK division from £330,000 to £349,800, the Chief Executive of the US division from $800,000 to $822,000. The Chairman of the Board receives a fee of £215,000 per annum which was increased from £200,000 upon the anniversary of his appointment as Chairman, in June 2007.

(b) Annual bonus plan

(i) Bonus plan 2007/08
As a result of the decline in Group pre-tax profit in 2007/08 no annual bonus was paid to the Group Chief Executive (target is 100% and potential maximum is capped at 200% of base salary) or to the Group Finance Director (target is 50% and potential maximum is capped at 100% of base salary).

As a result of the decline in divisional operating profit in 2007/08 no annual bonus was earned by the Chief Executive of the UK division (target is 50% and potential maximum is capped at 100% of base salary) or by the Chief Executive of the US division (target is 60% and potential maximum is capped at 120% of base salary).

(ii) Bonus plan 2008/09
Annual bonus payment criteria for 2008/09 are based predominantly upon profit measures. However the Remuneration Committee believes it appropriate to also consider a broader approach linking bonus to measureable and quantifiable corporate goals of the executive directors using measures that are specific to their individual roles within the corporate strategy. After careful analysis to ensure that the measures are linked to the objectives of the individual directors, the executive directors have each been given specific goals upon which 25% of the total bonus capacity may be earned. These specific goals, which have been agreed for the Group Chief Executive, Group Finance Director and the Chief Executives of the UK and US divisions, include such quantifiable objectives as store openings and staff training. Other goals include the continuation as an industry leader in social environmental & ethical matters in areas concerning conflict diamonds and dirty gold. Succession planning is also included as one of the objectives of the Group Chief Executive.

The financial performance measure for the annual bonus plan for 2008/09 upon which 75% of the total annual bonus capacity may be earned will be based as in previous years on growth in profits. The specific targets for the US and UK divisions will be based upon 2007/08 divisional operating profit plus inflation, at which point 0% of maximum bonus is earned and then on a straight line basis up to 2007/08 divisional profit plus 12%, at which point 75% of maximum bonus is earned.

The bonuses for the Group will be calculated using the same formula as above but based on pre-tax profit. Pre-tax profit is calculated on a constant exchange rate basis and is earned on a straight line basis between pre-tax profit plus inflation, at which point 0% of maximum bonus is earned and pre-tax profit plus 12%, at which point 75% of maximum bonus is earned.

(c) Share option and long term incentive plans

Share option and long term incentive plan grants to directors are set out on pages 76 to 78.

(i) Executive share option plans
Shareholders gave approval in 2003 to the Signet Group plc International Share Option Plan 2003, the Signet Group plc UK Inland Revenue Approved Share Option Plan 2003 and the Signet Group plc US Share Option Plan 2003 (the "2003 Plans") which replaced the Signet Group plc 1993 Executive Share Option Scheme (the "1993 Scheme") under which no further options may be granted (all together the "Executive Share Option Plans").

Options granted under the Executive Share Option Plans that have passed the necessary performance conditions are normally only exercisable between three and ten years from the date of grant, after which the options lapse.

The conditions as they apply are set out below:

UK executive directors
For UK executive directors the personal performance of participants will be assessed on each occasion that share option grants take place and will be reflected in the level of the individual awards. In addition, grants awarded to executive directors are subject to exercise conditions as follows:

Level of grant	Required annual rate of compound growth in earnings per share(1) above inflation(2)
Up to 200% of base salary	+3%
201% to 400% of base salary	+4%

(1) Normalised earnings per share as defined by the Institute of Investment Management and Research.
(2) Defined as the UK Retail Prices Index.

US executive directors
For US executive directors there is a pre-grant test based on both personal and corporate performance as described below. In addition grants awarded are subject to a post-grant exercise condition requiring that the annual compound growth in earnings per share be more than 3% above inflation.

UK and US executive directors
For grants made to both UK and US executives performance will be measured initially over three years from the start of the financial year in which the award is made. For grants awarded up until 2005/06, performance may be retested in accordance with the retest provisions. For grants beginning with those awarded in 2006/07 all retesting in the measurement of performance target achievement has been eliminated.

All grants awarded below the main board from 2007/08 and beyond are not subject to performance based conditions for vesting.

Grants to executive directors
Awards are based on principles 2(iv), 2(v), 2(vi) (set out on page 67), a comparative remuneration survey and a review of the performance of both the Group and the executive directors over the prior three years.

Before any share option grant is made to the US executive directors, the Remuneration Committee has to satisfy itself that the demanding pre-grant conditions have been achieved. This requires affirmation: (i) that the Group's business performance has been superior to that of its industry sector; and (ii) that the US executive directors' personal performances continue to be of the highest standard.

On the basis of continuing outperformance and acknowledged management achievements, the Remuneration Committee concluded that the Group Chief Executive and Group Finance Director continued

Directors' remuneration report (continued)

to merit total remuneration towards the upper end of the range determined by the remuneration principles. Based on relevant surveys conducted, in both the US and the UK, this included a share option grant equivalent to four times base salary for the Group Chief Executive and a grant of options amounting to 120% of base salary for the Group Finance Director. Similarly, on the basis of survey data and performance the Chief Executives of the UK and the US divisions were awarded grants of options amounting to 80% and 160% of base salary respectively.

Scheme amendments to executive share option plans
Certain provisions of the Executive Share Option Plans may be amended by the Board, although a number of basic provisions (and in particular most of the limitations on individual participation, the number of shares and the percentage of share capital that can be issued thereunder) cannot be altered to the advantage of the participants except with the approval of shareholders or in accordance with the adjustment provisions in the share option plans. In 2007 the Remuneration Committee approved an amendment to the Executive Share Option Plans to ensure compliance with Section 409A of the United States Internal Revenue Code of 1986, as amended, where appropriate.

As the pre-determined performance conditions relating to the options over shares that were granted in fiscal 2005/06 were not met none of the options vested in 2007/08. However they are subject to retest in 2008/09 and 2009/10. The retesting provisions were removed from all option grants with effect from those granted in fiscal 2006/07.

(ii) All employee share plans
In 1998 the Group introduced an Inland Revenue approved savings related share option scheme for UK employees (the "Sharesave Scheme"), a US Section 423 Plan (the "Employee Stock Savings Plan") and a savings related share option scheme for employees in the Republic of Ireland (the "Irish Sharesave Scheme"). These schemes give those employees with qualifying service the opportunity to participate in the equity of the Company, with the aim of aligning the interests of employees with those of shareholders. Shareholder approval will be sought to extend for an additional period of ten years the all employee share plans at the annual general meeting to be held in June 2008 as the existing plans would otherwise expire this year.

The options granted under the Sharesave Scheme and the Irish Sharesave Scheme are normally exercisable between 36 and 42 months from the date of the relevant savings contract. Options are granted under these schemes at a price approximately 20% below the middle market price of the shares on the London Stock Exchange on the dealing day prior to the date that employees are invited to participate in them.

The options granted under the Employee Stock Savings Plan are normally exercisable between 24 and 27 months from the date of grant. The options under this plan are granted at a price approximately 15% below the middle market price of the shares on the London Stock Exchange on the date of grant. The period of exercise and the discount allowed vary from the UK due to different legal regulations in the US.

(iii) Long term incentive plan
Shareholders gave approval, in 2005, to the Signet Group plc 2005 Long Term Incentive Plan ("LTIP") which was a replacement for the Signet Group plc 2000 Long Term Incentive Plan, that expired in 2005 (together the "LTIPS").

The LTIP provides for the Remuneration Committee to make long term incentive awards subject to performance targets. To the extent the performance targets are satisfied the participant will receive a combination of the grant of an option over shares in the Company and cash. The share options will normally be exercisable within ten years of the original award date.

In a similar way to the setting of performance targets for the annual bonus, and for the reasons already explained, the conditions have to be motivational, achievable and challenging in the context of the market conditions and therefore the targets for 2008/09 have been adjusted.

The performance conditions, which will be set by the Remuneration Committee at the beginning of each three-year performance period are based on:

- the compound annual growth in profit before tax of the Group, or in operating profit of the relevant division as appropriate, above, a threshold inflation level; and
- ROCE of the Group or relevant division as appropriate.

The LTIP does not allow retesting of the performance targets and allows only a pro-rated release of an award, where a participant leaves early for good reasons or there is a change of control. The performance targets must in any event be satisfied before any release is made in all cases.

In each case performance is measured over a fixed period of three successive financial years starting with the one in which the award is made. Nothing is payable under the award unless both minimum performance conditions are achieved. If the performance conditions are achieved the award will vest and its value will depend on the extent to which the minimum performance conditions are exceeded:

- if Profit Growth exceeds the minimum threshold inflation level, the amount of the award will be calculated on a straight line basis from that level up to a specified inflection point, which for 2008/09 is 8%, at which point 37.5% of the award will vest, and then at an accelerated rate on a straight line basis up to the maximum level of award at 12%. This maximum is equal to a specified percentage of base salary at the time at which the award vests.
- if the minimum threshold inflation level of Profit Growth is achieved but the maximum award has not been earned, then the award may be increased on the basis of the ROCE performance. In no event, however, can any such increase result in the applicable maximum award amount stated in the preceding paragraph being exceeded.

The table at the top of the next page shows the percentages and the inflection points which have been specified for the existing awards and indicates the relevant profits and ROCE to be used for measurement. The table in the middle of the next page shows the percentages of salary to be paid to the executive directors for exceeding the specified profit growth and the percentages of salary paid for every 0.5% ROCE exceeds the specified level.

LTIP performance criteria

	2008/09 award			2007/08 award			2006/07 award			2005/06 award		
	Group %	UK %	US %	Group %	UK %	US %	Group %	UK %	US %	Group %	UK %	US %
Minimum performance for any vesting:												
Profit measure				Profit growth in excess of threshold inflation level								
ROCE measure	**15.4**	**26.4**	**14.2**	19.8	31.4	18.7	20.1	28.2	19.3	23.2	42.2	19.4
Profit growth performance measure:												
Profit growth rate inflection point	**8.0**	**8.0**	**8.0**	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Profit growth for maximum vesting	**12.0**	**12.0**	**12.0**	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
ROCE performance measure:												
Specified ROCE required	**16.4**	**27.4**	**15.2**	20.8	32.4	19.7	21.1	29.2	20.3	24.2	43.3	20.4

Executive directors performance criteria

Profit growth	% Salary paid for profit growth							
	Terry Burman		Walker Boyd		Robert Anderson		Mark Light	
	08/09	07/08	08/09	07/08	08/09	07/08	08/09	07/08
Inflection point	59.25	59.25	28.9	28.9	25.5	25.5	37.5	37.5
Maximum vesting	158.0	158.0	77.0	77.0	68.0	68.0	100.0	100.0

ROCE performance	% Salary for each 0.5% ROCE exceeds specified level							
	Terry Burman		Walker Boyd		Robert Anderson		Mark Light	
	08/09	07/08	08/09	07/08	08/09	07/08	08/09	07/08
	11.3	11.3	4.6	4.6	2.7	2.7	8.0	8.0

When the performance conditions have been satisfied, 50% of the amount which vests will be payable in cash and the other 50% will consist of the grant of an option to acquire shares in the Company, the number of shares in both cases being determined by using the middle market price on the day preceding the grant of the award. For the 2005/06, 2006/07 and 2007/08 awards, that share price was, 112.60p, 106.00p and 124.42p respectively. The participants can normally exercise their option at any time after vesting until the tenth anniversary of the grant of the award.

The share price for the awards was fixed following the announcement of the preliminary results.

As the pre-determined performance conditions relating to the LTIP awards made in fiscal 2005/06 were not met, none of the options vested in 2007/08 and none of the cash element was payable.

(d) Employee trusts

The share option plans may be operated in conjunction with one or more Employee Share Ownership trusts (the Signet Group plc Employee Share Trust or the Signet Group plc 2004 Employee Share Trust ("together the ESOTs")). The LTIPs operate in conjunction with the ESOTs which may be funded by the Group to acquire shares in the Company for the purposes of meeting the Company's obligation to provide shares on the exercise of options.

The trustees of the ESOTs have waived their rights to any dividends declared on shares held in the trusts.

(e) Share scheme limits

The Executive Share Option Plans are subject to the following limits on the number of shares that may be issued:

(i) the maximum number of shares that have been or may be issued pursuant to options granted under the executive share option plans and any other discretionary share option scheme adopted by the Company may not exceed 5% of the shares from time to time in issue in any ten year period;

(ii) the maximum number of shares that have been or may be issued pursuant to options granted under the executive share option plans and any other employees' share scheme adopted by the Company may not exceed 10% of the shares from time to time in issue in any ten year period; and

(iii) the maximum of 171,376,839 shares (representing 10% of the issued share capital on 8 July 2003) may be issued pursuant to incentive options granted under the US Plan.

In any ten year period not more than 10% of the issued share capital of the Company from time to time may in aggregate be issued or issuable pursuant to options granted under the All-employee Schemes or any other employees' share schemes adopted by the Company.

The number of shares which may be issued or issuable pursuant to the LTIPs (including to the ESOTs), when aggregated with any shares issued or issuable by the Company in the preceding ten years under any

Directors' remuneration report (continued)

employees' share scheme, participation in which is at the discretion of the Board, is limited to 5% of the Company's issued share capital from time to time. The number of shares which may be issued or issuable pursuant to the LTIPs (including to the ESOTs), when aggregated with all shares issued or issuable by the Company in the preceding ten years under any other employees' share scheme, is limited to 10% of the Company's issued share capital from time to time.

No more than 5% of the issued share capital of the Company may be held by the trustee of the ESOTs without prior approval of shareholders.

(f) Shareholding guidelines

Shareholding guidelines have been set for directors of the Group. The Group Chief Executive is expected to build a holding of shares equal to at least twice salary and the Group Finance Director and the Chief Executives of both the UK and US divisions to at least one times salary. Until these levels have been achieved, half of any post tax option gains under the 2003 Plans should be held in Signet shares. All non-executive directors are required to build a minimum holding of 10,000 shares within two years of appointment and maintain that holding whilst they remain a director of the Company.

The Group maintains an insider trading policy which among other things, prohibits the hedging of stock ownership positions by executive officers.

(g) Service contracts

The Group Chief Executive has a rolling service contract (dated 20 December 2000 and amended and restated in February 2008) with a US subsidiary with certain covenants given by Signet Group plc, which can be terminated on one year's notice in writing by either party. The Group Finance Director has a rolling service contract (dated 14 June 1995 and amended on 15 May 2000) with the Company, which can be terminated on one year's notice in writing by either party and which terminates on his 60th birthday.

The service contracts for the Group Chief Executive and the Group Finance Director provide for termination payments in the cases of early termination by the Group or in the event of certain changes of control. In order to facilitate recruitment, the Remuneration Committee determined at the time of recruitment that the particular provisions were necessary to secure the services of these executives. In these circumstances the amount of termination payments due to the Group Chief Executive would equal, in summary, the aggregate of (i) 100% of his base salary at the time of termination, (ii) 25% of his base salary in respect of pension and other benefits, (iii) his outstanding entitlement to a cash bonus under the annual bonus plan referred to on page 71 in respect of the proportion of the fiscal year prior to the effective date of termination, and (iv) a sum equal to a variable percentage (currently 68.6%) of the cash bonus to which he would have become entitled under the annual bonus plan during the notice period. If the Company reduces or eliminates the Directors' and Officers' liability insurance, although the Board has no intention of doing so, such that the Group Chief Executive does not have coverage which meets at least £100 million aggregate coverage limit and £50 million Side A aggregate dedicated coverage limits, then the Group Chief Executive may be permitted upon 90 days written notice to terminate his employment. In the event of such termination the Company will pay the Group Chief Executive his base salary and short term bonus pro-rated to the date of termination. Entitlement to any share options or LTIP awards is governed by the rules of the relevant scheme.

The amount of termination payments due to the Group Finance Director in the case of early termination by the Group in the event of certain changes of control would equal, in summary, the aggregate of (i) his annual salary at the time of termination, (ii) the market value of the contractual benefits in kind (including any pension contribution) to which he would have become entitled during the following 12 months, and (iii) all payments to which he would have become entitled under the annual bonus plan during the same 12 month period.

The Chief Executive of the UK division has a rolling service contract (dated 1 March 2003) with a UK subsidiary which can be terminated on one year's notice in writing by either party or terminates on his 65th birthday. In the case of early termination, the contract provides for salary to be paid in lieu of notice, or where notice has been given, for any balance of the notice period.

The Chief Executive of the US division has a rolling service contract (dated 26 April 2002 and amended and restated in August 2004, January 2006 and February 2008) with a US subsidiary. The Company may terminate the contract at any time by notice in writing. In the case of termination the Company is obligated to continue to pay salary for 12 months from the date of termination.

Entitlement to any share options or LTIP awards is governed by the rules of the relevant scheme, and these service contracts all contain confidentiality and non-competition clauses.

The Chairman has a letter of appointment (dated 19 June 2006), for a fixed term of three years. The appointment does not provide for compensation for loss of office. Each non-executive director has a letter of appointment from the Company.

The Board has adopted the best practice corporate governance approach of appointing non-executive directors on a staggered basis for a specific three year period albeit with the ability to renew such appointments for longer periods. Letters of appointment do not provide for compensation for loss of office.

The letters of appointment are dated as set out below:

Robert Blanchard	27 June 2007
Dale Hilpert	27 June 2007
Lesley Knox	9 January 2008
Brook Land	27 June 2007
Robert Walker	20 June 2006
Russell Walls	20 June 2006

The Chairman does not receive any pension provision. The Group Chief Executive and the Chief Executive of the US division are members of both the 401(k) Plan and the DCP. Contributions made by Signet's US division in respect of the Group Chief Executive during the period totalled $3,375 ß (2006/07: $3,300 ß) and $310,100 ß (2006/07: $284,196 ß) respectively and those for the Chief Executive of the US division during the period totalled $3,375 ß (2006/07: $3,300 ß) and $74,090 ß (2006/07: $69,469 ß) respectively. Pension benefits in respect of the UK based directors are set out on the next page.

(h) Company pension

Pension benefits for the UK based executive directors[ß]

	Robert Anderson Chief Executive UK division		Walker Boyd Group Finance Director	
	2007/08 £	2006/07 £	**2007/08 £**	2006/07 £
Change in accrued benefits during the year (gross of inflation)	**548**	–	**5,812**	4,983
Change in accrued benefits during the year (net of inflation)	**(115)**	–	**3,727**	3,237
Accrued benefits at the end of the year	**17,548**	17,005	**59,286**	53,474
Transfer value of change in accrued pension (net of inflation)	**n/a**	n/a	**56,227**	41,892
Transfer value of accrued benefits at the beginning of the year	**189,799**	201,054	**698,295**	662,639
Transfer value of accrued benefits at the end of the year	**237,833**	189,799	**894,794**	698,295
Change in transfer value of accrued benefits[(1)]	**48,034**	(11,255)	**196,499**	35,656
Group payments to the FURBS/supplement	**44,300**	38,380	**94,900**	55,880
Life assurance contributions	**686**	521	**1,418**	539

(1) Calculated in accordance with the Actuarial Guidance Note GN 11.

(i) Aggregate emoluments for the year to 2 February 2008

The total emoluments for directors of the Company and officers of the Group (excluding amounts due under the LTIP), as listed on pages 51 to 52, for services in all capacities was $5,546,000 (2006/07: $7,641,000). The amounts due under the LTIP for directors of the Company and officers of the Group was $nil (2006/07: $727,000, restated to reflect the market value at vesting). Under the LTIP 50% of the amounts due are payable in cash and the other 50% consists of the grant of an option to acquire shares in the Company. Details of the directors' emoluments are given on page 70.

Except as set out in tables (a), (b) and (c) on pages 76 to 79, or in the notes under these tables, no director nor any member of any director's immediate family had an interest in, or was granted or exercised any right to subscribe for, shares or debentures of the Company or any subsidiary, nor did any such right to subscribe lapse during the financial year, nor, other than the interests of Sir Malcolm Williamson, was there any change between the end of the financial year and 8 April 2008 in the interests of any director of the Company disclosed to the Company under the provisions of Section 324 (duty of directors to disclose shareholdings in own company) as extended by Section 328 (extension of Section 324 to spouses and children) of the Companies Act 1985 and under the Disclosure and Transparency Rules nor in any right to subscribe for shares in, or debentures of, the Company.

At 3 February 2007, 2 February 2008 and 8 April 2008, according to the register kept by the Company under Section 325 of the Companies Act 1985 and under the Disclosure and Transparency Rules, the directors held interests in the shares of the Company as indicated in tables (a), (b) and (c) on pages 76 to 79. As explained on page 73 the value of the awards that vest under the LTIP depends upon the extent to which the performance conditions are met. The awards are also capped by reference to a percentage of the recipient's base salary.

The Group currently operates the ESOT and the 2004 ESOT. Robert Anderson, Walker Boyd, Terry Burman, and Mark Light, at, 3 February 2007, 2 February 2008 and 8 April 2008, were, in common with all other employees of the Group, deemed to have an interest in the shares held by the ESOT. The ESOT held 2,633,908 shares on 3 February 2007, 1,719,951 shares on 2 February 2008 and 1,719,951 shares on 8 April 2008. The 2004 ESOT held nil shares on 3 February 2007, nil shares on 2 February 2008 and nil shares on 8 April 2008.

No director had been granted any specific interest in such shares. The Company's register of directors' interests, which is open to inspection at the registered office, contains full details of directors' shareholdings and share options.

Directors' remuneration report (continued)

Directors' interests in shares[ß]

(a) Directors' interests in share options[ß]

Director		Number of shares under option At 3 February 2007	Granted	Forfeited	Exercised	At 2 February 2008	Exercise price	Date from which exercisable[1]	Expiry date[1]
Robert Anderson[2]	[3]	232,558	–	–	–	**232,558**	75.25p	2.5.04	2.5.11
	[3]	160,416	–	–	–	**160,416**	120.00p	11.4.05	11.4.12
	[3]	322,188	–	–	–	**322,188**	82.25p	25.4.06	25.4.13
	[4]	251,685	–	–	–	**251,685**	111.25p	5.4.07	5.4.14
	[5]	35,452	–	–	–	**35,452**	£1 in total	15.4.04	4.5.11
	[6]	10,985	–	–	–	**10,985**	86.25p	1.1.08	30.6.08
	[4]	261,989	–	–	–	**261,989**	112.60p	12.4.08	12.4.15
	[5]	23,140	–	–	–	**23,140**	£1 in total	15.4.05	26.4.12
	[4]	221,586	–	–	–	**221,586**	111.92p	11.4.09	11.4.16
	[4]	–	212,184	–	–	**212,184**	124.42p	24.4.10	24.4.17
	[6]	–	12,765	–	–	**12,765**	75.20p	1.11.11	30.6.11
Total		1,519,999	224,949	–	–	**1,744,948**	98.66p[7]		
Walker Boyd[2]	[3]	611,842	–	–	–	**611,842**	57.00p	5.5.03	5.5.10
	[3]	179,401	–	–	–	**179,401**	75.25p	2.5.04	2.5.11
	[3]	225,000	–	–	–	**225,000**	120.00p	11.4.05	11.4.12
	[4]	397,435	–	–	–	**397,435**	97.50p	14.7.06	14.7.13
	[4]	444,943	–	–	–	**444,943**	111.25p	5.4.07	5.4.14
	[6]	10,985	–	–	–	**10,985**	86.25p	1.1.08	30.6.08
	[4]	466,252	–	–	–	**466,252**	112.60p	12.4.08	12.4.15
	[5]	68,182	–	–	(68,182)[8]	**–**	£1 in total	–	–
	[4]	412,794	–	–	–	**412,794**	111.92	11.4.09	11.4.16
	[5]	61,407	–	–	(61,407)[8]	**–**	£1 in total	–	–
	[5]	–	20,715	–	(20,715)[8]	**–**	£1 in total	–	–
	[5]	–	409,901	–	–	**409,901**	124.42p	24.4.10	24.4.17
	[6]	–	12,765	–	–	**12,765**	75.2p	1.1.11	30.6.11
Total		2,878,241	443,381	–	(150,304)	**3,171,318**	97.03p[7]		
Terry Burman[2]	[4]	3,807,426	–	–	–	**3,807,426**	$1.59	14.7.06	14.7.13
	[4]	3,129,267	–	–	–	**3,129,267**	$2.05	5.4.07	5.4.14
	[4]	3,193,395	–	–	–	**3,193,395**	$2.12	12.4.08	12.4.15
	[6]	5,170	–	–	–	**5,170**	$1.86	1.11.08	31.1.09
	[4]	2,936,060	–	–	–	**2,936,060**	$1.96	11.4.09	11.4.16
	[4]	–	2,530,119	–	–	**2,530,119**	$2.49	24.4.10	24.4.17
	[5]	–	62,354	–	(62,354)[9]	**–**	$1 in total	–	–
Total		13,071,318	2,592,473	–	(62,354)	**15,601,437**	$2.20[7]		

(a) Directors' interests in share options[8] (continued)

Director		Number of shares under option: At 3 February 2007	Granted	Forfeited	Exercised	At 2 February 2008	Exercise price	Date from which exercisable[1]	Expiry date[1]
Mark Light[2]	(3)	290,191	–	–	–	**290,191**	$1.72	11.4.05	11.4.12
	(3)	472,476	–	–	(472,476)[10]	**–**	$1.31	–	–
	(4)	329,267	–	–	–	**329,267**	$2.05	5.4.07	5.4.14
	(4)	339,032	–	–	–	**339,032**	$2.12	12.4.08	12.4.15
	(6)	5,170		–	–	**5,170**	$1.86	1.11.08	31.1.09
	(4)	572,889		–	–	**572,889**	$1.96	11.4.09	11.4.16
	(4)	–	514,055	–	–	**514,055**	$2.49	24.4.10	24.4.17
	(5)	–	77,737	–	(77,737)[9]	**–**	$1 in total	–	–
Total		2,009,025	591,792	–	(550,213)	**2,050,604**	$2.15[7]		

All options were granted to directors while they were directors apart from Messrs. Anderson and Light who were appointed as directors on 6 April 2005 and 12 January 2006 respectively. The performance conditions for grants made under the 2003 Plans are set out on page 71. The conditions set by the Remuneration Committee for the exercise of options granted under the 1993 Scheme were that for vesting to take place, a post inflation minimum growth in earnings per share of 10% over any consecutive three year period had to be achieved. Under the 2003 Plans, for vesting to take place, a post inflation minimum growth in earnings per share of 10% from a fixed base year applied over a three year period, or, only for the grants made in 2005, 12.55% over a four year period, or 15.92% over a five year period has to be achieved. The performance conditions were chosen as the Remuneration Committee believed them to be in line with market practice. These conditions have been met in respect of the options granted between October 1997 and April 2004; the performance criteria having been satisfied in each case over the first three year period following the grant of the options apart from the options granted in April and July 2003. The performance criteria for the options granted in April and July 2003 were satisfied in the fourth year of the grant. The performance criteria for the options granted in April 2005 have not been satisfied.The Black-Scholes option-pricing model fair value is given in note 27 on page 115 for options granted in the last three years.

(1) The dates from which options are exercisable and the expiry dates are the dates that normally apply. Other dates apply in certain circumstances, such as an option holder ceasing to be employed. Options that have not already vested will only vest and become exercisable on the dates detailed subject to satisfaction of the specified performance criteria.

(2) See page 71 regarding awards made in 2008/09.

(3), (4), (5) and (6) The options marked (3) were granted under the 1993 Scheme, those marked (4) were granted under the 2003 Plans, those marked (5) were awarded under the Long Term Incentive Plan 2000 and those marked (6) were granted under the terms of the Sharesave Scheme or, in the case of Terry Burman and Mark Light, the Employee Stock Savings Plan.

(7) Weighted averages of the exercise prices per share for the options held at the year end.

(8) Exercised on 16 January 2008, when the market price was 60.75p.

(9) Exercised on 19 April 2007, when the market price was 124.25p.

(10) Excercised on 2 May 2007 when the market price was 125.24p.

The aggregate amount of gains made by directors on the exercise of options during the year amounted to $1,096,865 (2006/07: $4,326,705).

Directors' remuneration report (continued)

(b) Directors' interests in LTIPs[8]

Director	Date of award	Awards subject to performance conditions: Cash portion (grant value)[2] $	Awards subject to performance conditions: Option portion (number)[2]	Awards where the performance conditions have been satisfied[1]: Cash portion (grant value)[3] $	Awards where the performance conditions have been satisfied[1]: Option portion (number)[3]	Awards where the performance conditions have been satisfied[1]: Option portion (current value)[4] $	Cash and options total current value[4][5] $	Cash and options total vested[6] $	Expiry of award or vested option
Robert Anderson[7]									
2004/05 award[8]	5.4.04	–	–	–	–	–	–	–	–
2005/06 award[8]	12.4.05	–	–	–	–	–	–	–	–
2006/07 award[8]	28.4.06	207,638	94,174	–	–	–	361,254	–	–[9]
2007/08 award	24.4.07	221,034	90,178	–	–	–	347,167	–	–[9]
Awards at end of year		**428,672**	**180,352**	**–**	**–**	**–**	**708,421**	**–**	
Walker Boyd[7]									
2004/05 award[8]	5.4.04	–	–	–	–	–	–	95,361	–
2005/06 award[8]	12.4.05	–	–	–	–	–	–	–	–
2006/07 award[8]	28.4.06	299,588	135,878	–	–	–	526,828	–	–[9]
2007/08 award	24.4.07	322,341	131,510	–	–	–	506,285	–	–[9]
Awards at end of year		**621,929**	**267,388**	**–**	**–**	**–**	**1,033,113**	**95,361**	
Terry Burman[7]									
2004/05 award[8]	5.4.04	–	–	–	–	–	–	275,454	–
2005/06 award[8]	12.4.05	–	–	–	–	–	–	–	–
2006/07 award[8]	28.4.06	1,166,830	597,009	–	–	–	2,134,692	–	–[9]
2007/08 award	24.4.07	1,244,250	499,699	–	–	–	1,943,179	–	–[9]
Awards at end of year		**2,411,080**	**1,096,708**	**–**	**–**	**–**	**4,077,871**	**275,454**	
Mark Light[7]									
2004/05 award[8]	5.4.04	–	–	–	–	–	–	343,411	–
2005/06 award[8]	12.4.05	–	–	–	–	–	–	–	–
2006/07 award[8]	28.4.06	356,000	182,148	–	–	–	686,258	–	–[9]
2007/08 award	24.4.07	400,000	160,643	–	–	–	624,691	–	–[9]
Awards at end of year		**756,000**	**342,791**	**–**	**–**	**–**	**1,310,949**	**343,411**	

All grants were made to directors while they were directors apart from Messrs. Anderson and Light who were appointed as directors on 6 April 2005 and 12 January 2006 respectively. The performance conditions relating to the awards are set out on page 73.

(1) In respect of the 2005/06 awards neither the Group nor the divisions achieved the required performance targets and therefore no awards vested for any of the participants.

(2) Assumes maximum performance conditions are satisfied and is calculated using their salary at 3 March 2008. For the cash portion an exchange rate of $1.97 has been used for Robert Anderson and Walker Boyd. Options are calculated using a share price at the time of grant in 2006 of 111.92p and 2007of 124.42p and in the case of Terry Burman and Mark Light exchange rates of $1.75 in 2006 and $2.00 in 2007.

(3) Calculated using a salary at 3 March 2008. Options are calulated using a share price and exchange rate at the time of grant in 2005 of 112.25p and $1.93 respectively. The LTIP payment is made in the year following the last year in respect of which the performance condition was set.

(4) Calculated using a share price as at 2 February 2008 of 71.00p.

(5) Cash portion plus option portion value at 2 February 2008. For awards where the level of performance is currently unknown, no payment, or a reduced payment may be made. In respect of awards where the performance is known the base salary may be different at the date of vesting.

(6) Vesting took place on 18 April 2007 and the cash portion was worth $46,540, $128,499 and $160,200 respectively, for Walker Boyd, Terry Burman and Mark Light. The option interest was over 20,715 shares for Walker Boyd, 62,354 shares for Terry Burman and 77,737 shares for Mark Light and are included in the table of directors' interests in share options on pages 76 to 77. The share price on the day of vesting was 118.07p. For Walker Boyd an exchange rate of $1.997 was used. The Remuneration Committee confirmed that there was no entitlement earned under the LTIP by Robert Anderson.

(7) The Remuneration Committee approved grants of LTIP awards to Terry Burman (maximum of 158% of salary at vesting), Mark Light (maximum of 100% of salary at vesting), Walker Boyd (maximum of 77% of salary at vesting) and Robert Anderson (maximum of 68% of salary at vesting) on 7 April 2008.

(8) Awards at start of year.

(9) Expiry dates of awards will be known within 60 days after the announcement of the preliminary results for the last financial year in the performance period.

(c) Directors' interests in shares[8]

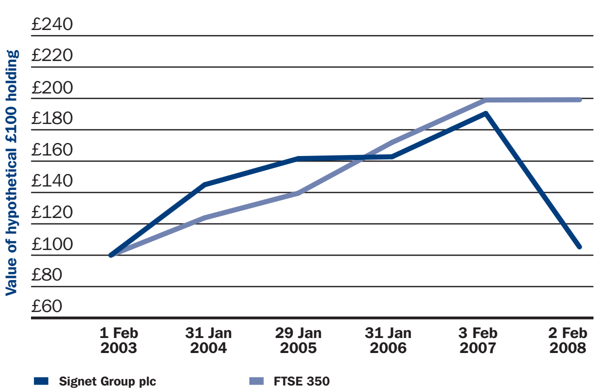
Director	At start of year	At end of year	At 8 April 2008
	Number of shares		
Robert Anderson	20,185	**20,907**	20,907
Robert Blanchard	10,010	**10,010**	10,010
Walker Boyd	392,495	**542,798**	542,798
Terry Burman	710,601	**808,601**	808,601
Dale Hilpert	20,000	**20,000**	20,000
Lesley Knox	–	**30,870**	30,870
Brook Land	25,000	**25,000**	25,000
Mark Light	–	**76,454**	76,454
Robert Walker	19,308	**19,308**	19,308
Russell Walls	10,000	**30,000**	30,000
Sir Malcolm Williamson	28,605	**173,999**	187,375

Share price

The middle market price of a Signet share on the London Stock Exchange was 71.00p on 2 February 2008 and 122.25p on 3 February 2007. During the 52 weeks ended 2 February 2008, the middle market prices on the London Stock Exchange ranged between a low of 54.25p and a high of 126.75p. On 8 April 2008 the closing middle market price was 61.50p.

Five-year historical TSR performance

Growth in the value of a hypothetical £100 holding over five years FTSE 350 Index (excluding Invest. Trusts) comparison based on 30 trading day average values

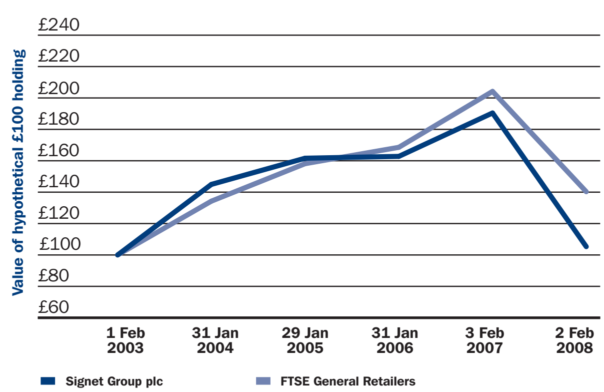


Total shareholder return ("TSR")

The graph below (left) shows the cumulative annual total return (share price movement and dividends) to shareholders of the Group since 2 February 2003 based on the 30 day average of value of the share price compared to the FTSE 350 index. This index was chosen as a suitable comparator as it is a major market index of which the Group is a member. Also shown on a similar basis on the graph below (right), is the Group's performance compared to the FTSE general retail sector.

Five-year historical TSR performance

Growth in the value of a hypothetical £100 holding over five years FTSE general retailers index comparison based on 30 trading day average values



The Directors' remuneration report was approved by the Board on 9 April 2008, and signed on its behalf by:

Robert Blanchard
Chairman
Remuneration Committee