

WILLIAMS-SONOMA, INC.

# TOMORROW'S RETAILER

INVESTOR PRESENTATION | JUNE 2013

**JULIE WHALEN**  
EVP, CFO

**PAT CONNOLLY**  
Director, EVP, CMO

POTTERY BARN

pottery barn kids



west elm

WILLIAMS-SONOMA



Mark AND Graham

REJUVENATION

The forward-looking statements included in this presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements address the financial condition, results of operations, business initiatives and prospects of the Company and are subject to certain risks and uncertainties that could cause actual results to differ materially. Please refer to the company’s current press releases and SEC filings, including, but not limited to, reports on forms 10-K, 8-K, and 10-Q, for more information on the risks and uncertainties that could cause actual results to differ materially from these forward-looking statements. The statements are current as of the date of this presentation, and the Company undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances that may arise in the future.

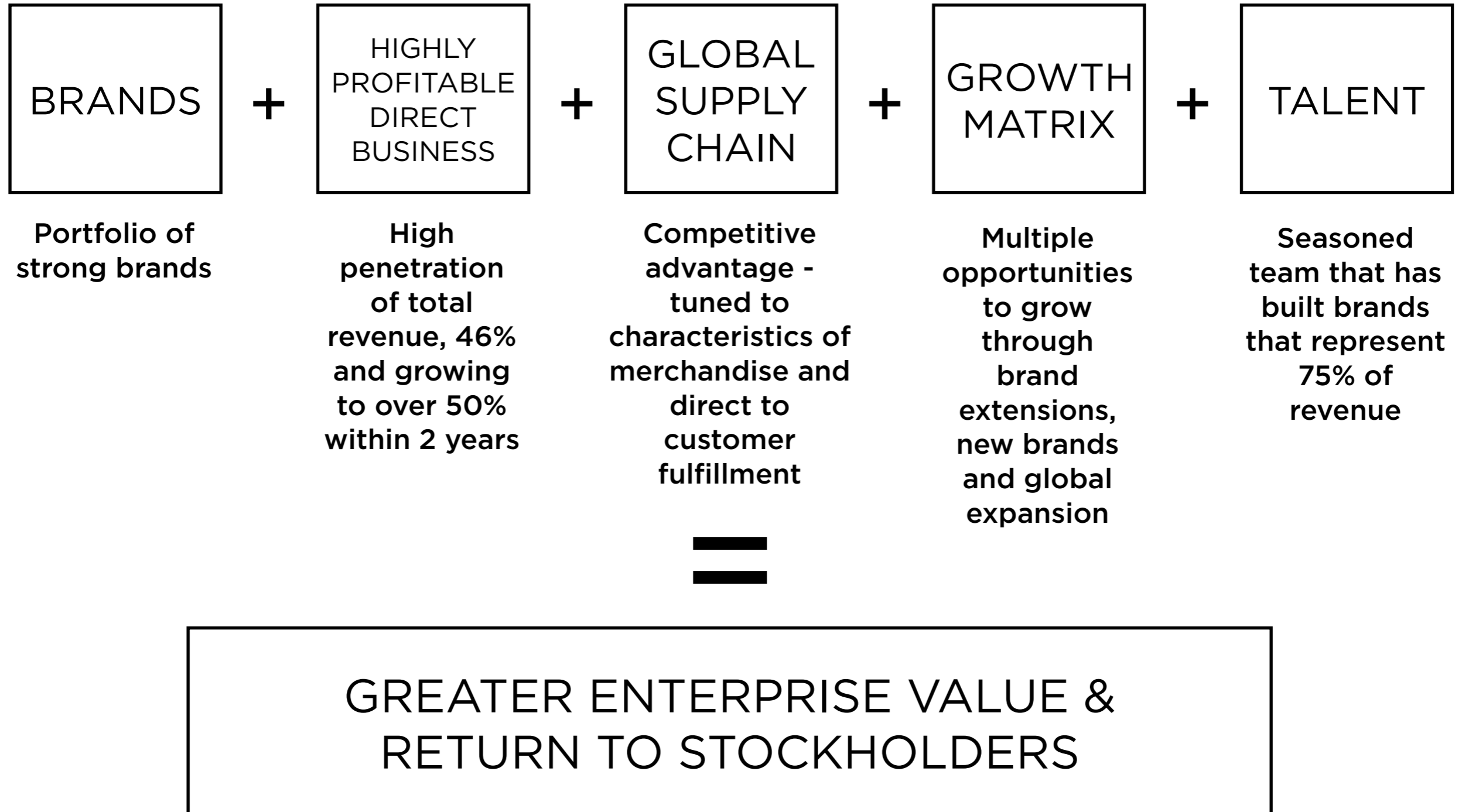
*Our vision from the beginning has been to enhance our customers' lives at home. Our customers love their homes, and we have a singular focus on helping them make their homes a reflection of who they are.*

**-LAURA ALBER, PRESIDENT & CEO**

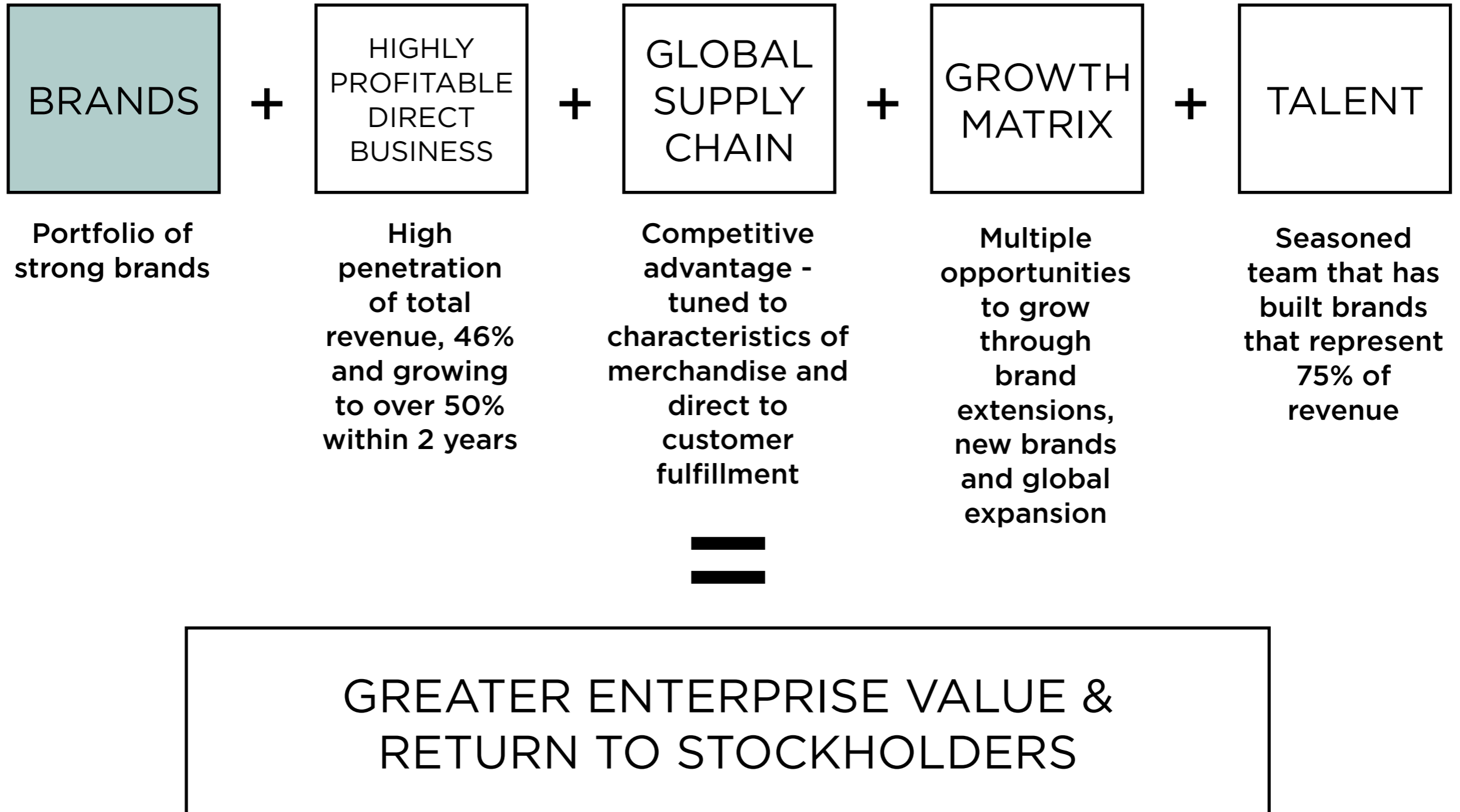
OUR FORMULA FOR  
*sustainable*  
GROWTH



# OUR FORMULA FOR *sustainable* GROWTH



# OUR FORMULA FOR *sustainable* GROWTH



\$4+ Billion  
NET REVENUES

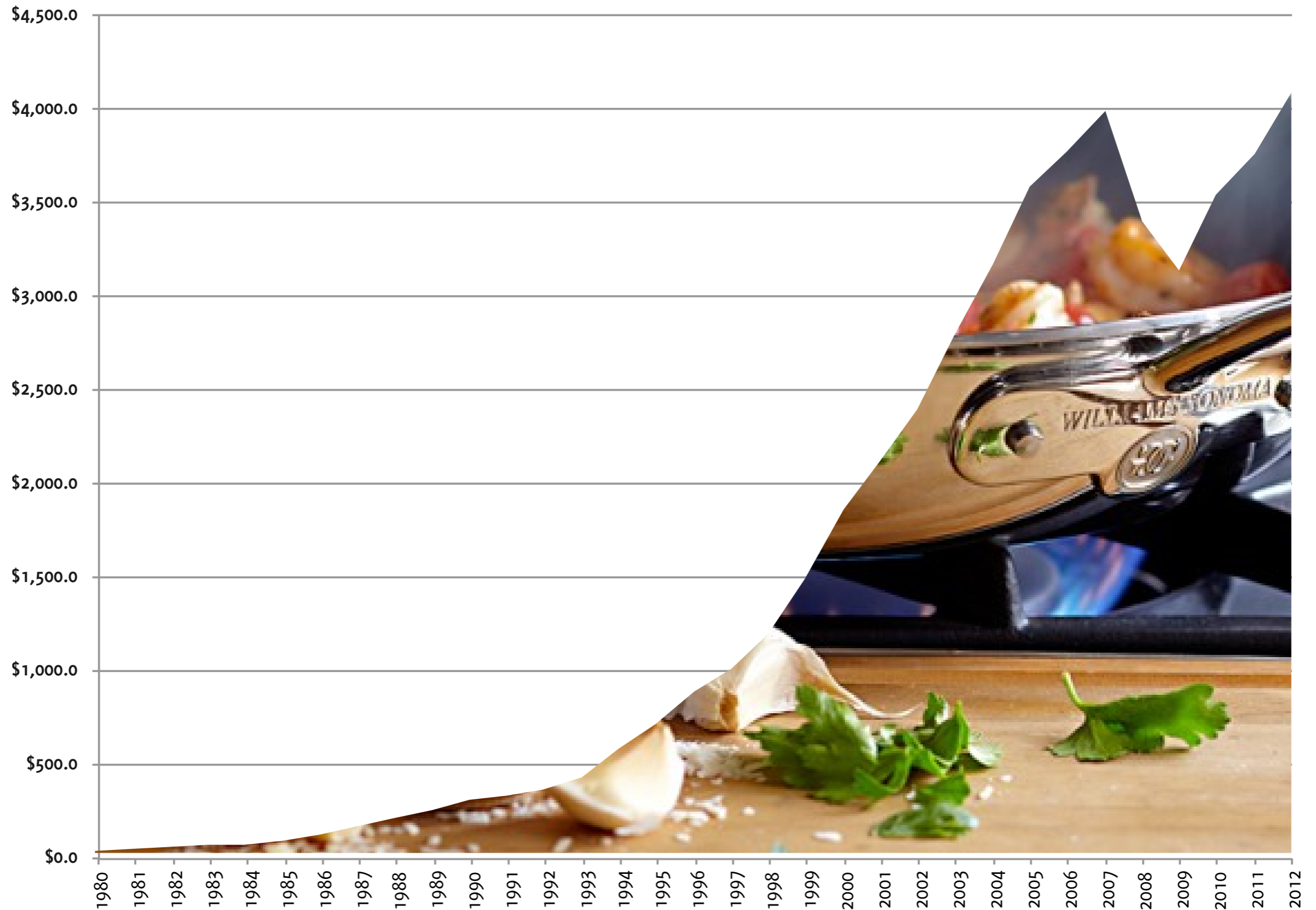
581  
STORES WORLDWIDE

8 CATALOGS

7  
ECOMMERCE  
WEBSITES

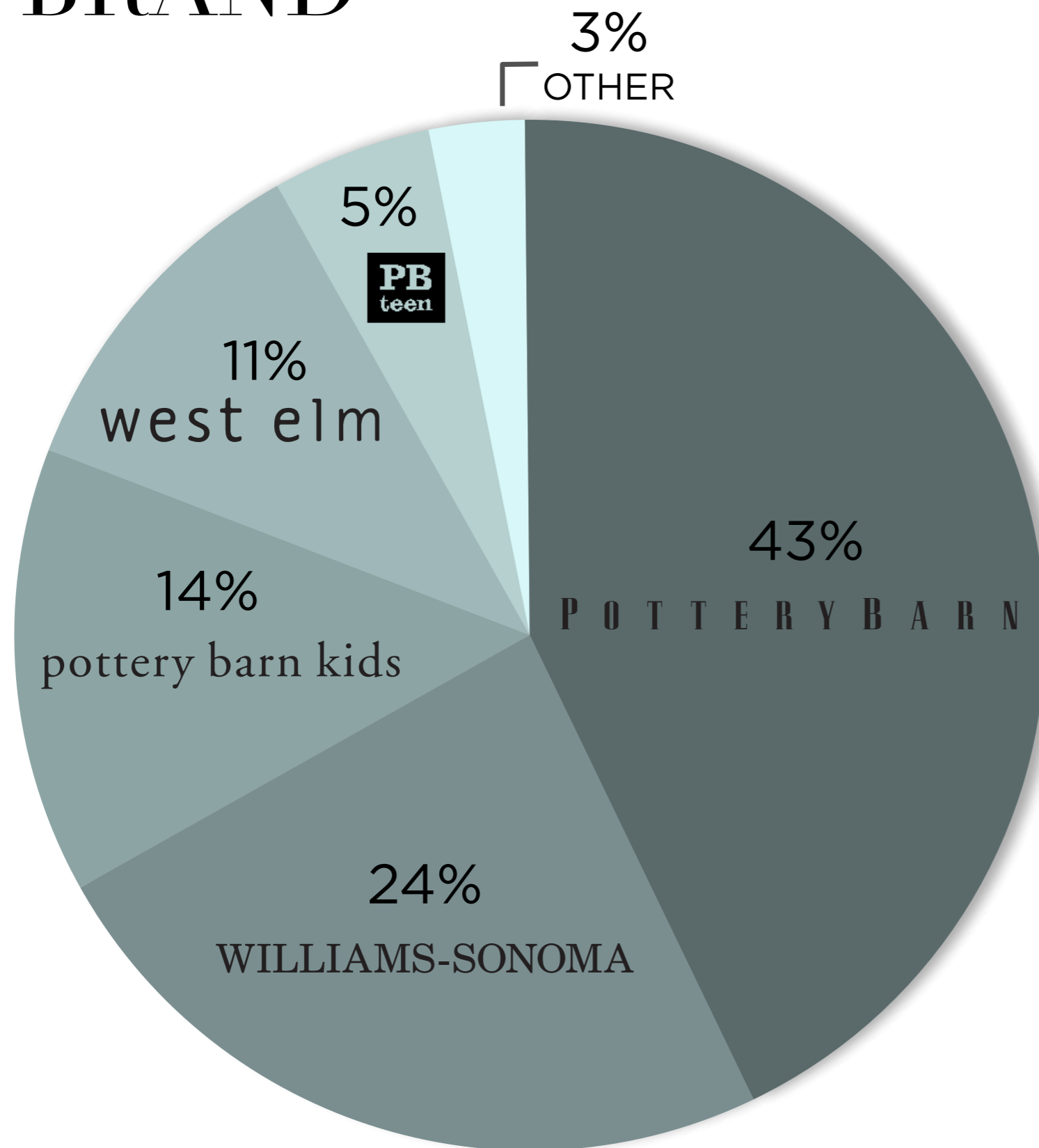
# NET REVENUES

1980 - 2012



WILLIAMS-SONOMA, INC.

# REVENUE MIX BY BRAND



4%

WSM SHARE  
OF HOME  
FURNISHINGS SALES  
IN AMERICA

# POTTERY BARN



2012 REVENUE:  
\$1,753M  
192 STORES

WILLIAMS-SONOMA, INC.

# POTTERY BARN

2012 REVENUE:  
\$1,753M  
192 STORES

# POTTERY BARN

2012 REVENUE:  
\$1,753M  
192 STORES

# WILLIAMS-SONOMA

2012 REVENUE:  
\$981M  
253 STORES

WILLIAMS-SONOMA, INC.

# WILLIAMS-SONOMA

A collection of Williams-Sonoma tableware, including white and grey plates, bowls, and a small dish, arranged on a white surface. The items are decorated with various patterns like seashells and ribbed edges. Red and patterned napkins are also visible, along with small white flowers on thin branches.

2012 REVENUE:  
\$981M  
253 STORES

# WILLIAMS-SONOMA



2012 REVENUE:  
\$981M  
253 STORES

# pottery barn kids

2012 REVENUE:  
\$558M  
84 STORES

WILLIAMS-SONOMA, INC.

# pottery barn kids

2012 REVENUE:  
\$558M  
84 STORES

# pottery barn kids

2012 REVENUE:  
\$558M  
84 STORES



# PB teen

2012 REVENUE:  
\$220M

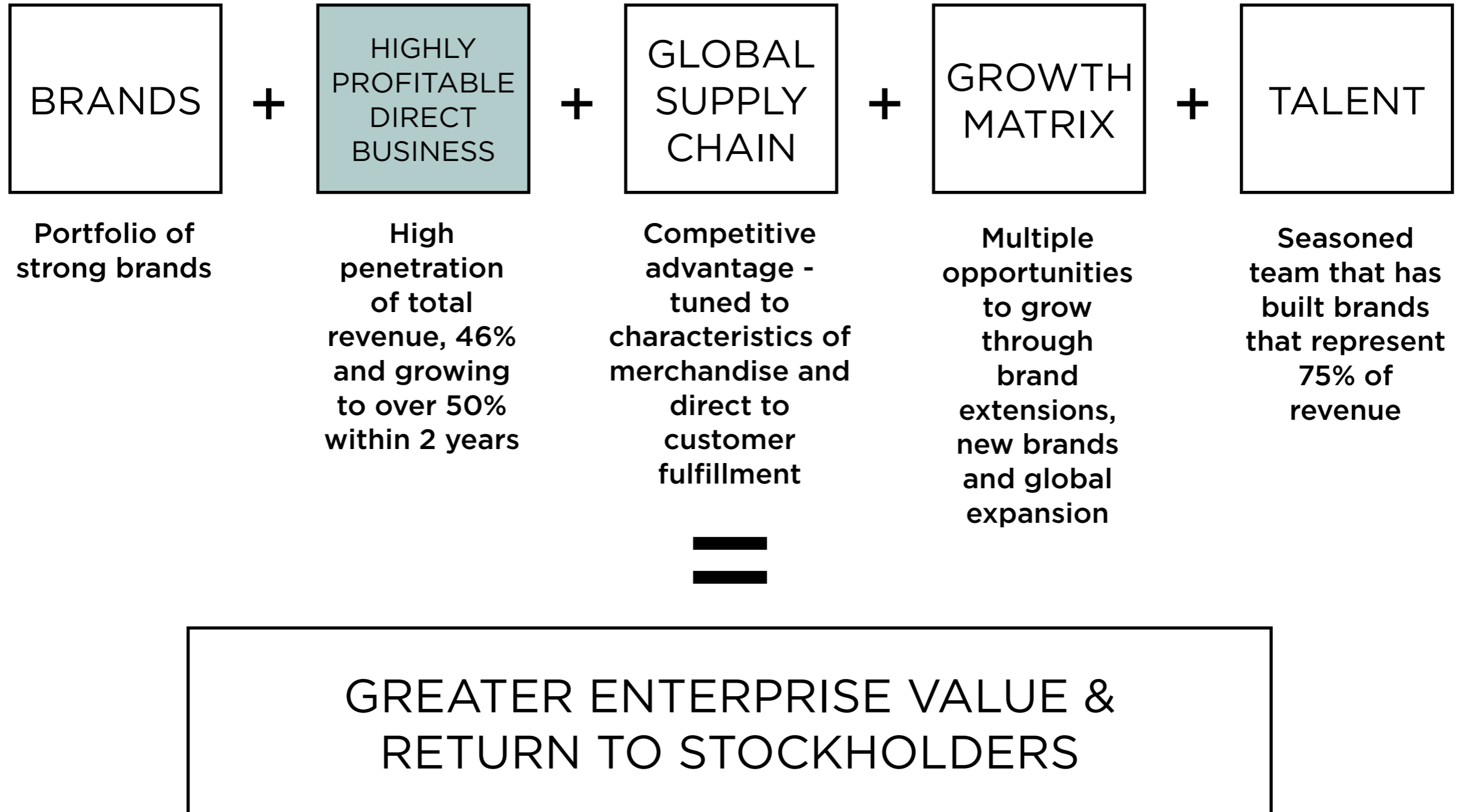
WILLIAMS-SONOMA, INC.

# west elm

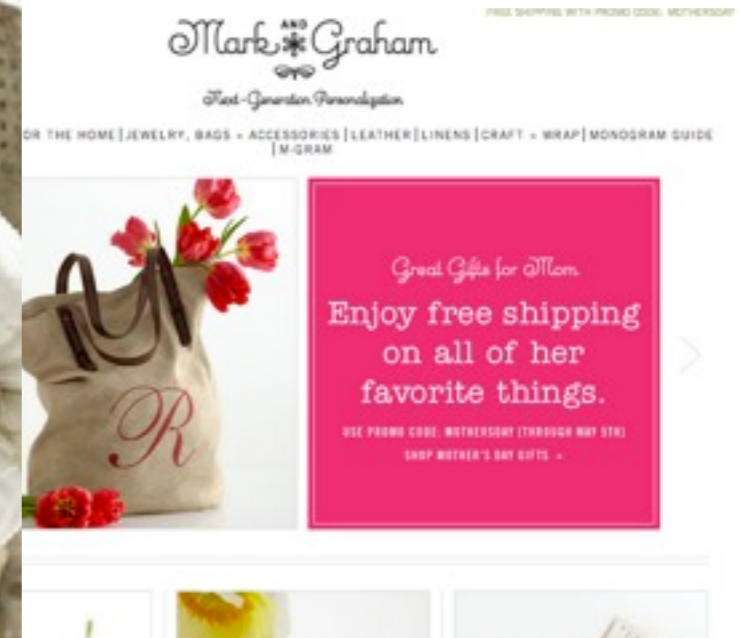
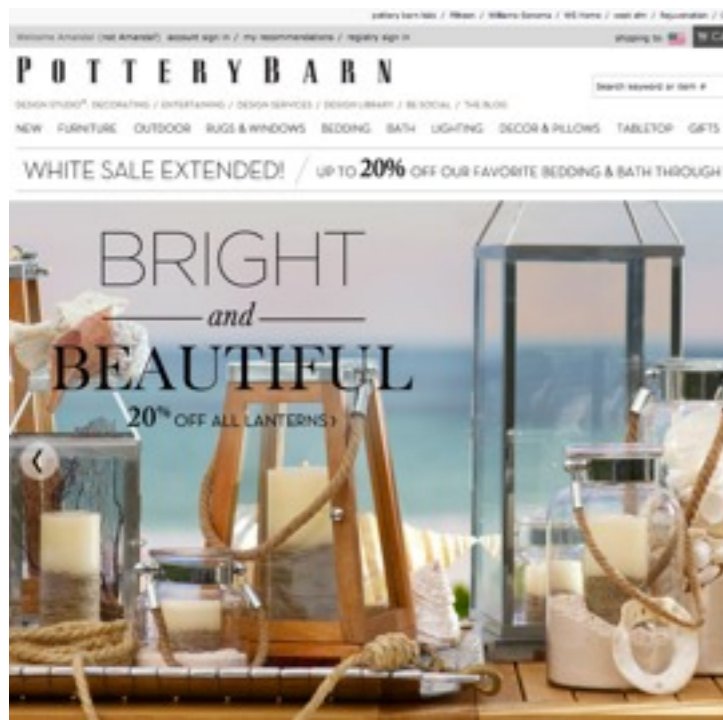
2012 REVENUE:  
\$430M  
48 STORES

WILLIAMS-SONOMA, INC.

# OUR FORMULA FOR *sustainable* GROWTH



highly profitable  
**DIRECT  
BUSINESS**



WILLIAMS-SONOMA, INC.

# CHANNEL PROFITABILITY

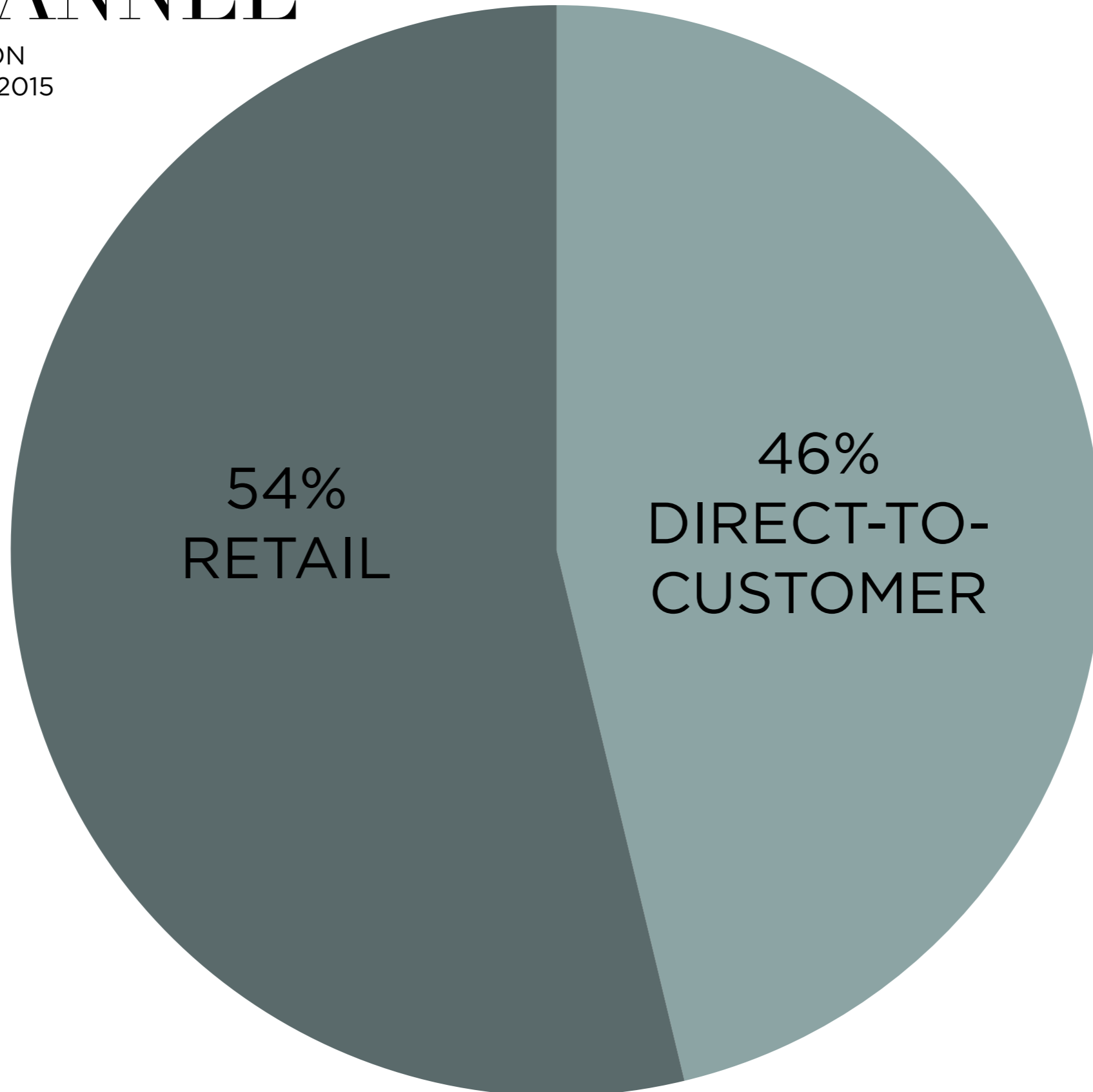
2000 - 2012



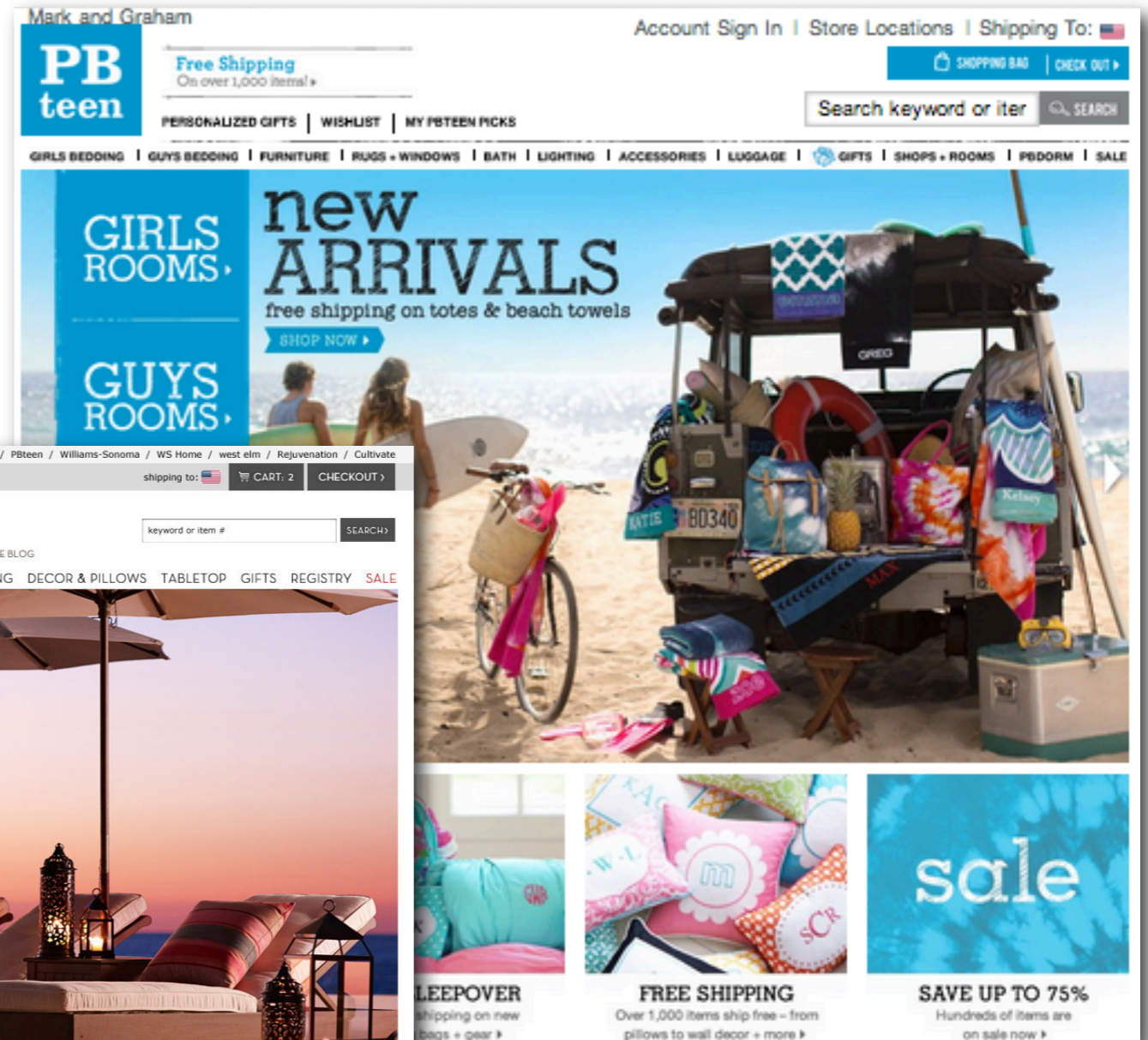
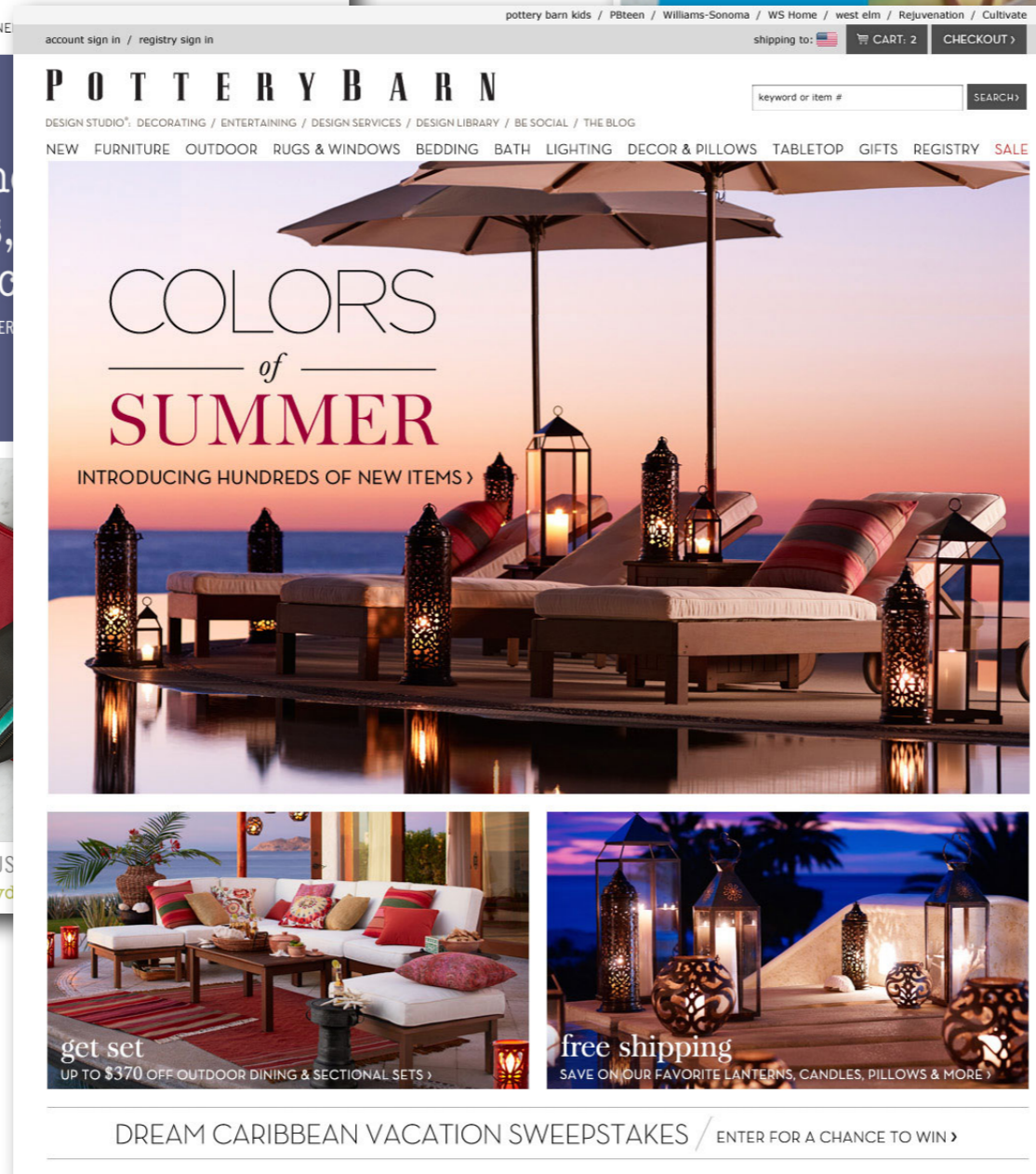
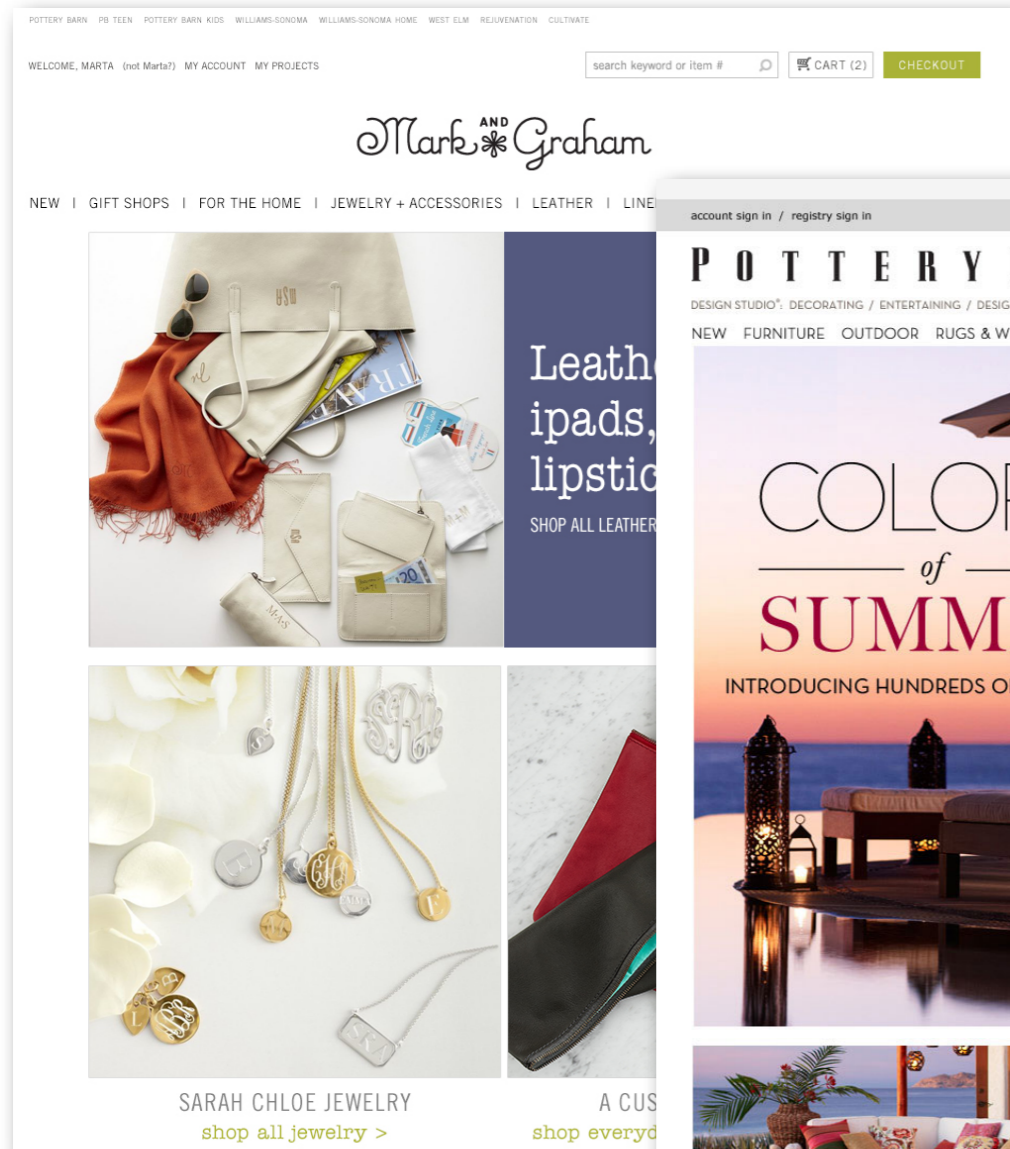
WILLIAMS-SONOMA, INC.

# REVENUE MIX BY CHANNEL

DIRECT PENETRATION  
TO EXCEED 50% BY 2015

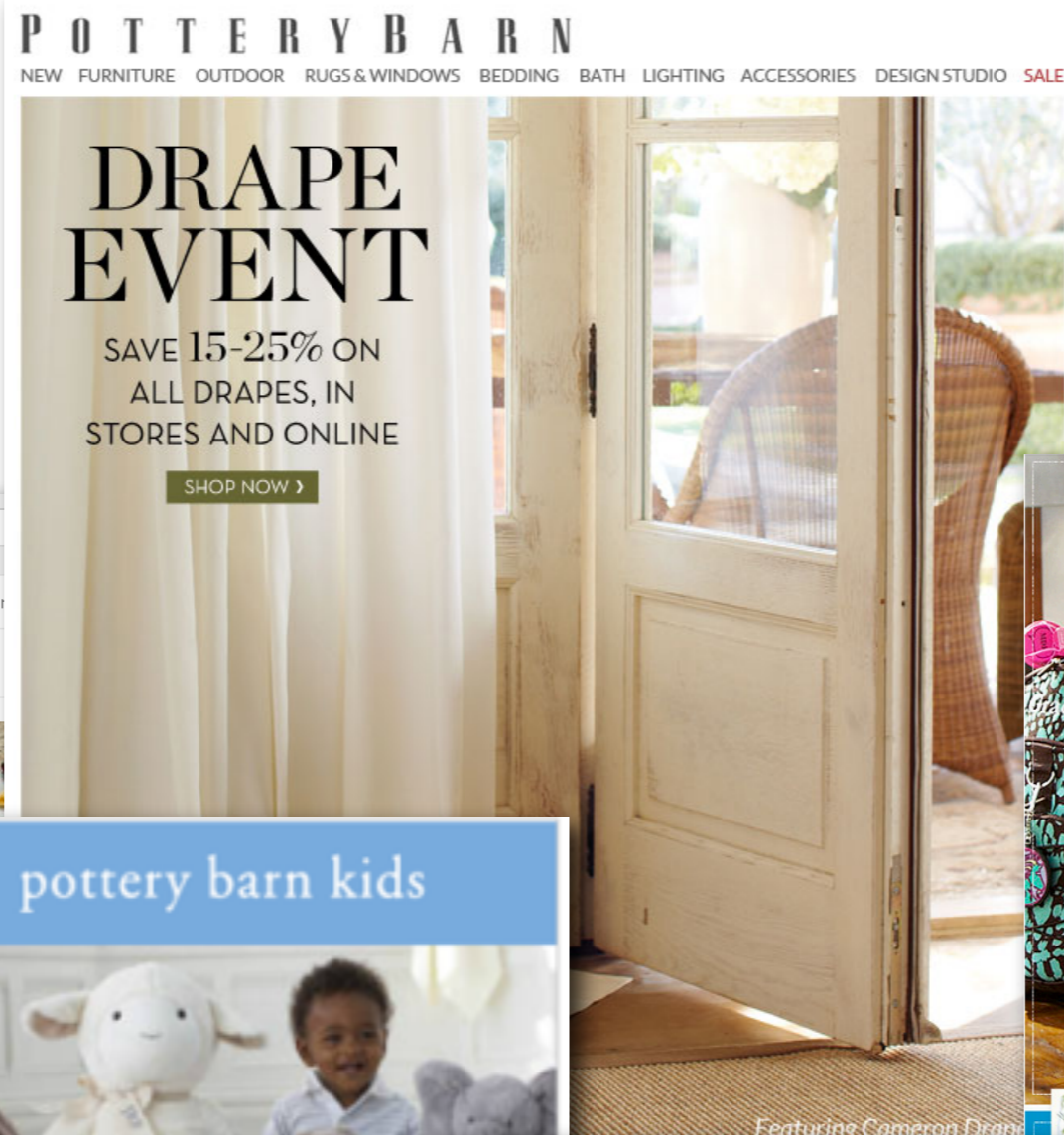
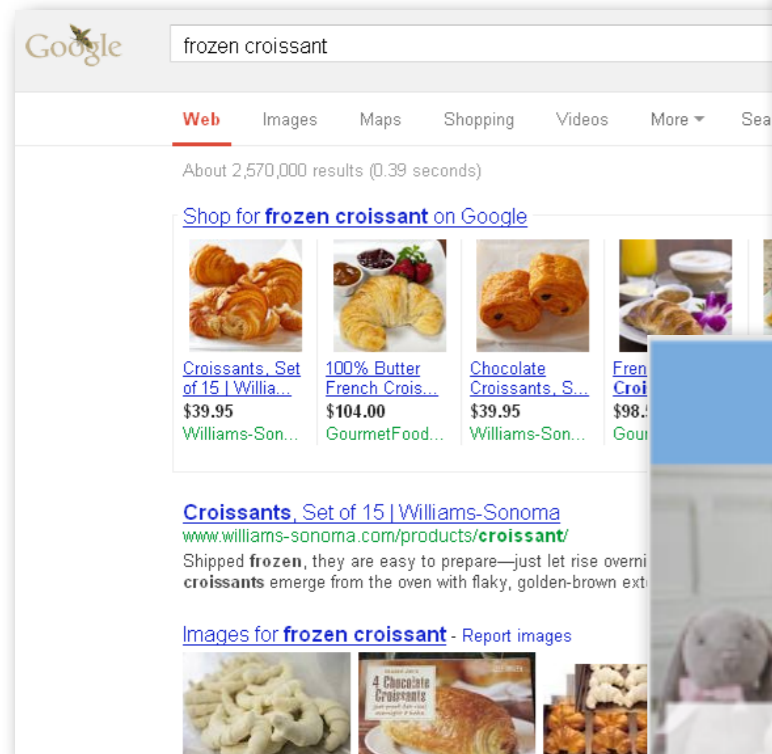


# highly profitable DIRECT BUSINESS

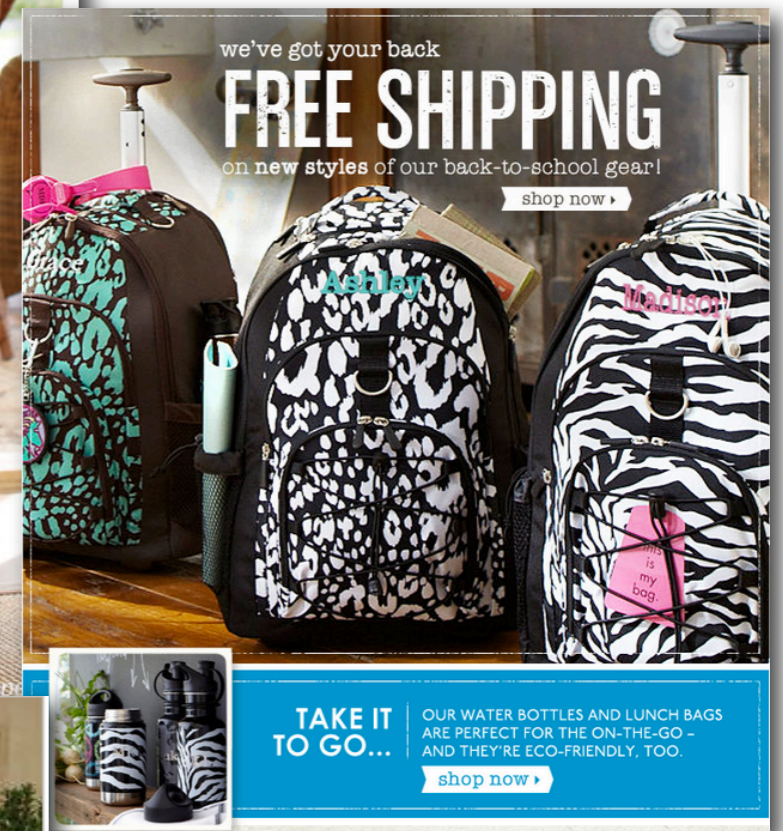
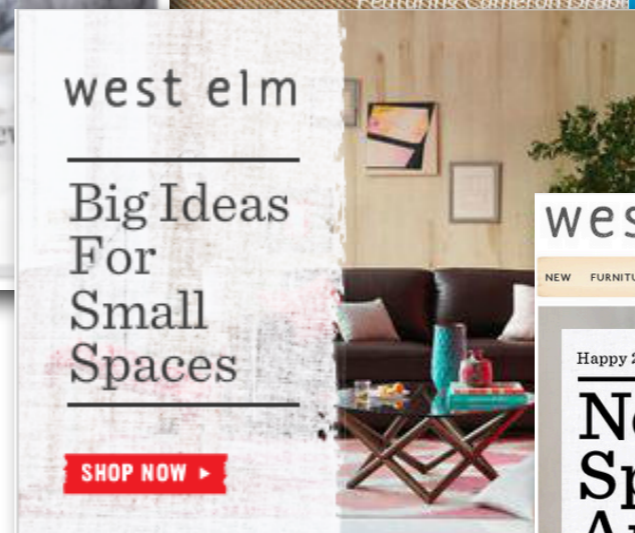


420 MILLION  
*web visits*  
IN 2012

# highly profitable DIRECT BUSINESS

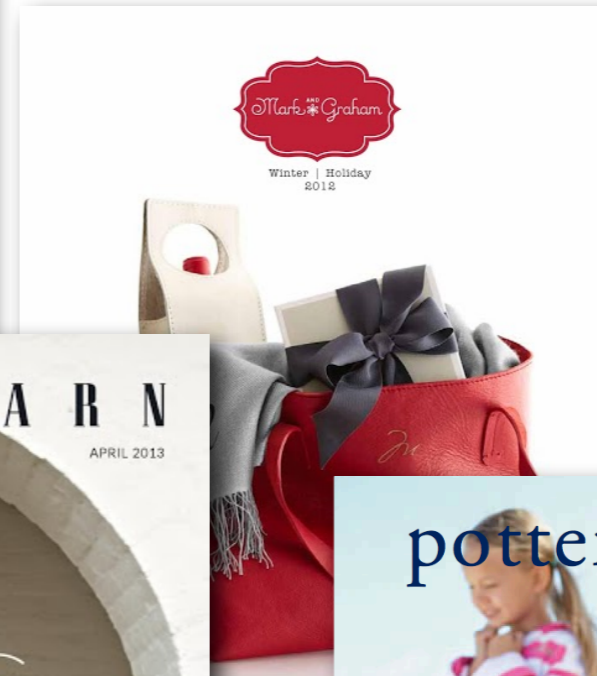


19 BILLION  
*emarketing impressions*  
ANNUALLY



WILLIAMS-SONOMA, INC.

*highly profitable*  
**DIRECT  
BUSINESS**



**260 MILLION**  
*catalogs circulated*  
**ANNUALLY**

WILLIAMS-SONOMA, INC.

**50 MILLION**  
*customer*  
**DATABASE**

**TODAY**

msn



## The New York Times

### Upper-Arm Strength Not Required

▼ Assuming that your mother is not a stevedore, she might appreciate a new line of lightweight but effective cast iron cookware from Japan. Designed by Komin Yamada, the sleek five-quart Dutch oven with comfortable loop handles weighs about four and a half pounds, or about six pounds less than a French cast iron one. But it's not just a lightweight Dutch oven; it's also designed and braised just as well. The pot has a nonstick silicone finish and can be used on an induction cooktop; the stainless steel lid is easy to lift with one

hand. A nine-and-a-half-inch skillet also performed well at a test lighter than my cast iron skillet. I did not try the hand-forged 10-inch round grill pan, the piece in this collection: Koru Dutch oven is \$199.95, skillet is \$79.95 and grill pan is \$89.95. [Williams-Sonoma stores, Williams-Sonoma.com.](http://Williams-Sonoma.com)



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WSJ.com

26.6 BILLION  
*earned media*  
IMPRESSIONS  
IN 2012

WILLIAMS-SONOMA, INC.

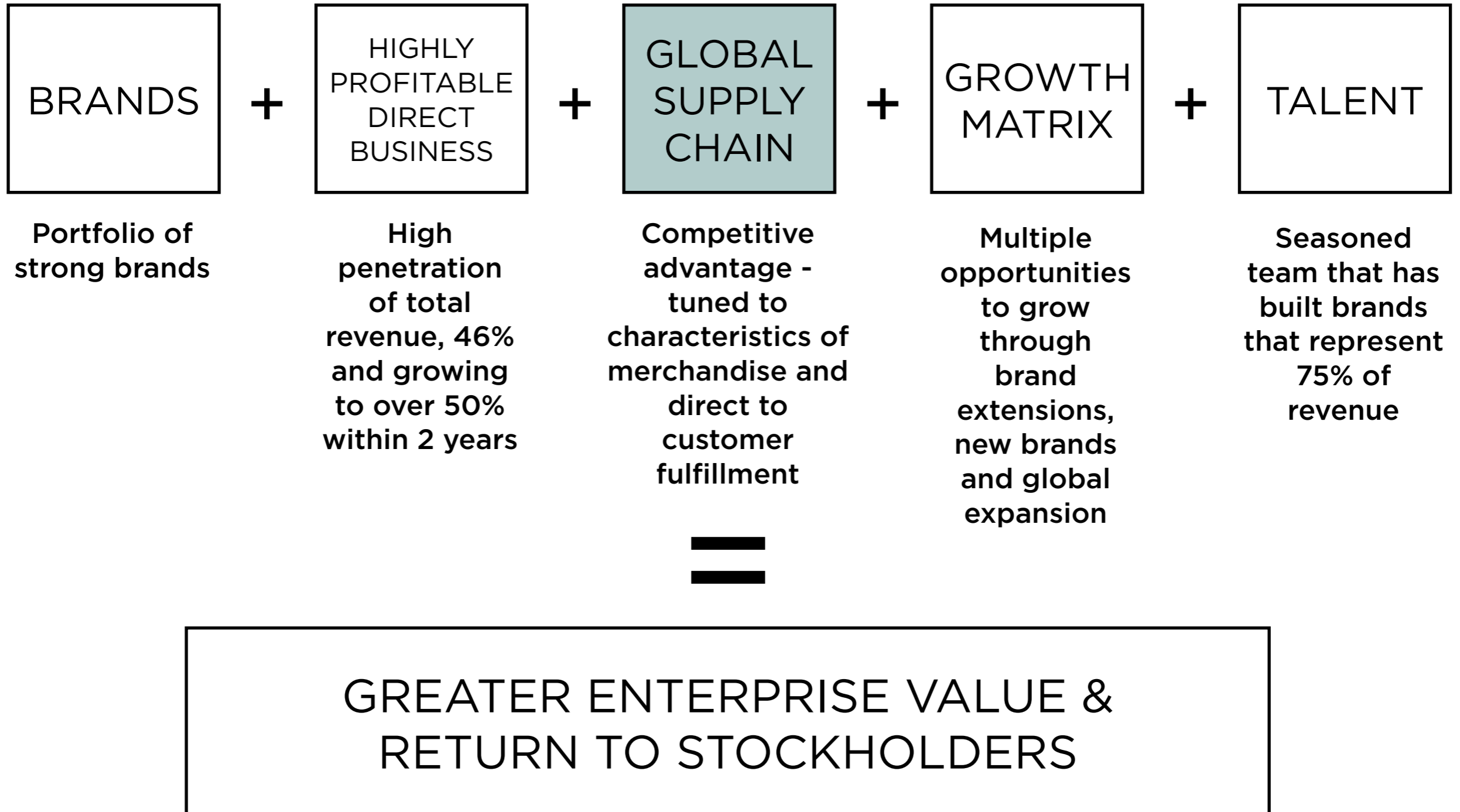
*multi-channel model*  
**DEVELOPED**  
**OVER 30 YEARS**



**581 RETAIL**  
*store portfolio*  
**CREATES SUPERIOR**  
*multi-channel model*

WILLIAMS-SONOMA, INC.

# OUR FORMULA FOR *sustainable* GROWTH



# GLOBAL *supply chain* EXCELLENCE

Vertically integrated supply chain to support multichannel model with 85% of product exclusive and designed in-house





# 750,000

*Home Deliveries in 2012*

# U.S. MANUFACTURING

ALMOST HALF OF OUR UPHOLSTERED FURNITURE  
IS MADE IN OUR NORTH CAROLINA FACTORY.



WILLIAMS-SONOMA, INC.

# CUSTOM MADE



# 75%

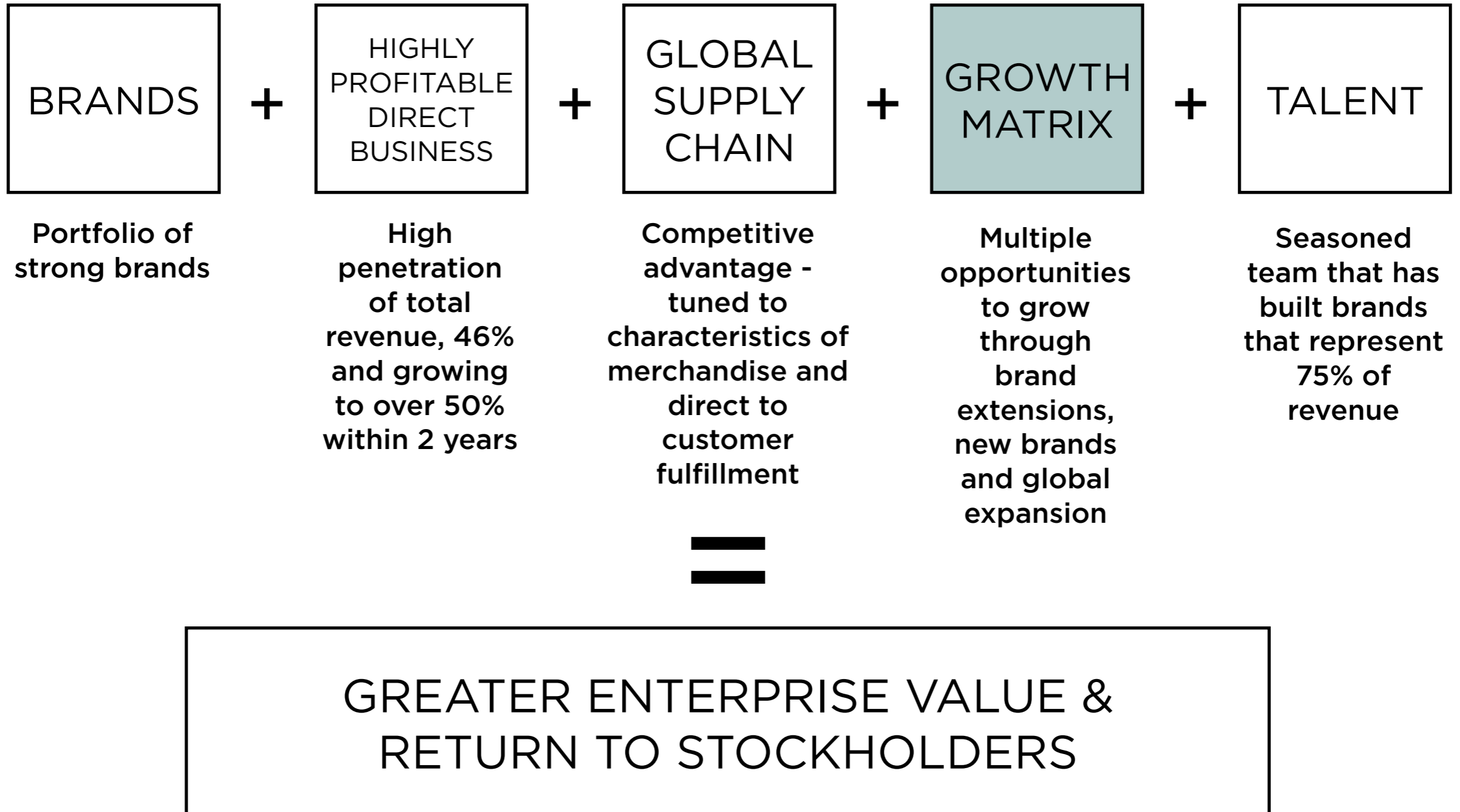
OF OUR UPHOLSTERED  
FURNITURE IS MADE-TO-ORDER

WILLIAMS-SONOMA, INC.

# U.S. DELIVERY TIME



# OUR FORMULA FOR *sustainable* GROWTH



SIGNIFICANT  
*growth*  
OPPORTUNITIES



# west elm



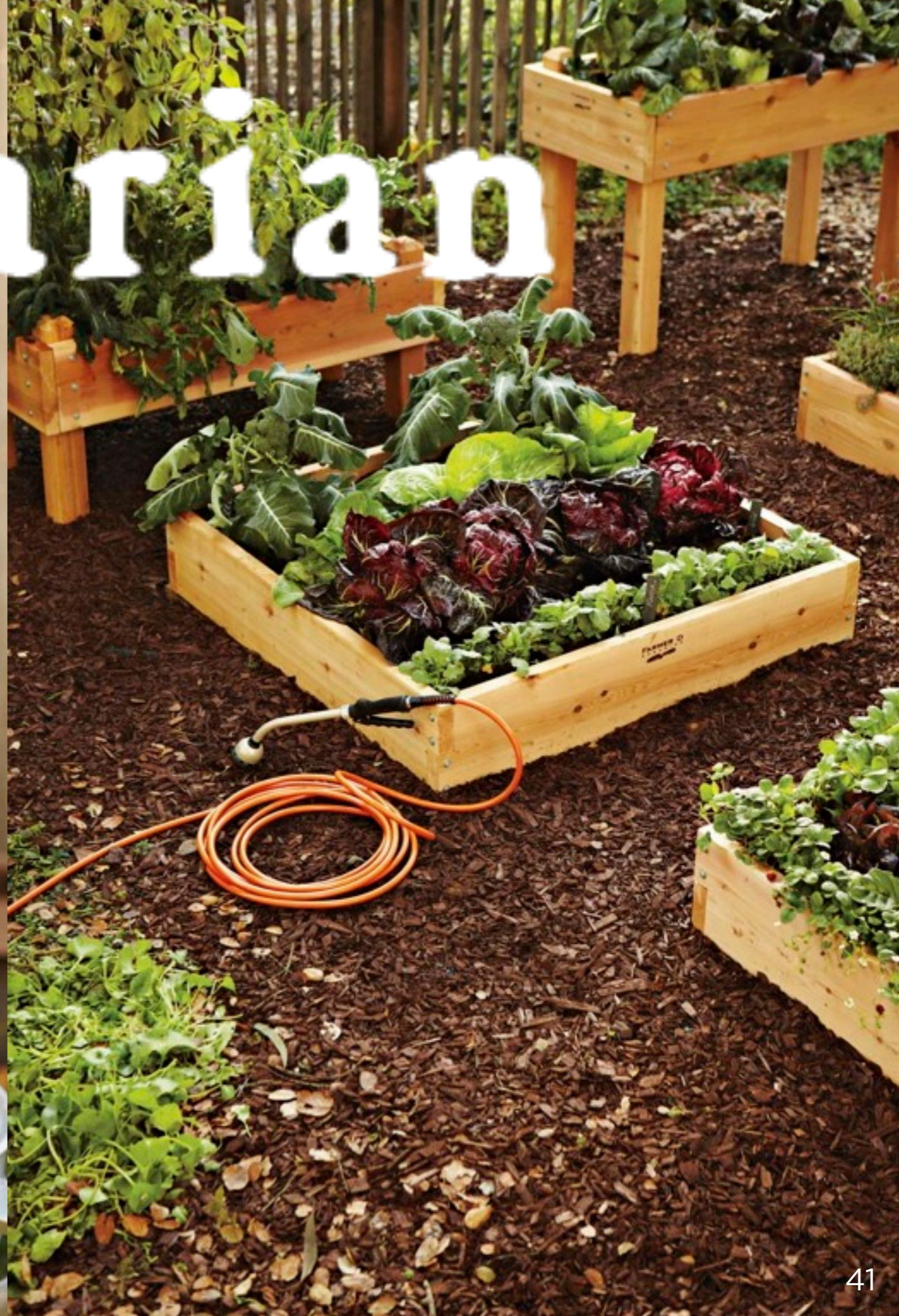
# — west elm — MARKET





# PB dorm

# agrarian



# WILLIAMS SONOMA HOME





# REJUVENATION

WILLIAMS-SONOMA, INC.

# Mark <sup>AND</sup> \* Graham



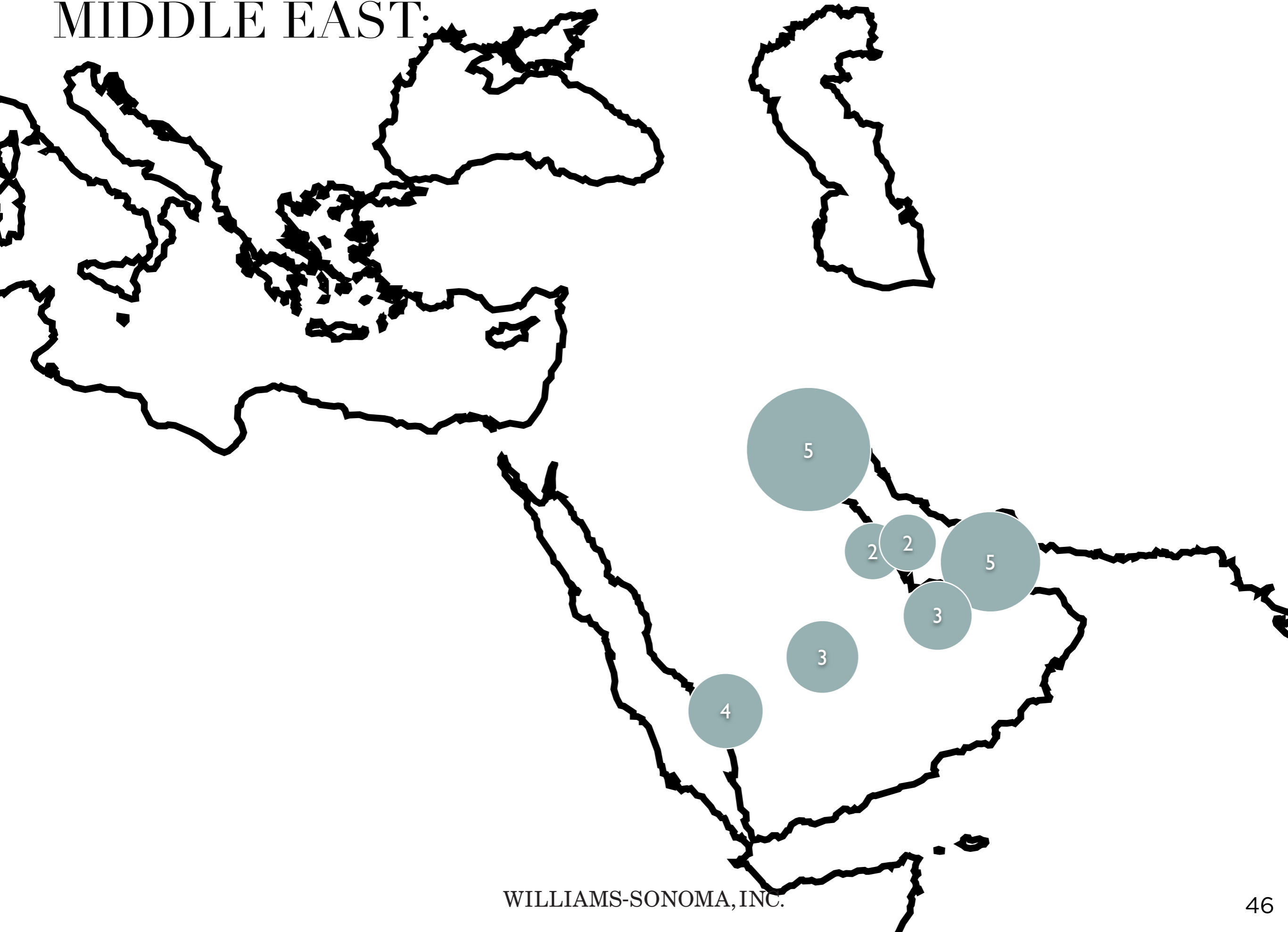
WILLIAMS-SONOMA, INC.



CANADA:



# MIDDLE EAST:



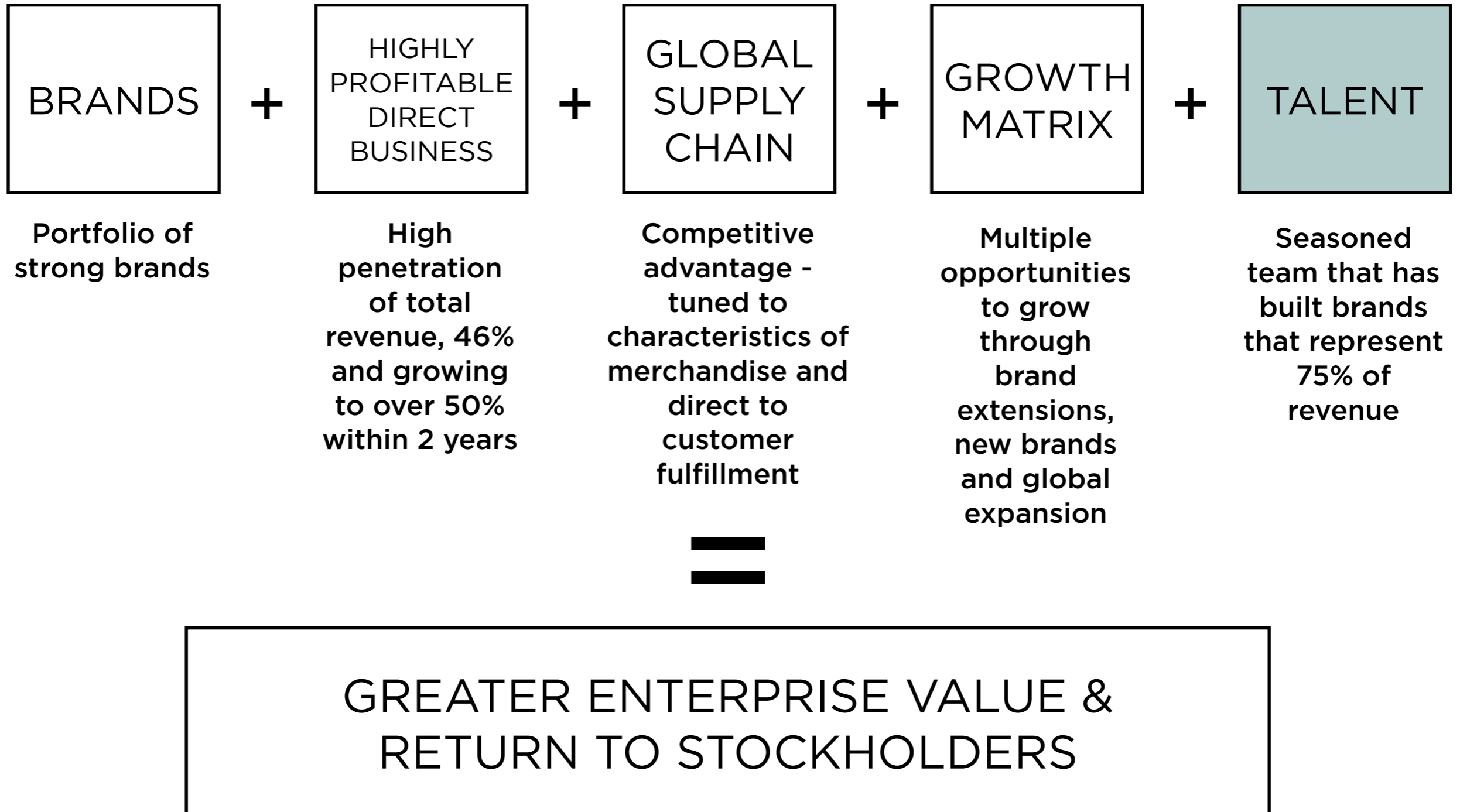
# SHIPPING TO OVER 90 COUNTRIES:



WILLIAMS-SONOMA, INC.



# OUR FORMULA FOR *sustainable* GROWTH



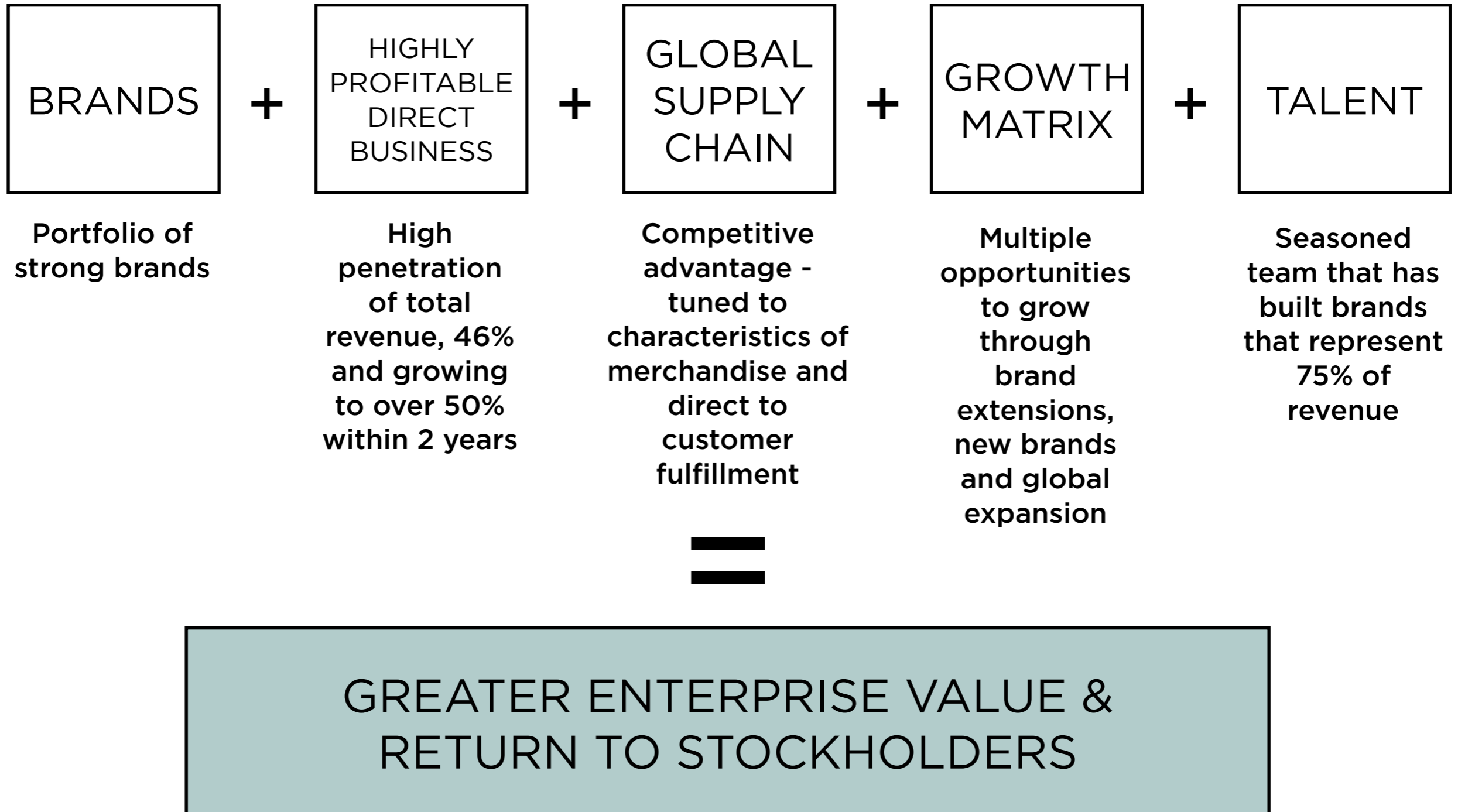






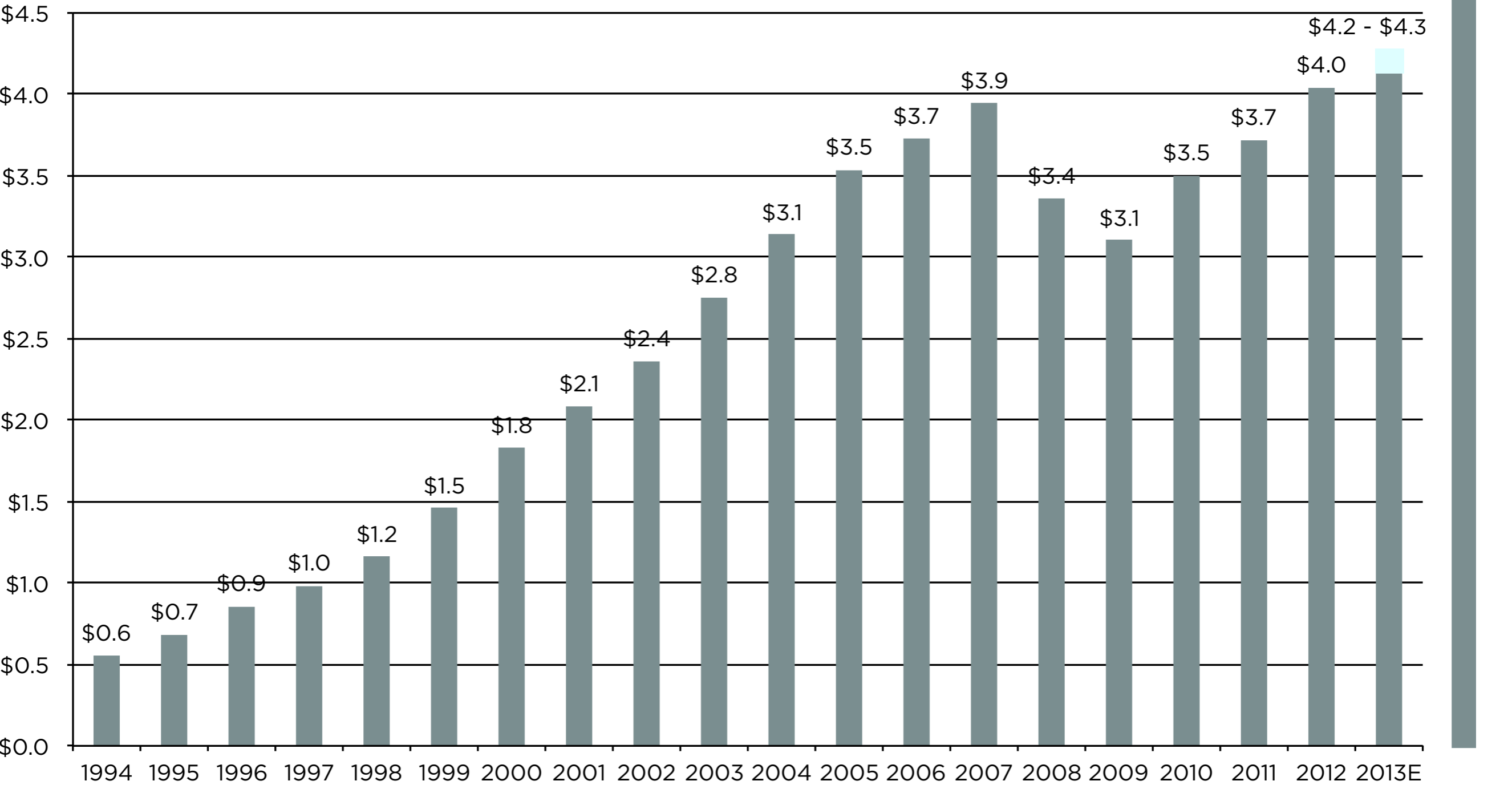


# OUR FORMULA FOR *sustainable* GROWTH



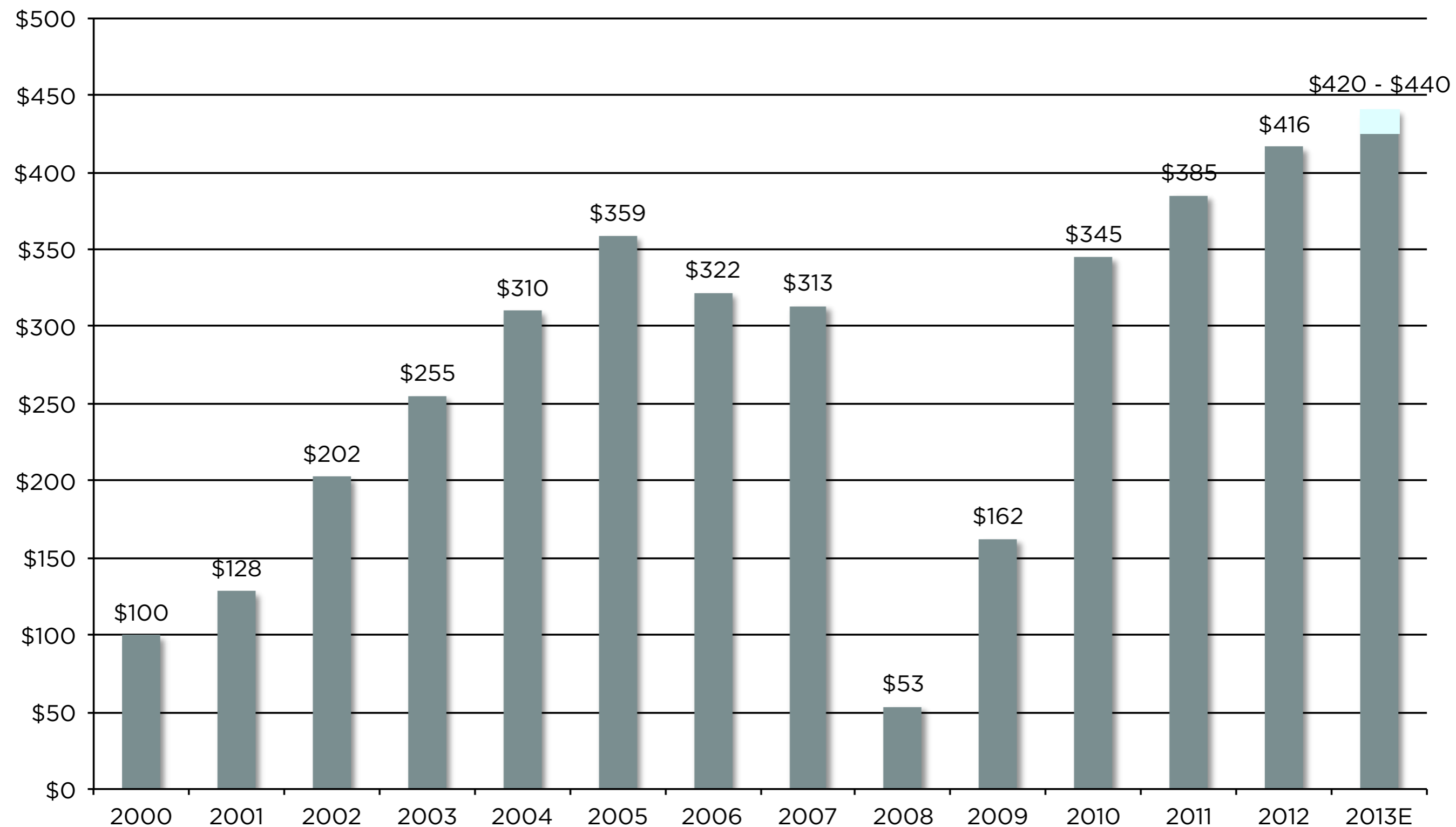
# REVENUE (\$B):

REVENUE OUTLOOK: MID TO HIGH SINGLE-DIGITS GROWTH  
OVER THE NEXT 3 YEARS



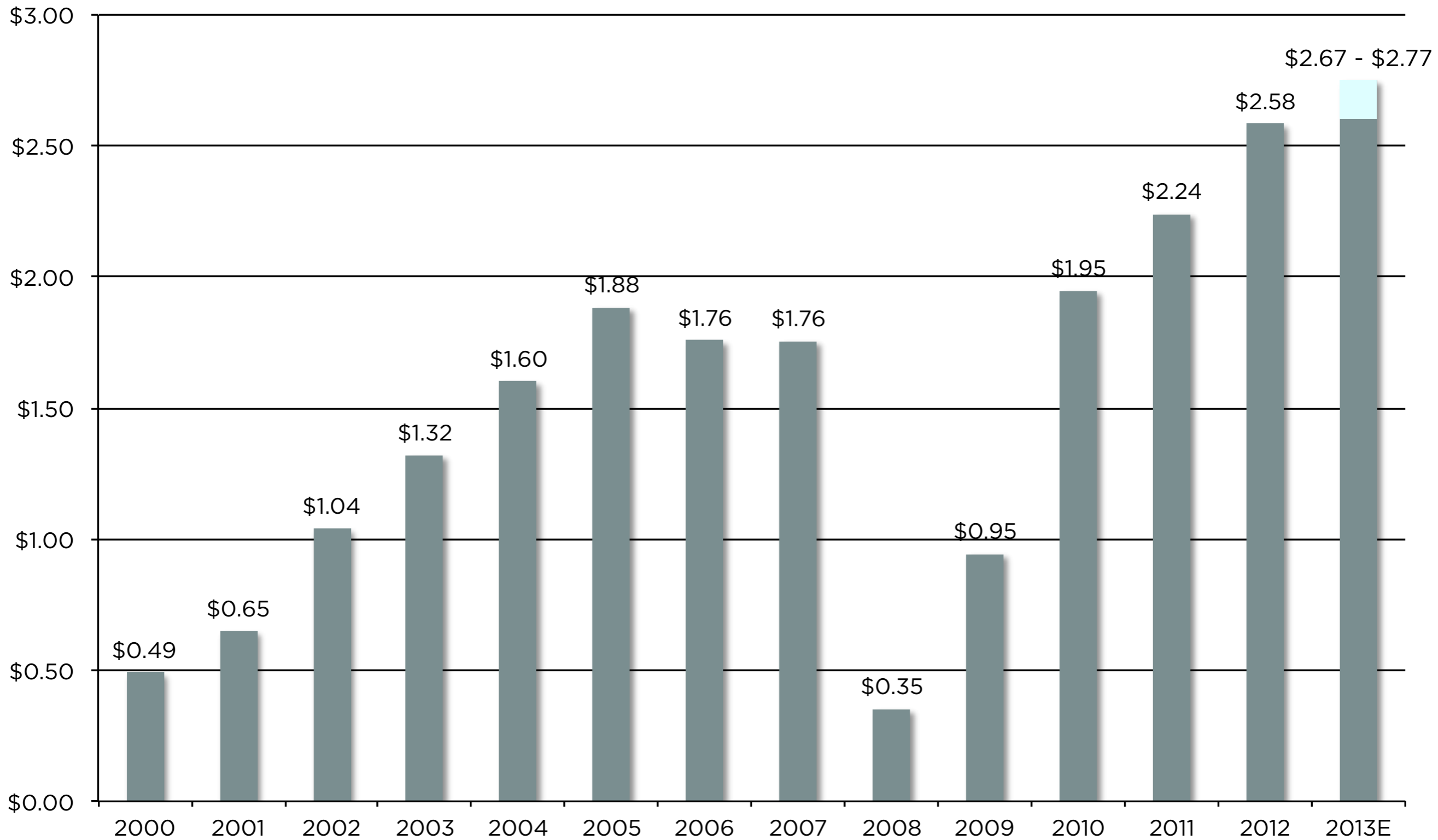
\$8B+

# OPERATING INCOME (\$M):



# NON-GAAP EARNINGS PER SHARE:

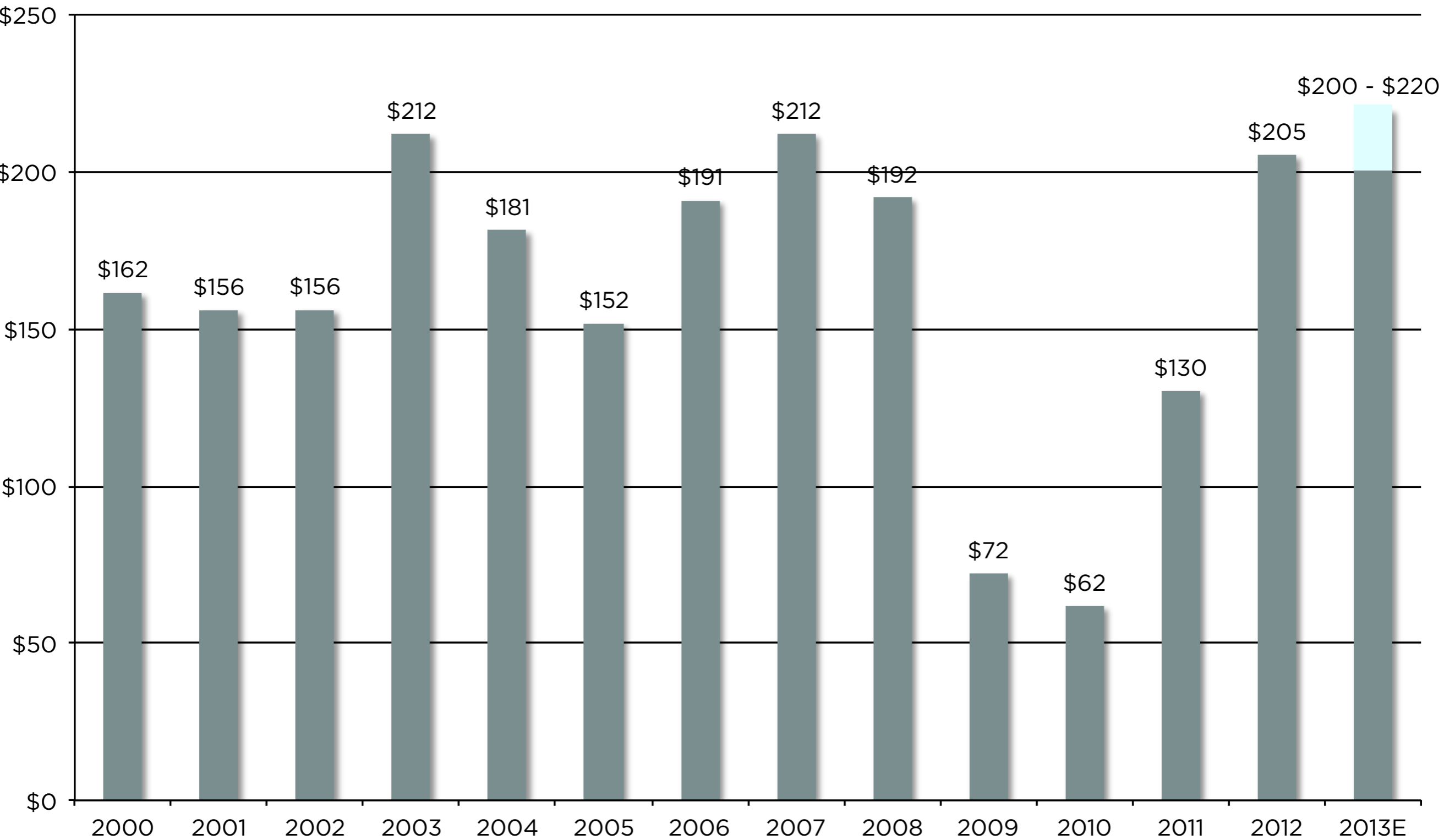
EPS OUTLOOK: LOW DOUBLE-DIGITS TO MID-TEENS GROWTH OVER THE NEXT 3 YEARS



WILLIAMS-SONOMA, INC.

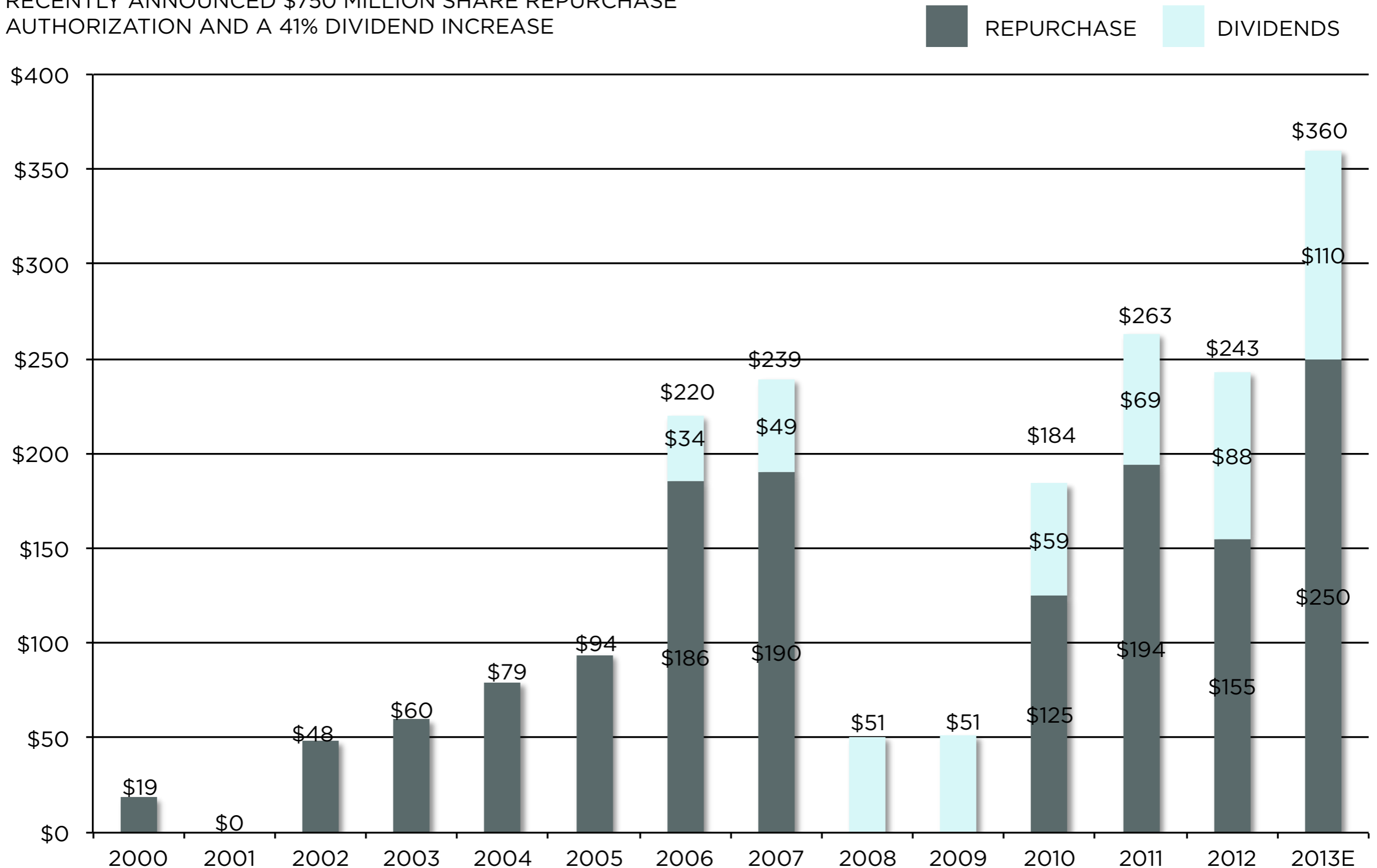
# CAPITAL EXPENDITURES (\$M):

2000 - 2013E  
CAPITAL EXPENDITURES

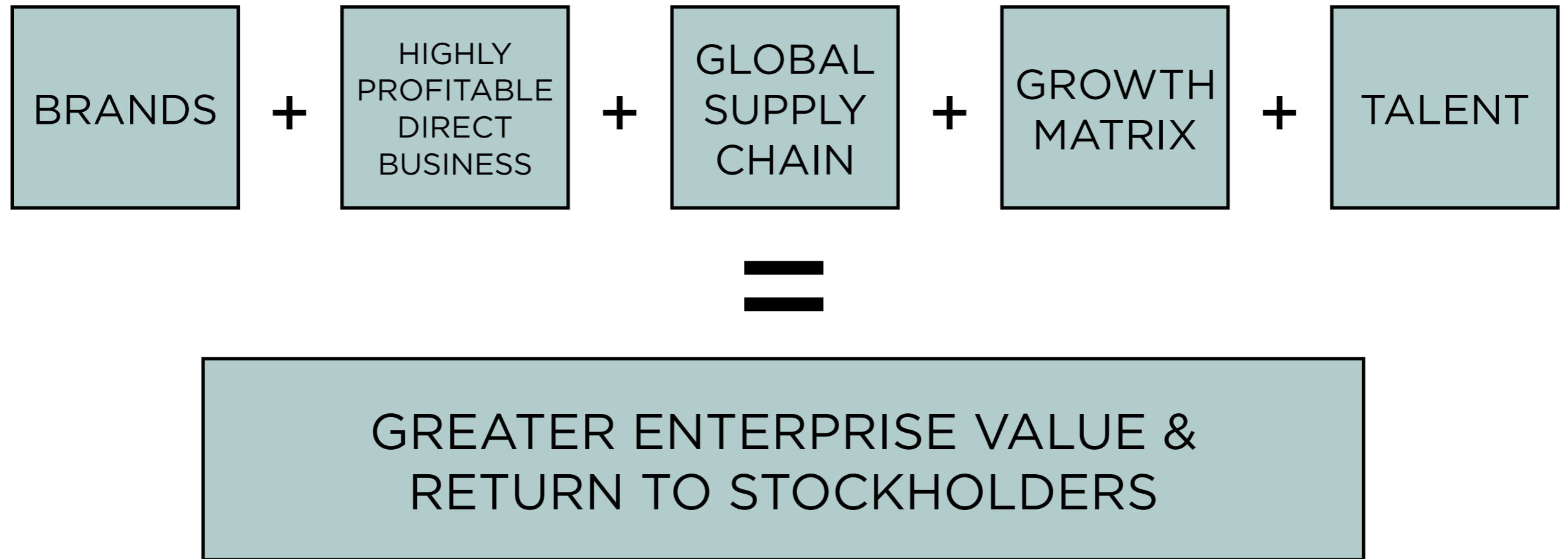


# RETURNING CASH TO OUR STOCKHOLDERS:

RECENTLY ANNOUNCED \$750 MILLION SHARE REPURCHASE AUTHORIZATION AND A 41% DIVIDEND INCREASE



WILLIAMS-SONOMA, INC.



TOMORROW'S  
*retailer*