

WILLIAMS-SONOMA, INC.

Investor Presentation

2026

POTTERY BARN | pottery barn kids | POTTERY BARN | teen | west elm
WILLIAMS SONOMA | WILLIAMS SONOMA HOME | MARK & GRAHAM | REJUVENATION | GreenRow | dormify



Pottery Barn: Huntington Collection, Summer '26

FORWARD-LOOKING STATEMENTS

Certain statements included in this presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. These statements address the financial condition, results of operations, business and strategic initiatives, and prospects of the Company, as well as any other statement that is not of historical facts. The forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially. Undue reliance should not be placed on forward-looking statements, which speak only as of May 6, 2026. 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. Additionally, there may be other factors of which the Company is not currently aware of that may affect matters discussed in the forward-looking statements and may also cause actual results to differ materially from those discussed. The Company undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances that may arise after May 6, 2026.



West Elm Office: Hughes Collection, Spring '26

Vision

To own the home. And the places where our customers work, stay, and play.

Mission

Enhance the quality of life at home and beyond.

WSM Highlights

OUR REVENUES

\$7.8B
2025 REVENUE

REVENUE BY BRAND¹

Pottery Barn	\$2.999B
West Elm	1.860
Williams Sonoma ²	1.362
Pottery Barn Kids & Teen	1.138
Other ³	0.448
Total	\$7.807B



1. Includes Business-to-Business net revenues.
2. Includes Williams Sonoma Home net revenues.
3. Includes net revenue from Rejuvenation, Mark & Graham, international franchise operations, and GreenRow.

KEY FINANCIAL MEASURES

51.6%
ADJUSTED ROIC

7%
EPS GROWTH
since 2022

18.1%
OPERATING
MARGIN

\$5B
RETURNED TO
SHAREHOLDERS
through dividends and share buybacks
in the last 5 years

TOTAL RETURN TO SHAREHOLDERS*

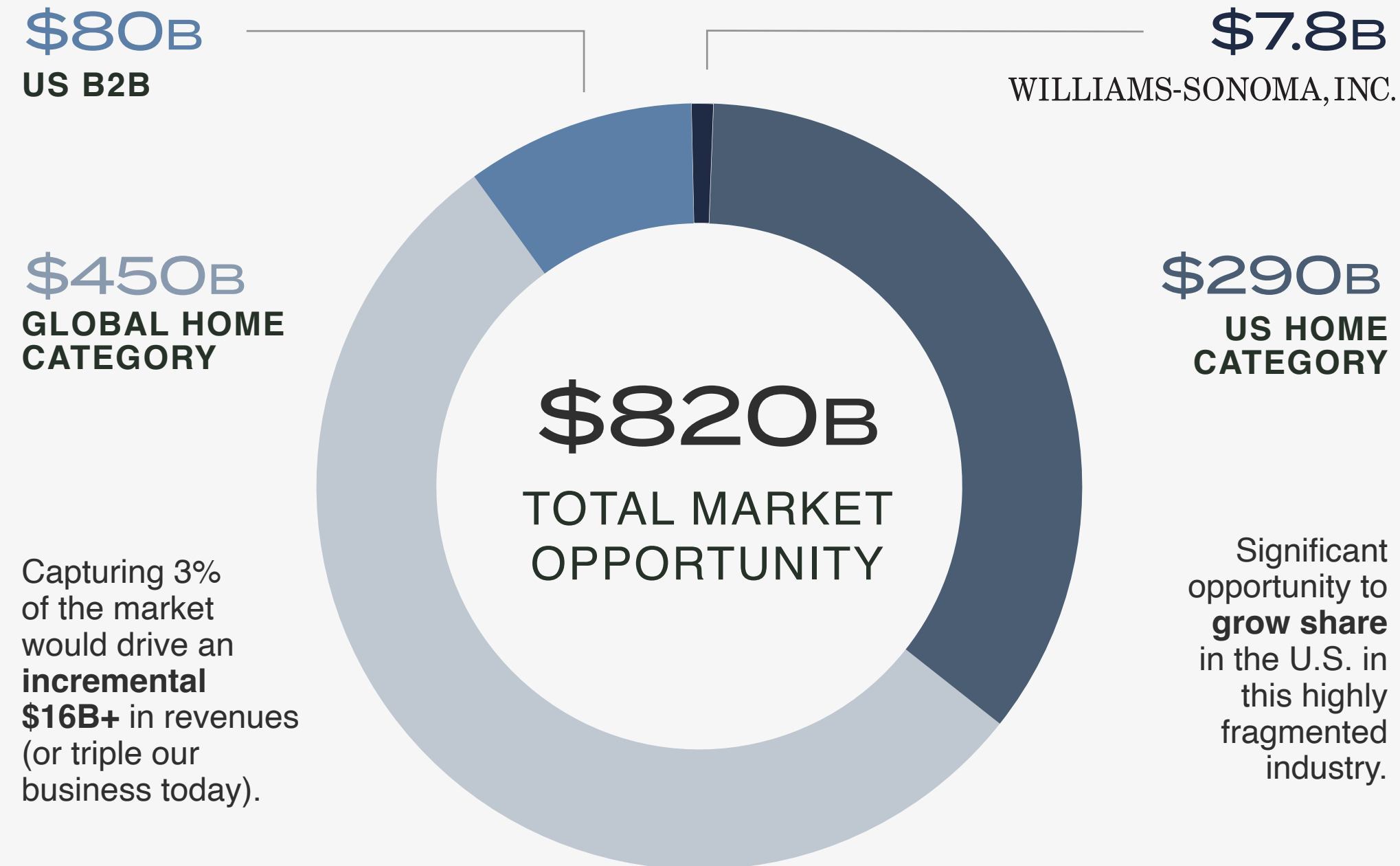
241%
3 YEAR

249%
5 YEAR

*As of February 1, 2026.

Expansive Market Opportunity

We operate in a highly fragmented market where no one owns more than 5%.*



*Source: Euromonitor, ThinkLab, & company estimates

Market Share

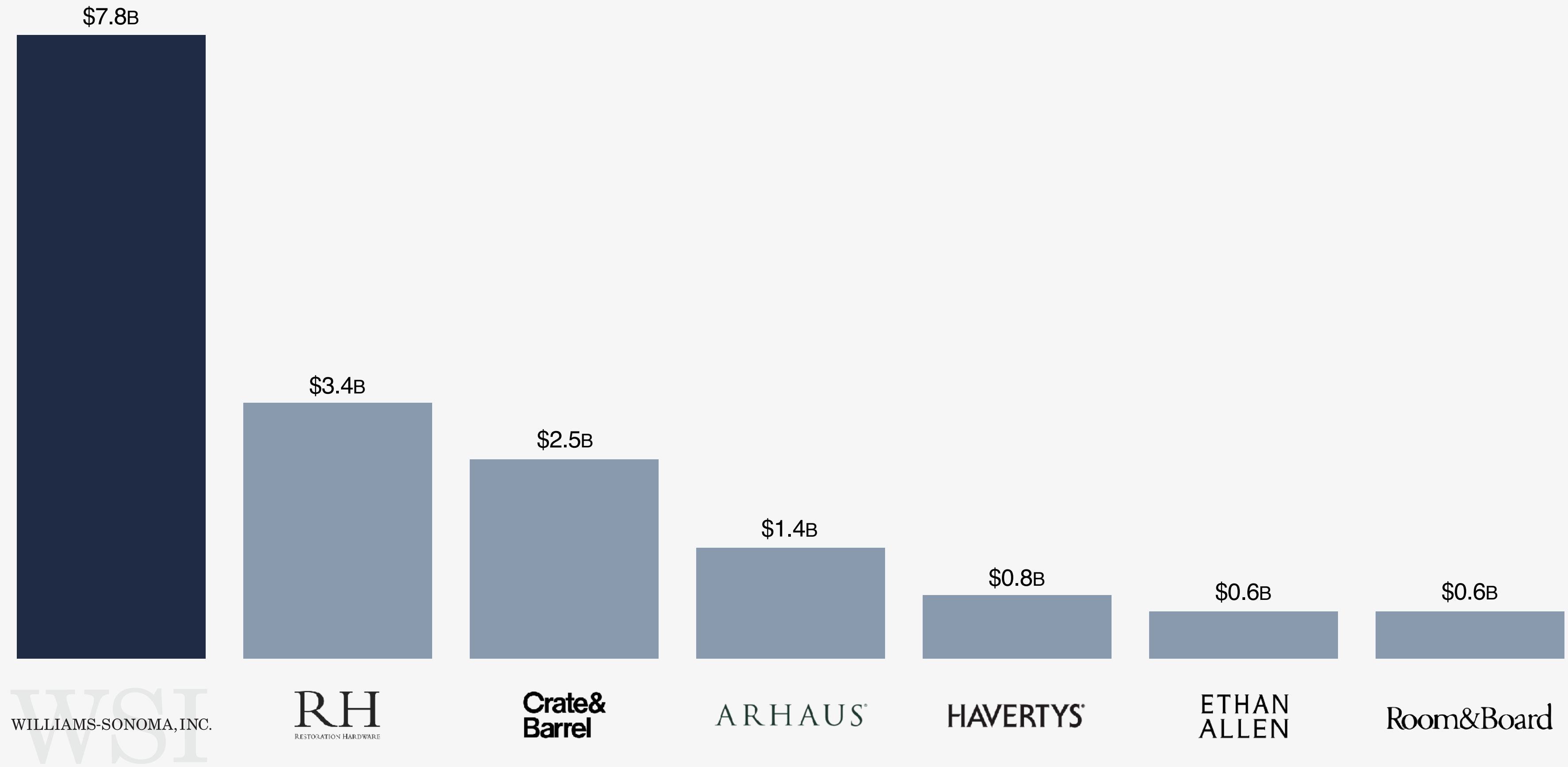
We have consistently outperformed the industry over the past several years.



*Source: Bank credit card data

Leading Specialty Home Furnishings

We are the largest omni-channel player in the specialty home furnishings category. Our size and scale are a competitive advantage in a fragmented industry.



Our Competitive Advantage

KEY DIFFERENTIATORS

In-house Design • Digital First, Not Digital Only • Quality

GROWTH INITIATIVES

Brand Growth • Product Pipeline • Brand Heat • Channel Excellence
Emerging Brands • Business-to-Business

PROFITABILITY

The power of our operating model, along with our key differentiators and growth initiatives, positions us to take market share profitability.



William Sonoma Home: Radius Collection, Summer '26

KEY DIFFERENTIATORS

1

IN-HOUSE
DESIGN

2

DIGITAL
FIRST,
NOT DIGITAL
ONLY

3

QUALITY



In-House Design

We design, create, and distribute our own products. We work closely with our trusted vendors to bring high-quality, sustainable products to market. Given our strong value equation and proprietary products that cannot be found elsewhere, we have pricing power that others do not.



140

IN-HOUSE DESIGNERS & ARTISTS

Innovating and creating differentiated and market-leading product assortments.

>90%

PROPRIETARY PRODUCTS

Designed and sold exclusively through our brands.

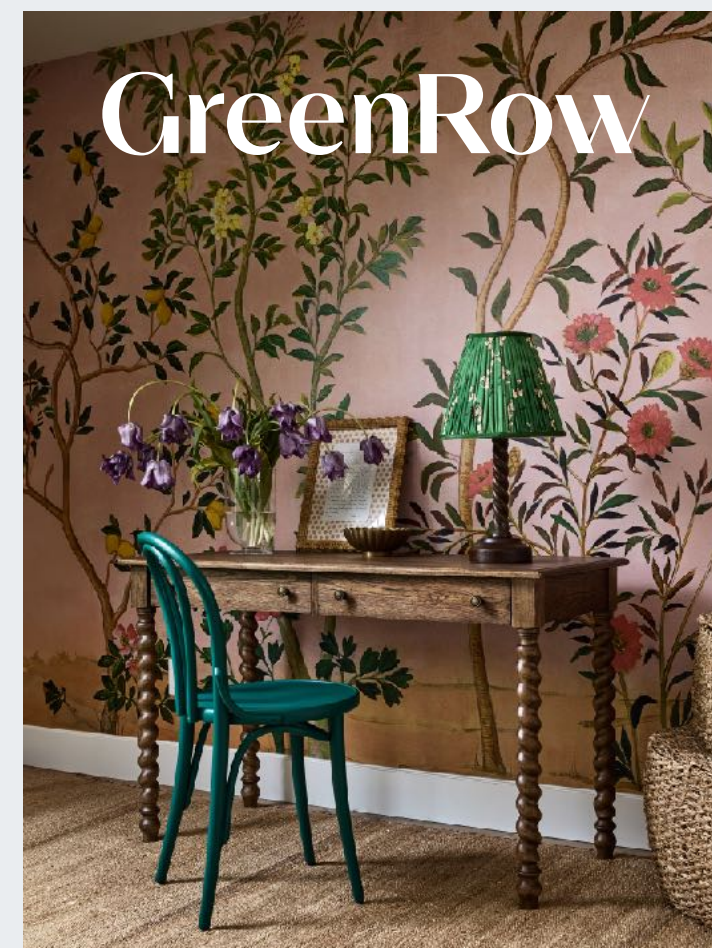
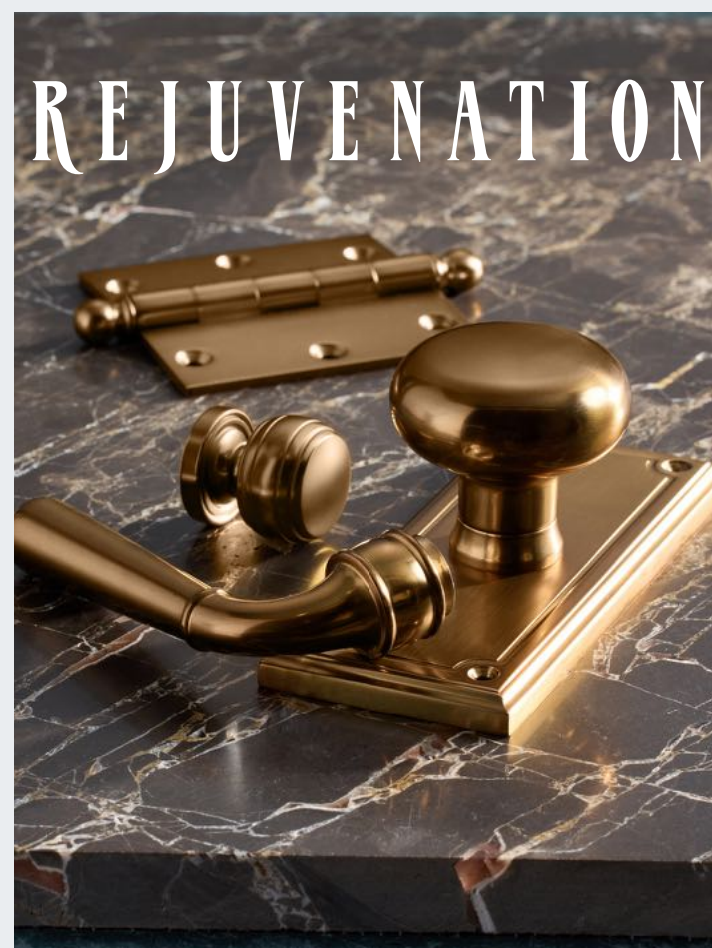
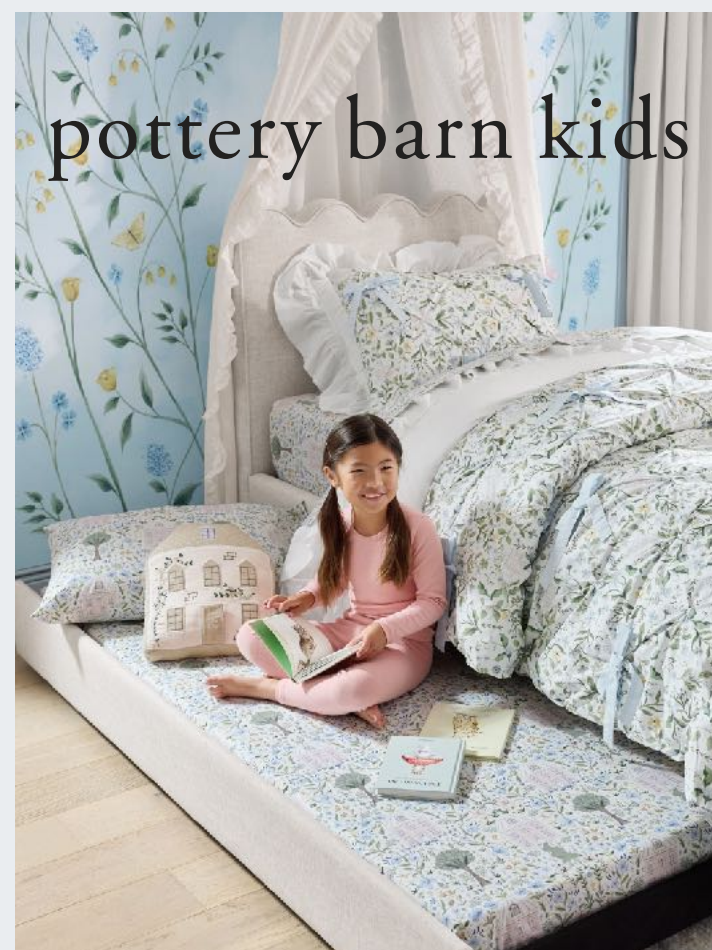
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SOURCING OFFICES

Overseeing manufacturing across 53 countries to ensure transparency, quality, and safety.

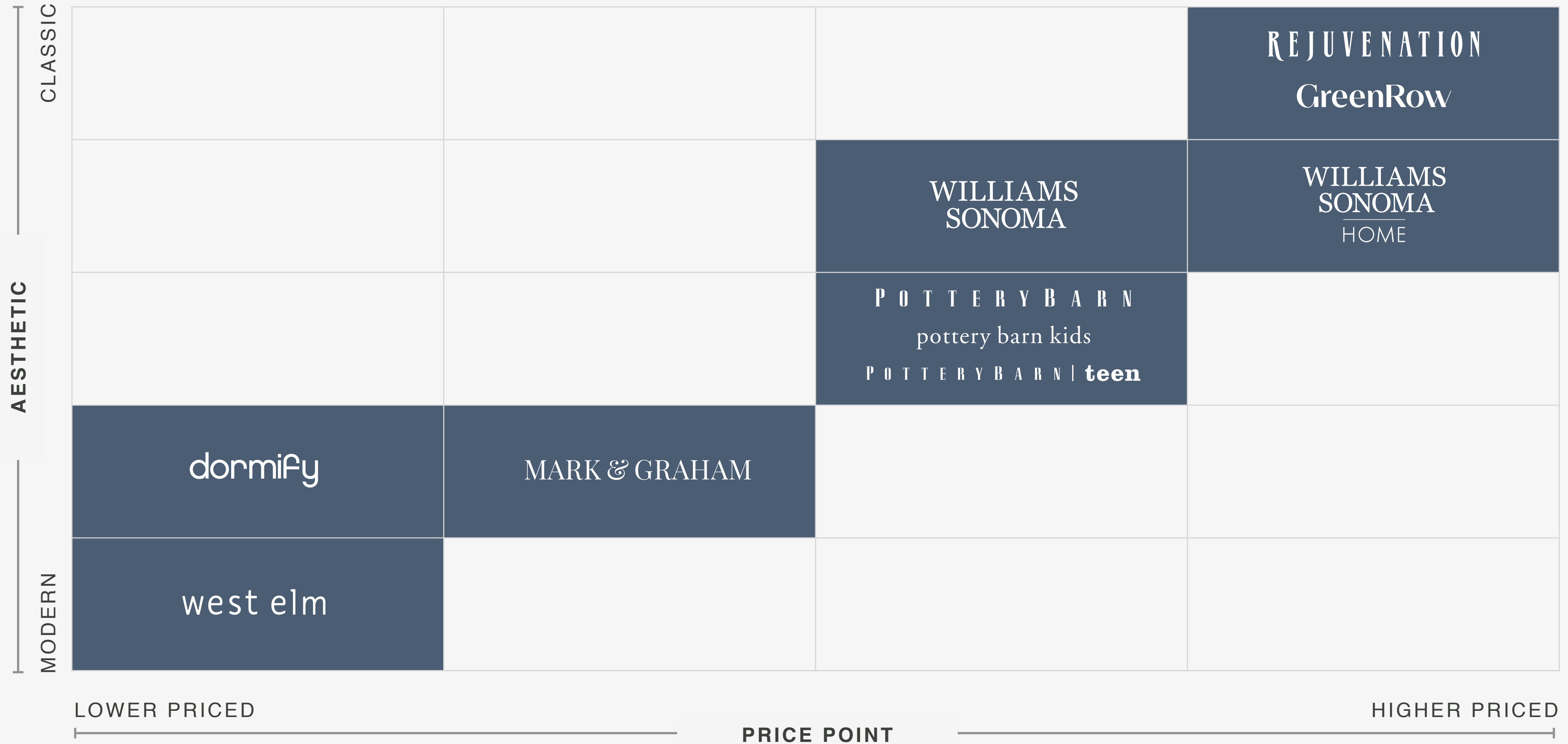
Portfolio of 10 Distinct Brands

We offer the latest home furnishing trends for customers through the lenses of our ten distinct brands, each serving different life stages and rooms of the home and beyond.



Our Aesthetics & Price Points

Our powerful portfolio of brands encompass a wide range of aesthetics and price points that span life stages.



Digital First, Not Digital Only

#23

ECOMMERCE RETAILER

in the United States*

RANK	COMPANY
1	Amazon.com Inc.
2	Walmart Inc.
3	Apple Inc.
4	The Home Depot, Inc.
5	Target Corp.
▶ 23	Williams-Sonoma, Inc.
24	Lululemon Athletica Inc.
29	Urban Outfitters, Inc.
31	Dick's Sporting Goods, Inc.
35	Ulta Beauty, Inc.
39	Victoria's Secret & Co.

*Source: Digital Commerce 360, Top 1000 Report (2025)





Outward: Pottery Barn Room Planner

Our Ecommerce Business

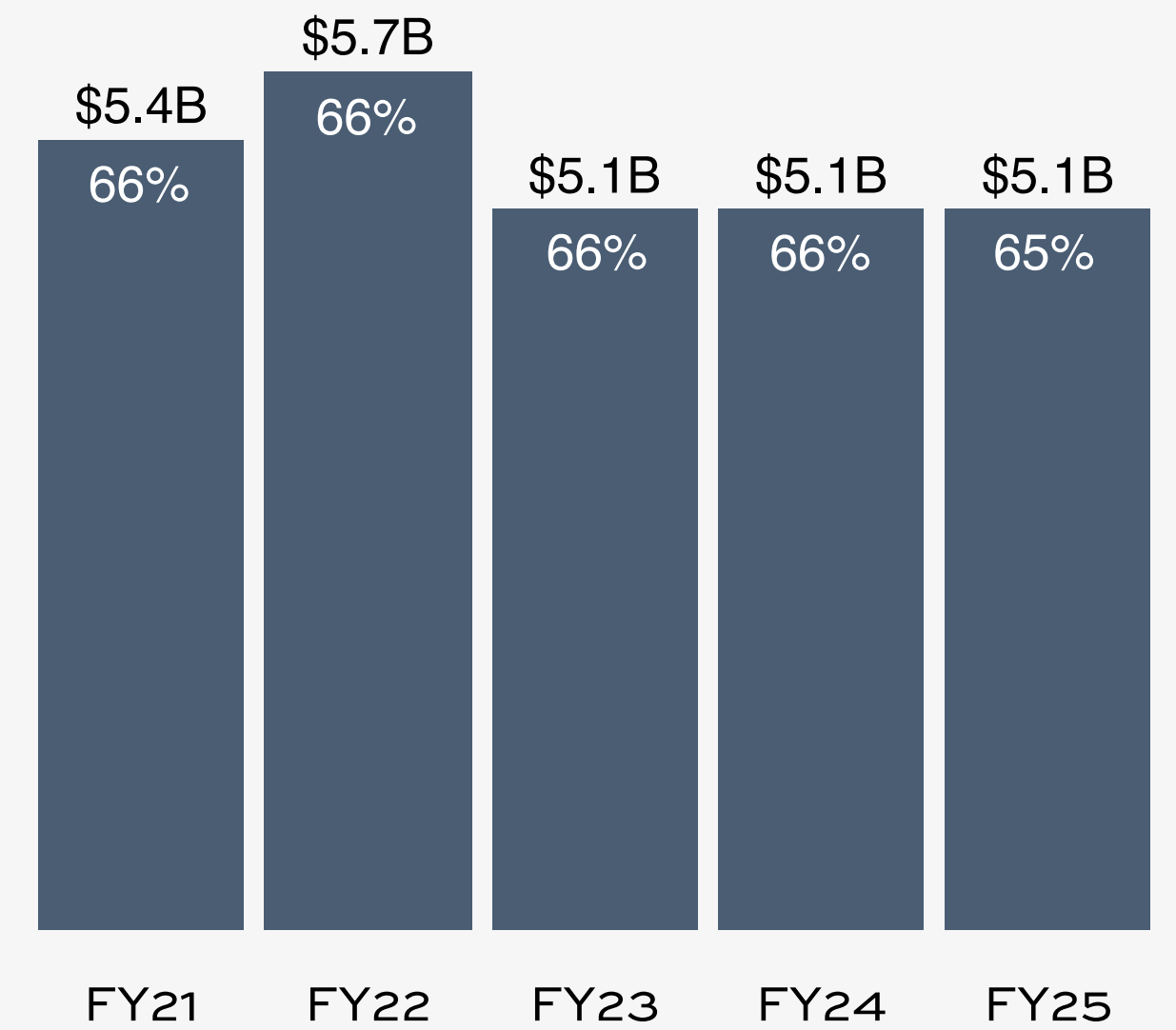
The home furnishings industry is shifting online. Our digital-first platform is well-positioned to take advantage of this shift in consumer behavior to gain market share.

65%
of our business is
ecommerce

ECOMMERCE REVENUES
(\$ and % Ecommerce Penetration)

#1
non-pure play ecommerce
home furnishings retailer*

710M
ecommerce shopping visits
annually



*Source: Digital Commerce 360, Top 1000 Report (2025)



Data-Driven Marketing

Our in-house digital marketing team leverages industry-leading customer analytics, internally developed measurement tools, and first-party data as a competitive advantage.

FIRST-PARTY DATA

Unified view of first-party data for all customers across all channels and brands.

IN-HOUSE DIGITAL MARKETING

Centralized marketing organization keeps insights in-house.

TARGETING & PERSONALIZATION

360° view of customer powered AI-enabled data science models for targeting and personalization.

TEST & LEARN CROSS-BRAND PLATFORM

ROI-focused, proprietary test-and-learn platform capable of running hundreds of simultaneous tests across our brands.



Artificial Intelligence

AI is an accelerator to our initiatives.

DIGITAL DESIGN

Transform customer experiences with generative AI-guided interior design, delivering personalized inspiration, interactive 3D room planning, and photorealistic project visualization.

CUSTOMER SERVICE

Elevate and streamline customer service through intelligent virtual agents, personalized service recommendations, and predictive order insights.

PRODUCT DISCOVERY

Guide customers through complex shopping journeys with AI shopping assistants and hyper-personalized recommendations.

CONTENT AUTOMATION

Streamline creation of product descriptions, attribution data, lifestyle imagery, and brand content through advanced generative AI tools.

INVENTORY MANAGEMENT

Ensure product availability at the right time and place through AI algorithms that analyze purchasing patterns, seasonal trends, and regional preferences to predict demand with greater accuracy.

WORKFORCE PRODUCTIVITY

Accelerate corporate functions and reduce SG&A through AI-powered workflows that eliminate overhead and enable faster, smarter decisions.

Greenpan Stanley Tucci Pizza Oven

Our Retail Advantage

Our stores deliver best-in-class customer experiences with beautifully curated assortments, personalized services, and an integrated shopping experience across channels.

SERVICE

Our free design services offer one-on-one expert consultations in-store, at home, and online, along with personalized registry concierge services, and engaging classes and events.

OMNI-CHANNEL SHOPPING EXPERIENCE

Omni-channel customers spend four times more and shop three times as often compared to single-channel customers.

OMNI-FULFILLMENT

Our stores serve as fulfillment hubs, catering to customers however they shop, including “Buy Online, Pick Up in Store,” “Ship from Store,” and “Buy Online, Ship to Any Store.”

RETAIL OPTIMIZATION

Our retail optimization efforts have transformed our fleet into profitable, inspiring, and strategic locations.



Pottery Barn Store: Naples, FL, Opened January '26

Quality

Quality is our core value and our signature. It shapes how we design, engineer, and deliver products built on performance and craftsmanship. Embedded across our global operating model, our quality platform ensures consistent excellence, protects brand equity, strengthens competitive advantage, and drives sustainable growth.

ENGINEERING EXCELLENCE

Engineering standards developed and embedded across our global product platform.

GLOBAL IN-HOUSE LABORATORIES

Globally harmonized testing protocols supporting safety, durability, and regulatory alignment.

ANNUAL QUALITY VERIFICATIONS ACROSS GLOBAL PRODUCTION

End-to-end verification embedded across our vendors globally.



2026 PRIORITIES

1

ACCELERATING GROWTH

2

DELIVERING WORLD-CLASS
CUSTOMER SERVICE

3

DRIVING EARNINGS



Williams Sonoma: KitchenAid Stand Mixer with Walnut Bowl

1

Accelerating Growth

BRAND GROWTH

- Accelerating Pottery Barn
- Building on West Elm momentum
- Williams Sonoma as the kitchen authority
- Children's expanding from baby to dorm
- Emerging Brands led by Rejuvenation
- B2B driving meaningful growth



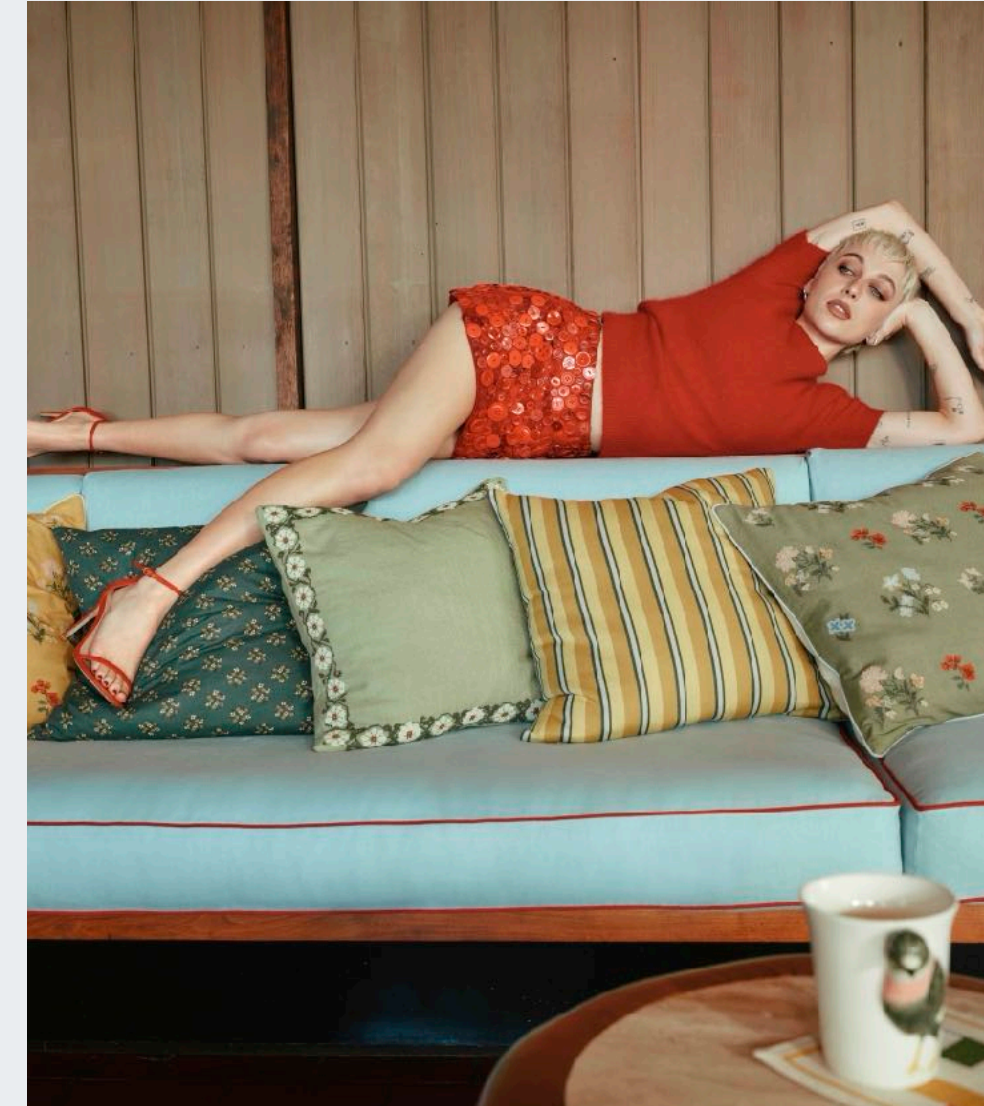
PRODUCT PIPELINE

- Growth in design-led innovation and newness
- Furniture growth through new collections, finishes, and design
- White space opportunities in West Elm Office, Dorm, Pottery Barn Baby
- Expanding Williams Sonoma branded and exclusive product



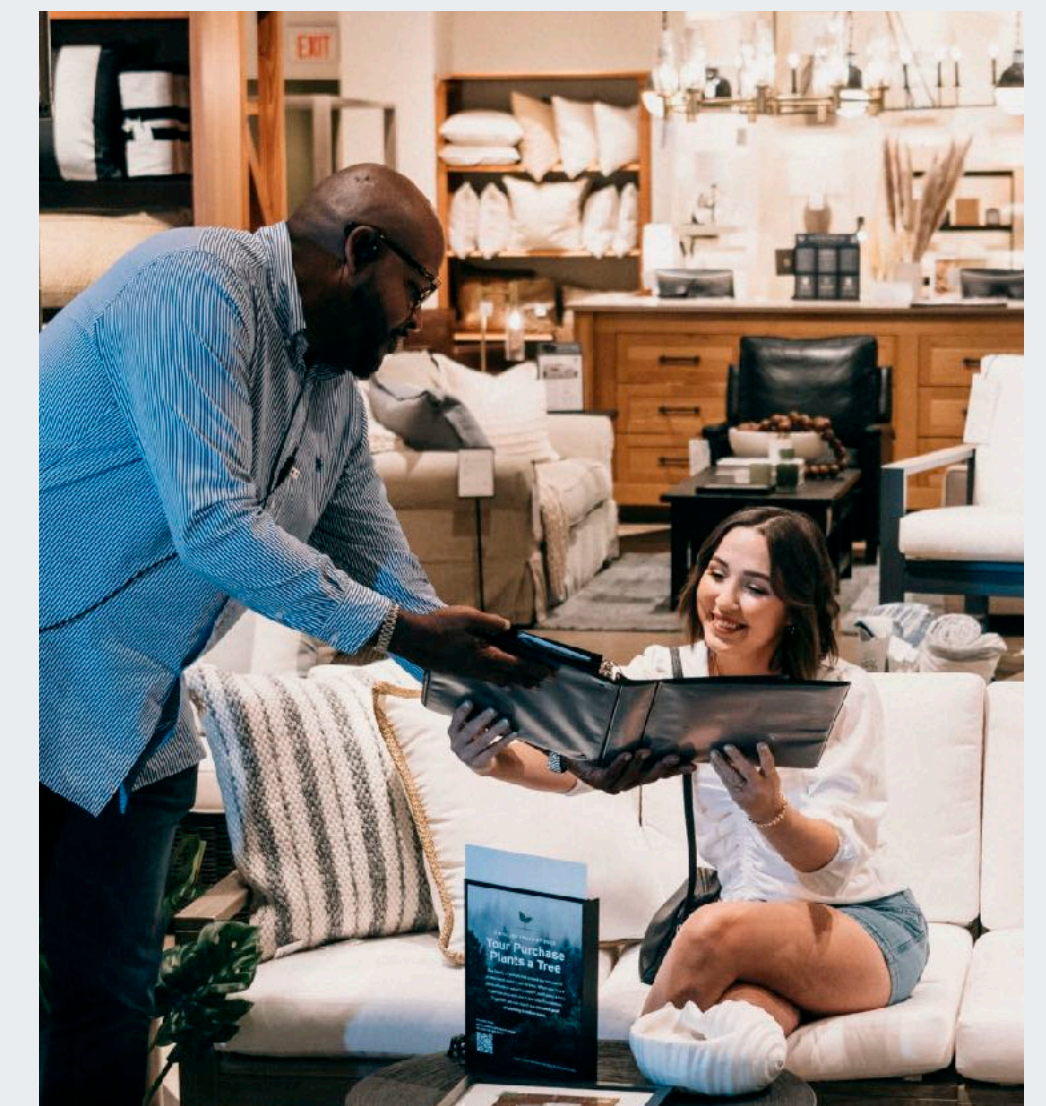
BRAND HEAT

- Excitement and relevance
- Collaborations as a key driver
- Greater social and influencer engagement
- Stronger storytelling across site, email, and catalog
- Partnering with AI leaders to improve discovery



CHANNEL EXCELLENCE

- Better onsite and external discovery
- Online advantaged categories
- AI-powered personalization
- Retail driven by Take It Home Today, Design Services, and disciplined store growth



Rejuvenation: Our Next \$1B Brand

Based out of Portland, Oregon, our Rejuvenation brand is a trusted partner for every home project, offering expert guidance and high-quality designs for renovation and home refresh. With a focus on American craftsmanship, we help customers create thoughtful, lasting spaces.

ELEVATING SPACES WITH PREMIUM HARDWARE

High-quality, design-driven hardware sets the brand apart, offering a broad assortment of timeless, functional pieces that complete any project.

CUSTOM LIGHTING EXPERTISE

Expert craftsmanship and made-to-order capabilities allow customers to personalize lighting, including length, finish, and shade—driving growth in the expanding lighting market.

LEADERSHIP IN BATH DESIGN

A growing bath assortment is capturing more market share with premium, design-driven solutions.

EXPANDING RETAIL FOOTPRINT

With 13 showrooms, these retail spaces provide an experiential way to explore thoughtfully designed collections in person.

B2B GROWTH

The B2B channel serves trade professionals with premium, project-ready solutions.





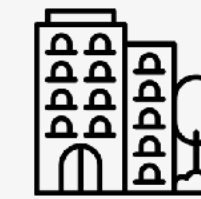
Business-to-Business: A \$2B Opportunity

We are no longer just a *home* furnishings company. Leveraging our in-house design, vertical sourcing, and brand portfolio, we are disrupting the growing and underserved business-to-business market.



HOSPITALITY

Hotels, Resorts,
Restaurants, Country
Clubs



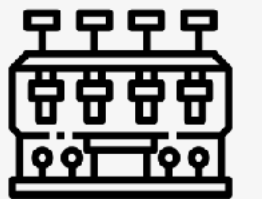
RESIDENTIAL

Single and
Multi-Family Designers and
Developers



EDUCATION

Educational
Establishments and
University Housing



COMMERCIAL

Office Spaces,
Sports/Entertainment
Arenas



GOVERNMENT

GSA certification,
Government, and
Military



HEALTHCARE + WELLNESS

Senior Living,
Hospitals, Health, and
Fitness



RETAIL

Retail Store Builds
and Malls



CRUISE

Ship Furnishings,
Departure Lounges,
and Yacht Clubs

2

Delivering World-Class Customer Service

— DELIVERY NETWORK —

15
REGIONAL
DISTRIBUTION
CENTERS

42
FURNITURE
HUBS

2.4M
2025 IN-HOME
FURNITURE
DELIVERIES

— CUSTOMER SERVICE SCORES —

88
IN-STORE
NET
PROMOTER
SCORE

4.8/5
STARS
COMPANY
AVERAGE STELLA
SCORE

87
IN-HOME DELIVERY
NET PROMOTER
SCORE

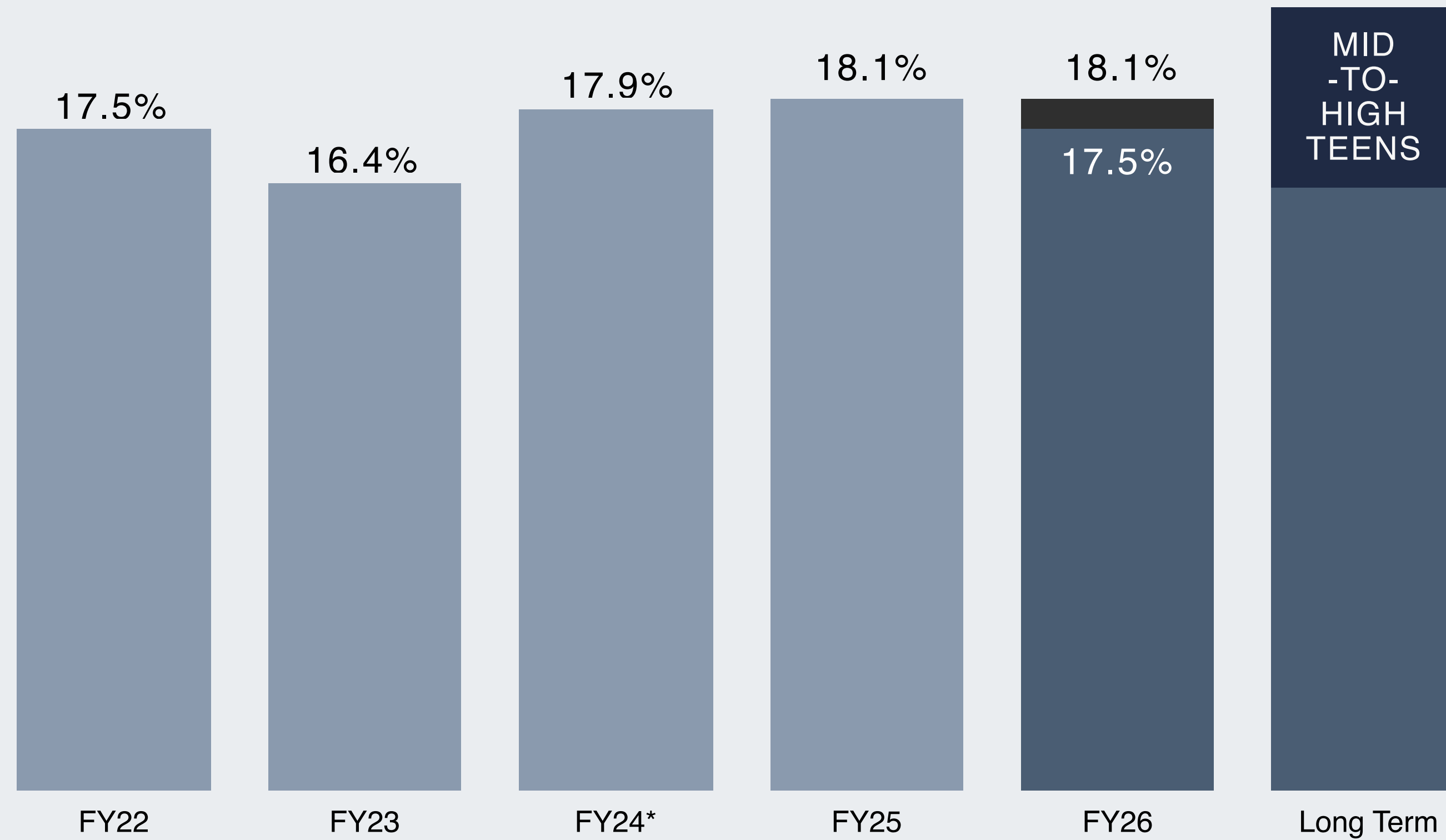
— IMPROVED DELIVERY SERVICE —

Returns • Damages • Replacements • On-time Deliveries
Accommodations • Multiple Shipments



Driving Earnings

We expect operating margin to be in the range of 17.5% – 18.1% in FY26 and in the mid-to-high teens in the long term.



* Operating margin excludes an out-of-period freight adjustment of \$49M in Q1 FY24 worth 70bps.

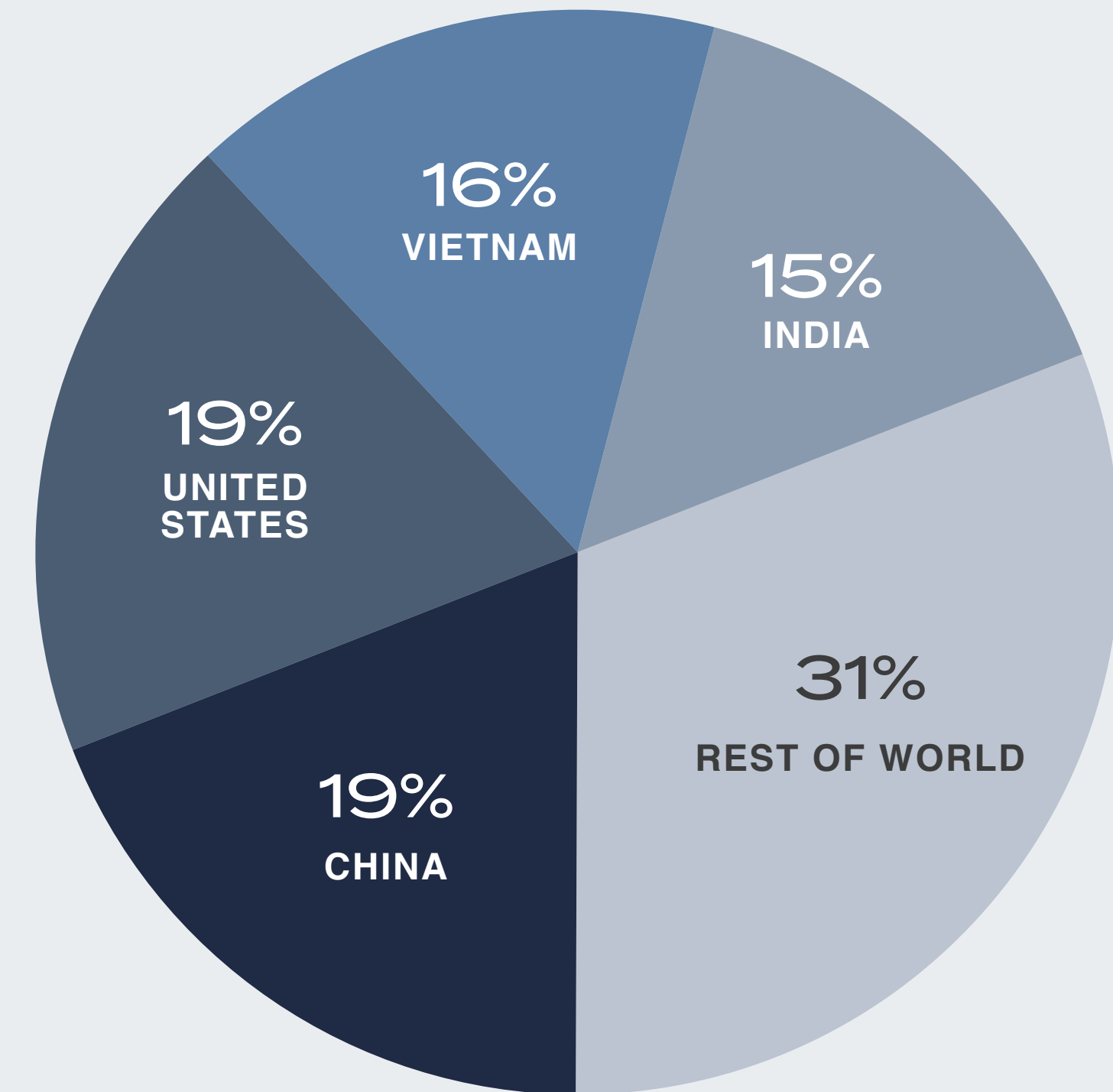
Tariffs

We have a 6-point plan for tariff mitigation.

- 1 Obtaining **cost concessions** from our strong vendor partnership.
- 2 **Re-sourcing goods** to lower tariff countries.
- 3 Passing on **select price increases**.
- 4 Identifying further **supply chain efficiencies** in our network.
- 5 **Reducing SG&A** expense.
- 6 Expanding our **Made in the USA** assortment, production, and partnerships.

FY25 Sourcing Footprint

We have a diverse sourcing base around the world, including the United States.

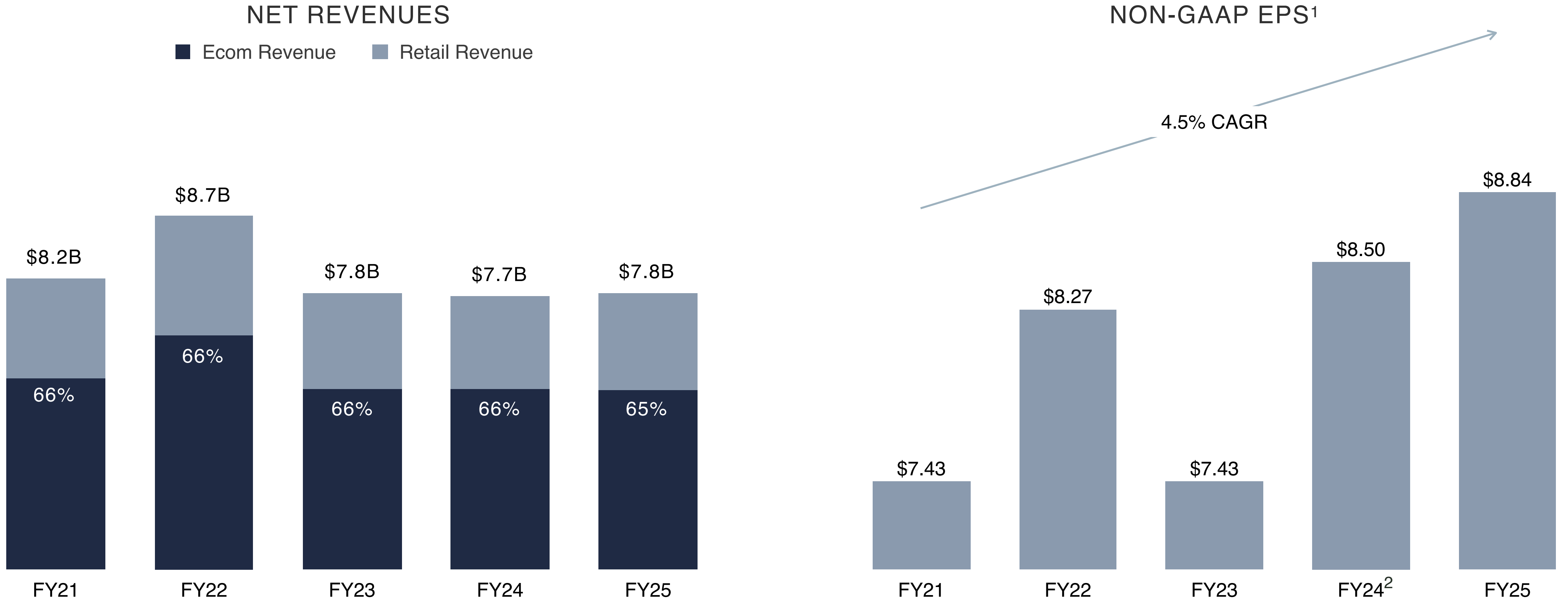


Financial Outlook



Financial Performance

We have a track record of strong revenue and EPS growth.

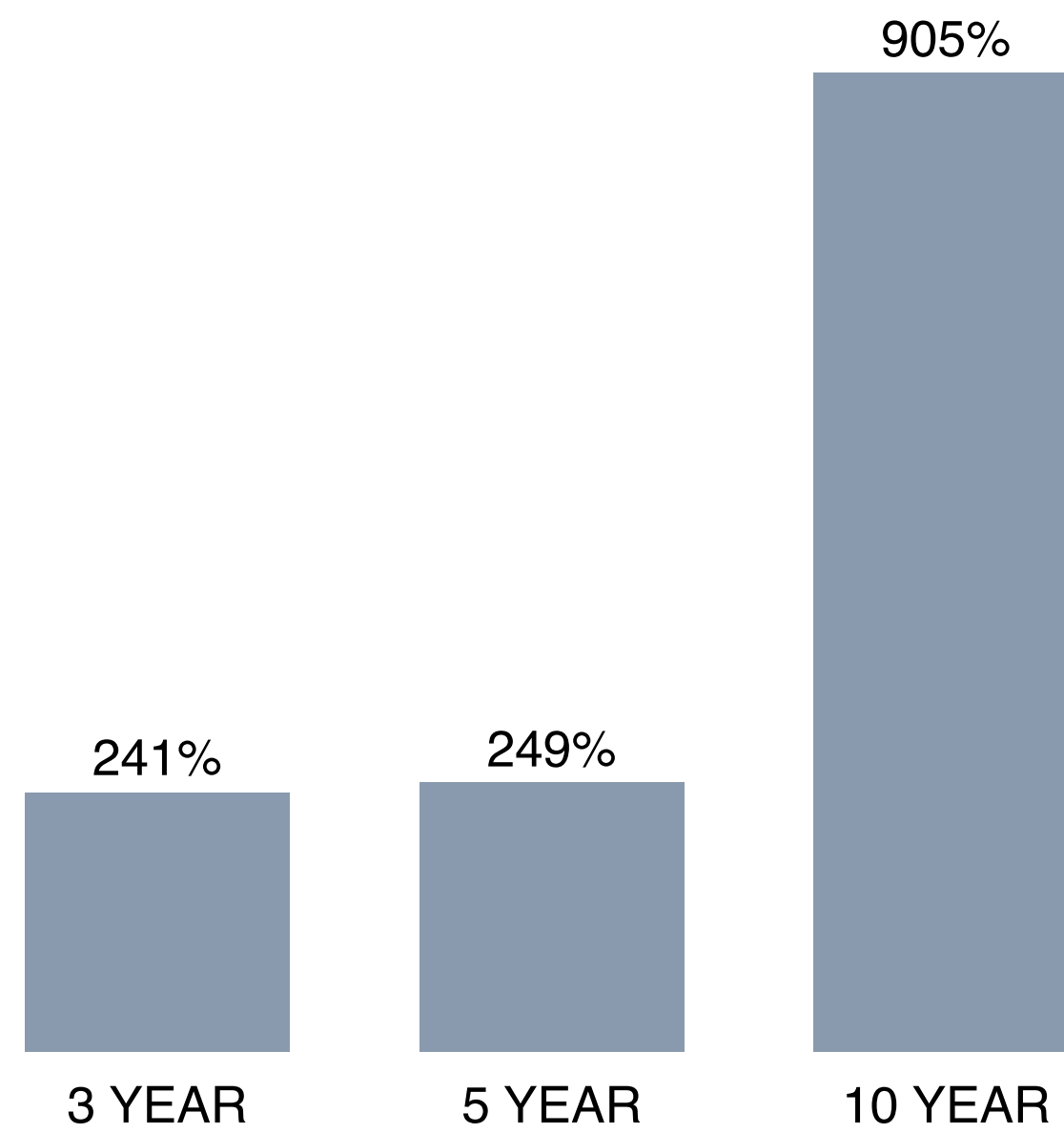


1. On July 9, 2024, the Company effected a 2-for-1 stock split of its common stock through a stock dividend. Non-GAAP EPS has been retroactively adjusted to reflect the stock split.
2. Excludes the impact of the out-of-period freight adjustment in Q1 FY24, worth \$0.29 in EPS.

Returns on Investment

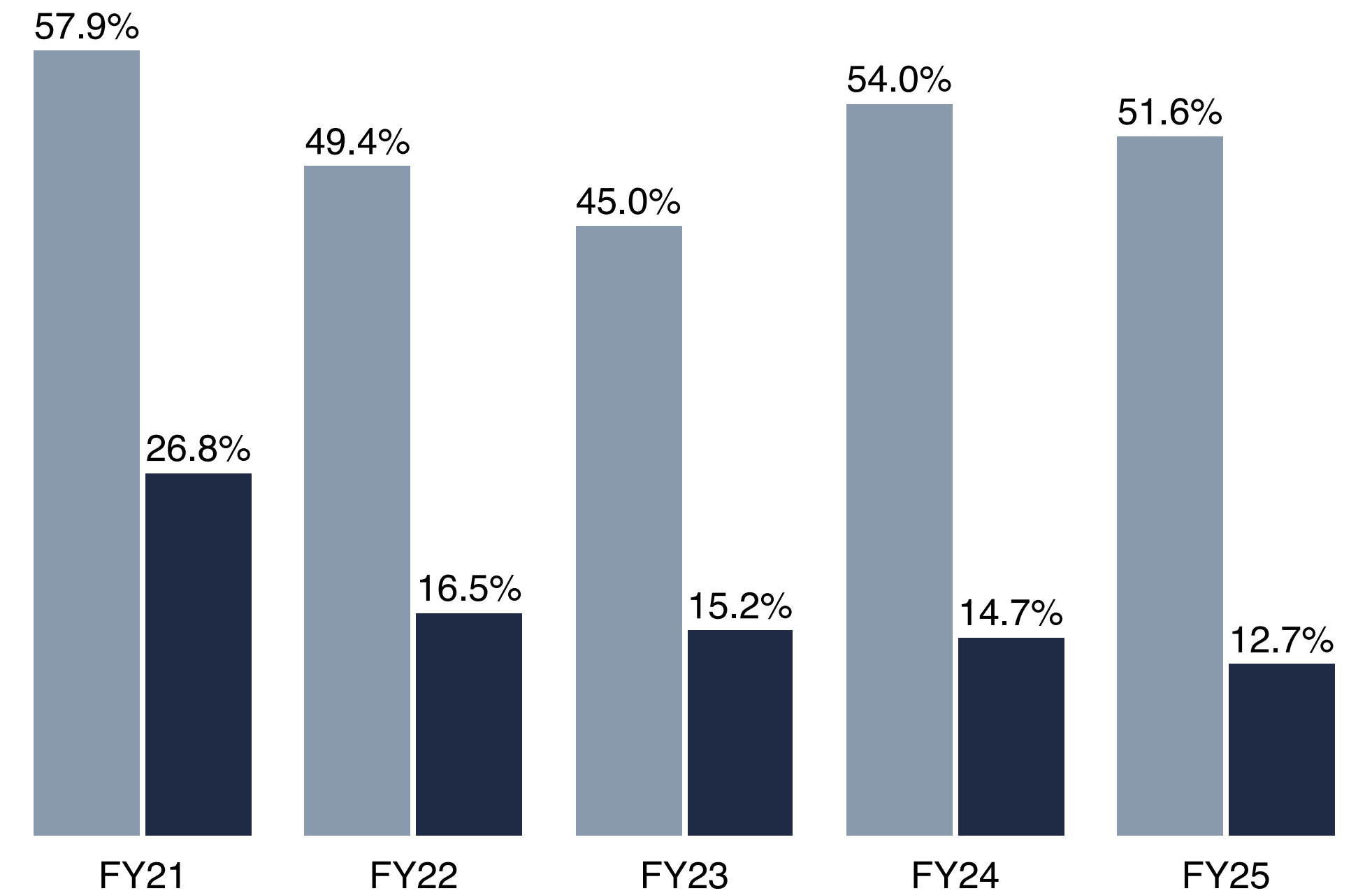
Our investments in our business are generating industry-leading returns.

TOTAL SHAREHOLDER RETURNS¹



RETURN ON INVESTED CAPITAL²

■ WSI ■ Peer Median



1. Assumes re-investment of dividends and reflects share repurchases.

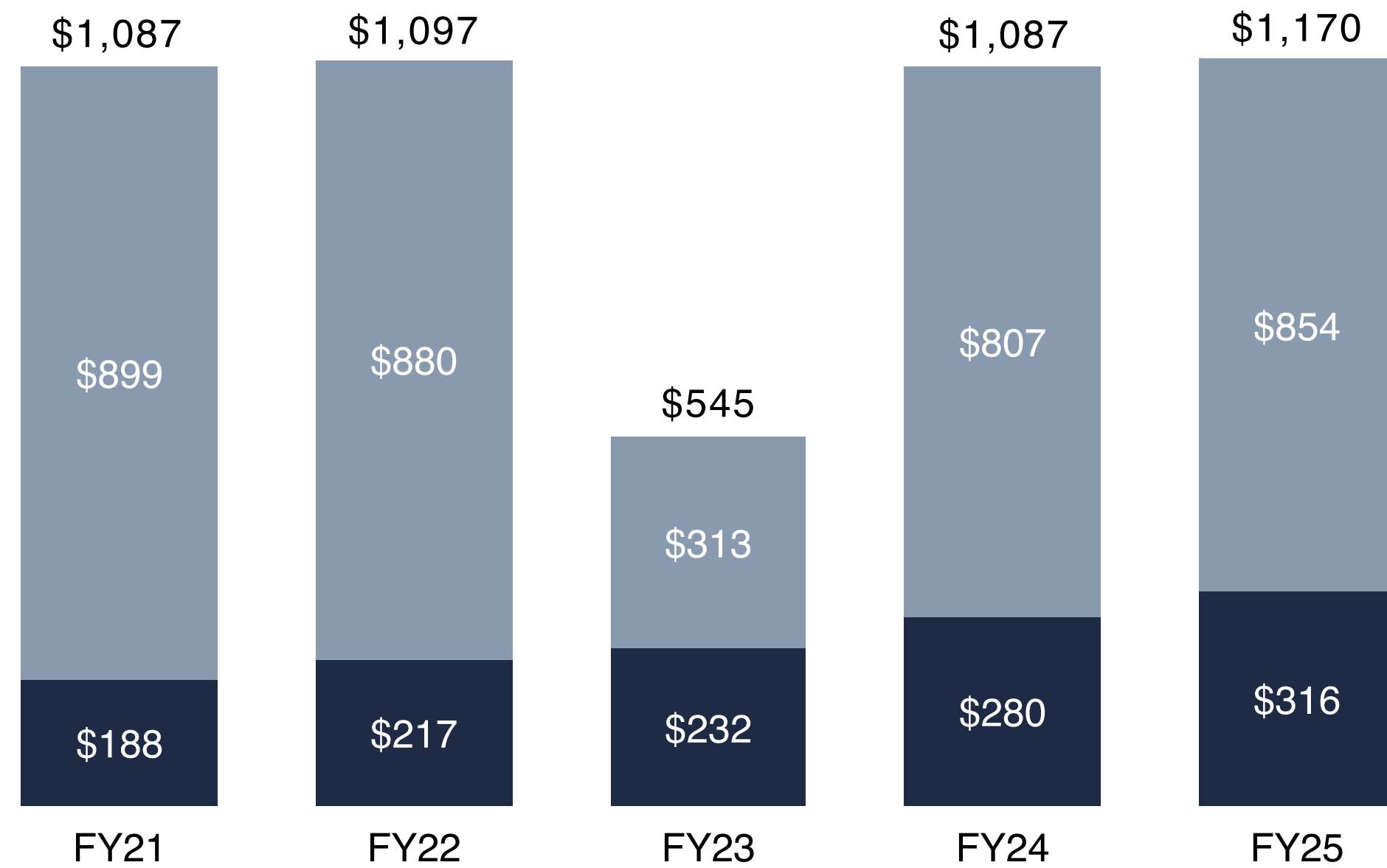
2. We make certain adjustments to ROIC and refer to this figure as Adjusted ROIC. Adjusted ROIC is used in this graph. See page 32 for the calculation of Adjusted ROIC, together with a reconciliation of ROIC to Adjusted ROIC.

Returns to Shareholders

We are committed to consistent shareholder returns, with \$5.0B returned to shareholders over the last 5 years.

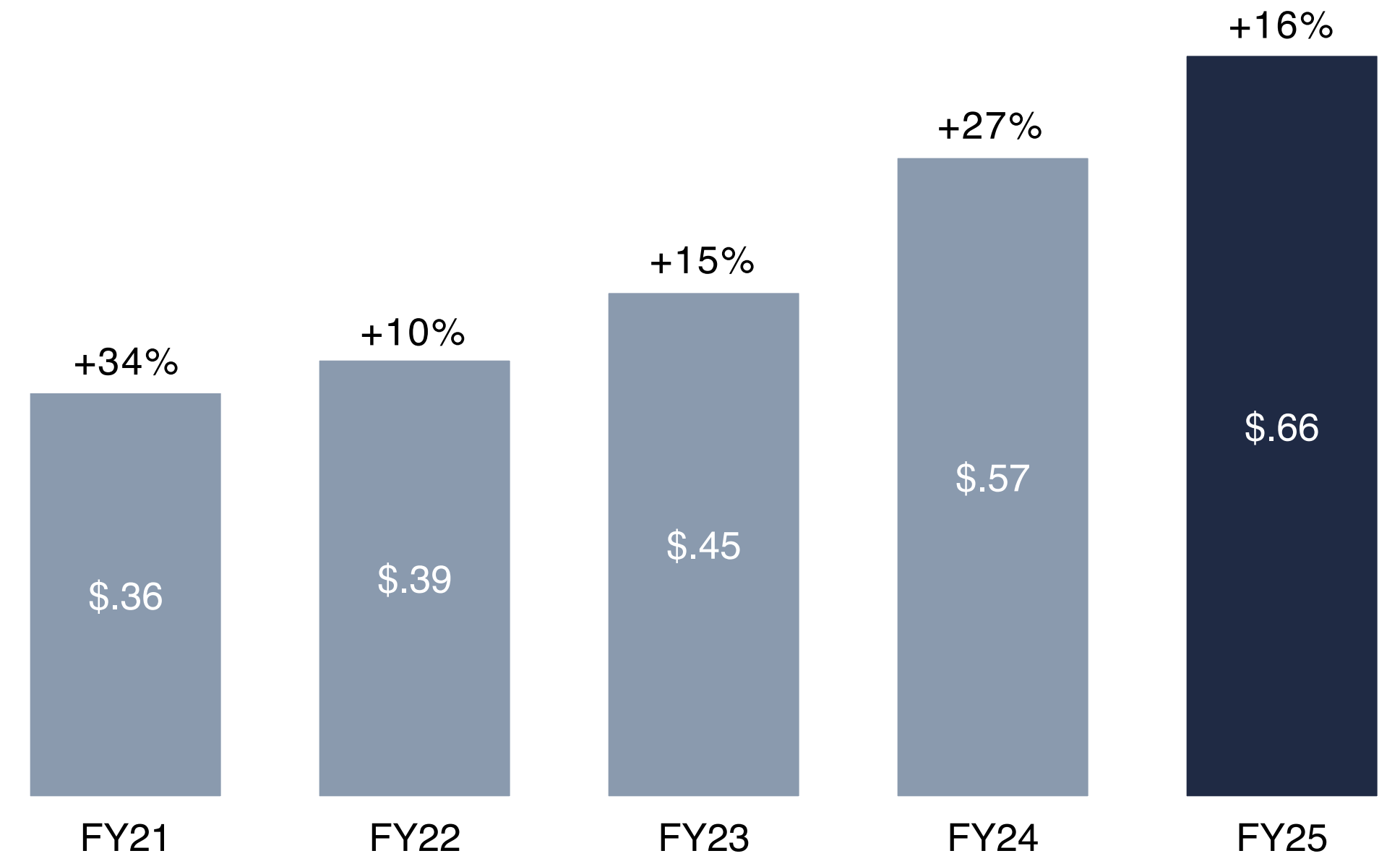
RETURNS TO SHAREHOLDERS

■ Dividends (\$M) ■ Share Repurchases (\$M)



QUARTERLY DIVIDEND PER SHARE*

2025 was the 16th consecutive year of dividend increases since we initiated a dividend in 2006.



*On July 9, 2024, the Company effected a 2-for-1 stock split of its common stock through a stock dividend. Dividend per share has been retroactively adjusted to reflect the stock split.



GAAP TO NON-GAAP RECONCILIATIONS

This press release and our accompanying earnings call includes non-GAAP financial measures. Additional information regarding Adjusted Return on Invested Capital, which is a non-GAAP financial measure, is provided along with a reconciliation of this measure to the most directly comparable U.S. generally accepted accounting principles (“GAAP”) financial measure. We have not provided a reconciliation of non-GAAP measures to the corresponding GAAP measures on a forward-looking basis as we cannot do so without unreasonable efforts due to the potential variability and limited visibility of excluded items; these excluded items may include exit costs, reduction-in-force initiatives, impairment and early termination charges, among others. For the same reasons, we are unable to address the probable significance of such excluded items.

We believe that these non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, can provide meaningful supplemental information for investors regarding the performance of our business and facilitate a meaningful evaluation of current period performance on a comparable basis with prior periods. Our management uses these non-GAAP financial measures in order to have comparable financial results to analyze changes in our underlying business from quarter to quarter. In addition, certain other items may be excluded from non-GAAP financial measures when the company believes this provides greater clarity to management and investors. These non-GAAP financial measures should be considered as a supplement to, and not as a substitute for or superior to the GAAP financial measures presented in this press release and our financial statements and other publicly filed reports. Such non-GAAP measures may not be comparable to similarly titled measures used by other companies.

GAAP TO NON-GAAP RECONCILIATIONS Fiscal Year 2023

(Dollars in thousands except per share data)

Footnotes:

1. During FY2023, we incurred exit costs of \$17.9 million, including \$9.3 million associated with the closure of our West Coast manufacturing facility and \$8.6 million associated with the exiting of Aperture, a division of our Outward, Inc. subsidiary.
2. During FY2023, we incurred costs related to reduction-in-force initiatives of \$8.3 million, primarily in our corporate functions.
3. On July 9, 2024, the Company effected a 2-for-1 stock split of its common stock through a stock dividend. All historical share and per share amounts have been retroactively adjusted to reflect the stock split.

FOR THE FISCAL YEAR ENDED

January 28, 2024

	\$	% of Revenues
Occupancy Expenses	\$ 814,290	10.5%
Exit Costs ¹	(239)	
Non-GAAP Occupancy Expenses	\$ 814,051	10.5%
Gross profit	\$ 3,303,601	42.6%
Exit Costs ¹	2,141	
Non-GAAP gross profit	\$ 3,305,742	42.7%
Selling, general and administrative expenses	\$ 2,059,408	26.6%
Exit Costs ¹	(15,790)	
Reduction-in-force Initiatives ²	(8,316)	
Non-GAAP selling, general and administrative expenses	\$ 2,035,302	26.3%
Operating income	\$ 1,244,193	16.1%
Exit Costs ¹	17,931	
Reduction-in-force Initiatives ²	8,316	
Non-GAAP operating income	\$ 1,270,440	16.4%
	\$	Tax rate
Income taxes	\$ 323,593	25.4%
Exit Costs ¹	4,690	
Reduction-in-force Initiatives ²	2,174	
Non-GAAP income taxes	\$ 330,457	25.4%
Diluted EPS³	\$ 7.28	
Exit Costs ¹	0.10	
Reduction-in-force Initiatives ²	0.05	
Non-GAAP Diluted EPS	\$ 7.43	

GAAP TO NON-GAAP RECONCILIATIONS

ROIC & Adjusted ROIC

We believe that Adjusted Return on Invested Capital (“Adjusted ROIC”) is a useful financial ratio for investors in evaluating the efficiency and effectiveness of the capital we have invested in our business to generate returns over time. Our Adjusted ROIC calculation excludes certain items that we do not consider representative of our operating performance.

Adjusted ROIC is not a measure of financial performance under GAAP and should be considered in addition to, and not as a substitute for net earnings, total assets or other GAAP financial measures. Our method of calculating a non-GAAP financial ratio may differ from other companies’ methods and therefore may not be comparable to those used by other companies. We also present the financial ratio calculated using the most directly comparable GAAP measures and refer to this as Return on Invested Capital (“ROIC”).

Footnotes:

1. Reflects a hypothetical provision for income taxes on operating income, using the Company's effective tax rates of 25.1% for fiscal 2025 and 24.3% for fiscal 2024.
2. During Q1 2024, we determined that we over-recognized freight expense in fiscal 2021, 2022 and 2023. Therefore, we recorded an out-of-period adjustment to reduce cost of goods sold. We believe this is not related to the operations of fiscal 2024.
3. We adjust for operating lease costs to align with the metrics we use to determine certain components of management compensation.

Numerator (using the most directly comparable GAAP measures):	FOR THE FISCAL YEAR ENDED	
	February 1, 2026	February 2, 2025
<i>In thousands</i>		
Operating income	\$ 1,415,722	\$ 1,430,184
Income tax ¹	(355,346)	(347,535)
Operating income after tax	\$ 1,060,376	\$ 1,082,649

Numerator (adjusted):	FOR THE FISCAL YEAR ENDED	
	February 1, 2026	February 2, 2025
<i>In thousands</i>		
Operating income	\$ 1,415,722	\$ 1,430,184
Out-of-period Freight Adjustment ²	-	(48,972)
Operating lease costs ³	310,736	299,105
Income tax adjustment ¹	(433,341)	(408,317)
Adjusted operating income after tax	\$ 1,293,117	\$ 1,272,000

Denominator:	AS OF		
	February 1, 2026	February 2, 2025	January 28, 2024
<i>In thousands, except percentages</i>			
Total assets	\$ 5,411,912	\$ 5,301,607	\$ 5,273,548
Total current liabilities	(1,954,130)	(1,911,974)	(1,880,315)
Cash in excess of \$200 million	(819,801)	(1,012,977)	(1,062,007)
Invested capital	\$ 2,637,981	\$ 2,376,656	\$ 2,331,226
Average invested capital	\$ 2,507,319	\$ 2,353,941	
ROIC	42.3%	46.0%	
Adjusted ROIC	51.6%	54.0%	