Beazer Homes USA, Inc.
Q1 2024 Earnings Presentation

Forward Looking Statements

This presentation contains forward-looking statements. These forward-looking statements represent our expectations or beliefs concerning future events, and it is possible that the results described in this press release will not be achieved. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements, including, among other things:

- the cyclical nature of the homebuilding industry and deterioration in homebuilding industry conditions;
- other economic changes nationally and in local markets, including declines in employment levels, increases in the number of foreclosures and wage levels, each of which are outside our control and may impact consumer confidence and affect the affordability of, and demand for, the homes we sell;
- elevated mortgage interest rates for prolonged periods, as well as further increases and reduced availability of mortgage financing due to, among other factors, additional actions by the Federal Reserve to address sharp increases in inflation;
- financial institution disruptions, such as the bank failures that occurred in 2023;
- continued supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances;
- continued shortages of or increased costs for labor used in housing production, and the level of quality and craftsmanship provided by such labor;
- inaccurate estimates related to homes to be delivered in the future (backlog), as they are subject to various cancellation risks that cannot be fully controlled;
- factors affecting margins, such as adjustments to home pricing, increased sales incentives and mortgage rate buy down programs in order to remain competitive;
- decreased revenues;
- decreased land values underlying land option agreements;
- increased land development costs in communities under development or delays or difficulties in implementing initiatives to reduce our cycle times and production and overhead cost structures;
- not being able to pass on cost increases (including cost increases due to increasing the energy efficiency of our homes) through pricing increases;
- the availability and cost of land and the risks associated with the future value of our inventory;
- our ability to raise debt and/or equity capital, due to factors such as limitations in the capital markets (including market volatility), adverse credit market conditions and financial institution disruptions, and our ability to otherwise meet our ongoing liquidity needs (which could cause us to fail to meet the terms of our covenants and other requirements under our various debt instruments and therefore trigger an acceleration of a significant portion or all of our outstanding debt obligations), including the impact of any downgrades of our credit ratings or reduction in our liquidity levels;
- market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital);
- changes in tax laws or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes;
- increased competition or delays in reacting to changing consumer preferences in home design;
- natural disasters or other related events that could result in delays in land development or home construction, increase our costs or decrease demand in the impacted areas;
- terrorist acts, protests and civil unrest, political uncertainty, acts of war or other factors over which the Company has no control, such as the conflict between Russia and Ukraine and the conflict in the Gaza strip;
- potential negative impacts of public health emergencies such as the COVID-19 pandemic;
- the potential recoverability of our deferred tax assets;
- increases in corporate tax rates;
- potential delays or increased costs in obtaining necessary permits as a result of changes to, or complying with, laws, regulations or governmental policies, and possible penalties for failure to comply with such laws, regulations or governmental policies, including those related to the environment;
- the results of litigation or government proceedings and fulfillment of any related obligations;
- the impact of construction defect and home warranty claims;
- the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred;
- the impact of information technology failures, cybersecurity issues or data security breaches, including cybersecurity incidents impacting third-party service providers that we depend on to conduct our business;
- the impact of governmental regulations on homebuilding in key markets, such as regulations limiting the availability of water and electricity (including availability of electrical equipment such as transformers and meters); and
- the success of our ESG initiatives, including our ability to meet our goal that by the end of 2025 every home we start will be Zero Energy Ready, as well as the success of any other related partnerships or pilot programs we may enter into in order to increase the energy efficiency of our homes and prepare for a Zero Energy Ready future.

Any forward-looking statement, including any statement expressing confidence regarding future outcomes, speaks only as of the date on which such statement is made and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time-to-time, and it is not possible to predict all such factors.

Introduction

Allan P. Merrill

Chairman & Chief Executive Officer

David I. Goldberg

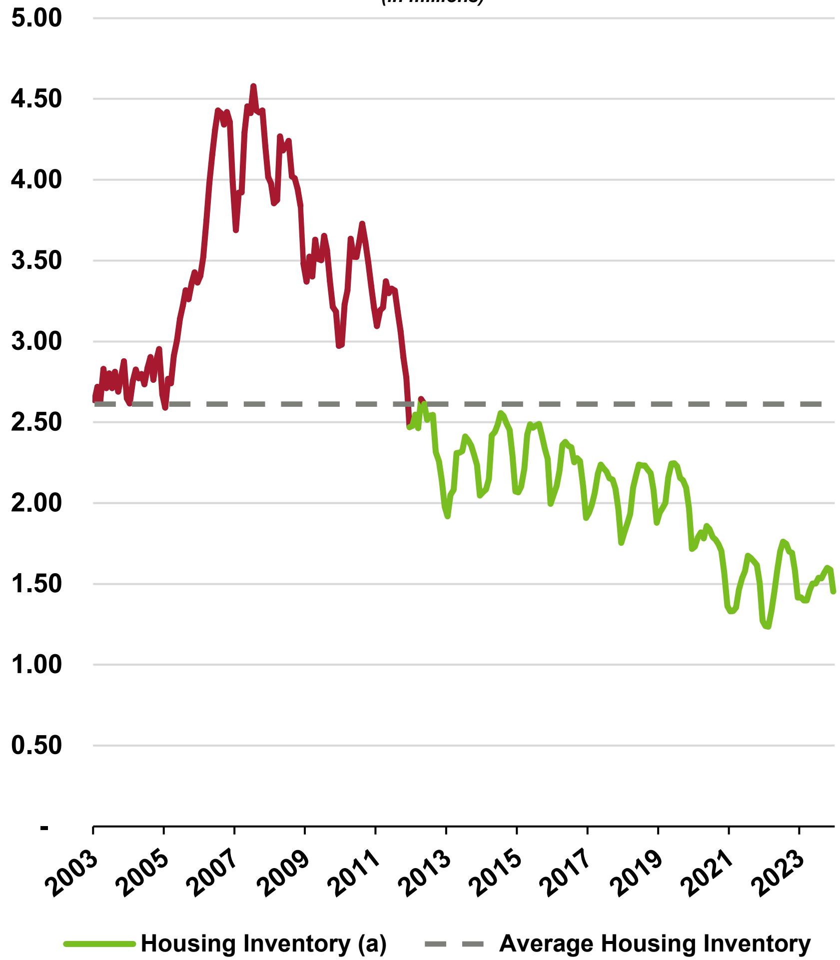
Sr. Vice President & Chief Financial Officer

1st Quarter Highlights

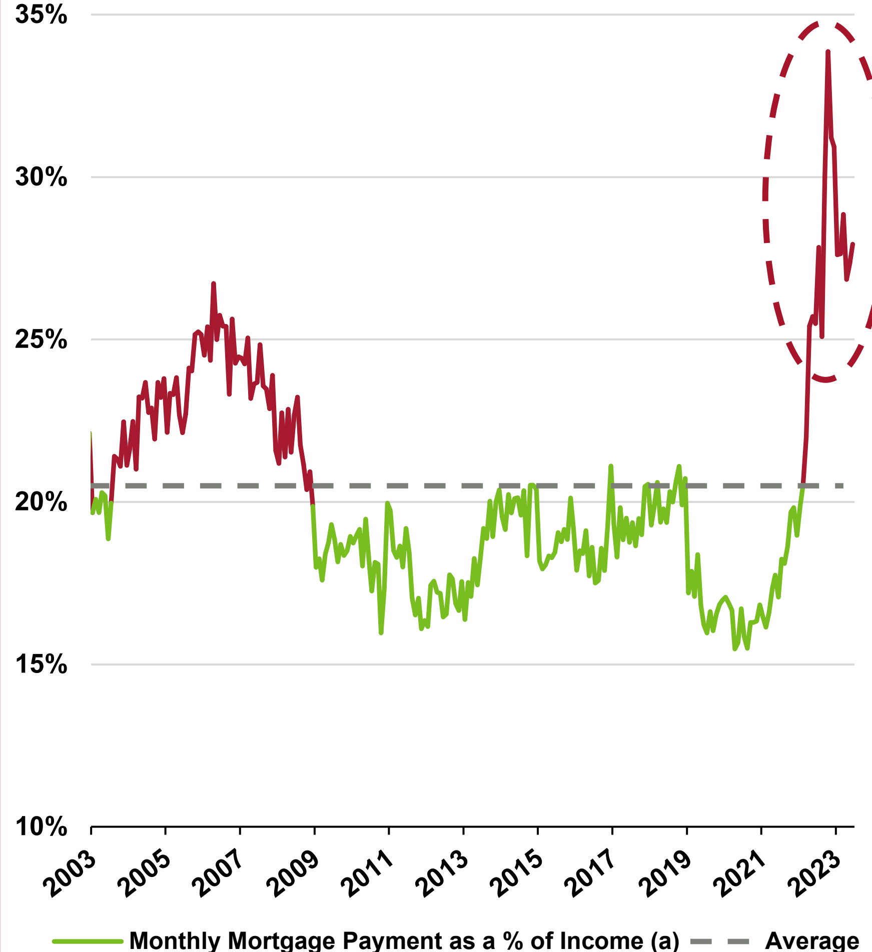
Orders & Sales Pace	✓
Community Count	✓
HB Gross Margin %	✓
Diluted EPS	✓
Book Value Per Share	✓

Current Operating Environment

New & Existing Housing Inventory Units
(in millions)



Monthly Mortgage Payment as a % of Income



(a) Data reflects new and existing single-family and multi-family inventory (i.e., homes available for sale) as of each month-end for each period displayed.
New home housing information sourced via U.S. Census / Department of Housing and Urban Development (HUD) Survey of Construction (SOC)
Existing housing data sourced from National Association of Realtors ® "Existing Home Sales Statistics" report

(a) Monthly median new residential sales price of homes sold in United States published by the U.S. Census / Department of Housing and Urban Development (HUD) Survey of Construction (SOC)
Calculated monthly mortgage payment assumes 20% down payment on 30-year conventional mortgage
Annual median family income published by Federal Reserve Bank of St. Louis
Due to timing of data being published, 2022-2023 reflects most current available data (i.e., median new residential sales prices through 12/2023 and median family income data from 2022)

Outlook for Fiscal Year 2024

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Scenarios	
Base	**Rates[a]:** Steady (High 6's) **Sales Pace:** Good **Incentives:** Flat
Upside	**Rates[a]:** Down (High 5's) **Sales Pace:** Higher **Incentives:** Down
Downside	**Rates[a]:** Up (High 7's) **Sales Pace:** Sluggish **Incentives:** Up

FY24 Expectations

(Regardless of base / upside / downside scenario)

Double-Digit Return on Equity

Progress Towards Multi-Year Goals

[a] Referencing average 30-year fixed rate mortgage

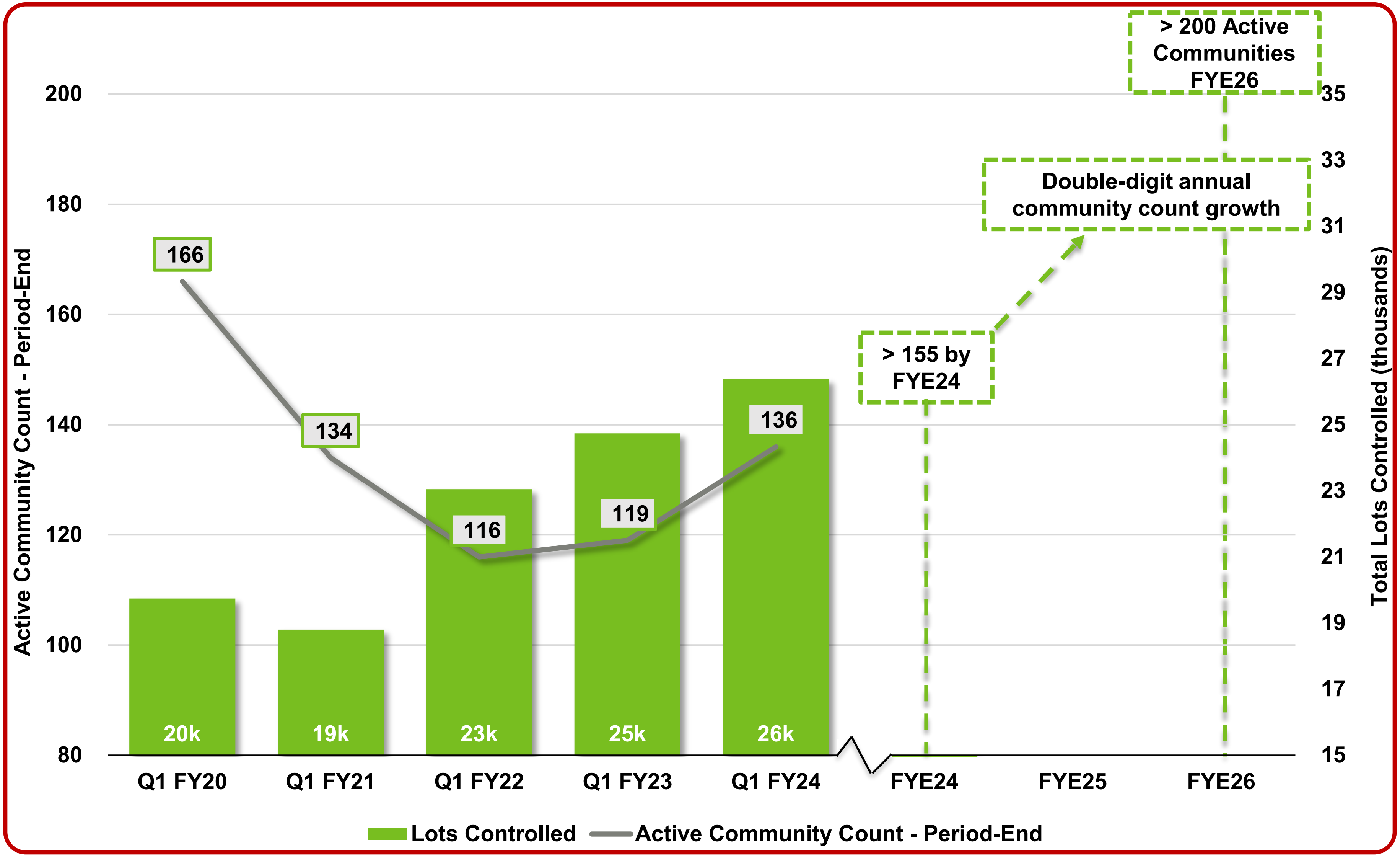
Multi-Year Goals

> 200 Communities
Fiscal Year-end 2026

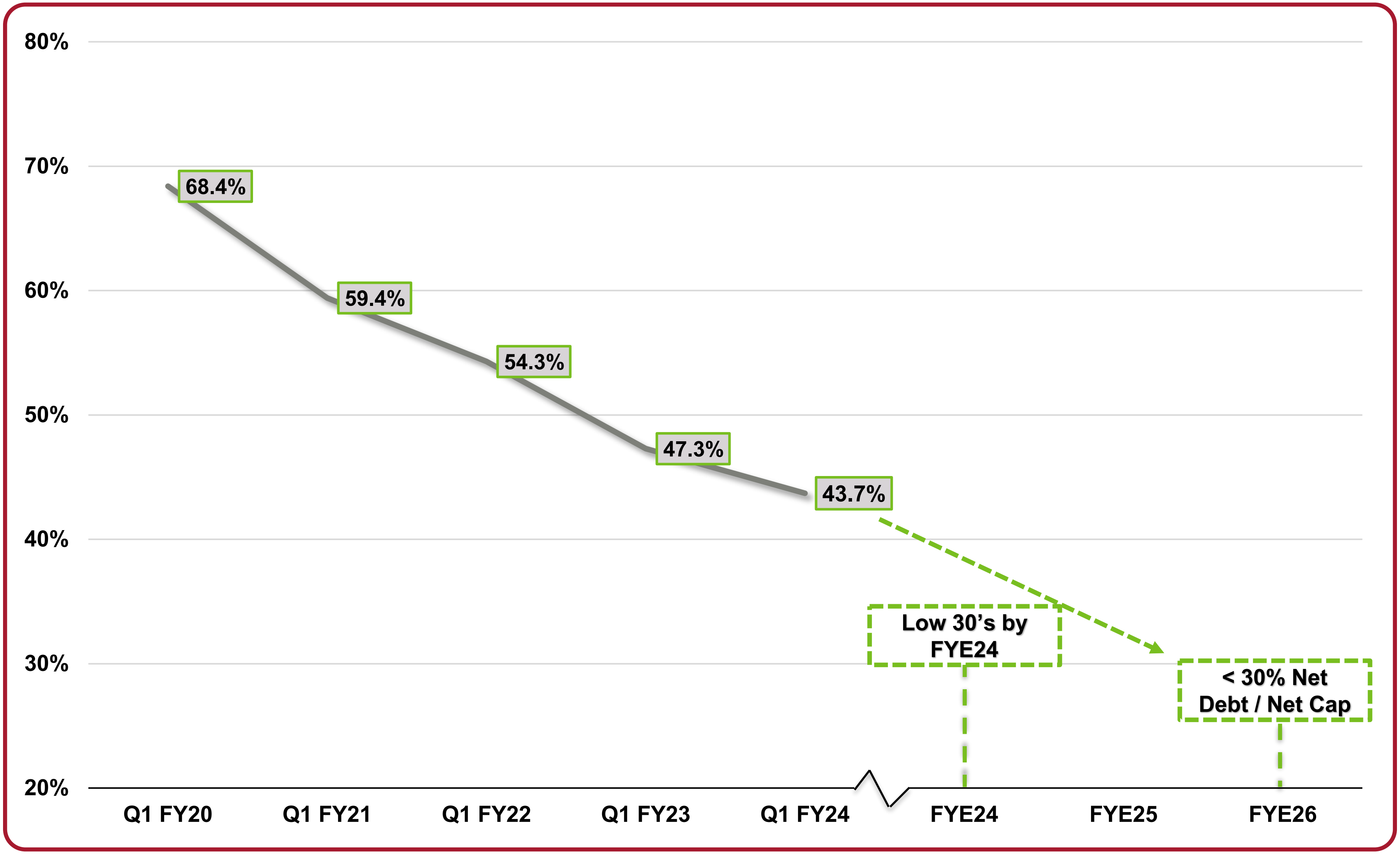
< 30% Net Debt to Net Capitalization
Fiscal Year-end 2026

100% Zero Energy Ready Starts
Calendar Year-end 2025

Growth From More Communities



Balance Sheet Improvement



See "Non-GAAP Net Debt to Net Capitalization Reconciliation" in the appendix

Zero Energy Ready Starts

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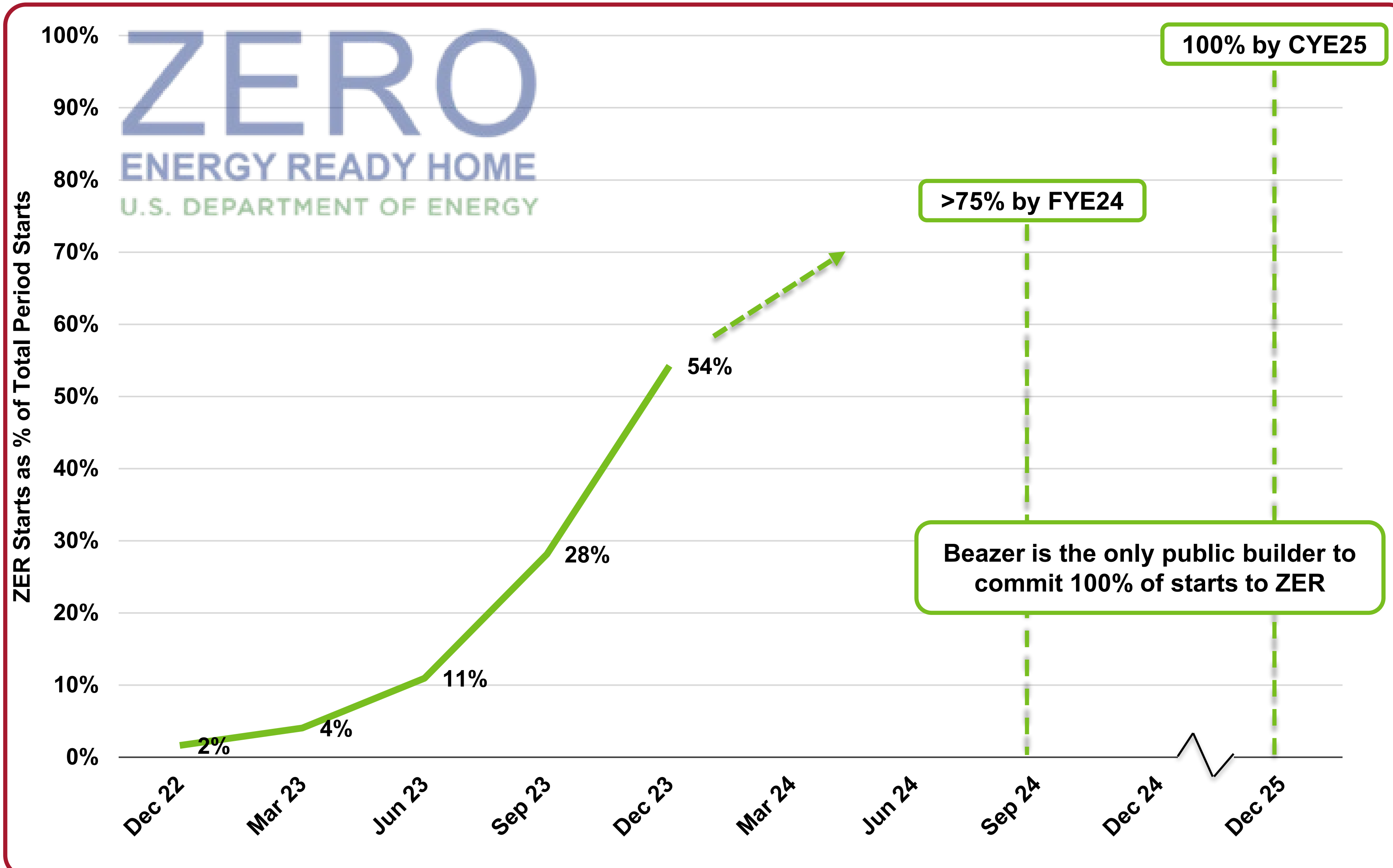

1st Quarter Results

Results	Q1 FY24	YoY Change
New Home Orders	823	70.7%
Sales Pace	2.0	50.4%
Community Count, Avg	137	13.5%
Closings	743	(10.8%)
Homebuilding Revenue ($MM)	$380.9	(14.2%)
Average Selling Price ($k)	$512.7	(3.8%)
HB Gross Margin %[a]	22.9%	60 bps
SG&A as % of Total Revenue	14.3%	200 bps
Adjusted EBITDA ($MM)[b]	$38.0	(19.4%)
Interest Amort. % of HB Revenue	2.9%	(20 bps)
Effective Tax Rate[c]	5.2%	(930 bps)
Net Income - Cont. Ops. ($MM)	$21.7	(11.0%)
Diluted EPS - Cont. Ops.	$0.70	(12.5%)

(a) Excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on "Non-GAAP Homebuilding Gross Margin Reconciliation" slide in the appendix
(b) Details are included on the "Non-GAAP Adjusted EBITDA Reconciliation" slide in the appendix
(c) Includes the benefit of energy efficiency tax credits

2nd Quarter Expectations

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Metric	Expectations
Sales Pace	~3.0
Community Count, Ending	~145
Closings	~1,100
Average Selling Price	~$515k
HB Gross Margin %[(a)]	~21%
SG&A as % of Total Revenue	~12%
Adjusted EBITDA	>$50MM
Interest Amort. % of HB Revenue	Low 3's
Effective Tax Rate	~11%
Diluted EPS - Cont. Ops.	~$0.90

[(a)] *Excludes impairments, abandonments, and interest amortized to cost of sales*

Fiscal 2024 Expectations

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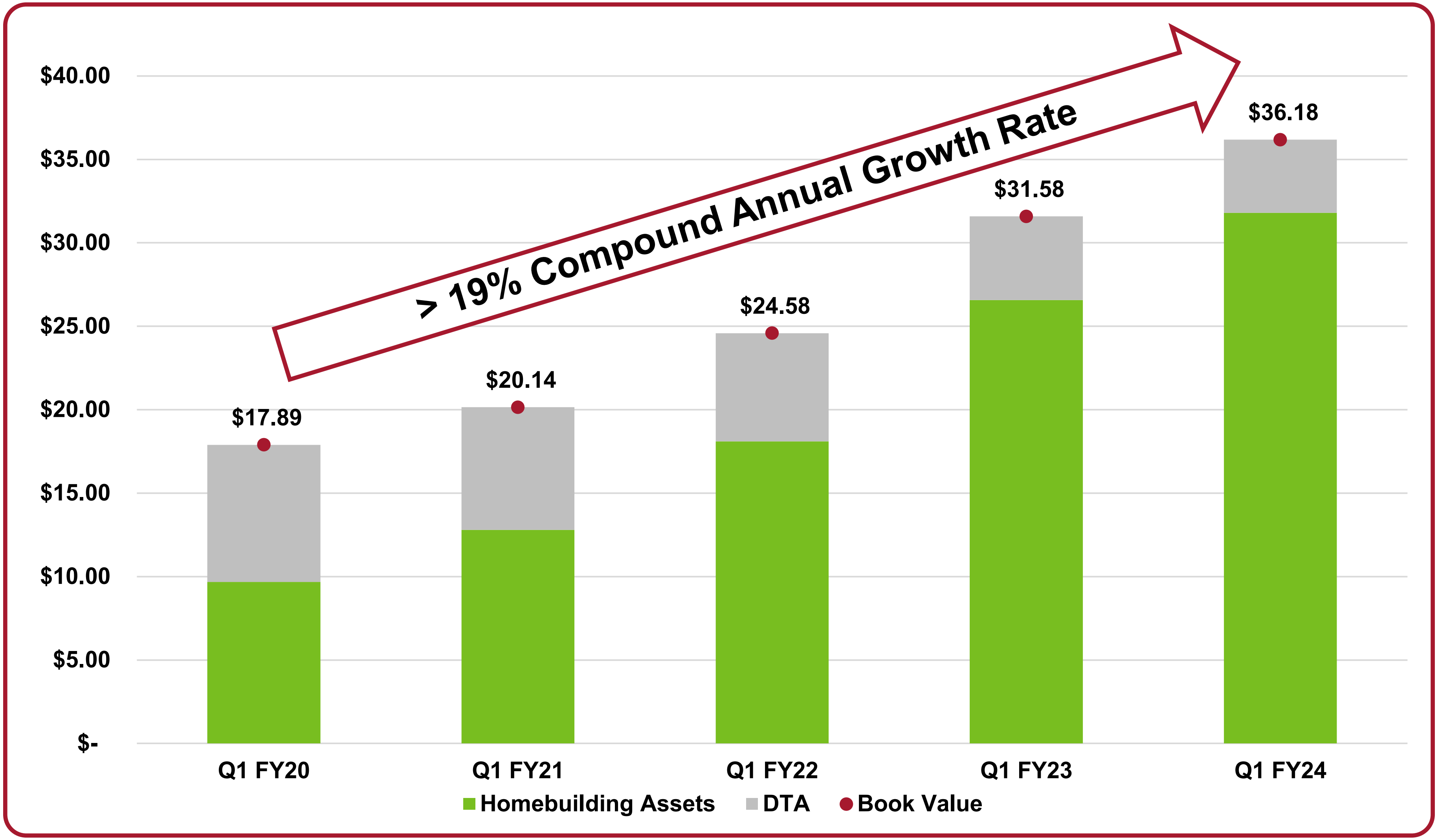
Metric	Expectations
Community Count, ending[a]	Up ~15%
Closings	>4,700
Average Sales Price	~$510k
HB Gross Margin %[b]	21.5% - 22.0%
Adjusted EBITDA	$260MM - $280MM
Effective Tax Rate	~15%
Diluted EPS – Cont. Ops.	>$4.50
Return on Equity	Double Digit
Book Value Per Share	≥$40.00
Net Debt to Net Capitalization	Low 30s
Land Spend	~$750MM

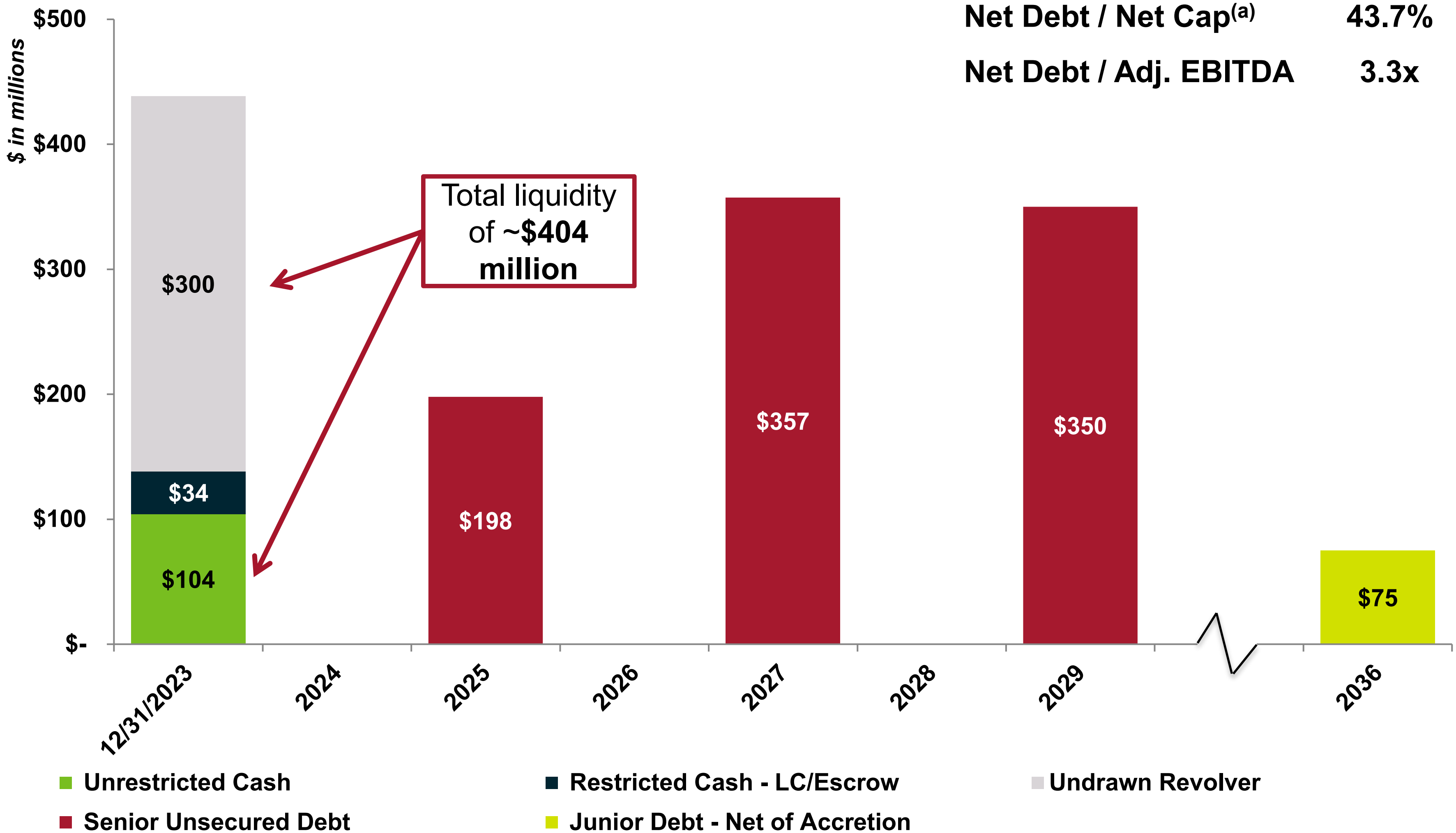
(a) *vs. prior year*
(b) *Excludes impairments, abandonments, and interest amortized to cost of sales*

Book Value Per Share Growth



Diluted weighted-average shares outstanding at period-end used for all per share calculations
Balances as of 12/31 used for all periods
Homebuilding assets per share is calculated using the residual of our book value per share after DTA per share

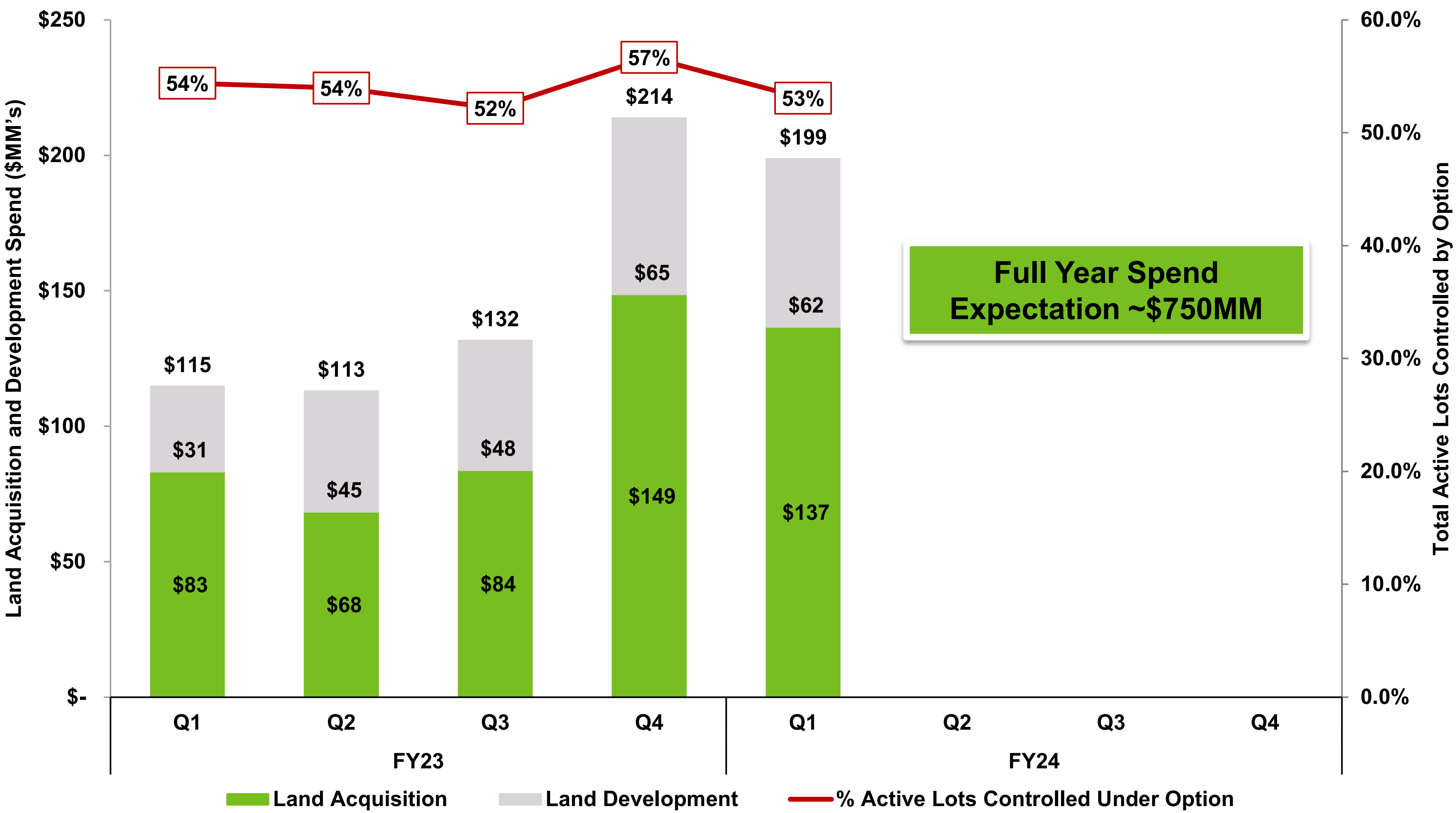
Maturity Schedule



Net Debt / Net Cap[(a)]	43.7%
Net Debt / Adj. EBITDA	3.3x

[(a)] See "Non-GAAP Net Debt to Net Capitalization Reconciliation" in the appendix

Land Investment



Wrap-Up

Q1 FY24 results

- Solid Profitability
- Higher New Home Orders
- Growing Community Count

FY24 Expectations

- Double-Digit Return On Equity
- Further Community Count Growth

Progress Towards Multi-Year Goals

- > 200 Communities ~ FYE26
- < 30% Net Debt to Net Capitalization ~ FYE26
- 100% Zero Energy Ready Starts ~ CYE25

Appendix

Managing SG&A is a Priority

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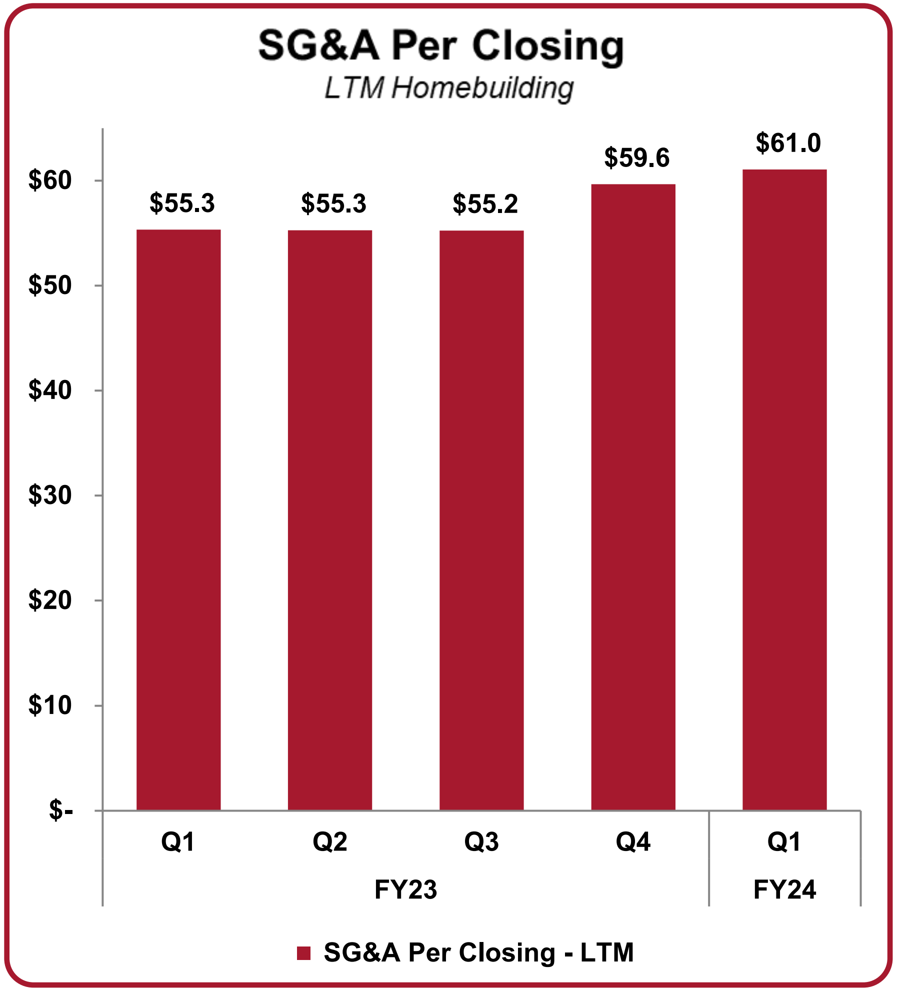
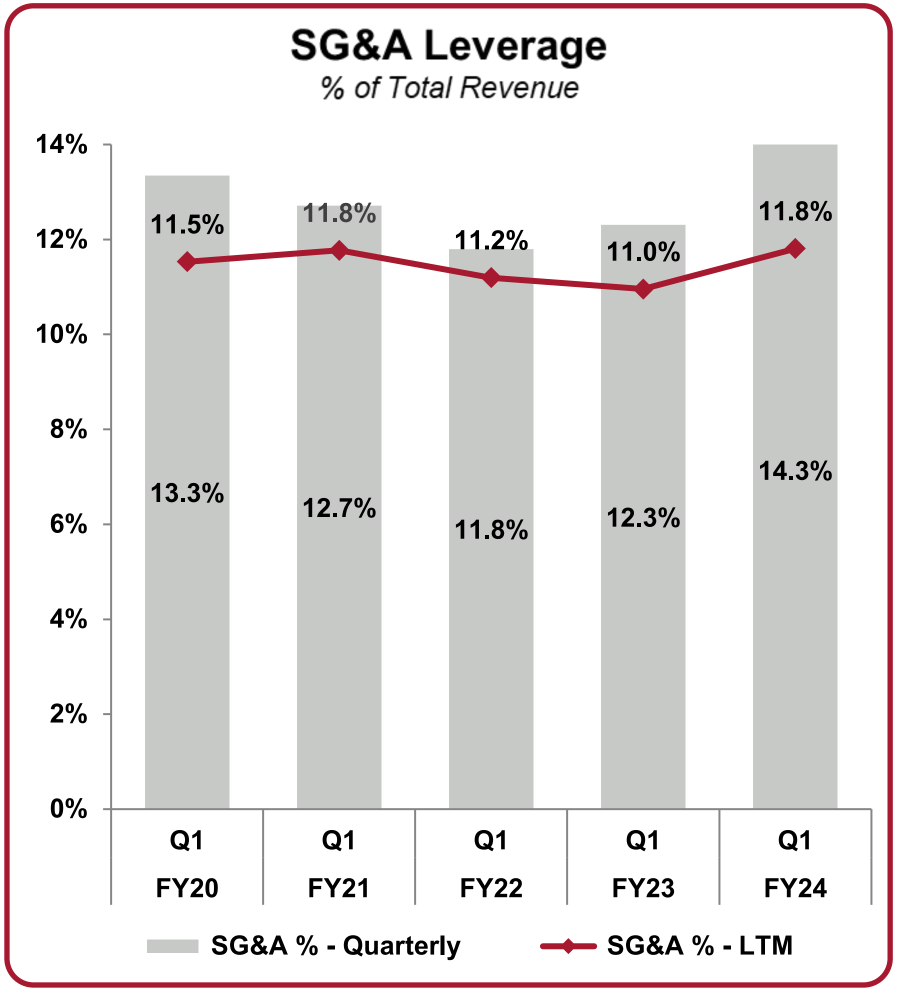
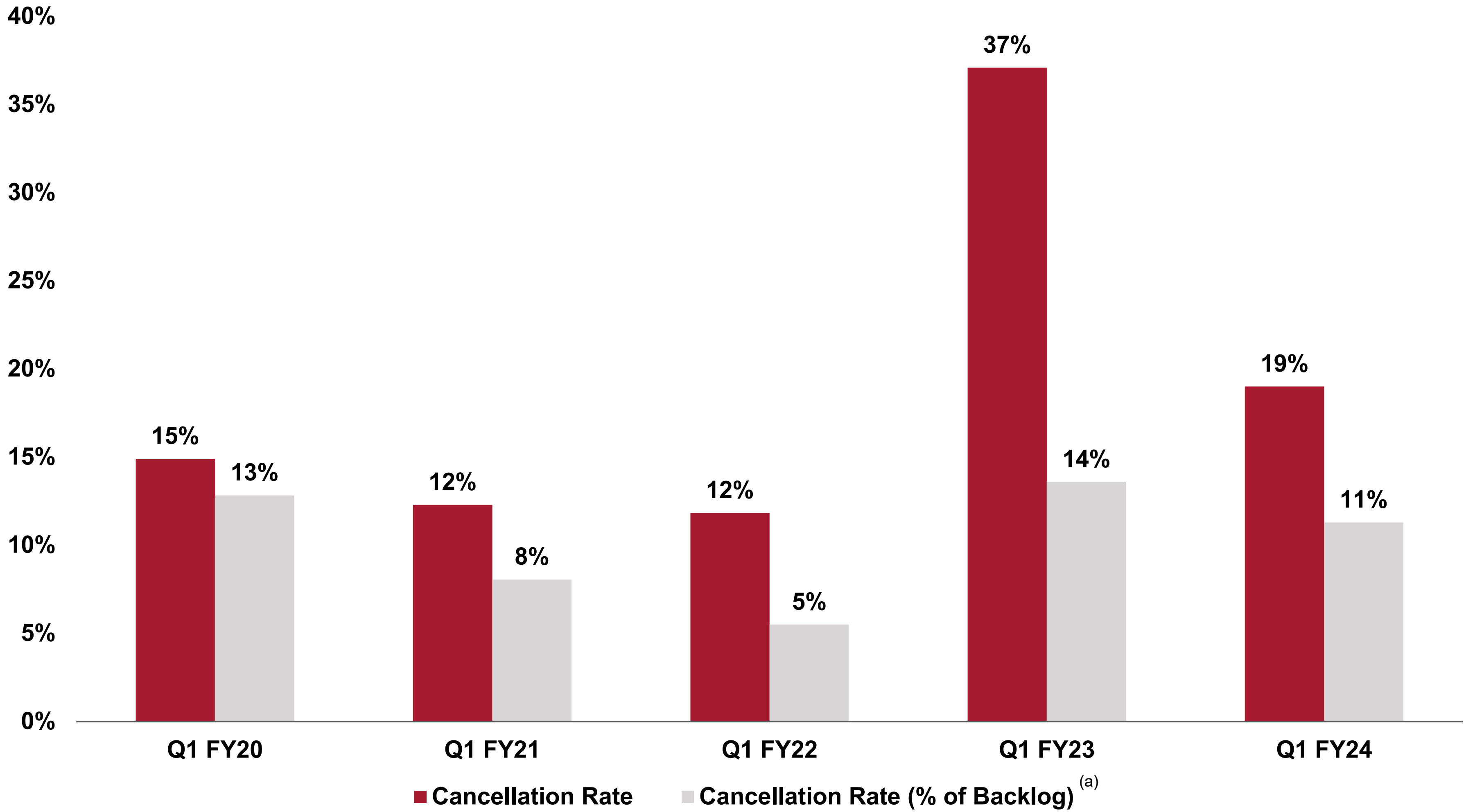




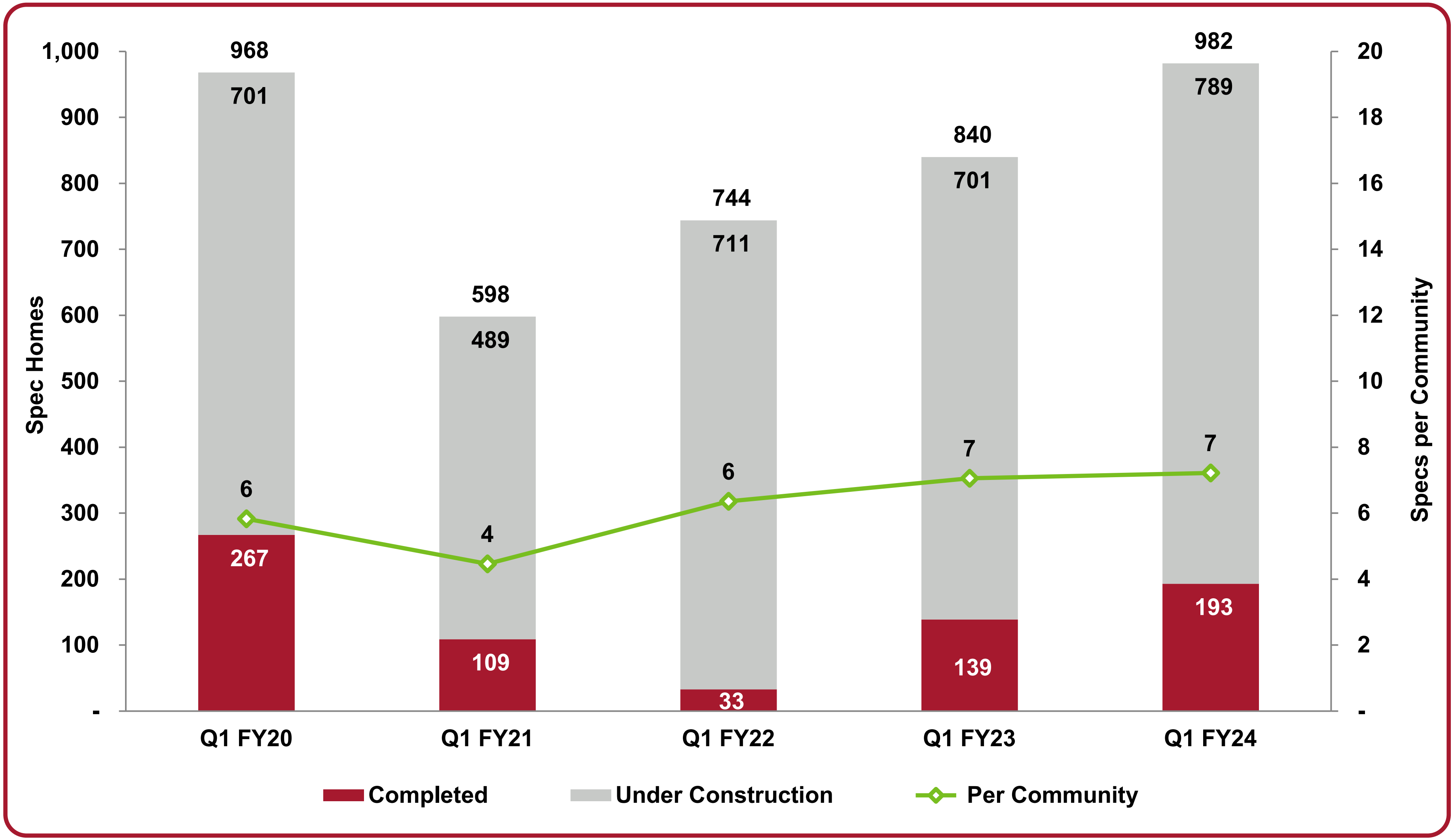
$ in thousands

Historical Cancellation Rates



[(a)] *Cancellation Rate as a % of Backlog is calculated using the quarter's beginning backlog units*

Spec Homes



Note: Spec count as of each quarter end includes Gatherings

Geographic Mix Impacts ASP & Margins

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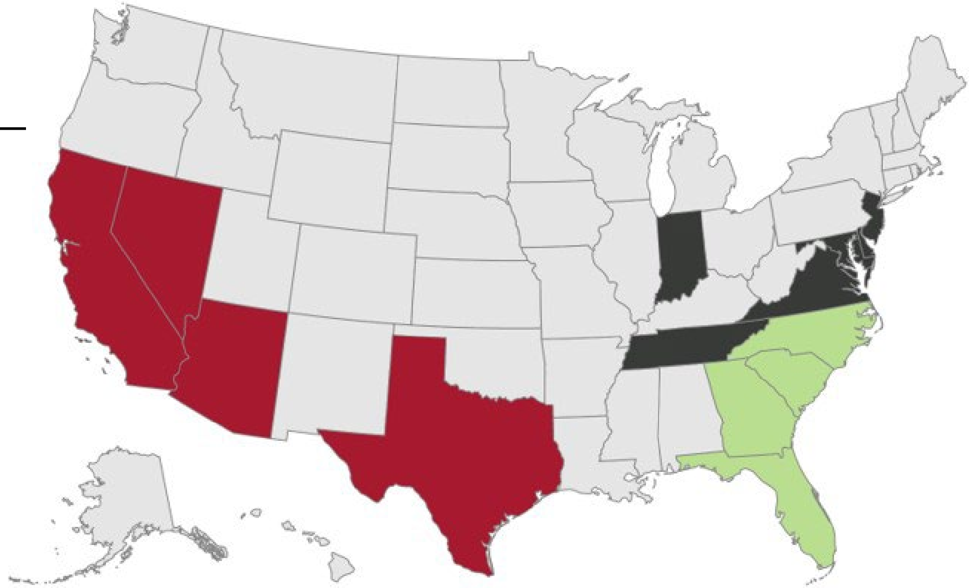
($ in thousands)

	Q1 FY23 ASP	Q1 FY24 ASP	Change in ASP ($)	Change in ASP (%)	Q1 FY23 Closings	Q1 FY24 Closings	Change in Mix
West	$537.9	$516.3	($21.6)	(4.0%)	61.2%	61.1%	(0.1%)
East	$555.0	$527.6	($27.4)	(4.9%)	18.6%	18.3%	(0.3%)
Southeast	$498.4	$488.6	($9.8)	(2.0%)	20.2%	20.6%	0.4%

	Q1 FY23 GM%[(a)]	Q1 FY24 GM%[(a)]	Change in GM%
West	21.7%	21.7%	— bps
East	19.4%	17.7%	(170 bps)
Southeast	22.1%	22.4%	30 bps



[(a)] *Segment gross margin excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on the "Homebuilding Gross Margin Reconciliation" slide in the appendix*

Q1 Results

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$ in millions (except ASP)

		Q1 FY23		Q1 FY24	Δ [d]
Profitability					
Total Revenue	$	444.9	$	386.8	(13.1%)
Adjusted EBITDA [a]	$	47.1	$	38.0	($9.1)
Net Income - Cont. Ops.	$	24.4	$	21.7	($2.7)
Unit Activity					
New Home Orders		482		823	70.7%
Closings		833		743	(10.8%)
Average Selling Price ($k)	$	533.1	$	512.7	(3.8%)
Cancellation Rate		37.1 %		19.0 %	(1,810 bps)
Active Community Count, Avg [b]		121		137	13.5%
Sales Pace		1.3		2.0	50.4%
Margins					
HB Gross Margin % [c]		22.3 %		22.9 %	60 bps
SG&A as % of Total Revenue		12.3 %		14.3 %	200 bps
Balance Sheet					
Unrestricted Cash	$	120.7	$	104.2	($16.5)
Land & Development Spend	$	114.7	$	198.7	$84.0

[a] *Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix*
[b] *Period-ending active community count was 119 at 12/31/2022 and 136 at 12/31/2023*
[c] *Excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on the "Homebuilding Gross Margin Reconciliation" slide in the appendix*
[d] *Changes are calculated using unrounded numbers*

Backlog Detail

	Q1 FY23	Q1 FY24
Quarter Ending Backlog (units)	1,740	1,791
Quarter Ending Backlog ($ in millions)	$ 940.9	$ 932.8
ASP in Backlog ($ in thousands)	$ 540.8	$ 520.8
Quarter Beg. Backlog	2,091	1,711
Scheduled to Close in Future Qtrs.	(1,201)	(964)
Backlog Scheduled to Close in the Qtr.	890	747
Backlog Activity:		
Cancellations [a]	(123)	(66)
Pushed to Future Quarters	(193)	(112)
Close Date Brought Forward	105	50
Sold & Closed During the Qtr	154	124
Total Closings in the Quarter	833	743
Backlog Conversion Rate	39.8%	43.4%

[a] *Cancellations reference only the cancellations arising from homes scheduled to close in the quarter*

Non-GAAP Homebuilding Gross Margin Reconciliation

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($ in thousands)	Three Months Ended December 31, 2023 HB Gross Profit	HB Gross Margin	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A	HB Gross Margin excluding I&A	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest	HB Gross Margin excluding I&A and Interest
West	$ 50,800	21.7 %	$ —	$ 50,800	21.7 %	$ —	$ 50,800	21.7 %
East	12,723	17.7 %	—	12,723	17.7 %	—	12,723	17.7 %
Southeast	16,738	22.4 %	—	16,738	22.4 %	—	16,738	22.4 %
Corporate & unallocated[a]	(4,318)		—	(4,318)		11,190	6,872	
Total homebuilding	$ 75,943	19.9 %	$ —	$ 75,943	19.9 %	$ 11,190	$ 87,133	22.9 %

($ in thousands)	Three Months Ended December 31, 2022 HB Gross Profit	HB Gross Margin	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A	HB Gross Margin excluding I&A	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest	HB Gross Margin excluding I&A and Interest
West	$ 59,362	21.6 %	$ 36	$ 59,398	21.7 %	$ —	$ 59,398	21.7 %
East	16,521	19.2 %	154	16,675	19.4 %	—	16,675	19.4 %
Southeast	18,501	22.1 %	—	18,501	22.1 %	—	18,501	22.1 %
Corporate & unallocated[a]	(9,270)		—	(9,270)		13,775	4,505	
Total homebuilding	$ 85,114	19.2 %	$ 190	$ 85,304	19.2 %	$ 13,775	$ 99,079	22.3 %

[a] Corporate and unallocated includes capitalized interest and capitalized indirect costs expensed to homebuilding cost of sale related to homes closed, as well as capitalized interest and capitalized indirect costs impaired in order to reflect projects in progress assets at fair value, when applicable.

Non-GAAP Adjusted EBITDA Reconciliation

($ In thousands)	Three Months Ended December 31, 2022	Three Months Ended December 31, **2023**	Three Months Ended December 31, 23 vs 22	LTM Ended December 31,[a] 2022	LTM Ended December 31,[a] **2023**	LTM Ended December 31,[a] 23 vs 22
Net income	$ 24,331	**$ 21,728**	$ (2,603)	$ 210,150	**$ 156,008**	$ (54,142)
Expense from income taxes	4,133	**1,181**	(2,952)	50,940	**20,984**	(29,956)
Interest amortized to home construction and land sales expenses and capitalized interest impaired	13,775	**11,190**	(2,585)	71,053	**65,904**	(5,149)
EBIT	42,239	**34,099**	(8,140)	332,143	**242,896**	(89,247)
Depreciation and amortization	2,513	**2,233**	(280)	12,992	**11,918**	(1,074)
EBITDA	44,752	**36,332**	(8,420)	345,135	**254,814**	(90,321)
Stock-based compensation expense	1,580	**1,673**	93	7,950	**7,368**	(582)
Loss on extinguishment of debt	515	**13**	(502)	206	**44**	(162)
Inventory impairments and abandonments[b]	190	**—**	(190)	2,714	**451**	(2,263)
Severance expenses	111	**—**	(111)	111	**224**	113
Adjusted EBITDA	$ 47,148	**$ 38,018**	$ (9,130)	$ 356,116	**$ 262,901**	$ (93,215)

[a] "LTM" indicates amounts for the trailing 12 months.

[b] In periods during which we impaired certain of our inventory assets, capitalized interest that is impaired is included in the line above titled "Interest amortized to home construction and land sales expenses and capitalized interest impaired."

Non-GAAP Net Debt to Net Capitalization Reconciliation

($ in thousands)	As of December 31, 2022	**As of December 31, 2023**
Total debt	$ 984,330	**$ 974,644**
Stockholders' equity	962,600	**1,121,011**
Total capitalization	$ 1,946,930	**$ 2,095,655**
Total debt to total capitalization ratio	50.6 %	**46.5 %**
Total debt	$ 984,330	**$ 974,644**
Less: cash and cash equivalents	120,746	**104,226**
Net debt	863,584	**870,418**
Stockholders' equity	962,600	**1,121,011**
Net capitalization	$ 1,826,184	**$ 1,991,429**
Net debt to net capitalization ratio	47.3 %	**43.7 %**

Beazer Tax Benefits

	FY23	FY24 - FY26	FY27 - FY33 [a]
Energy Efficiency Credits	Building industry-leading, energy efficient homes provides tax benefits: **Prior tax code** – $2K Home **Current tax code (Energy Star)** – $2.5K SFD **Current tax code (DOE Zero Energy Ready)** – $5K SFD		
GAAP Taxes	**< 15%** (Current & prior years energy efficiency credits)	**> 15% & < 20%** (Current & prior years energy efficiency credits)	**< 17%** (Current year energy efficiency credits)
Cash Taxes	**No Cash Taxes Paid** (Use of NOL's)	**Reduced Cash Taxes** **~Aligned with GAAP Taxes beginning in FY27** (Use of predominantly energy efficiency credits) [b]	

[a] Inflation Reduction Act of 2022 credits set to expire in December 2032, BZH's December FY33
[b] Utilization of energy efficient tax credits is limited to approximately 75% of a company's tax liability each year

Deferred Tax Assets - Summary

($ in millions)	December 31, 2022	December 31, 2023
Deferred Tax Assets	$ 178.2	$ 166.0
Valuation Allowance	$ (25.4)	$ (30.4)
Net Deferred Tax Assets	**$ 152.8**	**$ 135.6**

As of December 31, 2023, our conclusions on whether we are more likely than not to realize all of our federal tax attributes and certain portions of our state tax attributes remain consistent with our fiscal 2023 conclusion. Valuation allowance of $30.4 million as of December 31, 2023 remains on various state attributes for which we have concluded it is not more likely than not that these attributes would be realized at that time. See our fiscal 2023 Form 10-K for additional detail.