Beazer Homes USA, Inc.
Q4 2024 Earnings Presentation

BEAZER HOMES

Poppy Meadows
Elk Grove, CA

ENERGY SERIES
READY + SOLAR

Forward Looking Statements

This presentation contains forward-looking statements about Beazer Homes USA, Inc. (“Beazer Homes”) that only speak as of this date. Beazer Homes disclaims any obligation to update these statements. These forward-looking statements represent our good-faith estimates, expectations or beliefs concerning future events, and it is possible that the results described in this presentation will not be achieved. Forward-looking statements in this document may include, but are not limited to, statements regarding future financial results, long-term goals, sales pace, average sales price, community counts, and external environment expectations, including demand for housing, inflation, mortgage rates, affordability and the impact of natural disasters, health pandemics, and the global conflicts on our operations. Such statements can be identified by the use of terminology such as "outlook" "may," "could," "will," "should," "possible," "plan," "goal," "strategy," "anticipate," "likely," "predict," "forecast," "potential," "anticipate," "estimate," "expect," "project," "intend," "believe," "may impact," "on track," and similar words or expressions.

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
- elevated mortgage interest rates for prolonged periods, as well as further increases and reduced availability of mortgage financing
- financial institution disruptions, such as the bank failures that spiked in 2023;
- supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances;
- 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;
- 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;
- 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, including those resulting from regulatory guidance and interpretations;
- 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 (including as a result of the 2024 election cycle), acts of war or other factors over which the Company has no control, such as the conflict between Russia and Ukraine, the conflict in the Gaza and other conflicts in the Middle East;
- 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.

Additional information concerning these and other factors can be found in Beazer Homes’ filings with the Securities and Exchange Commission, including the most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. These cautionary statements should not be construed by you to be exhaustive and the forward-looking statements are made only as of the date of this presentation

Introduction

Allan P. Merrill

Chairman & Chief Executive Officer

David I. Goldberg

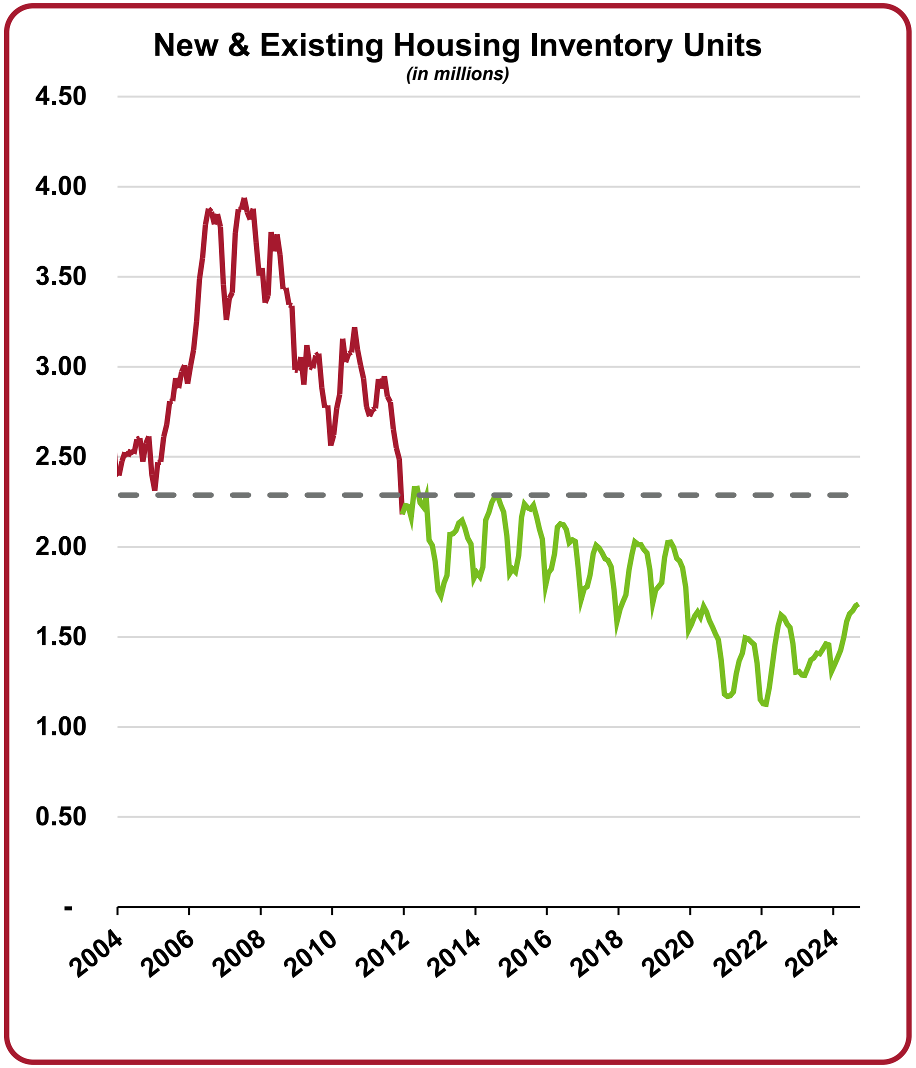
Sr. Vice President & Chief Financial Officer

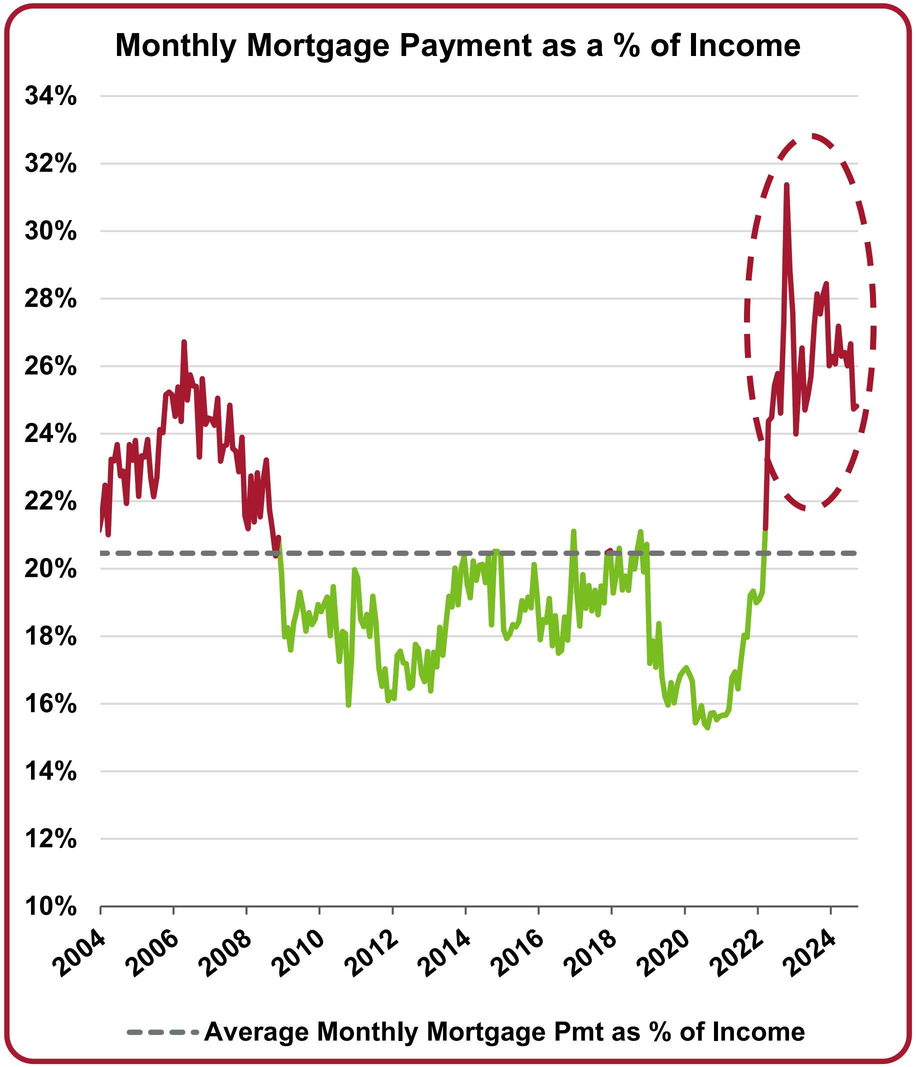
FY 2024 Highlights

BEAZER HOMES

Land Investment Growth	✓
Community Count Expansion	✓
Double-Digit Returns	✓
Zero Energy Ready Adoption	✓
Top TrustBuilder Rating	✓
Employer of Choice	✓

Current Operating Environment





(a) Data reflects new and existing single-family detached 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 9/2024 and median family income data from 2023)

FY25 Outlook

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Community Count Growth

Macro Assessment

Growth In Average Communities

+18 - 22 Communities

Mortgage Rates Remain ~7% → ***Higher Mix Spec Sales / Closings***

Wage & Job Growth → ***Improved Sales Pace***

Significant Revenue Growth Leading To Profitability & Double-Digit Return on Capital Employed

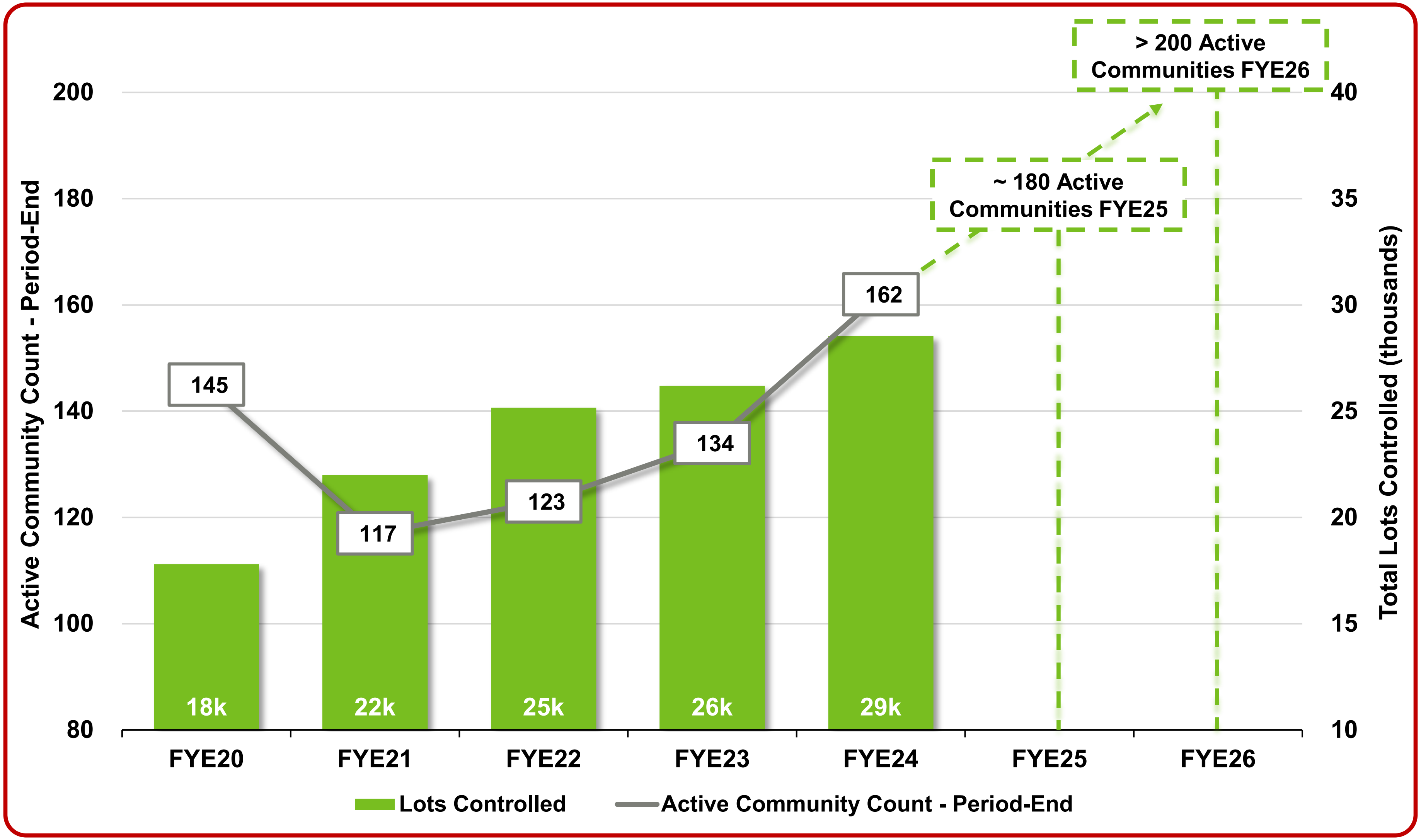
Multi-Year Goals

> 200 Communities
Fiscal Year-end 2026

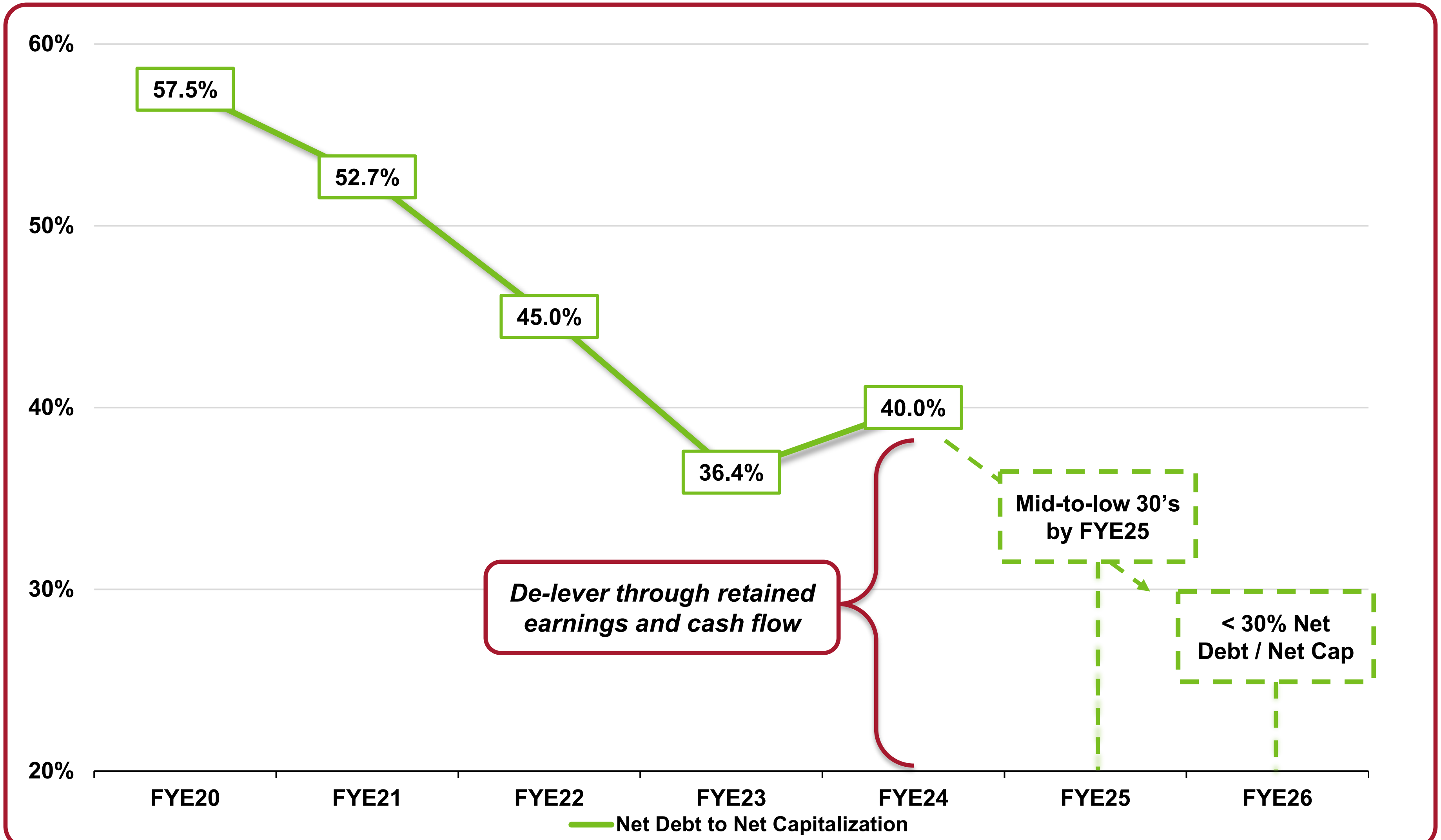
< 30% Net Debt to Net Capitalization
Fiscal Year-end 2026

100% Zero Energy Ready Starts
Calendar Year-end 2025

Community Count Growth

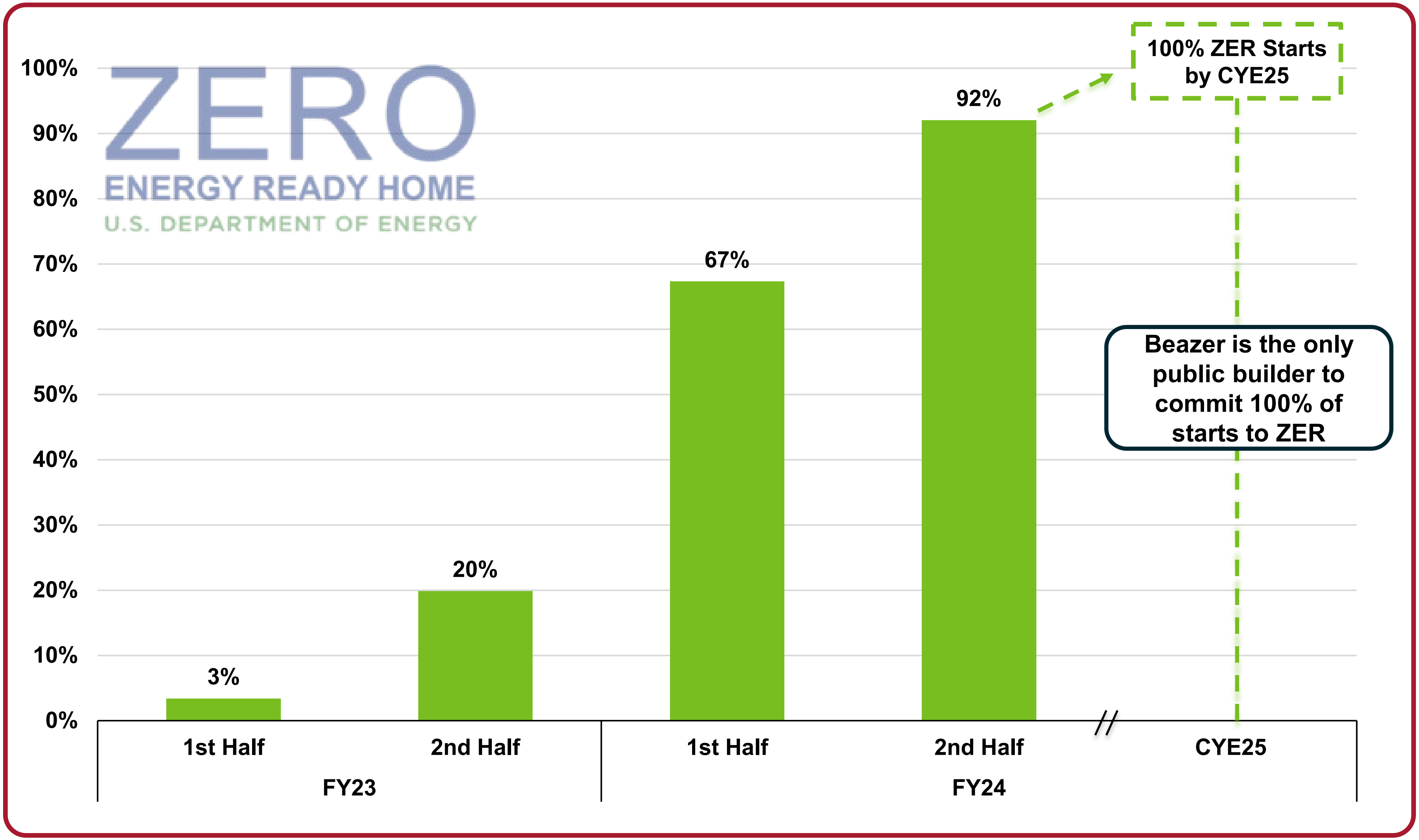


Balance Sheet Improvement



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

Zero Energy Ready Starts



Q4 and FY24 Results

Results	Q4 FY24	FY24
New Home Orders	1,029	4,221
Sales Pace	2.2	2.4
Community Count, Avg	153	144
Homebuilding Revenue ($mm)	$783.8	$2,293.0
Closings	1,496	4,450
Average Selling Price ($k)	$523.9	$515.3
HB Gross Margin %[(a)]	20.4%	21.1%
SG&A as % of Total Revenue	9.7%	11.4%
Adjusted EBITDA ($mm)[(b)]	$93.1	$243.4
Interest Amort. % of HB Revenue	3.0%	3.0%
Net Income - Cont. Ops. ($mm)	$52.1	$140.2
Diluted EPS - Cont. Ops.[(c)]	$1.69	$4.53
Effective Tax Rate[(c)]	14.1%	11.9%

[(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

1st Quarter Expectations

Metric	Expectations
Active Community Count, Ending[(a)]	Up ~20%
Sales Pace[(a)]	Up ~10%
New Home Orders[(a)]	Up ~30%
Closings	> 925
Average Sales Pace	~$515k
Adjusted HB Gross Margin %[(b)]	~19.0%
SG&A as % of Total Revenue	~13.0%
Adjusted EBITDA	~$30MM
Interest Amort. % of HB Revenue	> 3%
Effective Tax Rate	~15%
Diluted EPS - Cont. Ops.	~$0.30

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

Outlook for Fiscal Year 2025

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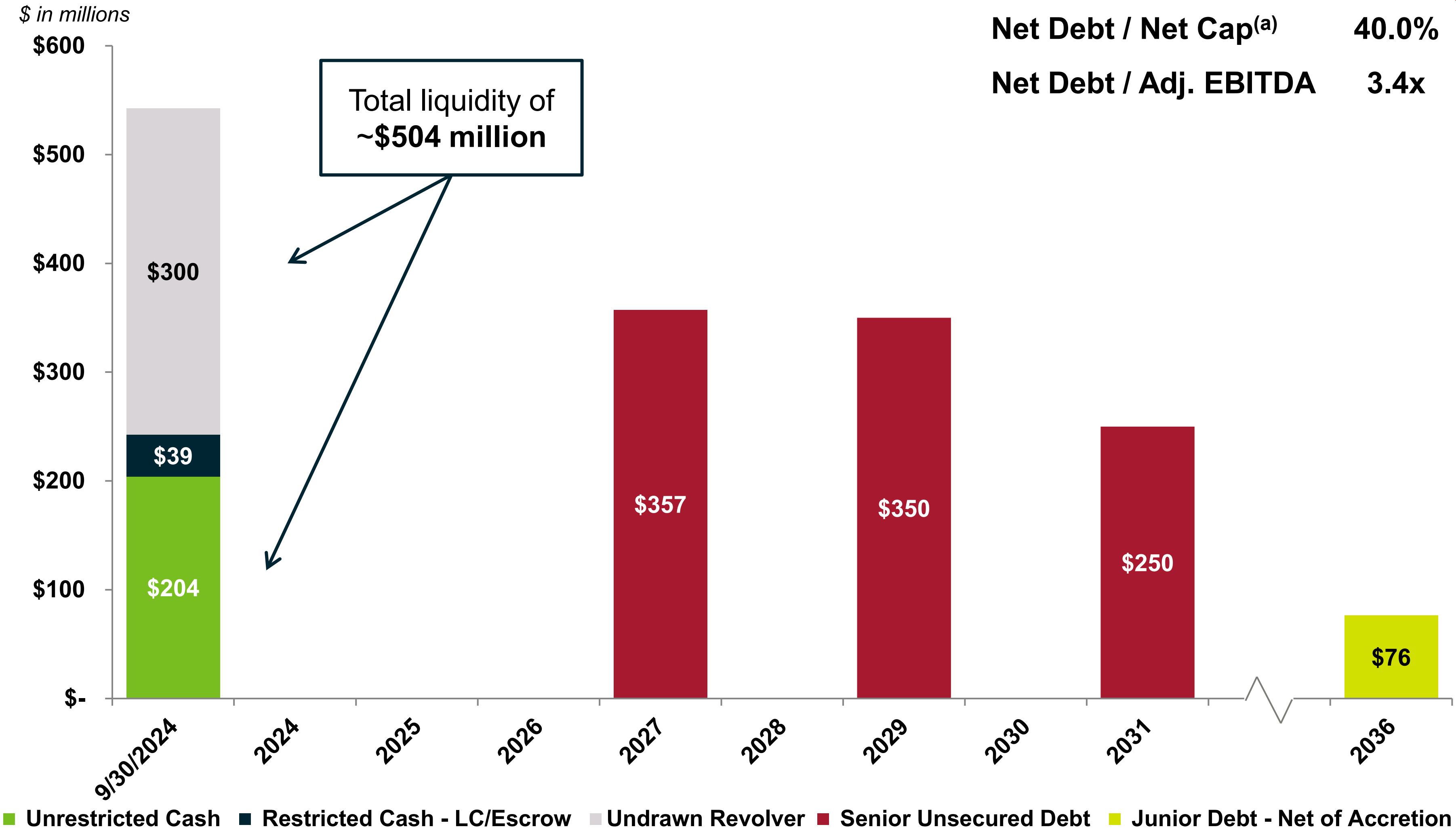
Community Count Growth + **Macro Assessment**

Ranges	Low	High
Average Community Count	+12.5%	+15.0%
Sales Pace	~2.50	~3.00
Gross Margin	~19.5%	~20.5%
Estimates		
ASP	>$530k	
SG&A	~11%	

Significant Revenue Growth Leading to Profitability & Double-Digit Return on Capital Employed

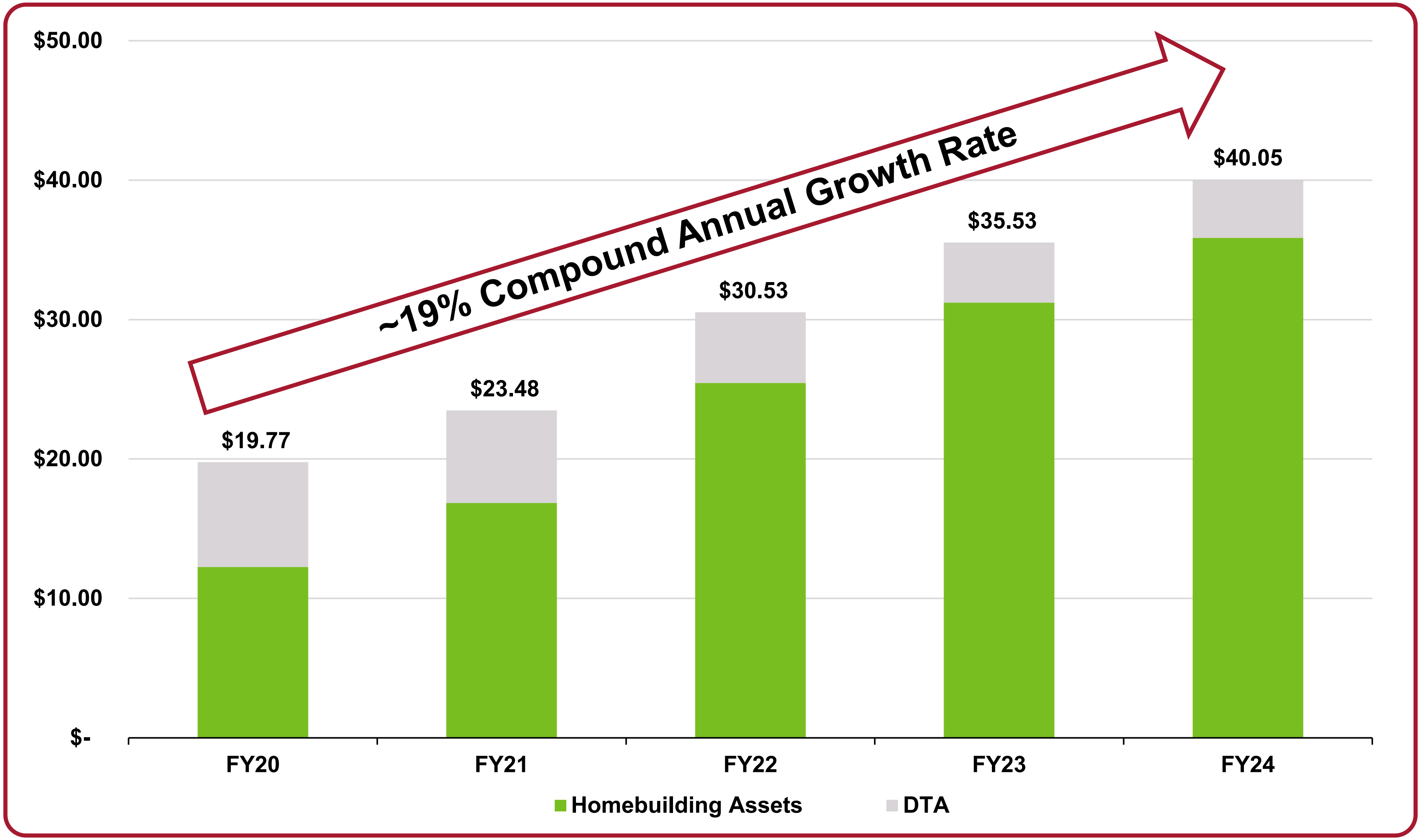
Liquidity and Capitalization



Net Debt / Net Cap[(a)]	40.0%
Net Debt / Adj. EBITDA	3.4x

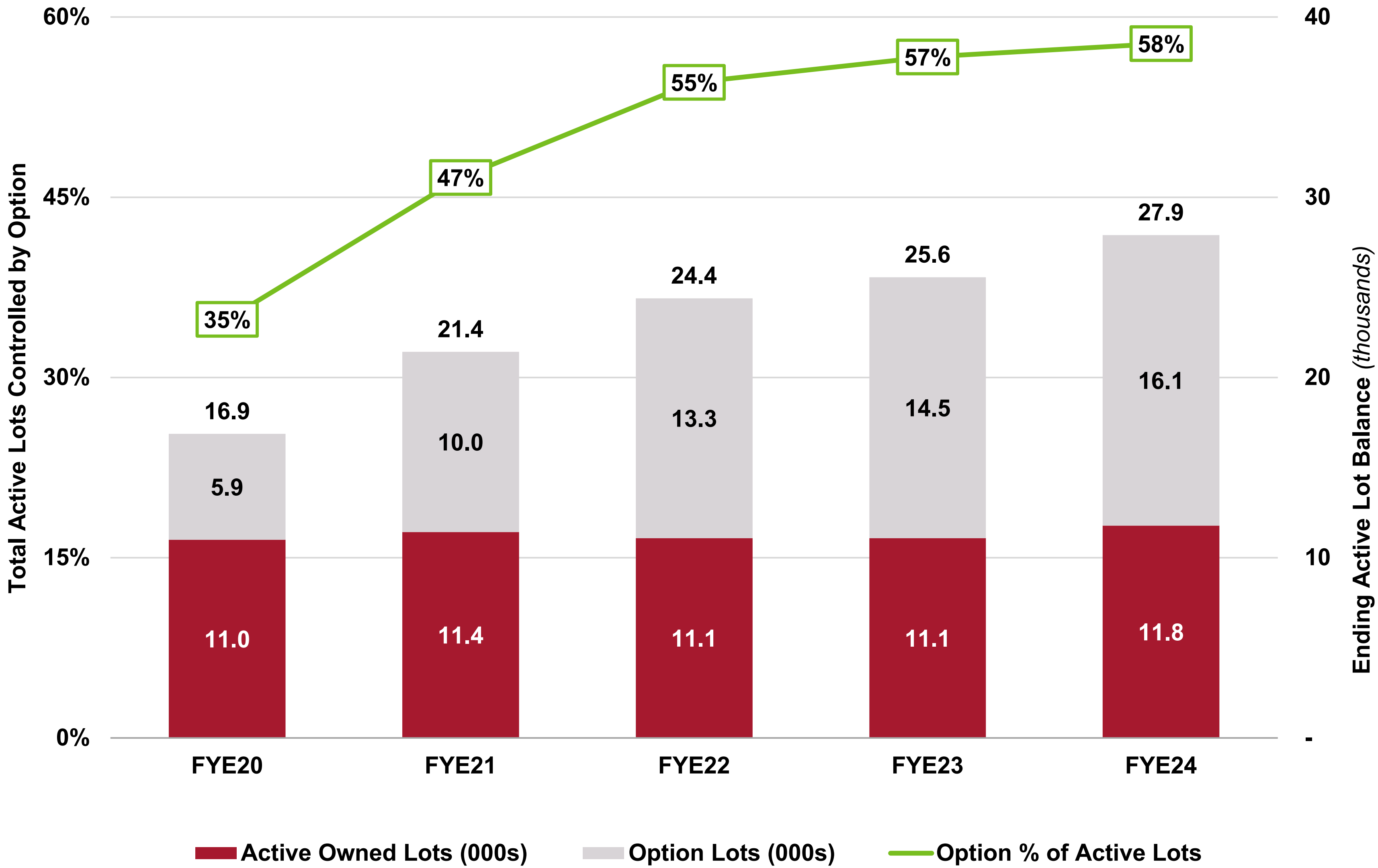
[(a)] *See "Non-GAAP Net Debt to Net Capitalization Reconciliation" in the appendix*

Book Value Per Share Growth



Quarterly diluted weighted-average shares outstanding at period-end used for all per share calculations
Balances as of 9/30 used for all periods
Homebuilding assets per share is calculated using the residual of our book value per share after DTA per share

Lot Position



Wrap-Up

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FY24 Results

- Invested For Our Future
- Generated Double-Digit Returns
- Accelerated Adoption of Zero Energy Ready

FY25 Outlook

- Growing Community Count
- Significant Revenue Growth
- Double-Digit Returns[a]

Progress Towards Multi-Year Goals

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

[a] *Double-digit Capital Employed is defined as Adjusted EBITDA divided by average Capital Employed. Average Capital Employed is defined as average Total Debt + average Shareholders' Equity for the fiscal year*

Appendix

Zero Energy Ready Homes

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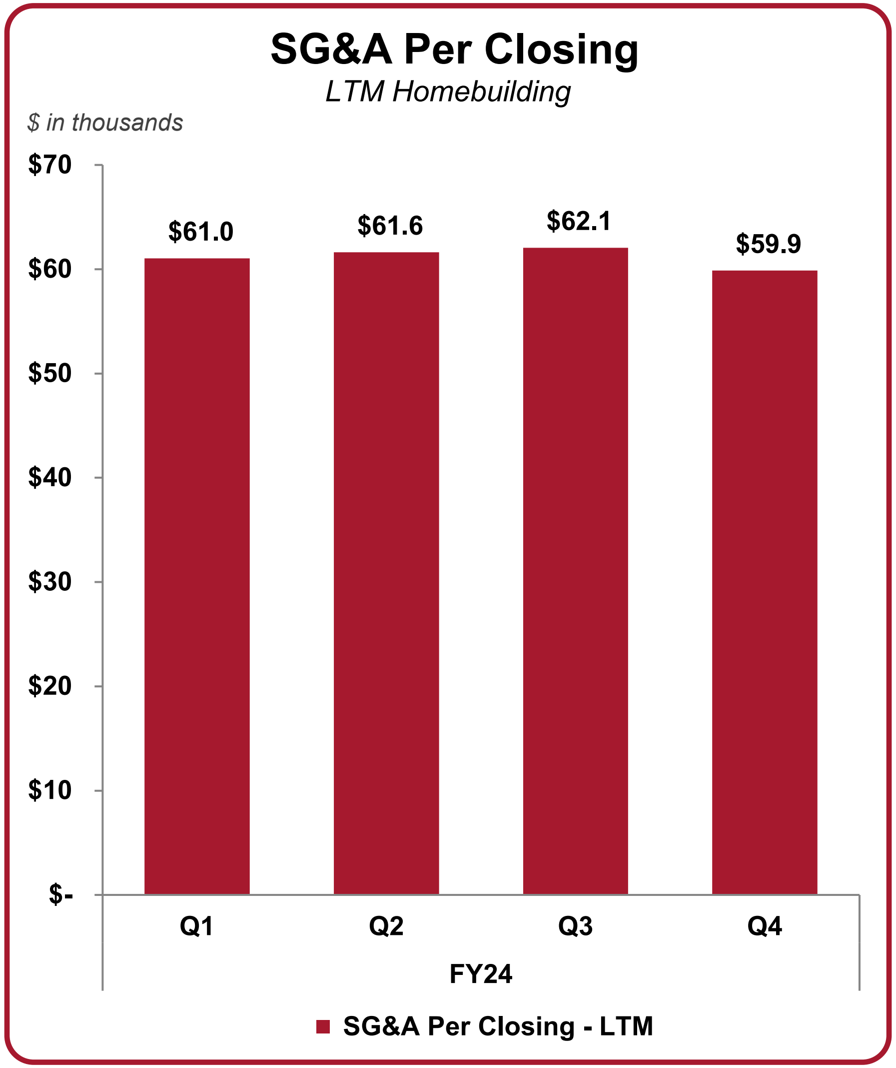
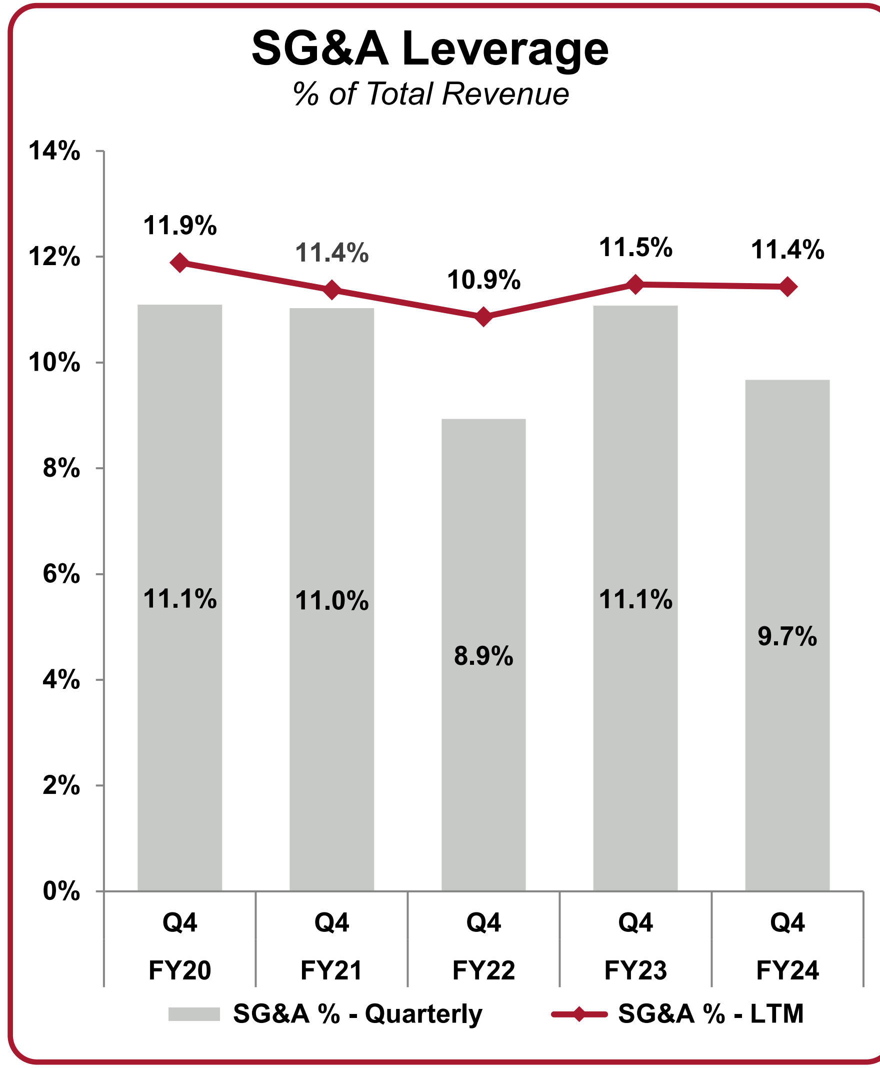
A DOE Zero Energy Ready Home® is a high-performance home that is so energy efficient that a renewable energy system could offset most or all the home's annual energy use. Each DOE Zero Energy Ready Home meets rigorous efficiency and performance criteria.

- Homeowner Benefits
  - Comfort
    - Fewer temperature fluctuations
    - Less drafty
  - Quality
    - 3rd Party Inspected
    - Industry-leading Partners
  - Durability
    - Better building practices
    - Building Science-led strategy
  - Better Indoor Air Quality
    - Twice-filtered air
    - Less uncontrolled air infiltration
  - Energy Cost Savings

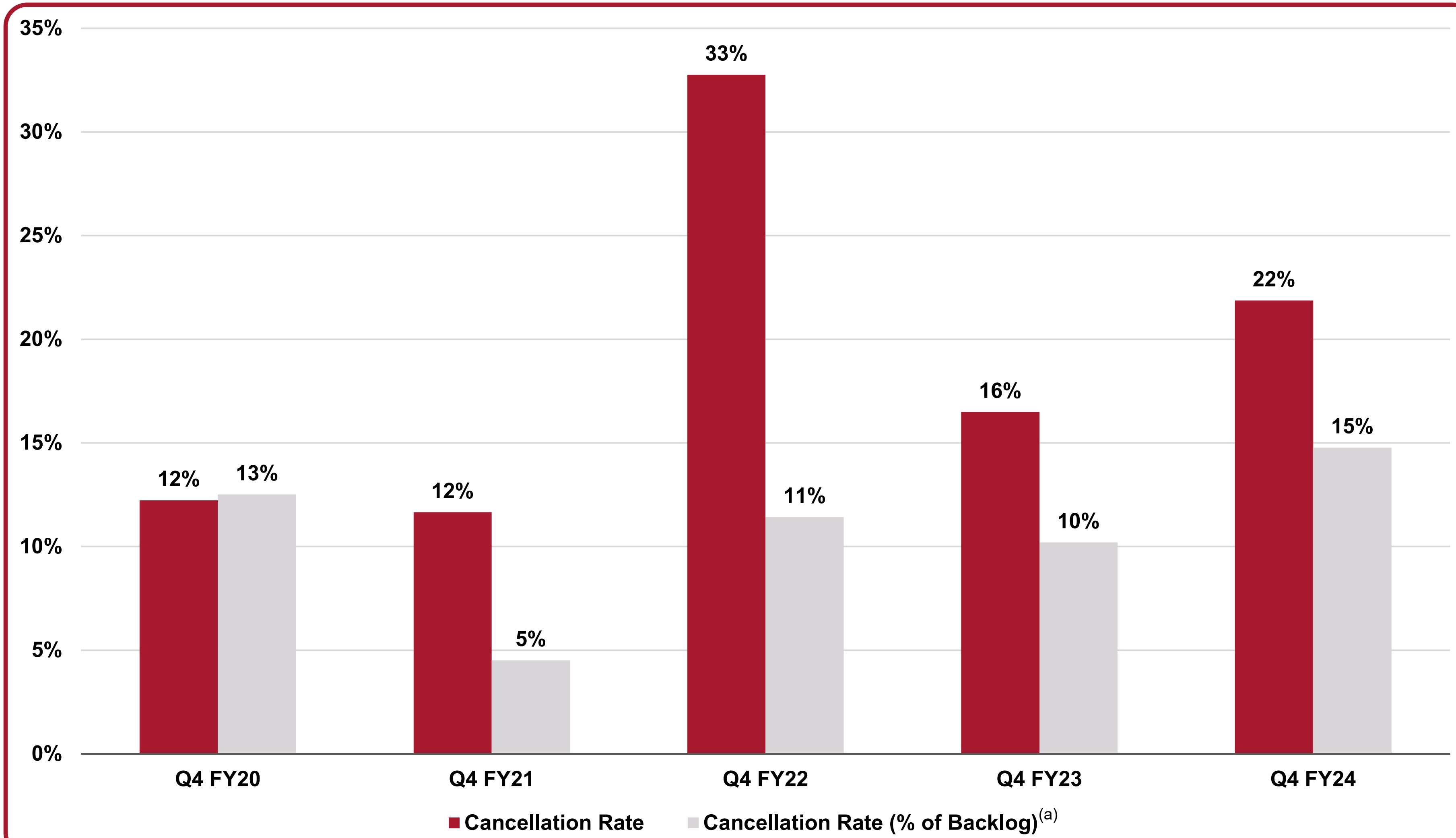
- Building Science Features
  - High Performance Building Envelope
    - Tyvek Weatherization System
    - Low air leakage
  - Energy Recovery Ventilator
    - Whole home air filtration
    - Capture energy leaving house
  - High Efficiency Mechanical Systems
    - High efficiency ratings (HSPF, SEER, etc.)
    - Ductwork in conditioned space
  - Solar and EV Ready

SG&A Leverage



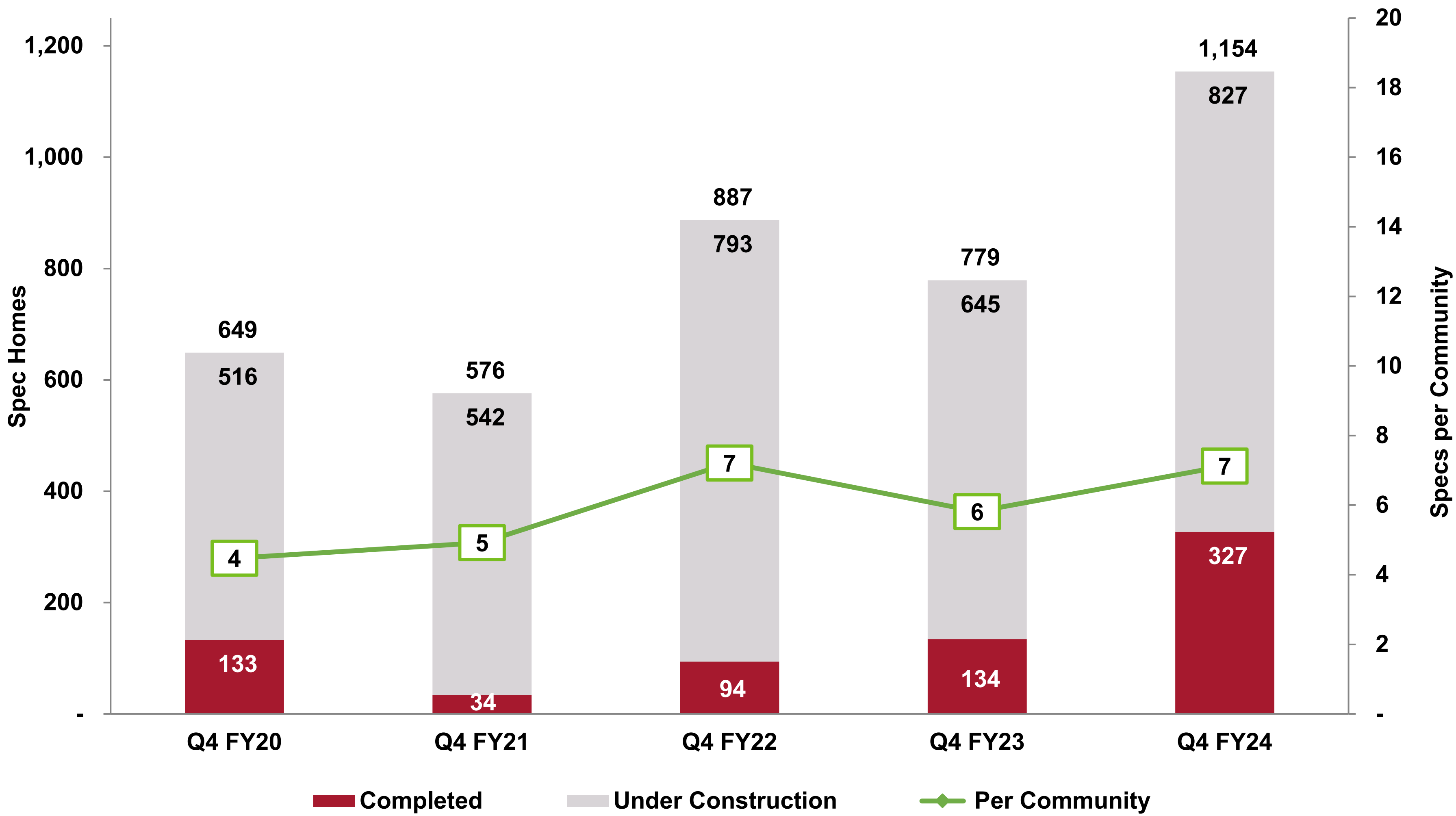


Cancellation Rates



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

Spec Homes



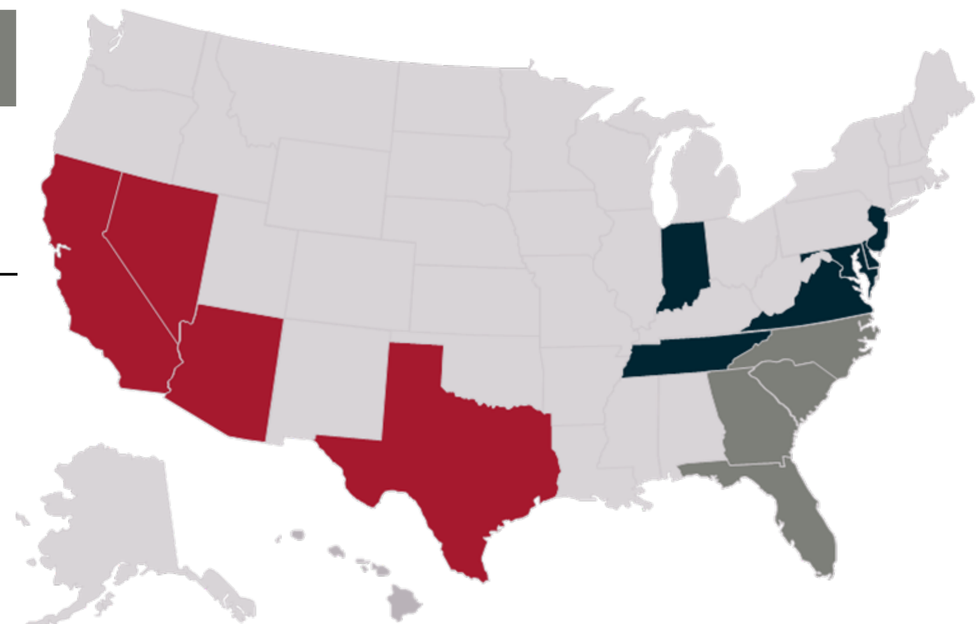
Note: Spec count as of each quarter end includes Gatherings

Segment ASP & Margins

($ in thousands)

	Q4 FY23 ASP	Q4 FY24 ASP	Change in ASP ($)	Change in ASP (%)	Q4 FY23 Closings	Q4 FY24 Closings	Change in Mix
West	$522.2	$517.9	($4.3)	(0.8%)	56.2%	65.0%	8.8%
East	$545.4	$544.0	($1.4)	(0.3%)	24.5%	22.0%	(2.5%)
Southeast	$483.9	$519.8	$35.9	7.4%	19.3%	13.0%	(6.3%)

	Q4 FY23 GM%[a]	Q4 FY24 GM%[a]	Change in GM%
West	26.4%	21.4%	(500 bps)
East	20.9%	18.6%	(230 bps)
Southeast	24.0%	21.7%	(230 bps)



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

Q4 Results

$ in millions (except ASP)

	Q4 FY23	Q4 FY24	Δ[d]
Profitability			
Total Revenue	$ 645.4	$ 806.2	24.9%
Adjusted EBITDA [a]	$ 90.0	$ 93.1	$3.2
Net Income - Cont. Ops.	$ 55.8	$ 52.1	($3.7)
Unit Activity			
New Home Orders	1,003	1,029	2.6%
Closings	1,233	1,496	21.3%
Average Selling Price ($k)	$ 520.5	$ 523.9	0.7%
Cancellation Rate	16.5 %	21.9 %	540 bps
Active Community Count, Avg [b]	130	153	18.0%
Sales Pace	2.6	2.2	(13.0%)
Margins			
HB Gross Margin % [c]	24.3 %	20.4 %	(390 bps)
SG&A as % of Total Revenue	11.1 %	9.7 %	(140 bps)
Balance Sheet			
Unrestricted Cash	$ 345.6	$ 203.9	($141.7)
Land & Development Spend	$ 213.7	$ 179.0	($34.7)

[a] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[b] Active Community Count was 134 at 9/30/2023 and 162 at 9/30/2024
[c] Excludes impairments, abandonments, and interest amortized to cost of sales
[d] Changes are calculated using unrounded numbers

FY24 Results

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$ in millions (except ASP)

		FY23		FY24	Δ[d]
Profitability					
Total Revenue	$	2,206.8	$	2,330.2	5.6%
Adjusted EBITDA [a]	$	272.0	$	243.4	($28.6)
Net Income - Cont. Ops.	$	158.7	$	140.2	($18.5)
Unit Activity					
New Home Orders		3,866		4,221	9.2%
Closings		4,246		4,450	4.8%
Average Selling Price ($k)	$	517.8	$	515.3	(0.5%)
Cancellation Rate		20.3 %		17.7 %	(260 bps)
Active Community Count, Avg [b]		125		144	15.7%
Sales Pace		2.6		2.4	(5.6%)
Margins					
HB Gross Margin % [c]		23.1 %		21.1 %	(200 bps)
SG&A as % of Total Revenue		11.5 %		11.4 %	(10 bps)
Balance Sheet					
Unrestricted Cash	$	345.6	$	203.9	($141.7)
Land & Development Spend	$	573.1	$	776.5	$203.5

[a] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[b] Active Community Count was 134 at 9/30/2023 and 162 at 9/30/2024
[c] Excludes impairments, abandonments, and interest amortized to cost of sales
[d] Changes are calculated using unrounded numbers

Backlog Detail

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	Q4 FY23	Q4 FY24
Quarter Ending Backlog (units)	1,711	1,482
Quarter Ending Backlog ($ in millions)	$ 886.4	$ 797.2
ASP in Backlog ($ in thousands)	$ 518.0	$ 537.9
Quarter Beg. Backlog	1,941	1,949
Scheduled to Close in Future Qtrs.	(902)	(706)
Backlog Scheduled to Close in the Qtr.	1,039	1,243
Backlog Activity:		
Cancellations [a]	(71)	(104)
Pushed to Future Quarters	(68)	(105)
Close Date Brought Forward	104	89
Sold & Closed During the Qtr	229	373
Total Closings in the Quarter	1,233	1,496
Backlog Conversion Rate	63.5%	76.8%

[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 September 30, 2024							
	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	$ 105,822	21.0 %	$ 1,796	$ 107,618	21.4 %	$ —	$ 107,618	21.4 %
East	33,300	18.6 %	—	33,300	18.6 %	—	33,300	18.6 %
Southeast	21,962	21.7 %	—	21,962	21.7 %	—	21,962	21.7 %
Corporate & unallocated[(a)]	(26,173)	—	—	(26,173)	—	23,130	(3,043)	—
Total homebuilding	$ 134,911	17.2 %	$ 1,796	$ 136,707	17.4 %	$ 23,130	$ 159,837	20.4 %

($ in thousands)	Three Months Ended September 30, 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	$ 95,437	26.4 %	$ 25	$ 95,462	26.4 %	$ —	$ 95,462	26.4 %
East	34,466	20.9 %	—	34,466	20.9 %	—	34,466	20.9 %
Southeast	27,687	24.0 %	—	27,687	24.0 %	—	27,687	24.0 %
Corporate & unallocated[(a)]	(21,665)	—	—	(21,665)	—	19,919	(1,746)	—
Total homebuilding	$ 135,925	21.2 %	$ 25	$ 135,950	21.2 %	$ 19,919	$ 155,869	24.3 %

Non-GAAP Homebuilding Gross Margin Reconciliation

($ in thousands)	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
	Fiscal Year Ended September 30, 2024							
West	$ 306,366	21.1 %	$ 1,805	$ 308,171	21.3 %	$ —	$ 308,171	21.3 %
East	87,481	18.1 %	91	87,572	18.1 %	—	87,572	18.1 %
Southeast	79,174	21.9 %	100	79,274	22.0 %	—	79,274	22.0 %
Corporate & unallocated[(a)]	(59,410)	—	—	(59,410)	—	67,658	8,248	—
Total homebuilding	$ 413,611	18.0 %	$ 1,996	$ 415,607	18.1 %	$ 67,658	$ 483,265	21.1 %

($ in thousands)	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
	Fiscal Year Ended September 30, 2023							
West	$ 307,240	23.8 %	$ 487	$ 307,727	23.8 %	$ —	$ 307,727	23.8 %
East	103,102	20.5 %	154	103,256	20.5 %	—	103,256	20.5 %
Southeast	92,212	22.9 %	—	92,212	22.9 %	—	92,212	22.9 %
Corporate & unallocated[(a)]	(64,434)	—	—	(64,434)	—	68,489	4,055	—
Total homebuilding	$ 438,120	19.9 %	$ 641	$ 438,761	20.0 %	$ 68,489	$ 507,250	23.1 %

Non-GAAP Adjusted EBITDA Reconciliation

(in thousands)	Three Months Ended September 30, 2023	**2024**	24 v 23	Fiscal Year Ended September 30, 2023	**2024**	24 v 23
Net income (GAAP)	$ 55,756	**$ 52,066**	$ (3,690)	$ 158,611	**$ 140,175**	$ (18,436)
Expense from income taxes	8,470	**8,537**	67	23,936	**18,910**	(5,026)
Interest amortized to home construction and land sales expenses and capitalized interest impaired	19,919	**23,705**	3,786	68,489	**68,233**	(256)
EBIT (Non-GAAP)	84,145	**84,308**	163	251,036	**227,318**	(23,718)
Depreciation and amortization	3,758	**5,169**	1,411	12,198	**14,867**	2,669
EBITDA (Non-GAAP)	87,903	**89,477**	1,574	263,234	**242,185**	(21,049)
Stock-based compensation expense	2,028	**1,855**	(173)	7,275	**7,391**	116
Loss on extinguishment of debt	13	**—**	(13)	546	**437**	(109)
Inventory impairments and abandonments[a]	25	**1,796**	1,771	641	**1,996**	1,355
Gain on sale of investment[b]	—	**—**	—	—	**(8,591)**	(8,591)
Restructuring and severance expenses	—	**—**	—	335	**—**	335
Adjusted EBITDA (Non-GAAP)	$ 89,969	**$ 93,128**	$ 3,159	$ 272,031	**$ 243,418**	$ (28,613)

[a] *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."*

[b] *We previously held a minority interest in a technology company specializing in digital marketing for new home communities, which was sold during the quarter ended March 31, 2024. In exchange for the previously held investment, we received cash in escrow along with a minority partnership interest in the acquiring company, which was recorded within other assets in our consolidated balance sheets. The resulting gain of $8.6 million from this transaction was recognized in other income, net on our consolidated statement of operations. The Company believes excluding this one-time gain from Adjusted EBITDA provides a better reflection of the Company's performance as this item is not representative of our core operations.*

Non-GAAP Net Debt to Net Capitalization Reconciliation

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($ in thousands)	Fiscal Year Ended September 30, 2023	**2024**
Total debt (GAAP)	$ 978,028	**$ 1,025,349**
Stockholders' equity (GAAP)	1,102,819	**1,232,111**
Total capitalization (GAAP)	$ 2,080,847	**$ 2,257,460**
Total debt to total capitalization ratio (GAAP)	47.0 %	**45.4 %**
Total debt (GAAP)	$ 978,028	**$ 1,025,349**
Less: cash and cash equivalents (GAAP)	345,590	**203,907**
Net debt (Non-GAAP)	632,438	**821,442**
Stockholders' equity (GAAP)	1,102,819	**1,232,111**
Net capitalization (Non-GAAP)	$ 1,735,257	**$ 2,053,553**
Net debt to net capitalization ratio (Non-GAAP)	36.4 %	**40.0 %**

Beazer Tax Benefits

BEAZER HOMES

	FY25 - 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	**> 14% & < 17%** (Current & prior years energy efficiency credits)	**< 17%** (Current year energy efficiency credits)
Cash Taxes	**Reduced Cash Taxes** **~Aligned with GAAP Taxes beginning in FY27** (Use of predominantly energy efficiency credits)[b]	

Note: Actual tax rates and cash taxes will depend on a variety of factors, including but not limited to the number of Zero Energy Ready Home closings, any available net operating losses, and financial results

(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. Actual timing of alignment with GAAP taxes may vary

Deferred Tax Assets - Summary

($ in millions)	September 30, 2023		**September 30, 2024**	
Deferred Tax Assets	$	169.8	**$**	**161.4**
Valuation Allowance	$	(30.4)	**$**	**(27.6)**
Deferred Tax Liabilities	$	(5.4)	**$**	**(5.3)**
Net Deferred Tax Assets	$	134.0	**$**	**128.5**

As of September 30, 2024, 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 $27.6 million as of September 30, 2024 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 2024 Form 10-K for additional detail.