Beazer Homes USA, Inc.
Q3 2022 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 presentation 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: (i) the cyclical nature of the homebuilding industry and further deterioration in homebuilding industry conditions; (ii) continued increases in mortgage interest rates and reduced availability of mortgage financing due to, among other factors, recent and likely continued actions by the Federal Reserve to address sharp increases in inflation; (iii) other economic changes nationally and in local markets, including changes in consumer confidence, wage levels, declines in employment levels, and an increase in the number of foreclosures, each of which is outside our control and affects the affordability of, and demand for, the homes we sell; (iv) continued supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances; (v) continued shortages of or increased costs for labor used in housing production, and the level of quality and craftsmanship provided by such labor; (vi) potential negative impacts of the COVID-19 pandemic, which, in addition to exacerbating each of the risks listed above and below, may include a significant decrease in demand for our homes or consumer confidence generally with respect to purchasing a home, an inability to sell and build homes in a typical manner or at all, increased costs or decreased supply of building materials, including lumber, or the availability of subcontractors, housing inspectors, and other third-parties we rely on to support our operations, and recognizing charges in future periods, which may be material, for goodwill impairments, inventory impairments and/or land option contract abandonments; (vii) factors affecting margins, such as increased sales incentives and mortgage rate buy down programs; 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 production and overhead cost structure; not being able to pass on cost increases through pricing increases; (viii) the availability and cost of land and the risks associated with the future value of our inventory, such as asset impairment charges we took on select California assets during the second quarter of fiscal 2019; (ix) our ability to raise debt and/or equity capital, due to factors such as limitations in the capital markets (including market volatility) or adverse credit market conditions, 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; (x) market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital); (xi) 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; (xii) changes in tax laws or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes; (xiii) increased competition or delays in reacting to changing consumer preferences in home design; (xiv) 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; (xv) the potential recoverability of our deferred tax assets; (xvi) increases in corporate tax rates; (xvii) 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; (xviii) the results of litigation or government proceedings and fulfillment of any related obligations; (xix) the impact of construction defect and home warranty claims; (xx) the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred; (xxi) the impact of information technology failures, cybersecurity issues or data security breaches; (xxii) the impact of governmental regulations on homebuilding in key markets, such as regulations limiting the availability of water; (xxiii) the success of our ESG initiatives, including our ability to meet our goal that every home we build will be Net Zero Energy Ready by 2025 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 Net Zero future; and (xxiv) terrorist acts, protests and civil unrest, political uncertainty, acts of war or other factors over which the Company has no control.

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.

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Introduction

Allan P. Merrill

Chairman & Chief Executive Officer

David I. Goldberg

Sr. Vice President & Chief Financial Officer

3rd Quarter Highlights

Balanced Growth Strategy: Increase returns by growing profitability faster than revenue, from a less-leveraged and more efficient balance sheet

Gross Margin Up	✓
Adjusted EBITDA Up	✓
EPS Up	✓

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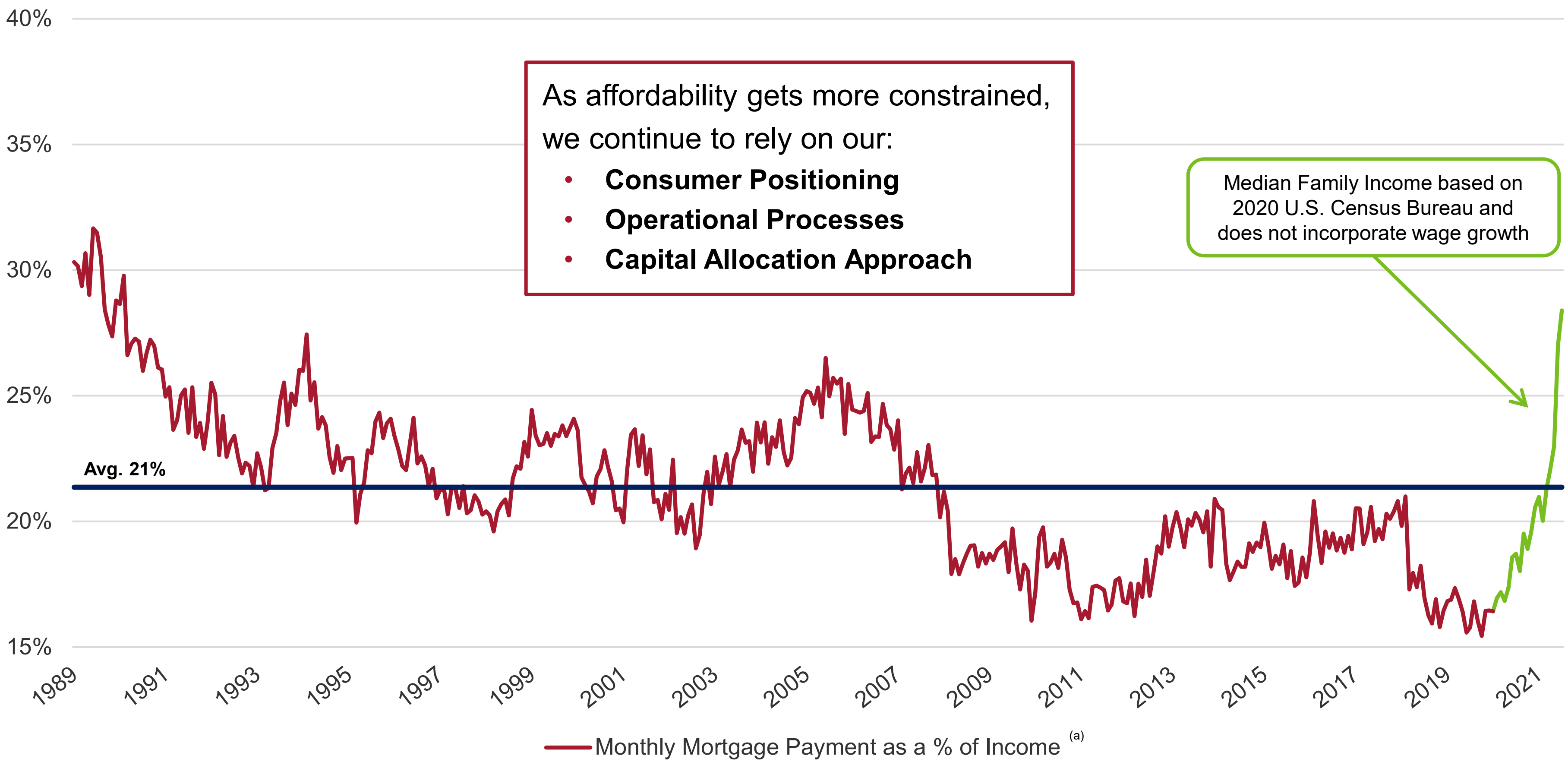
Positioned for Evolving Affordability Challenges

Monthly Mortgage Payment as a % of Income



[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, 2021-2022 reflects most current available data (i.e., median new residential sales prices through 5/2022 and median family income data from 2020)

Consumer Positioning

Our consumer strategy is to deliver

Extraordinary Value at an Affordable Price

MORTGAGE CHOICE

- Drives lower rates and fees
- Delivers improved customer experience and service
- Offers access to more mortgage programs

SURPRISING PERFORMANCE

- Exceeds the latest ENERGY STAR® standards
- Saves money on every energy utility bill
- Produces a healthier home with more quality and comfort

Choice Plans™

- Provides buyers choice of how they want to live in their home
- Personalizes living areas at no additional cost

Operational Processes

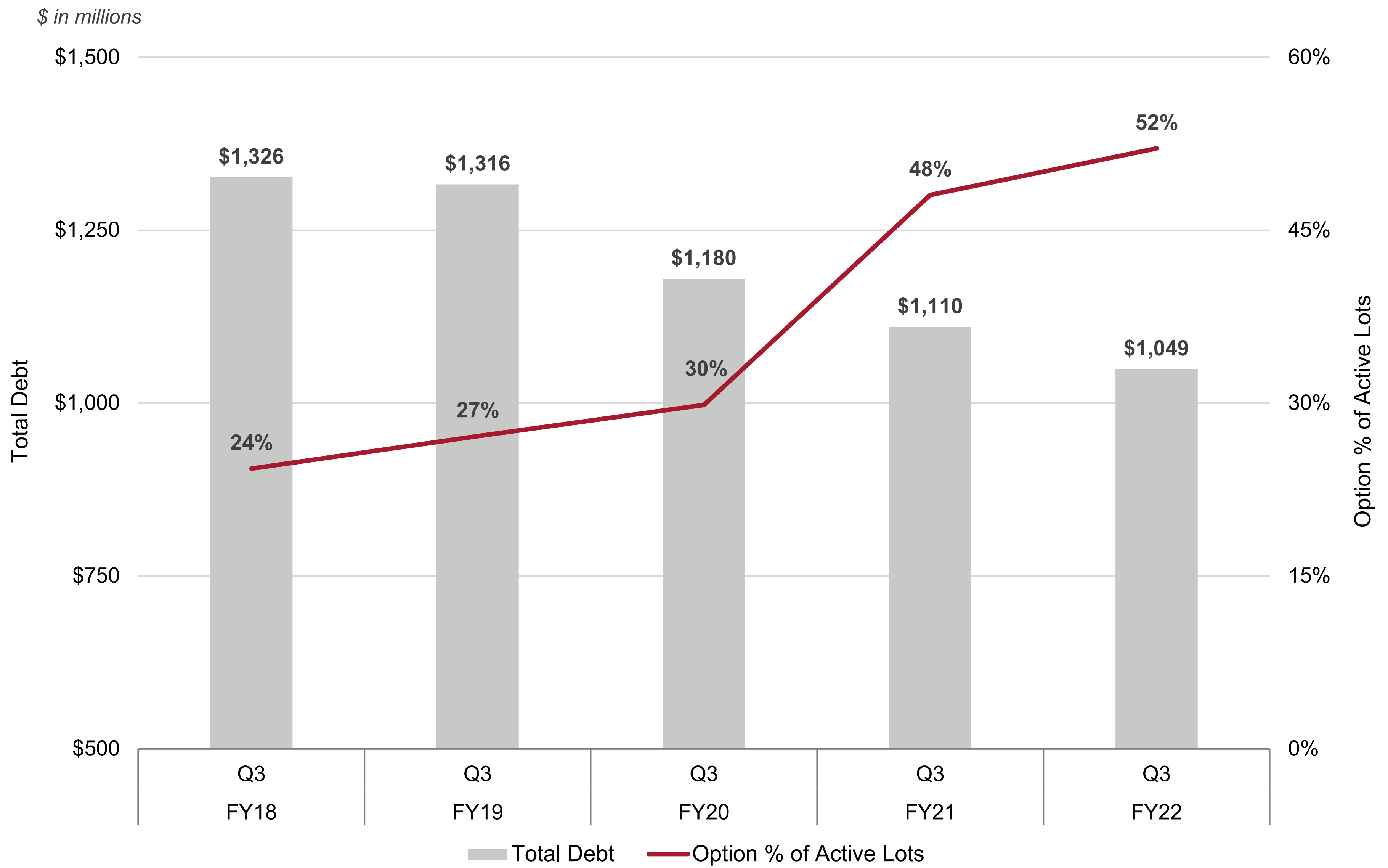
Weekly CMA Process

- Allows us to quickly refine our competitive positioning
- In June, our analysis led us to selectively increase incentives in some communities and reduce base prices in others

Adjustments Remain Modest

- Supply and demand imbalance persists
- Labor market remains very strong
  - Low unemployment
  - Rising incomes
- Locking homeownership costs protects customers from rising rental rates

Capital Allocation Approach



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3rd Quarter Results

Results	Q3 FY22	YoY Change
Sales Pace	2.5	(22.9%)
Cancellation Rate	17.0%	610 bps
Adjusted HB Gross Margin % [a]	28.1%	390 bps
Income Tax Expense ($M)	$13.2	21.7%
Effective Tax Rate	19.5%	(300 bps)
Net Income – Cont. Ops. ($M)	$54.3	46.2%
Diluted Earnings per Share	$1.76	44.3%

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

4th Quarter Expectations vs. Prior Year

Metric	Expectations
Sales Pace	~2.0
Community Count, Avg	~120
Closings	1,400-1,600
Backlog Conversion	~50%
Average Selling Price ($k)	~$515
Adjusted HB Gross Margin % [a]	Up ~200 bps
SG&A as % of Total Revenue	~10%
Interest Amort. % of HB Revenue	Low 3s
Tax Rate	~20%

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

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Raising Full-Year Expectations

Metric	Expectations
EPS (including ~$0.40 energy-efficiency tax credits)	~$6.50
Return on Equity	>22%
Net Debt / EBITDA	Low 2s
Net Debt / Net Capitalization	40s

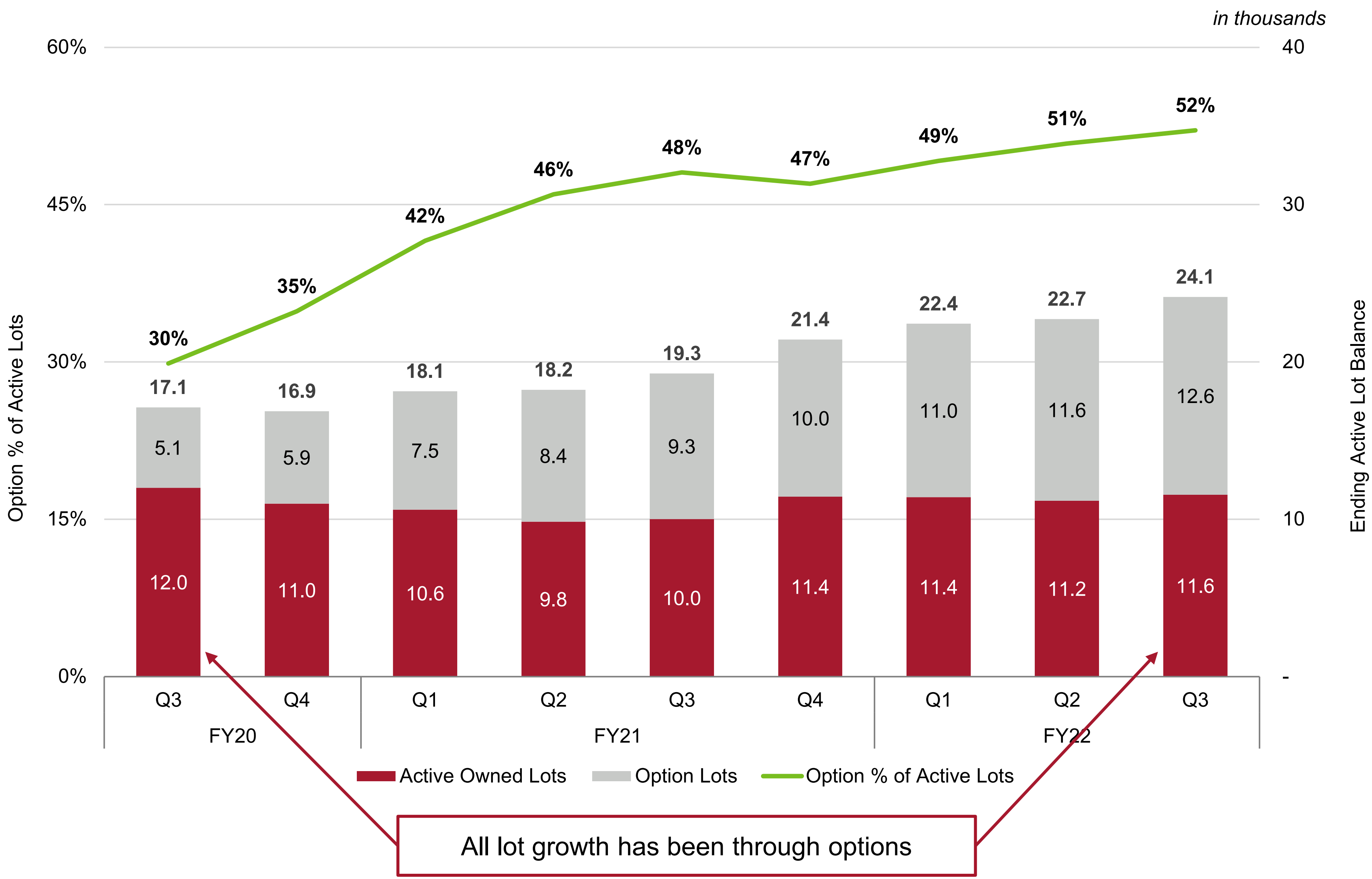
Capital Allocation Strategy

Balanced Growth Strategy: Increase returns by growing profitability faster than revenue, from a less-leveraged and more efficient balance sheet

Primary Objectives

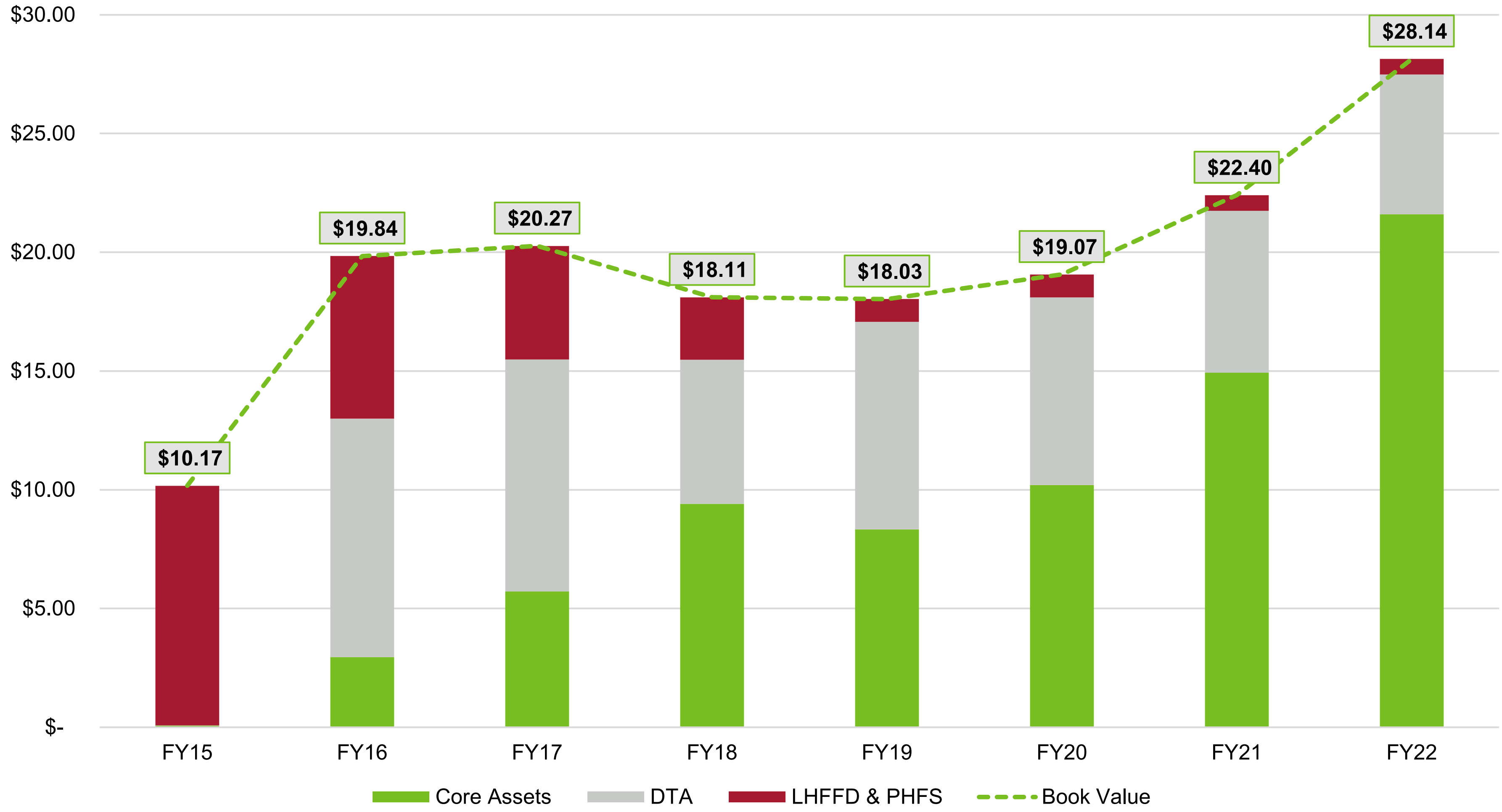
- Enable Future Growth
- Grow Book Value / Share
- Reduce Net Debt / Net Capitalization

Land For Future Growth



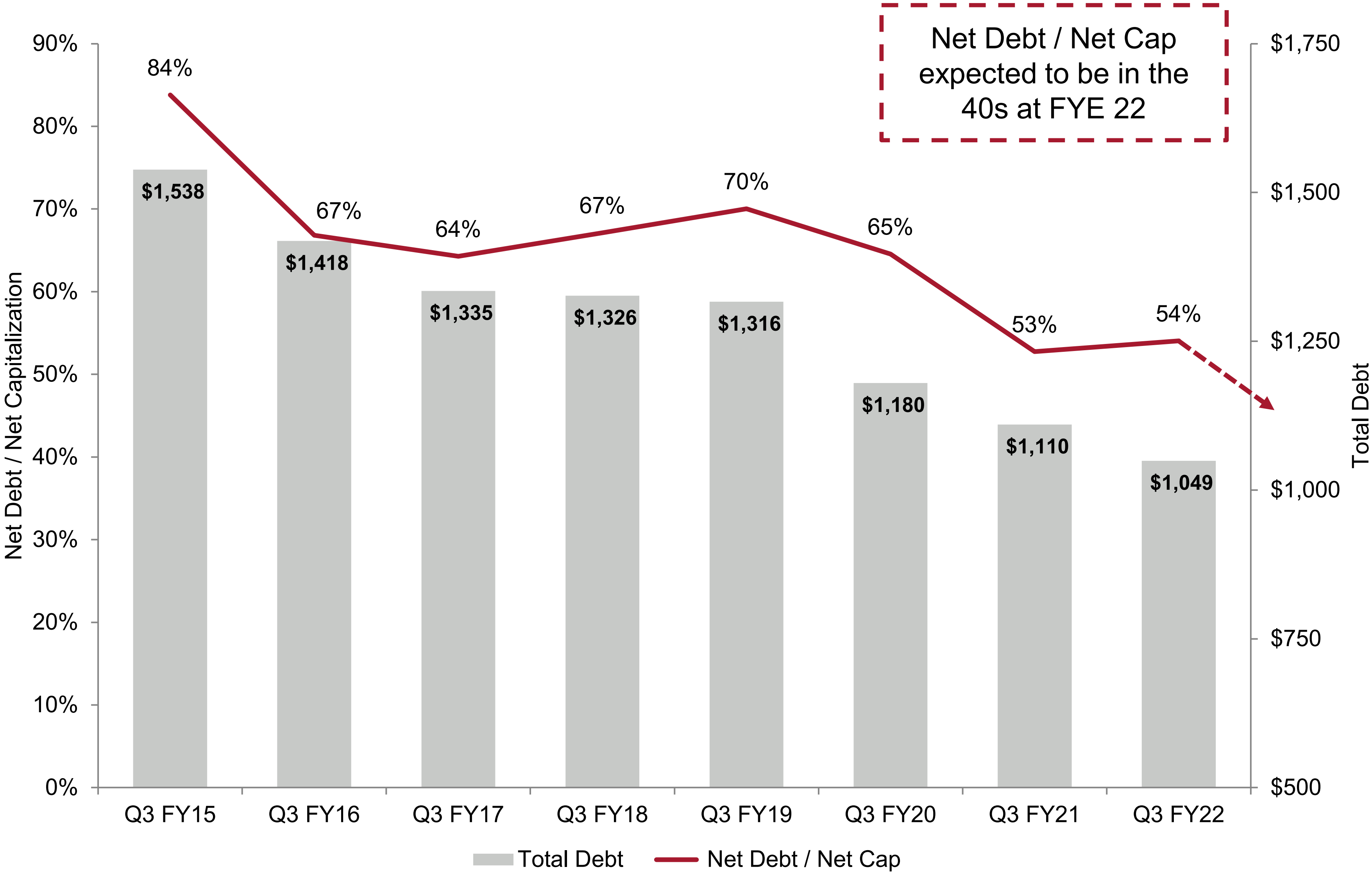
Note: Totals may not foot due to rounding

Growing Book Value Per Share



Notes: Common shares outstanding less non-vested shares at period-end used for all per share calculations
Balances as of 6/30 used for all periods
Core Assets per share is calculated using the residual of our book value per share after DTA per share and LHFFD & PHFS per share

Reducing Leverage



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Wrap-up

- Successful Q3 ⇨ Raised Guidance for FY22
- Positioned for Challenging Environment

Balanced Growth

+

3 Pillars

⇨

- Better Profitability
- Reduced Leverage
- Expanded Lot Position

Appendix

Q3 Results

$ in millions (except ASP)

		Q3 FY21		Q3 FY22		Δ
Profitability						
Total Revenue	$	570.9	$	526.7		(7.8%)
Adjusted EBITDA [(a)]	$	78.8	$	88.2	$	9.4
Net Income - Cont. Ops.	$	37.1	$	54.3	$	17.2
Unit Activity						
New Home Orders		1,199		925		(22.9%)
Closings		1,378		1,043		(24.3%)
Average Selling Price ($k)	$	411.4	$	501.7		21.9 %
Cancellation Rate		10.9 %		17.0 %		610 bps
Active Community Count, Avg [(b)]		123		123		—%
Sales Pace		3.2		2.5		(22.9%)
Margins						
HB Gross Margin % [(c)]		24.2 %		28.1 %		390 bps
SG&A as % of Total Revenue		11.1 %		11.8 %		70 bps
Balance Sheet						
Unrestricted Cash	$	358.3	$	42.0	$	(316.3)
Land & Development Spend	$	143.0	$	159.5	$	16.5

[(a)] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[(b)] Active Community Count was 120 at 6/30/2021 and 124 at 6/30/2022
[(c)] Excludes impairments, abandonments, and interest amortized to cost of sales

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Backlog Detail

	Q3 FY21	Q3 FY22
Quarter Ending Backlog (units)	3,124	3,003
Quarter Ending Backlog ($ in millions)	$ 1,354.6	$ 1,588.0
ASP in Backlog ($ in thousands)	$ 433.6	$ 528.8
Quarter Beg. Backlog	3,303	3,121
Scheduled to Close in Future Qtrs.	(1,780)	(1,959)
Backlog Scheduled to Close in the Qtr.	1,523	1,162
Backlog Activity:		
Cancellations	(43)	(42)
Pushed to Future Qtrs.	(263)	(241)
Close Date Brought Forward	51	89
Sold & Closed During the Qtr.	110	75
Total Closings in the Quarter	1,378	1,043
Backlog Conversion Rate	41.7%	33.4%

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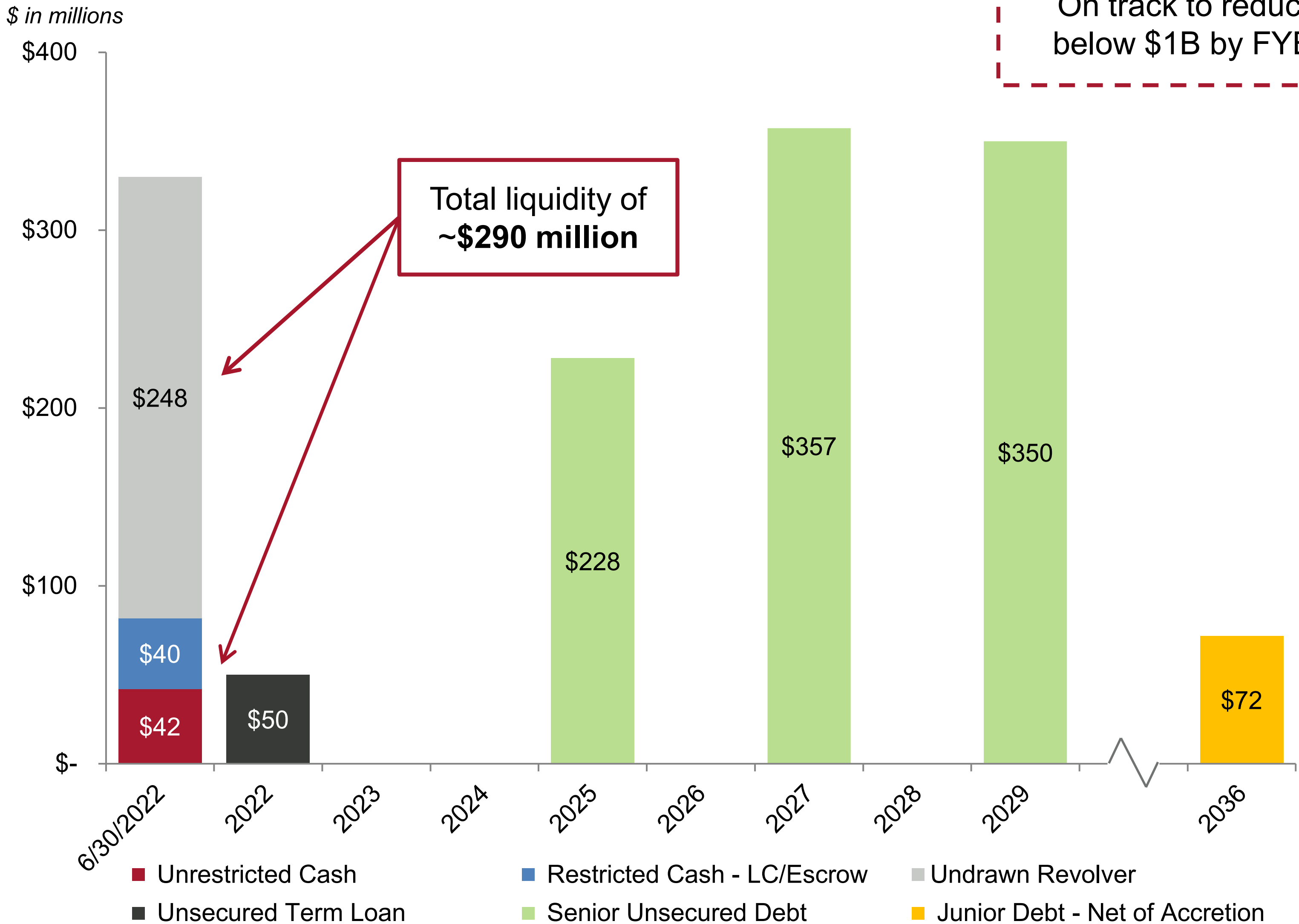
Liquidity Supports Growth

On track to reduce debt below $1B by FYE 2022



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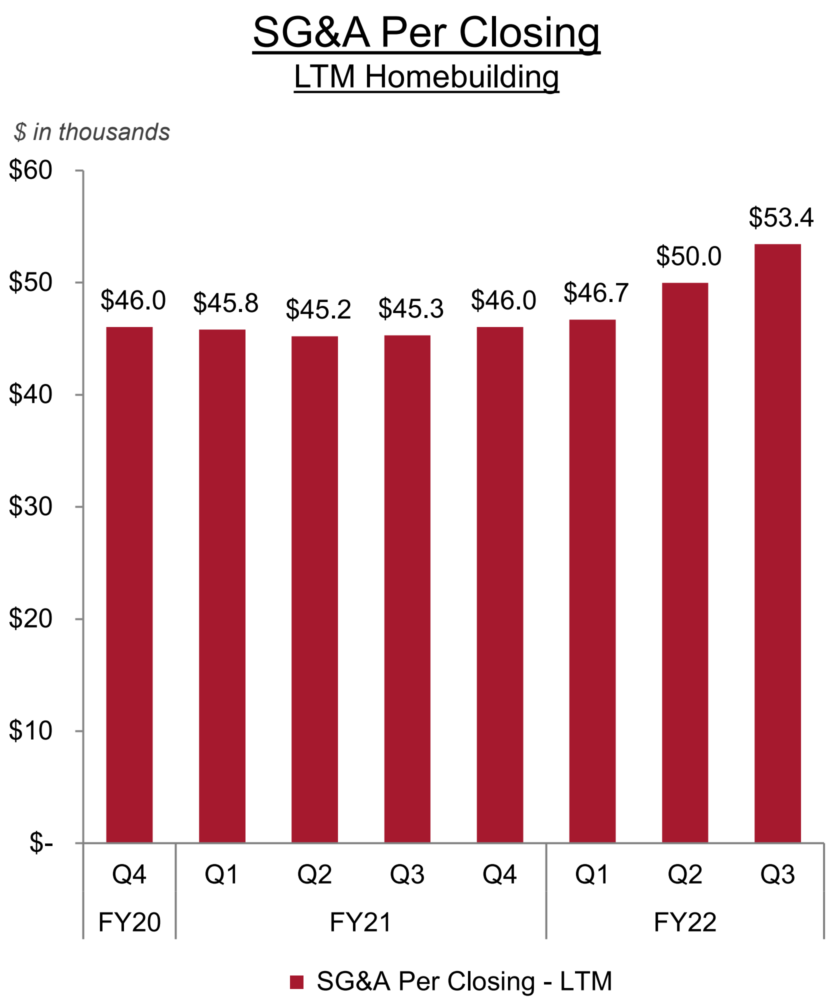
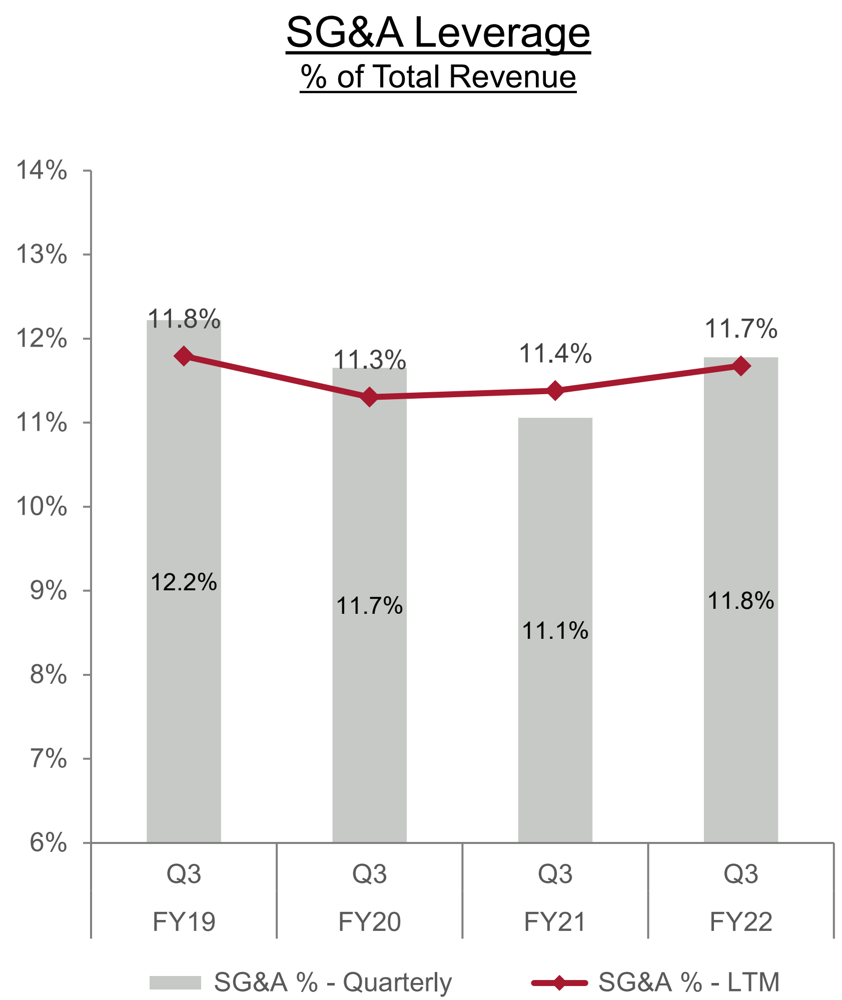
Improving SG&A Leverage is a Priority





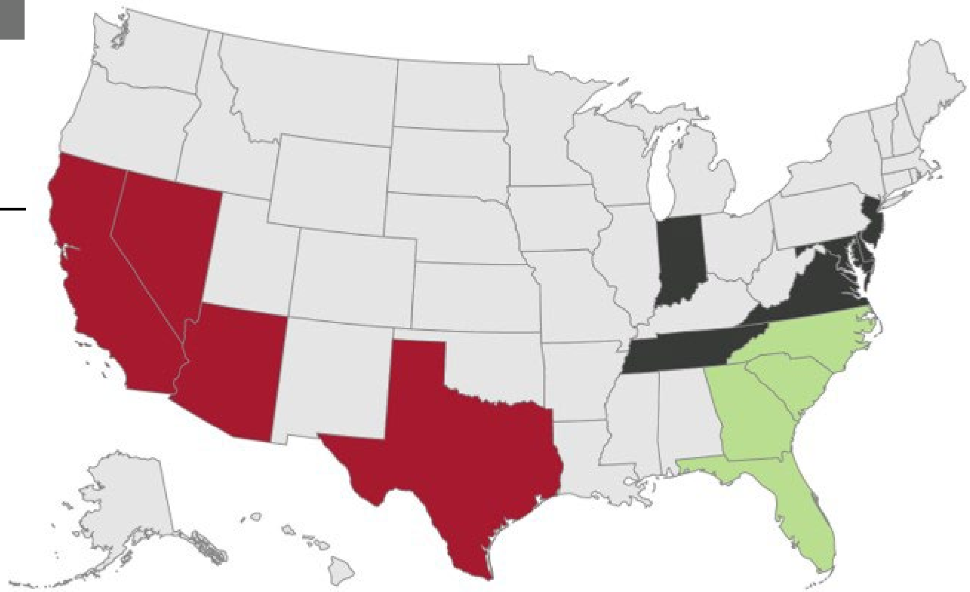
Geographic Mix Impacts ASP & Margins

($ in thousands)

	Q3 FY21 ASP	Q3 FY22 ASP	Change in ASP ($)	Change in ASP (%)	Q3 FY21 Closings	Q3 FY22 Closings	Change in Mix
West	$385.4	$486.6	$101.2	26.3%	55.5%	63.9%	8.4%
East	$486.0	$529.4	$43.4	8.9%	23.9%	20.3%	(3.6)%
Southeast	$394.7	$526.8	$132.1	33.5%	20.5%	15.8%	(4.7%)

	Q3 FY21 GM%[a]	Q3 FY22 GM%[a]	Change in GM%
West	25.5%	27.7%	220 bps
East	23.9%	26.4%	250 bps
Southeast	22.9%	25.8%	290 bps

- ASP and gross margins were higher across our footprint



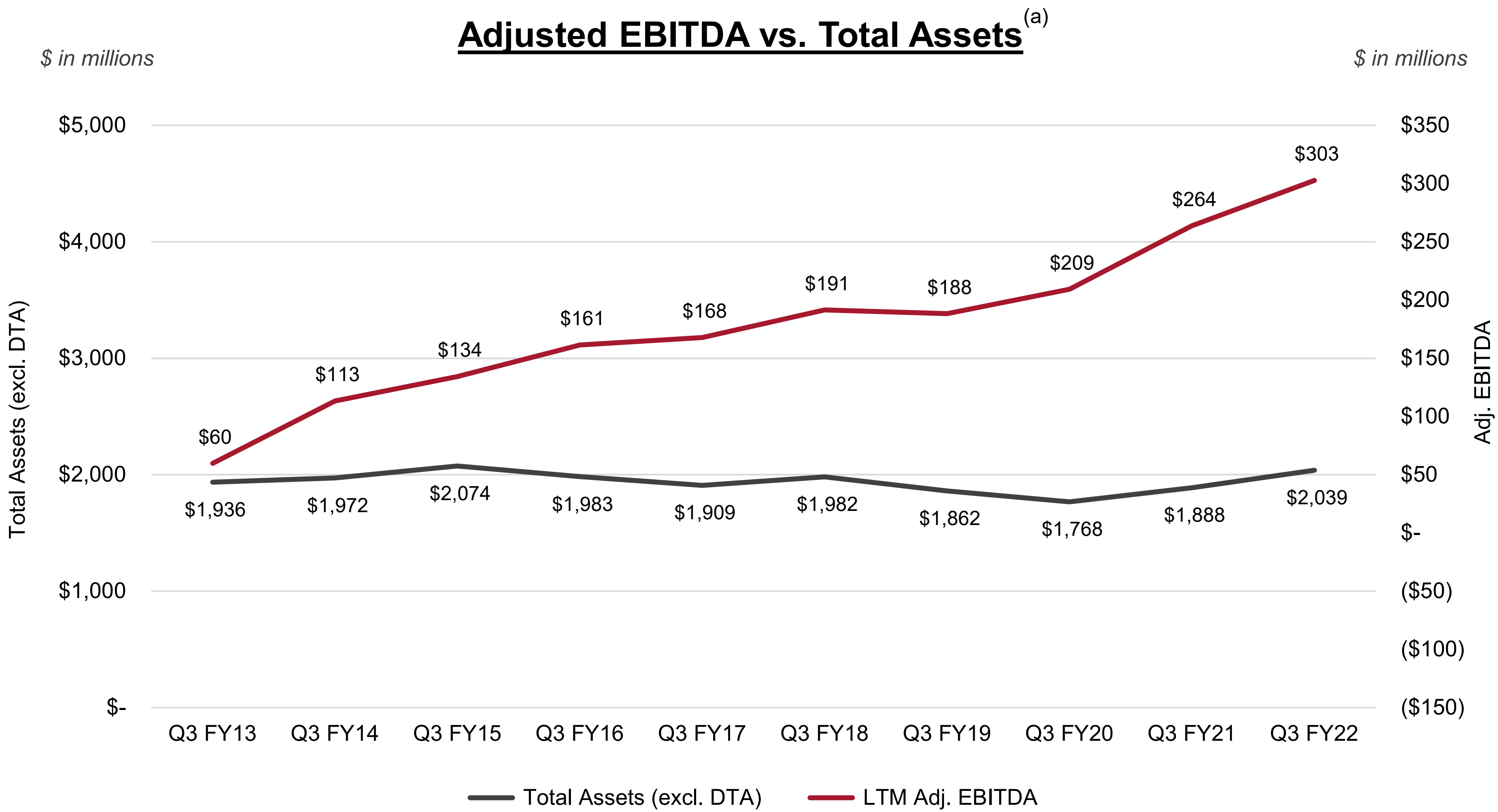
[a] Segment gross margin excludes impairments, abandonments, and interest amortized to cost of sales

Adjusted EBITDA Reconciliation

(In thousands)	Three Months Ended June 30,			LTM Ended June 30,		
	2021	**2022**	22 vs 21	2021	**2022**	22 vs 21
Net income	$ 37,135	**$ 54,324**	$ 17,189	$ 97,338	**$ 182,242**	$ 84,904
Expense from income taxes	10,801	**13,152**	2,351	31,351	**28,597**	(2,754)
Interest amortized to home construction and land sales expenses and capitalized interest impaired	22,529	**15,679**	(6,850)	96,179	**68,380**	(27,799)
Interest expense not qualified for capitalization	212	**—**	(212)	4,876	**—**	(4,876)
EBIT	70,677	**83,155**	12,478	229,744	**279,219**	49,475
Depreciation and amortization	3,689	**3,189**	(500)	15,300	**12,583**	(2,717)
EBITDA	74,366	**86,344**	11,978	245,044	**291,802**	46,758
Stock-based compensation expense	3,194	**1,983**	(1,211)	14,421	**9,428**	(4,993)
Loss (gain) on extinguishment of debt	1,050	**(86)**	(1,136)	1,613	**490**	(1,123)
Inventory impairments and abandonments [a]	231	**—**	(231)	1,333	**1,092**	(241)
Restructuring and severance expenses	—	**—**	—	(54)	**—**	54
Litigation settlement in discontinued operations	—	**—**	—	1,380	**—**	(1,380)
Adjusted EBITDA	$ 78,841	**$ 88,241**	$ 9,400	$ 263,737	**$ 302,812**	$ 39,075

[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."

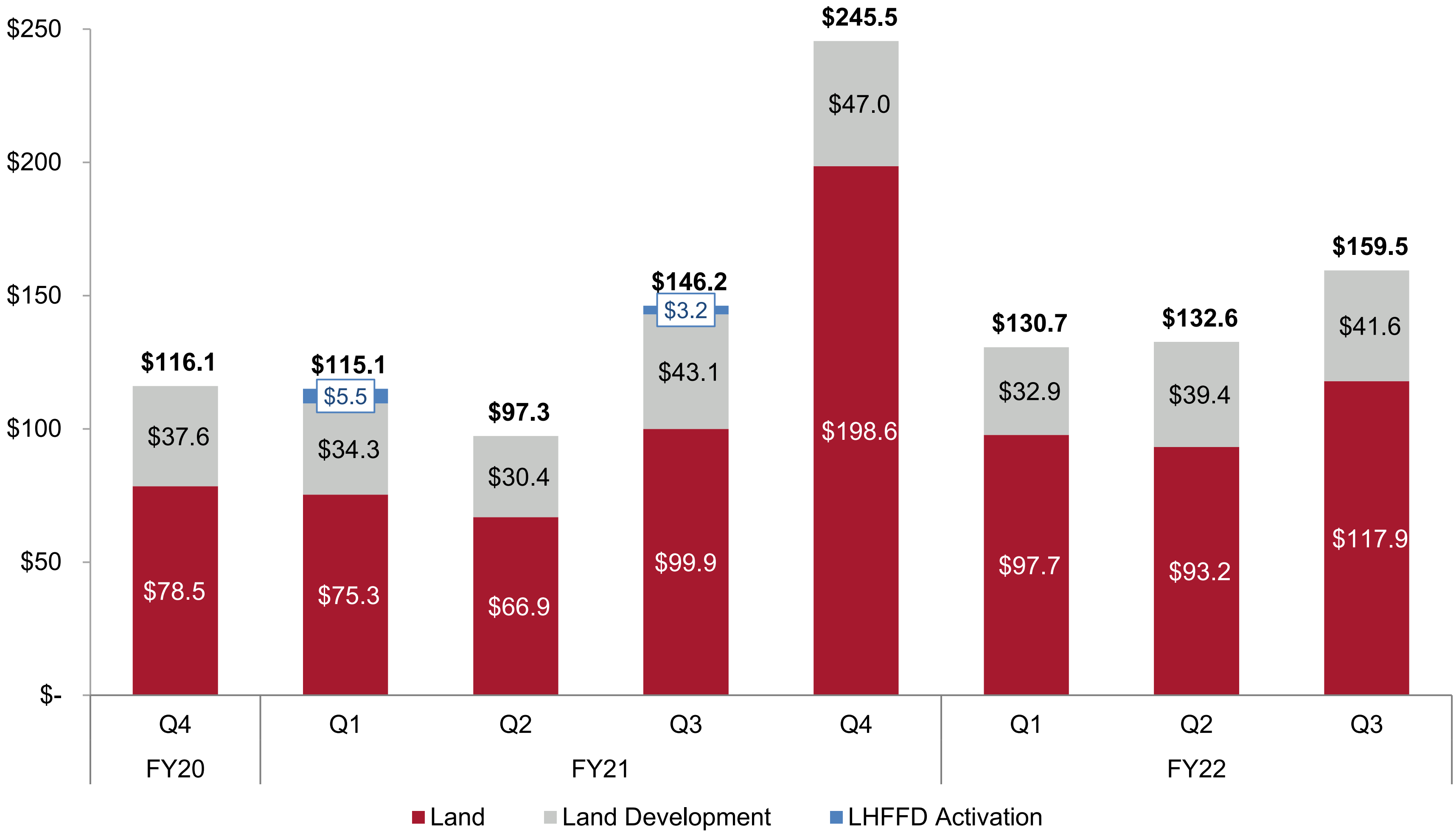
Significant EBITDA Growth



[(a)] Total Assets is end of period Assets excluding Deferred Tax Assets. Amounts presented for FY13 through FY16 have been impacted by the reclassification of debt issuance costs required by Accounting Standards Update 2015-03. The debt issuance costs reclassified for FY13, FY14, FY15 and FY16 amounted to $16.8 million, $16.7 million, $15.8 million, and $10.9 million, respectively.

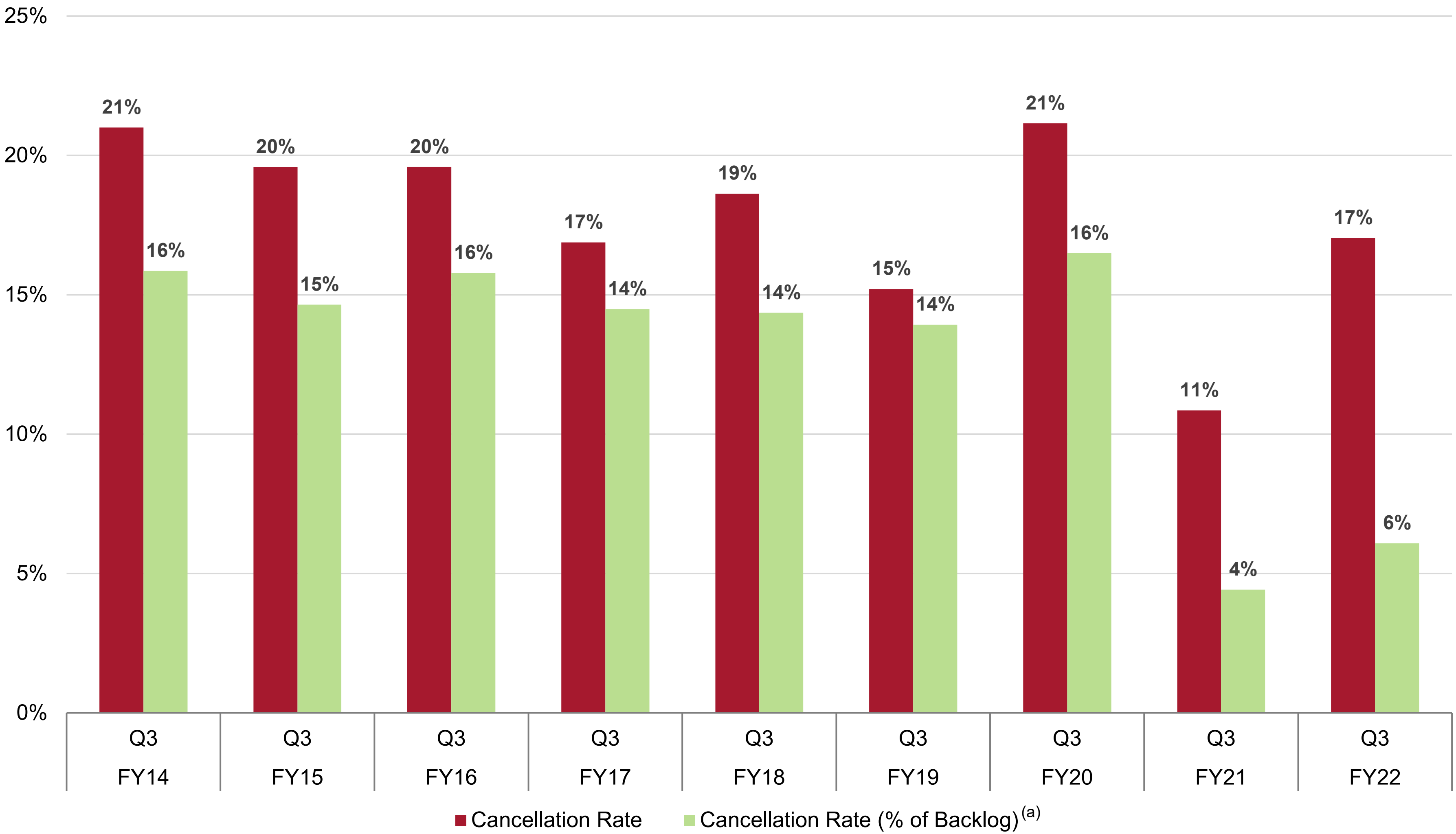
Land Spend

$ in millions



Note: Totals may not foot due to rounding

Historical Cancellation Rates

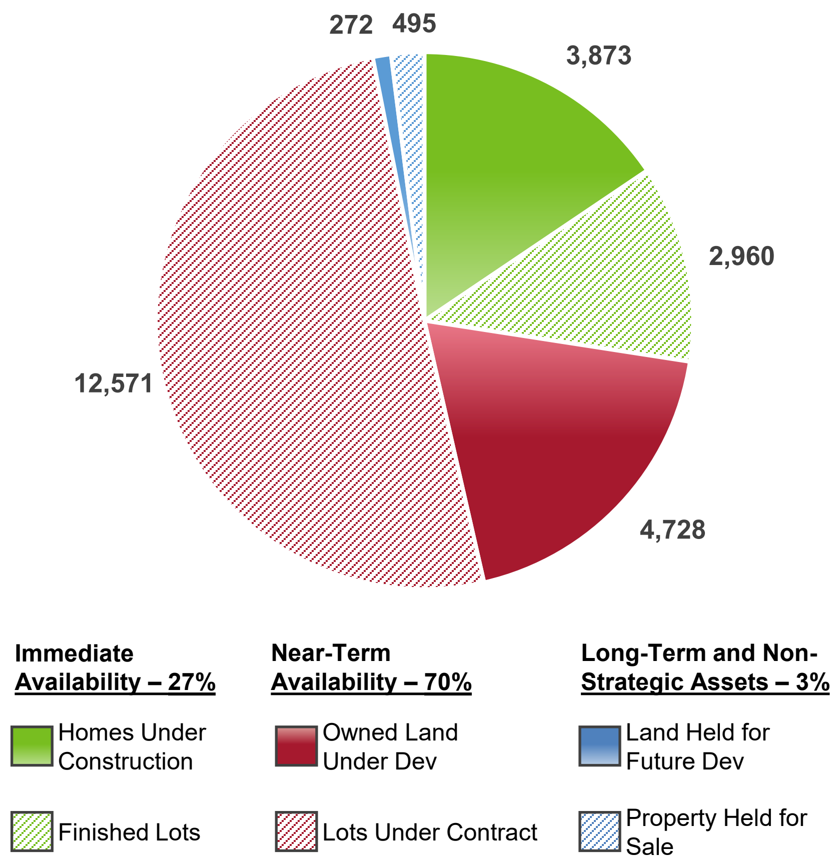


(a) Cancellation Rate as a % of Backlog is calculated using the quarter's beginning backlog units

Healthy Lot Position

24,899 total controlled lots
24,132 active controlled lots

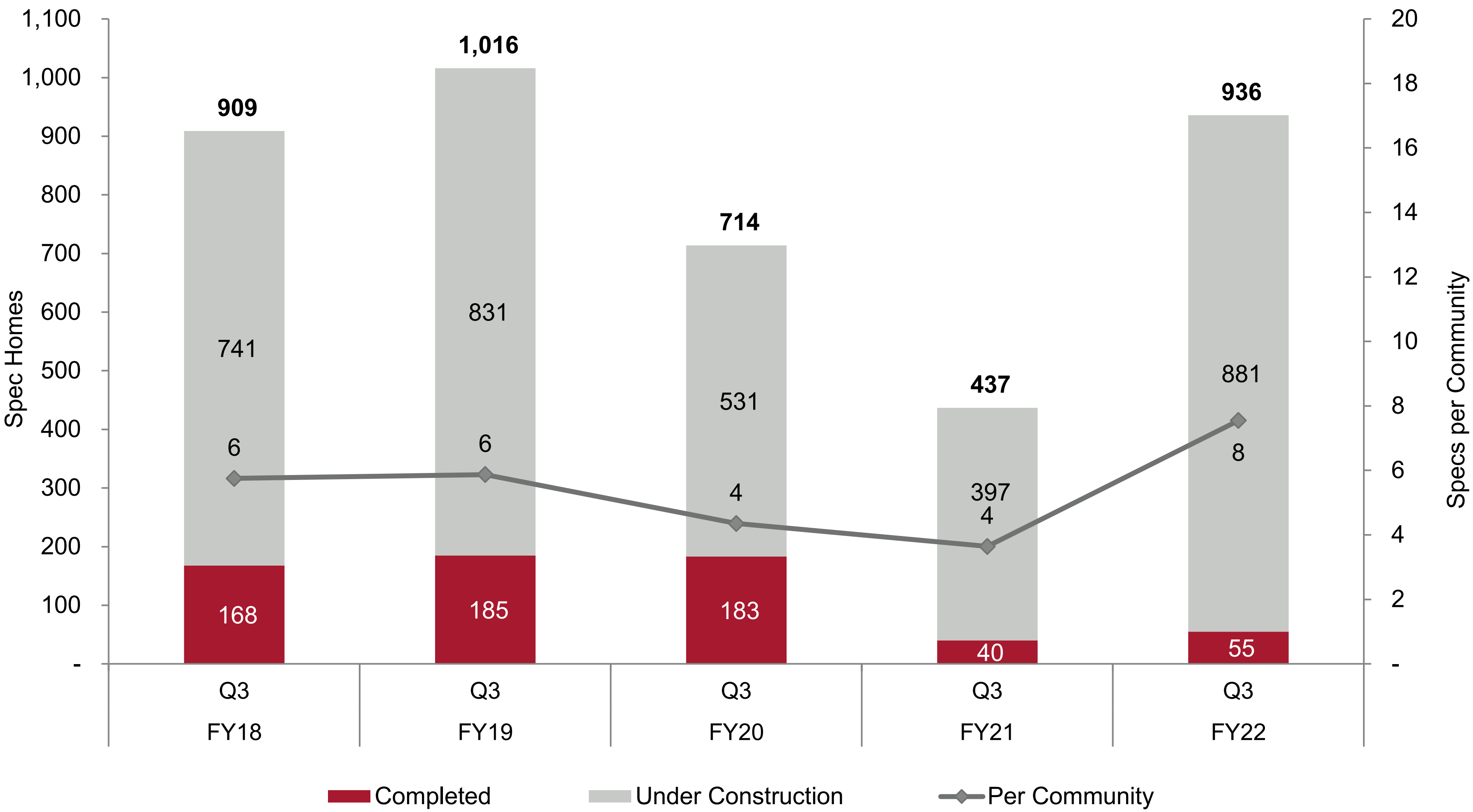
Lot Position as of June 30, 2022



Community Count Activity

Active Communities on 6/30/2022	124
Opening in Next ~6 Months	~15
Under Development (excluding any communities opening in N6M)	~45
Approved But Not Yet Closed (excluding any communities opening in N6M)	~70
Closing in Next ~12 Months	(40 - 60)

Spec Homes



Note: Spec count as of each quarter end includes Gatherings

Deferred Tax Assets - Summary

($ in millions)	June 30, 2021		June 30, 2022	
Deferred Tax Assets	$	243.9	$	208.1
Valuation Allowance	$	(39.2)	$	(29.1)
Net Deferred Tax Assets	**$**	**204.7**	**$**	**179.0**

As of June 30, 2022, 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 2021 conclusion. Valuation allowance of $29.1 million as of June 30, 2022 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 2021 Form 10-K for additional detail.

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