Beazer Homes USA, Inc.
Q2 2022 Earnings Presentation

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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: (i) the cyclical nature of the homebuilding industry and a potential deterioration in homebuilding industry conditions; (ii) 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) 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; (v) supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances; (vi) shortages of or increased costs for labor used in housing production, and the level of quality and craftsmanship provided by such labor; (vii) 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; (viii) factors affecting margins, such as 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; (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) terrorist acts, protests and civil unrest, political uncertainty, natural disasters, acts of war or other factors over which the Company has no control; (xii) 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; (xiii) changes in tax laws or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes; (xiv) increased competition or delays in reacting to changing consumer preferences in home design; (xv) 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; (xvi) the potential recoverability of our deferred tax assets; (xvii) increases in corporate tax rates; (xviii) 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; (xix) the results of litigation or government proceedings and fulfillment of any related obligations; (xx) the impact of construction defect and home warranty claims; (xxi) the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred; (xxii) the impact of information technology failures, cybersecurity issues or data security breaches; (xxiii) the impact of governmental regulations on homebuilding in key markets, such as regulations limiting the availability of water; and (xxiv) 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.

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

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2nd Quarter Highlights

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

Margins Up	✓
Adjusted EBITDA Up	✓
EPS Up	✓
Lot Position Up	✓
Debt Reduction	✓

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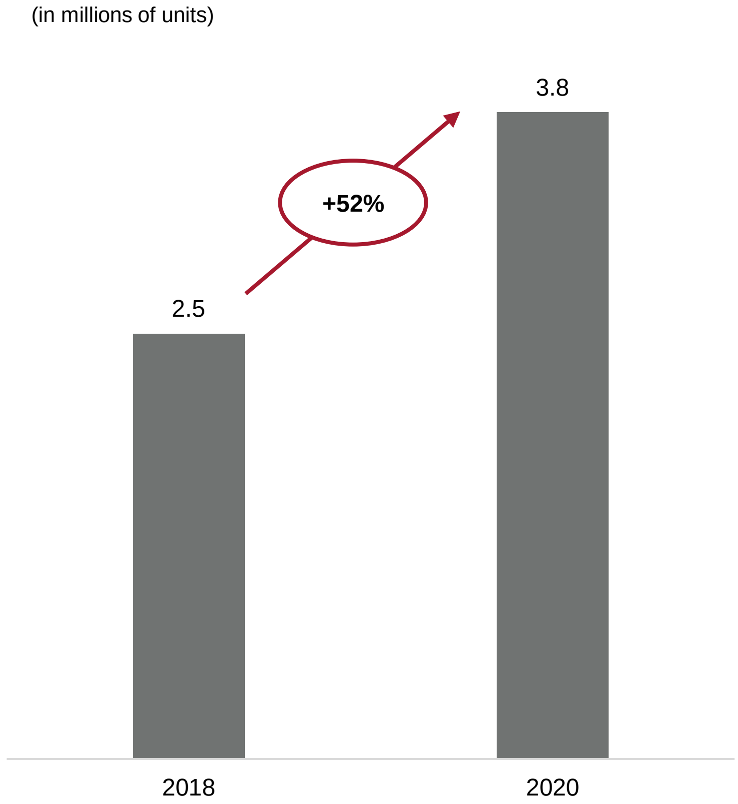
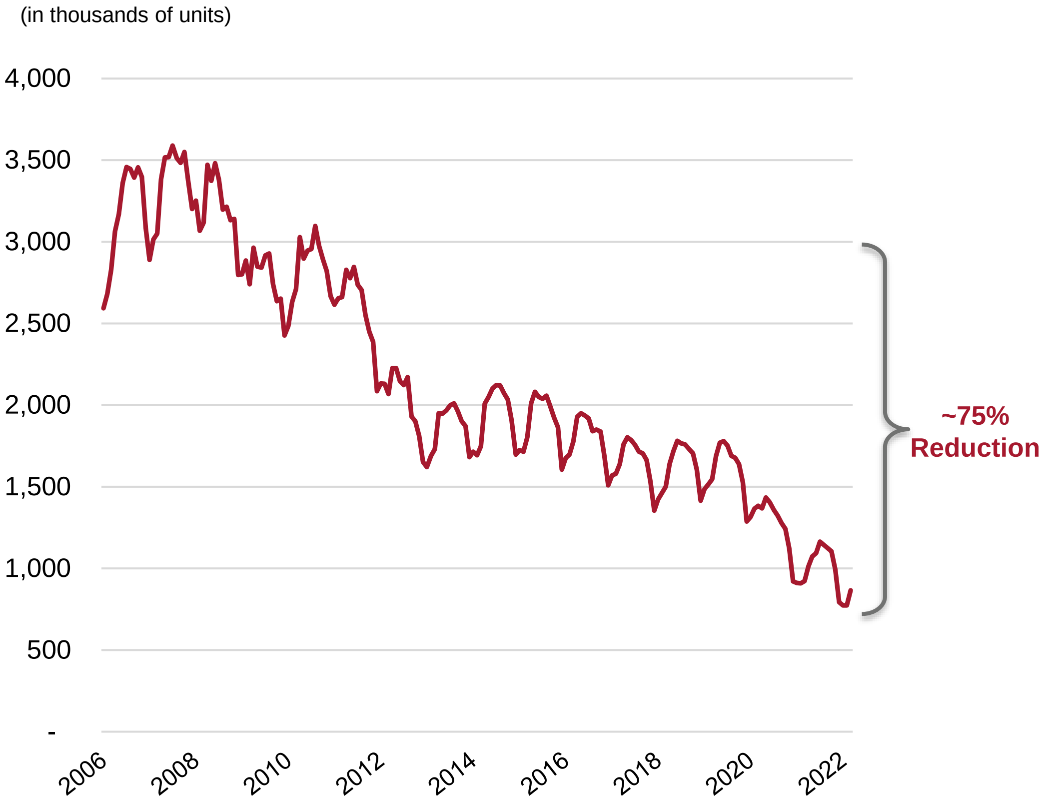
Macro Factors

Estimated Housing Shortage



Source: “Housing Supply: A Growing Deficit” – Freddie Mac – May 2021

Unsold Available Inventory [a]



[a] Existing inventory (NAR Single Family Homes Available for Sale at End of Period) plus Finished New Home Inventory (Census Bureau - New 1-Family Houses for Sale: Completed Units) through 3/2022

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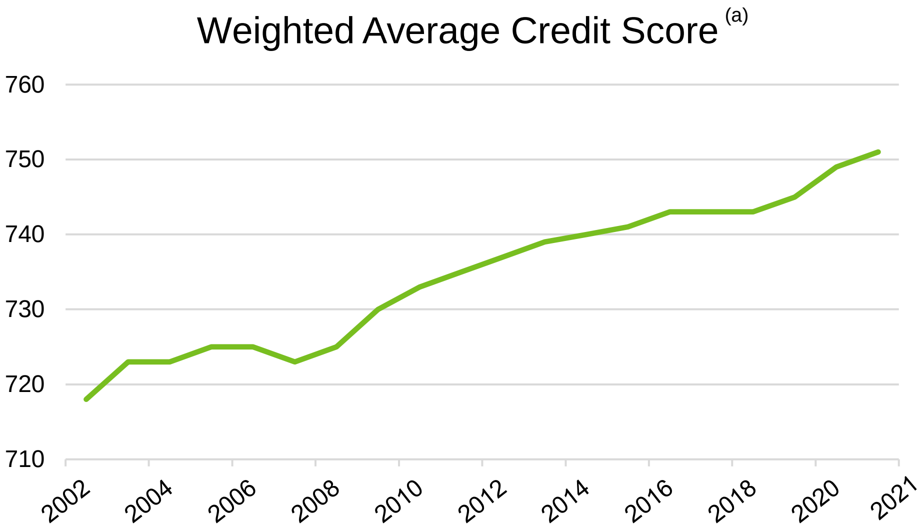
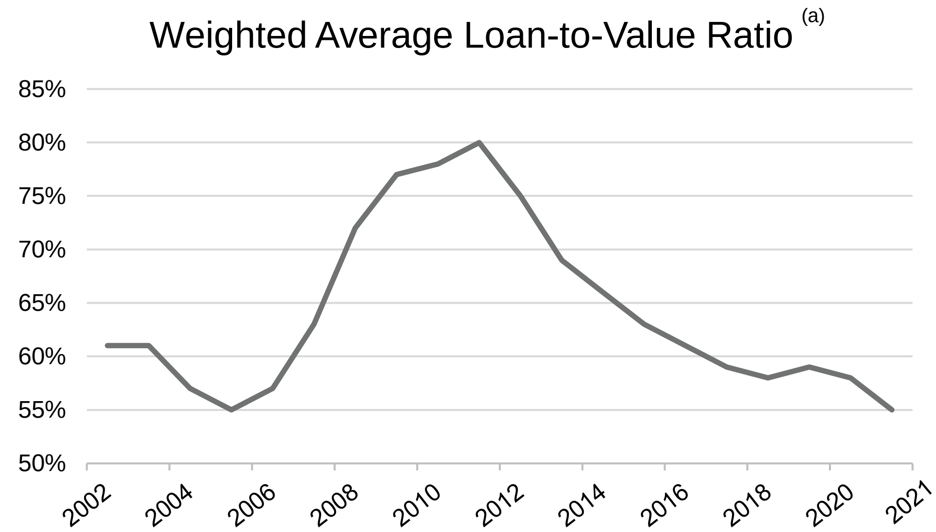
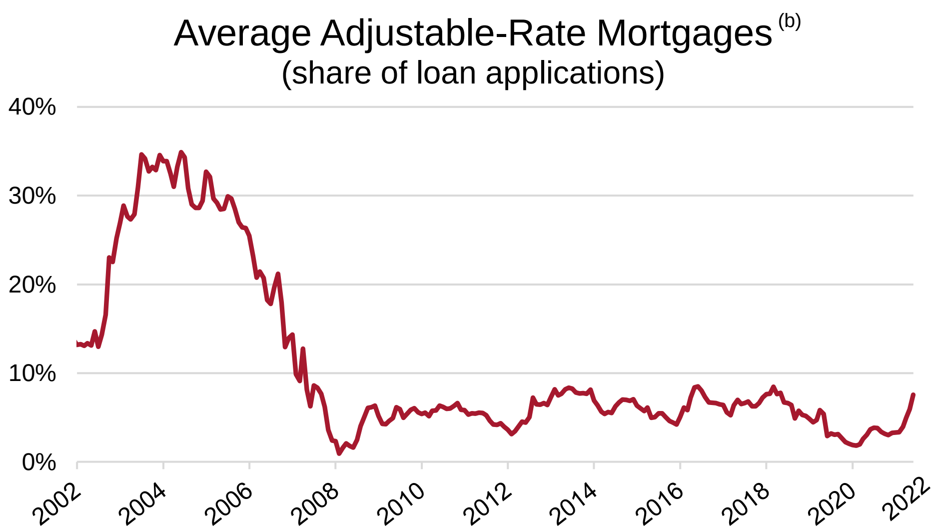
Mortgage Market Conditions







[a] Source: Freddie Mac's Annual Report - Single-Family Mortgage Portfolio
[b] Source: Mortgage Bankers Association. Data reflects monthly average of weekly figures through 4/15/2022

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Affordability

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 2/2022 and median family income data from 2020)

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Benefits of Business Model

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

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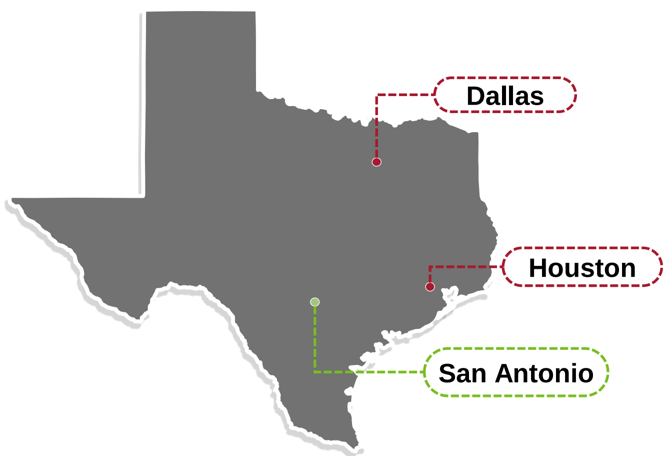
Two Exciting Developments

ImagineHomes
possibly the best homes on the planet.



- Indicates Existing Beazer Markets

NAHB GREEN BUILDING AWARDS™

ENERGY STAR

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2nd Quarter Results

Results	Q2 FY22	YoY Change
New Home Orders	1,291	(30.4%)
Sales Pace	3.6	(23.4%)
Community Count, Avg	119	(9.2%)
Homebuilding Revenue ($M)	$507.2	(7.3)%
Closings	1,078	(22.3%)
Average Selling Price ($k)	$470.5	19.3%
HB Gross Margin % (a)	26.8%	460 bps
SG&A as % of Total Revenue	12.2%	120 bps
Adjusted EBITDA ($M) (b)	$77.4	20.5%
Interest Amort. % of HB Revenue	3.2%	(120 bps)
Net Income - Cont. Ops. ($M)	$44.7	81.3%

Quarter Ending Backlog ($M)	$1,583.5	14.2%

(a) Excludes impairments, abandonments, and interest amortized to cost of sales
(b) Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

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3rd Quarter Expectations vs. Prior Year

Metric	Expectations
Sales Pace	Low 3s
Community Count, Avg	~120
Closings	1,050-1,100
Average Selling Price	~$500k
HB Gross Margin %	Up ~200 bps
SG&A (absolute $)	Up $3-4M
Adjusted EBITDA	~$75M
Interest Amort. % of HB Revenue	Low 3s
Tax Rate	~20%
EPS	Up >10%

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Raising Full-Year Expectations

Metric	Expectations
EPS (including ~$0.40 energy efficiency tax credits)	≥$6.00
Closings	~4,600
Adjusted EBITDA	Up >20%
Average Selling Price	Up ~20%
Operating Margins	Up >300 bps
Return on Equity	>22%

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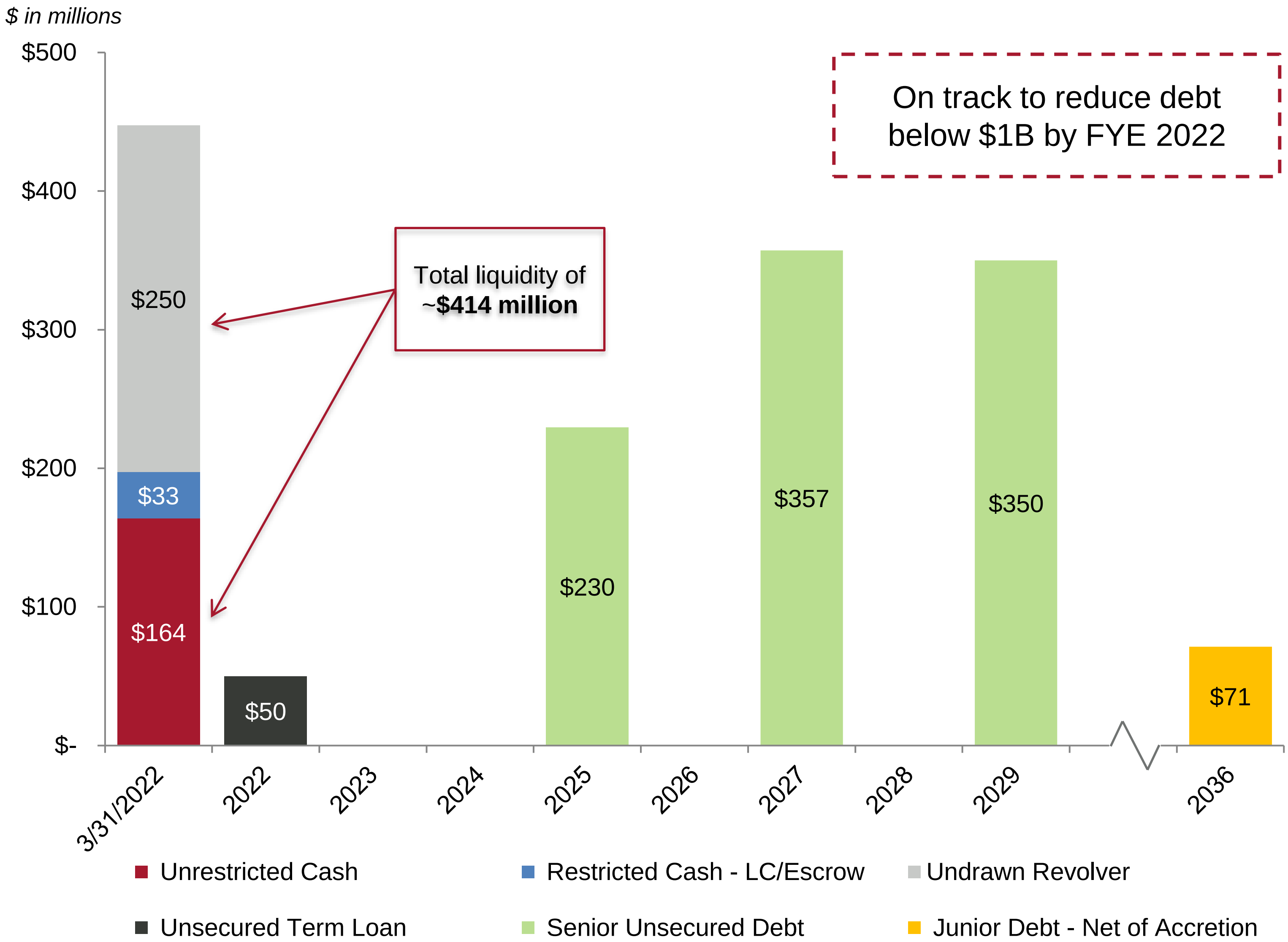
Liquidity Supports Growth



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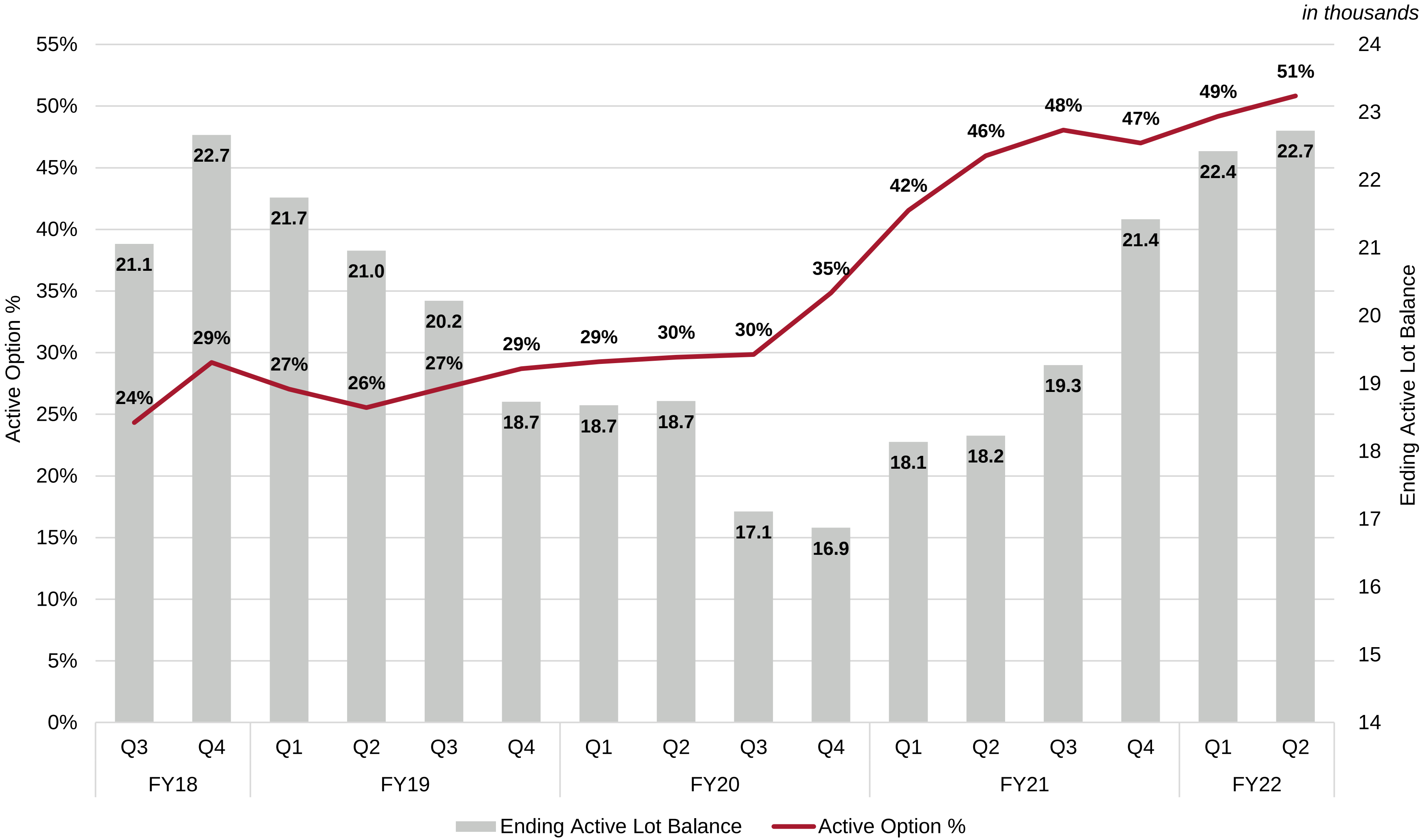
Community Count & Land Growth



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Wrap-up

Strong Q2 Results

Raising FY22 Expectations

Welcome Imagine Homes

Appendix

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Q2 Results

$ in millions (except ASP)

	Q2 FY21	Q2 FY22	Δ
Profitability			
Total Revenue	$ 549.9	$ 508.5	(7.5%)
Adjusted EBITDA [a]	$ 64.2	$ 77.4	$ 13.2
Net Income - Cont. Ops.	$ 24.6	$ 44.7	$ 20.1
Unit Activity			
New Home Orders	1,854	1,291	(30.4%)
Closings	1,388	1,078	(22.3%)
Average Selling Price ($k)	$ 394.4	$ 470.5	19.3 %
Cancellation Rate	10.0 %	12.2 %	220 bps
Active Community Count, Avg [b]	131	119	(9.2%)
Sales Pace	4.7	3.6	(23.4%)
Margins			
HB Gross Margin % [c]	22.2 %	26.8 %	460 bps
SG&A as % of Total Revenue	11.0 %	12.2 %	120 bps
Balance Sheet			
Unrestricted Cash	$ 355.5	$ 163.9	$ (191.6)
Land & Development Spend	$ 97.3	$ 132.6	$ 35.3

[a] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[b] Active Community Count was 132 at 3/31/2021 and 119 at 3/31/2022
[c] Excludes impairments, abandonments, and interest amortized to cost of sales

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Backlog Detail

	Q2 FY21	Q2 FY22
Quarter Ending Backlog (units)	3,303	3,121
Quarter Ending Backlog ($ in millions)	$ 1,386.4	$ 1,583.5
ASP in Backlog ($ in thousands)	$ 419.7	$ 507.4
Quarter Beg. Backlog	2,837	2,908
Scheduled to Close in Future Qtrs.	(1,389)	(1,713)
Backlog Scheduled to Close in the Qtr.	1,448	1,195
Backlog Activity:		
Cancellations	(59)	(41)
Pushed to Future Qtrs.	(223)	(217)
Close Date Brought Forward	54	43
Sold & Closed During the Qtr.	168	98
Total Closings in the Quarter	1,388	1,078
Backlog Conversion Rate	**48.9%**	**37.1%**

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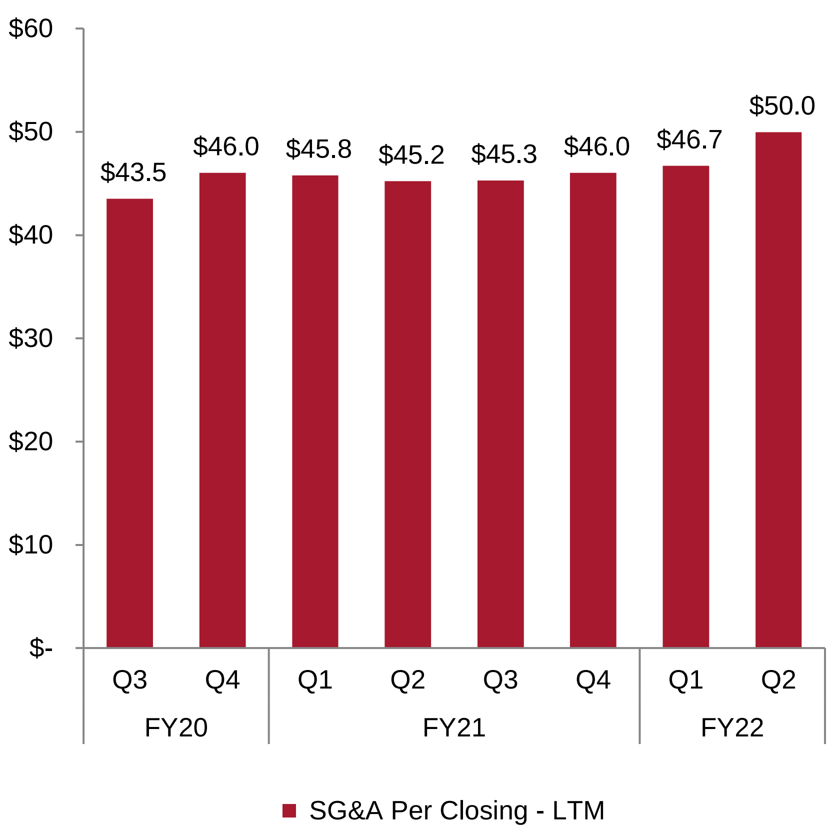
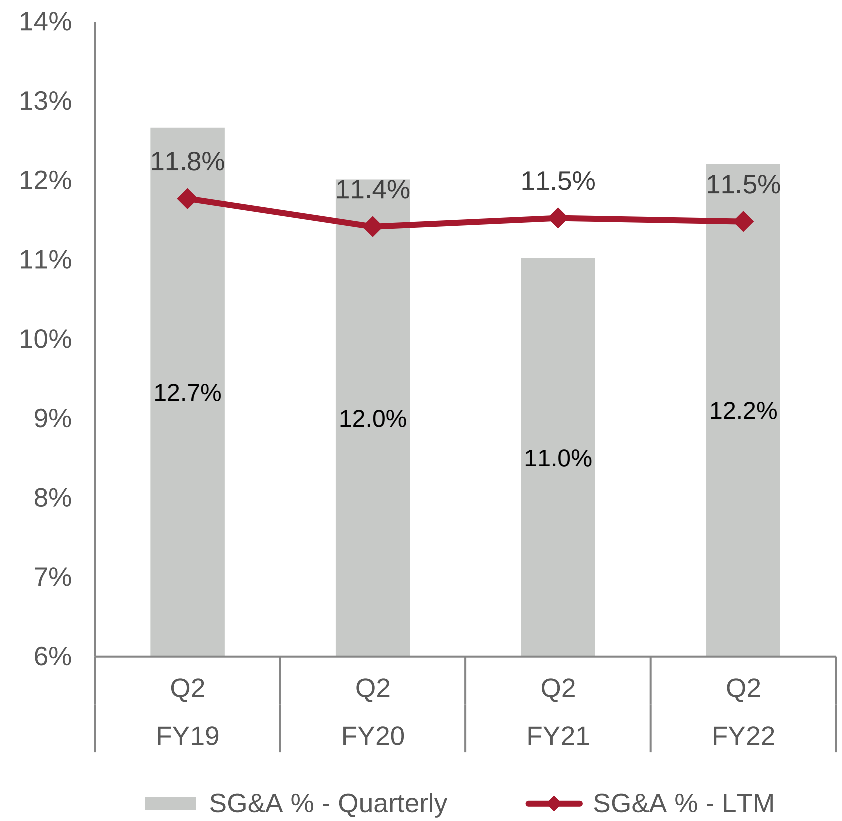
Improving SG&A Leverage is a Priority

SG&A per Closing
LTM Homebuilding

$ in thousands



SG&A Leverage
% of Total Revenue



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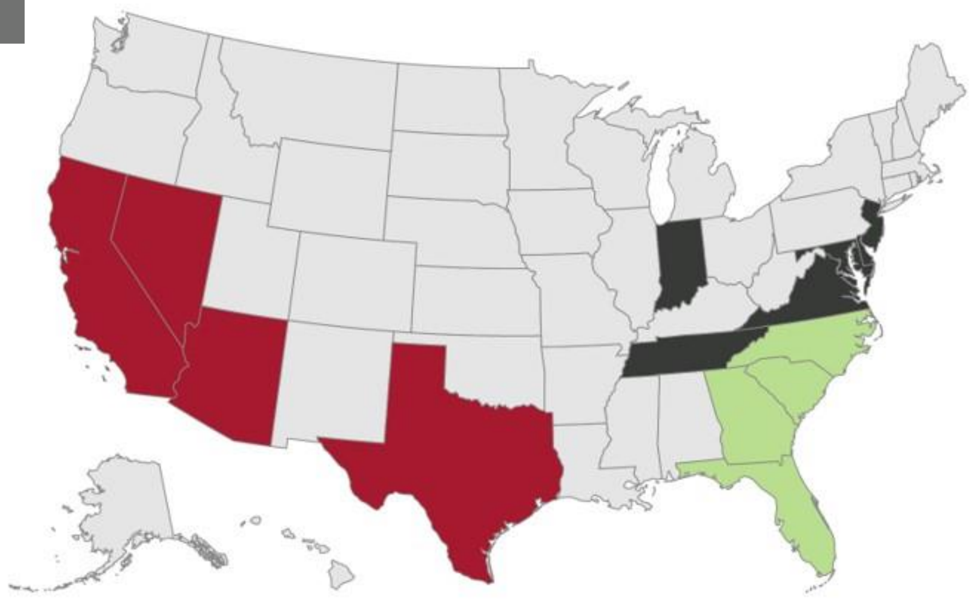
Geographic Mix Impacts ASP & Margins

($ in thousands)

	Q2 FY21 ASP	Q2 FY22 ASP	Change in ASP ($)	Change in ASP (%)	Q2 FY21 Closings	Q2 FY22 Closings	Change in Mix
West	$367.0	$455.5	$88.5	24.1%	54.5%	61.7%	7.2%
East	$473.5	$509.6	$36.1	7.6%	23.1%	23.4%	0.3%
Southeast	$379.3	$471.4	$92.1	24.3%	22.3%	14.9%	(7.4%)

	Q2 FY21 GM%[(a)]	Q2 FY22 GM%[(a)]	Change in GM%
West	23.6%	27.0%	340 bps
East	22.1%	26.2%	410 bps
Southeast	21.5%	23.7%	220 bps

- ASP and gross margins were higher across our footprint



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

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Adjusted EBITDA Reconciliation

	Three Months Ended March 31,			LTM Ended March 31,		
(In thousands)	2021	**2022**	22 vs 21	2021	**2022**	22 vs 21
Net income	$ 24,528	**$ 44,672**	$ 20,144	$ 75,391	**$ 165,053**	$ 89,662
Expense from income taxes	7,672	**10,071**	2,399	25,508	**26,246**	738
Interest amortized to home construction and land sales expenses and capitalized interest impaired	24,110	**16,083**	(8,027)	96,256	**75,230**	(21,026)
Interest expense not qualified for capitalization	969	**—**	(969)	7,667	**212**	(7,455)
EBIT	57,279	**70,826**	13,547	204,822	**266,741**	61,919
Depreciation and amortization	3,683	**3,031**	(652)	15,391	**13,083**	(2,308)
EBITDA	60,962	**73,857**	12,895	220,213	**279,824**	59,611
Stock-based compensation expense	2,549	**2,424**	(125)	12,886	**10,639**	(2,247)
Loss on extinguishment of debt	563	**164**	(399)	563	**1,626**	1,063
Inventory impairments and abandonments [a]	—	**935**	935	2,576	**1,323**	(1,253)
Restructuring and severance expenses	—	**—**	—	1,307	**—**	(1,307)
Litigation settlement in discontinued operations	120	**—**	(120)	1,380	**—**	(1,380)
Adjusted EBITDA	$ 64,194	**$ 77,380**	$ 13,186	$ 238,925	**$ 293,412**	$ 54,487

[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.”

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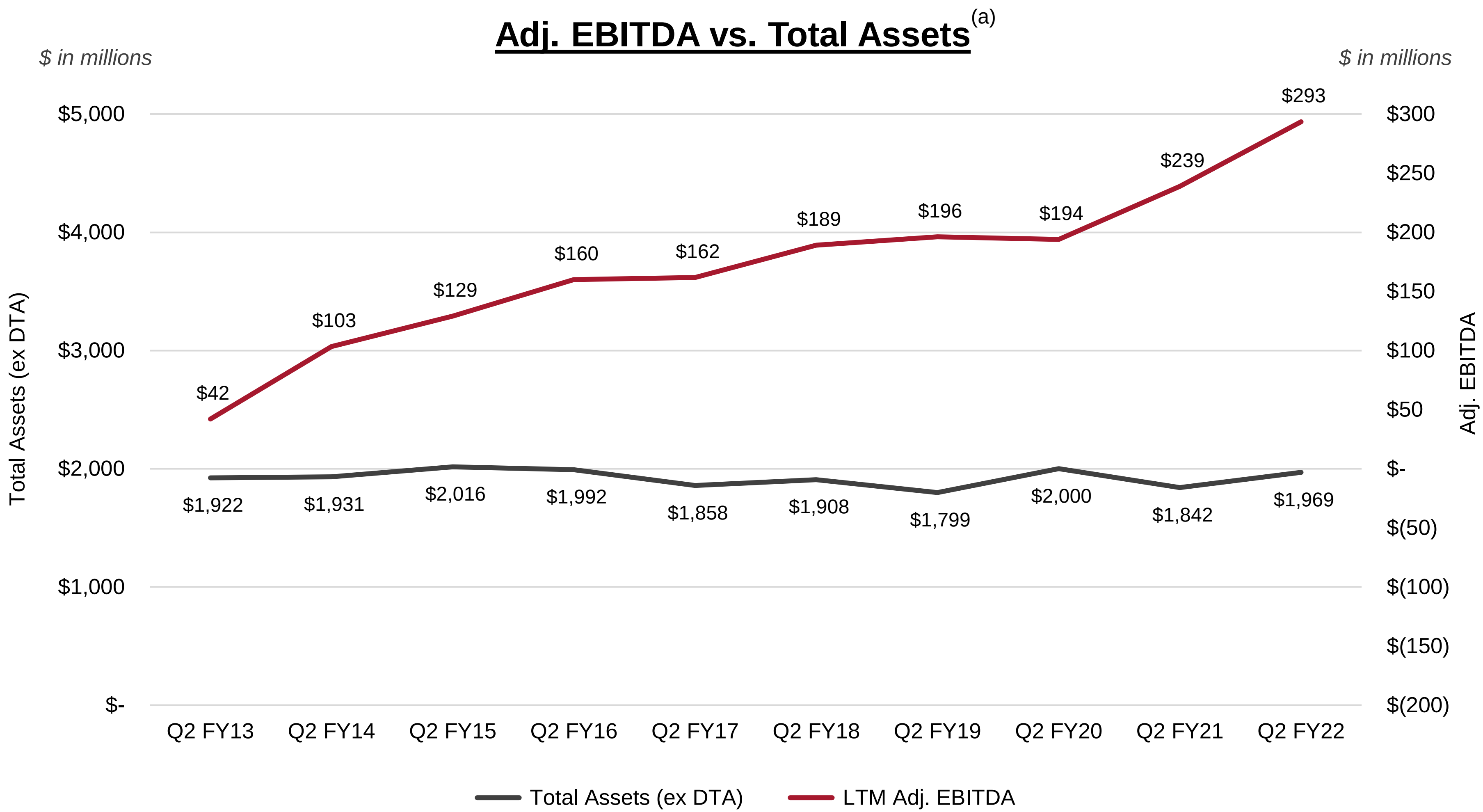
Significant EBITDA Growth



[a] Total Assets is end of period Assets excluding Deferred Tax Assets. Amounts presented for FY12 through FY15 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 $17.5 million, $14.8 million, $15.8 million, and $11.9 million, respectively.

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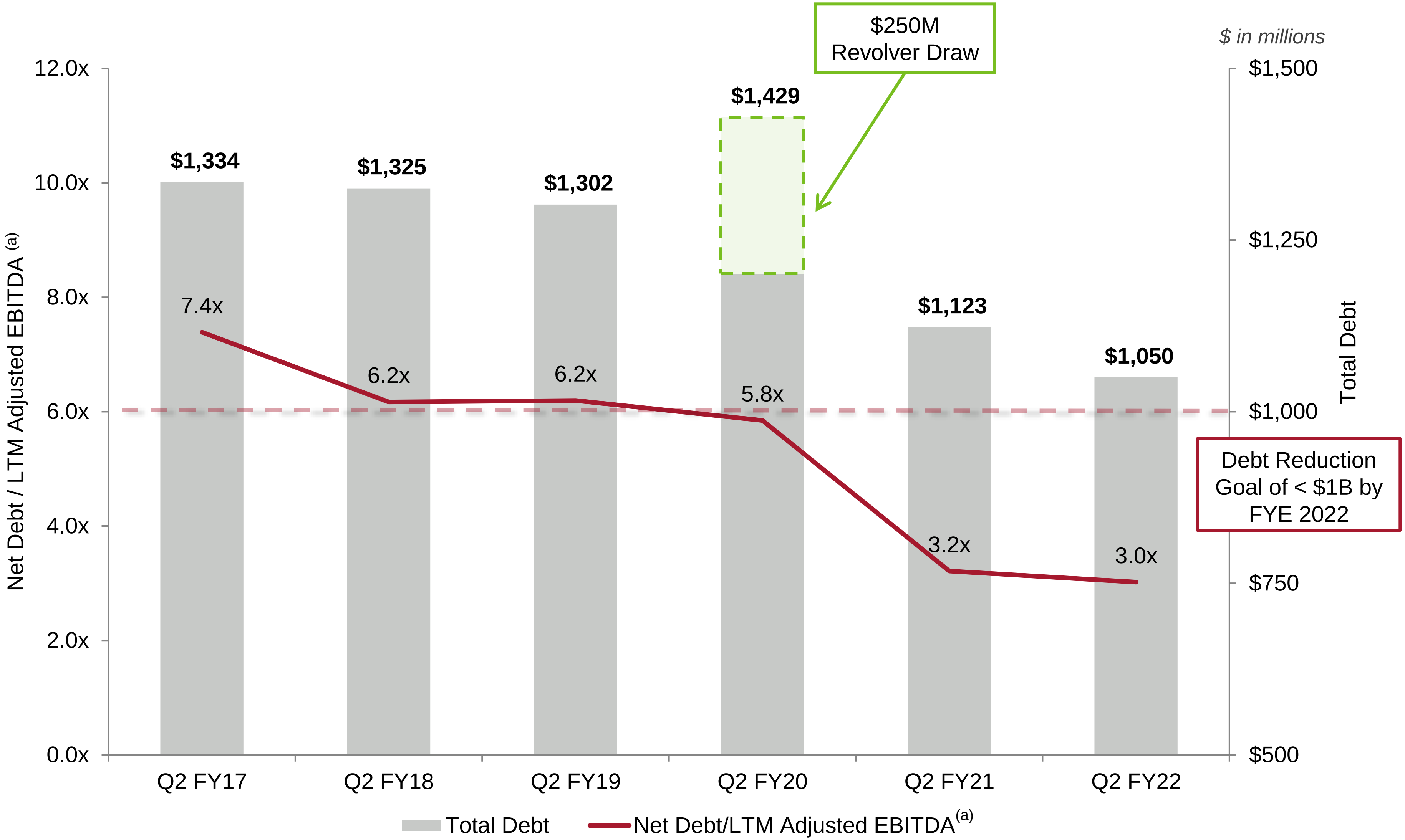
Improving Financial Leverage



(a) Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

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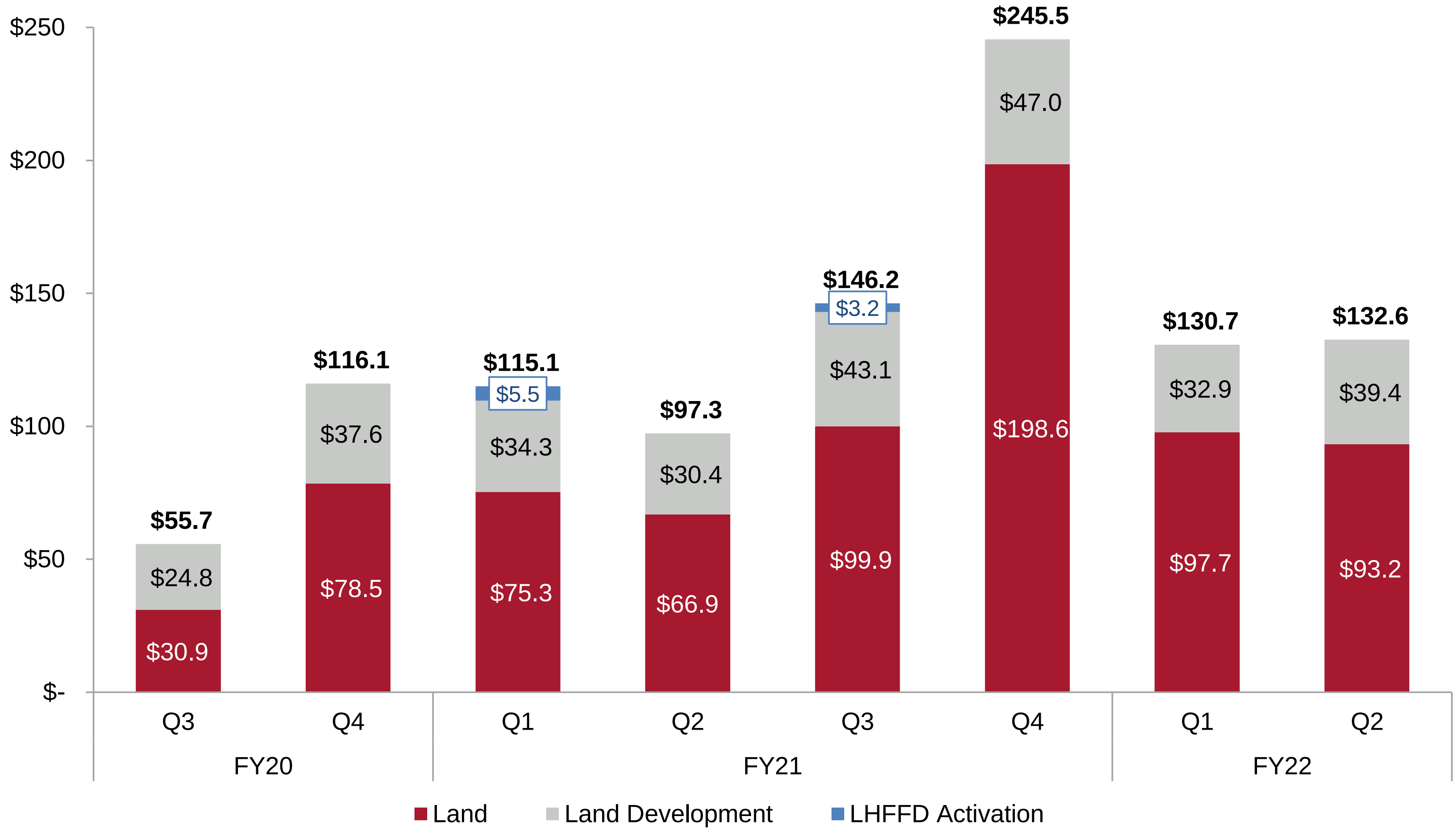
Land Spend

$ in millions



Note: Totals may not foot due to rounding

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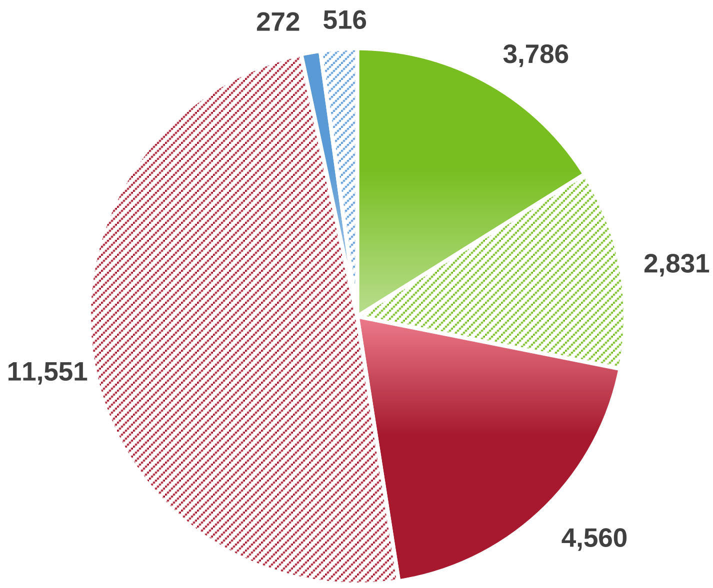
Healthy Lot Position

23,516 total controlled lots
22,728 active controlled lots

Lot Position as of March 31, 2022



Immediate Availability – 28%
- Homes Under Construction
- Finished Lots

Near-Term Availability – 69%
- Owned Land Under Dev
- Lots Under Contract

Long-Term and Non-Strategic Assets – 3%
- Land Held for Future Dev
- Property Held for Sale

Community Count Activity

Active Communities on 3/31/2022	119
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)	~+65
Closing in Next ~12 Months	(40 - 60)

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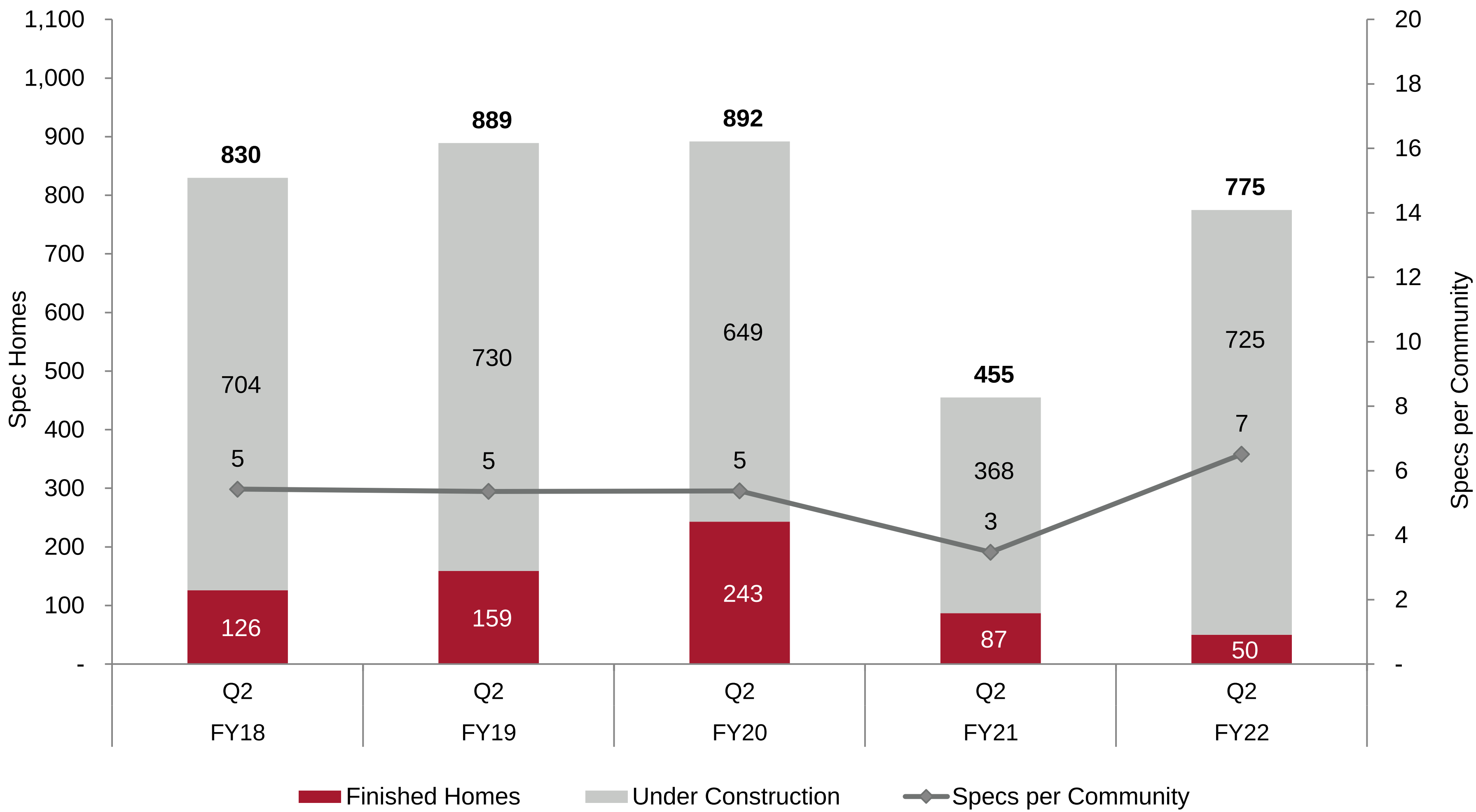
Finished Specs Remain Low



Note: Spec count as of each quarter end includes Gatherings

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Deferred Tax Assets - Summary

($ in millions)	March 31, 2021		March 31, 2022	
Deferred Tax Assets	$	252.8	$	219.9
Valuation Allowance	$	(39.2)	$	(29.1)
Net Deferred Tax Assets	**$**	**213.6**	**$**	**190.9**

As of March 31, 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 March 31, 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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