Beazer Homes USA, Inc.
Q1 2021 Earnings Presentation

BEAZER HOMES

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) economic changes nationally or in local markets, changes in consumer confidence, wage levels, declines in employment levels, inflation or increases in the quantity and decreases in the price of new homes and resale homes on the market; (iii) the potential negative impact 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; (iv) shortages of or increased prices for labor, land or raw materials used in housing production, and the level of quality and craftsmanship provided by our subcontractors; (v) 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; (vi) 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; (vii) 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; (viii) market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital); (ix) terrorist acts, protests and civil unrest, political uncertainty, natural disasters, acts of war or other factors over which the Company has little or no control; (x) estimates related to homes to be delivered in the future (backlog) are imprecise, as they are subject to various cancellation risks that cannot be fully controlled; (xi) increases in mortgage interest rates, increased disruption in the availability of mortgage financing, changes in tax laws or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes or an increased number of foreclosures; (xii) increased competition or delays in reacting to changing consumer preferences in home design; (xiii) 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; (xiv) the potential recoverability of our deferred tax assets; (xv) 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; (xvi) the results of litigation or government proceedings and fulfillment of any related obligations; (xvii) the impact of construction defect and home warranty claims; (xviii) the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred; (xix) the impact of information technology failures, cybersecurity issues or data security breaches; or (xx) the impact on homebuilding in key markets of governmental regulations limiting the availability of water.

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

New Home Orders Up	✓
Sales Pace Up	✓
Lot Supply Expanded	✓
Homebuilding Gross Margin Up	✓
Adjusted EBITDA Up	✓
Net Income Up	✓

How Does Affordability Impact Demand?

Positioned to Address Affordability Challenge:

- ***Markets***: Strong population and employment growth
- ***Buyer segments***: Baby-Boomers and Millennials
- ***Value proposition***: Exceptional Value at an Affordable Price

Increasing Expectations for FY21

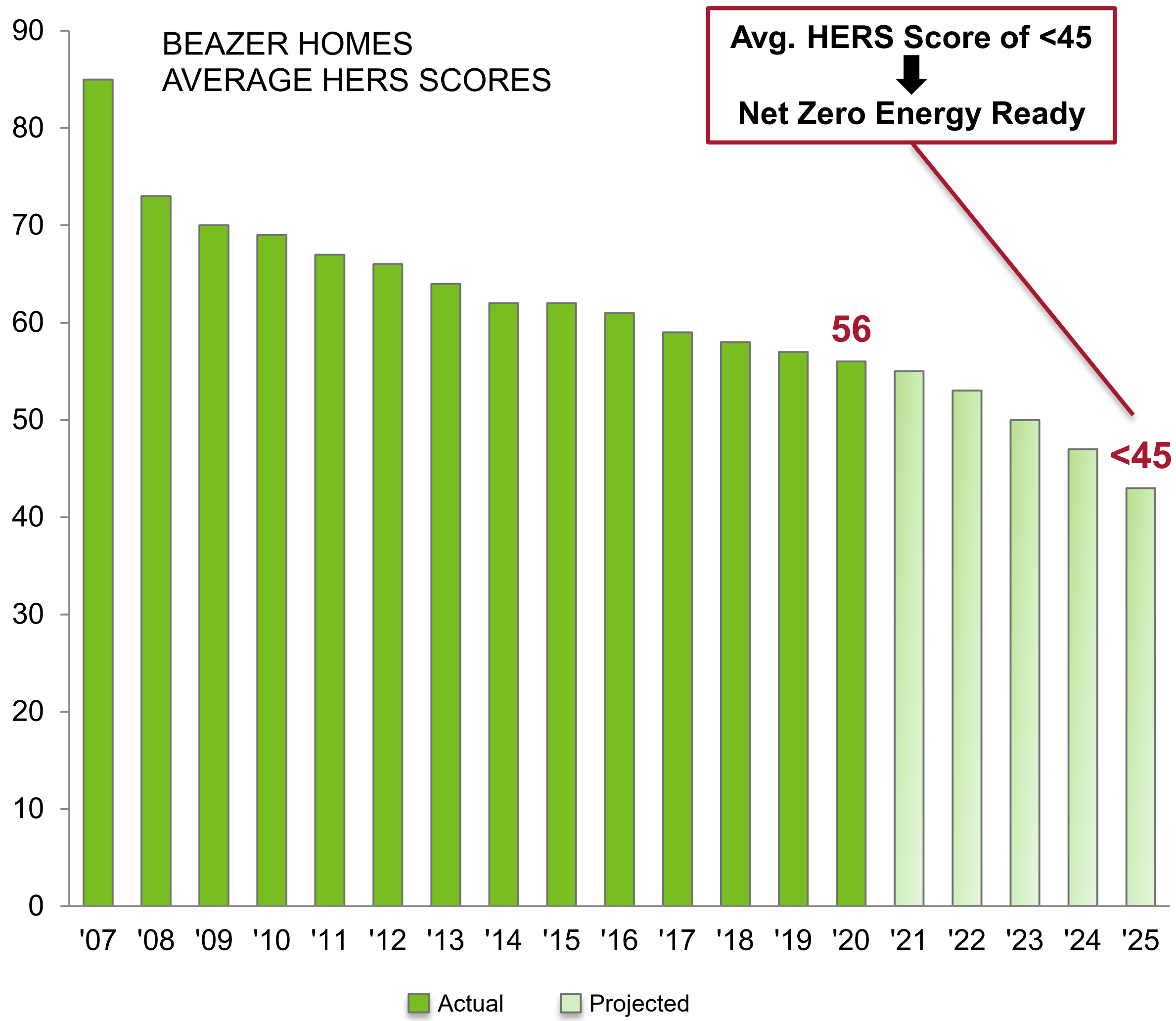
With the dollar value of our backlog up nearly 60% and the strength in the housing market, we are increasing expectations:

Higher EBITDA	✓
Higher EPS	✓
Increased Land Activity	✓
Greater Debt Repayment	✓

Commitment to Net Zero Energy Ready

Our Purpose

To create durable and growing value for customers, employees, partners and shareholders



- By 2025, every home we build will be Net Zero Energy Ready with a HERS score of 45 or less
- Every home we build is third-party rated and certified
- The Home Energy Rating System (HERS) Index is the industry standard to measure a home's energy efficiency
- Our HERS score does not include any benefit from alternative energy production

Charity Title Expands Our Philanthropy

CHARITY
TITLE AGENCY
100% OF PROFITS TO CHARITY

- Committed to donating 100% of our title profits to charity
- Dedicated funding source for Beazer's philanthropic efforts
- Expands the number of organizations we support while continuing to partner with Fisher House Foundation

1st Quarter Results

Results	Q1 FY21	YoY Change
New Home Orders	1,442	15.3%
Sales Pace	3.5	42.4%
Average Community Count	136	(19.0%)
Homebuilding Revenue ($M)	**$ 424.2**	**1.6%**
Average Selling Price ($k)	$380.8	1.4%
Closings	1,114	0.2%
Backlog Conversion	44.4%	(20.7%)
HB Gross Margin %*	22.1%	230 bps
SG&A as % of Total Revenue	12.7%	(60 bps)
Adjusted EBITDA ($M)**	**$43.6**	**48.5%**
Net Income - Cont. Ops. ($M)	**$12.0**	**329.2%**

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

2nd Quarter Expectations vs. Prior Year

Metric	Expectations
New Home Orders	Down Slightly
Sales Pace	Up
Community Count	Lower
Closings	**Up 10-15%**
Average Selling Price	~$390k
HB Gross Margin %	Up Slightly
SG&A % of Total Revenue	Down ≥50bps
Adjusted EBITDA	**Up >20%**
Interest Amort. % of HB Revenue	Low 4's
Tax Rate	~25%
Net Income / EPS	**Up >60%**

Raising Full Year FY21 Expectations

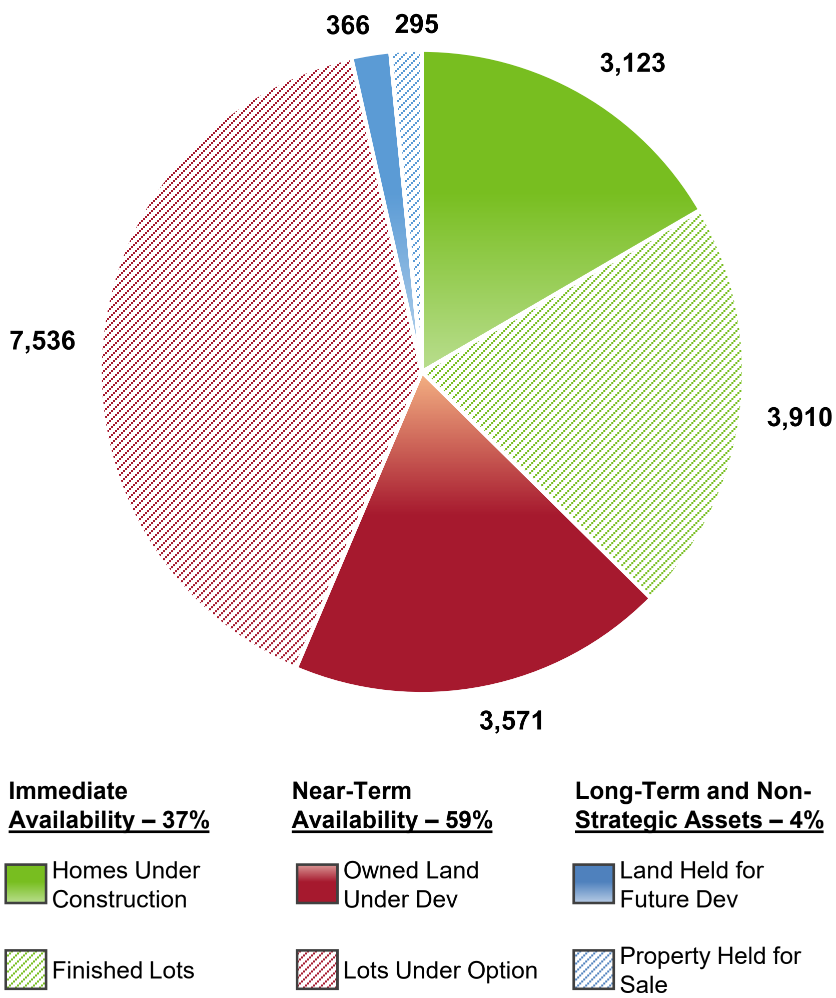
Metric	Expectations
Adjusted EBITDA	>$220M
EPS	**≥$2.50**
Debt Reduction	~$75M
Book Value per Share	>$22
Return on Average Equity	~12%
Return on Average Equity ex. DTA*	**>17%**

* Calculated as Projected Net Income / (Projected Average Equity – Projected Average DTA)
Details on current DTA value are included on the "Deferred Tax Assets - Summary" slide in the appendix

Community Count Growth Coming in FY22

18,801 total controlled lots
18,140 active controlled lots

Lot Position on December 31, 2020



Community Count Activity

Active Communities on 12/31/2020	134
Opening in Next ~6 Months	+ 30
Under Development (excluding any communities opening in N6M)	+ 12
Approved But Not Yet Closed (excluding any communities opening in N6M)	+ 44
Closing in Next ~12 Months	(55 - 70)

Expected trough in the 120s later this year

Active Lot Balance Beginning to Grow

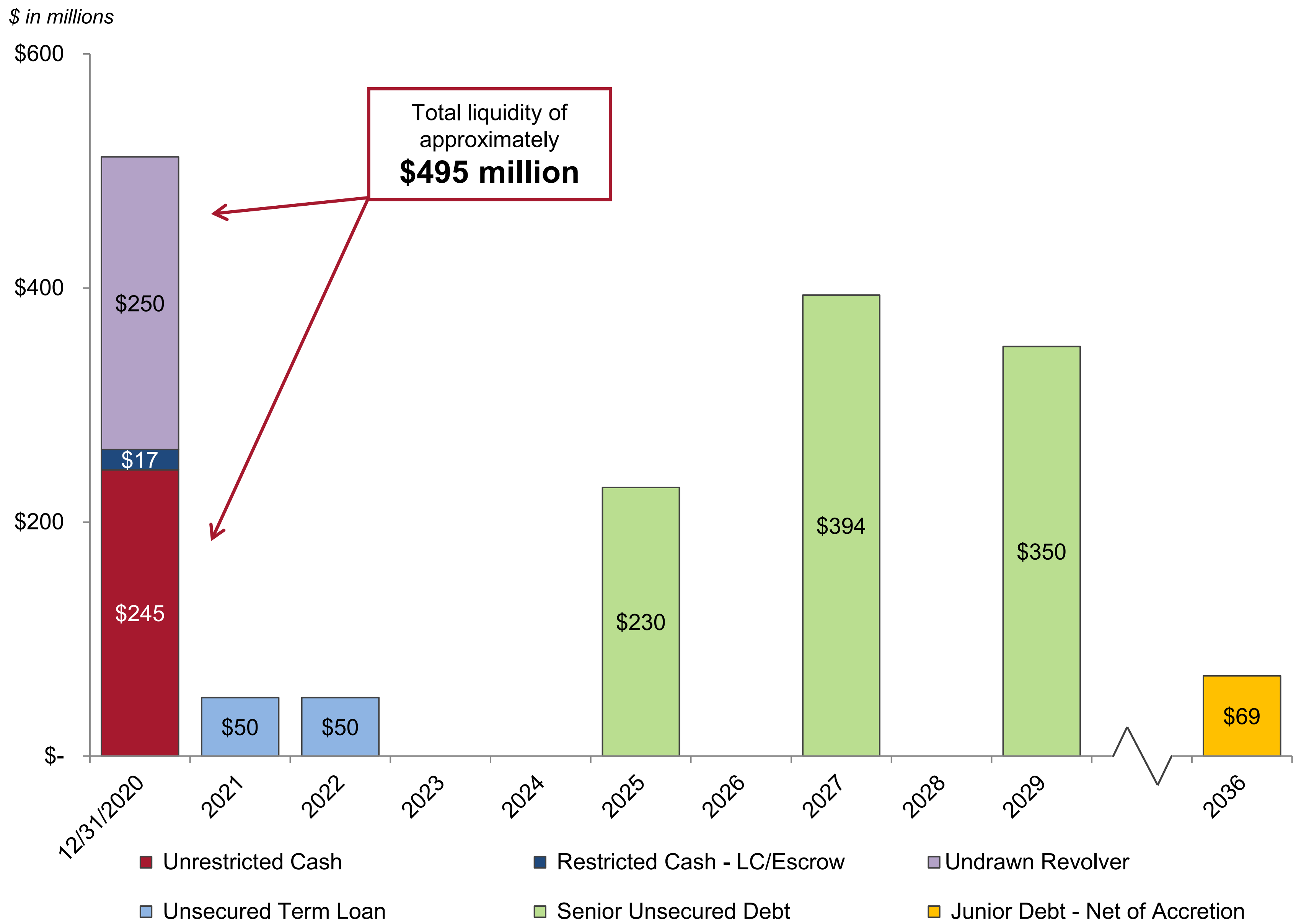
in thousands

Wrap-up

- Strong Q1 results
  - Higher sales pace
  - Improved profitability
  - Expanded lot position
- Raised expectations for FY21
- Improving shareholder returns through our Balanced Growth and ESG strategies

Appendix

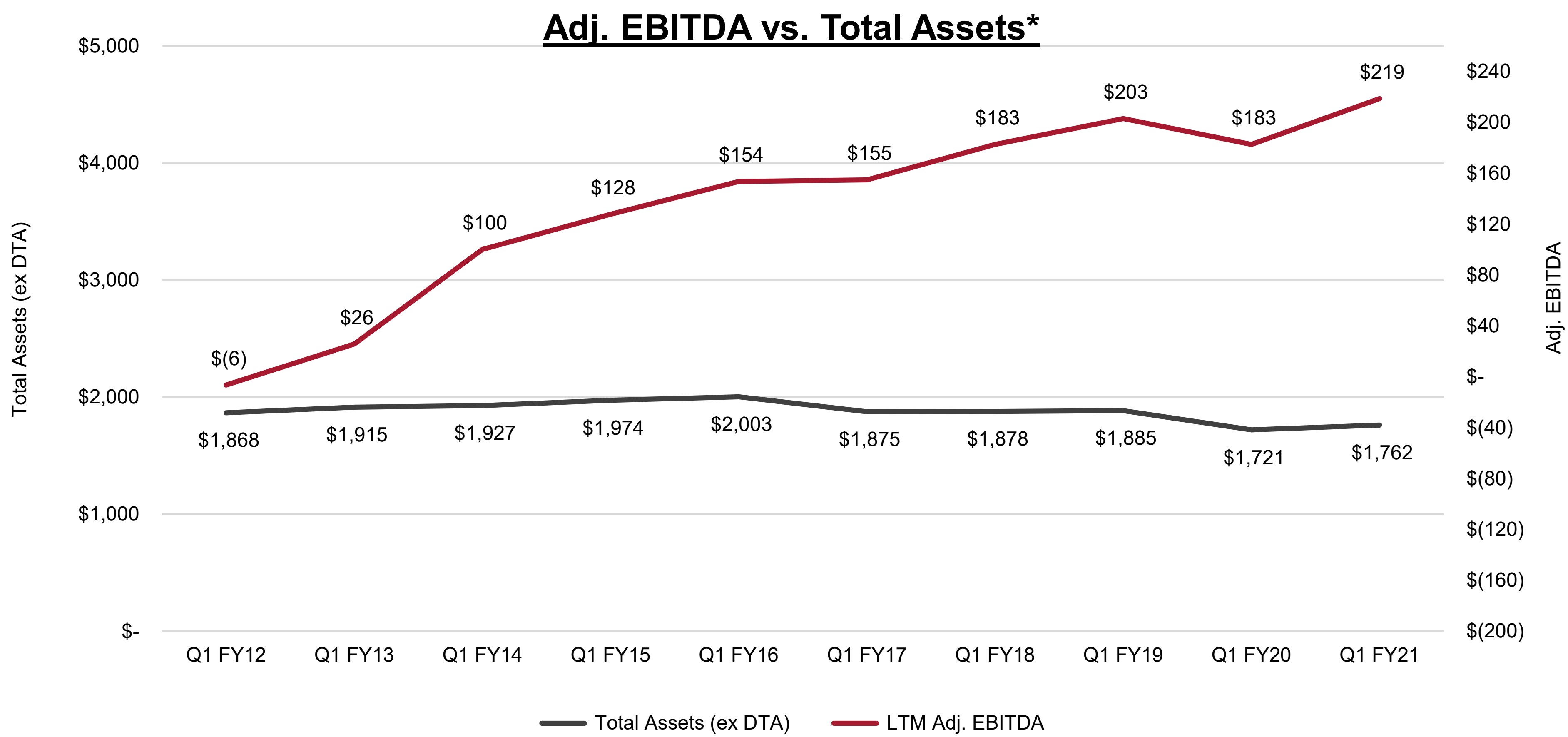
Liquidity & Maturities Support Growth



Note: Years are calendar years

EBITDA Growing on Relatively Flat Assets

Over the last ten years, our Balanced Growth Strategy has led to significant improvements in profitability without asset growth. We expect to allocate more capital to growth in fiscal 2021



*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 FY12, FY13, FY14 and FY15 amounted to $17.1 million, $15.9 million, $15.7 million and $14.8 million, respectively.

Q1 Results

$ in millions, except ASP

	Q1 FY20		Q1 FY21		Δ	
Profitability						
Total Revenue	$	417.8	$	428.5		2.6%
Adjusted EBITDA*	$	29.4	$	43.6	$	14.2
Net Income/Loss (Cont. Ops.)	$	2.8	$	12.0	$	9.2
Unit Activity						
Orders		1,251		1,442		15.3%
Closings		1,112		1,114		0.2%
Average Sales Price ($000's)	$	375.4	$	380.8		1.4%
Cancellation Rate		14.9%		12.3%		(260 bps)
Active Community Count, Avg**		168		136		(19.0%)
Sales/Community/Month		2.5		3.5		42.4%
Margins						
HB Gross Margin***		19.8%		22.1%		230 bps
SG&A (% of Total Revenue)		13.3%		12.7%		(60 bps)
Balance Sheet						
Unrestricted Cash	$	41.3	$	244.6	$	203.4
Land & Development Spending	$	145.9	$	109.6	$	(36.3)

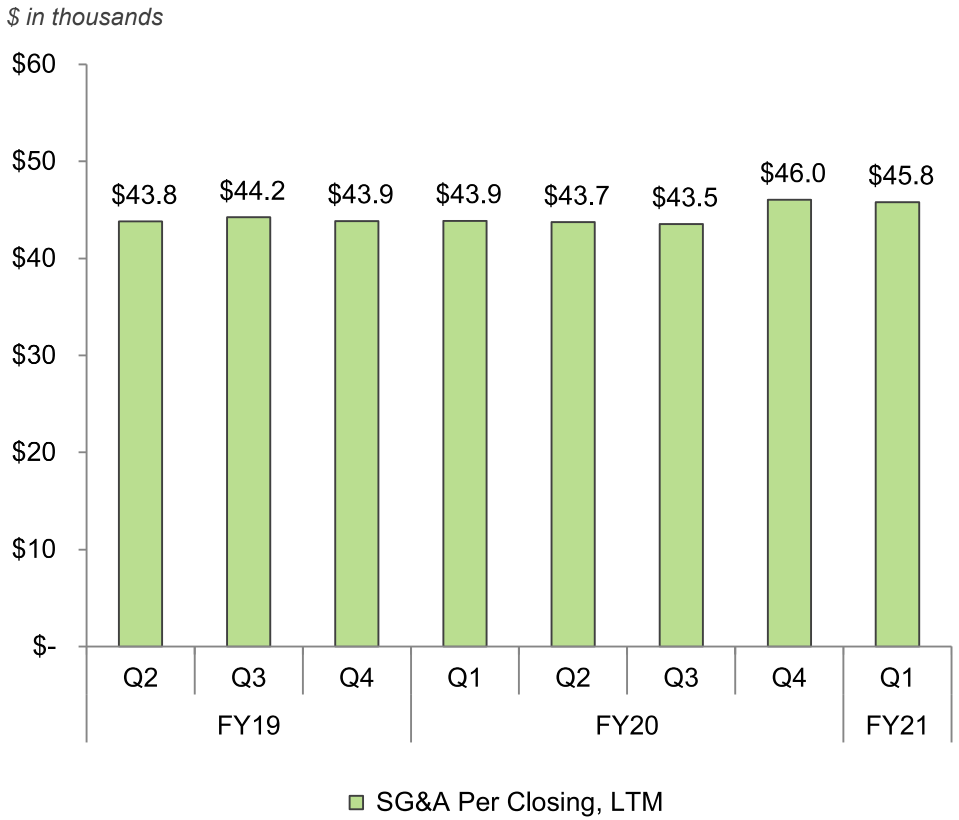
Note: Variances are calculated using un-rounded numbers
*Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
**Active Community Count was 166 at 12/31/2019 and 134 at 12/31/2020
***Excludes impairments, abandonments, and interest amortized to cost of sales

Backlog Detail

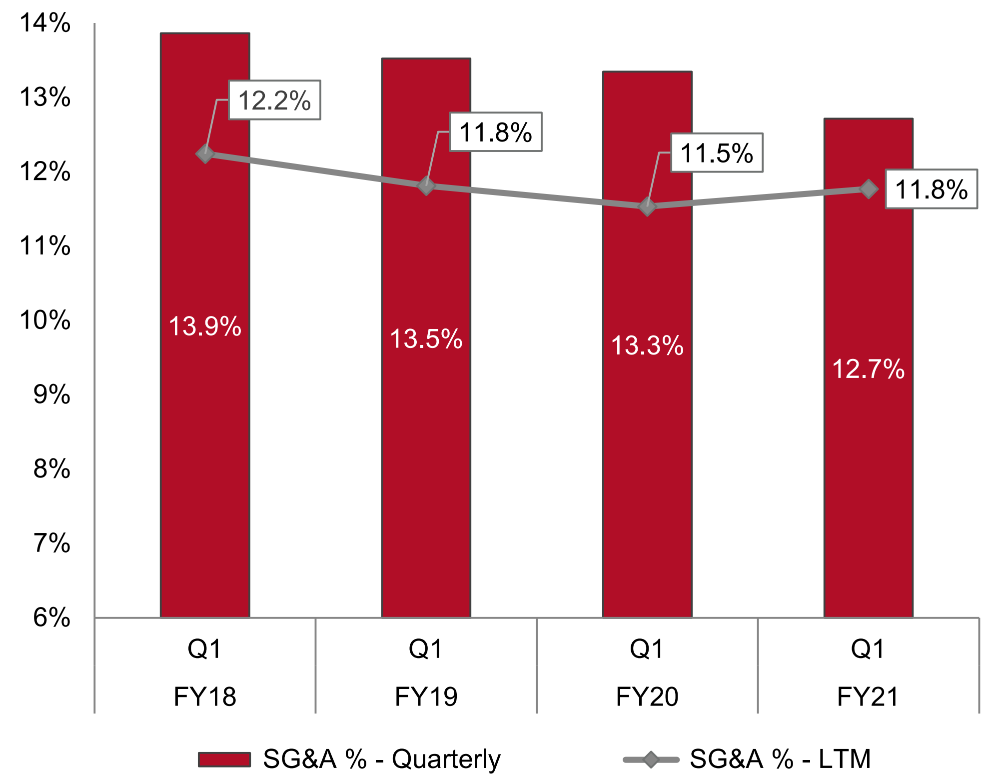
		Q1 FY20		Q1 FY21
Quarter Ending Backlog (units)		1,847		2,837
Quarter Ending Backlog ($ in millions)	$	732.1	$	1,162.4
ASP in Backlog ($ in thousands)	$	396.4	$	409.7
Quarter Beg. Backlog		1,708		2,509
Scheduled to Close in Future Qtrs.		(732)		(1,445)
Backlog Scheduled to Close in the Qtr.		976		1,064
Backlog Activity:				
Cancellations		(69)		(57)
Pushed to Future Quarters		(95)		(125)
Close Date Brought Forward		42		69
Sold & Closed During the Qtr		258		163
Total Closings in the Quarter		1,112		1,114
Backlog Conversion Rate		**65.1%**		**44.4%**

Improving SG&A Leverage is a Priority

LTM Homebuilding
SG&A per Closing



SG&A Leverage
% of Total Revenue



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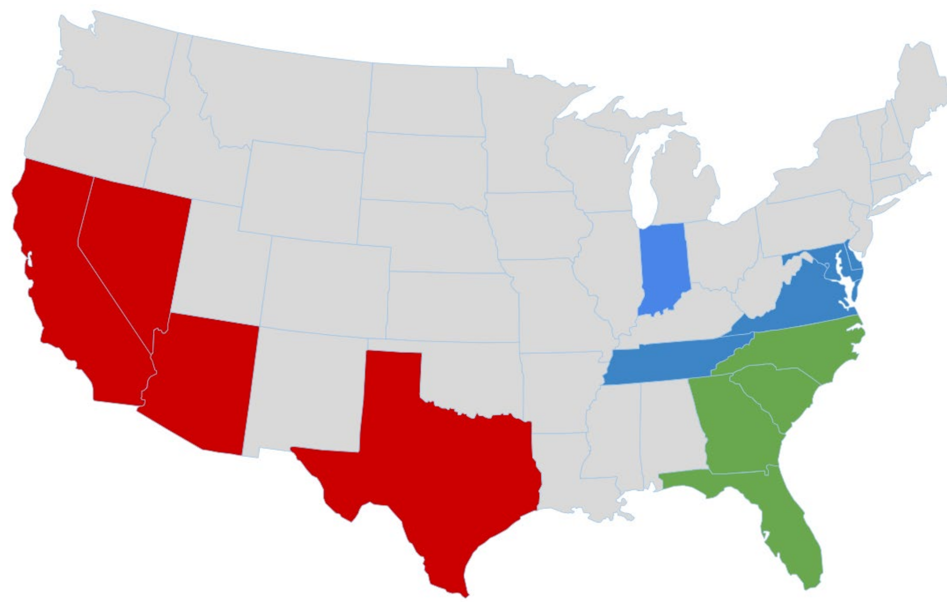
Geographic Mix Impacts ASP & Margins

	Q1 FY20 ASP	Q1 FY21 ASP	Change in ASP ($)	Change in ASP (%)	Q1 FY20 Closings	Q1 FY21 Closings	Change in Mix
West	$367k	$363k	$-4k	-1.0%	62.4%	57.6%	-4.8%
East	$404k	$439k	$35k	8.6%	17.3%	20.0%	2.7%
Southeast	$378k	$375k	$-3k	-0.8%	20.3%	22.4%	2.1%

	Q1 FY20 GM%	Q1 FY21 GM%	Change in GM%
West	20.5%	22.7%	220 bps
East	17.9%	20.8%	290 bps
Southeast	15.8%	21.2%	540 bps



- Despite lower ASP in two segments, gross margins were substantially higher across our footprint

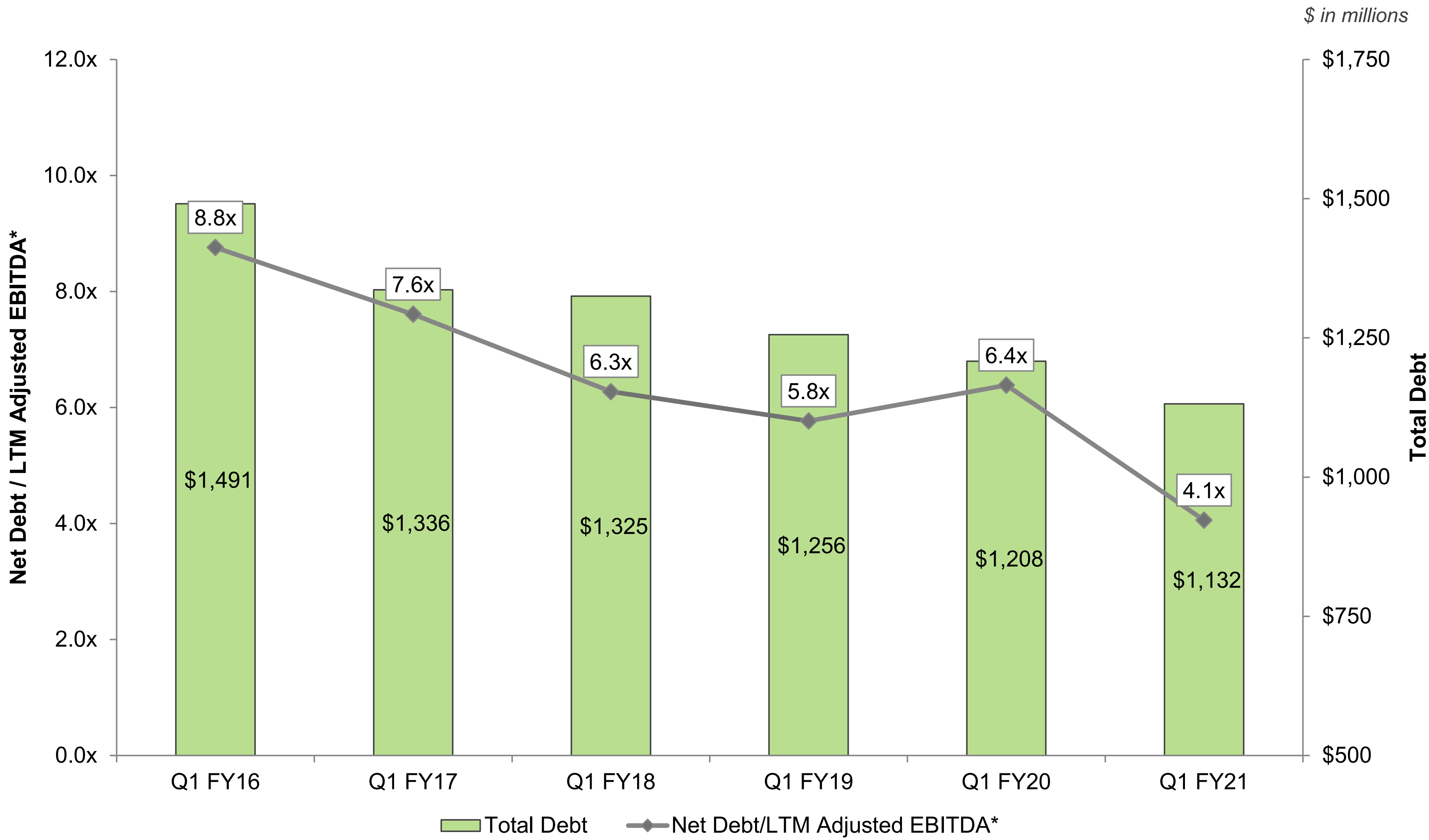
- This reflects our ability to adjust features and product mix to maintain affordability while driving margin

Adjusted EBITDA Reconciliation

in thousands	Three Months Ended December 31, 2020	Three Months Ended December 31, 2019	Three Months Ended December 31, 20 vs 19	LTM Ended December 31, 2020	LTM Ended December 31, 2019	LTM Ended December 31, 20 vs 19
Net income (loss)	$ 11,997	$2,746	$ 9,251	$ 61,477	$ (84,085)	$ 145,562
Expense (benefit) from income taxes	4,114	(228)	4,342	22,006	(33,549)	55,555
Interest amortized to home construction and land sales expenses and capitalized interest impaired	18,813	19,669	(856)	94,806	111,172	(16,366)
Interest expense not qualified for capitalization	1,600	1,442	158	8,626	4,309	4,317
EBIT	**36,524**	**23,629**	**12,895**	**186,915**	**(2,153)**	**189,068**
Depreciation and amortization	3,122	3,427	(305)	15,335	15,416	(81)
EBITDA	**39,646**	**27,056**	**12,590**	**202,250**	**13,263**	**188,987**
Stock-based compensation expense	3,511	2,311	1,200	11,236	10,723	513
Loss on extinguishment of debt	-	-	-	-	24,920	(24,920)
Inventory impairments and abandonments (a)	465	-	465	2,576	133,819	(131,243)
Restructuring and severance expenses	(10)	-	(10)	1,307	-	1,307
Litigation settlement in discontinued operations	-	-	-	1,260	-	1,260
Adjusted EBITDA	**$ 43,612**	**$ 29,367**	**$ 14,245**	**$ 218,629**	**$ 182,725**	**$ 35,904**

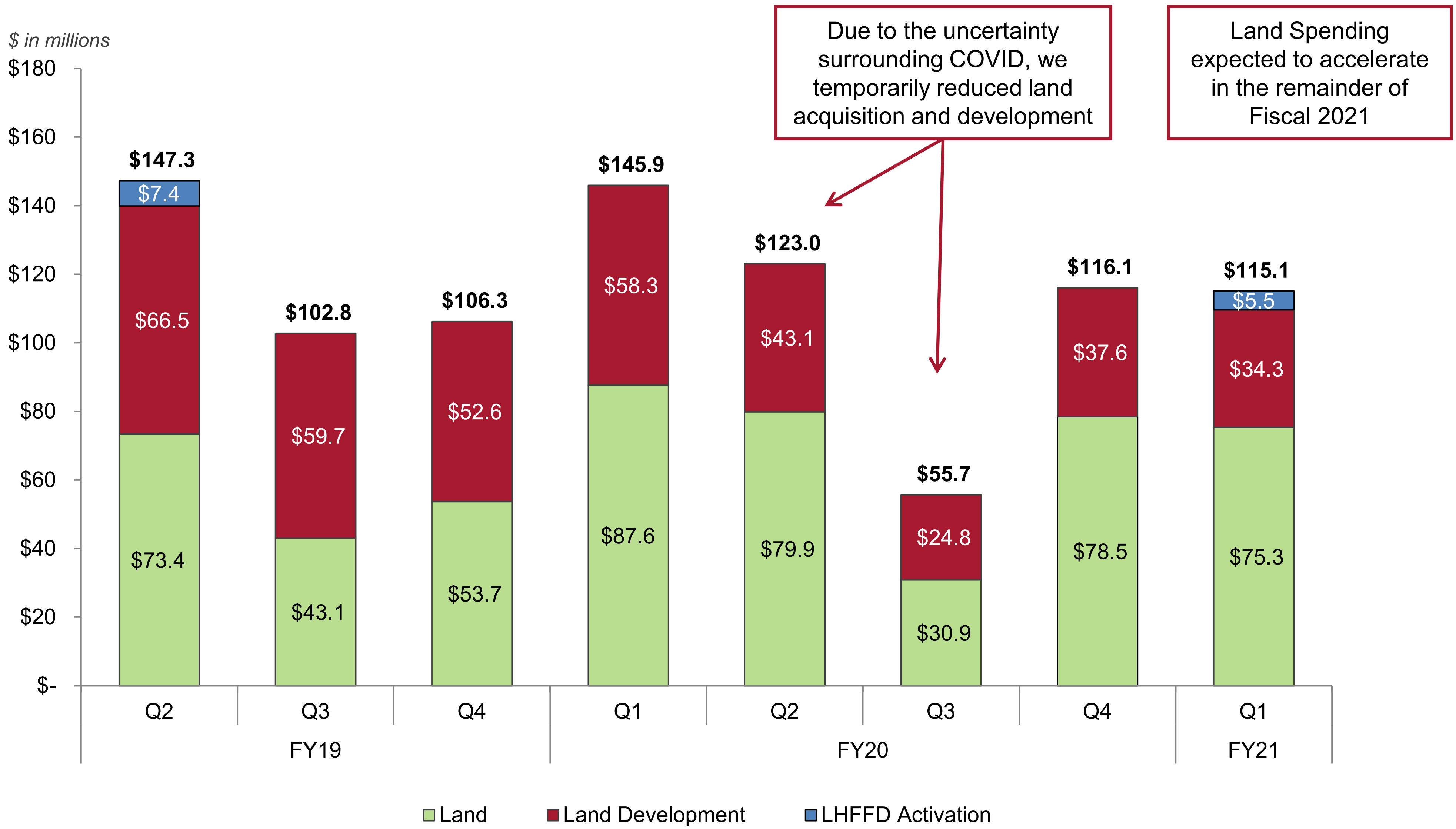
(a) In periods during which we impaired certain of our inventory assets, capitalized interest that is impaired is included in the line above titled “Interest amortized to home construction and land sales expenses and capitalized interest impaired.”

Improving Financial Leverage



*Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix.

Land Spending Will Accelerate



Note: Totals may not foot due to rounding

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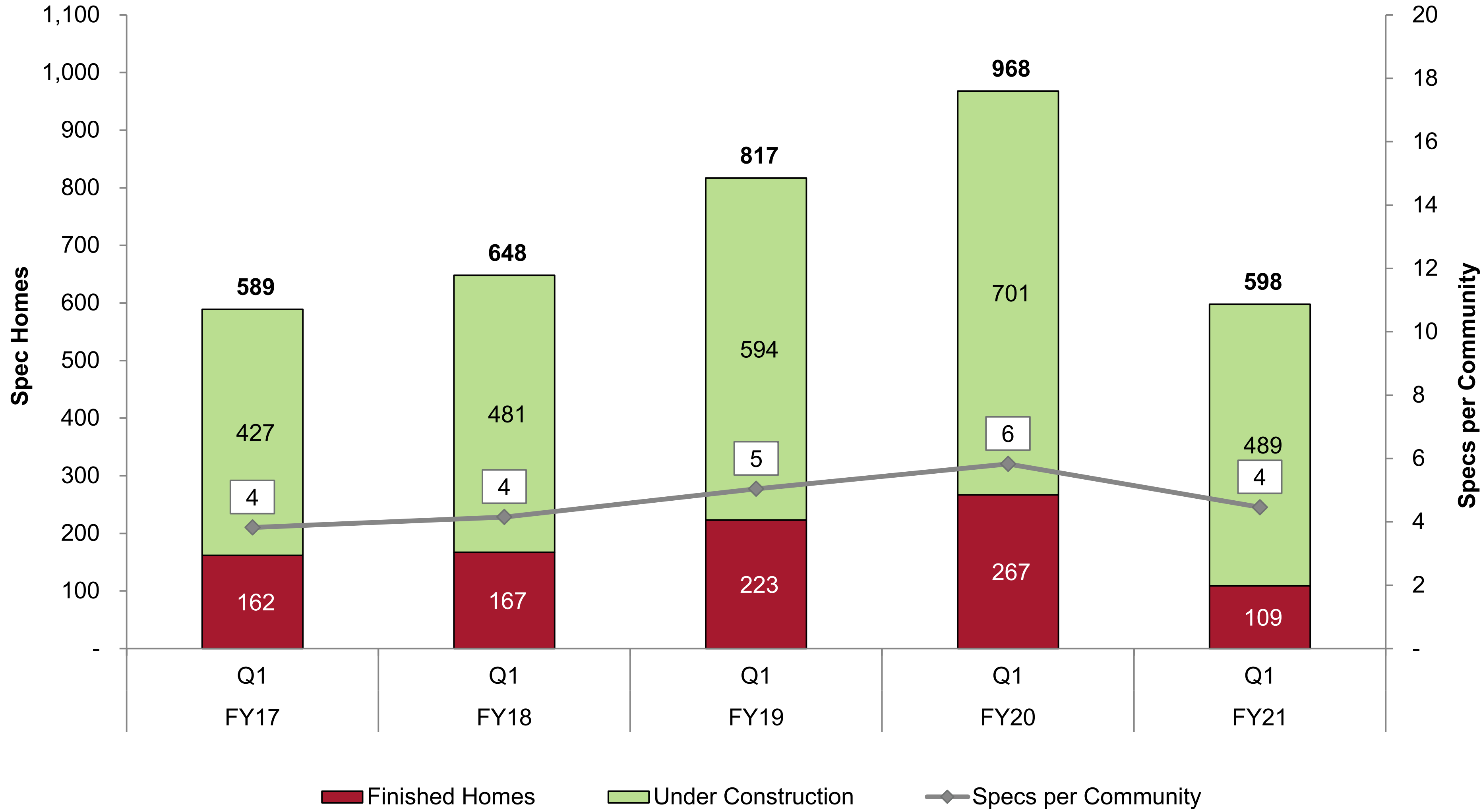
Higher Sales Pace Reduces Specs



Note: Spec count as of each quarter-end, includes Gatherings

Deferred Tax Assets - Summary

($ in millions)	December 31, 2019		December 31, 2020	
Deferred Tax Assets	$	285.9	$	260.4
Valuation Allowance		(38.5)		(39.2)
Net Deferred Tax Assets	$	247.4	$	221.2

As of December 31, 2020, 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 2020 conclusion. Valuation allowance of $39.2 million as of December 31, 2020 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 2020 Form 10-K for additional detail.