Beazer Homes USA, Inc.
Q4 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 and governmental actions, each of which is outside our control and affects the affordability of, and demand for, the homes we sell; (iii) 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; (iv) supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances; (v) shortages of or increased costs for labor used in housing production, and the level of quality and craftsmanship provided by such labor; (vi) 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; (vii) 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; (viii) 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; (ix) market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital); (x) terrorist acts, protests and civil unrest, political uncertainty, natural disasters, acts of war or other factors over which the Company has no control; (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) 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; (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; and (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.

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

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Surpassed Strategic Objectives for 2021

Generate Higher EBITDA and Double-Digit EPS Growth

- EBITDA up 29% and EPS up 130%
- Increased operating margins by delivering higher profit homes and maximizing overhead leverage

Grow Our Total Lot Position

- Active lot position up 27%
- Nearly 50% of lots controlled by options

Retire $50M+ of Debt

- Repurchased >$80M of debt

Fiscal 2022 Objectives

1

>10%
EBITDA Growth

&

>$5.00
EPS

2

Double-Digit Growth
in Lot Position

3

~20%
Return on Total Equity

4

Reduce
Debt to <$1 Billion

A Leader in Energy Efficiency

Energy Star® Partner of the Year - Sustained Excellence - 6th consecutive year

…With Ambitious Targets

Committed to building all homes Indoor airPLUS® qualified

By the end of 2025, each home we build will be Net Zero Energy Ready

Giving Back to Our Communities

CHARITY TITLE AGENCY
100% OF PROFITS TO CHARITY

100% of Charity Title Agency profits donated to charitable organizations

FISHER HOUSE ★ HELPING MILITARY FAMILIES ★

Supporting military families

2021 Million
Beazer Homes for Fisher House Foundation

Raised more than $1 million for Fisher House Foundation in the past 5 years

…And We Won't Stop There

Expansion of Charity Title Agency will enable $1M+ in charitable giving in FY22

Focus on Strong Governance Practices

Consistently high marks for our governance structure and practices

25% Women represent 25% of our board, including our lead independent director

25% 25% of our board is ethnically diverse

<6yrs Average tenure of board members is less than 6 years

…But We Aren't Resting There

ESG disclosure "tear sheet" with metrics under the SASB framework coming soon

Fiscal Year 2021 Results

Balanced Growth

Results	FY21	YoY Change
New Home Orders	5,564	(11.6%)
Sales Pace	3.7	13.8%
Active Community Count, Avg	127	(22.3%)
Homebuilding Revenue ($M)	$2,127.7	0.5%
Closings	5,287	(3.7%)
Average Selling Price ($k)	$402.4	4.4%
HB Gross Margin % [a]	**23.0%**	**200 bps**
SG&A as % of Total Revenue	11.4%	(50 bps)
Adjusted EBITDA ($M) [b]	**$262.7**	**28.5%**
Interest Amort. % of HB Revenue	4.1%	(40 bps)
Net Income - Cont. Ops. ($M)	**$122.2**	**129.2%**

Net Debt / Net Capitalization	52.7%	(480 bps)

[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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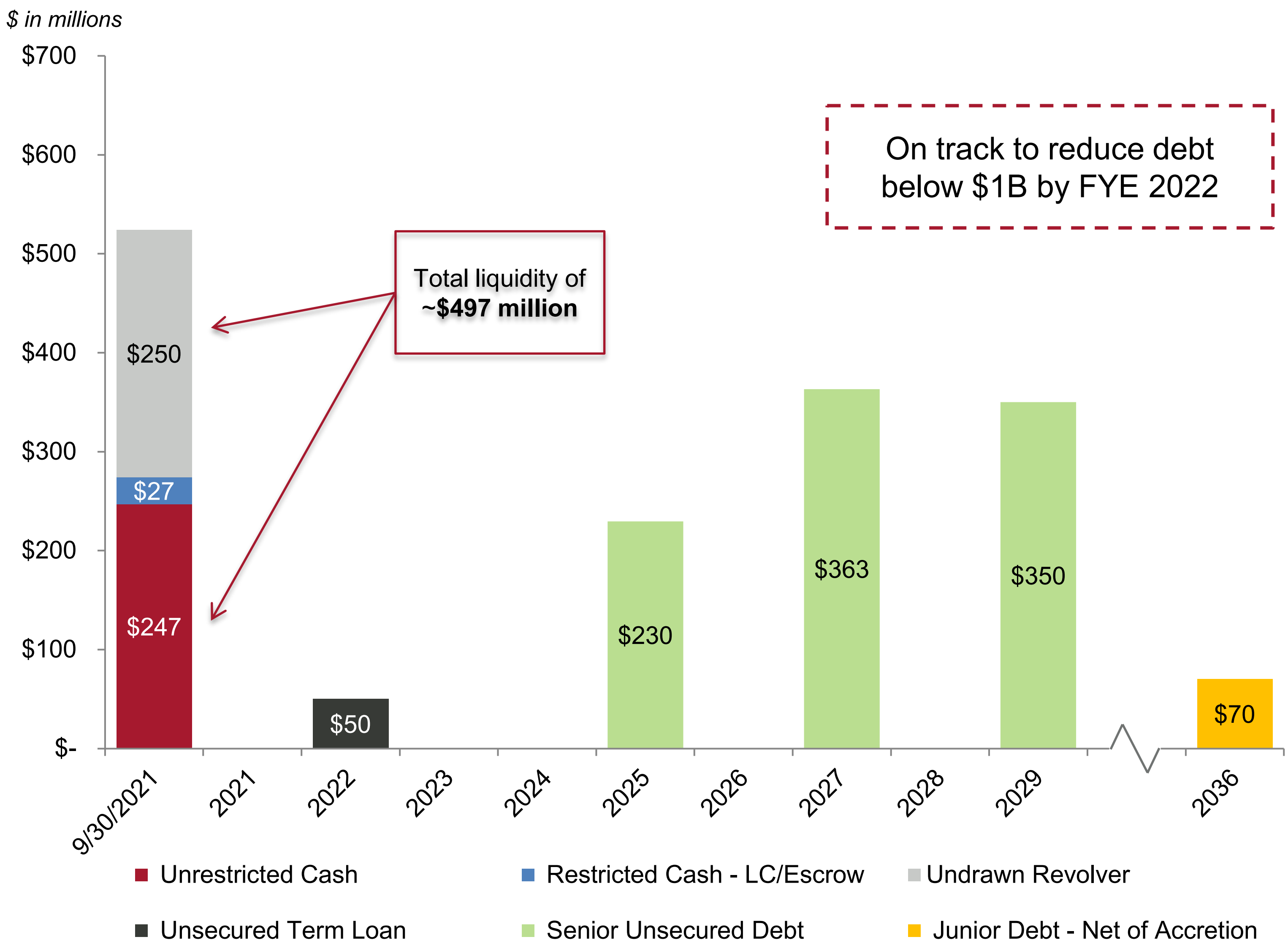
1st Quarter & Fiscal Year 2022 Expectations

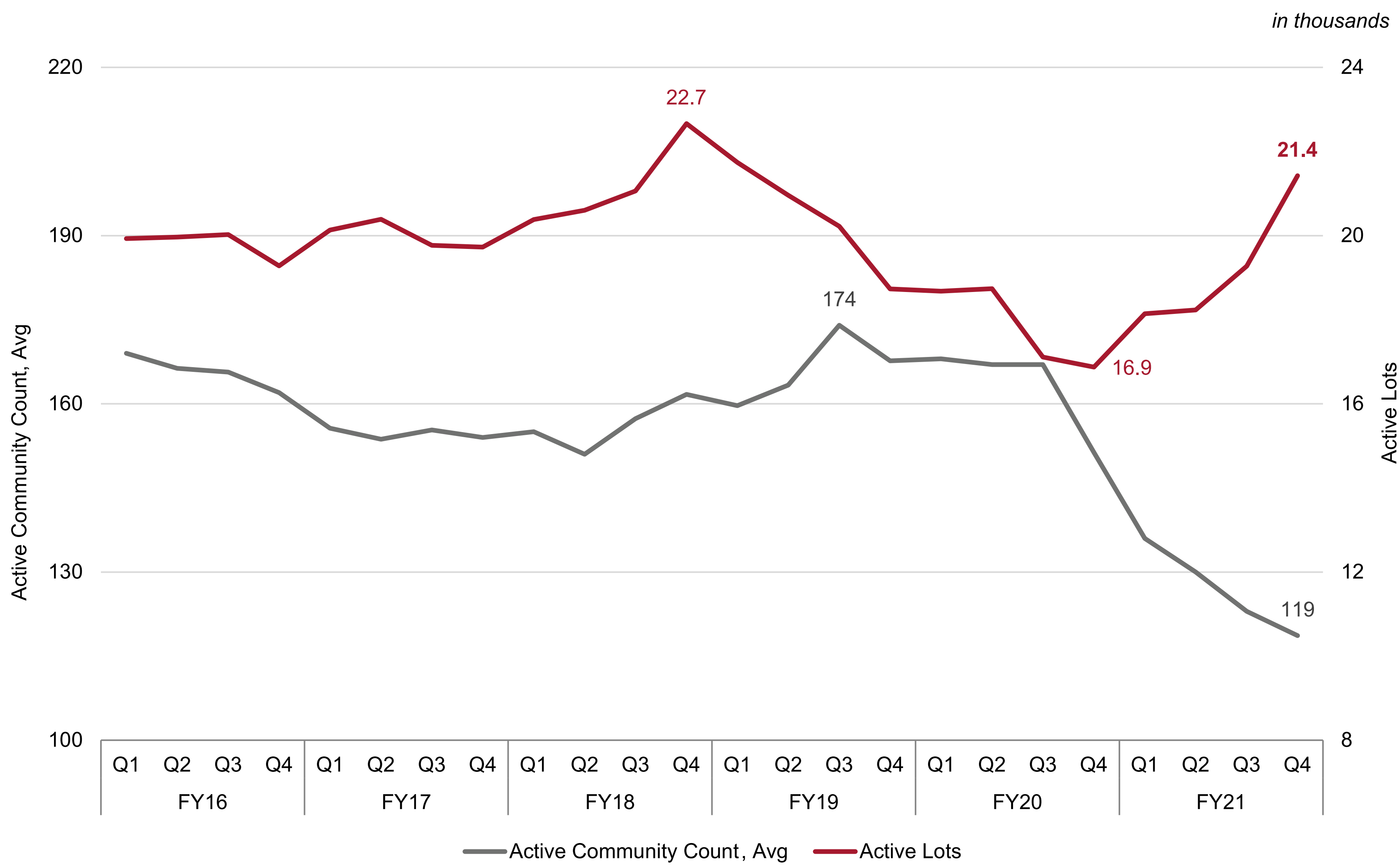
Q1 Metric	Expectations
Sales Pace	High 2s
Community Count	~115
Closings	1,000-1,050
Average Selling Price	High $430 range
HB Gross Margin %	Up 125-150 bps
SG&A (absolute $)	Up ~$4M
Land Sales and Other Revenue	~$7M
Adjusted EBITDA	Above $50M
Interest Amort. % of HB Revenue	Mid 3%
Tax Rate	~25%
EPS	Up ≥50%

FY22 Metric	Expectations
Adjusted EBITDA	Up >10%
EPS	>$5.00
Average Selling Price	~$450k
Operating Margin	>100 bps
Interest Amort. % of HB Revenue	Low 3%
Debt/EBITDA	Low 2s
Net Debt to Net Cap	40s

Liquidity Supports Growth



Active Lot Balance Continuing to Grow



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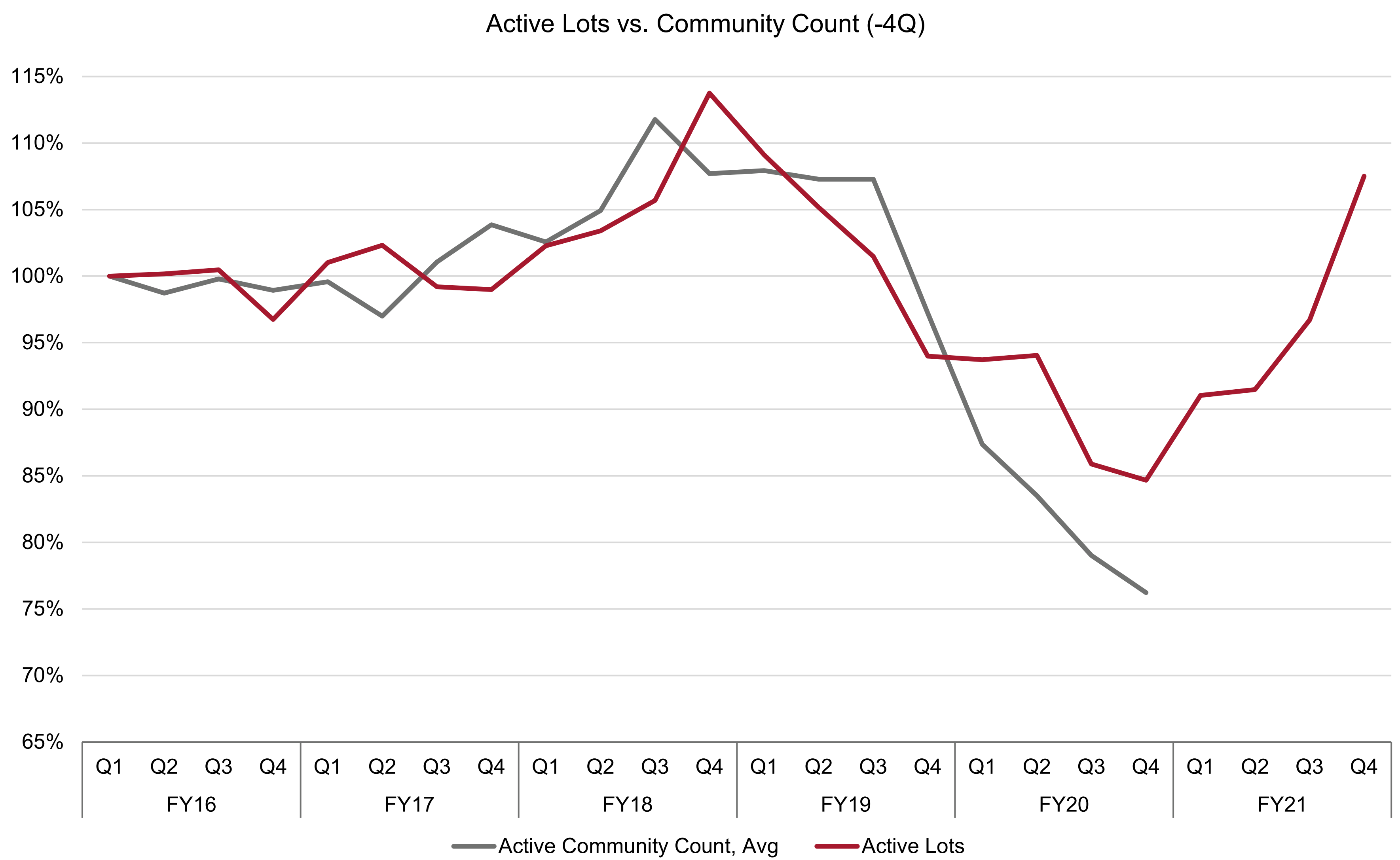
Outlook For Community Count Growth



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Wrap-up

Last 5 Years[a]

EBITDA Growth
~11% CAGR

ROA Growth
~600bps improvement

Debt Reduction
>$280M

Future Focus

EPS Growth
>$5.00 in FY22

Investing for the Future

ESG Leadership

(a) FY16 – FY21

Appendix

4th Quarter Results

Results	Q4 FY21	YoY Change
New Home Orders	1,069	(46.8%)
Sales Pace	3.0	(32.1%)
Active Community Count, Avg	119	(21.6%)
Homebuilding Revenue ($M)	$589.1	(13.2%)
Closings	1,407	(19.0%)
Average Selling Price ($k)	$418.7	7.1%
HB Gross Margin % [a]	23.2%	150 bps
SG&A as % of Total Revenue	11.0%	(10 bps)
Adjusted EBITDA ($M) [b]	$76.1	(1.3%)
Interest Amort. % of HB Revenue	3.7%	(80 bps)
Net Income - Cont. Ops. ($M)	$48.4	96.4%

Net Debt / Net Capitalization	52.7%	(480 bps)

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

Q4 Results

$ in millions (except ASP)

	Q4 FY21	Q4 FY20	Δ
Profitability			
Total Revenue	$ 590.9	$ 686.7	(14.0%)
Adjusted EBITDA [(a)]	$ 76.1	$ 77.1	$ (1.0)
Net Income - Cont. Ops.	$ 48.4	$ 24.6	$ 23.7
Unit Activity			
New Home Orders	1,069	2,009	(46.8%)
Closings	1,407	1,737	(19.0%)
Average Selling Price ($k)	$ 418.7	$ 390.9	7.1 %
Cancellation Rate	11.7 %	12.2%	(50 bps)
Active Community Count, Avg [(b)]	119	151	(21.6%)
Sales Pace	3.0	4.4	(32.1%)
Margins			
HB Gross Margin % [(c)]	23.2 %	21.7 %	150 bps
SG&A as % of Total Revenue	11.0 %	11.1 %	(10 bps)
Balance Sheet			
Unrestricted Cash	$ 246.7	$ 327.7	$ (81.0)
Land & Development Spend	$ 245.5	$ 116.1	$ 129.4

[(a)] Details are included on the “Adjusted EBITDA Reconciliation” slide in the appendix
[(b)] Active Community Count was 117 at 9/30/2021 and 145 at 9/30/2020
[(c)] Excludes impairments, abandonments, and interest amortized to cost of sales

FY21 Results

$ in millions (except ASP)

	FY21	FY20	∆
Profitability			
Total Revenue	$ 2,140.3	$ 2,127.1	0.6%
Adjusted EBITDA [a]	$ 262.7	$ 204.4	$ 58.3
Net Income - Cont. Ops.	$ 122.2	$ 53.3	$ 68.9
Unit Activity			
New Home Orders	5,564	6,293	(11.6%)
Closings	5,287	5,492	(3.7%)
Average Selling Price ($k)	$ 402.4	$ 385.5	4.4 %
Cancellation Rate	11.1 %	15.8%	(470 bps)
Active Community Count, Avg [b]	127	163	(22.3%)
Sales Pace	3.7	3.2	13.8%
Margins			
HB Gross Margin % [c]	23.0 %	21.0 %	200 bps
SG&A as % of Total Revenue	11.4 %	11.9 %	(50 bps)
Balance Sheet			
Unrestricted Cash	$ 246.7	$ 327.7	$ (81.0)
Land & Development Spend	$ 595.5	$ 440.8	$ 154.7

[a] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[b] Active Community Count was 117 at 9/30/2021 and 145 at 9/30/2020
[c] Excludes impairments, abandonments, and interest amortized to cost of sales

Backlog Detail

	Q4 FY21	Q4 FY20
Quarter Ending Backlog (units)	2,786	2,509
Quarter Ending Backlog ($ in millions)	$ 1,284.0	$ 995.3
ASP in Backlog ($ in thousands)	$ 460.9	$ 396.7
Quarter Beg. Backlog	3,124	2,237
Scheduled to Close in Future Qtrs.	(1,504)	(817)
Backlog Scheduled to Close in the Qtr.	1,620	1,420
Backlog Activity:		
Cancellations	(25)	(86)
Pushed to Future Qtrs.	(325)	(67)
Close Date Brought Forward	66	106
Sold & Closed During the Qtr.	71	364
Total Closings in the Quarter	1,407	1,737
Backlog Conversion Rate	**45.0%**	**77.6%**

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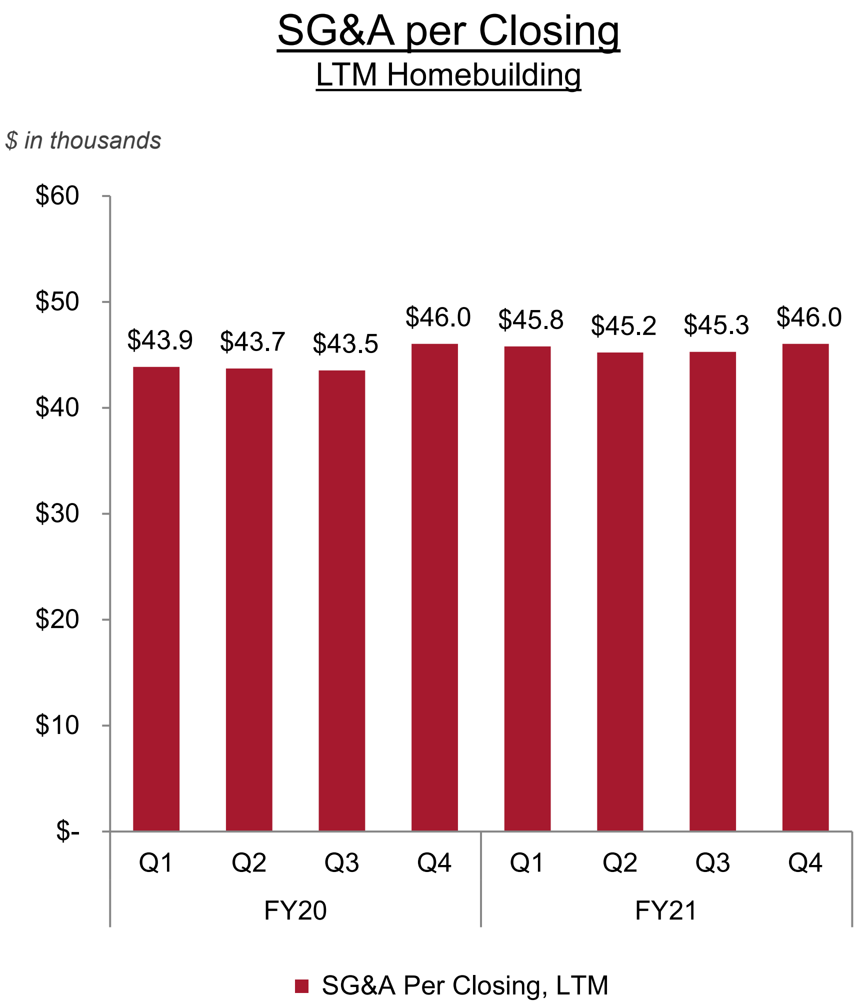
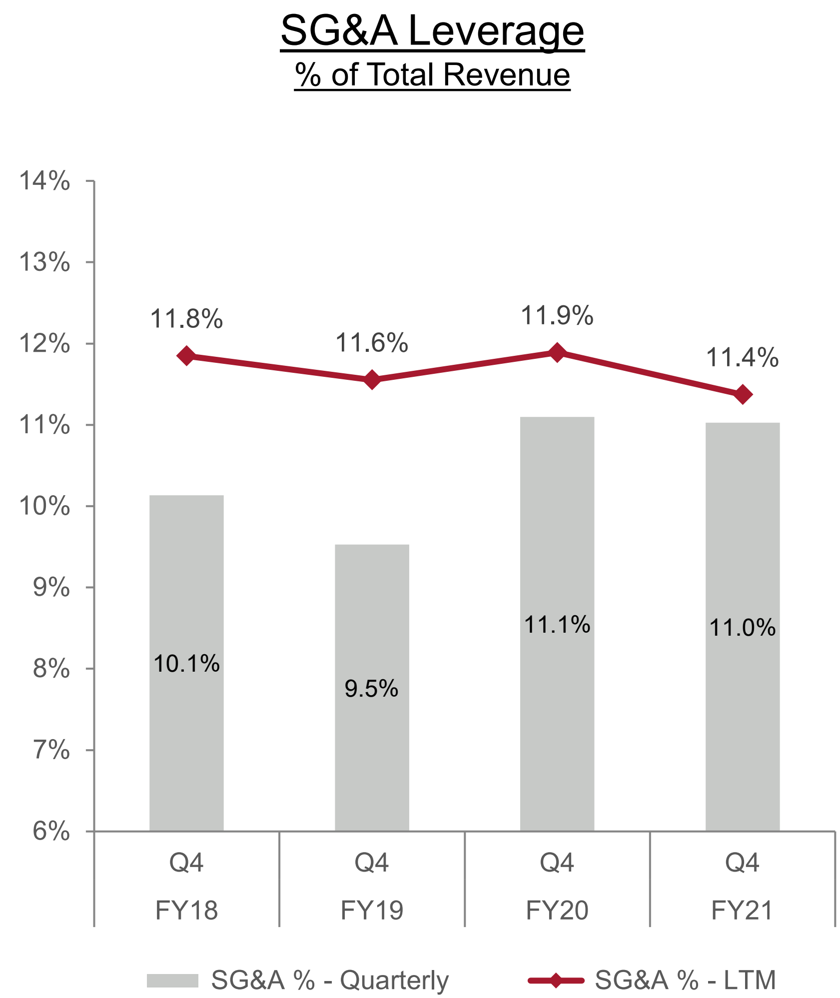
Improving SG&A Leverage is a Priority





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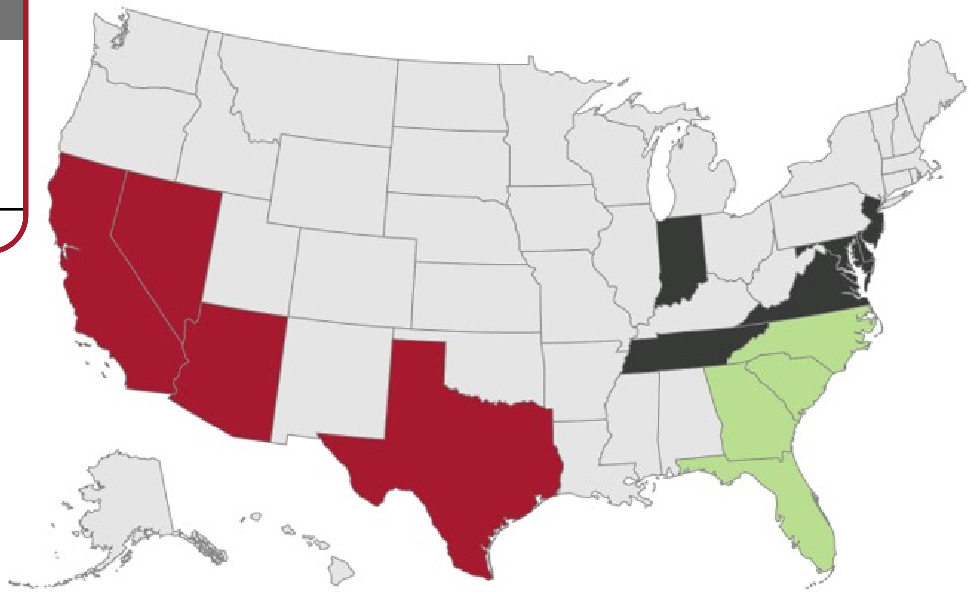
Geographic Mix Impacts ASP & Margins

	FY21 ASP	FY20 ASP	Change in ASP ($)	Change in ASP (%)	FY21 Closings	FY20 Closings	Change in Mix
West	$377k	$368k	$9k	2.4%	55.7%	58.4%	(2.7%)
East	$478k	$456k	$22k	4.8%	22.4%	19.0%	3.4%
Southeast	$390k	$371k	$19k	5.2%	21.9%	22.6%	(0.7%)

	FY21 GM%[a]	FY20 GM%[a]	Change in GM%
West	24.4%	22.0%	240 bps
East	22.3%	20.7%	160 bps
Southeast	21.9%	19.2%	270 bps



- ASP and gross margins were higher across our footprint
- This reflects the ability to raise prices to offset cost pressures

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

Adjusted EBITDA Reconciliation

(In thousands)	Three Months Ended September 30, **2021**	2020	21 vs 20	Fiscal Year Ended September 30, **2021**	2020	21 vs 20
Net income	**$ 48,361**	$ 23,678	$ 24,683	**$ 122,021**	$ 52,226	$ 69,795
(Benefit) expense from income taxes	**(1,086)**	8,764	(9,850)	**21,501**	17,664	3,837
Interest amortized to home construction and land sales expenses and capitalized interest impaired	**21,838**	30,727	(8,889)	**87,290**	95,662	(8,372)
Interest expense not qualified for capitalization	**—**	2,095	(2,095)	**2,781**	8,468	(5,687)
EBIT	**69,113**	65,264	3,849	**233,593**	174,020	59,573
Depreciation and amortization	**3,482**	4,806	(1,324)	**13,976**	15,640	(1,664)
EBITDA	**72,595**	70,070	2,525	**247,569**	189,660	57,909
Stock-based compensation expense	**2,913**	5,167	(2,254)	**12,167**	10,036	2,131
Loss on extinguishment of debt	**412**	—	412	**2,025**	—	2,025
Inventory impairments and abandonments [(a)]	**157**	637	(480)	**853**	2,111	(1,258)
Litigation settlement in discontinued operations	**—**	1,260	(1,260)	**120**	1,260	(1,140)
Restructuring and severance expenses	**—**	(44)	44	**(10)**	1,317	(1,327)
Adjusted EBITDA	**$ 76,077**	$ 77,090	$ (1,013)	**$ 262,724**	$ 204,384	$ 58,340

[(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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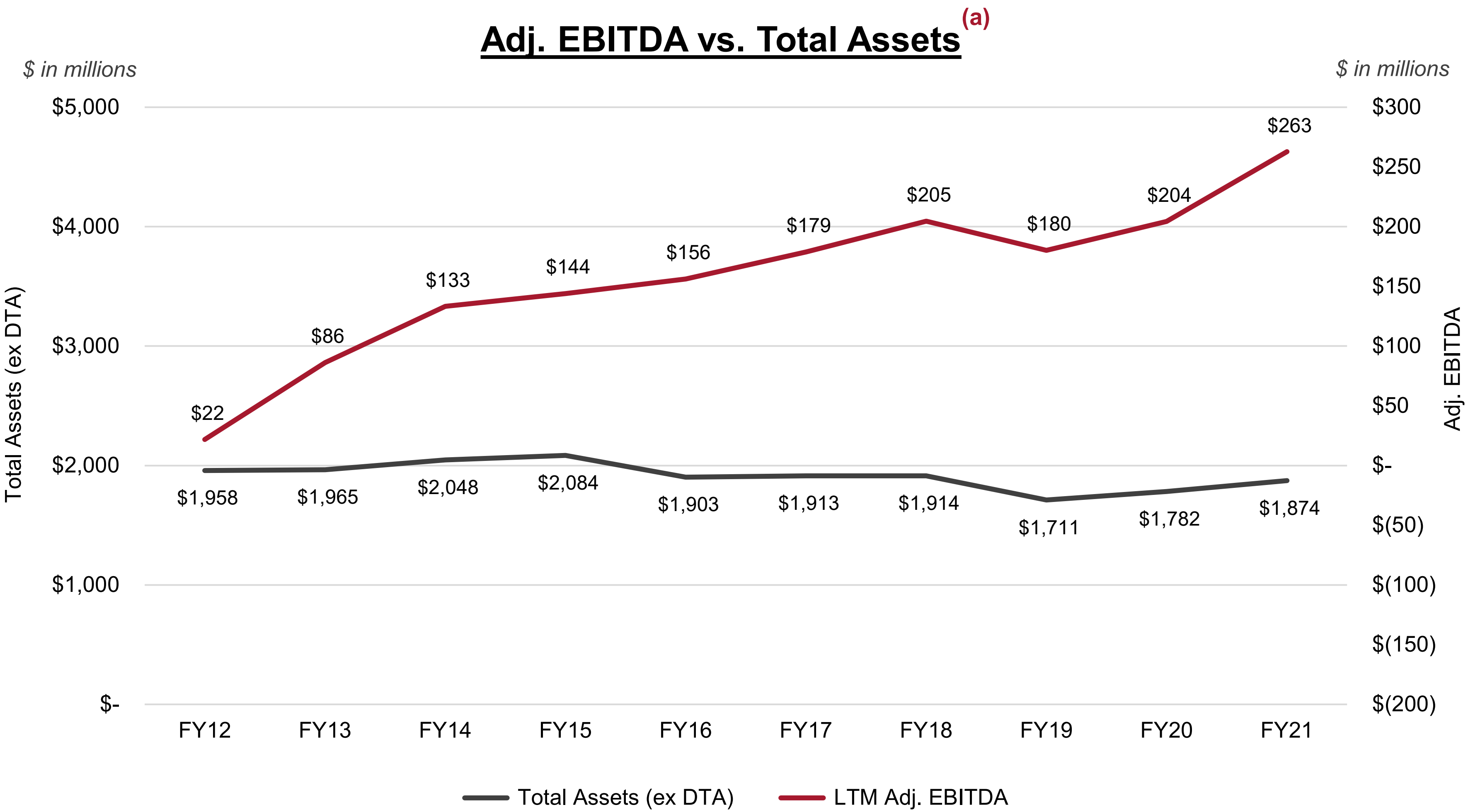
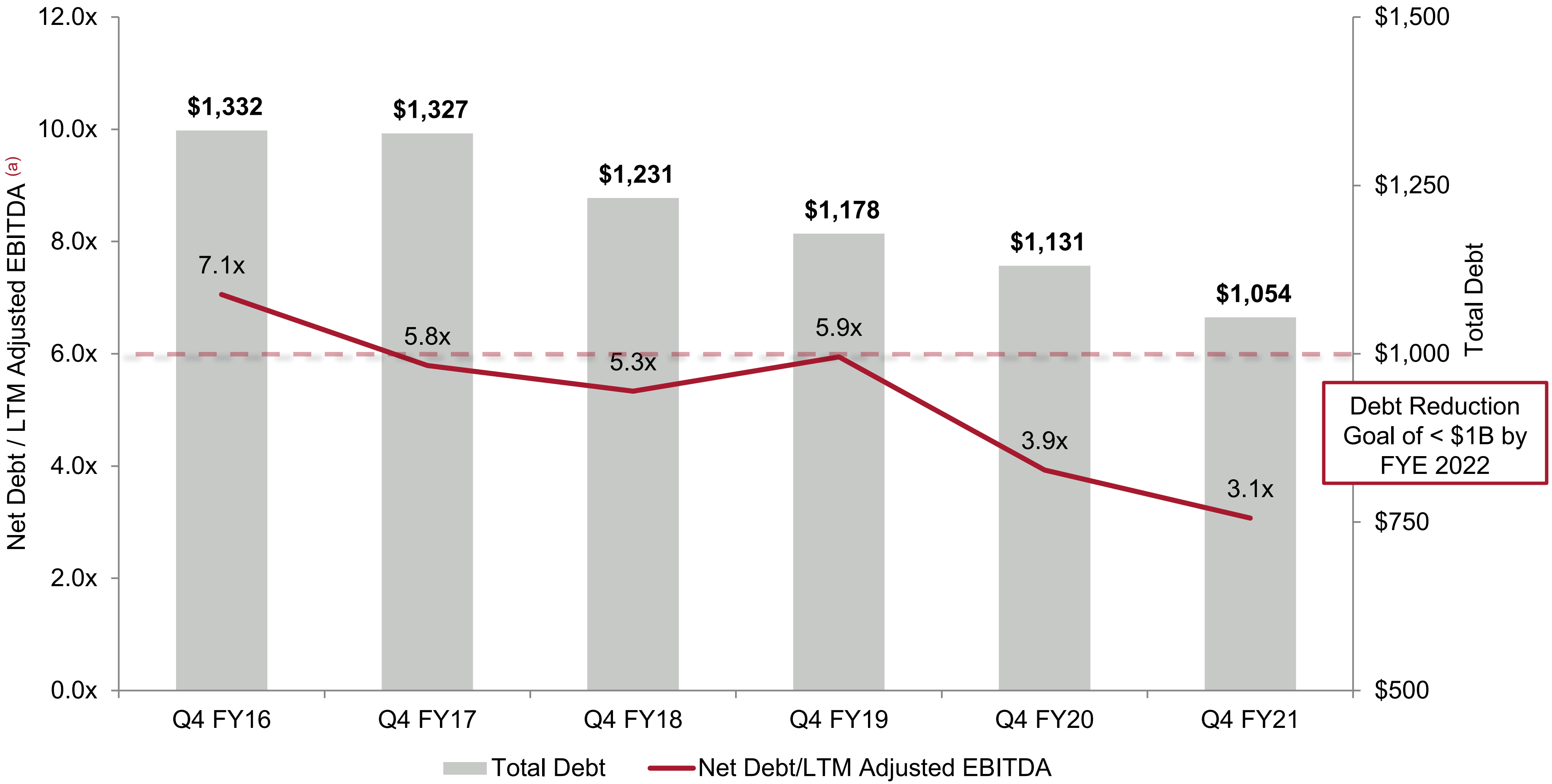
Significant EBITDA Growth



[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 FY12, FY13, FY14, and FY15 amounted to $17.7 million, $16.6 million, $15.8 million, and $11.9 million, respectively.

Improving Financial Leverage

$ in millions



[(a)] Details are included on the “Adjusted EBITDA Reconciliation” slide in the appendix

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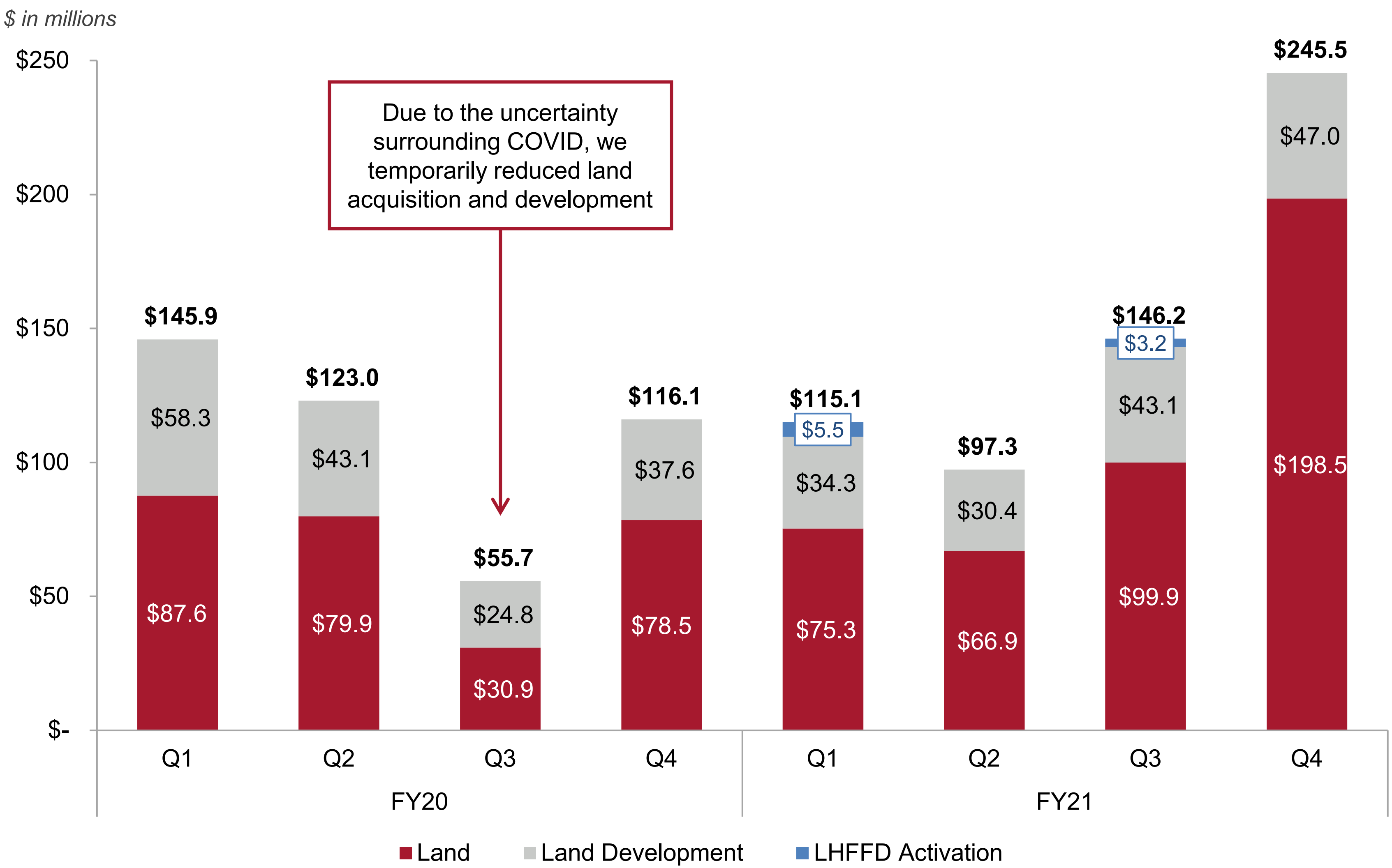
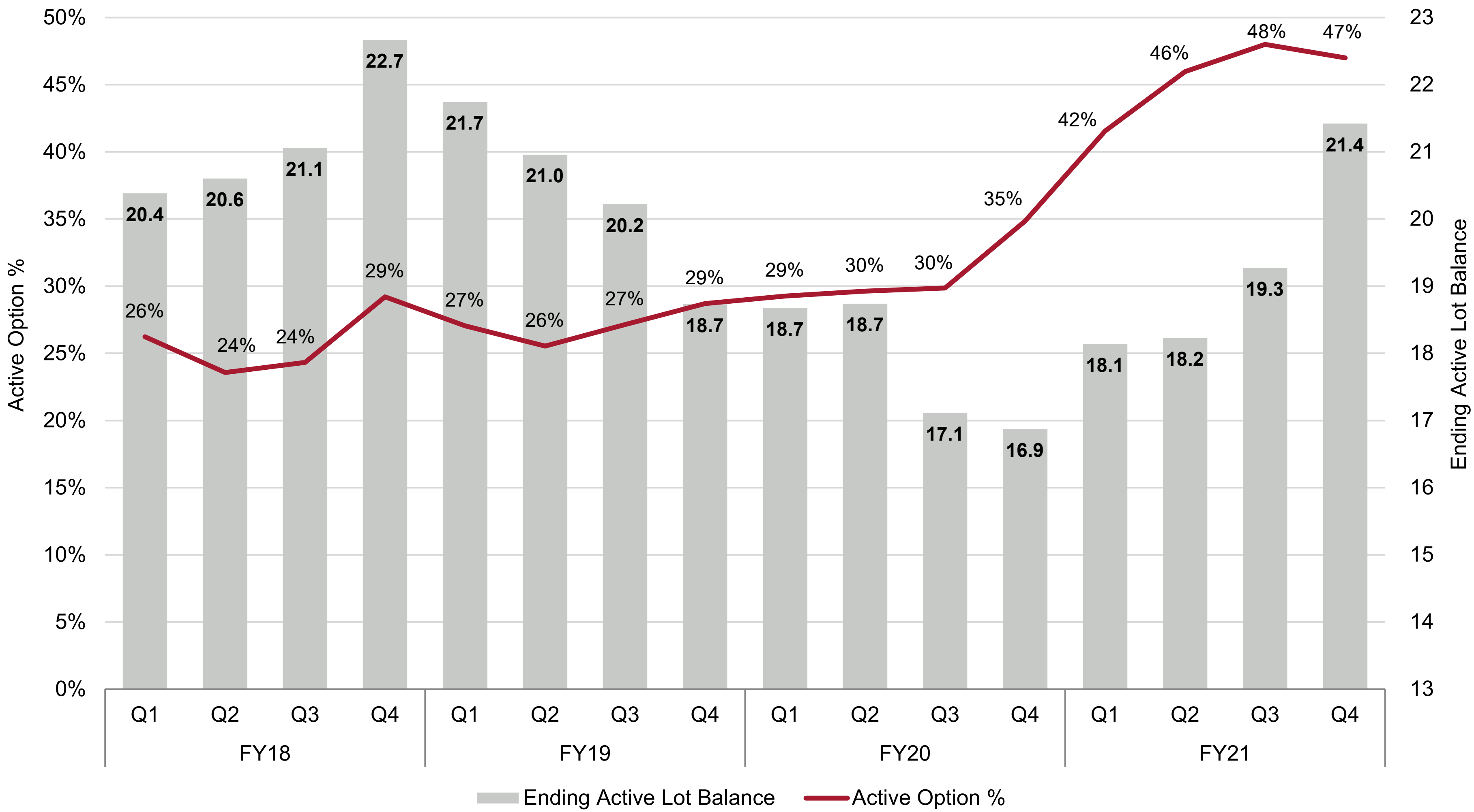
Land Spend Accelerating



Note: Totals may not foot due to rounding

Active Lot Balance Continuing to Grow

in thousands



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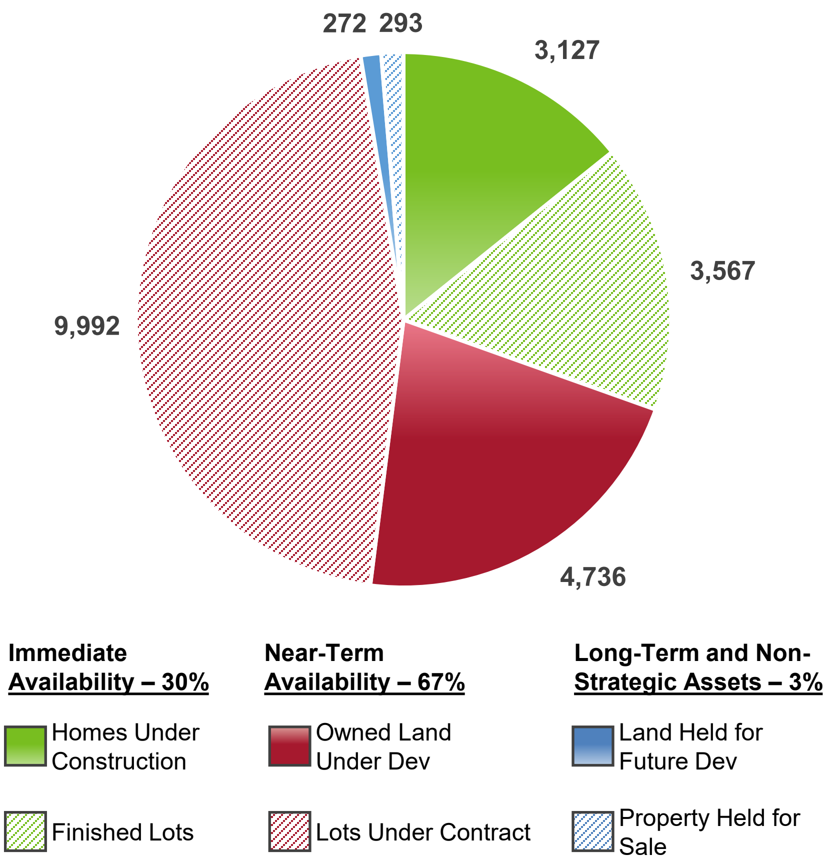
Community Count Growth Coming in FY22

21,987 total controlled lots
21,422 active controlled lots

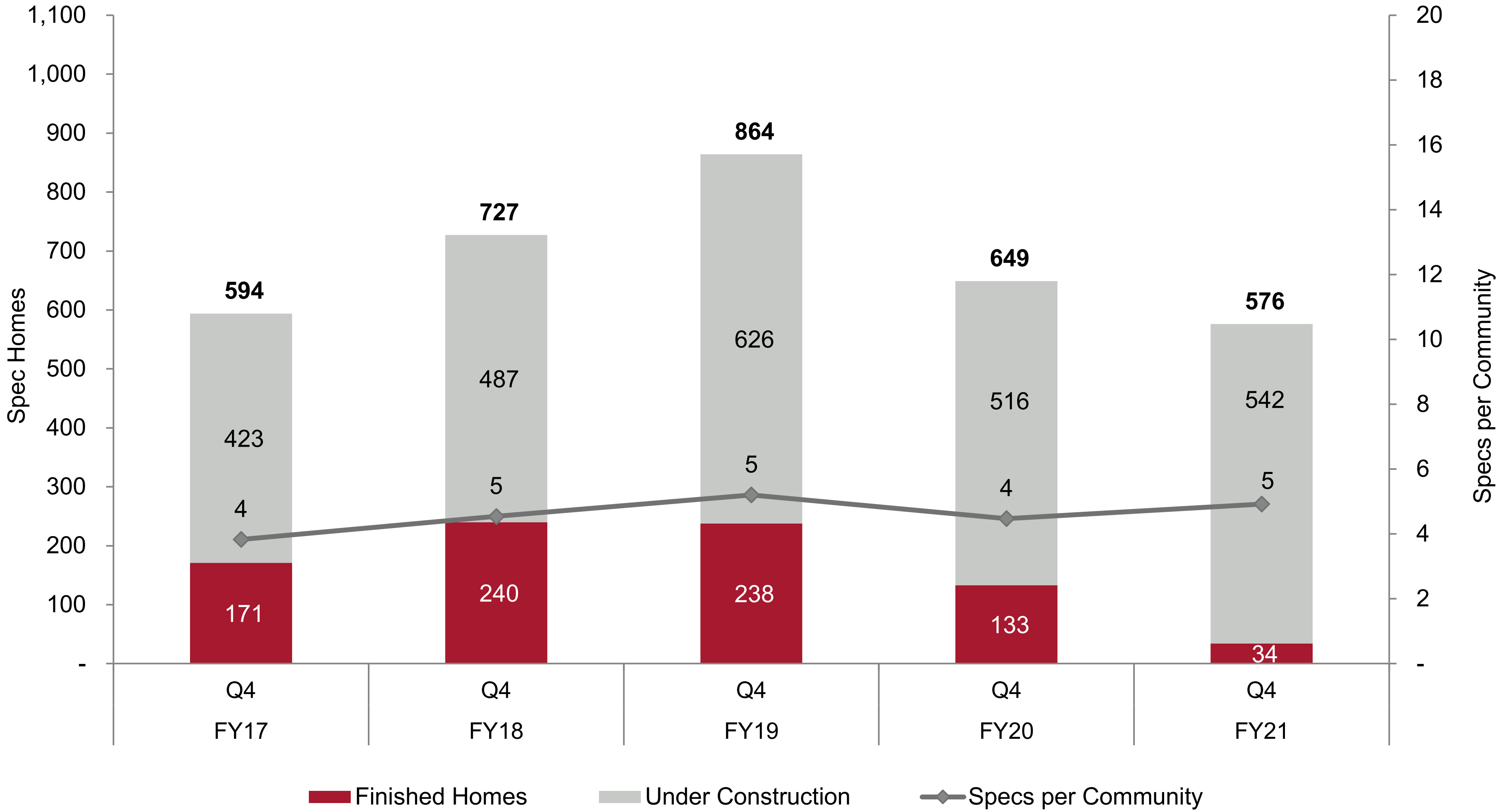
Lot Position as of September 30, 2021



Community Count Activity

Active Communities on 9/30/2021	117
Opening in Next ~6 Months	~+23
Under Development (excluding any communities opening in N6M)	~+40
Approved But Not Yet Closed (excluding any communities opening in N6M)	~+60
Closing in Next ~12 Months	(40 - 60)

Higher Sales Pace Reduces Specs



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

Deferred Tax Assets - Summary

(in thousands)	September 30, 2021		September 30, 2020	
Deferred Tax Assets	$	233,825	$	264,328
Valuation Allowance	$	(29,059)	$	(39,185)
Net Deferred Tax Assets	**$**	**204,766**	**$**	**225,143**

As of September 30, 2021, 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 $29.1 million remains on various state attributes for which the Company has 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.