



# BEAZER HOMES

## Beazer Homes Exchanges Certain Tangible Equity Units for Equity Ahead of Mandatory Conversion Date

March 12, 2014

ATLANTA--(BUSINESS WIRE)--Mar. 12, 2014-- Beazer Homes USA, Inc. (NYSE: BZH) ([www.beazer.com](http://www.beazer.com)) announced today that it has agreed to the terms of an unsolicited request to exchange approximately 19%, or 890,000, of its outstanding 7.50% tangible equity units ("TEUs") (NYSE: BZT) due 2015, for 1,368,108 shares of common stock, or 1.5372 shares per unit.

Each outstanding TEU consists of a prepaid stock purchase contract and a 7.50% senior amortizing note due July 15, 2015. At maturity, holders of the prepaid stock purchase contracts will automatically receive a minimum of 1.4075 shares per contract, up to a maximum of 1.7241 shares per contract, depending on the trading price of the Company's common stock at such time.

In lieu of paying the present value of the remaining principal and interest payments due to the holders in cash, the transaction announced today provided 115,433 shares over the 1,252,675 shares that would have been received at maturity, assuming the Company's stock price remains above \$17.75 per share. Shares of BZH common stock last closed at \$20.98 on March 12, 2014.

The exchange announced today will reduce the Company's debt by approximately \$2.4 million and slightly reduce future interest expense. In addition, stockholders' equity will increase by approximately \$2.4 million. The Company's diluted share count is only impacted by the 115,433 shares issued in lieu of future cash payments.

This exchange was made in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), provided by Section 3(a)(9) of the Securities Act. This press release is not an offer to purchase or an offer to exchange or a solicitation of acceptance of an offer to exchange any securities.

*Headquartered in Atlanta, Beazer Homes is one of the country's 10 largest single-family homebuilders. The Company's homes meet or exceed the benchmark for energy-efficient home construction as established by ENERGY STAR® and are designed with Choice Plans to meet the personal preferences and lifestyles of its buyers. In addition, the Company is committed to providing a range of preferred lender choices to facilitate transparent competition between lenders and enhanced customer service. The Company offers homes in 16 states, including Arizona, California, Delaware, Florida, Georgia, Indiana, Maryland, Nevada, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas and Virginia. Beazer Homes is listed on the New York Stock Exchange under the ticker symbol "BZH." For more info visit [Beazer.com](http://Beazer.com), or check out Beazer on [Facebook](#) and [Twitter](#).*



Source: Beazer Homes USA, Inc.

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