Beazer Homes USA, Inc.
Q3 2023 Earnings Presentation

Artavia
Conroe, TX

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:

- the cyclical nature of the homebuilding industry and deterioration in homebuilding industry conditions;
- continued increases in mortgage interest rates and reduced availability of mortgage financing due to, among other factors, additional actions by the Federal Reserve to address sharp increases in inflation;
- 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;
- continued supply chain challenges negatively impacting our homebuilding production, including shortages of raw materials and other critical components such as windows, doors, and appliances;
- continued shortages of or increased costs for labor used in housing production, and the level of quality and craftsmanship provided by such labor;
- 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;
- financial institution disruptions, such as recent bank failures;
- potential negative impacts of public health emergencies such as 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 agreement abandonments;
- factors affecting margins, such as adjustments to home pricing, increased sales incentives and mortgage rate buy down programs in order to remain competitive; 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 cycle times and production and overhead cost structures; not being able to pass on cost increases (including cost increases due to increasing the energy efficiency of our homes) through pricing increases;
- 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;
- our ability to raise debt and/or equity capital, due to factors such as limitations in the capital markets (including market volatility), adverse credit market conditions and financial institution disruptions, 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;
- market perceptions regarding any capital raising initiatives we may undertake (including future issuances of equity or debt capital);
- changes in tax laws or otherwise regarding the deductibility of mortgage interest expenses and real estate taxes;
- increased competition or delays in reacting to changing consumer preferences in home design;
- 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;
- the potential recoverability of our deferred tax assets;
- increases in corporate tax rates;
- 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;
- the results of litigation or government proceedings and fulfillment of any related obligations;
- the impact of construction defect and home warranty claims;
- the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred;
- the impact of information technology failures, cybersecurity issues or data security breaches;
- the impact of governmental regulations on homebuilding in key markets, such as regulations limiting the availability of water and electricity (including availability of electrical equipment such as transformers and meters);
- the success of our ESG initiatives, including our ability to meet our goal that by 2025 every home we build will be Net Zero Energy Ready, 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
- 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.

Introduction

Allan P. Merrill

Chairman & Chief Executive Officer

David I. Goldberg

Sr. Vice President & Chief Financial Officer

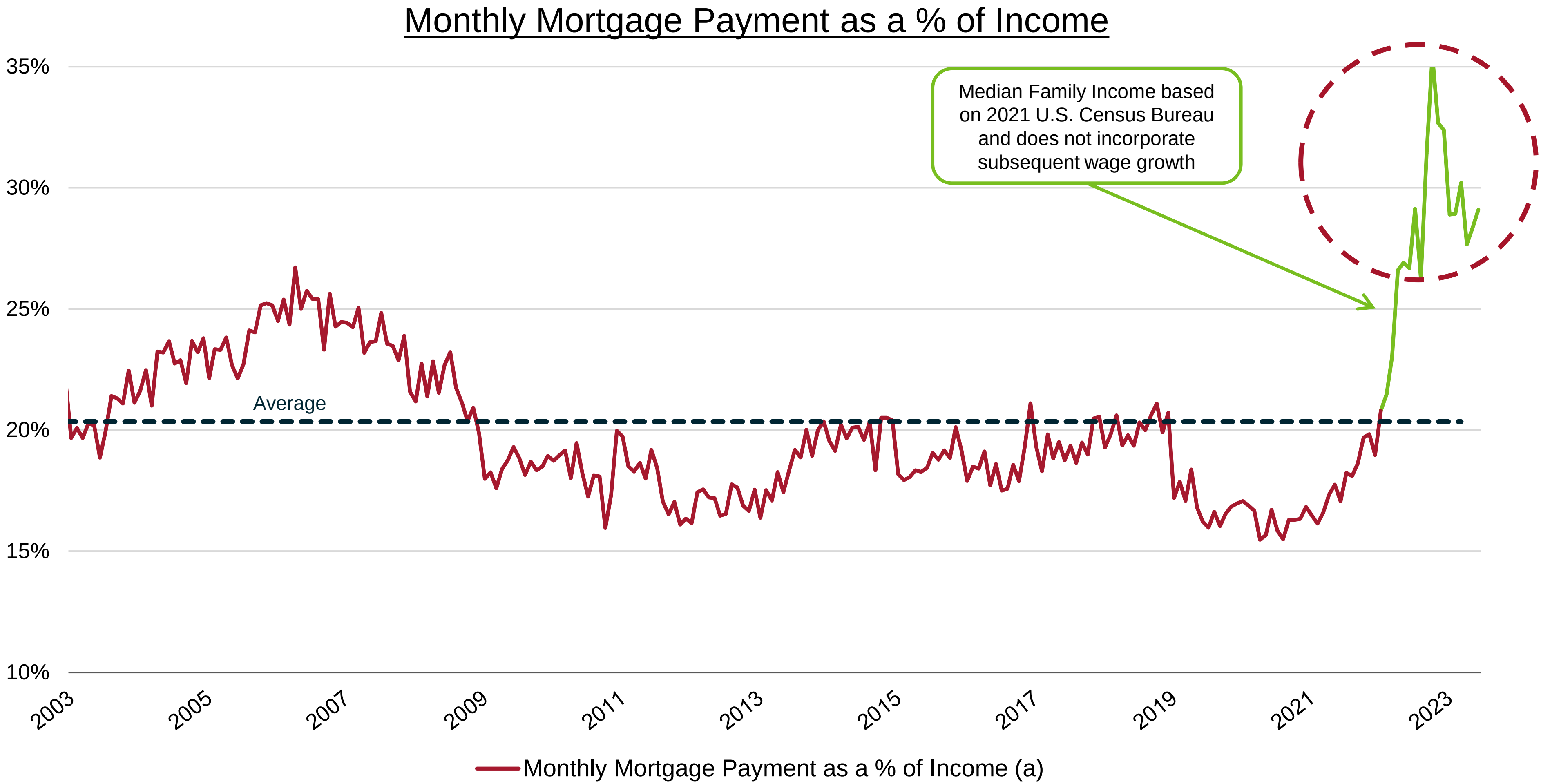
3rd Quarter Highlights

BEAZER HOMES

Sales Pace	✓
Closings	✓
Adjusted Gross Margin	✓
Adjusted EBITDA	✓
Net Income	✓

Shareholders' equity exceeds $1B for the first time since 2008
Book value of nearly $34 per share

Affordability Remains a Challenge



(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, 2022-2023 reflects most current available data (i.e., median new residential sales prices through 6/2023 and median family income data from 2021)

Macro Economic Strength

Housing Deficit

Long-term
~4mm homes

Short-term
Driven by prior low rates

Strong Economy

Low Unemployment

Job Growth

Wage Gains

Our Three Differentiators & Balanced Growth

MORTGAGE CHOICE

SURPRISING PERFORMANCE

Choice Plans™

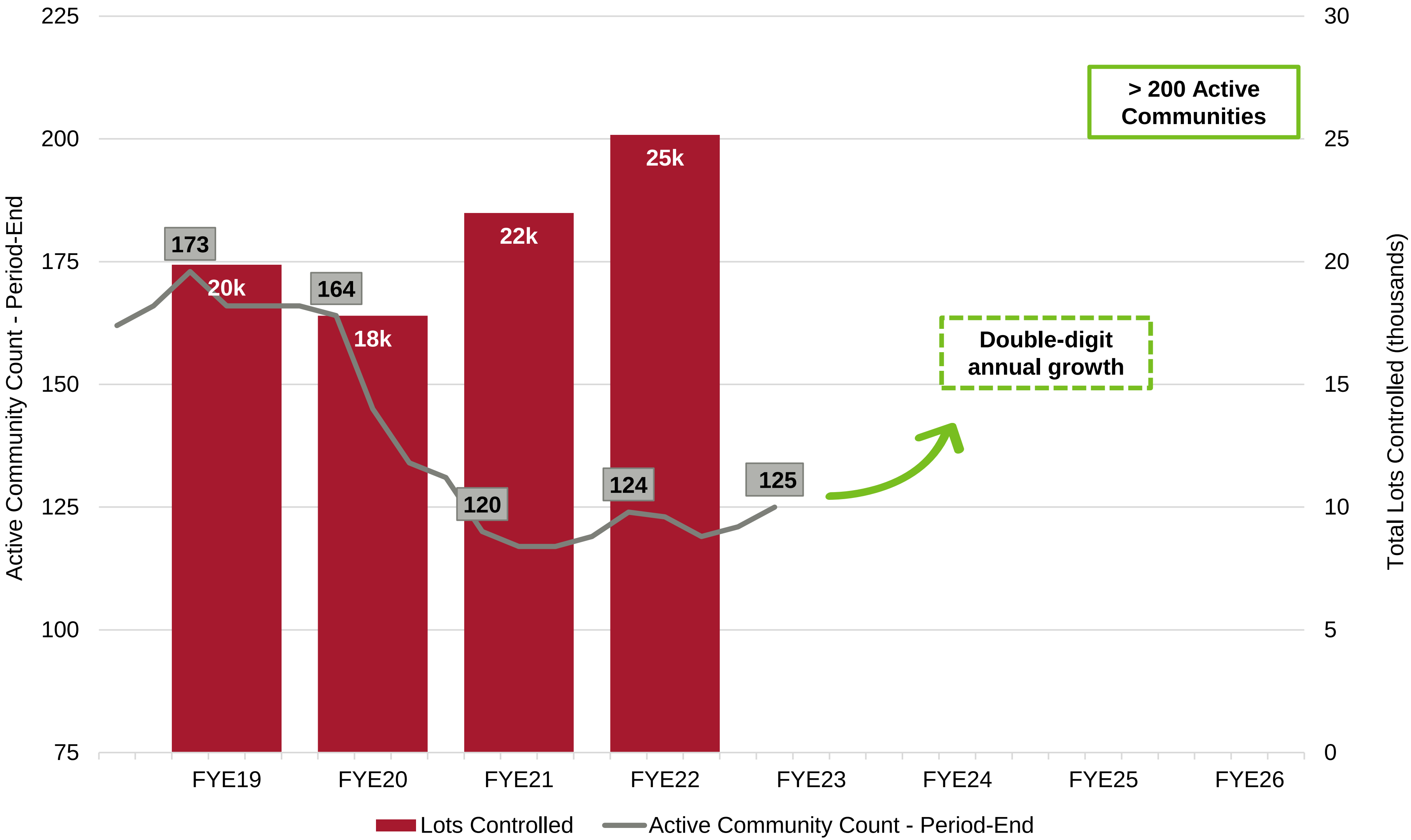
Our consumer strategy is delivering

Extraordinary Value at an Affordable Price

through these three differentiators.

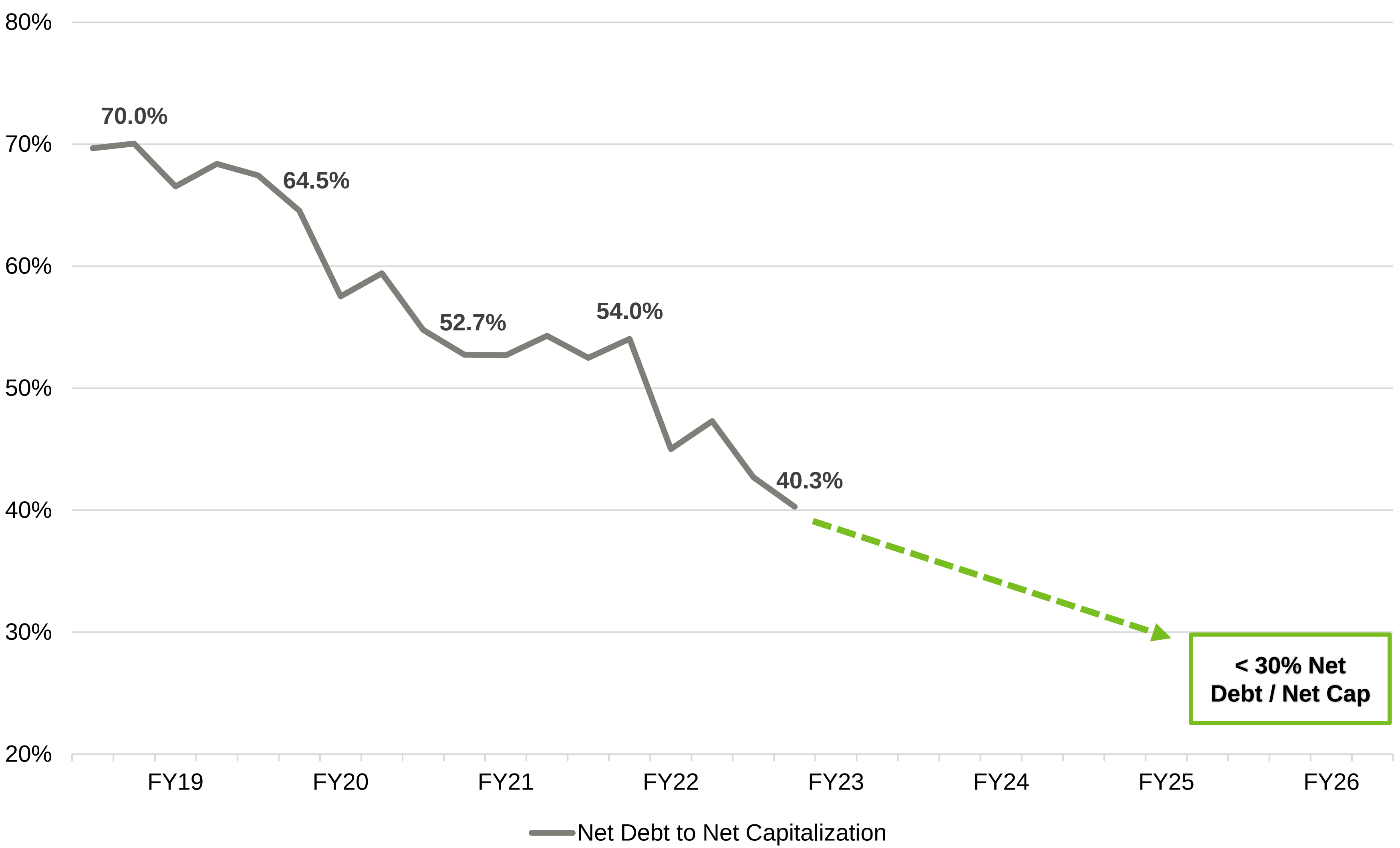
Profitable Growth + **Balance Sheet Efficiency** = **Consistently High Returns**

Profitable Growth From More Communities



Data labels reflect fiscal year-end total lots controlled and 6/30 period-end active community counts

Less-Levered Balance Sheet



Data labels reflect 6/30 net debt to net capitalization percentages

Path to 100% Zero Energy Ready Homes

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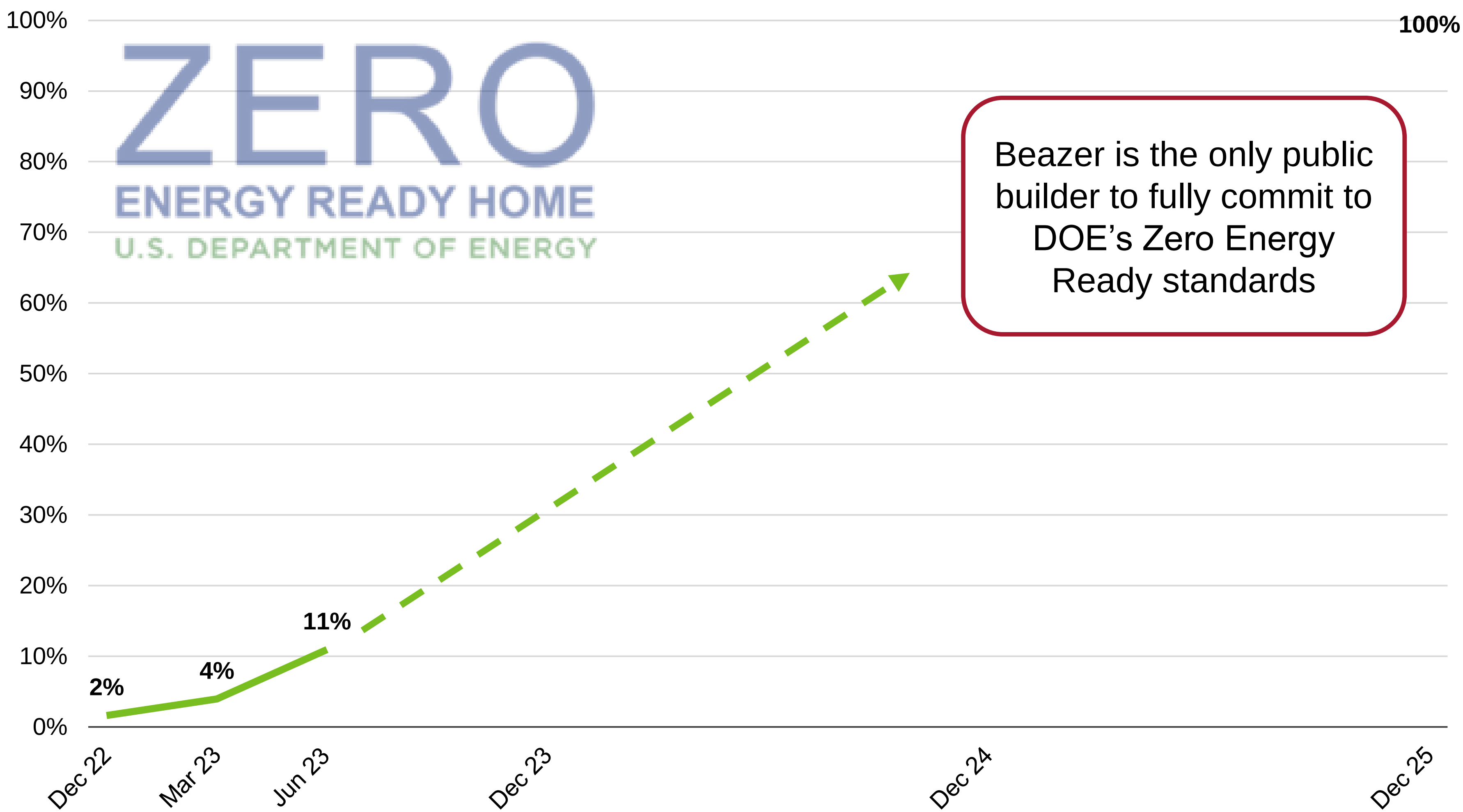
Beazer Zero Energy Ready Starts

% of total starts volume in period



3rd Quarter Results

Results	Q3 FY23	YoY Change
New Home Orders	1,200	29.7%
Sales Pace	3.2	28.3%
Community Count, Avg	124	1.1%
Closings	1,117	7.1%
Adjusted Homebuilding Revenue ($mm)	$570.5	9.0%
Average Selling Price ($k)	$510.8	1.8%
Adjusted HB Gross Margin % [a]	23.4%	(470 bps)
SG&A as % of Total Revenue	11.5%	(30 bps)
Adjusted EBITDA ($mm) [b]	$72.8	(17.5%)
Interest Amort. % of HB Revenue	3.1%	10 bps
Effective Tax Rate [c]	12.5%	(700 bps)
Net Income - Cont. Ops. ($mm)	$43.8	(19.3%)
Diluted EPS - Cont. Ops.	$1.42	(19.3%)

(a) Excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on the "Homebuilding Gross Margin Reconciliation" slide in the appendix
(b) Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
(c) Includes the benefit of energy efficiency tax credits

4th Quarter Expectations

Metric	Expectations
Sales Pace [a]	Up ~ 40%
Active Community Count [a]	Up ~ 10%
Closings	~1,200
Backlog Conversion	> 60%
Average Selling Price	~$520k
Adjusted HB Gross Margin % [b]	~23.0%
SG&A Absolute Dollars [a]	Flat
Adjusted EBITDA	~$75mm
Interest Amort. % of HB Revenue	Low 3's
Effective Tax Rate	< 14.0%
Diluted EPS - Cont. Ops.	$1.25 - $1.50
Land Spend	Up Sequentially and YoY

(a) vs. prior year quarter
(b) Excludes impairments, abandonments, and interest amortized to cost of sales

Fiscal 2023 Expectations

Metric	Expectations
Adjusted EBITDA	> $250mm
Diluted EPS - Cont. Ops.	> $4.60
Book Value Per Share	> $35.00
Net Debt / Net Capitalization	< 40%

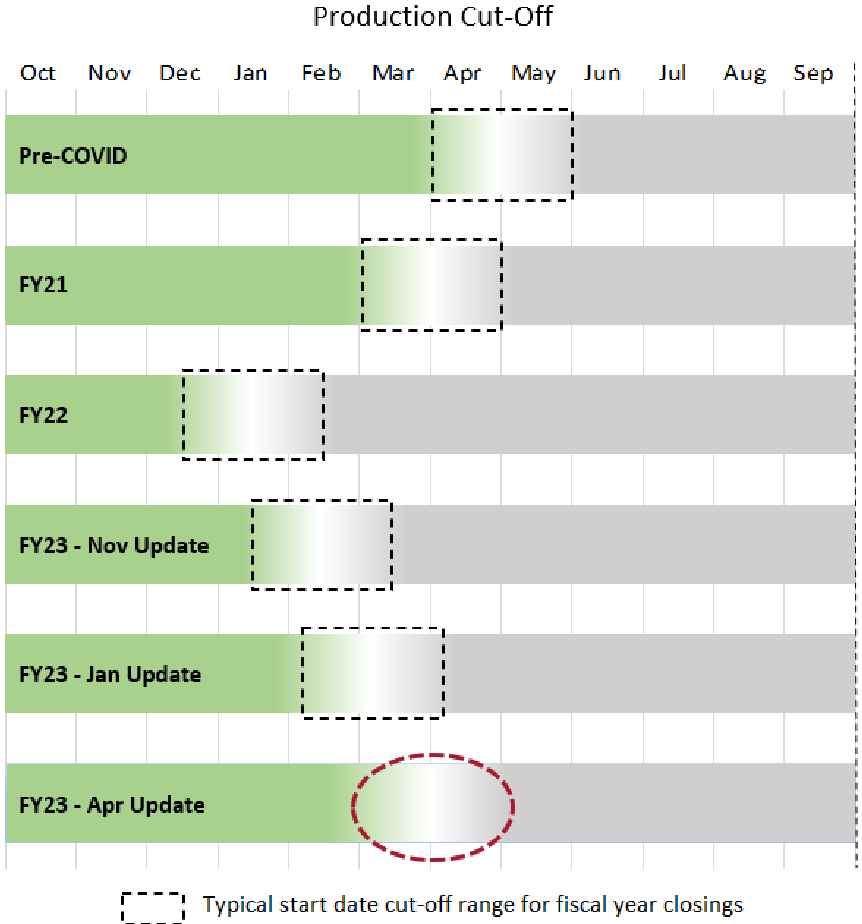
Growth Expected in Fiscal 2024

Community Count	✓
Closings	✓
Revenue [(a)]	✓
Profitability	✓

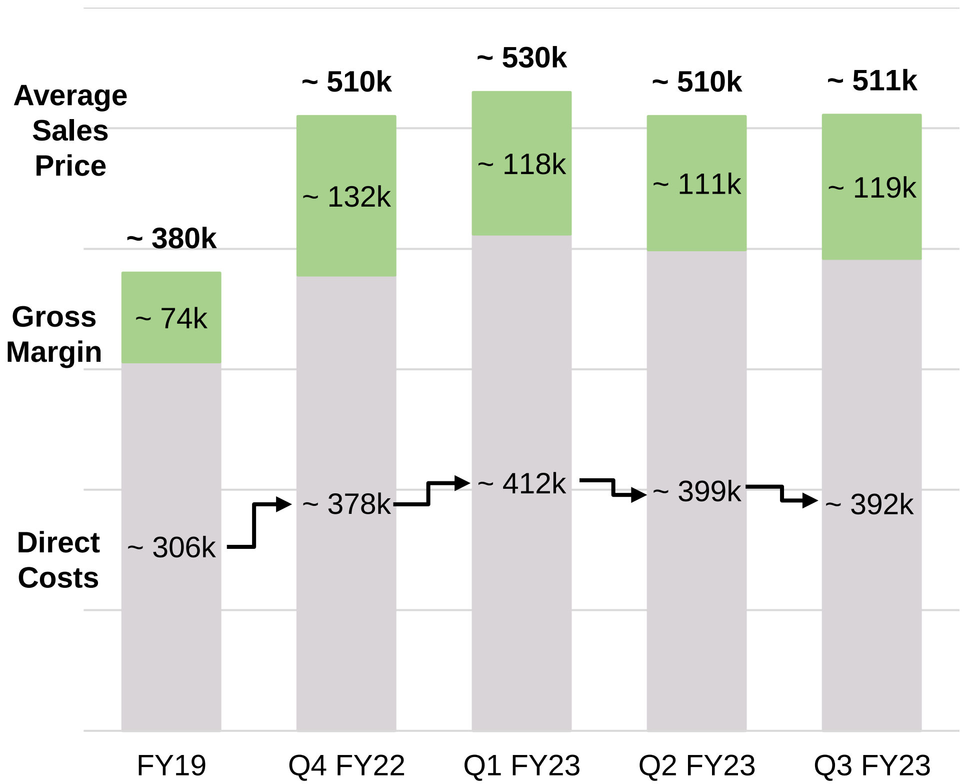
(a) ASP expected to be around $500,000

Cycle Time & Cost Reduction Initiatives

Cycle Time Improvement



Construction Cost Reduction



Beazer Tax Benefits

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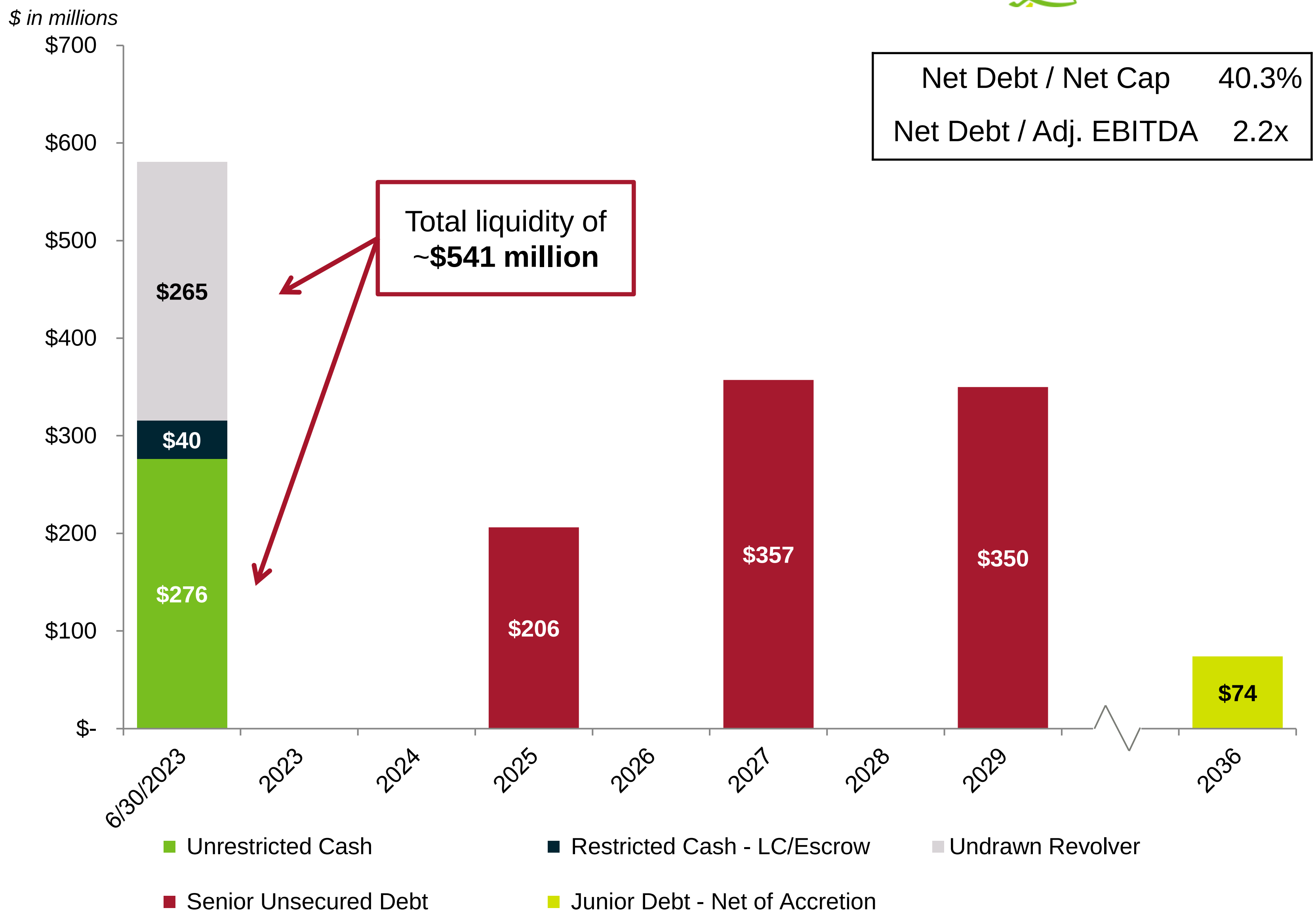
	FY23	FY24 - FY25	FY26 - FY33 [a]
Energy Efficiency Credits	Building industry-leading, energy efficient homes provides tax benefits: **Prior Year Energy Star** – $2K Home **Current Energy Star** – $2.5K SFD **Current DOE Zero Energy Ready** – $5K SFD		
GAAP Taxes	**< 15%** (Current & prior years' energy efficiency credits)	**> 15% & < 20%** (Primarily current year credits)	
Cash Taxes	**No Cash Taxes Paid** (Use of NOL's & energy efficiency credits)		**Reduced Cash Taxes** **~Aligned with GAAP Taxes** (Use of energy efficiency credits)

[a] Inflation Reduction Act of 2022 credits set to expire in December 2032, BZH's December FY33

Maturity Schedule



Wrap-Up

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Q3 Strong Financial and Operational Performance

FY23 Earnings > $4.60 Per Share

Long-Term Balanced Growth Objectives

- Profitable Growth From More Communities
- Less-Levered Balance Sheet
- Consistently High Returns

Appendix

Q3 Results

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$ in millions (except ASP)

	Q3 FY22	Q3 FY23	Δ [d]
Profitability			
Total Revenue	$ 526.7	$ 572.5	8.7%
Adjusted EBITDA [a]	$ 88.2	$ 72.8	$ (15.5)
Net Income - Cont. Ops.	$ 54.3	$ 43.8	$ (10.5)
Unit Activity			
New Home Orders	925	1,200	29.7%
Closings	1,043	1,117	7.1%
Average Selling Price ($k)	$ 501.7	$ 510.8	1.8%
Cancellation Rate	17.0%	16.1%	(90 bps)
Active Community Count, Avg [b]	123	124	1.1%
Sales Pace	2.5	3.2	28.3%
Margins			
Adjusted HB Gross Margin % [c]	28.1%	23.4%	(470 bps)
SG&A as % of Total Revenue	11.8%	11.5%	(30 bps)
Balance Sheet			
Unrestricted Cash	$ 42.0	$ 276.1	$ 234.1
Land & Development Spend	$ 159.5	$ 131.6	$ (27.9)

[a] Details are included on the “Adjusted EBITDA Reconciliation” slide in the appendix
[b] Active Community Count was 124 at 6/30/2022 and 125 at 6/30/2023
[c] Excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on the “Homebuilding Gross Margin Reconciliation” slide in the appendix
[d] Changes are calculated using unrounded numbers

Adjusted EBITDA Reconciliation

(In thousands)	Three Months Ended June 30,			LTM Ended June 30,		
	2022	**2023**	23 vs 22	2022	**2023**	23 vs 22
Net income	$ 54,324	**$ 43,817**	$ (10,507)	$ 182,242	**$ 189,678**	$ 7,436
Expense from income taxes	13,152	**6,241**	(6,911)	28,597	**39,050**	10,453
Interest amortized to home construction and land sales expenses and capitalized interest impaired	15,679	**17,504**	1,825	68,380	**74,086**	5,706
EBIT	83,155	**67,562**	(15,593)	279,219	**302,814**	23,595
Depreciation and amortization	3,189	**2,907**	(282)	12,583	**12,699**	116
EBITDA	86,344	**70,469**	(15,875)	291,802	**315,513**	23,711
Stock-based compensation expense	1,983	**1,989**	6	9,428	**7,210**	(2,218)
Loss (gain) on extinguishment of debt	(86)	**18**	104	490	**146**	(344)
Inventory impairments and abandonments[a]	—	**315**	315	1,092	**2,205**	1,113
Severance expenses	—	**—**	—	—	**335**	335
Adjusted EBITDA	$ 88,241	**$ 72,791**	$ (15,450)	$ 302,812	**$ 325,409**	$ 22,597

[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."

Backlog Detail

	Q3 FY22	Q3 FY23
Quarter Ending Backlog (units)	3,003	1,941
Quarter Ending Backlog ($ in millions)	$ 1,588.0	$ 1,009.8
ASP in Backlog ($ in thousands)	$ 528.8	$ 520.3
Quarter Beg. Backlog	3,121	1,858
Scheduled to Close in Future Qtrs.	(1,959)	(915)
Backlog Scheduled to Close in the Qtr.	1,162	943
Backlog Activity:		
Cancellations [a]	(42)	(79)
Pushed to Future Quarters	(241)	(61)
Close Date Brought Forward	89	87
Sold & Closed During the Qtr	75	227
Total Closings in the Quarter	1,043	1,117
Backlog Conversion Rate	33.4%	60.1%

[a] Cancellations reference only the cancellations arising from homes scheduled to close in the quarter

Book Value Per Share and ROA

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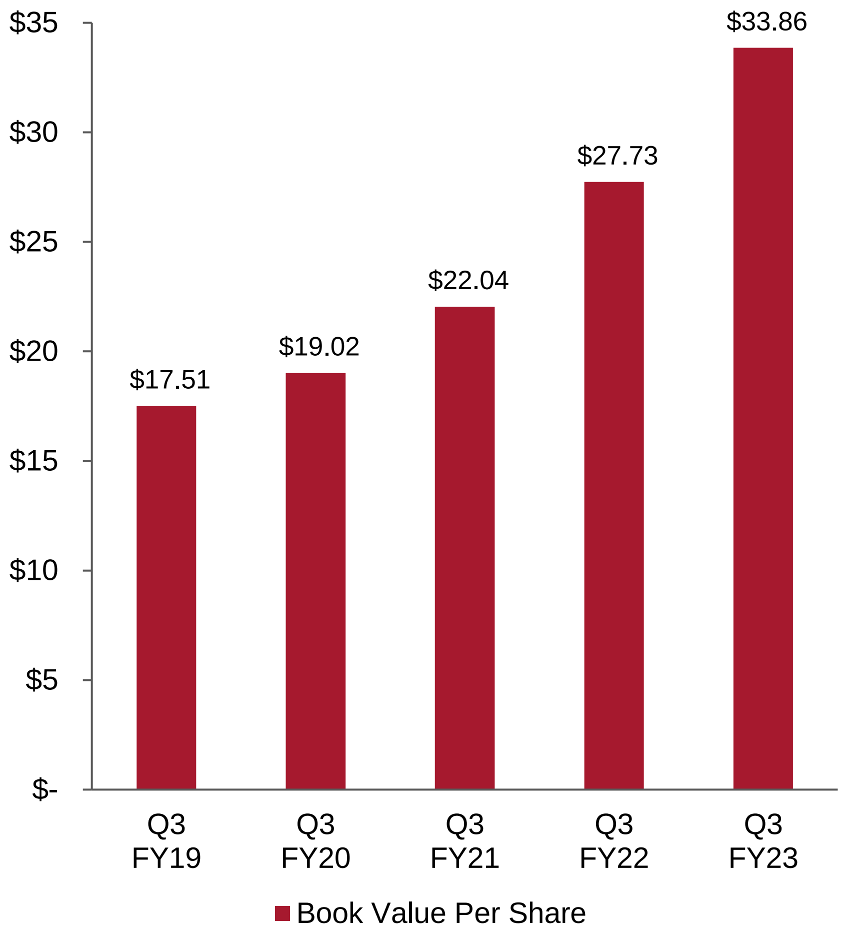
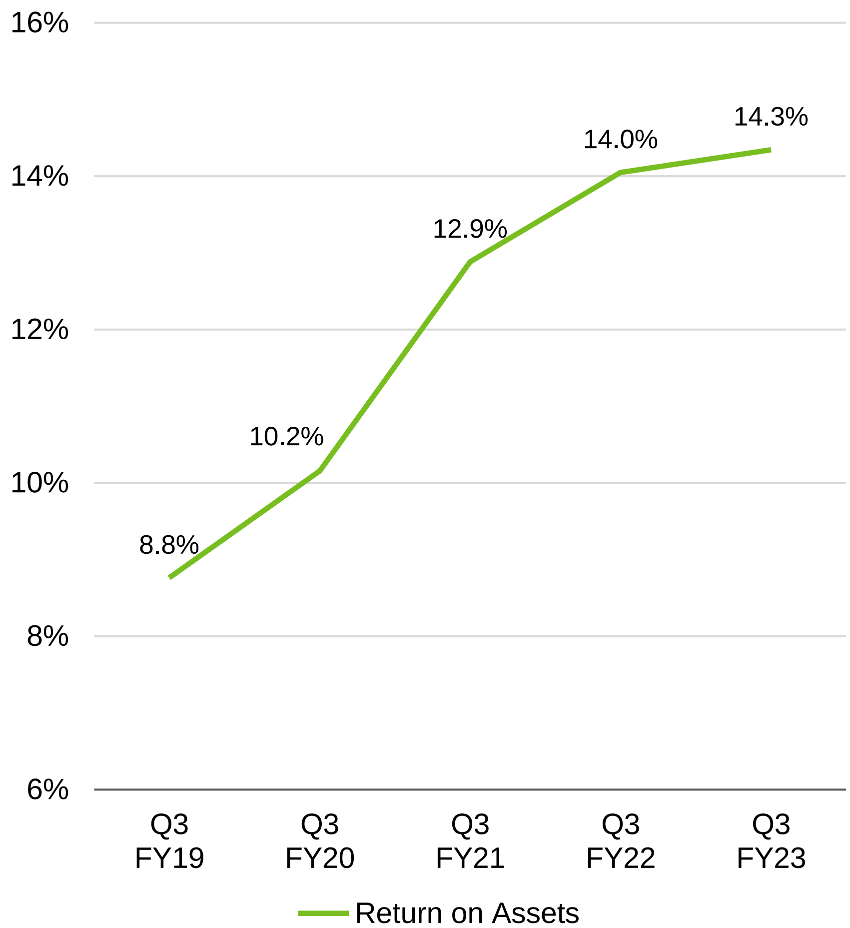
Book Value Per Share



Return on Assets

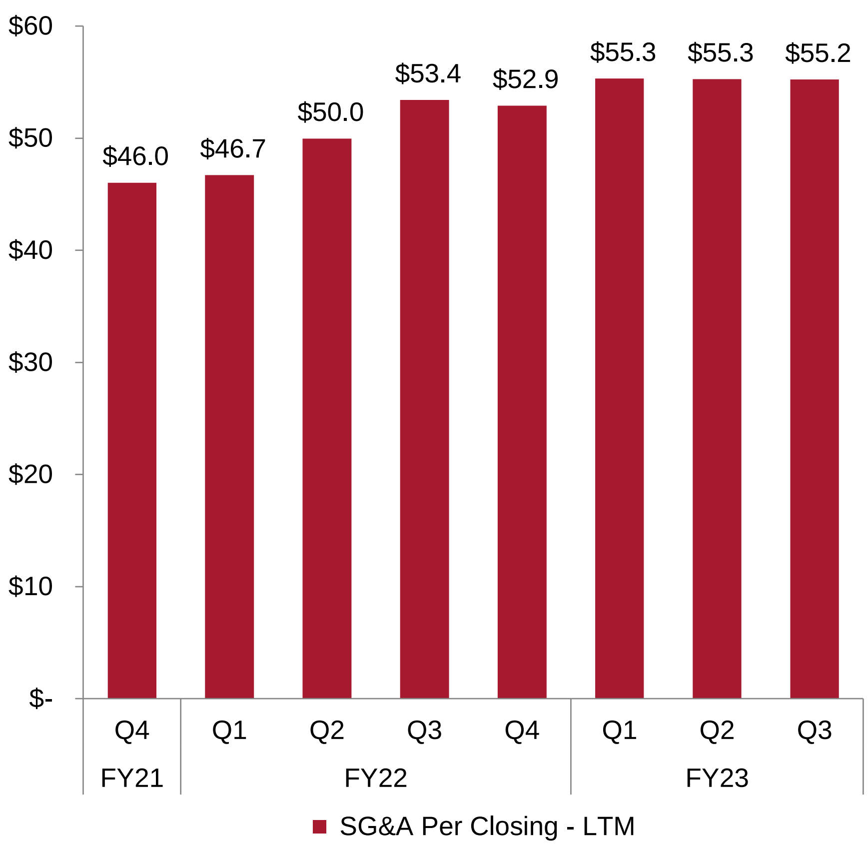


Note: BVPS calculated using 6/30 shareholders' equity and QTD weighted-average diluted shares outstanding
ROA calculated using 6/30 LTM Adjusted EBITDA and average period-start and period-end total assets

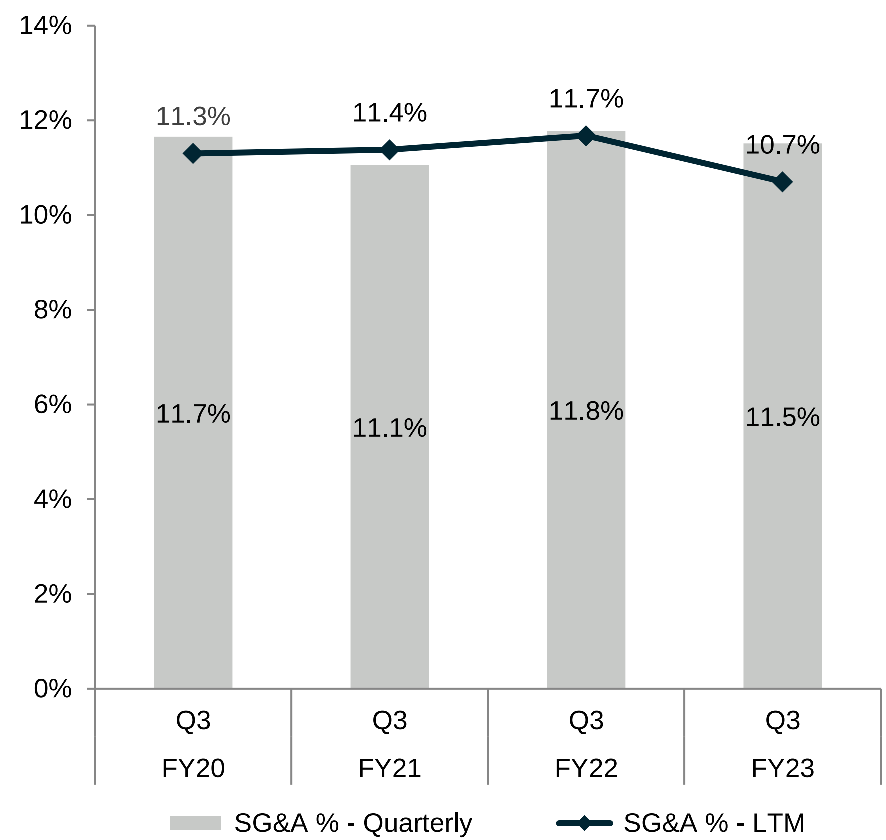
Managing SG&A is a Priority

SG&A Per Closing
LTM Homebuilding

$ in thousands



SG&A Leverage
% of Total Revenue

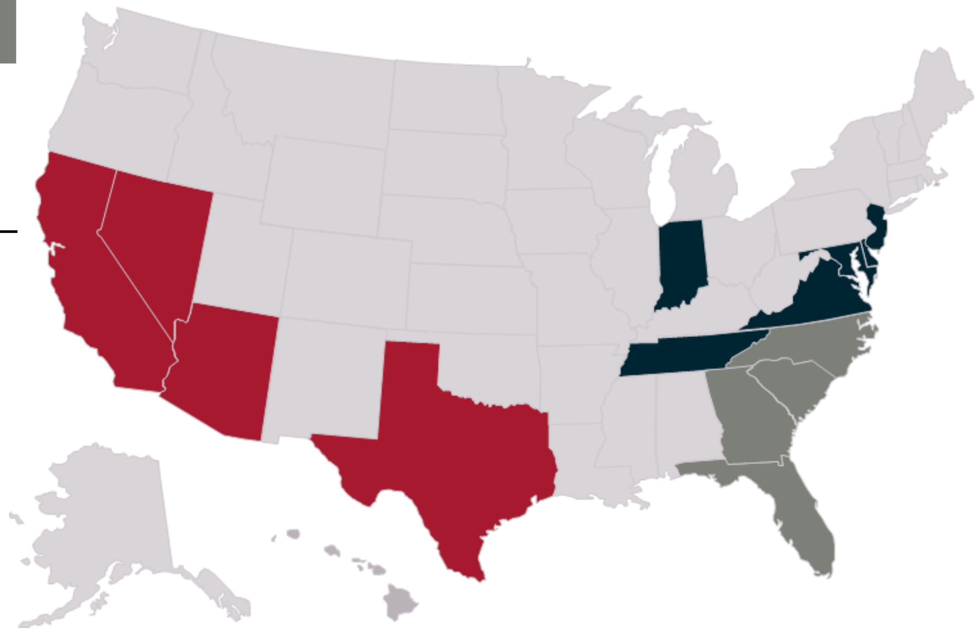


Geographic Mix Impacts ASP & Margins

($ in thousands)

	Q3 FY22 ASP	Q3 FY23 ASP	Change in ASP ($)	Change in ASP (%)	Q3 FY22 Closings	Q3 FY23 Closings	Change in Mix
West	$486.6	$515.6	$29.0	6.0%	63.9%	56.8%	(7.1%)
East	$529.4	$525.2	($4.2)	(0.8%)	20.3%	22.6%	2.3%
Southeast	$526.8	$481.7	($45.1)	(8.6%)	15.8%	20.6%	4.8%

	Q3 FY22 GM%[a]	Q3 FY23 GM%[a]	Change in GM%
West	27.7%	24.9%	(280 bps)
East	26.4%	19.6%	(680 bps)
Southeast	25.8%	23.5%	(230 bps)



[a] Segment gross margin excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on the "Homebuilding Gross Margin Reconciliation" slide in the appendix

Homebuilding Gross Margin Reconciliation

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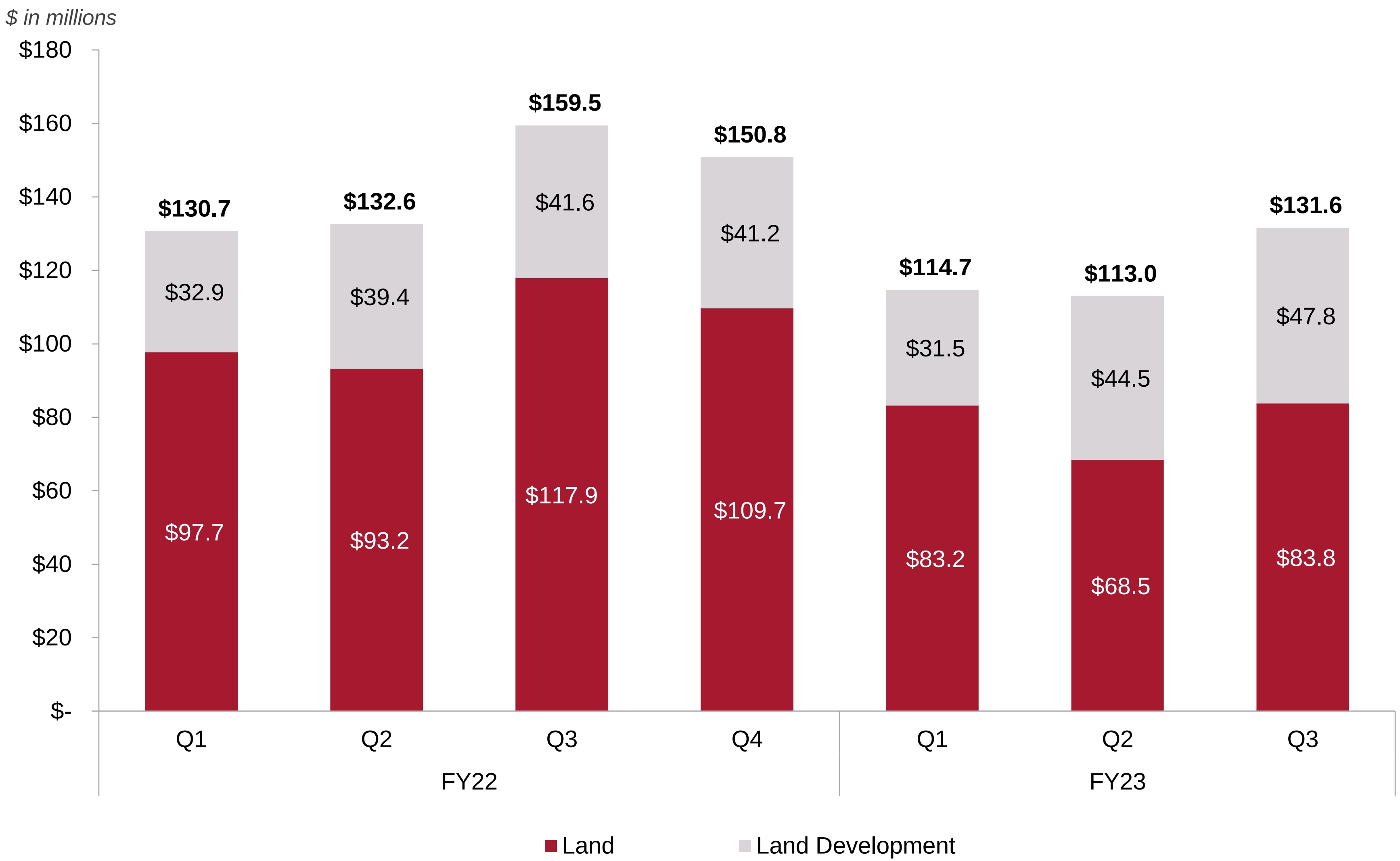
($ in thousands)	Three Months Ended June 30, 2023							
	HB Gross Profit	HB Gross Margin	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A	HB Gross Margin excluding I&A	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest	HB Gross Margin excluding I&A and Interest
West	$ 81,051	24.8 %	$ 315	$ 81,366	24.9 %	$ —	$ 81,366	24.9 %
East	26,053	19.6 %	—	26,053	19.6 %	—	26,053	19.6 %
Southeast	26,039	23.5 %	—	26,039	23.5 %	—	26,039	23.5 %
Corporate & unallocated [a]	(17,650)		—	(17,650)		17,504	(146)	
Total homebuilding	$ 115,493	20.2 %	$ 315	$ 115,808	20.3 %	$ 17,504	$ 133,312	23.4 %

($ in thousands)	Three Months Ended June 30, 2022							
	HB Gross Profit	HB Gross Margin	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A	HB Gross Margin excluding I&A	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest	HB Gross Margin excluding I&A and Interest
West	$ 89,705	27.7 %	$ —	$ 89,705	27.7 %	$ —	$ 89,705	27.7 %
East	29,669	26.4 %	—	29,669	26.4 %	—	29,669	26.4 %
Southeast	22,401	25.8 %	—	22,401	25.8 %	—	22,401	25.8 %
Corporate & unallocated [a]	(10,226)		—	(10,226)		15,679	5,453	
Total homebuilding	$ 131,549	25.1 %	$ —	$ 131,549	25.1 %	$ 15,679	$ 147,228	28.1 %

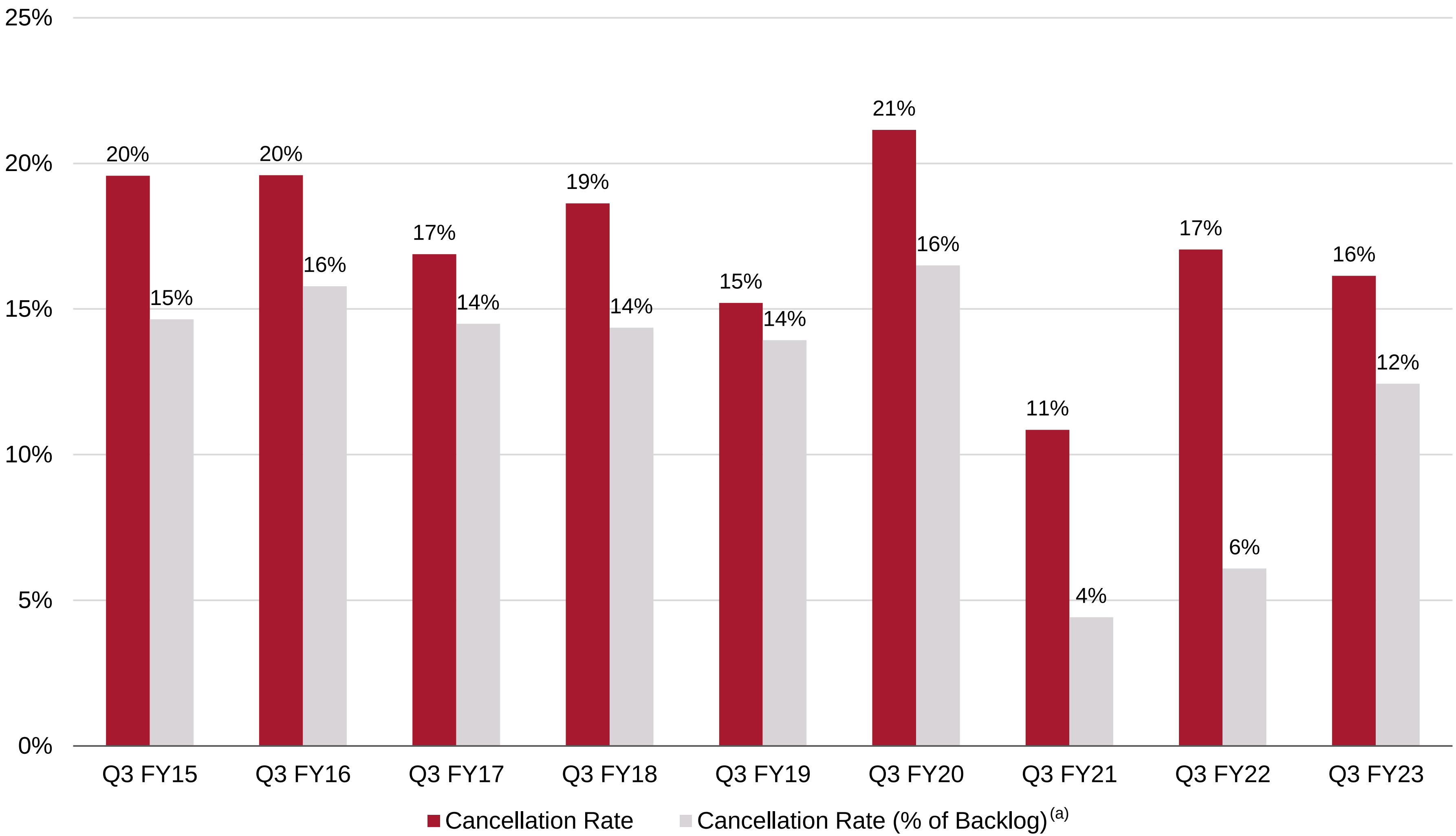
[a] Corporate and unallocated includes capitalized interest and capitalized indirect costs expensed to homebuilding cost of sale related to homes closed, as well as capitalized interest and capitalized indirect costs impaired in order to reflect projects in progress assets at fair value.

Land Spend



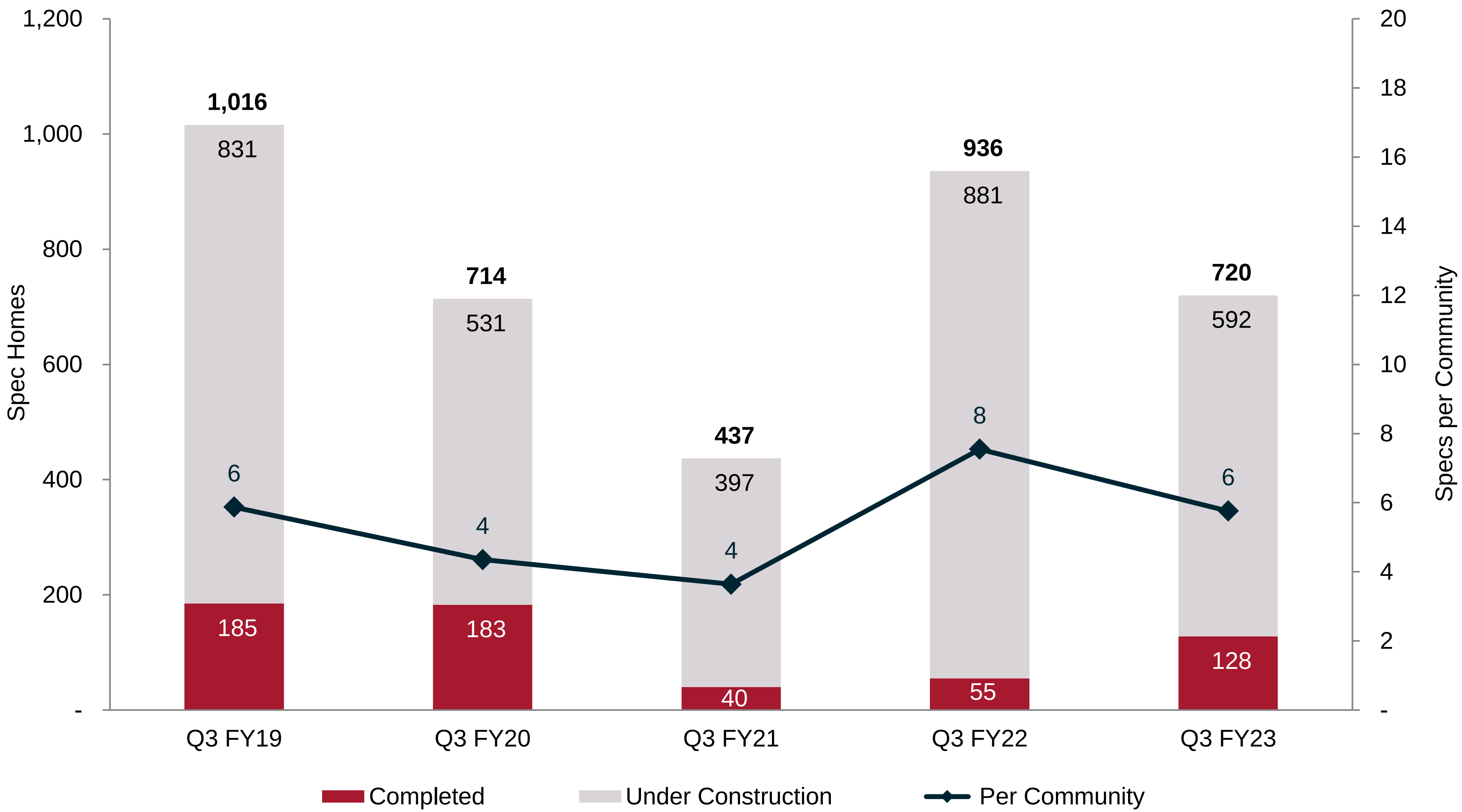
Note: Totals may not foot due to rounding

Historical Cancellation Rates



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

Spec Homes



Note: Spec count as of each quarter end includes Gatherings

Deferred Tax Assets - Summary

($ in millions)	June 30, 2022		June 30, 2023	
Deferred Tax Assets	$	208.1	$	167.2
Valuation Allowance	$	(29.1)	$	(25.4)
Net Deferred Tax Assets	**$**	**179.0**	**$**	**141.8**

As of June 30, 2023, 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 2022 conclusion. Valuation allowance of $25.4 million as of June 30, 2023 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 2022 Form 10-K for additional detail.