Beazer Homes USA, Inc.
Q3 2024 Earnings Presentation

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;
- other economic changes nationally and in local markets, including declines in employment levels, increases in the number of foreclosures and wage levels, each of which are outside our control and may impact consumer confidence and affect the affordability of, and demand for, the homes we sell;
- elevated mortgage interest rates for prolonged periods, as well as further increases and reduced availability of mortgage financing due to, among other factors, additional actions by the Federal Reserve to address sharp increases in inflation;
- financial institution disruptions, such as the bank failures that occurred in 2023;
- 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;
- 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;
- 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, including those resulting from regulatory guidance and interpretations issued with respect thereto, such as the IRS's recent guidance regarding heightened qualification requirements for federal credits for building energy-efficient homes;
- 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;
- terrorist acts, protests and civil unrest, political uncertainty, acts of war or other factors over which the Company has no control, such as the conflict between Russia and Ukraine and the conflict in the Gaza strip;
- potential negative impacts of public health emergencies such as the COVID-19 pandemic;
- 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, including cybersecurity incidents impacting third-party service providers that we depend on to conduct our business;
- 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); and
- the success of our ESG initiatives, including our ability to meet our goal that by the end of 2025 every home we start will be 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 Zero Energy Ready 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

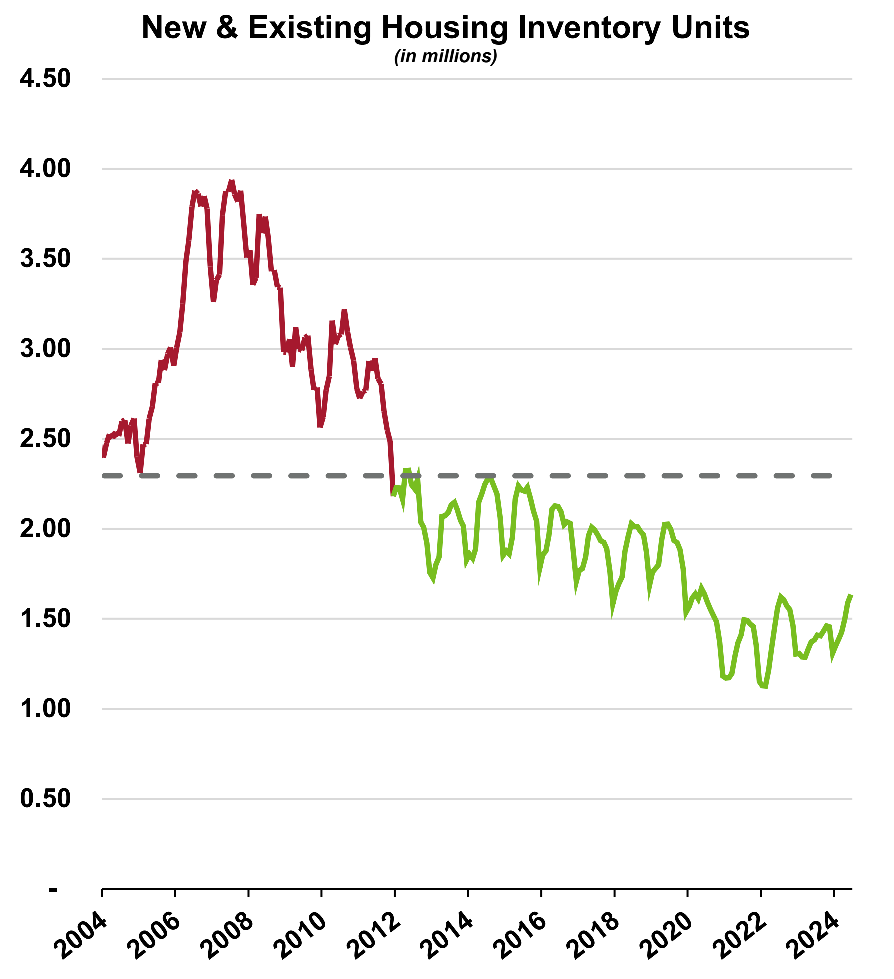
Sr. Vice President & Chief Financial Officer

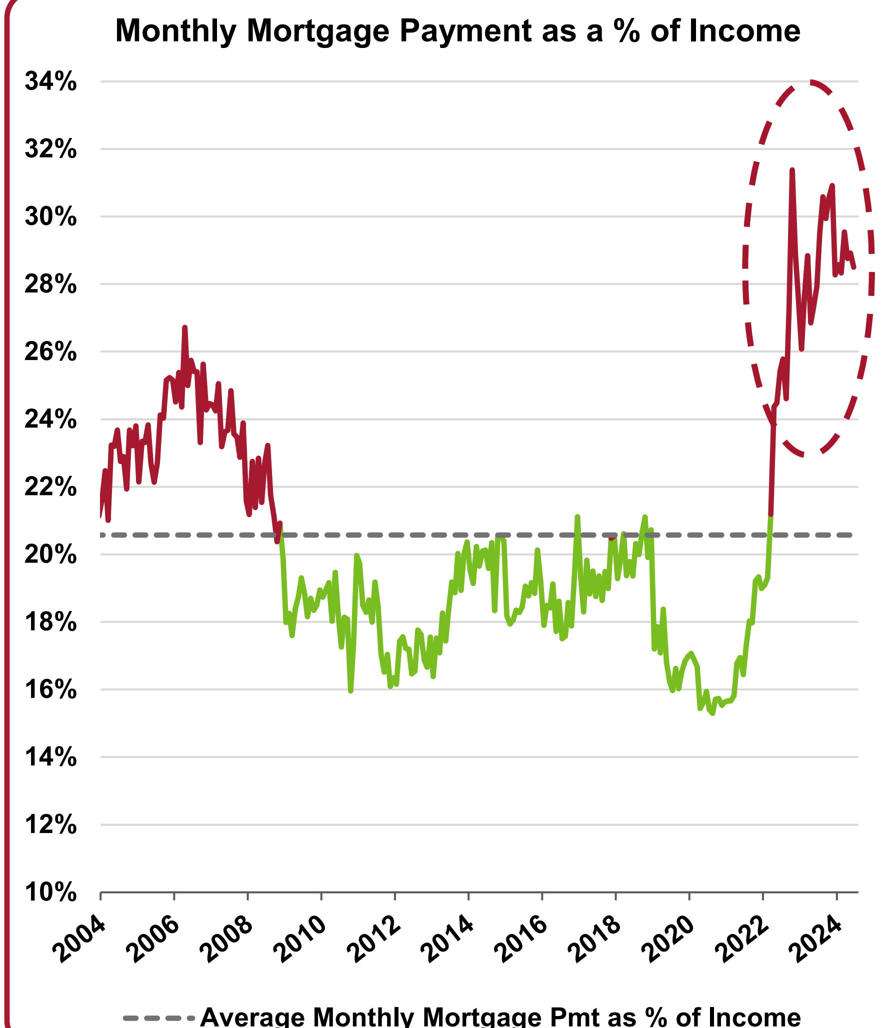
3rd Quarter Highlights

Closings & Revenue	✓
Adjusted Gross Margins	✓
Adjusted EBITDA / EPS	✓
Book Value	✓
Land Position	✓

Beazer has now certified more Zero Energy Ready homes to the DOE's Single Family National Program requirements than any builder in the country

Current Operating Environment





(a) Data reflects new and existing single-family detached inventory (i.e., homes available for sale) as of each month-end for each period displayed.
New home housing information sourced via U.S. Census / Department of Housing and Urban Development (HUD) Survey of Construction (SOC)
Existing housing data sourced from National Association of Realtors ® "Existing Home Sales Statistics" report

[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 6/2024 and median family income data from 2022)

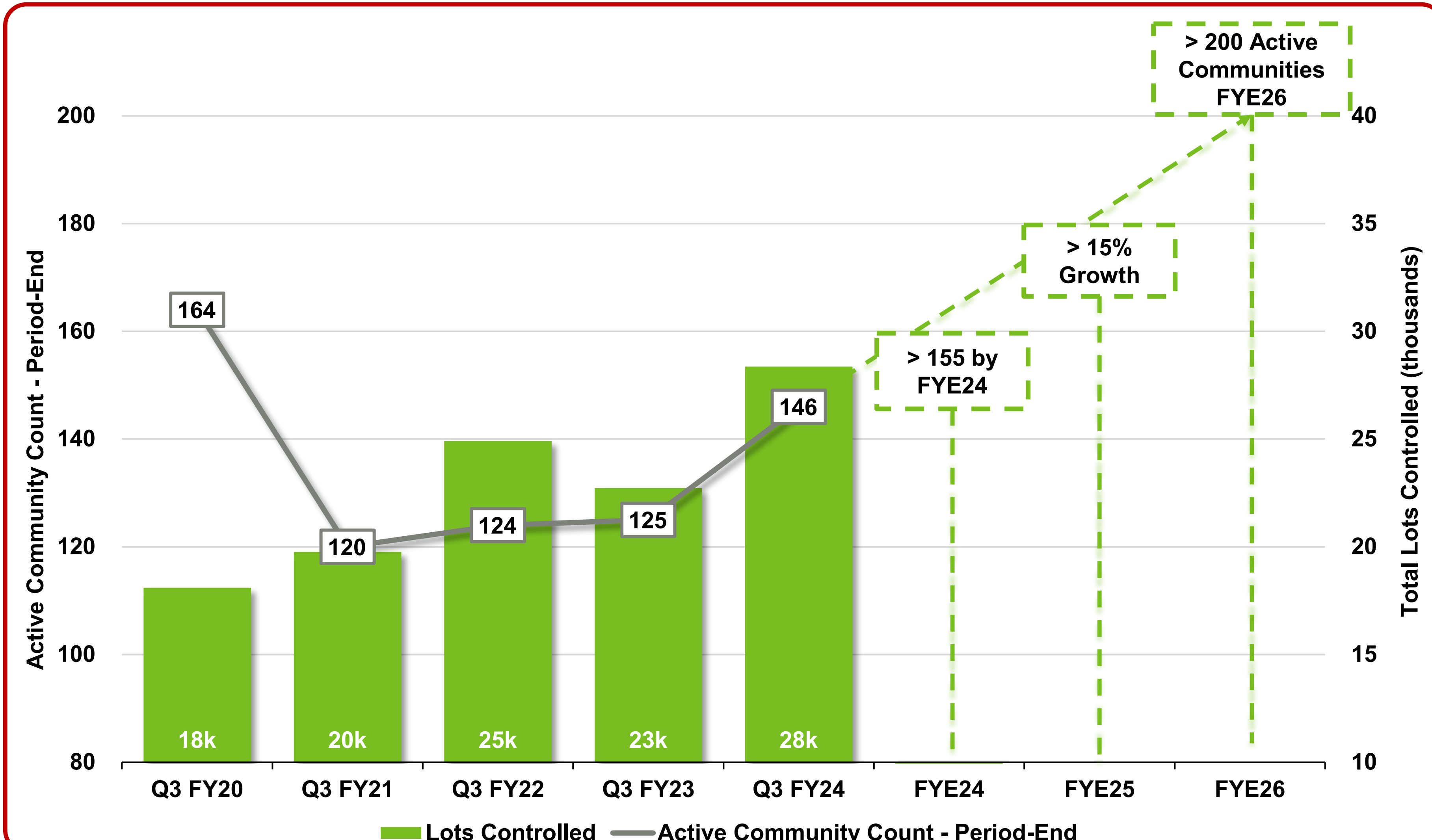
Multi-Year Goals

> 200 Communities
Fiscal Year-end 2026

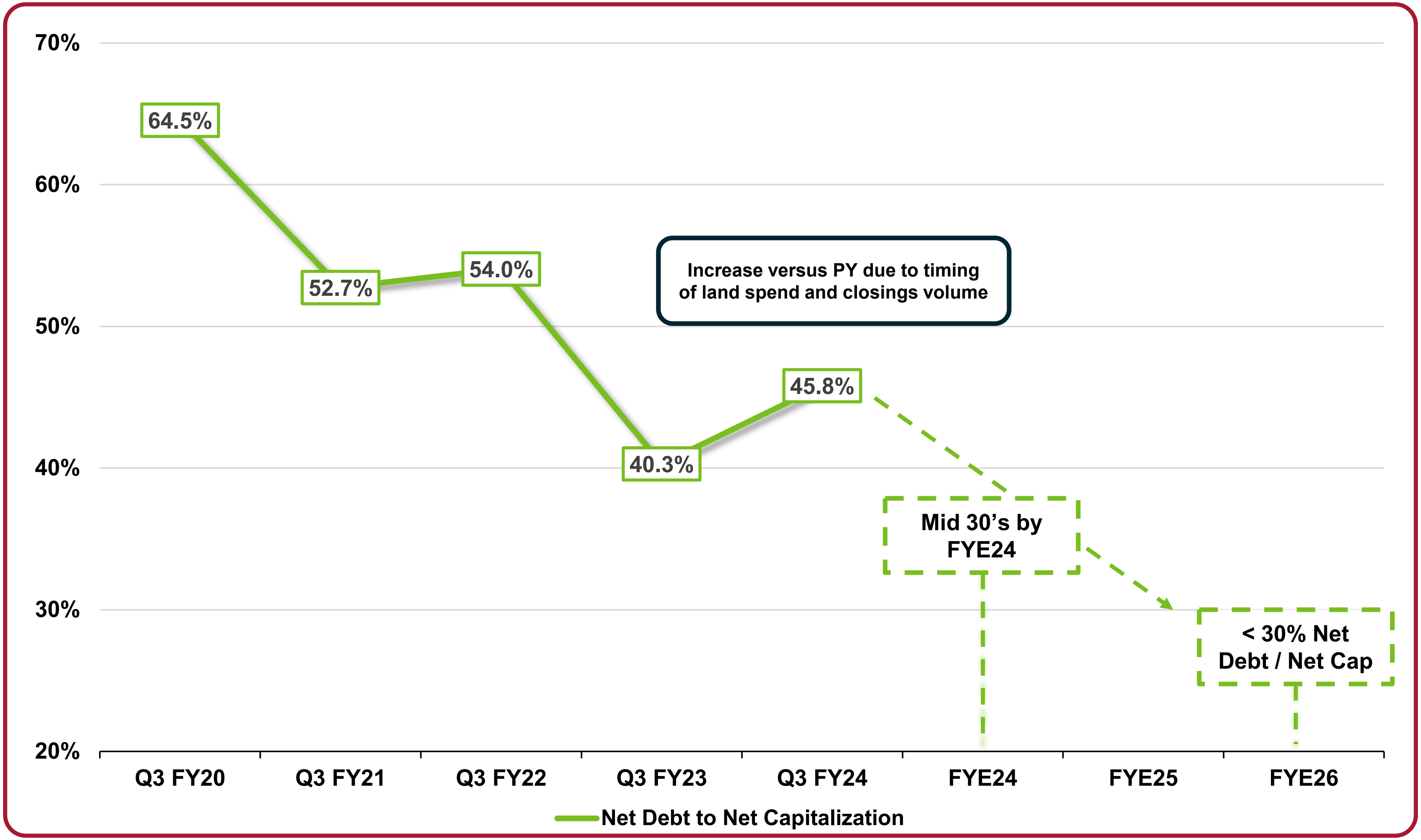
< 30% Net Debt to Net Capitalization
Fiscal Year-end 2026

100% Zero Energy Ready Starts
Calendar Year-end 2025

Community Count Growth

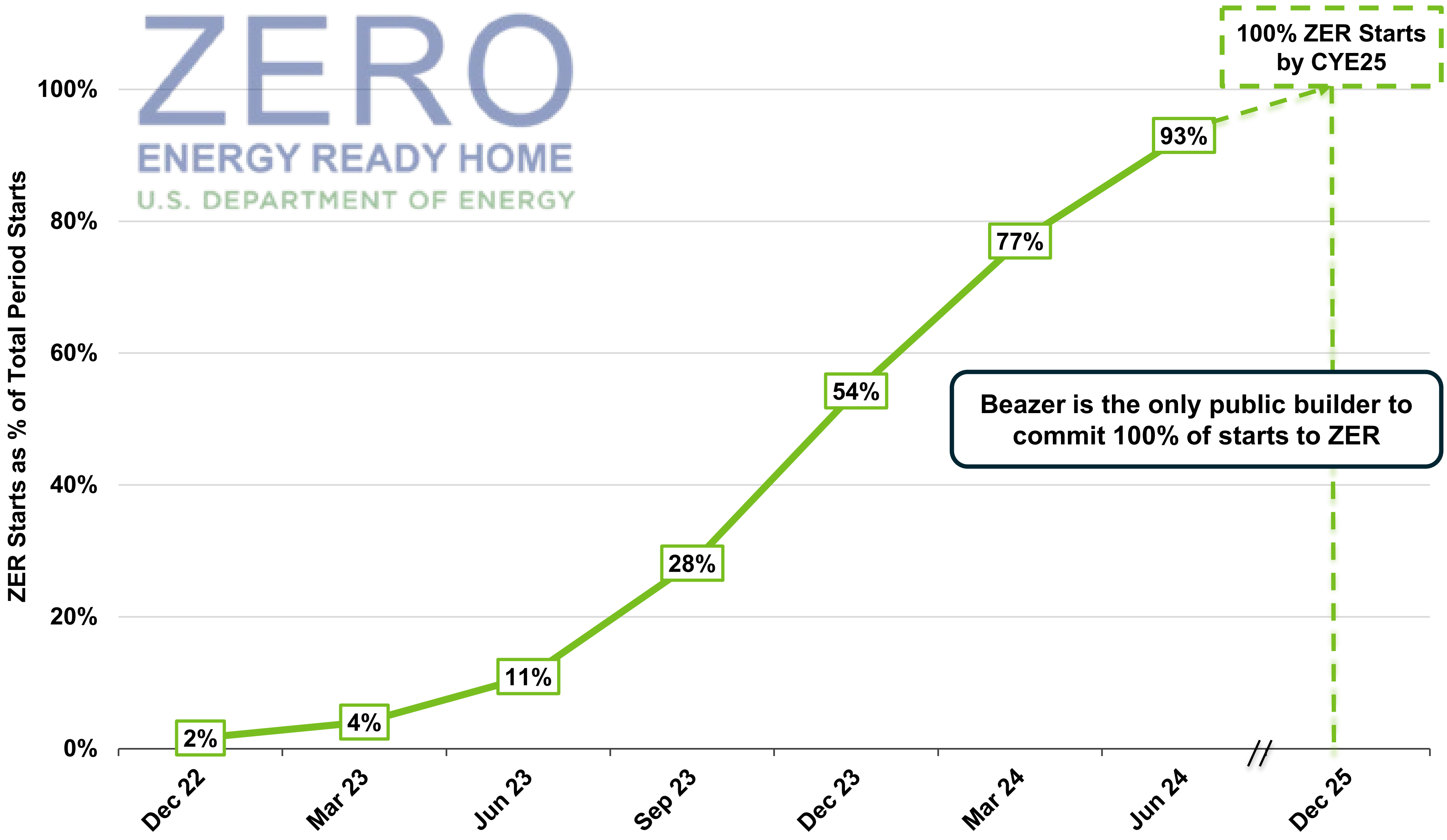


Balance Sheet Improvement



See "Non-GAAP Net Debt to Net Capitalization Reconciliation" in the appendix

Zero Energy Ready Starts



3rd Quarter Results

Results	Q3 FY24	YoY Change
New Home Orders	1,070	(10.8%)
Sales Pace	2.4	(23.9%)
Community Count, Avg	146	17.2%
Homebuilding Revenue ($mm)	$589.6	3.3%
Closings	1,167	4.5%
Average Selling Price ($k)	$505.3	(1.1)%
HB Gross Margin %[a]	20.3%	(310 bps)
SG&A as % of Total Revenue	11.9%	40 bps
Adjusted EBITDA ($mm)[b]	$53.5	(26.5%)
Interest Amort. % of HB Revenue	2.9%	(20 bps)
Net Income - Cont. Ops. ($mm)	$27.2	(37.9%)
Diluted EPS - Cont. Ops.[c]	$0.88	(38.0%)
Effective Tax Rate [c]	8.3%	(420 bps)

[a] Excludes impairments, abandonments, and interest amortized to cost of sales. Details are included on "Non-GAAP Homebuilding Gross Margin Reconciliation" slide in the appendix

[b] Details are included on the "Non-GAAP Adjusted EBITDA Reconciliation" slide in the appendix

[c] Includes the benefit of energy efficiency tax credits

4th Quarter Expectations

Metric	Expectations
Orders	~1,100
Active Community Count, Ending	>155
Closings	~1,500
Average Selling Price	~$520k
HB Gross Margin %[a]	~20.0%
SG&A as % of Total Revenue	~10.0%
Adjusted EBITDA	>$80MM
Interest Amort. % of HB Revenue	~ 3%
Effective Tax Rate	~12%
Diluted EPS - Cont. Ops.	~$1.35

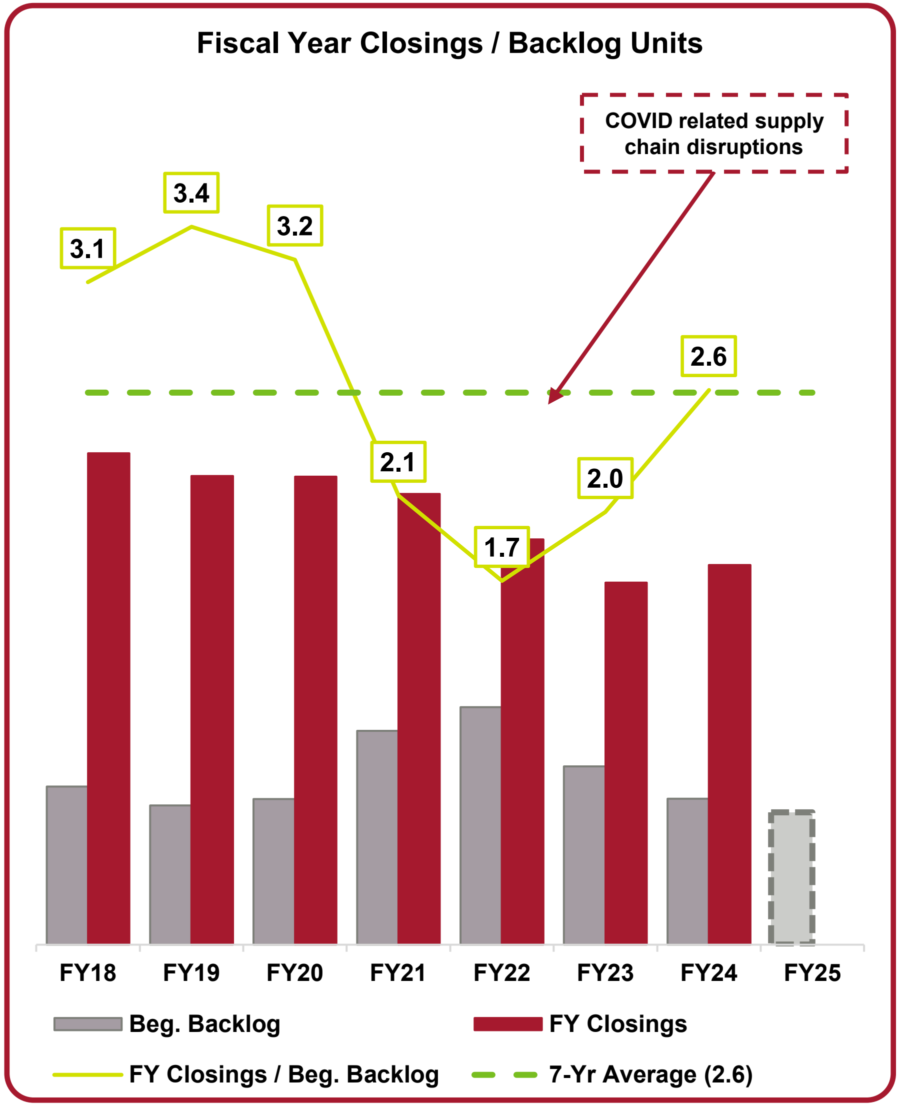
[a] *Excludes impairments, abandonments, and interest amortized to cost of sales*

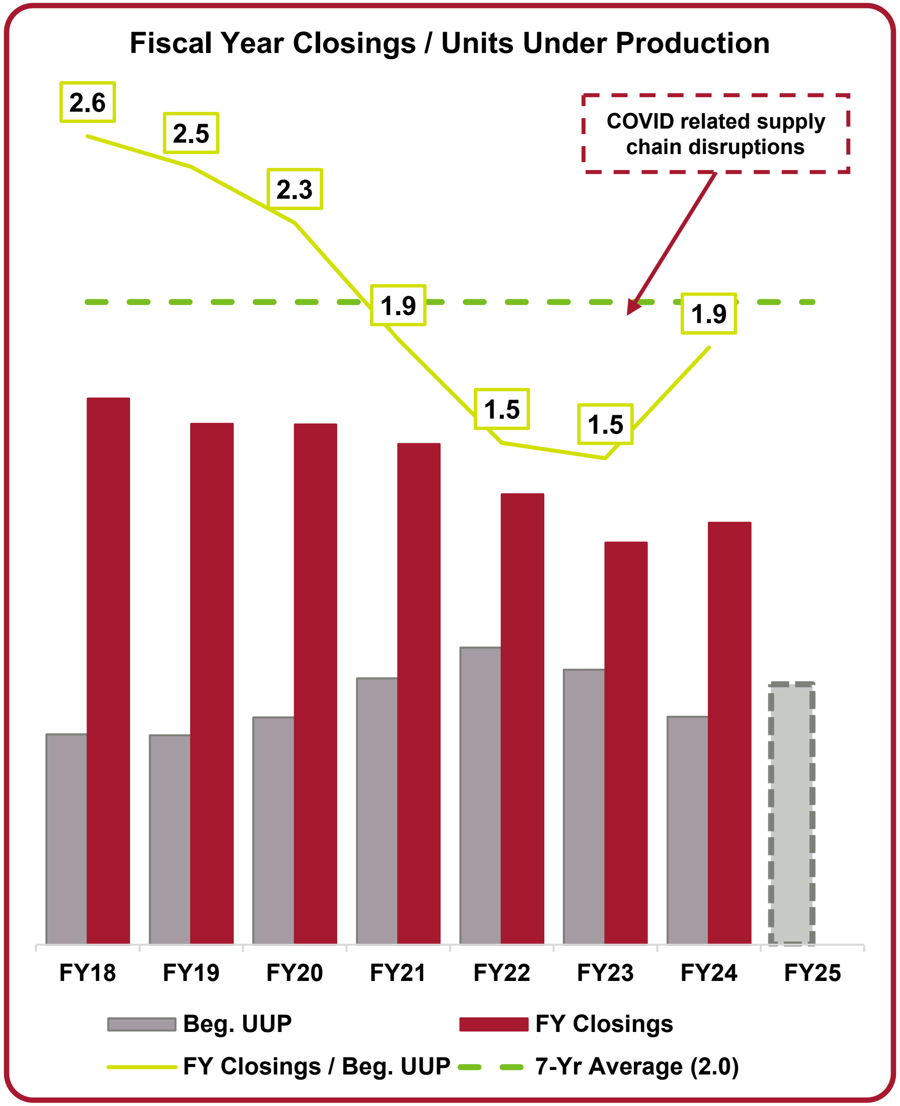
Fiscal 2024 Expectations

BEAZER HOMES

Metric	Expectations
Land Spend	>$750MM
Active Community Count, Ending	>155
Net Debt / Net Capitalization	Mid 30s
Diluted EPS - Cont. Ops.	~$4.20
Adjusted EBITDA	~$230MM
Book Value Per Share	~$40.00

Units Under Production Set Up FY25





Drivers of FY25 Profitability Growth

BEAZER HOMES

~20% Revenue Growth

1. Higher Units Under Production
2. Shorter Cycle Times
3. Sales Pace Improvement
4. Average Sales Price Up YoY

Operating Margin Expansion

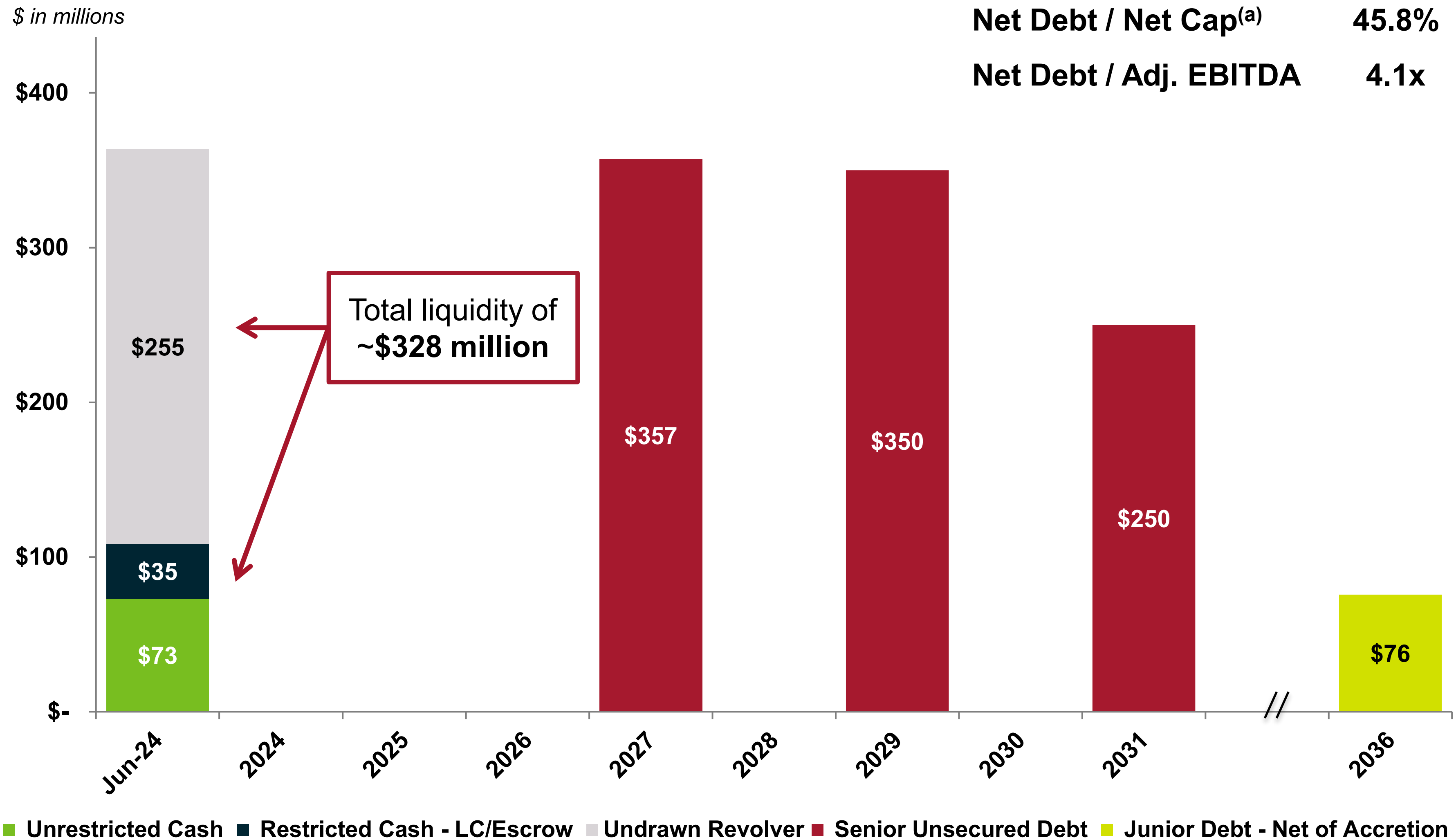
1. Ready Series Cost Reductions
2. SG&A Leverage

Fiscal 2025 Profitability Growth

Land Investment

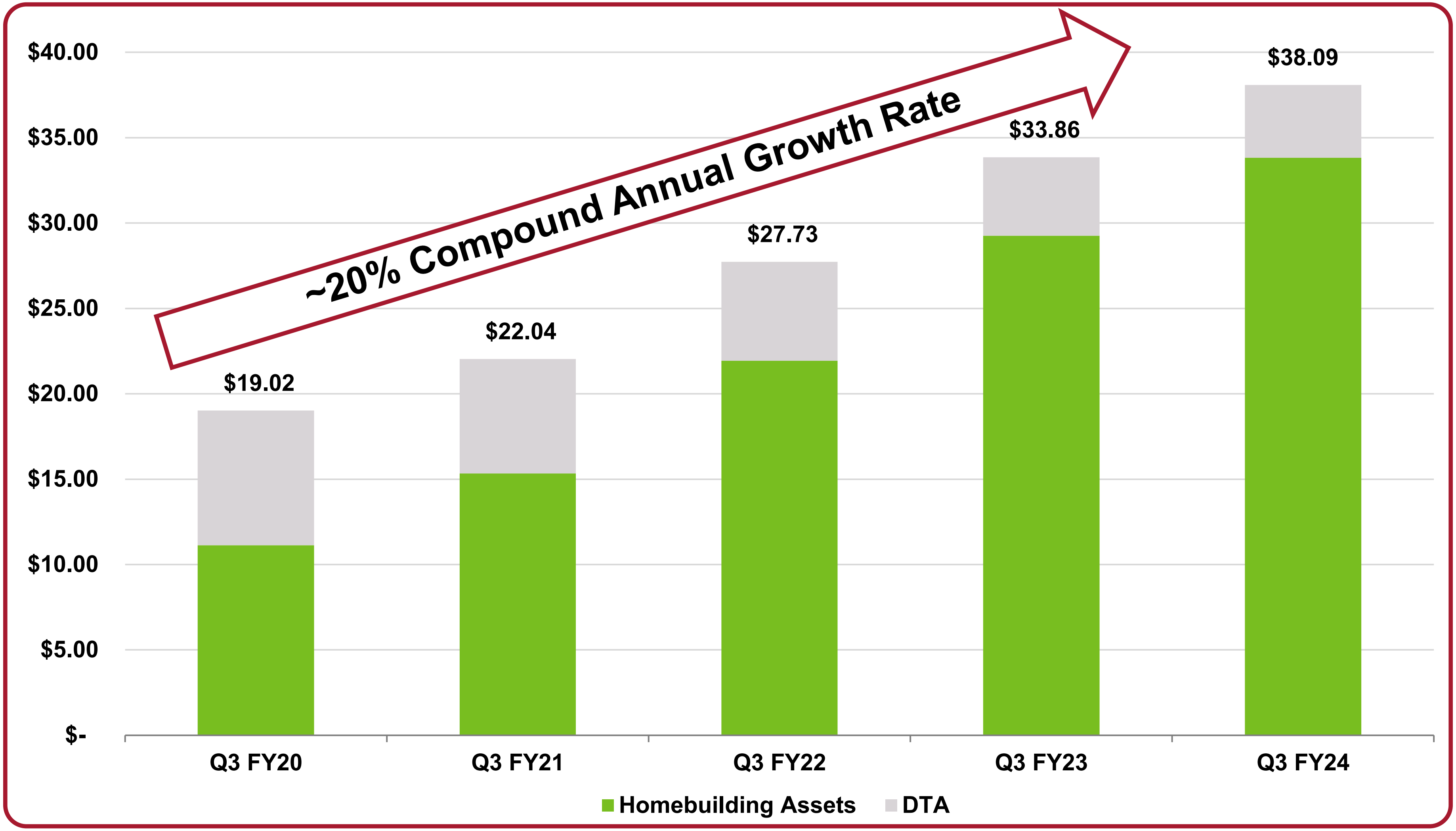
Liquidity and Capitalization

Net Debt / Net Cap[a]	45.8%
Net Debt / Adj. EBITDA	4.1x



[a] *See "Non-GAAP Net Debt to Net Capitalization Reconciliation" in the appendix*

Book Value Per Share Growth



Diluted weighted-average shares outstanding at period-end used for all per share calculations
Balances as of 6/30 used for all periods
Homebuilding assets per share is calculated using the residual of our book value per share after DTA per share

Wrap-Up

Q3 FY24 results

- Solid Profitability
- Continued Land Growth
- Energy Efficiency Milestone

FY24 Expectations

- Double-Digit Return On Equity

Progress Towards Multi-Year Goals

- > 200 Communities - FYE26
- < 30% Net Debt to Net Capitalization - FYE26
- 100% Zero Energy Ready Starts - CYE25

Appendix

Zero Energy Ready Homes

BEAZER HOMES

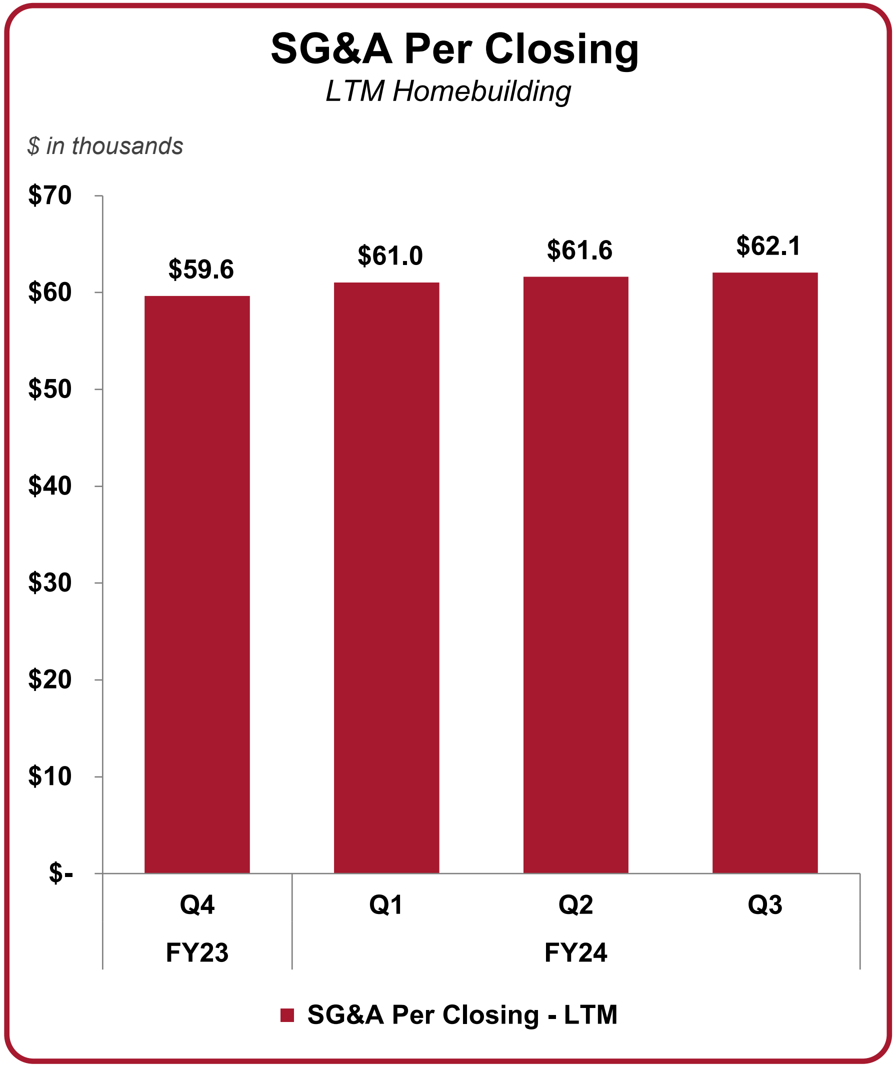
A DOE Zero Energy Ready Home® is a high-performance home that is so energy efficient that a renewable energy system could offset most or all the home's annual energy use. Each DOE Zero Energy Ready Home meets rigorous efficiency and performance criteria.

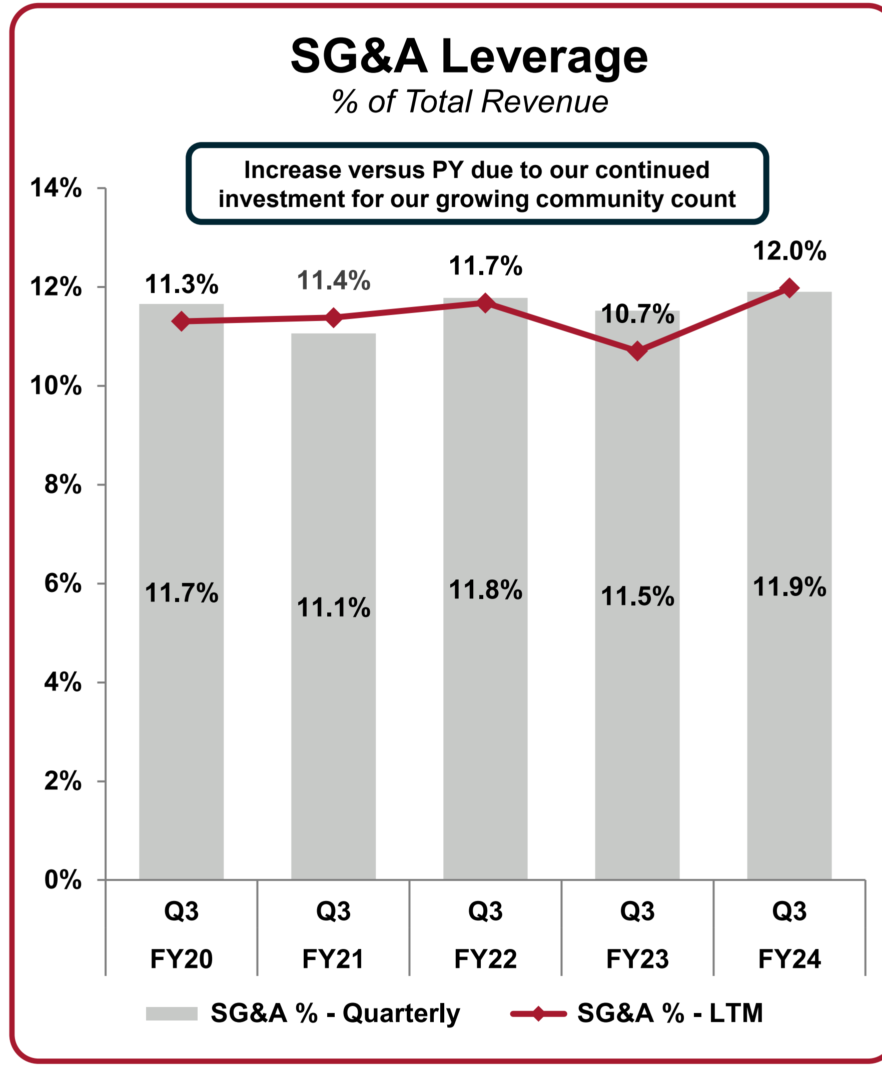
- Homeowner Benefits
  - Comfort
    - Fewer temperature fluctuations
    - Less drafty
  - Quality
    - 3rd Party Inspected
    - Industry-leading Partners
  - Durability
    - Better building practices
    - Building Science-led strategy
  - Better Indoor Air Quality
    - Twice-filtered air
    - Less uncontrolled air infiltration
  - Energy Cost Savings

- Building Science Features
  - High Performance Building Envelope
    - Tyvek Weatherization System
    - Low air leakage
  - Energy Recovery Ventilator
    - Whole home air filtration
    - Capture energy leaving house
  - High Efficiency Mechanical Systems
    - High efficiency ratings (HSPF, SEER, etc.)
    - Ductwork in conditioned space
  - Solar and EV Ready

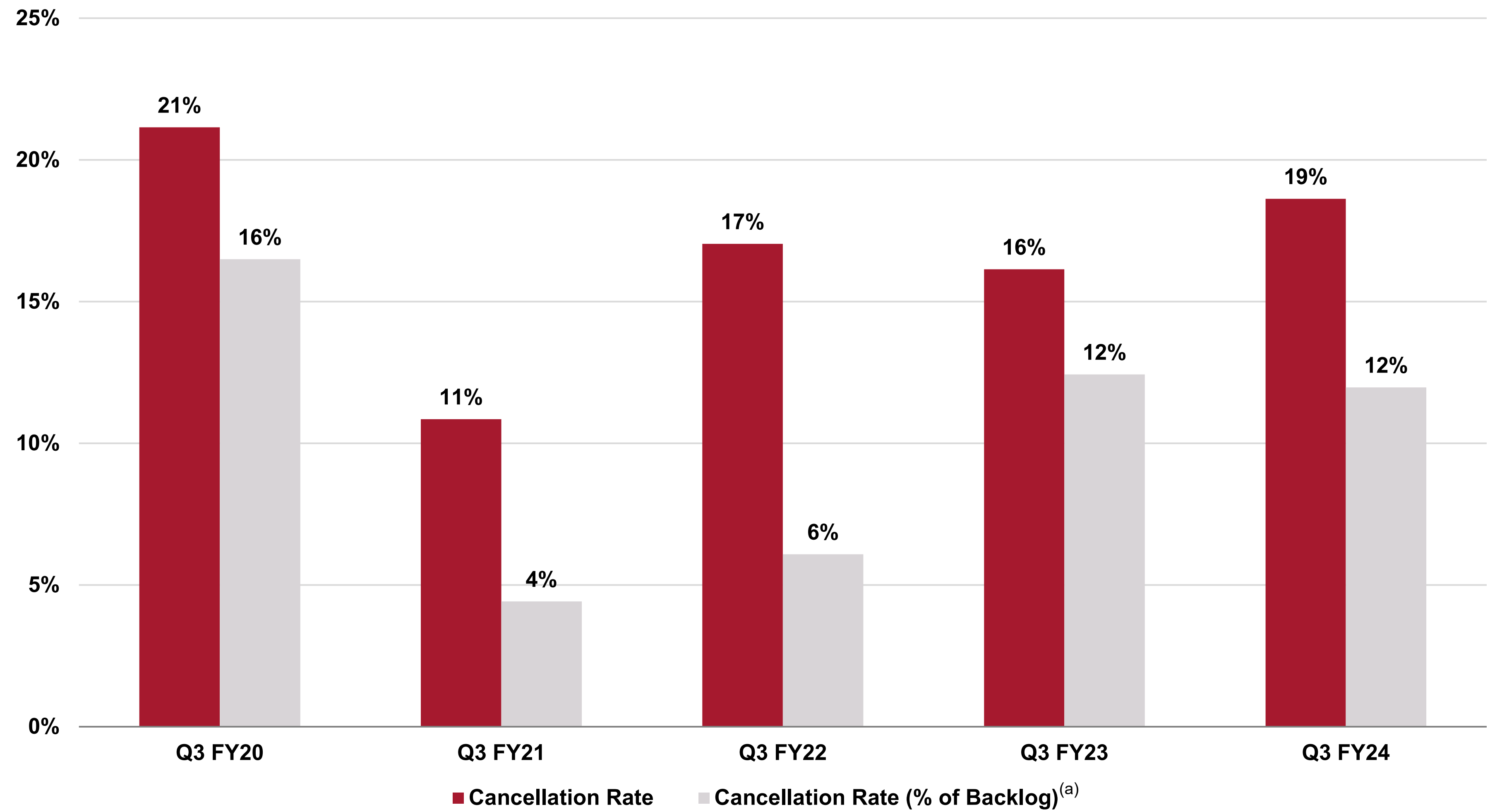
Improving SG&A Leverage is a Priority

BEAZER HOMES





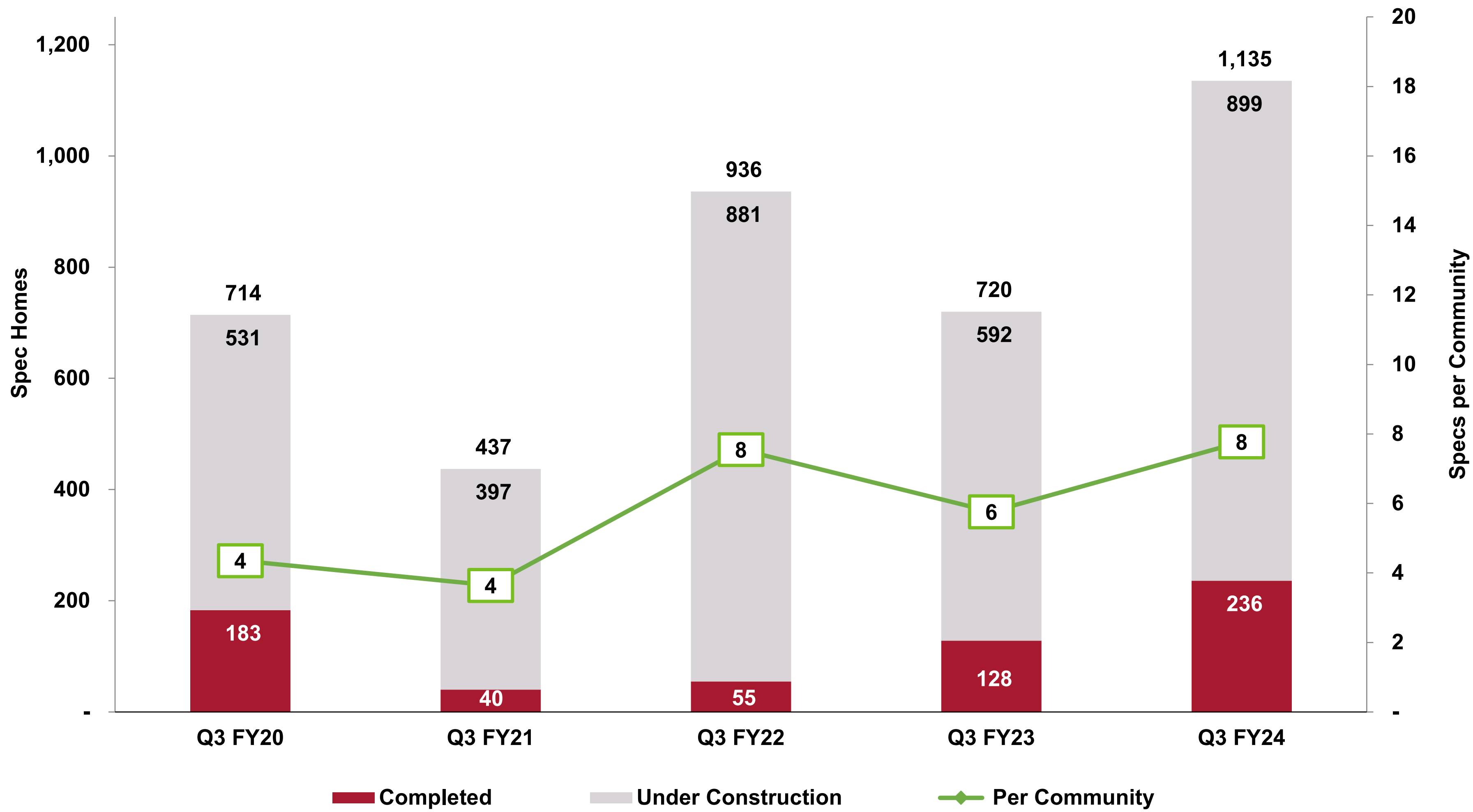
Cancellation Rates



[a] *Cancellation Rate as a % of Backlog is calculated using the quarter's beginning backlog units*

Spec Homes

BEAZER HOMES



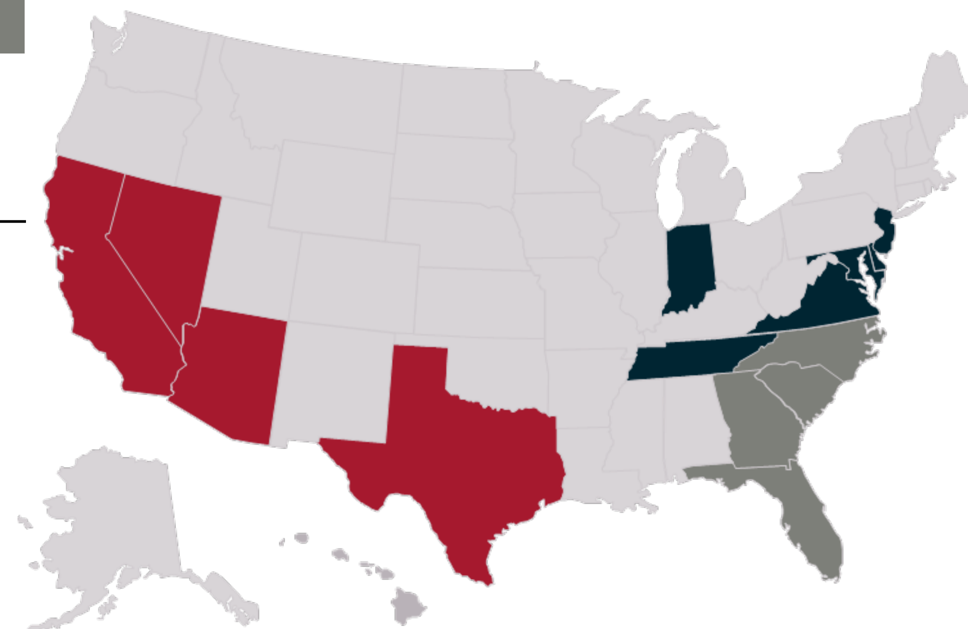
Note: Spec count as of each quarter end includes Gatherings

Segment ASP & Margins

($ in thousands)

	Q3 FY23 ASP	Q3 FY24 ASP	Change in ASP ($)	Change in ASP (%)	Q3 FY23 Closings	Q3 FY24 Closings	Change in Mix
West	$515.6	$502.6	($13.0)	(2.5%)	56.8%	62.4%	5.6%
East	$525.2	$505.2	($20.0)	(3.8%)	22.6%	20.6%	(2.0%)
Southeast	$481.7	$515.1	$33.4	6.9%	20.6%	17.1%	(3.5%)

	Q3 FY23 GM%[(a)]	Q3 FY24 GM%[(a)]	Change in GM%
West	24.9%	20.6%	(430 bps)
East	19.6%	16.3%	(330 bps)
Southeast	23.5%	21.4%	(210 bps)



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

Q3 Results

$ in millions (except ASP)

	Q3 FY23	Q3 FY24	Δ[d]
Profitability			
Total Revenue	$ 572.5	$ 595.7	4.0%
Adjusted EBITDA [a]	$ 72.8	$ 53.5	($19.3)
Net Income - Cont. Ops.	$ 43.8	$ 27.2	($16.6)
Unit Activity			
New Home Orders	1,200	1,070	(10.8%)
Closings	1,117	1,167	4.5%
Average Selling Price ($k)	$ 510.8	$ 505.3	(1.1)%
Cancellation Rate	16.1 %	18.6 %	250 bps
Active Community Count, Avg [b]	124	146	17.2%
Sales Pace	3.2	2.4	(23.9%)
Margins			
HB Gross Margin % [c]	23.4 %	20.3 %	(310 bps)
SG&A as % of Total Revenue	11.5 %	11.9 %	40 bps
Balance Sheet			
Unrestricted Cash	$ 276.1	$ 73.2	($202.9)
Land & Development Spend	$ 131.6	$ 201.1	$69.4

[a] Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix
[b] Active Community Count was 125 at 6/30/2023 and 146 at 6/30/2024
[c] Excludes impairments, abandonments, and interest amortized to cost of sales
[d] Changes are calculated using unrounded numbers

Backlog Detail

	Q3 FY23	Q3 FY24
Quarter Ending Backlog (units)	1,941	1,949
Quarter Ending Backlog ($ in millions)	$ 1,009.8	$ 1,046.5
ASP in Backlog ($ in thousands)	$ 520.3	$ 536.9
Quarter Beg. Backlog	1,858	2,046
Scheduled to Close in Future Qtrs.	(915)	(972)
Backlog Scheduled to Close in the Qtr.	943	1,074
Backlog Activity:		
Cancellations [a]	(79)	(91)
Pushed to Future Quarters	(61)	(96)
Close Date Brought Forward	87	36
Sold & Closed During the Qtr	227	244
Total Closings in the Quarter	1,117	1,167
Backlog Conversion Rate	60.1%	57.0%

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

Non-GAAP Homebuilding Gross Margin Reconciliation

	Three Months Ended June 30, 2024							
in thousands	HB Gross Profit (GAAP)	HB Gross Margin (GAAP)	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A (Non-GAAP)	HB Gross Margin excluding I&A (Non-GAAP)	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest (Non-GAAP)	HB Gross Margin excluding I&A and Interest (Non-GAAP)
West	$ 75,467	20.6 %	$ 9	$ 75,476	20.6 %	$ —	$ 75,476	20.6 %
East	19,683	16.2 %	91	19,774	16.3 %	—	19,774	16.3 %
Southeast	21,872	21.3 %	100	21,972	21.4 %	—	21,972	21.4 %
Corporate & unallocated[(a)]	(15,039)		—	(15,039)		17,267	2,228	
Total homebuilding	$ 101,983	17.3 %	$ 200	$ 102,183	17.3 %	$ 17,267	$ 119,450	20.3 %

	Three Months Ended June 30, 2023							
($ in thousands)	HB Gross Profit (GAAP)	HB Gross Margin (GAAP)	Impairments & Abandonments (I&A)	HB Gross Profit excluding I&A (Non-GAAP)	HB Gross Margin excluding I&A (Non-GAAP)	Interest Amortized to COS (Interest)	HB Gross Profit excluding I&A and Interest (Non-GAAP)	HB Gross Margin excluding I&A and Interest (Non-GAAP)
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 %

(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.

Non-GAAP Adjusted EBITDA Reconciliation

(In thousands)	Three Months Ended June 30, 2023	**2024**	24 vs 23	LTM Ended June 30, 2023	**2024**	24 vs 23
Net income (GAAP)	$ 43,817	**$ 27,210**	$ (16,607)	$ 189,678	**$ 143,865**	$ (45,813)
Expense from income taxes	6,241	**2,453**	(3,788)	39,050	**18,843**	(20,207)
Interest amortized to home construction and land sales expenses and capitalized interest impaired	17,504	**17,267**	(237)	74,086	**64,447**	(9,639)
EBIT (Non-GAAP)	67,562	**46,930**	(20,632)	302,814	**227,155**	(75,659)
Depreciation and amortization	2,907	**3,892**	985	12,699	**13,456**	757
EBITDA (Non-GAAP)	70,469	**50,822**	(19,647)	315,513	**240,611**	(74,902)
Stock-based compensation expense	1,989	**2,474**	485	7,210	**7,564**	354
Loss on extinguishment of debt	18	**—**	(18)	146	**450**	304
Inventory impairments and abandonments[a]	315	**200**	(115)	2,205	**225**	(1,980)
Gain on sale of investment[b]	—	—	—	—	**(8,591)**	(8,591)
Severance expenses	—	**—**	—	335	**—**	(335)
Adjusted EBITDA (Non-GAAP)	$ 72,791	**$ 53,496**	$ (19,295)	$ 325,409	**$ 240,259**	$ (85,150)

[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."

[b] We previously held a minority interest in a technology company specializing in digital marketing for new home communities, which was sold during the quarter ended March 31, 2024. In exchange for the previously held investment, we received cash in escrow along with a minority partnership interest in the acquiring company, which was recorded within other assets in our condensed consolidated balance sheets. The resulting gain of $8.6 million from this transaction was recognized in other income, net on our condensed consolidated statement of operations. The Company believes excluding this one-time gain from Adjusted EBITDA provides a better reflection of the Company's performance as this item is not representative of our core operations.

Non-GAAP Net Debt to Net Capitalization Reconciliation

in thousands	As of June 30, 2023	**As of June 30, 2024**
Total debt (GAAP)	$ 981,128	**$ 1,069,408**
Stockholders' equity (GAAP)	1,044,785	**1,178,315**
Total capitalization (GAAP)	$ 2,025,913	**$ 2,247,723**
Total debt to total capitalization ratio (GAAP)	48.4 %	**47.6 %**
Total debt (GAAP)	$ 981,128	**$ 1,069,408**
Less: cash and cash equivalents (GAAP)	276,125	**73,212**
Net debt (Non-GAAP)	705,003	**996,196**
Stockholders' equity (GAAP)	1,044,785	**1,178,315**
Net capitalization (Non-GAAP)	$ 1,749,788	**$ 2,174,511**
Net debt to net capitalization ratio (Non-GAAP)	40.3 %	**45.8 %**

Beazer Tax Benefits

BEAZER HOMES

	FY23	FY24 - FY26	FY27 - FY33[a]
Energy Efficiency Credits	Building industry-leading, energy efficient homes provides tax benefits: **Prior tax code** – $2K Home **Current tax code (Energy Star)** – $2.5K SFD **Current tax code (DOE Zero Energy Ready)** – $5K SFD		
GAAP Taxes	**< 15%** (Current & prior years energy efficiency credits)	**> 10% & < 18%[b]** (Current & prior years energy efficiency credits)	**< 17%** (Current year energy efficiency credits)
Cash Taxes	**No Cash Taxes Paid** (Use of NOL's)	**Reduced Cash Taxes** **~Aligned with GAAP Taxes beginning in FY27** (Use of predominantly energy efficiency credits)[c]	

Note: Actual tax rates and cash taxes will depend on a variety of factors, including but not limited to the number of Zero Energy Ready Home closings, any available net operating losses, and financial results

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

(b) Effective tax rate range for FY24 – FY26 is lower than previously reported, primarily as a result of accelerated closings of Zero Energy Ready homes

(c) Utilization of energy efficient tax credits is limited to approximately 75% of a company's tax liability each year. Actual timing of alignment with GAAP taxes may vary

Deferred Tax Assets - Summary

($ in millions)	June 30, 2023	**June 30, 2024**
Deferred Tax Assets	$ 167.2	**$ 162.4**
Valuation Allowance	$ (25.4)	**$ (30.4)**
Net Deferred Tax Assets	$ 141.8	**$ 132.0**

As of June 30, 2024, 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 2023 conclusion. Valuation allowance of $30.4 million as of June 30, 2024 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 2023 Form 10-K for additional detail.