Beazer Homes USA, Inc.
Q2 2021 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: (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 that are out of our control and affect the affordability of and demand for, the homes we sell; (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) increases in corporate tax rates; (xvi) 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; (xvii) the results of litigation or government proceedings and fulfillment of any related obligations; (xviii) the impact of construction defect and home warranty claims; (xix) the cost and availability of insurance and surety bonds, as well as the sufficiency of these instruments to cover potential losses incurred; (xx) the impact of information technology failures, cybersecurity issues or data security breaches; or (xxi) 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

2nd Quarter Highlights

Balanced Growth Strategy: Increase returns by growing EBITDA faster than revenue, from a more efficient and less leveraged balance sheet

Sales Pace Up	✓
Homebuilding Gross Margin Up	✓
Adjusted EBITDA Up	✓
Net Income Up	✓
Option % Up	✓
Debt Reduction	✓

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ESG Accomplishments and Goals

	Recent Accomplishments	Goals
E	Energy Star Partner of the Year for the 6th consecutive year ENERGY STAR AWARD 2021 PARTNER OF THE YEAR	Net Zero Energy Ready by 2025 ZERO NET READY
S	• Creation of Charity Title Agency • Fisher House Foundation • Unlimited Flex Time Off CHARITY TITLE AGENCY 100% OF PROFITS TO CHARITY	• Significant improvement in candidate diversity • Expansion of Charity Title Agency • Surpass $1M in total donations to Fisher House Foundation in 2021 2021 Million Beazer Homes for Fisher House Foundation

G

- We receive high marks for our governance structure and practices
- We recently added two new independent directors, each of whom has enhanced the Board's overall capabilities and expertise, while at the same time maintaining an appropriate mix of tenure, experience and diversity

Macro Environment

Our confidence in the durability of the new home market:

Strong Demand

Limited Supply

Recovering Economy

Note: Allan Merrill is on the Freddie Mac Board of Directors

Raising Expectations for FY21

Full Year EPS guidance increasing again:

Q4 <$2.00

Q1 ≥$2.50

Q2 >$3.00

Our confidence in our full year results reflects:

- Sold and started backlog up more than 50%
- Strong leads and traffic trends

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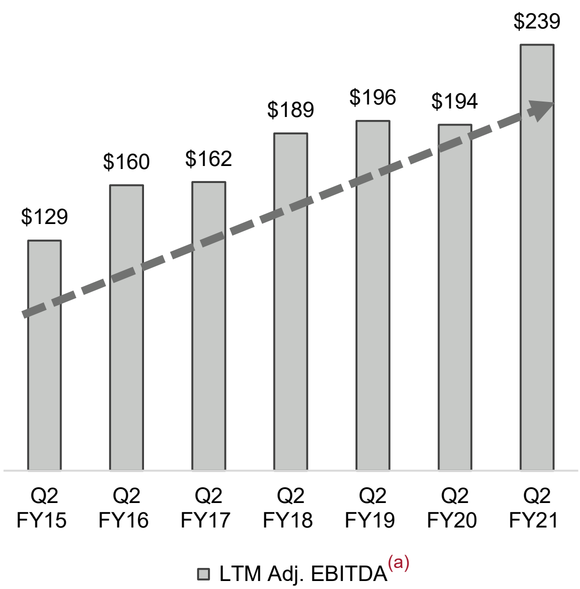
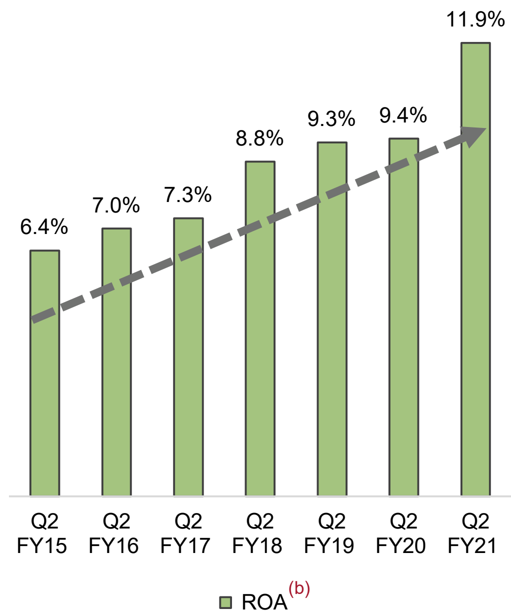
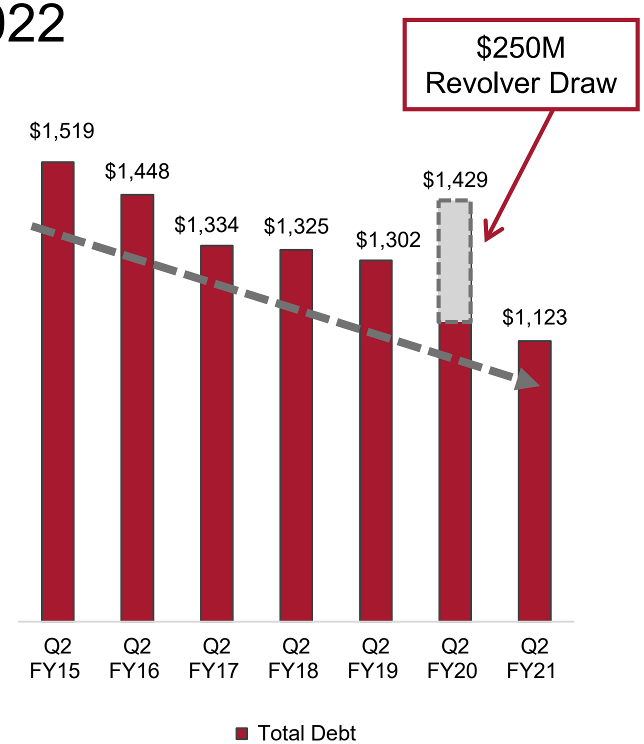
Shift to Growth Results Materializing in FY22

- Over the last several years, we have produced significant gains in profitability and returns while meaningfully reducing debt
- We expect these trends to continue in Fiscal 2022







(a) Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix.
(b) ROA calculation: LTM Adjusted EBITDA / LTM Average Total Assets

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2nd Quarter Results

Results	Q2 FY21	YoY Change
New Home Orders	1,854	11.6%
Average Community Count	131	(21.6%)
Sales Pace	4.7	42.3%
Homebuilding Revenue ($M)	**$547.4**	**12.2%**
Closings	1,388	8.7%
HB Gross Margin % [a]	22.2%	140 bps
SG&A as % of Total Revenue	11.0%	-100 bps
Adjusted EBITDA ($M) [b]	**$64.2**	**46.2%**
Interest Amort. % of HB Revenue	4.4%	-20bps
Net Income - Cont. Ops. ($M)	**$24.6**	**132.2%**

Net Debt / Net Capitalization	54.8%	(1,270 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

Raising Full Year FY21 Expectations Again

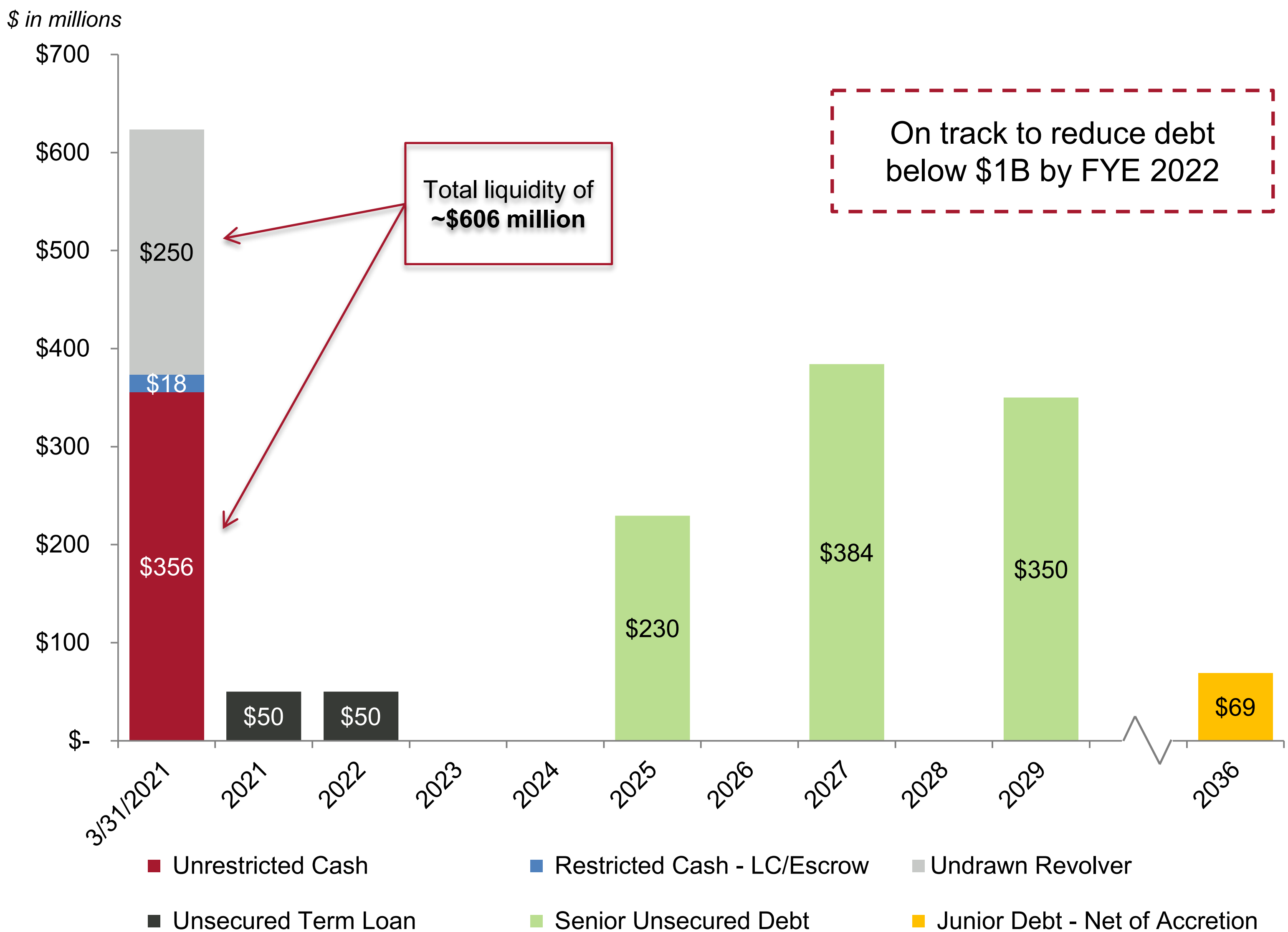
Metric	Expectations
Full Year FY21 - Adjusted EBITDA	Up ≥20%
2nd Half FY21 Adjusted EBITDA	Up >10%
EPS	**>$3.00**
Return on Average Equity	~14%
Return on Average Equity ex. DTA[(a)]	**>20%**

[(a)] 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

3rd Quarter Expectations vs. Prior Year

Metric	Expectations
New Home Orders	Down 10-20%
Closings	Up High Single Digits
Average Selling Price	**>$400k**
HB Gross Margin %	**Up >100 bps**
SG&A as % of Total Revenue	Down ≥20 bps
Interest Amort. % of HB Revenue	~4%
Tax Rate	~25%
EPS	**Up vs. 2Q FY21**

Liquidity Supports Balanced Growth Strategy



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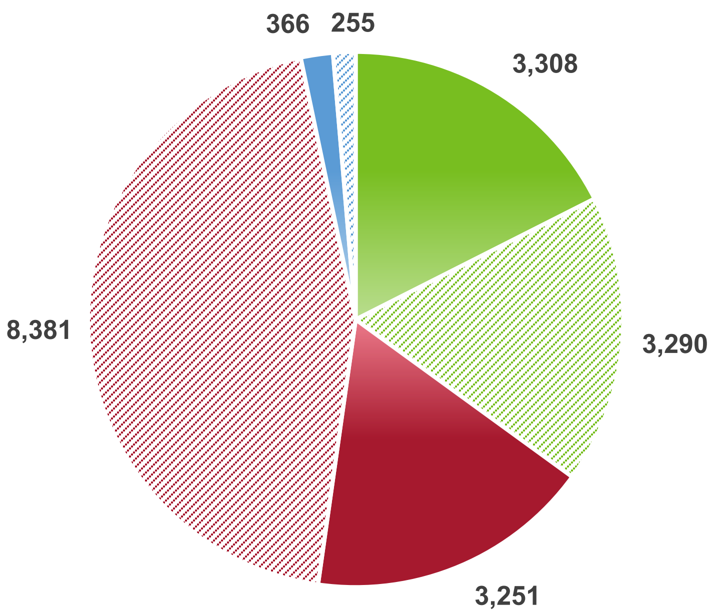
Community Count & Land Growth in FY22

18,851 total controlled lots
18,230 active controlled lots

Lot Position as of March 31, 2021



Immediate Availability – 35%
- Homes Under Construction
- Finished Lots

Near-Term Availability – 62%
- Owned Land Under Dev
- Lots Under Option

Long-Term and Non-Strategic Assets – 3%
- Land Held for Future Dev
- Property Held for Sale

Community Count Activity

Active Communities on 3/31/2021	132
Opening in Next ~6 Months	+ 20
Under Development (excluding any communities opening in N6M)	+ 10
Approved But Not Yet Closed (excluding any communities opening in N6M)	+ 60
Closing in Next ~12 Months	(60-75)

Expected trough around 120 later this year

Wrap-up

Strong Q2 Results

Raising FY21 Expectations

Balanced Growth & ESG

Appendix

Q2 Results

$ in millions (except ASP)

		Q2 FY21		Q2 FY20		Δ
Profitability						
Total Revenue	$	549.9	$	489.4		12.4 %
Adjusted EBITDA [(a)]	$	64.2	$	43.9	$	20.3
Net Income - Cont. Ops.	$	24.6	$	10.6	$	14.0
Unit Activity						
New Home Orders		1,854		1,661		11.6 %
Closings		1,388		1,277		8.7 %
Average Selling Price ($k)	$	394.4	$	382.1		3.2 %
Cancellation Rate		10.0 %		15.8%		-580 bps
Active Community Count, Avg [(b)]		131		167		(21.6)%
Sales Pace		4.7		3.3		42.3 %
Margins						
HB Gross Margin % [(c)]		22.2 %		20.8 %		140 bps
SG&A as % of Total Revenue		11.0 %		12.0 %		-100 bps
Balance Sheet						
Unrestricted Cash	$	355.5	$	294.3	$	61.2
Land & Development Spend	$	97.3	$	123.0	$	(25.7)

[(a)] Details are included on the “Adjusted EBITDA Reconciliation” slide in the appendix
[(b)] Active Community Count was 132 at 3/31/2021 and 166 at 3/31/2020
[(c)] Excludes impairments, abandonments, and interest amortized to cost of sales

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Backlog Detail

	Q2 FY21	Q2 FY20
Quarter Ending Backlog (units)	3,303	2,231
Quarter Ending Backlog ($ in millions)	$ 1,386.4	$ 895.0
ASP in Backlog ($ in thousands)	$ 419.7	$ 401.2
Quarter Beg. Backlog	2,837	1,847
Scheduled to Close in Future Qtrs.	(1,389)	(816)
Backlog Scheduled to Close in the Qtr.	1,448	1,031
Backlog Activity:		
Cancellations	(59)	(75)
Pushed to Future Qtrs.	(223)	(70)
Close Date Brought Forward	54	69
Sold & Closed During the Qtr.	168	322
Total Closings in the Quarter	1,388	1,277
Backlog Conversion Rate	**48.9%**	**69.1%**

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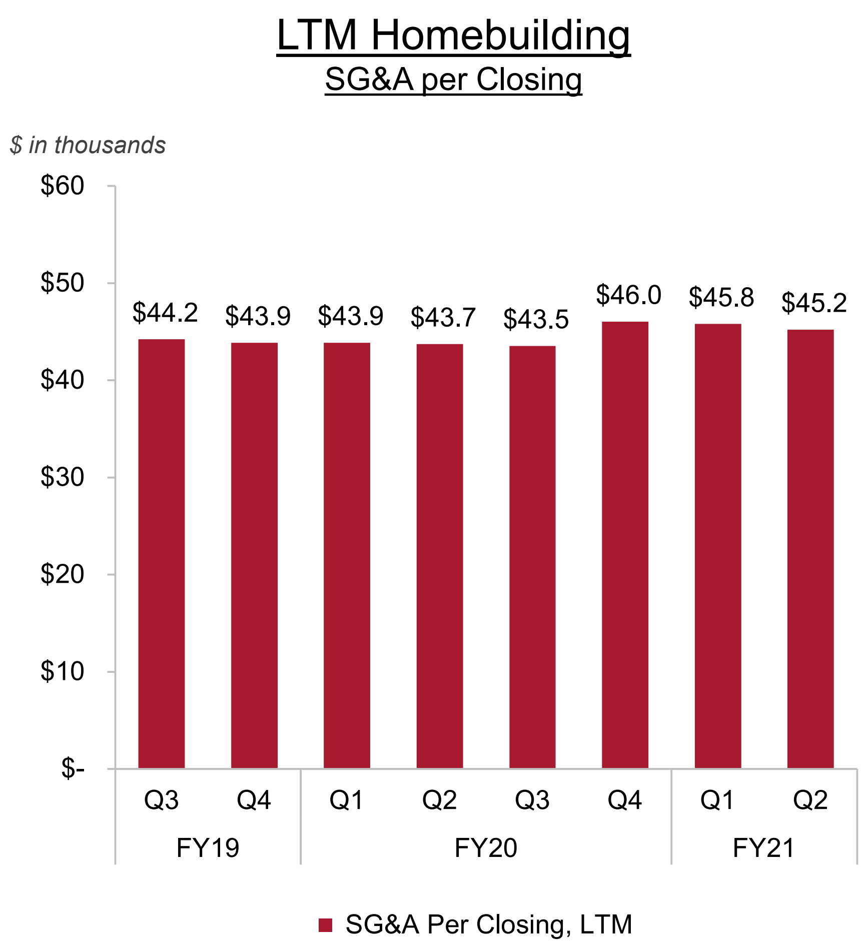
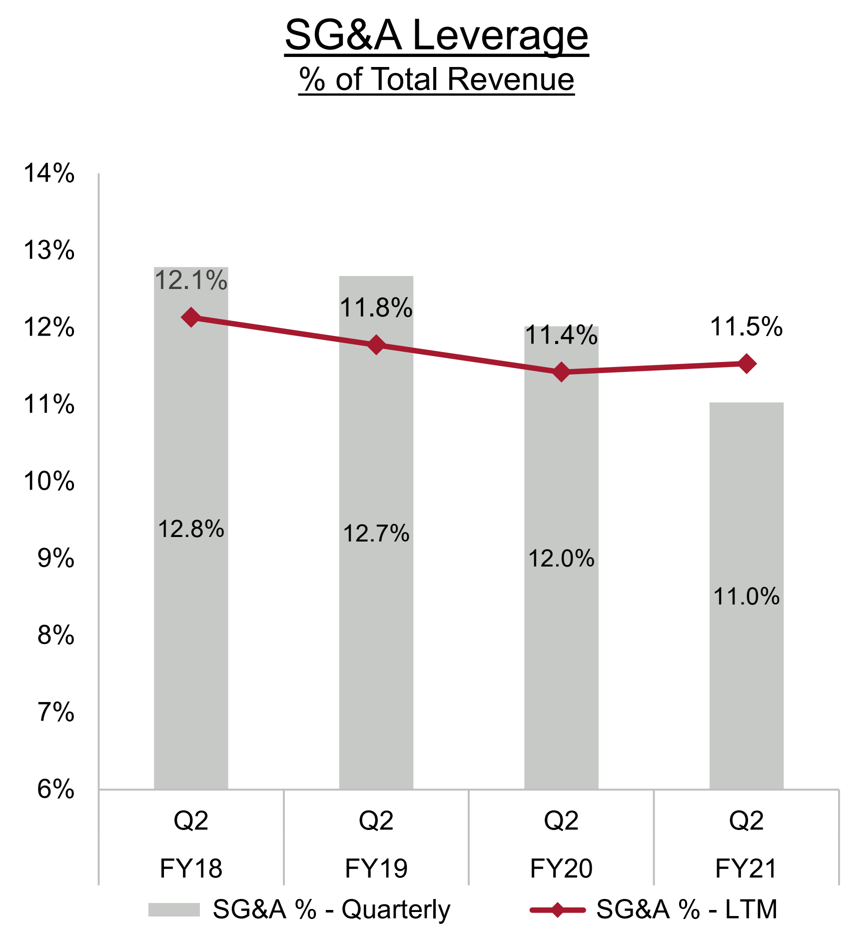
Improving SG&A Leverage is a Priority





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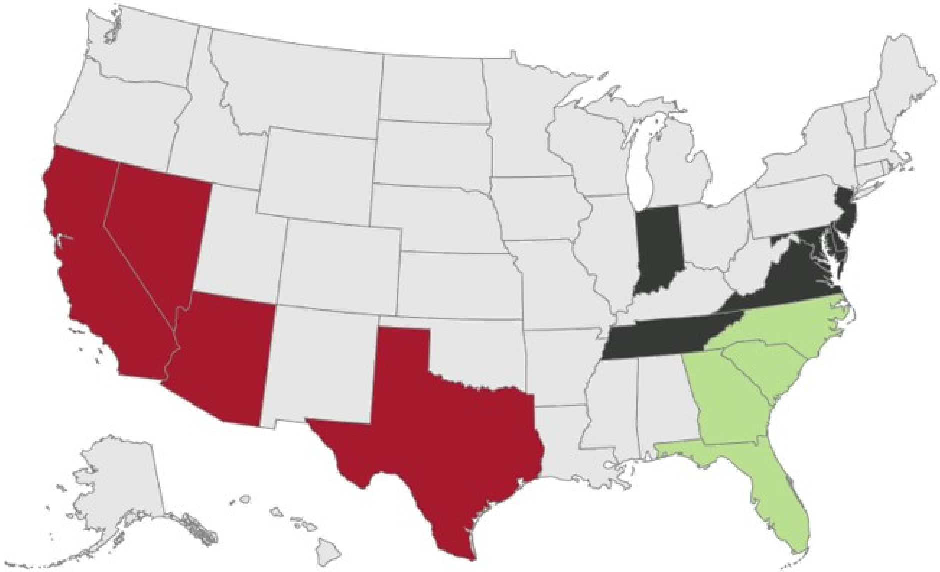
Geographic Mix Impacts ASP & Margins

	Q2 FY21 ASP	Q2 FY20 ASP	Change in ASP ($)	Change in ASP (%)	Q2 FY21 Closings	Q2 FY20 Closings	Change in Mix
West	$367k	$364k	$3k	0.9%	54.5%	57.6%	-3.1%
East	$474k	$468k	$6k	1.2%	23.1%	18.4%	4.7%
Southeast	$379k	$361k	$18k	5.2%	22.3%	24.0%	-1.7%

	Q2 FY20 GM%	Q2 FY21 GM%	Change in GM%
West	23.6%	21.3%	230 bps
East	22.1%	20.0%	210 bps
Southeast	21.5%	18.7%	280 bps

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



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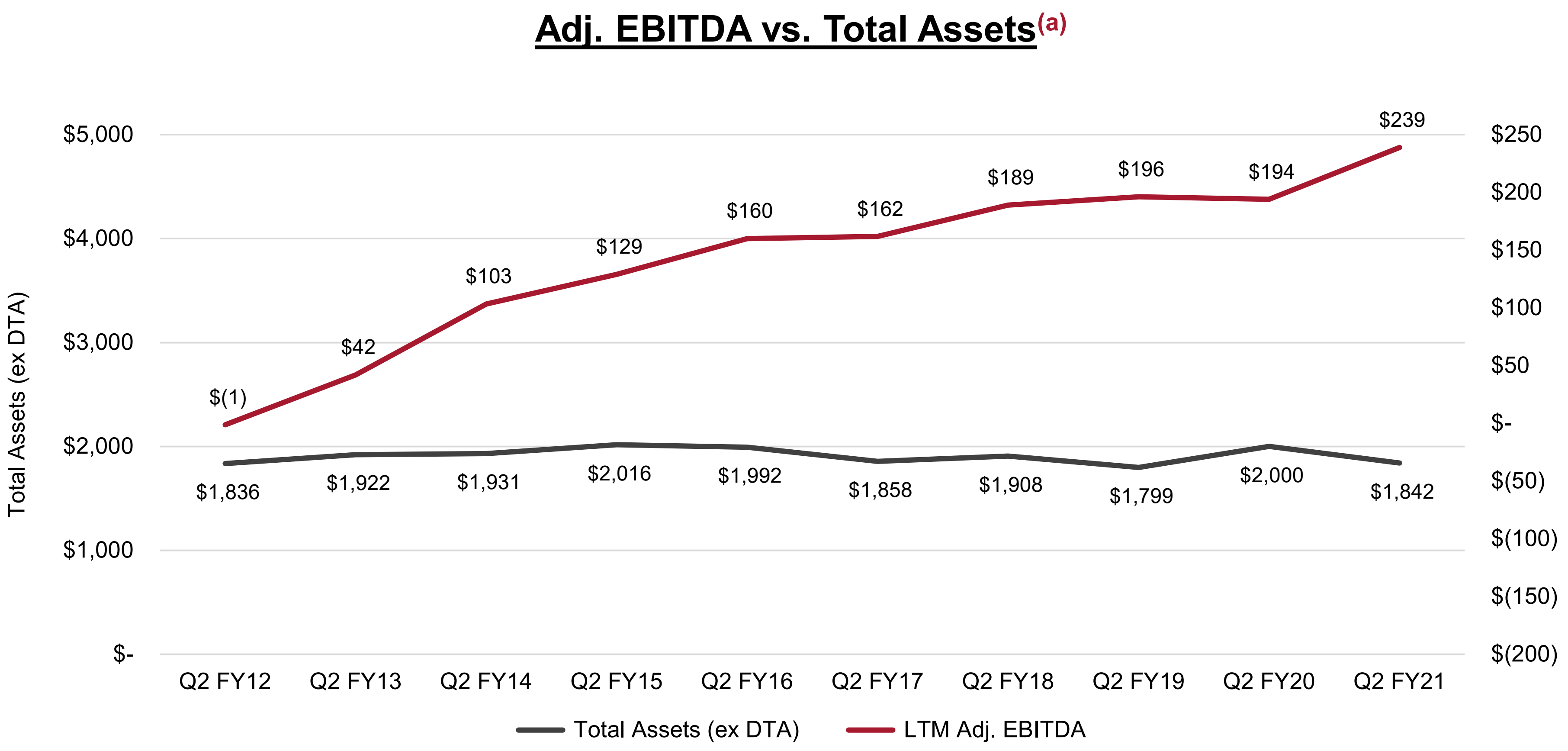
Adjusted EBITDA Reconciliation

(In thousands)	Three Months Ended March 31, 2021	2020	21 vs 20	LTM Ended March 31, 2021	2020	21 vs 20
Net income	**$ 24,528**	$ 10,614	$ 13,914	**$ 75,391**	$ 27,391	$ 48,000
Expense from income taxes	**7,672**	4,170	3,502	**25,508**	8,789	16,719
Interest amortized to home construction and land sales expenses and capitalized interest impaired	**24,110**	22,660	1,450	**96,256**	101,496	(5,240)
Interest expense not qualified for capitalization	**969**	1,928	(959)	**7,667**	5,640	2,027
EBIT	**57,279**	39,372	17,907	**204,822**	143,316	61,506
Depreciation and amortization	**3,683**	3,627	56	**15,391**	16,143	(752)
EBITDA	**60,962**	42,999	17,963	**220,213**	159,459	60,754
Stock-based compensation expense	**2,549**	899	1,650	**12,886**	9,442	3,444
Loss on extinguishment of debt	**563**	—	563	**563**	25,136	(24,573)
Inventory impairments and abandonments [(a)]	**—**	—	—	**2,576**	—	2,576
Restructuring and severance expenses	**—**	—	—	**1,307**	—	1,307
Litigation settlement in discontinued operations	**120**	—	120	**1,380**	—	1,380
Adjusted EBITDA	**$ 64,194**	$ 43,898	$ 20,296	**$ 238,925**	$ 194,037	$ 44,888

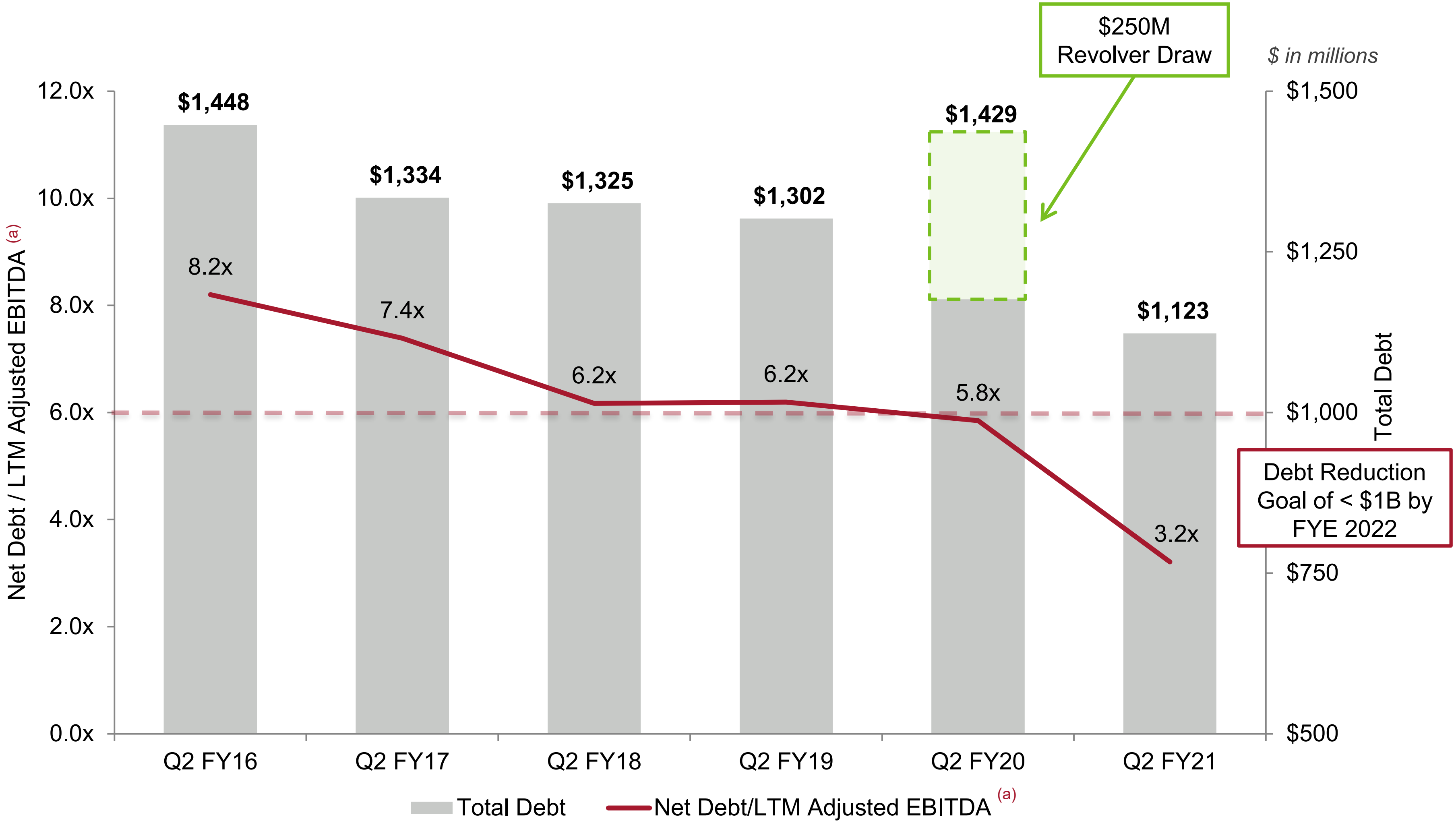
[(a)] In periods during which we impaired certain of our inventory assets, capitalized interest that is impaired is included in the line above titled “Interest amortized to home construction and land sales expenses and capitalized interest impaired.”

Significant EBITDA Growth



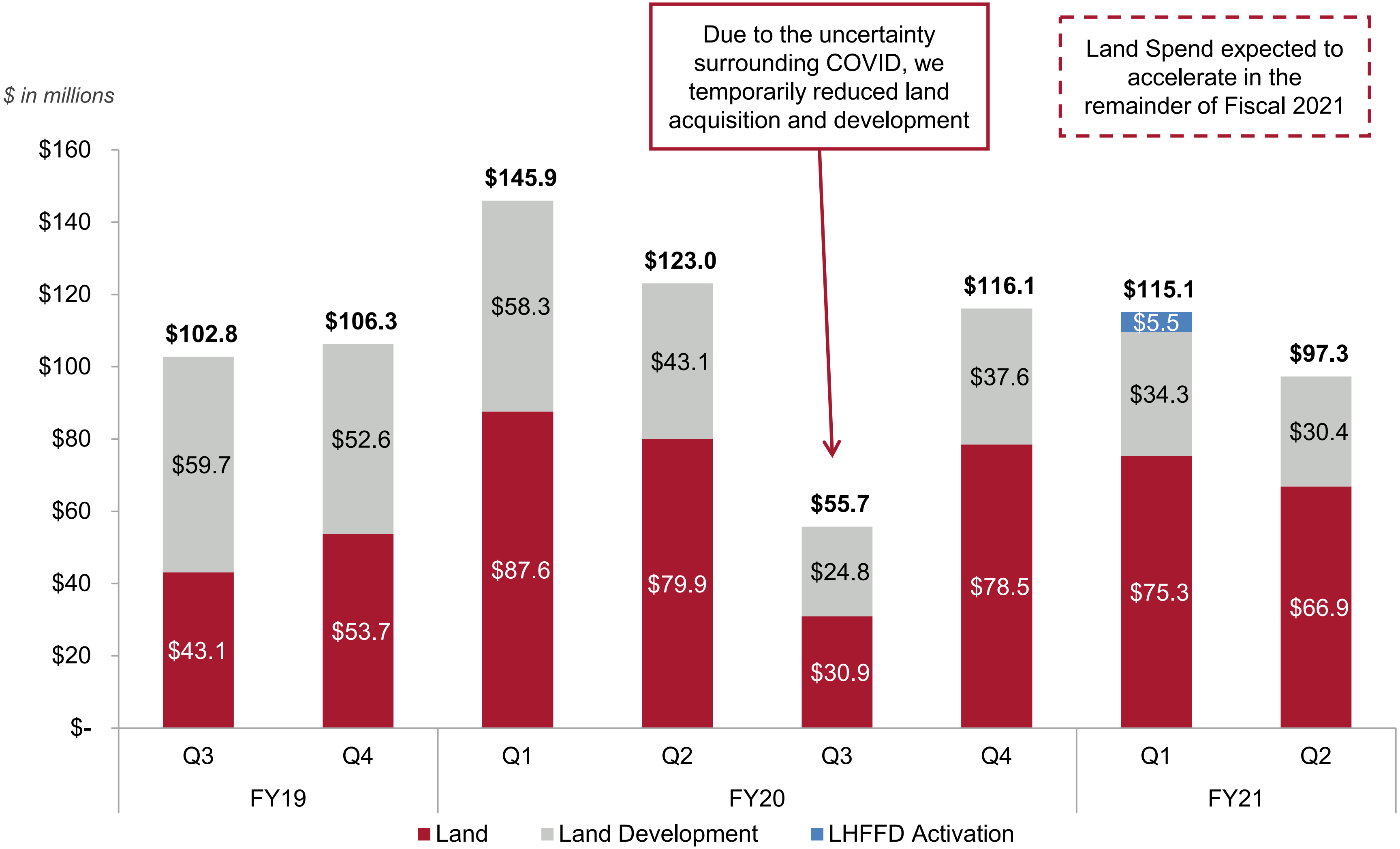
[a] Total Assets is end of period Assets excluding Deferred Tax Assets. Amounts presented for FY12 through FY15 have been impacted by the reclassification of debt issuance costs required by Accounting Standards Update 2015-03. The debt issuance costs reclassified for FY12, FY13, FY14, FY15 and FY16 amounted to $15.5 million, $17.5 million, $14.8 million, $15.8 million, and $11.9 million, respectively.

Improving Financial Leverage



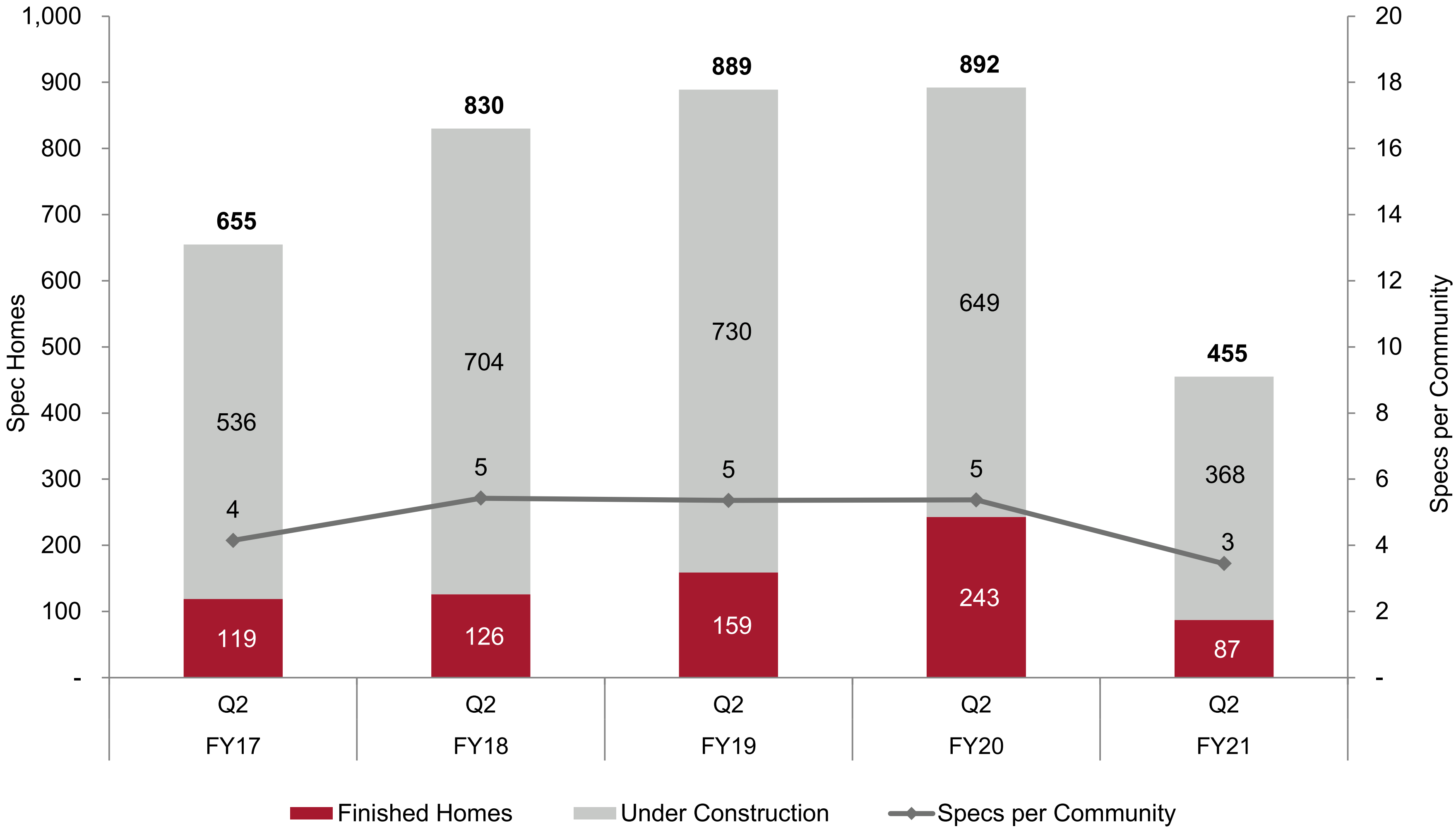
(a) Details are included on the "Adjusted EBITDA Reconciliation" slide in the appendix

Land Spend Will Accelerate



Note: Totals may not foot due to rounding

Higher Sales Pace Reduces Specs



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

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Deferred Tax Assets - Summary

($ in millions)	March 31, 2021	March 31, 2020
Deferred Tax Assets	$ 252.8	$ 277.3
Valuation Allowance	$ (39.2)	$ (38.5)
Net Deferred Tax Assets	**$ 213.6**	**$ 238.8**

As of March 31, 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 $39.2 million as of March 31, 2021 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.