

PulteGroup™

Investor Presentation

Barclays Industrials Select Conference

February 16, 2021

Forward-Looking Statements

This presentation includes "forward-looking statements." These statements are subject to a number of risks, uncertainties and other factors that could cause our actual results, performance, prospects or opportunities, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or implied by, these statements. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "plan," "project," "may," "can," "could," "might," "should", "will" and similar expressions identify forward-looking statements, including statements related to any potential impairment charges and the impacts or effects thereof, expected operating and performing results, planned transactions, planned objectives of management, future developments or conditions in the industries in which we participate and other trends, developments and uncertainties that may affect our business in the future.

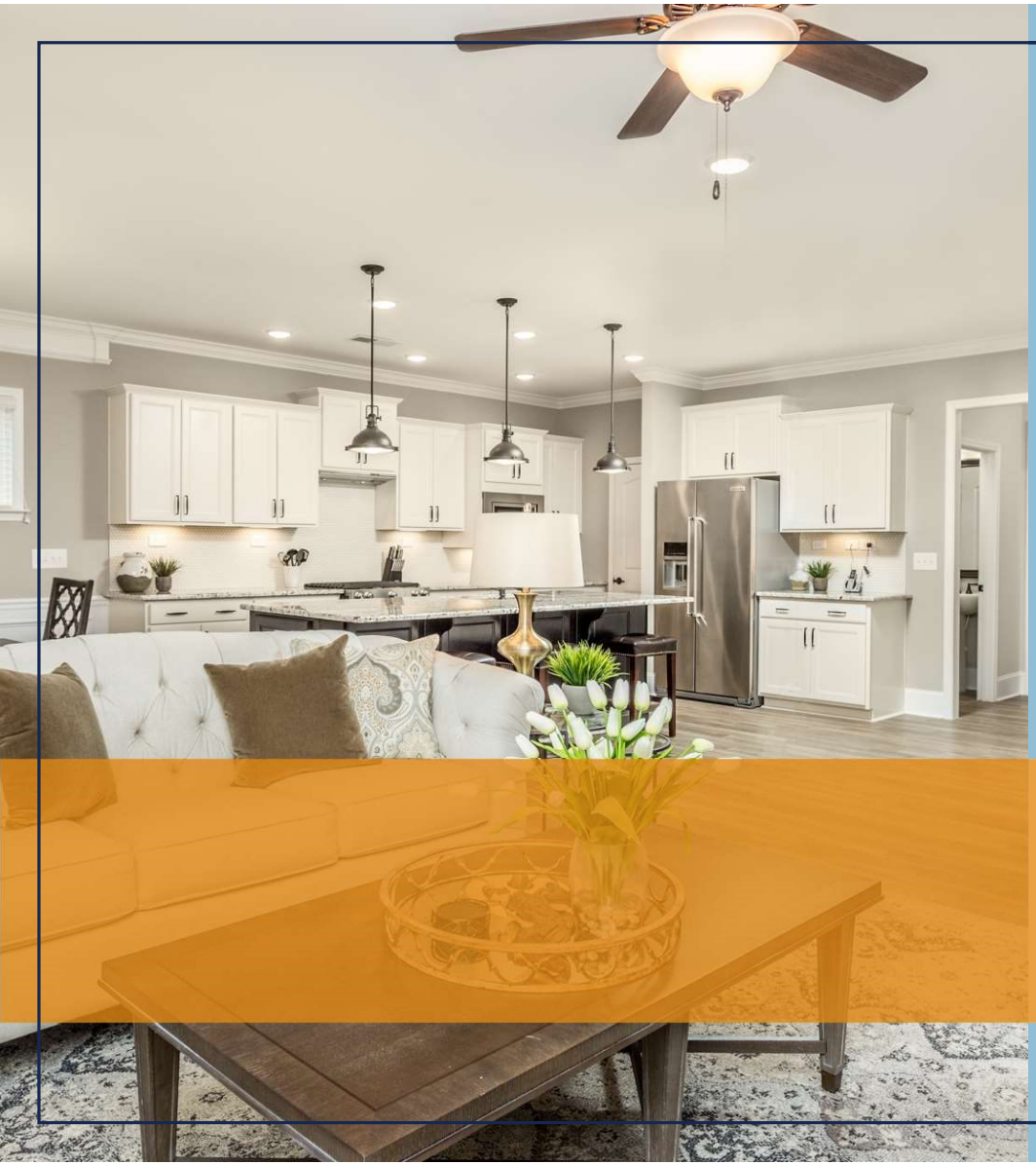
Such risks, uncertainties and other factors include, among other things: interest rate changes and the availability of mortgage financing; competition within the industries in which we operate; the availability and cost of land and other raw materials used by us in our homebuilding operations; the impact of any changes to our strategy in responding to the cyclical nature of the industry, including any changes regarding our land positions and the levels of our land spend; the availability and cost of insurance covering risks associated with our businesses; shortages and the cost of labor; weather related slowdowns; slow growth initiatives and/or local building moratoria; governmental regulation directed at or affecting the housing market, the homebuilding industry or construction activities; uncertainty in the mortgage lending industry, including revisions to underwriting standards and repurchase requirements associated with the sale of mortgage loans; the interpretation of or changes to tax, labor and environmental laws which could have a greater impact on our effective tax rate or the value of our deferred tax assets than we anticipate; economic changes nationally or in our local markets, including inflation, deflation, changes in consumer confidence and preferences and the state of the market for homes in general; legal or regulatory proceedings or claims; our ability to generate sufficient cash flow in order to successfully implement our capital allocation priorities; required accounting changes; terrorist acts and other acts of war; the negative impact of the COVID-19 pandemic on our financial position and ability to continue our Homebuilding or Financial Services activities at normal levels or at all in impacted areas; the duration, effect and severity of the COVID-19 pandemic; the measures that governmental authorities take to address the COVID-19 pandemic which may precipitate or exacerbate one or more of the above-mentioned and/or other risks and significantly disrupt or prevent us from operating our business in the ordinary course for an extended period of time; and other factors of national, regional and global scale, including those of a political, economic, business and competitive nature. See PulteGroup's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, and other public filings with the Securities and Exchange Commission (the "SEC") for a further discussion of these and other risks and uncertainties applicable to our businesses. PulteGroup undertakes no duty to update any forward-looking statement, whether as a result of new information, future events or changes in PulteGroup's expectations.

©2021 PulteGroup

AGENDA

- Favorable Demand Dynamics
- A Proven Record of Success
- Summary

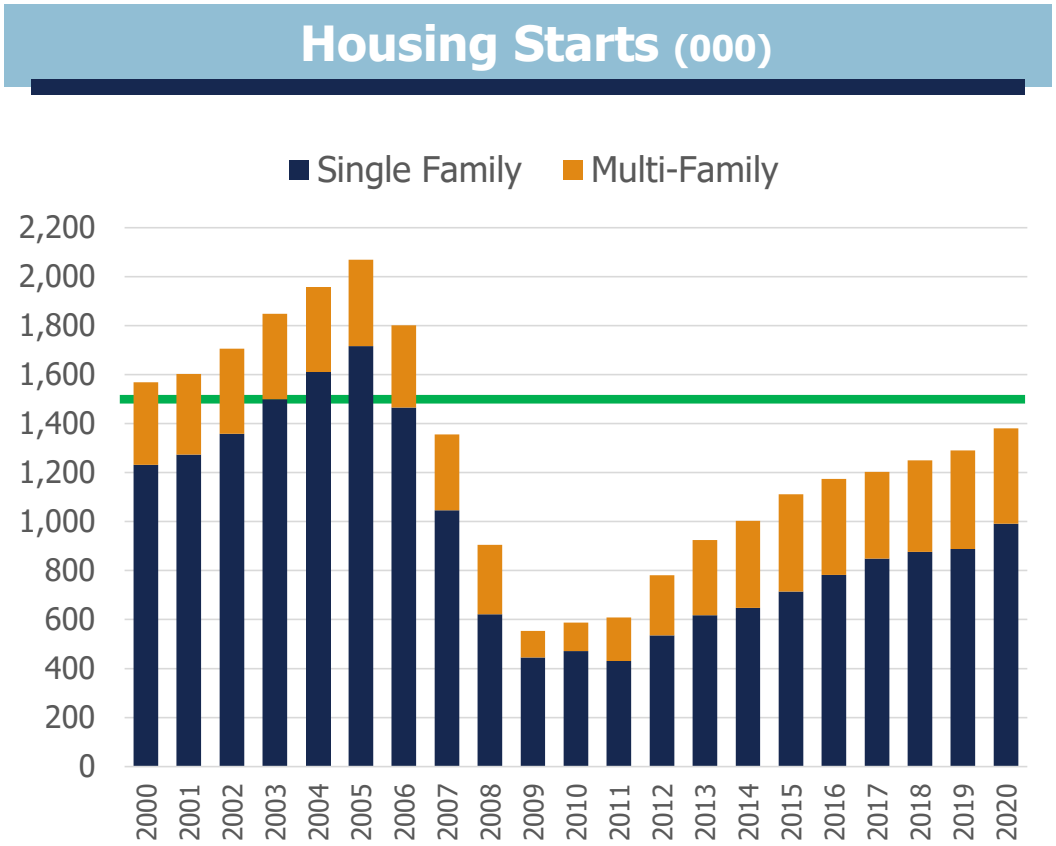




PulteGroup™

Favorable Demand Dynamics

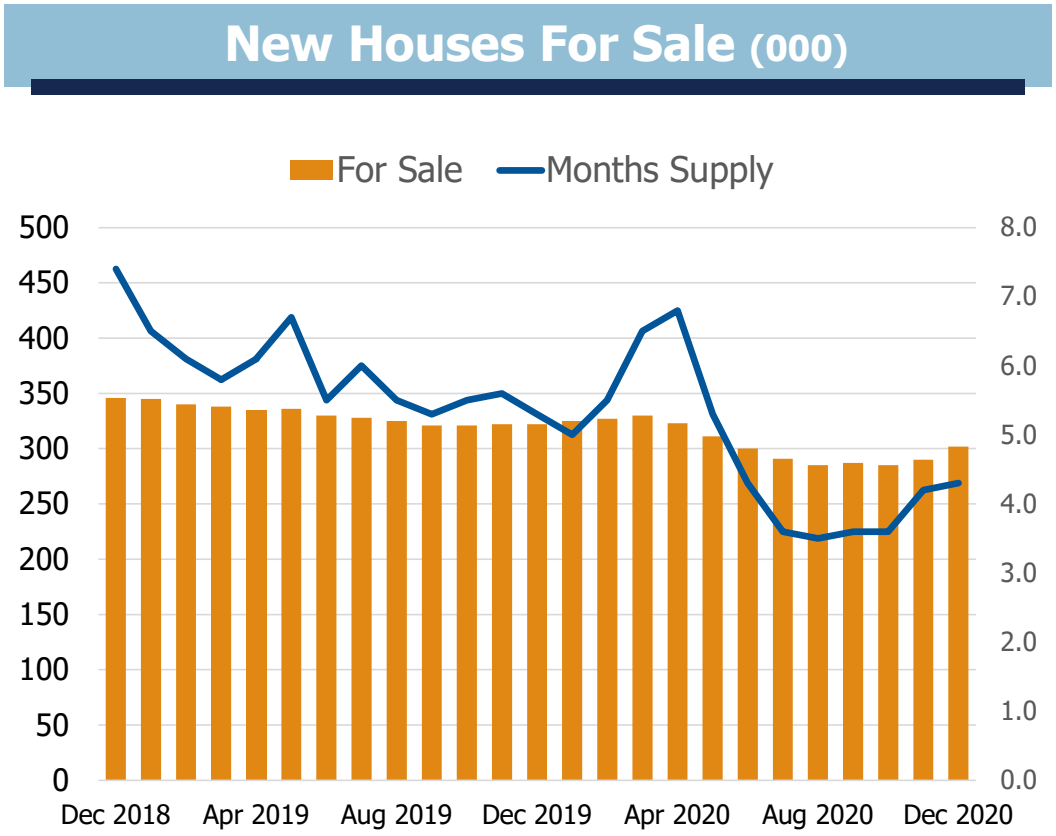
Significant Market Opportunity After Years of Underbuilding



- Estimate housing need at 1.5 million starts annually
- Cumulative deficit since Great Recession approaching 7.0 million homes
- Impact of pandemic is increased preference for single-family living
- Demand benefitting from low rates, favorable demographics, stock market recovery and the need to work/school/play at home

©2021 PulteGroup

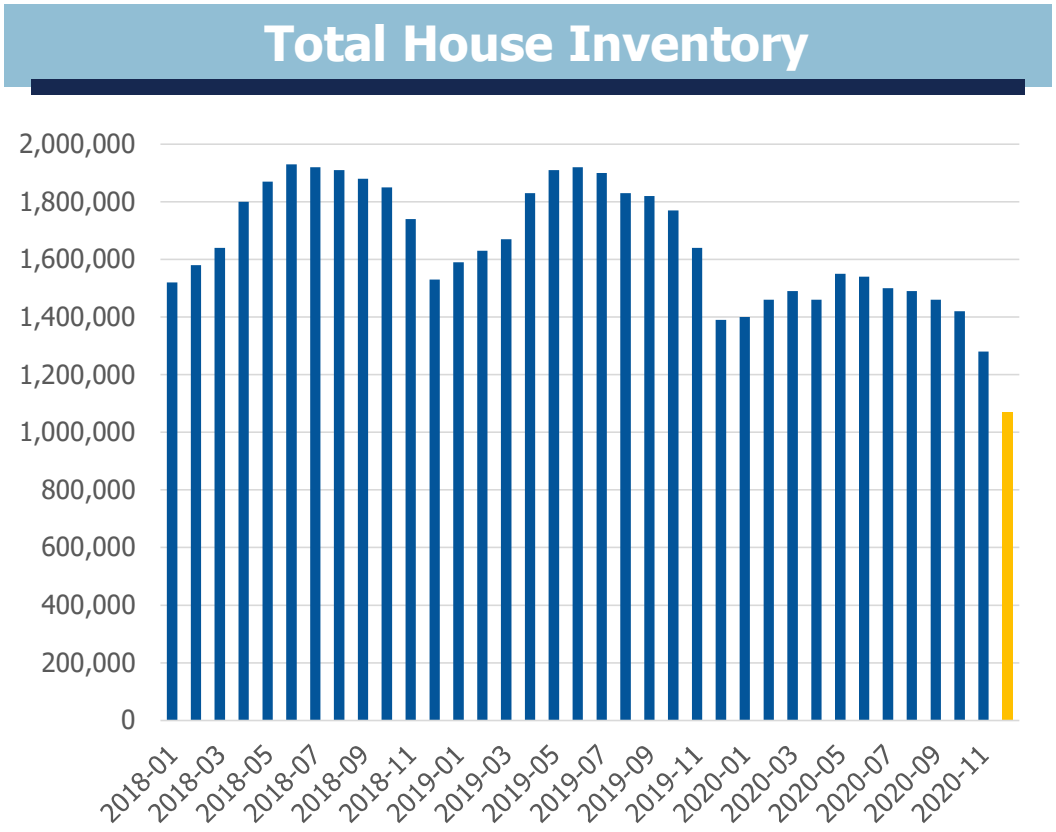
Limited Inventory of New Homes



- Strong demand continues to quickly absorb new home supply
- Construction volumes continue to grow at a measured pace
  - Industry being impacted by availability of entitled lots

©2021 PulteGroup

Limited Inventory of Existing Homes



- December inventory of 1.07 million homes was an all-time low of 1.9-month supply
- Strong demand combined with reluctance among buyers to list during COVID
- Limited inventory of existing homes is driving increased demand in the new home market

©2021 PulteGroup



PulteGroup™

A Proven Record of Success

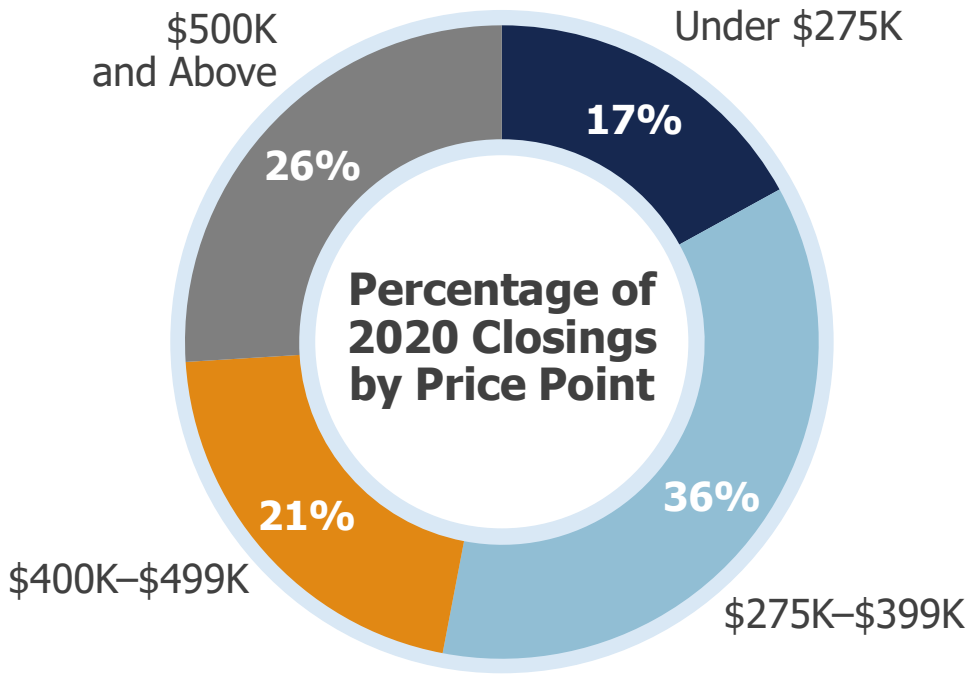
Industry Leading Brand Names



©2020 PulteGroup

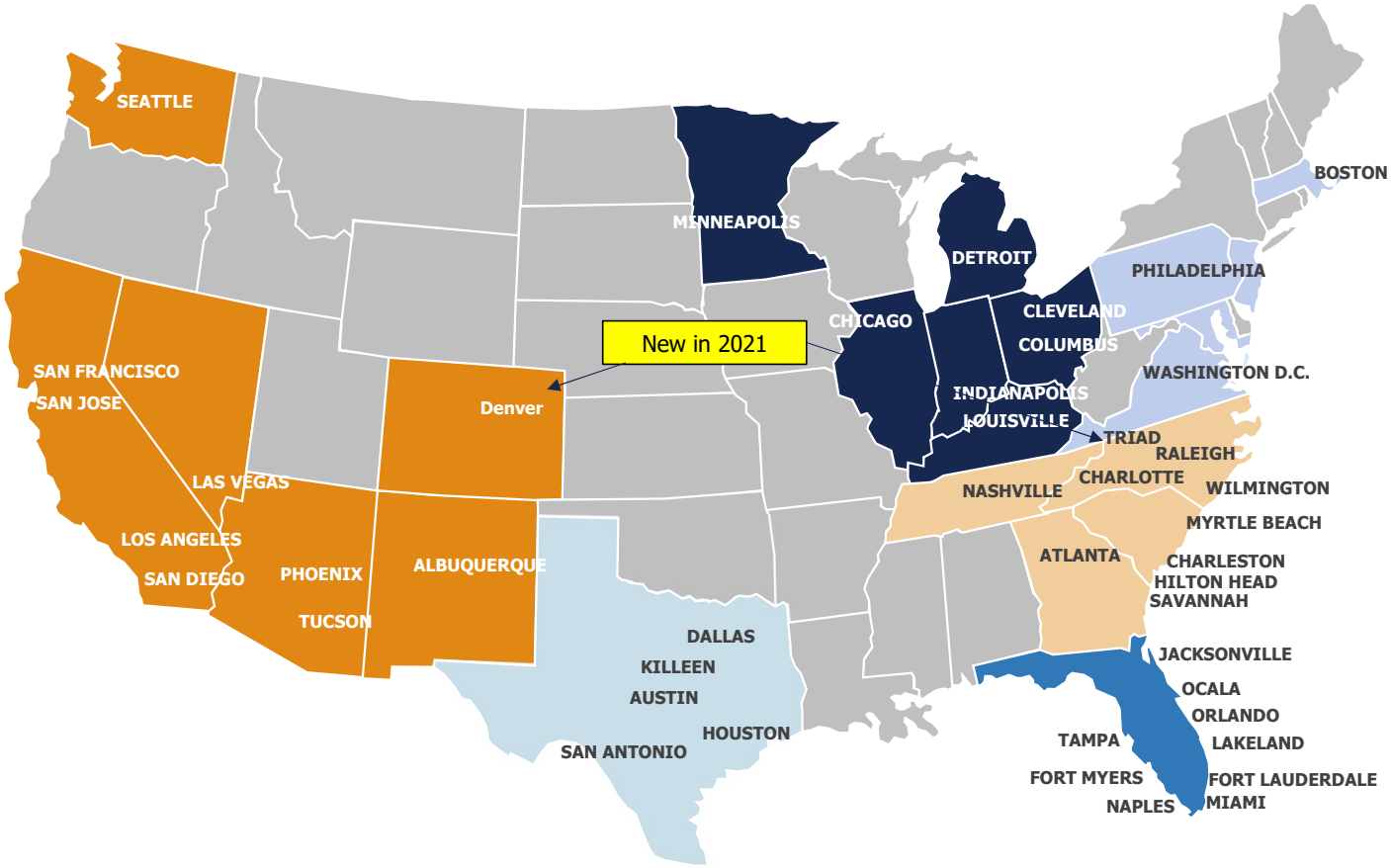
Serving a Variety of Price Points





©2020 PulteGroup

With a Broad and Balanced Geographic Footprint



% of Company	
Closings	21%
Revenue	27%
Lots	21%

% of Company	
Closings	19%
Revenue	14%
Lots	17%

% for FY 2020

% of Company	
Closings	15%
Revenue	14%
Lots	11%

% of Company	
Closings	6%
Revenue	8%
Lots	6%

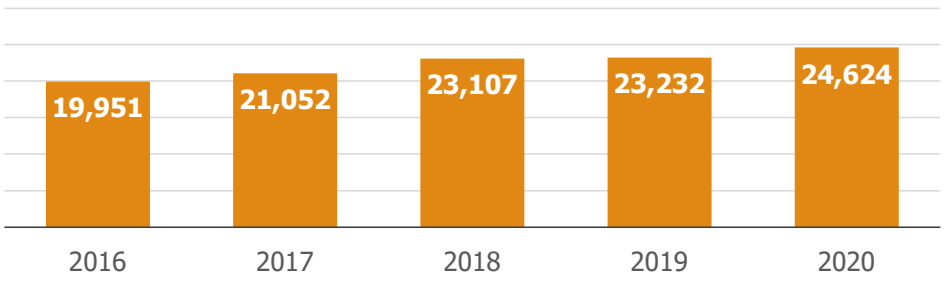
% of Company	
Closings	17%
Revenue	16%
Lots	18%

% of Company	
Closings	22%
Revenue	21%
Lots	21%

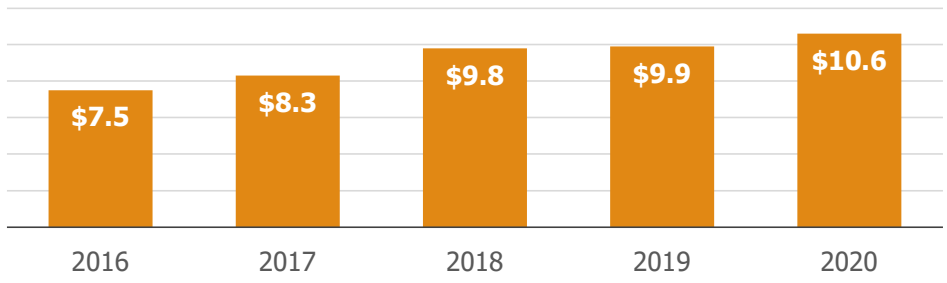
©2020 PulteGroup

Driving Growth and Improved Financial Results

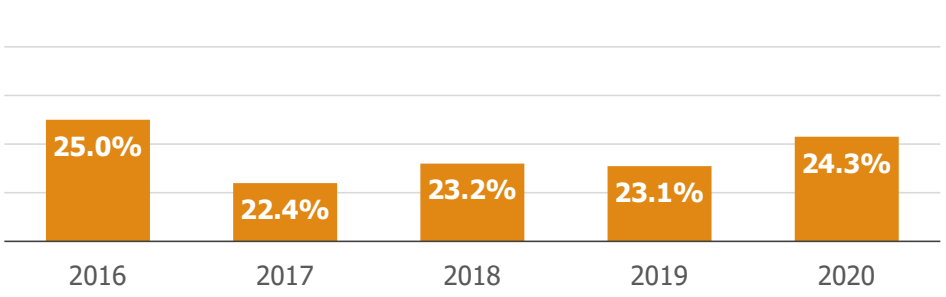
Closings



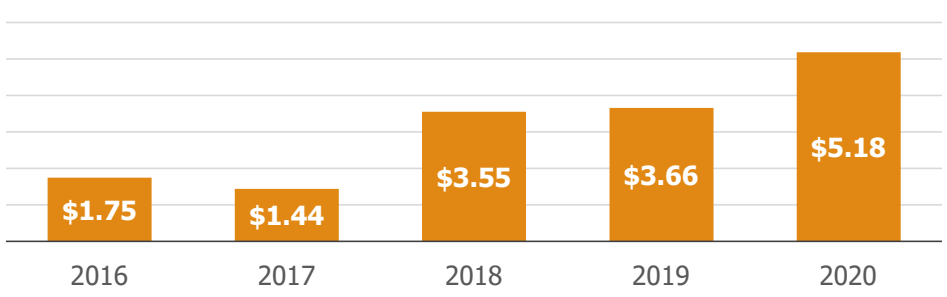
Homes Sale Revenues ($B)



Gross Margin Percentage of Home Sale Revenues



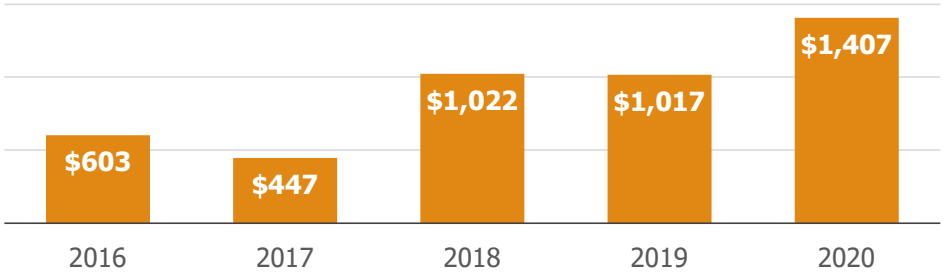
EPS (diluted)



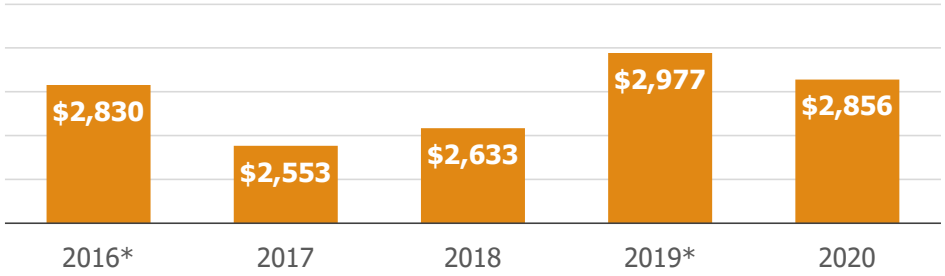
©2020 PulteGroup

Allowing Investment in the Business While Returning Funds to Shareholders

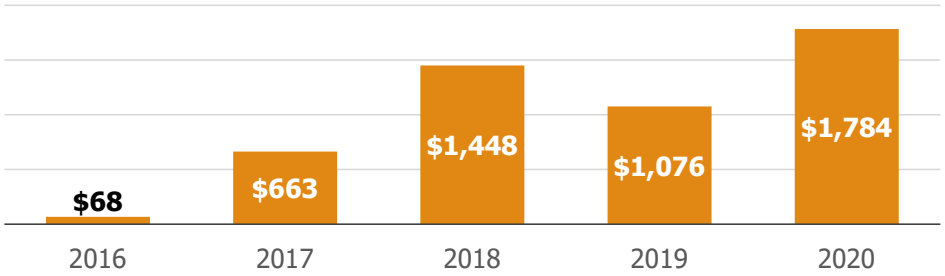
Net Income ($M)



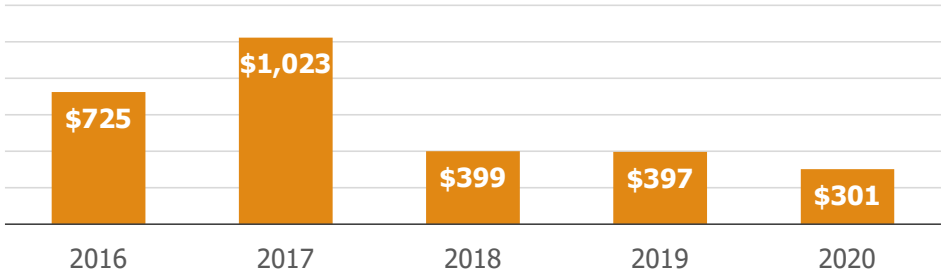
Land Acquisition & Development Spend ($M)



Cash Flow from Operating Activities ($M)



Share Repurchases & Dividends ($M)



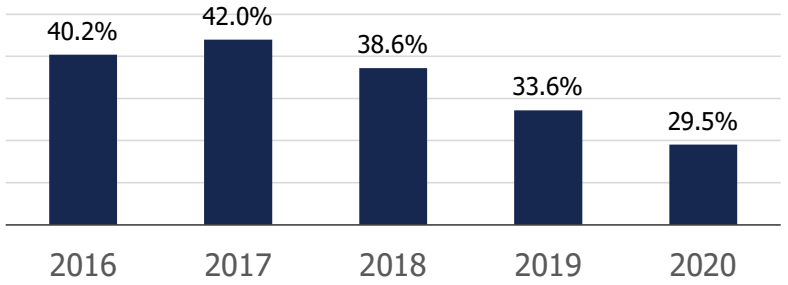
©2020 PulteGroup

* Includes acquisition of John Wieland (2016) and American West (2019)

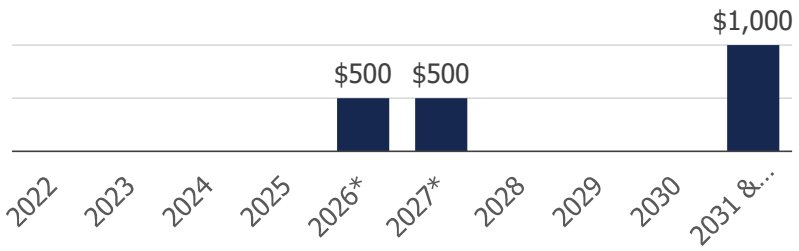
And Building Balance Sheet Strength and Flexibility

- Ended 2020 with $2.6 billion of cash and a debt-to-total capitalization of 29.5%
- Announced plans to pay down $726 million of senior notes in Q1 2021
  - Expect to realize savings of $34 million in annual interest charges
  - Pro forma debt-to-total capitalization of 23.7%

Debt-to-Total Capitalization Ratio



Debt Maturities ($M)



*Pro forma for the tender of a total of $300 million of 2026 and 2027 senior notes

©2021 PulteGroup

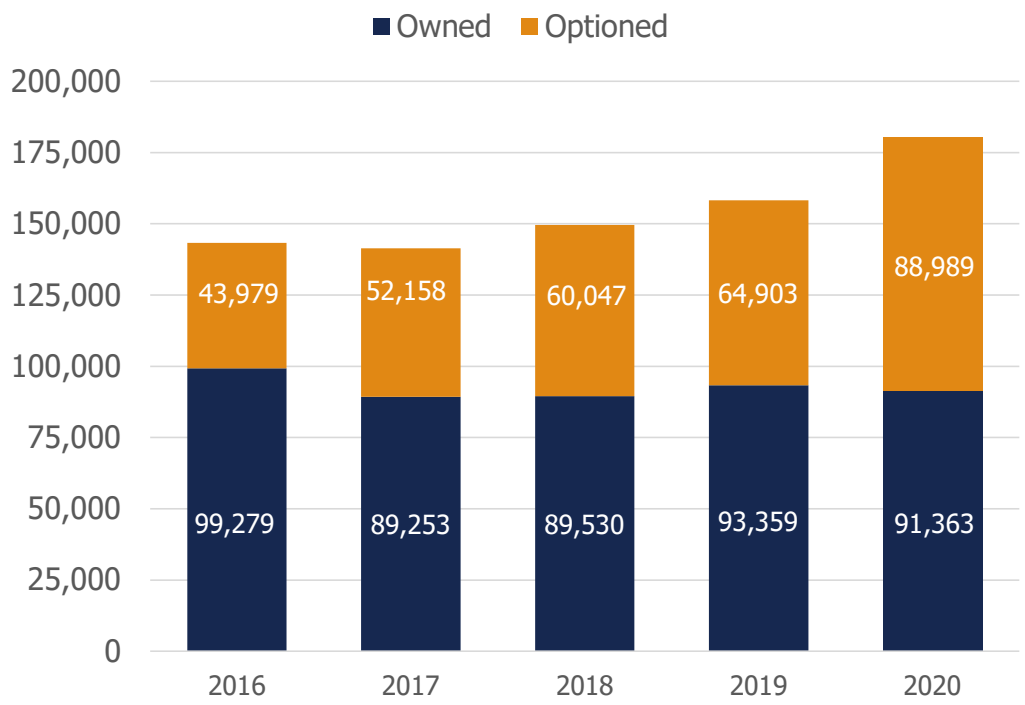
Allocating Capital Consistent with Our Stated Priorities

1. Invest in the business
   - Expect to invest $3.7 billion in land acquisition and development in 2021, an increase of $800 million over 2020
2. Continue to fund our dividend
   - Dividend was increased by 17% effective with the January 2021 payment
3. Return excess capital to shareholders through share repurchase
   - Company repurchased $171 million of common shares in 2021
   - Plan to remain systematic buyers of our shares
4. Decreasing financial leverage with plans to pay down $726 million of our outstanding senior notes in Q1 2021

©2021 PulteGroup

Building a Bigger and More Efficient Land Pipeline

Lots Under Control

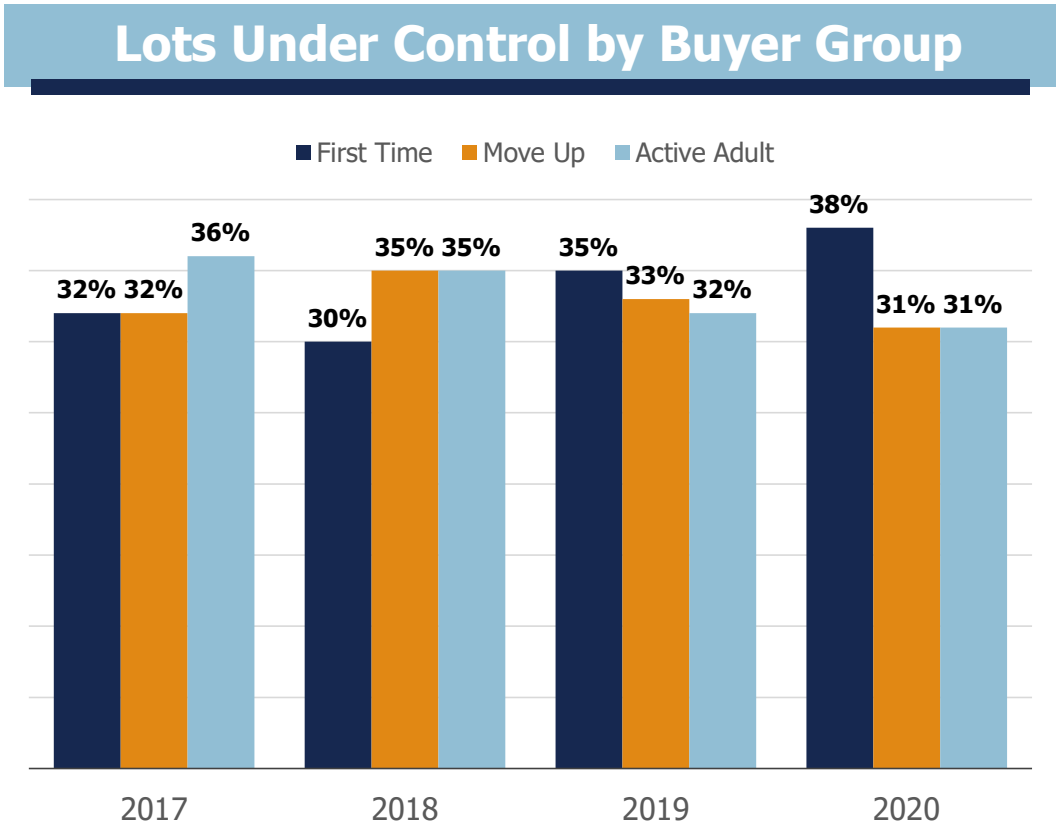


- Since 2016, owned lot supply lowered by 8%, while optioned lots have more than doubled
- Company has effectively achieved its initial 50/50 target for owned and optioned lots
- Strategic focus remains on using lot options to enhance returns and help mitigate market risk
- Based on expected 2021 closings, owned lots down to 3-year goal

©2020 PulteGroup

Continuing to Expand Investment in Affordable/First-time Segment

- Have strategically increased our investment in the affordable/first-time part of the market
  - Positioning our Centex brand to more effectively serve these buyers



©2020 PulteGroup

Refining Our Centex® Offering



- Evolving the brand to meet the needs of the affordable, entry-level buyer
- Offering Great Value, Great Quality, Easy Process
- Product offering, specifications and designs focused on simplicity and value
- Minimal to no options
  - No structural options
- Even flow production cadence with higher spec inventory and increased absorption pace
- No compromise on construction quality

©2021 PulteGroup



PulteGroup™

Summary

Working to Deliver High Returns Over the Housing Cycle

Working to Create Long-term Value for our Shareholders

FOCUS on the customer: deliver superior build quality and home buying experience

INVEST in high-returning, shorter duration land positions

MAINTAIN disciplined business practices

IMPROVE asset efficiency to increase inventory turns and enhance cash flow

ALLOCATE cash flow appropriately, consistent with stated priorities: invest in the business, dividends, share repurchase, and debt reduction



©2020 PulteGroup