

PulteGroup™

Report on 2017 First Quarter Operating and Earnings Results

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 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; 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; 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, 2016, 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.

PulteGroup Call Participants

			
Ryan Marshall **President and CEO**	**Bob O'Shaughnessy** **Executive Vice President and CFO**	**Jim Ossowski** **Senior Vice President, Finance**	**Jim Zeumer** **Vice President, Investor Relations**



Review of Q1 2017 Results

Q1 2017 Financial Highlights

- Diluted EPS of $0.28, includes $0.03 of expense associated with the resolution of certain insurance matters
  - ✓ Reported EPS up 17% over prior year earnings of $0.24 per share
- Home sale revenues increased 14% to $1.6 billion; closings gained 7% to 4,225 homes

Average Sales Price			
	Q1 2016	Q1 2017	Change
First time	$253,000	$277,000	10%
Move up	$428,000	$444,000	4%
Active adult	$352,000	$367,000	4%
Company	$353,000	$375,000	6%

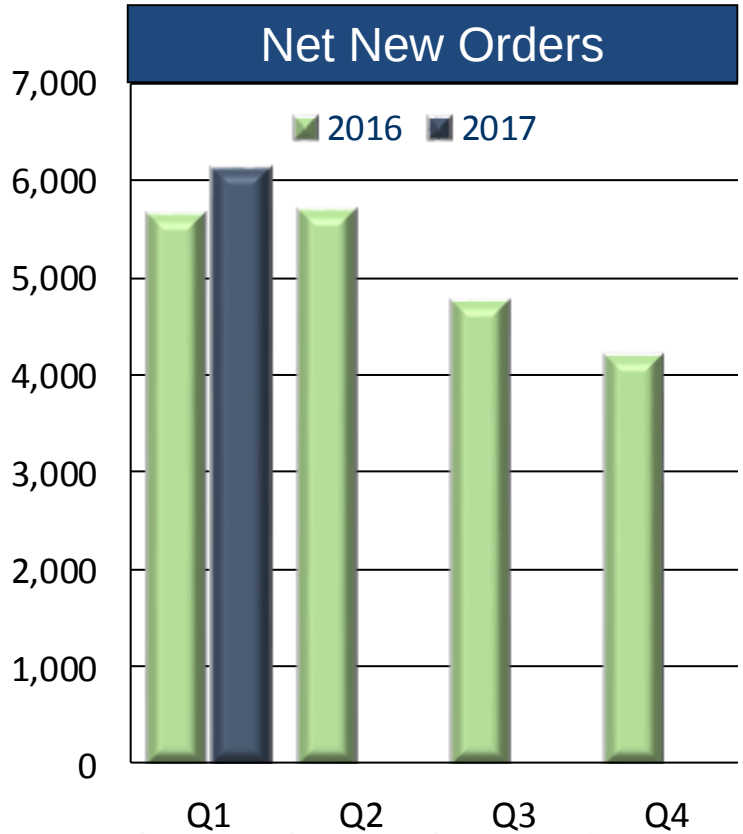


	Q1	Q2	Q3	Q4
2016	3,945	4,772	5,037	6,197
2017	4,225	-	-	-
Increase	7%			

PulteGroup

Q1 2017 Financial Highlights

- Net new orders increased 8% to 6,126 homes
- Dollar value of net new orders up 16% to $2.4 billion
- Unit backlog up 6% to 9,323 homes
- Backlog value increased by 13% to $3.8 billion



	Q1	Q2	Q3	Q4
2016	5,652	5,697	4,775	4,202
2017	6,126	-	-	-
Increase	8%			

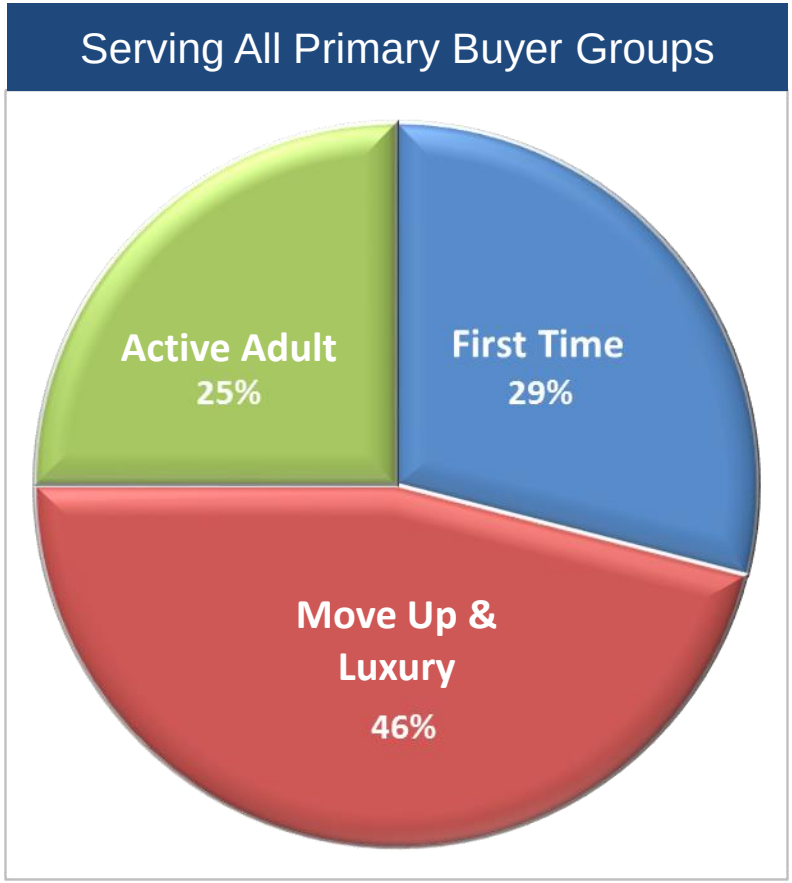
Developing a More Efficient Land Pipeline

- Strong land pipeline can support ongoing growth of the business
- Owned lot position lowered to below 5.0 years based on TTM closings
  - ✓ Long-term goal to own 3 years / option 3 years of lots
- Investment focused on faster turning, shorter duration projects
  - ✓ Average duration of projects approved in Q1 2017 is 2.5 years from opening



Well Positioned to Serve All Buyer Groups

- Diversified across all price points
- Long-term opportunities to expand share among First-Time and Active-Adult buyers
  - ✓ Provides opportunities to grow overall volumes and further diversify risk
  - ✓ Timing of investment to be influenced by macro housing conditions



Based on Q1 2017 Closings

Q1 2017 Selected Financial Data

	Three Months Ended March 31,		
	2017	2016	Change
Home Sale Revenues ($ millions)	$1,585	$1,394	14%
Homebuilding Pretax Income ($ millions)	$126*	$108	16%
Backlog (Units)	9,323	8,755	6%
Backlog (Dollar Value in millions)	$3,802	$3,359	13%
Financial Services Pretax Income ($ millions)	$14	$10	38%
Income Before Income Taxes ($ millions)	$139*	$118	18%
Net Income ($ millions)	$92*	$83	11%
Net Income Per Share	$0.28*	$0.24	17%

* Q1 2017 includes a pretax expense of $15 million, or $0.03 per share, associated with the resolution of certain insurance matters

PulteGroup

Q1 2017 Selected Balance Sheet Data

($ millions)	March 31, 2017	December 31, 2016
Cash and Equivalents (including restricted cash)	$424	$723
House and Land Inventory	$7,028	$6,771
Debt	$3,110	$3,110
Shareholders' Equity	$4,660	$4,659
Debt – to – Capitalization	40%	40%



PulteGroup™

First Quarter 2017 Earnings