



Report on 2018 First Quarter Operating and Financial Results

Forward-Looking Statements

This press release 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 impairment charge 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, including, but not limited to the Tax Cuts and Jobs Act 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; 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, 2017, 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,
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**Jim
Zeumer**

**Vice President,
Investor
Relations**



Review of Q1 2018 Results

Q1 2018 Financial Highlights

- Net new orders increased 12% to 6,875 homes
- Dollar value of net new orders gained 18% to \$2.9 billion
- Closings up 9% to 4,626 homes
- Unit backlog increased 21% to 11,245 homes
- Backlog value increased by 30% to \$5.0 billion



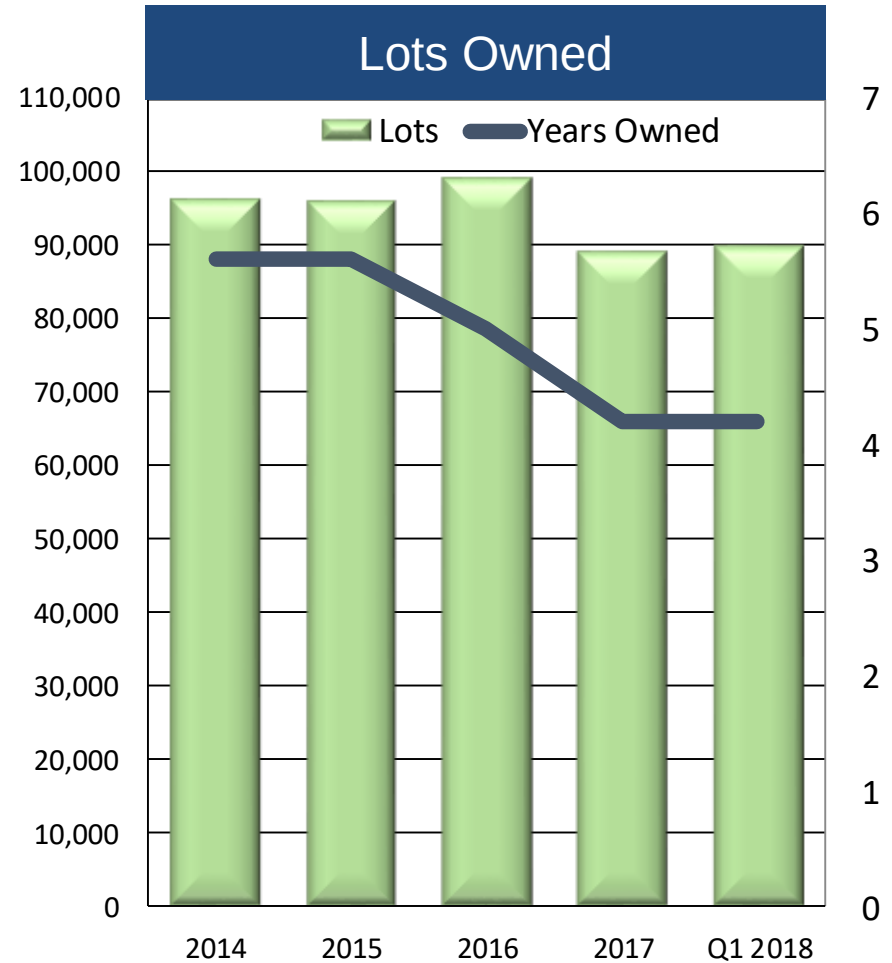
Q1 2018 Financial Highlights

- Delivered significant year-over-year gains:
 - ✓ Home sale revenues increased 21% to \$1.9 billion
 - ✓ Closings up 9% to 4,626 homes
 - ✓ Home sale gross margin up 40 basis points to 23.6%
 - ✓ Operating margin higher by 270 basis points to 11.0%
 - ✓ EPS more than doubles to \$0.59 per share



Maintaining Tight Operational Controls

- \$290 million invested in land acquisition during Q1 2018
 - ✓ 61% of lots approved in Q1 were option transactions
- Land pipeline of ~144,000 lots
 - ✓ 38% of lots controlled under option supporting higher returns and lower risk
 - ✓ Owned lot position at 4.2 years based on LTM closings
- Limited spec production averaging less than one finished spec per community



Higher Price and Closings Drive Q1 Revenues

- Q1 average sales price increased 10%, or \$38,000, to \$413,000
- Higher ASP's captured across all buyer groups:
 - ✓ First Time: up 17% to \$323,000
 - ✓ Move Up: up 8% to \$483,000
 - ✓ Active Adult: up 5% to \$385,000



Q1 2018 Selected Financial Data

	Three Months Ended March 31,		Change
	2018	2017	
Home Sale Revenues (\$ millions)	\$1,912	\$1,585	21%
Home Sale Gross Margin	23.6%	23.2%	40 bps
Home Sale SG&A	12.6%	14.9%	230 bps
Home Sale Operating Margin	11.0%	8.3%	270 bps
Net Income (\$ millions)	\$171	\$92	87%
Earnings Per Share	\$0.59	\$0.28	111%
Backlog (Units)	11,245	9,323	21%
Backlog Dollar Value (\$ millions)	\$4,961	\$3,802	30%

Q1 2018 Selected Balance Sheet Data

	March 31, 2018 (\$ millions)	December 31, 2017 (\$ millions)
Cash and Equivalents (including restricted cash)	\$185	\$306
House and Land Inventory	\$7,465	\$7,147
Debt	\$3,088	\$3,007
Shareholders' Equity	\$4,275	\$4,154
Debt – to – Capitalization	42%	42%



First Quarter 2018 Earnings