



Report on 2018 Third 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,
Finance**



**Jim
Zeumer**

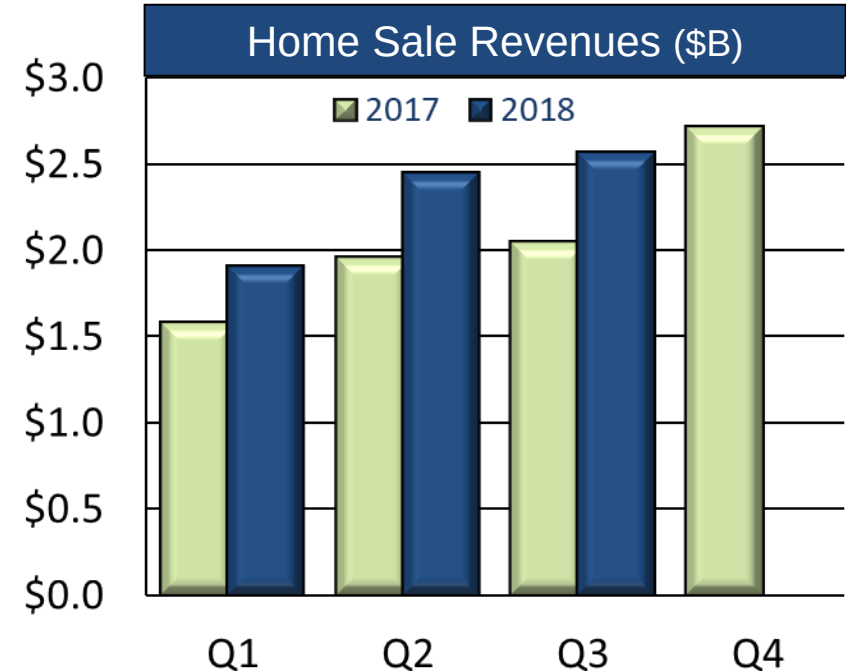
**Vice President,
Investor
Relations**



Review of Q3 2018 Results

Q3 2018 Financial Highlights

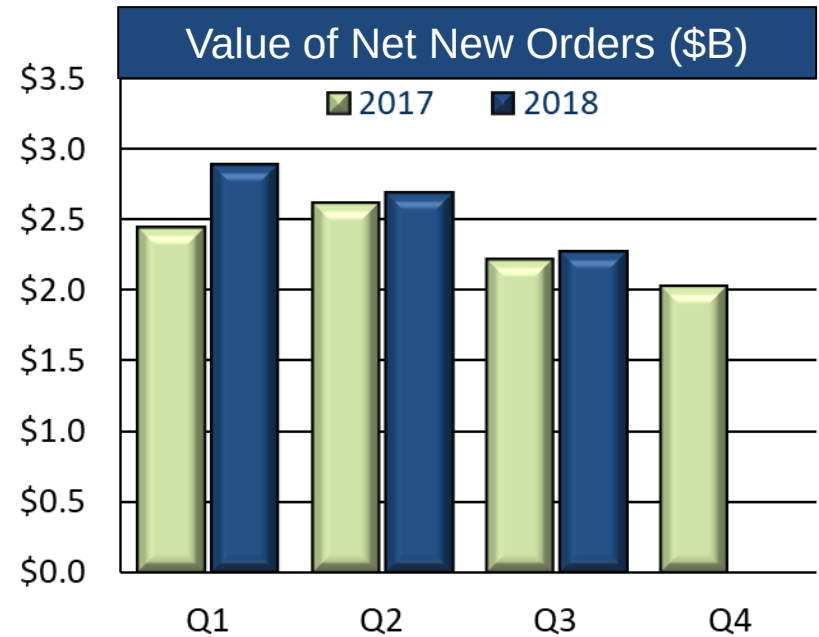
- Home sale revenues increased 25% to \$2.6 billion
 - ✓ Closings increased 17% to 6,031 homes; ASP up 7% to \$427,000
 - ✓ Home sale gross margin increased 10 bps to 24.0%
 - ✓ SG&A lowered by 180 bps to 9.8% of home sale revenues
 - ✓ Reported net income of \$1.01 per share



	Unit Closings			
	Q1	Q2	Q3	Q4
2017	4,225	5,044	5,151	6,632
2018	4,626	5,741	6,031	-
Change	+9%	+14%	+17%	-

Q3 2018 Financial Highlights

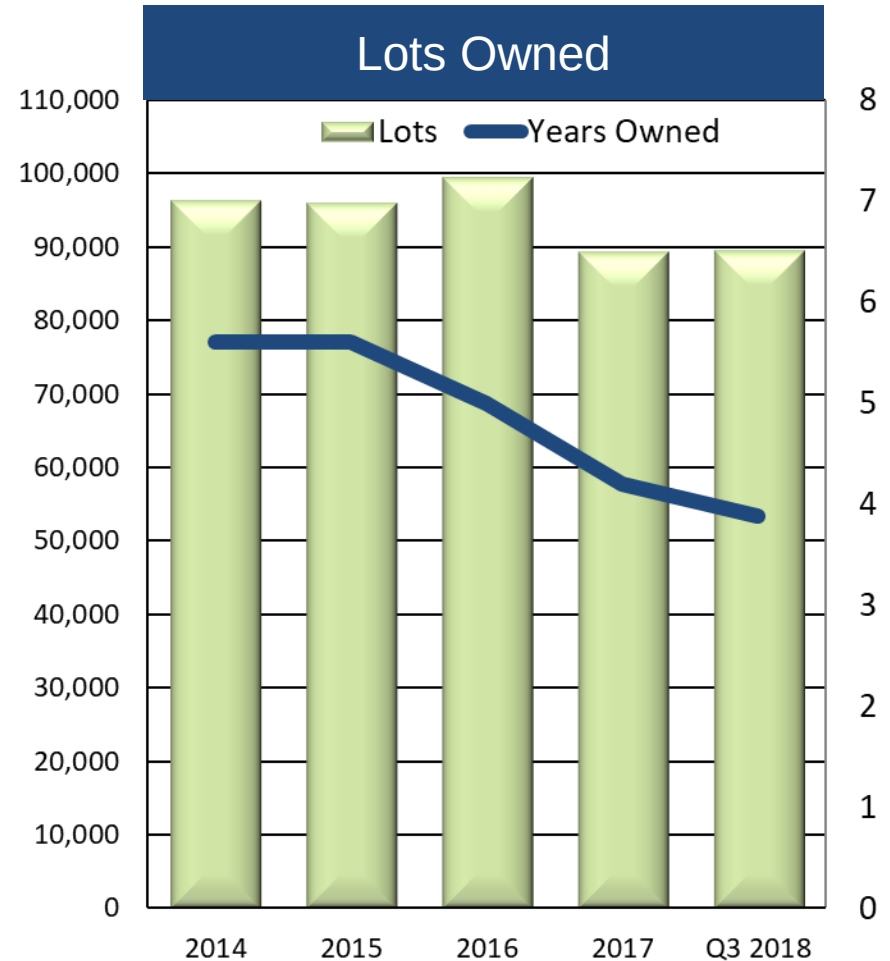
- Net new orders increase 1% to 5,350 homes
- Value of net new orders up 1% to \$2.3 billion
- Backlog value of \$4.9 billion, up 5% over prior year
- Unit backlog increased 3% to 11,164 homes



	Net New Orders			
	Q1	Q2	Q3	Q4
2017	6,126	6,395	5,300	4,805
2018	6,875	6,341	5,350	-
Change	+12%	- 1%	+1%	-

Optimizing Land Investments

- Land pipeline of ~150,000 lots with 41% controlled via option
 - ✓ Reduced owned lot position to 3.9 years based on TTM closings
- Invested \$254 million in land acquisition during Q3
- Approved an additional 6,500 lots for purchase
 - ✓ Average project size of ~130 lots



Q3 2018 Selected Financial Data

	Three Months Ended September 30,		Change
	2018	2017	
Home Sale Revenues (\$ millions)	\$2,572	\$2,056	25%
Home Sale Gross Margin	24.0%	23.9%	10 bps
SG&A as Percent of Home Sale Revenues	9.8%	11.6%	180 bps
Operating Margin	14.2%	12.3%	190 bps
Net Income (\$ millions)	\$290	\$178	63%
Diluted Earnings Per Share	\$1.01	\$0.58	74%
Backlog (Units)	11,164	10,823	3%
Backlog Dollar Value (\$ millions)	\$4,911	\$4,666	5%

Q3 2018 Selected Balance Sheet Data

	September 30, 2018 (\$ millions)	December 31, 2017 (\$ millions)
Cash and Equivalents (including restricted cash)	\$759	\$306
House and Land Inventory	\$7,489	\$7,147
Debt	\$3,005	\$3,007
Shareholders' Equity	\$4,729	\$4,154
Debt – to – Capitalization	38.9%	42.0%



Third Quarter 2018 Earnings