



Update on COVID-19 and Report on
First Quarter 2020 Operating & Financial Results

April 23, 2020

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, 2019, 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 & CEO



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**Executive
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Q1 2020 Comments on COVID-19 Impacts & Response

Company Comments on COVID-19

- Efforts to battle COVID-19 pandemic resulted in significant industry-wide slow down in housing demand beginning in mid-March
- Company implemented a series of operational changes in response
 - ✓ Protecting the health and safety of our customers and employees
 - Employees working remote, as most customer interactions including sales, design, construction updates and closings become virtual
 - Implemented enhanced cleaning and personal-hygiene practices
 - Refined our building practices to help ensure our trades can operate safely and with appropriate distancing within our homes

Company Comments on COVID-19 (cont'd)

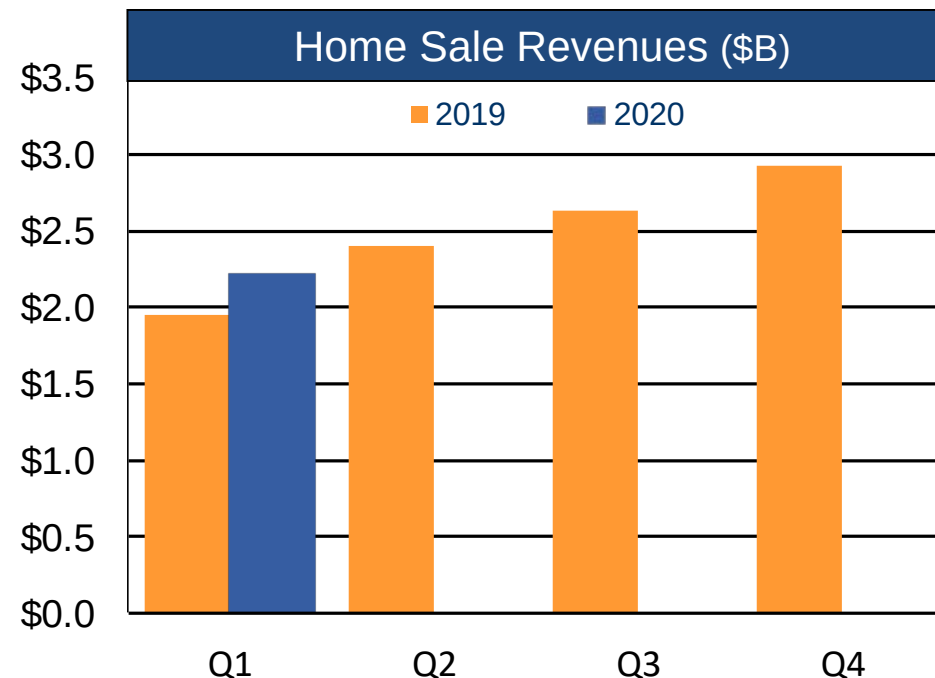
- ✓ Focus on managing cashflows and overall liquidity
 - Minimizing future cash outflows associated with home construction, land development, land acquisition and general operating costs
 - Working to maximize cash inflows through home closings
 - Quarter end cash of \$1.9 billion included \$700 million drawn on Company's revolving bank facility in March
 - Given extent of business disruptions, Company:
 - Suspended stock repurchase program
 - Withdrew guidance relating to 2020 operating and financial results and will not be providing any new guidance for the foreseeable future



Q1 2020 Financial Highlights

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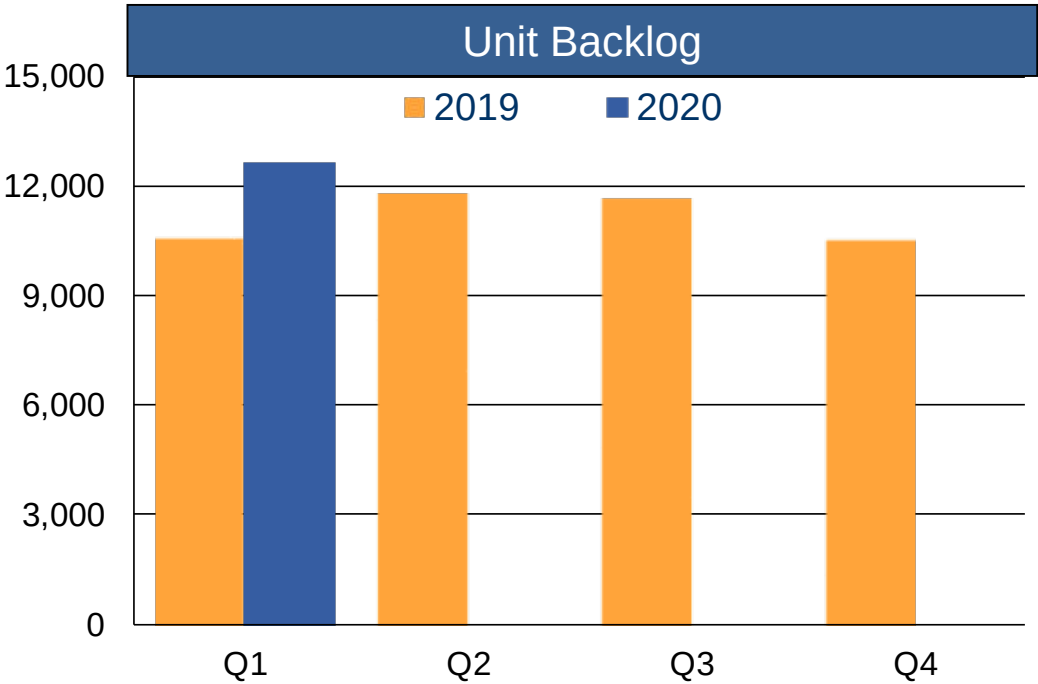
- Q1 earnings increased 26% to \$0.74 per share
- Home sale revenues of \$2.2 billion
 - ✓ Closings increased 16% to 5,373 homes
 - ✓ ASP of \$413,000 down 2% from prior year driven by change in mix of homes closed
 - ✓ First-time closings increased 55% over 2019 and accounted for 33% of Q1 closings
- Home sale gross margin increased 30 bps over prior year to 23.7%
 - ✓ Gross margin up 90 bps sequentially from Q4 2019



	Unit Closings			
	Q1	Q2	Q3	Q4
2019	4,635	5,589	6,186	6,822
2020	5,373			
Change	16%			

Q1 2020 Financial Highlights

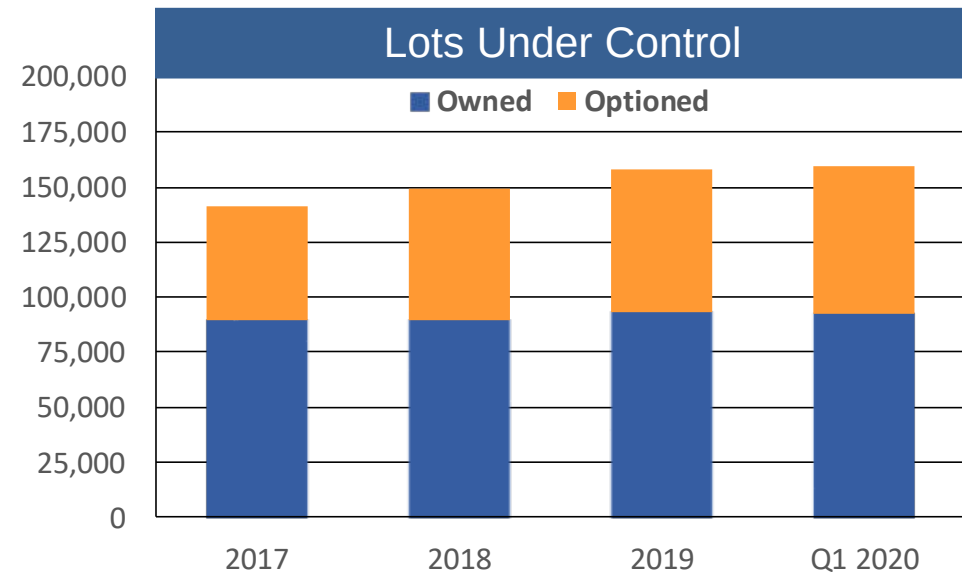
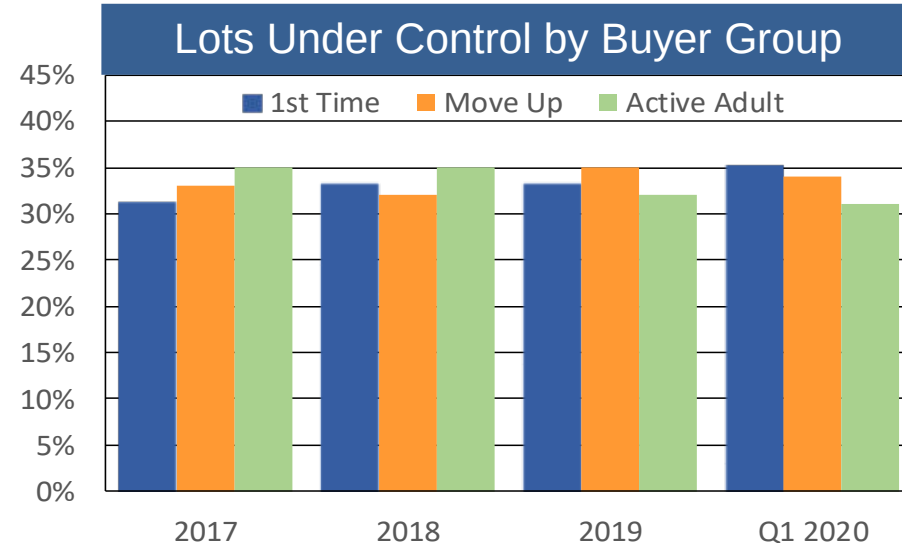
- Net new orders increased 16% to 7,495 homes
 - ✓ Absorption pace higher by 12%
- Value of net new orders increased 19% to \$3.3 billion
- Unit backlog increased 20% to 12,629 homes
 - ✓ Backlog value increased 21% to \$5.6 billion



	Net New Orders			
	Q1	Q2	Q3	Q4
2019	6,463	6,792	6,031	5,691
2020	7,495			
Change	16%			

Adjusting Land Investment Given Impact of COVID-19

- Q1 2020 land acq. & development investment of \$619 million
 - ✓ Q1 land acquisition investment of \$219 million, down from \$305 million in prior year
 - ✓ Working with land sellers to defer pending land purchases
- 160,000 lots under control
 - ✓ 42% of lots held via option
 - ✓ 35% of lots under control target first-time buyers



Focus on Liquidity and Balance Sheet Strength

- Quarter end cash balance of \$1.9 billion
 - ✓ Given market uncertainties created by COVID-19, Company elected to draw \$700 million on its revolving credit facility
 - ✓ Net-debt-to-total capital of 22.5%
- Company repurchased \$96 million of common shares before suspending the program in late March
- Aggressively managing cash flow
 - ✓ Working to minimize future cash outflows associated with home construction, land development, land acquisition and general operating costs
 - ✓ Continuing to close homes to sustain cash inflows

Q1 2020 Selected Financial Data

	Three Months Ended March 31,		Change
	2020	2019	
Home Sale Revenues (\$ millions)	\$2,222	\$1,950	14%
Gross Margin Percentage	23.7%	23.4%	30 bps
SG&A Percent of Home Sale Revenues	11.9%	13.0%	- 110 bps
Financial Services Pretax Income (\$ millions)	\$20	\$12	58%
Net Income (\$ millions)	\$204	\$167	22%
Earnings Per Share	\$0.74	\$0.59	26%
Backlog (Units)	12,629	10,550	20%
Backlog Dollar Value (\$ millions)	\$5,583	\$4,622	21%

Q1 2020 Selected Balance Sheet Data

	March 31, 2020 (\$ millions)	December 31, 2019 (\$ millions)
Cash and Equivalents (including restricted cash)	\$1,851	\$1,251
House and Land Inventory	\$7,858	\$7,681
Notes Payable	\$2,756	\$2,765
Revolving Credit Facility	\$700	-
Shareholders' Equity	\$5,530	\$5,458
Debt – to – Total Capital Ratio	38.5%	33.6%
Net Debt – to – Total Capital Ratio	22.5%	21.7%



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