JANUARY 30 2025, 10:00 (EST)

PulteGroup Reports Fourth Quarter 2024 Financial Results

- Earnings Per Share of $4.43
- Closings Increased 6% to 8,103
- Home Sale Revenues Increased 13% to $4.7 Billion
- Home Sale Gross Margin of 27.5%
- Net New Orders of 6,167 Homes with a Value of $3.5 Billion
- Unit Backlog of 10,153 Homes with a Value of $6.5 Billion
- Repurchased $320 Million of Common Shares in the Quarter
- Announces $1.5 Billion Increase to Share Repurchase Authorization

PulteGroup, Inc. (NYSE: PHM) announced today financial results for its fourth quarter ended December 31, 2024. For the quarter, the Company reported net income of $913 million, or $4.43 per share. Reported net income includes a pre-tax insurance benefit of $255 million, or $0.93 per share. In the prior year period, the Company reported net income of $711 million, or $3.28 per share, inclusive of a pre-tax insurance benefit of $65 million, or $0.23 per share.

“PulteGroup’s strong fourth quarter financial results completed a record-setting year,” said PulteGroup President and CEO, Ryan Marshall. “For the full year, PulteGroup generated nearly $18 billion in revenues and net income of $3.1 billion, while generating a return on equity of 27.5%*. These results allowed us to invest $5.3 billion into our business, return $1.4 billion to our shareholders through stock repurchases and dividends, and retire $310 million of senior notes.

“Despite Federal Reserve actions to lower short-term interest rates, mortgage interest rates remained elevated in the fourth quarter, which impacted buyer demand as homebuyers continue to face affordability challenges. The operational changes we have implemented in response to these conditions, including targeted sales incentives

coupled with faster construction cycle times, have yielded a sales backlog and inventory in process that have us well-positioned for the upcoming spring selling season."

Fourth Quarter Results

Home sale revenues in the fourth quarter increased 13% over the prior year to $4.7 billion. Higher revenues in the fourth quarter were driven by a 6% increase in closings to 8,103 homes. The average selling price of homes closed in the period was $581,000, an increase of 6% compared with $547,000 in the prior year period.

The Company's reported home sale gross margin in the fourth quarter was 27.5%, compared with 28.9% in the prior year period. Homebuilding SG&A expense for the fourth quarter was $196 million, or 4.2% of home sale revenues, compared with $308 million, or 7.4% in the prior year period. Reported SG&A expense reflects insurance benefits of $255 million and $65 million recorded in the fourth quarter of 2024 and 2023, respectively.

The Company's net new orders for the fourth quarter were 6,167 homes, which is consistent with net new orders of 6,214 homes in the prior year period. The value of net new orders in the quarter was $3.5 billion, or an increase of 4% over last year. Average community count for the fourth quarter was 960, which is up 4% from the prior year.

The Company's financial services operations generated pre-tax income of $51 million, an increase of 16% over prior year pre-tax income of $44 million. Higher pre-tax income for the period reflects higher volumes and average selling prices in the Company's homebuilding operations, coupled with a slightly higher mortgage capture rate of 86%, up from 85% last year.

Fourth quarter pre-tax income for the Company increased 25% over the prior year period to $1.2 billion. Income tax expense for the fourth quarter was $269 million, or an effective tax rate of 22.8%.

PulteGroup repurchased 2.5 million of its common shares in the fourth quarter for $320 million, or an average price of $129.90 per share. During 2024, the Company repurchased 10.1 million common shares, or 4.7% of shares outstanding, for $1.2 billion, or $119.21 per share. The Company ended the quarter with $1.7 billion of cash and a debt-to-capital ratio of 11.8%.

In a separate release, the Company announced that its Board of Directors approved a $1.5 billion increase to the Company's share repurchase authorization, bringing its remaining share repurchase authorization to $2.1 billion.

A conference call discussing PulteGroup's fourth quarter 2024 results is scheduled for Thursday, January 30, 2025, at 8:30 a.m. Eastern Time. Interested investors can access the live webcast via PulteGroup's corporate website at www.pultegroupinc.com.

* The Company's return on equity is calculated as net income for the trailing twelve months divided by average shareholders' equity, where average shareholders' equity is the sum of ending shareholders' equity balances of the trailing five quarters divided by five.

Forward-Looking Statements

This 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 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; the impact of any changes to our strategy in responding to the cyclical nature of the industry or deteriorations in industry changes or downward changes in general economic or other business conditions, including any changes regarding our land positions and the levels of our land spend; 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; labor supply shortages and the cost of labor; the availability and cost of land and other raw materials used by us in our homebuilding operations; a decline in the value of the land and home inventories we maintain and resulting possible future writedowns of the carrying value of our real estate assets; competition within the industries in which we operate; rapidly changing technological developments including, but not limited to, the use of artificial intelligence in the homebuilding industry; governmental regulation directed at or affecting the housing market, the homebuilding industry or construction activities, slow growth initiatives and/or local building moratoria; the availability and cost of insurance covering risks associated with our businesses, including warranty and other legal or regulatory proceedings or claims; damage from improper acts of persons over whom we do not have control or attempts to impose liabilities or obligations of third parties on us; weather related slowdowns; the impact of climate change and related governmental regulation; adverse capital and credit market conditions, which may affect our access to and cost of capital; the insufficiency of our income tax provisions and tax reserves, including as a result of changing laws or interpretations; the potential that we do not realize our deferred tax assets; our inability to sell mortgages into the secondary market; uncertainty in the mortgage lending industry, including revisions to underwriting standards and repurchase requirements associated with the sale of mortgage loans, and related claims against us; risks associated with the implementation of a new enterprise

resource planning system; risks related to information technology failures, data security issues, and the effect of cybersecurity incidents and threats; the impact of negative publicity on sales; failure to retain key personnel; the impairment of our intangible assets; the disruptions associated with the COVID-19 pandemic (or another epidemic or pandemic or similar public threat or fear of such an event), and the measures taken to address it; the effect of cybersecurity incidents and threats; and other factors of national, regional and global scale, including those of a political, economic, business and competitive nature. See Item 1A – Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 for a further discussion of these and other risks and uncertainties applicable to our businesses. We undertake no duty to update any forward-looking statement, whether as a result of new information, future events or changes in our expectations.

About PulteGroup

PulteGroup, Inc. (NYSE: PHM), based in Atlanta, Georgia, is one of America's largest homebuilding companies with operations in more than 45 markets throughout the country. Through its brand portfolio that includes Pulte Homes, Centex, Del Webb, DiVosta Homes, and John Wieland Homes and Neighborhoods, the company is one of the industry's most versatile homebuilders able to meet the needs of multiple buyer groups and respond to changing consumer demand. PulteGroup's purpose is building incredible places where people can live their dreams.

For more information about PulteGroup, Inc. and PulteGroup brands, go to pultegroup.com; pulte.com; centex.com; delwebb.com; divosta.com; and jwhomes.com. Follow PulteGroup, Inc. on X: @PulteGroupNews.

Contact details

Ally Boyle
Manager, Corporate Communications
alexandra.boyle@pultegroup.com
404-464-9060

Copy link

https://newsroom.pultegroupinc.com/270606-pultegroup-reports-fourth-quarter-2024-financial-results/