

PulteGroup Reports Third Quarter 2024 Financial Results

- Earnings Increased 16% to \$3.35 Per Share
- Closings Increased 12% to 7,924
- Home Sale Revenues Increased 12% to \$4.3 Billion
- Home Sale Gross Margin of 28.8%
- Net New Orders Totaled 7,031 Homes with a Value of \$3.9 Billion
- Unit Backlog of 12,089 Homes with a Value of \$7.7 Billion
- Repurchased \$320 Million of Common Shares in the Quarter

PulteGroup, Inc. (NYSE: PHM) announced today financial results for its third quarter ended September 30, 2024. For the quarter, the Company reported net income of \$698 million, or \$3.35 per share. In the prior year period, the Company reported net income of \$639 million, or \$2.90 per share.

“Supported by the successful execution of our balanced spec and build-to-order operating model, PulteGroup realized record third quarter home sale revenues of \$4.3 billion and earnings of \$3.35 per share, as we increased home closings in the period by 12% over last year,” said PulteGroup President and CEO, Ryan Marshall. “Consistent with our stated strategies, in the third quarter we invested \$1.4 billion into our business, while returning over \$360 million to our shareholders and generating a return on equity of 27%* for the trailing 12 months.

“Years of underbuilding has created a structural shortage of homes and correspondingly high home prices, so the Federal Reserve’s pivot to lowering interest rates provides a powerful tool in helping to address the affordability challenge faced by today’s homebuyers,” said Mr. Marshall. “Given our strong third quarter and nine-month financial results, we are well positioned to deliver a record year of earnings for the Company.”

Third Quarter Results

Home sale revenues in the third quarter increased 12% over the prior year to \$4.3 billion. Higher revenues in the third quarter were driven by a 12% increase in closings to 7,924 homes. The average selling price of homes closed in the period was \$548,000, effectively unchanged from the prior year.

The Company's reported home sale gross margin in the third quarter was 28.8%, compared with 29.5% in the prior year period. Homebuilding SG&A expense for the third quarter was \$407 million, or 9.4% of home sale revenues, compared with \$353 million, or 9.1% in the prior year period.

The Company's net new orders for the third quarter were 7,031 homes, which is consistent with net new orders of 7,065 homes in the prior year period. The value of net new orders in the quarter was \$3.9 billion, or an increase of 3% over last year. Average community count for the third quarter was 957, which is up 4% from the prior year. At the end of the third quarter, the Company's backlog was 12,089 homes with a value of \$7.7 billion.

The Company's financial services operations generated pre-tax income of \$55 million, an increase of 90% over prior year pre-tax income of \$29 million. The significant increase in pre-tax income reflects the benefit of higher volumes in the Company's homebuilding operations, as well as a more favorable operating environment. Mortgage capture rate for the third quarter was 87%, up from 84% last year.

Third quarter pre-tax income for the Company increased 7% over the prior year period to \$906 million. Income tax expense for the third quarter was \$208 million, or an effective tax rate of 23.0%.

PulteGroup repurchased 2.5 million of its common shares in the third quarter for \$320 million, or an average price of \$126.05 per share. Through the first nine months of 2024, the Company has repurchased 7.6 million common shares, or 3.6% of shares

outstanding, for \$880 million, or \$115.74 per share. The Company ended the quarter with \$1.5 billion of cash and a debt-to-capital ratio of 12.3%.

A conference call discussing PulteGroup's third quarter 2024 results is scheduled for Tuesday, October 22, 2024, 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; 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 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; 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](https://twitter.com/PulteGroupNews).

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