

D·R·HORTON[®]
America's Builder

Investor Presentation

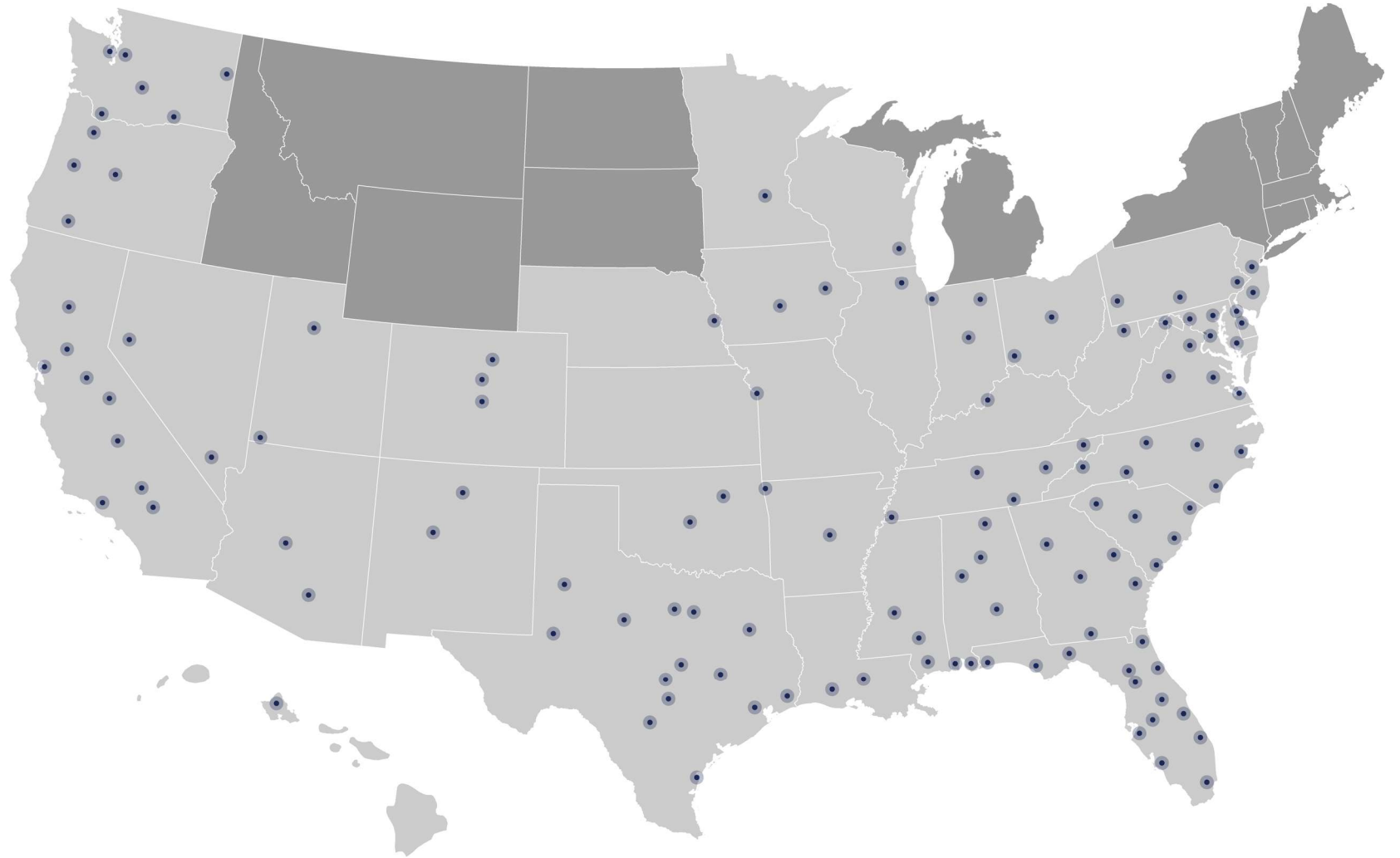
Q4 2024



**125 Markets
36 States**



**AMERICA'S #1 HOMEBUILDER
SINCE 2002**



D·R·HORTON®
America's Builder

Forward-Looking Statements

This presentation may include “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Although D.R. Horton believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Factors that may cause the actual results to be materially different from the future results expressed by the forward-looking statements include, but are not limited to: the cyclical nature of the homebuilding, rental and lot development industries and changes in economic, real estate or other conditions; adverse developments affecting the capital markets and financial institutions, which could limit our ability to access capital, increase our cost of capital and impact our liquidity and capital resources; reductions in the availability of mortgage financing provided by government agencies, changes in government financing programs, a decrease in our ability to sell mortgage loans on attractive terms or an increase in mortgage interest rates; the risks associated with our land, lot and rental inventory; our ability to effect our growth strategies, acquisitions, investments or other strategic initiatives successfully; the impact of an inflationary, deflationary or higher interest rate environment; risks of acquiring land, building materials and skilled labor and challenges obtaining regulatory approvals; the effects of public health issues such as a major epidemic or pandemic on the economy and our businesses; the effects of weather conditions and natural disasters on our business and financial results; home warranty and construction defect claims; the effects of health and safety incidents; reductions in the availability of performance bonds; increases in the costs of owning a home; the effects of information technology failures, data security breaches, and the failure to satisfy privacy and data protection laws and regulations; the effects of governmental regulations and environmental matters on our land development and housing operations; the effects of governmental regulations on our financial services operations; the effects of competitive conditions within the industries in which we operate; our ability to manage and service our debt and comply with related debt covenants, restrictions and limitations; the effects of negative publicity; the effects of the loss of key personnel; and the effects of actions by activist stockholders. Additional information about issues that could lead to material changes in performance is contained in D.R. Horton’s annual report on Form 10-K and most recent report on Form 10-Q, both of which are filed with the Securities and Exchange Commission.

At A Glance

NYSE

Traded on NYSE as DHI



23 Years as America's Largest Builder



Employees



First-Time Homebuyers
Of those who used DHI Mortgage for financing



Return on Equity



Returned to Shareholders
Through share repurchases & dividends



Cash Flow from Operations



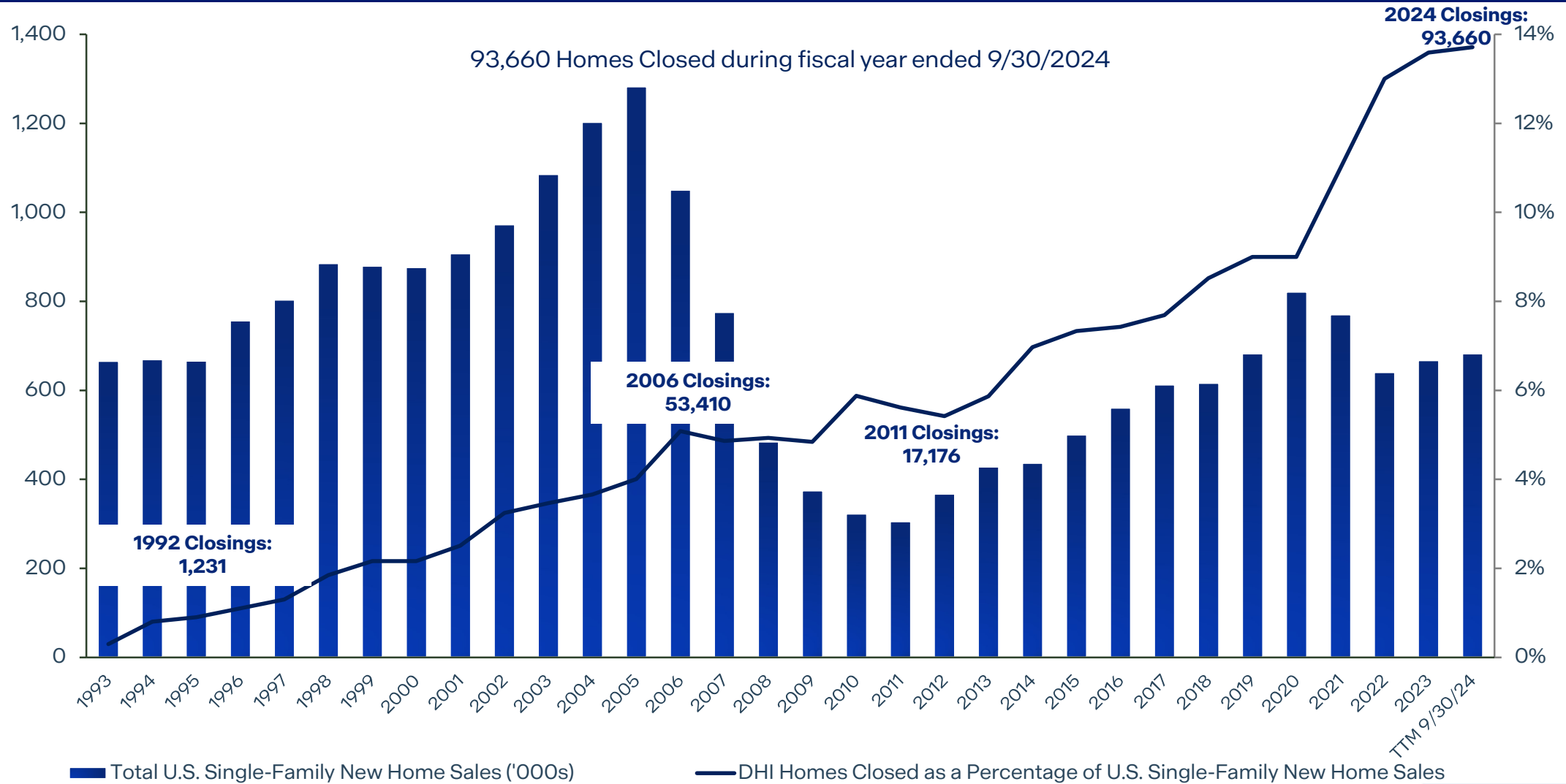
HB Pre-Tax Profit Margin



Average Selling Price
On homes closed by homebuilding operations

As of or for the fiscal year ended September 30, 2024

Growth in Market Share



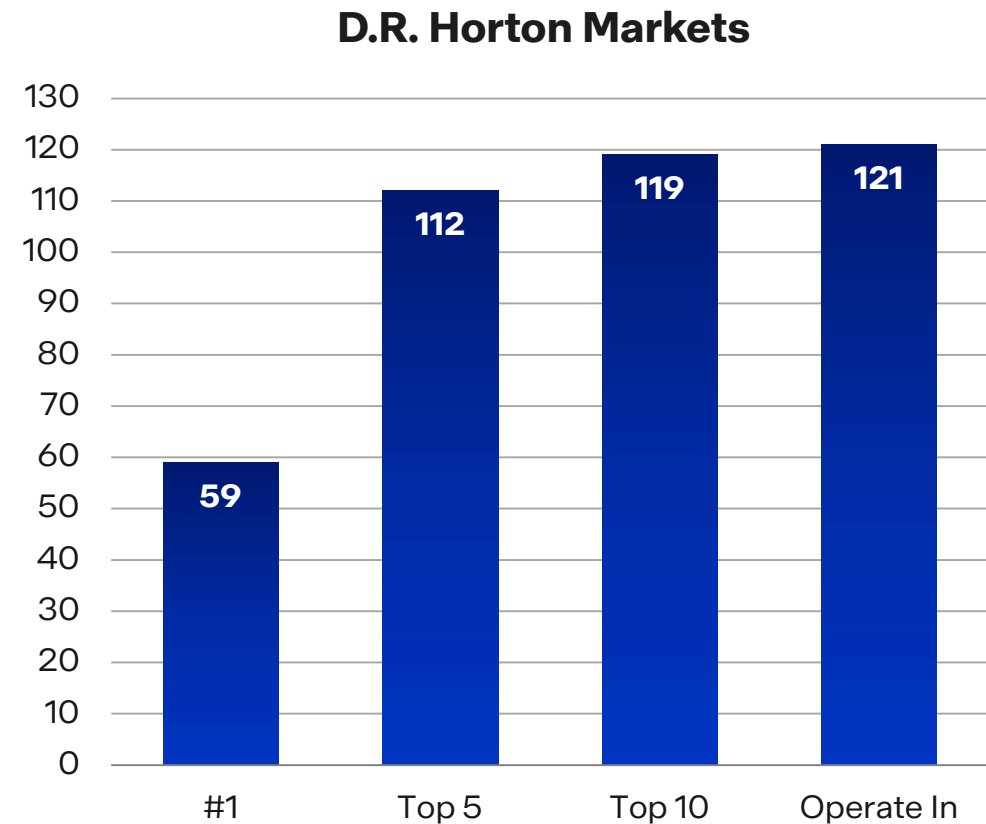
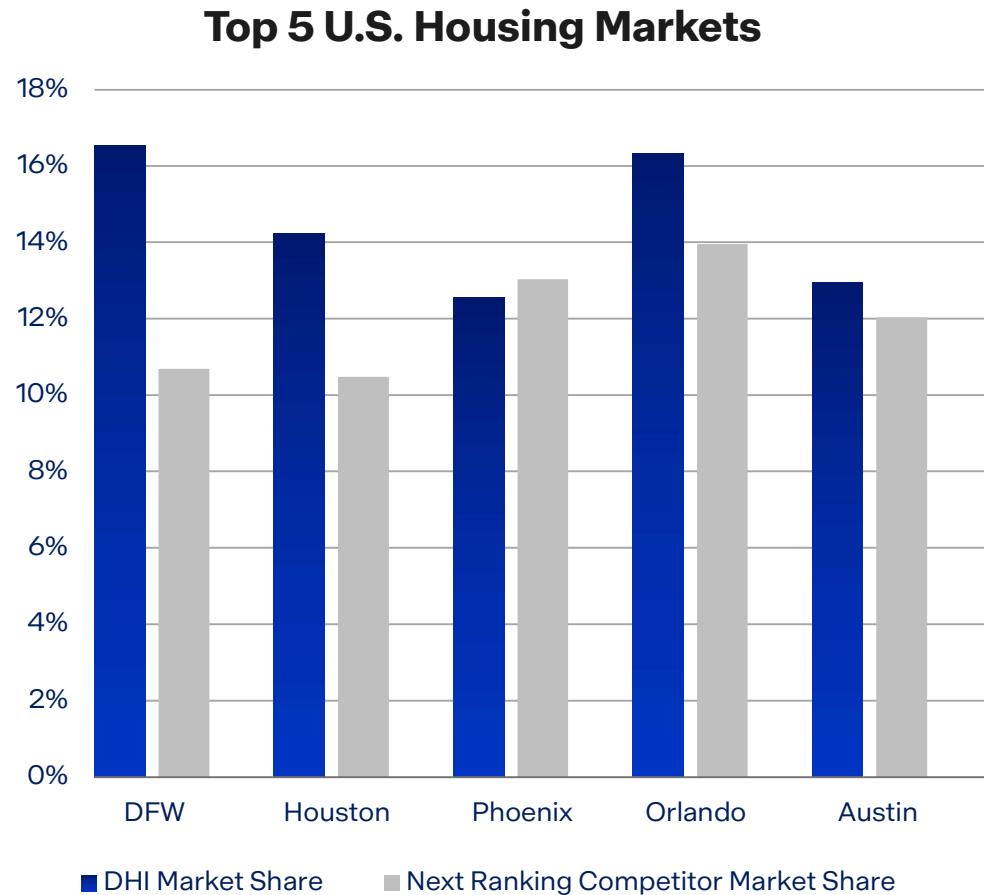
Source: Company filings, Census

Note: Periods represent full calendar year, unless otherwise noted; includes homes closed by both homebuilding and single-family rental operations



Market Share Dominance

D.R. Horton is the largest builder in 4 of the top 5 U.S. housing markets & in 59 of the 121 markets in which we operated at June 30, 2024



Source: Zonda and D.R. Horton estimates for the trailing twelve months ended 6/30/24



Management Tenure And Experience



Average employee tenure as of 9/30/24

Executive Team
~27 years

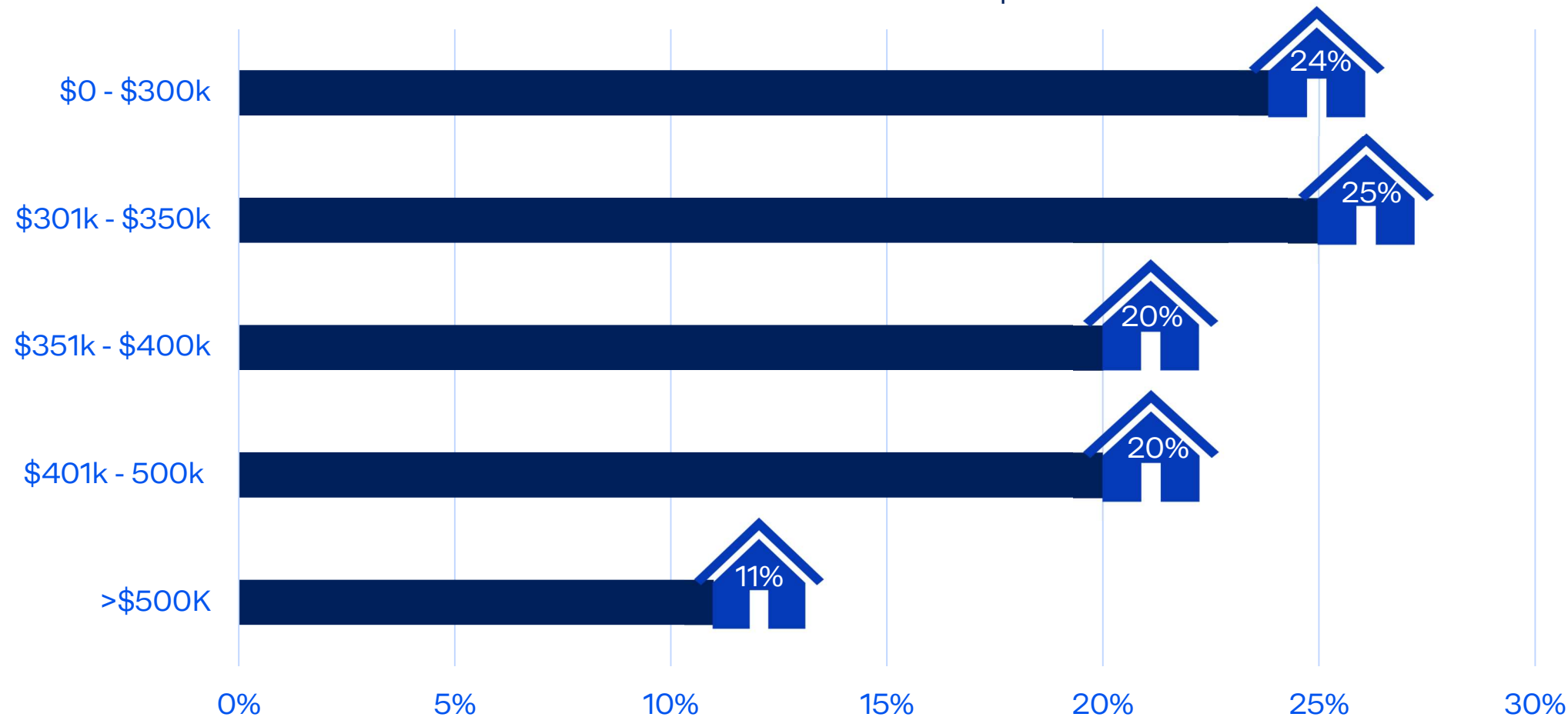
Region Presidents
& Vice Presidents
~20 years

Division Presidents
& City Managers
~13 years



Diverse Product Offerings And Price Points

Homes for entry-level, move-up, active adult and luxury buyers
69% of homes closed <\$400k

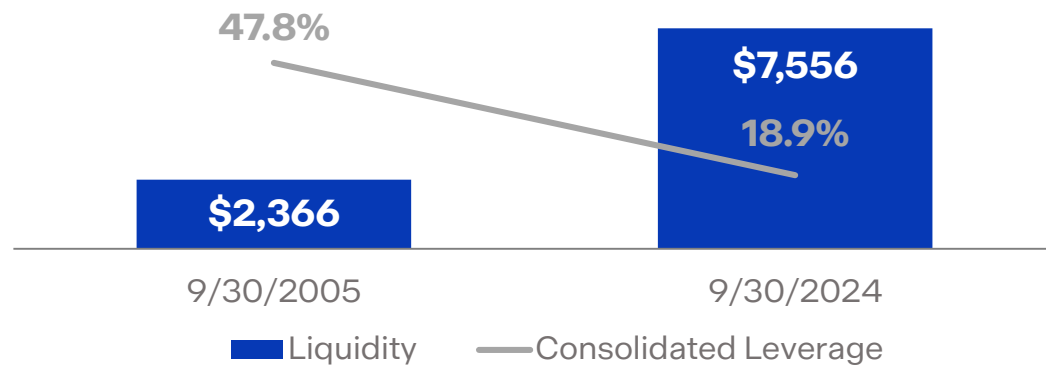


Represents price points of homes closed for the fiscal year ended 9/30/24

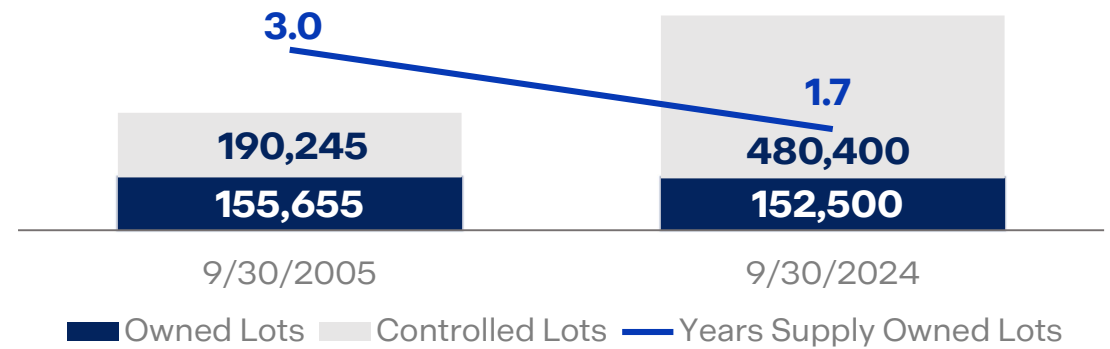
Then & Now: DHI Today vs. 2005

DHI's business model has changed – strong balance sheet, low risk land position and cash flow generation

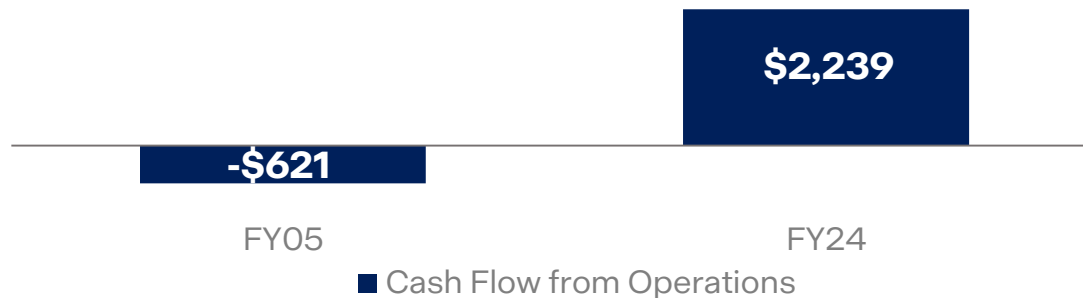
Enhanced Financial Position



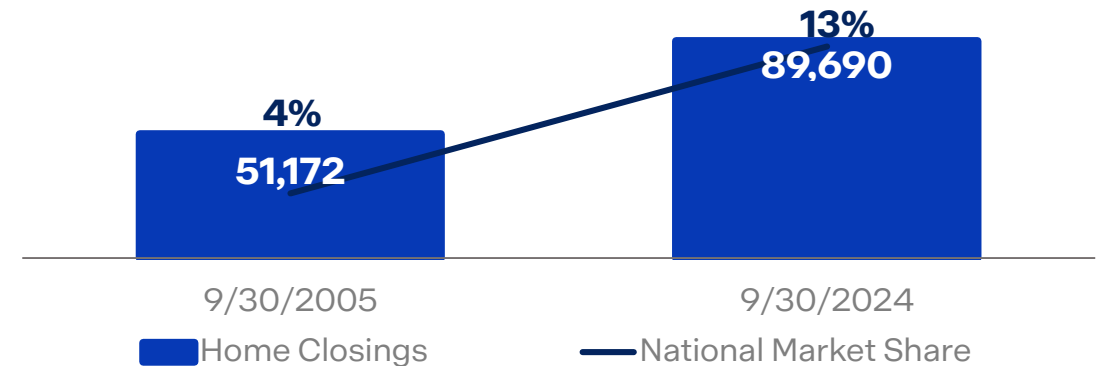
De-Risked Lot Pipeline



Increasingly Strong Cash Flow



Consolidation of Share



\$ in millions

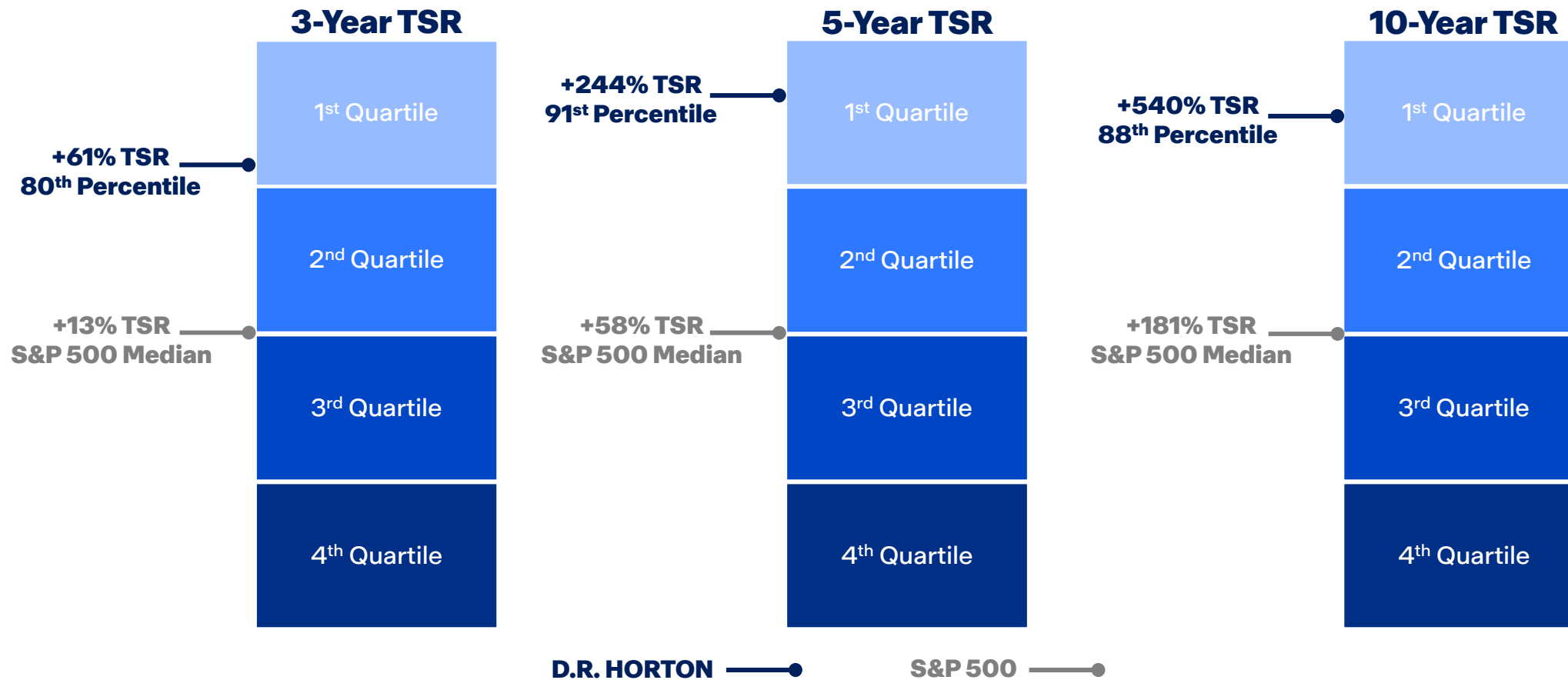
All periods as of or for the fiscal year ended 9/30/2024

Closings, lot position and FY24 cash flow from operations represent the Company's homebuilding segment only



Total Shareholder Returns

D.R. Horton's total shareholder return (TSR) ranks in the top quartile of all S&P 500 companies



Source: FactSet

TSR is calculated as the compounded return (assuming dividend reinvestment) over the respective period ended 6/30/24

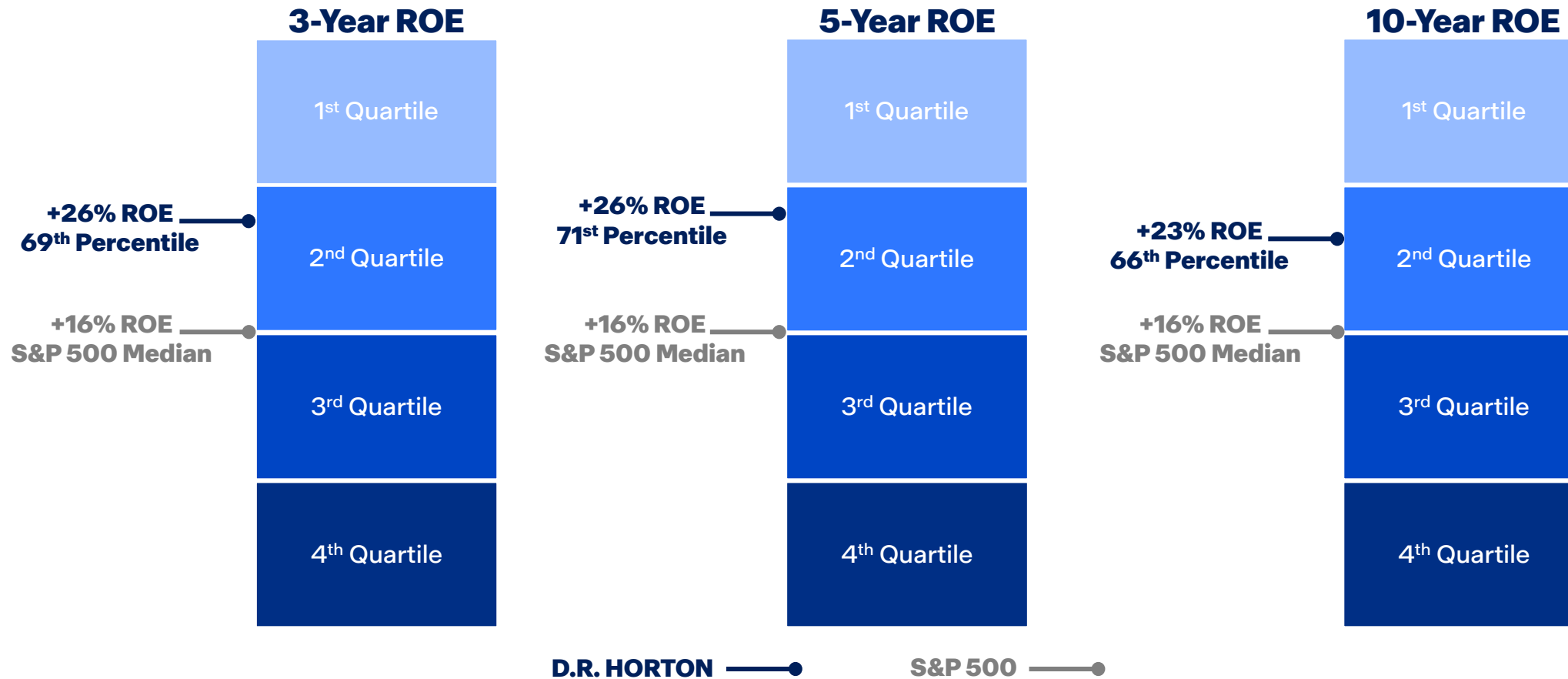
Value Creation Strategy Will Continue to Produce Best-in-Class Returns



Disciplined focus on returns, consistent cash flow generation and balanced capital allocation drives shareholder value

Return On Equity

D.R. Horton's average annual return on equity (ROE) ranks in the upper half of all S&P 500 companies



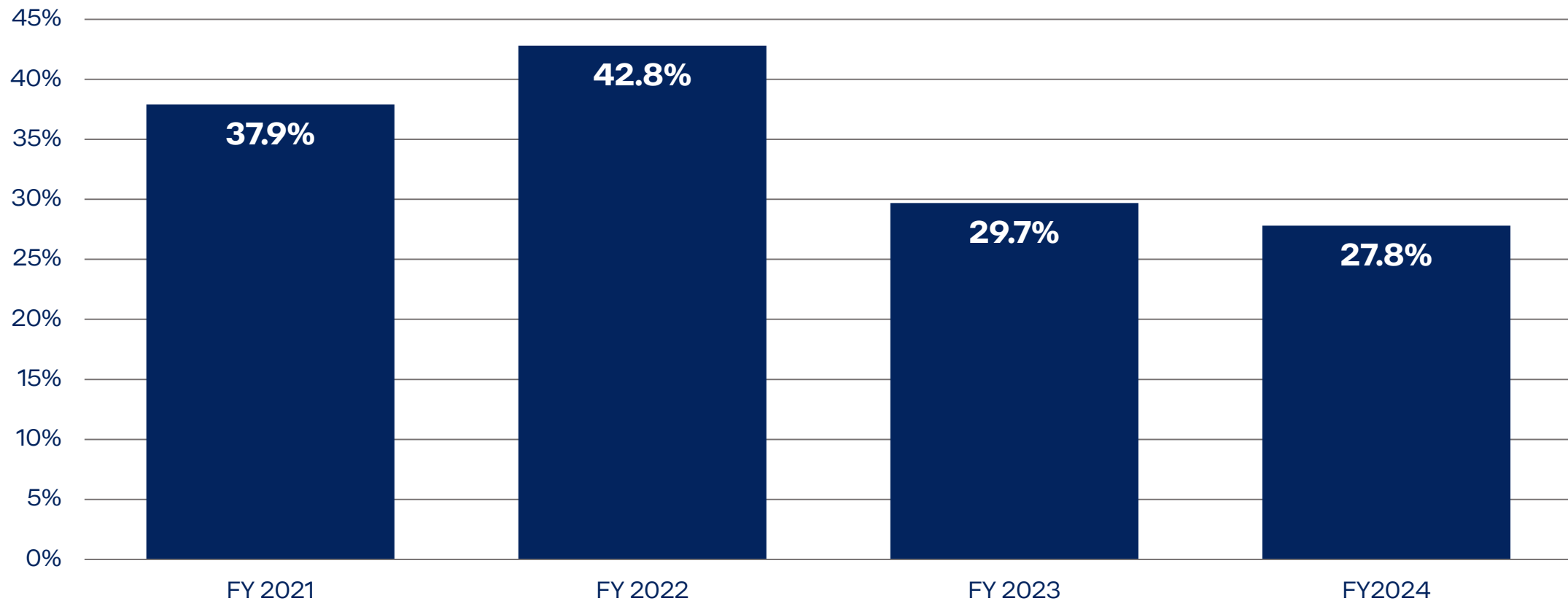
Source: Bloomberg

ROE for each of the S&P 500 companies as of their last filed reporting period ended on or before 6/30/24

ROE is calculated as the sum of net income divided by average stockholders' equity divided by the number of years in the respective period

Homebuilding Pre-Tax Return On Inventory

Manufacturing business model focused on operating and capital efficiency to produce strong returns and consistent cash flow

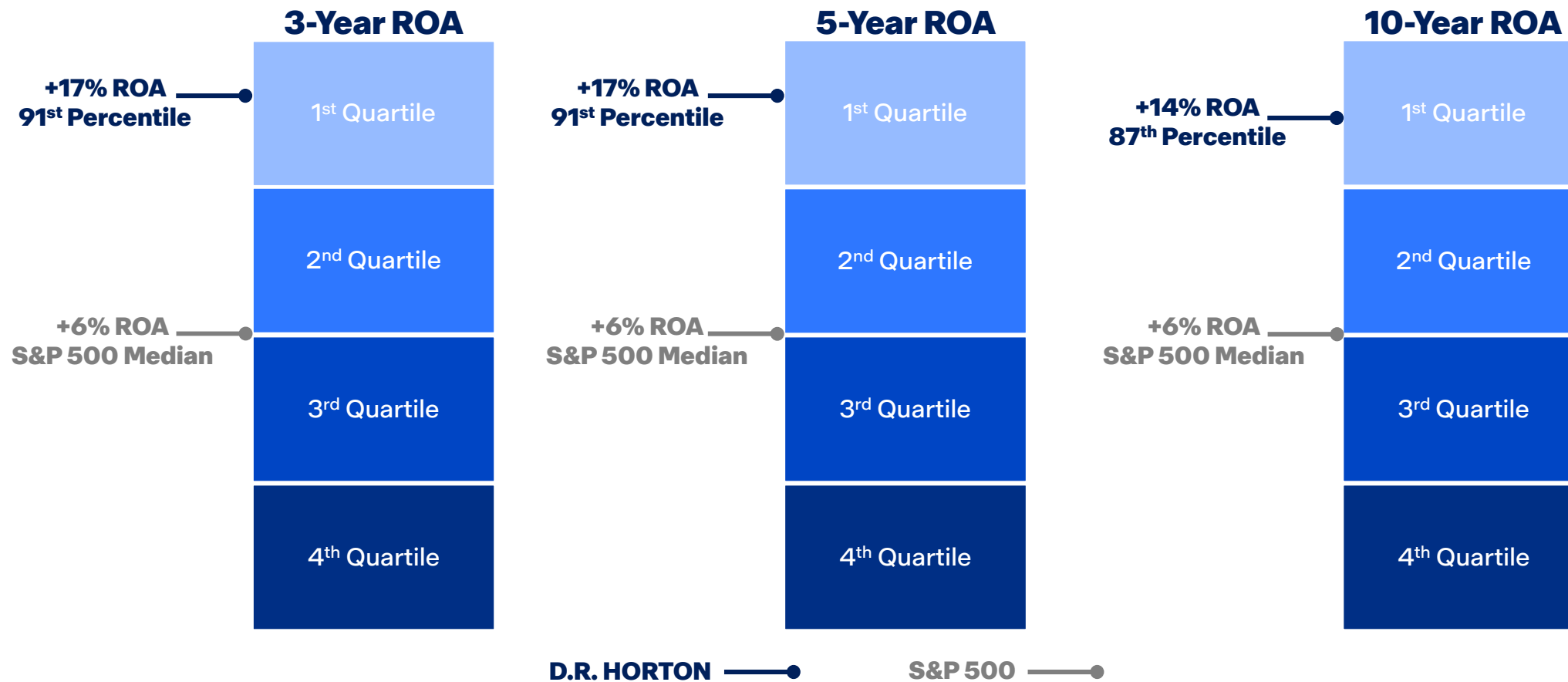


Homebuilding ROI is calculated as homebuilding pre-tax income for the year divided by average homebuilding inventory
Average homebuilding inventory in the ROI calculation is the sum of ending homebuilding inventory balances for the trailing five quarters divided by five



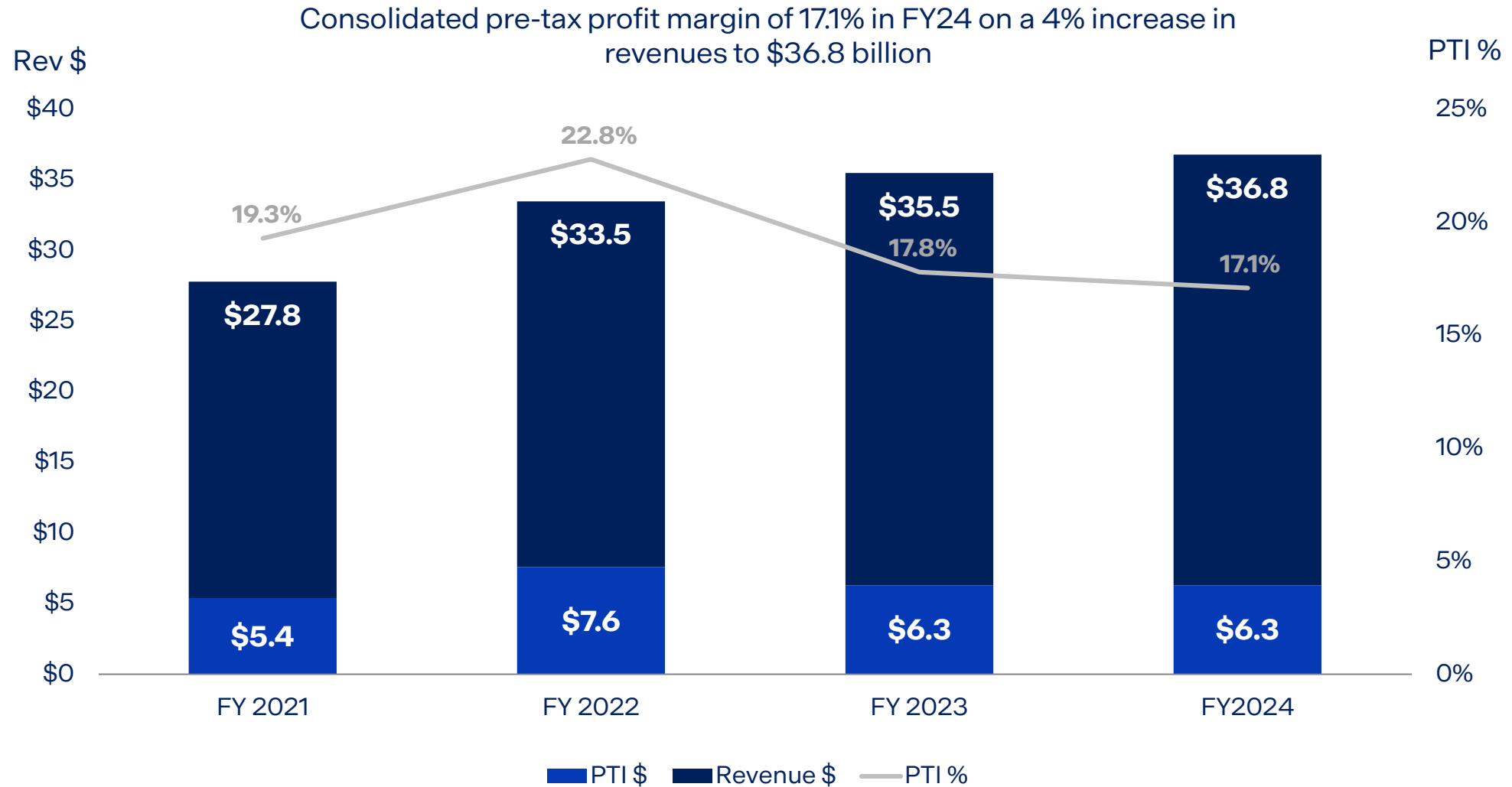
Return On Assets

D.R. Horton's average annual return on assets (ROA) ranks in the top quartile of all S&P 500 companies



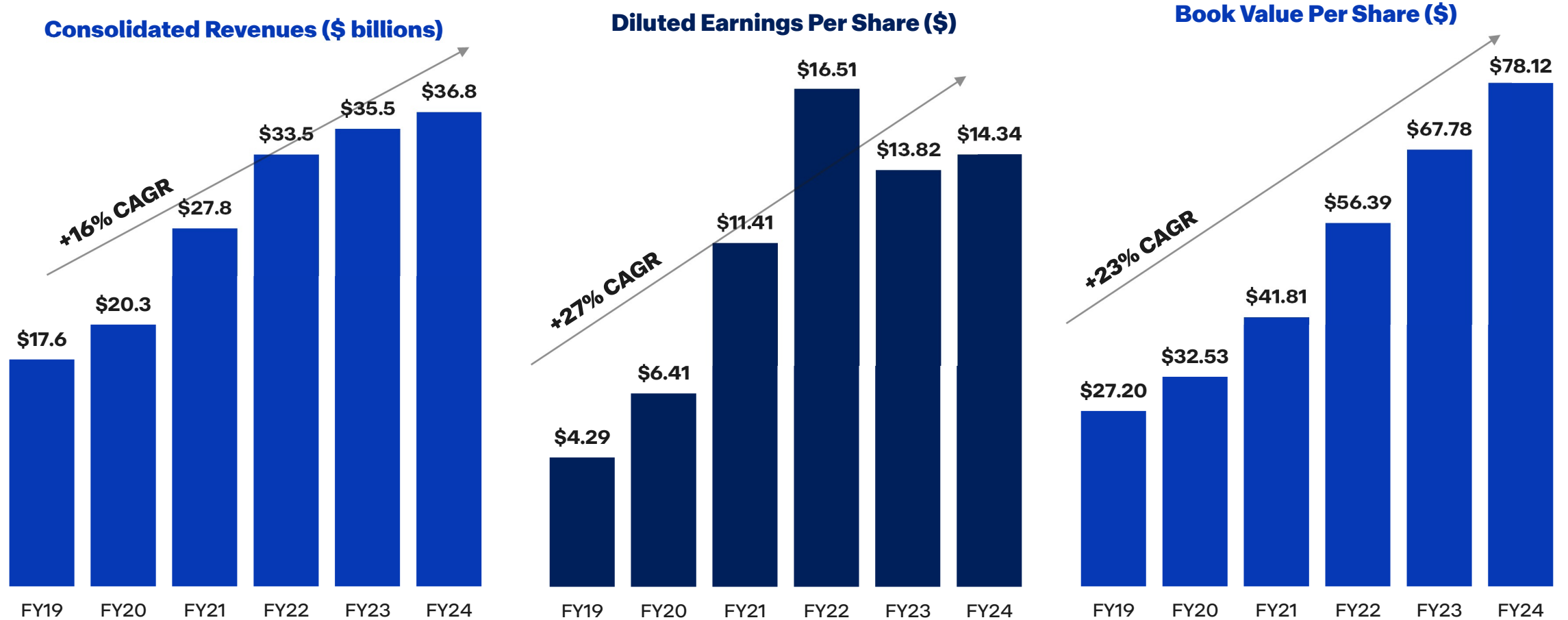
Source: Bloomberg
 ROA for each of the S&P 500 companies as of their last filed reporting period ended on or before 6/30/24
 ROA is calculated as the sum of net income divided by average total assets divided by the number of years in the respective period

Consolidated Pre-Tax Profit Margin



\$ in billions
 Consolidated pre-tax profit margin shown as a % of consolidated revenues

Strong Track Record of Exceptional Financial Performance

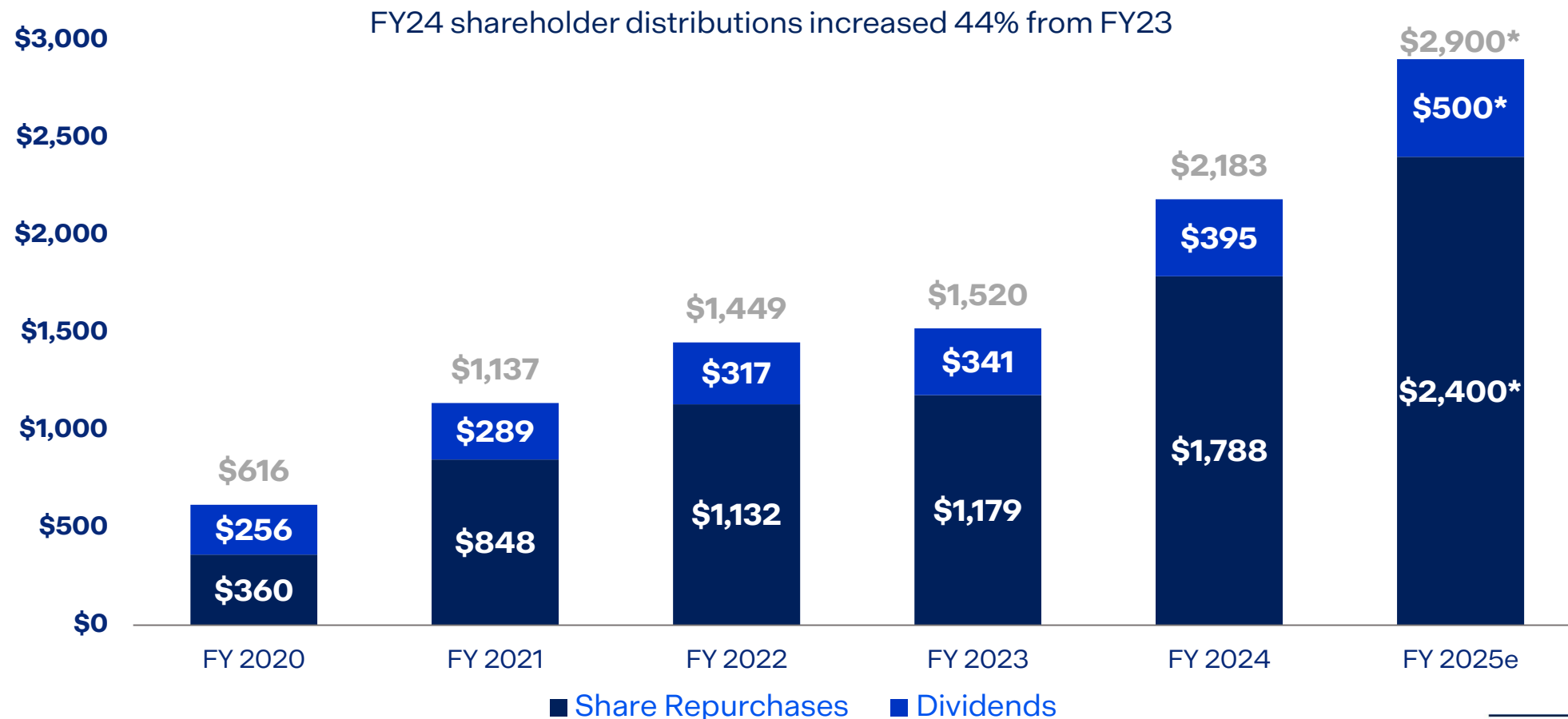


Consistent and profitable growth is the foundation for increasing long-term shareholder value

CAGR calculated over the 5-year period ended 9/30/2024

Increasing Shareholder Distributions

We expect to generate more cash flow from operations in FY25 than FY24 and to utilize a substantial portion for returns to shareholders



\$ in millions

*Based on expectations outlined on the Company's Q4 FY24 conference call on 10/29/24

Capital And Cash Flow Priorities

- Focused on generating consistent and increasing cash flows from operations
- Balanced, disciplined, flexible and opportunistic capital allocation to enhance long-term value
- Invest in homebuilding and other business platforms to grow and increase market share
- Maintain strong liquidity and low leverage at current levels
 - Target consolidated leverage of ~20%
 - Issued \$700 million of senior notes due 2034 in August 2024 and repaid \$500 million in senior notes at maturity in October 2024
 - No remaining senior note maturities in fiscal 2025
- Dividends to shareholders - approximately \$500 million in FY25
- Repurchases of common stock
 - Repurchased 12.5 million shares in FY24 for \$1.8 billion
 - Outstanding share count reduced by 3% from a year ago (12% reduction over past 5 years)
 - Expect to repurchase ~\$2.4 billion of common stock in FY25

Homebuilding Operational Focus

- Provide value, quality and positive experience and service to homebuyers
- Maximize returns and generate strong cash flows by managing sales pace and pricing in each community
- Manage land, lot and home inventory efficiently to meet demand and gain market share
- Minimum investment underwriting thresholds for each new community:
 - Greater than 20% annual pre-tax return on inventory (ROI)
 - Initial cash investment returned within 24 months or less
- Control a significant portion of our land and finished lot position through purchase contracts with lot developers and prioritize purchases of finished lots vs. self-development
- Improve the efficiency of our construction and sales activities to increase inventory turns
- Reduce construction costs while ensuring adequate production capacity
- Control SG&A while ensuring infrastructure supports the business

Rental Operations

Develop, construct, lease and sell single-family and multi-family residential properties
Generated \$228.7 million of pre-tax income on \$1.7 billion of revenues in fiscal 2024

Single-Family Rental

	FY24	FY23
Revenues	\$1.18B	\$2.01B
Homes Sold	3,970	6,175
Inventory	\$800.3M	\$1.34B
Homes Under Construction	340	1,260
Completed Homes	2,800	4,370
Total Lots	1,910 lots	3,380 lots
Finished Lots	1,000 lots	1,170 lots

Multi-Family Rental

	FY24	FY23
Revenues	\$507.7M	\$590.7M
Units Sold	2,202	2,112
Inventory	\$2.10B	\$1.36B
Units Under Construction	7,900	7,200
Completed Units	4,060	1,950

The Company's DRH Rental subsidiary is separately capitalized with a \$1.05 billion senior unsecured revolving credit facility

As of or for the period ended

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- DHI owns 62% of Forestar, a publicly traded residential lot developer (NYSE: FOR)
- Operations in 59 markets and 24 states
- Uniquely positioned to aggregate significant market share of lot sales to homebuilders
- Supports DHI's strategy to control land and lots through purchase contracts and prioritize finished lot purchases
 - \$1.3 billion, or 22%, of D.R. Horton's FY24 finished lot purchases were from FOR
- Sold 15,068 lots and generated \$1.5 billion of revenue in FY24
- Expect 16,000 to 16,500 lots sold generating \$1.6 billion to \$1.65 billion of revenue in FY25*
- Liquidity of ~\$860 million: \$480 million of unrestricted cash and \$380 million available on credit facility
- Net debt to capitalization of 12.4%

Expectations

Although volatility in mortgage rates and changes in economic conditions could have significant impacts, the Company's expectations for FY 2025 are as follows:

Q1 FY 2025

- Consolidated revenues in a range of \$6.8 billion to \$7.3 billion
- Homes closed between 17,500 homes and 18,000 homes
- Home sales gross margin around 22.5%
- SG&A of ~8.9% of homebuilding revenues
- Financial services pre-tax profit margin of around 20%
- Income tax rate of ~24.5%

FY 2025

- Consolidated revenues in a range of \$36.0 billion to \$37.5 billion
- Homes closed between 90,000 homes and 92,000 homes
- Consolidated cash flow provided by operations greater than FY 2024
- Common stock repurchases of ~\$2.4 billion
- Dividend payments of ~\$500 million
- Income tax rate of ~24.5%

Based on current market conditions as noted on the Company's Q4 FY24 conference call on 10/29/24
Homes closed, home sales gross margin and SG&A expectations are for the Company's homebuilding segment

Fourth Quarter Data



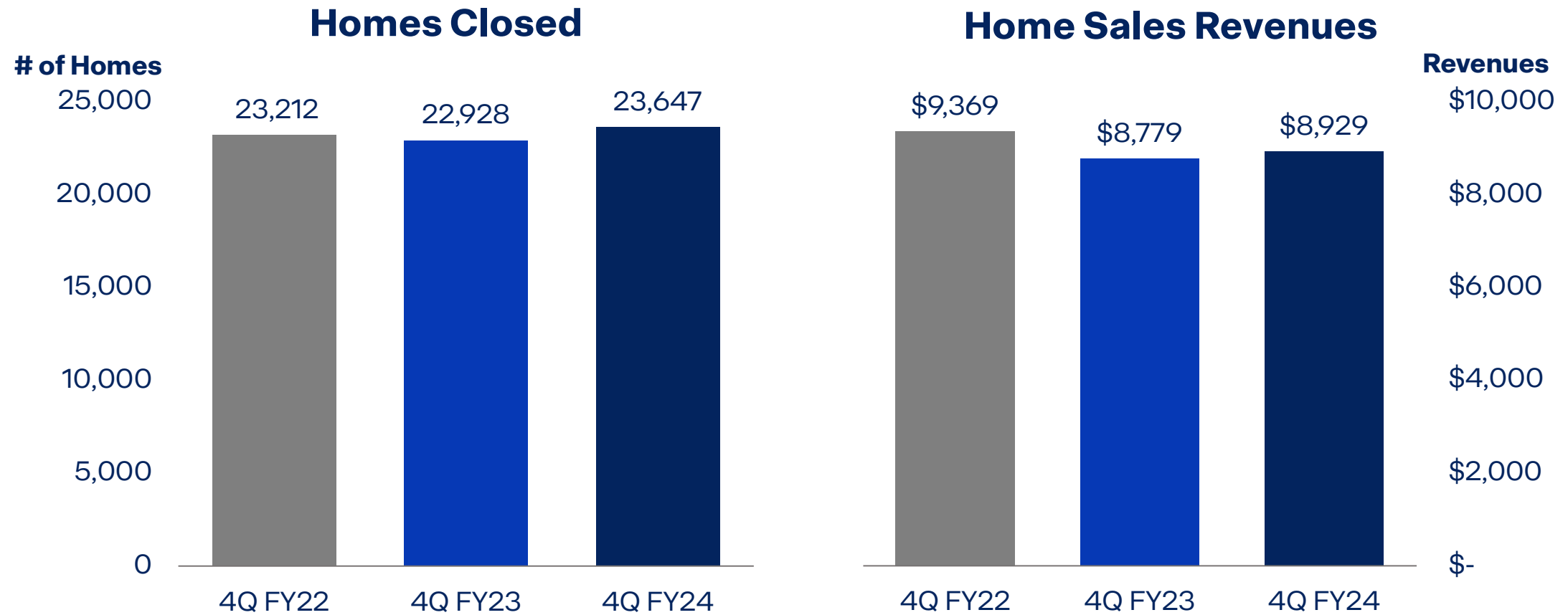
Q4 FY 2024 Highlights

- Earnings per diluted share were \$3.92 on net income of \$1.3 billion
- Consolidated pre-tax income of \$1.7 billion, with a pre-tax profit margin of 17.1%
- Consolidated revenues of \$10.0 billion
- Home sales revenues increased 2% to \$8.9 billion on 23,647 homes closed
- Net sales orders increased slightly to 19,035 homes with a value of \$7.1 billion
- Rental operations pre-tax income of \$99.9 million on \$704.8 million of revenues
 - Sold 1,692 single-family rental homes and 868 multi-family rental units
- Repurchased 3.4 million shares of common stock for \$561.2 million
- Paid cash dividends of \$97.7 million

Comparisons to the prior year quarter

Homes Closed And Revenues

Home sales revenues of \$8.9 billion on 23,647 homes closed by homebuilding operations in Q4 FY24



\$ in millions

Income Statement

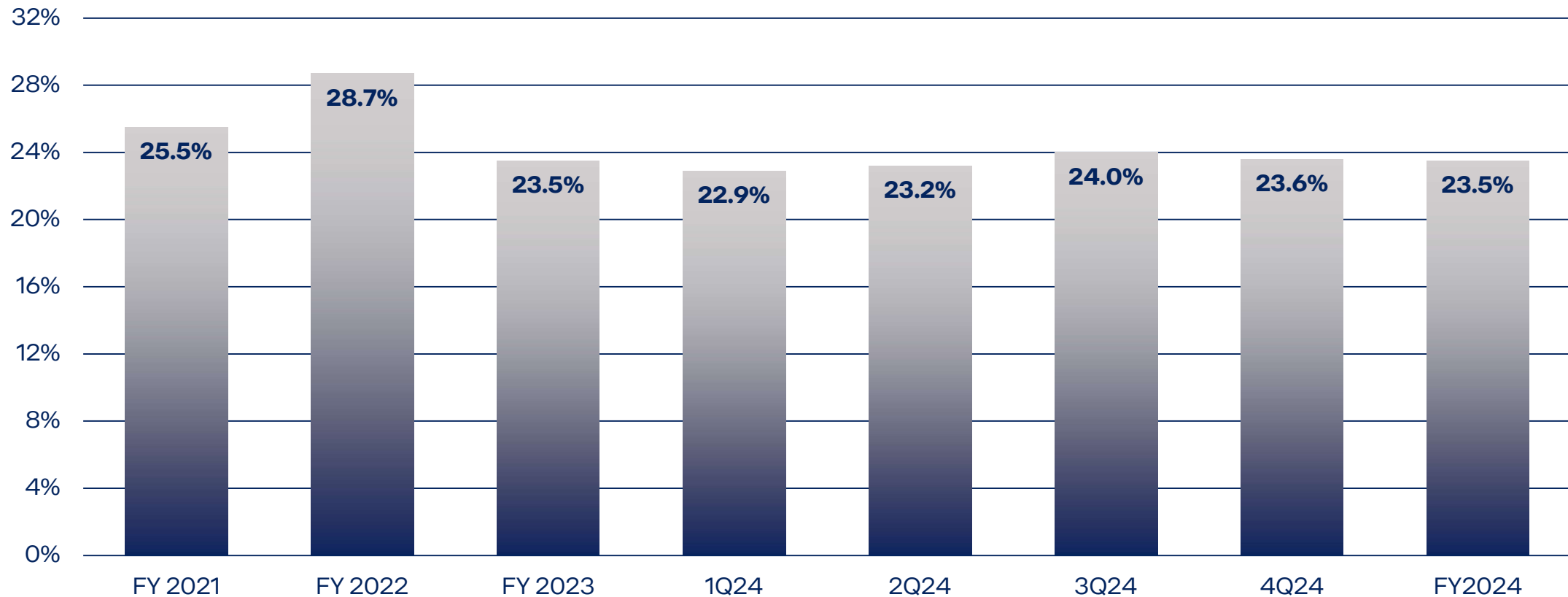
	Quarter Ended		Fiscal Year Ended	
	9/30/2024	9/30/2023	9/30/2024	9/30/2023
Homes closed	23,647	22,928	89,690	82,917
Homebuilding				
Revenues:				
Home sales	\$ 8,929.4	\$ 8,779.0	\$ 33,903.6	\$ 31,641.0
Land/lot sales	20.7	17.1	58.2	102.2
	8,950.1	8,796.1	33,961.8	31,743.2
Gross profit:				
Home sales	2,108.2	2,203.0	7,951.5	7,439.7
Land/lot sales and other	3.6	7.6	18.2	48.4
Inventory and land option charges	(37.7)	(13.3)	(68.9)	(60.7)
	2,074.1	2,197.3	7,900.8	7,427.4
SG&A	679.3	582.3	2,553.3	2,239.9
Interest and other (income)	(34.4)	(24.7)	(107.6)	(78.8)
Homebuilding pre-tax income	1,429.2	1,639.7	5,455.1	5,266.3
Rental, Forestar, Financial Services and other pre-tax income	280.5	378.6	829.6	1,048.4
Pre-tax income	1,709.7	2,018.3	6,284.7	6,314.7
Income tax expense	409.9	492.7	1,478.7	1,519.5
Net income	1,299.8	1,525.6	4,806.0	4,795.2
Net income attributable to noncontrolling interests	16.4	15.9	49.6	49.5
Net income attributable to D.R. Horton, Inc.	\$ 1,283.4	\$ 1,509.7	\$ 4,756.4	\$ 4,745.7
Net income per diluted share	\$ 3.92	\$ 4.45	\$14.34	\$13.82

\$ in millions except per share data

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Home Sales Gross Margin

Home sales gross margin fluctuating primarily due to interest rates and incentive levels



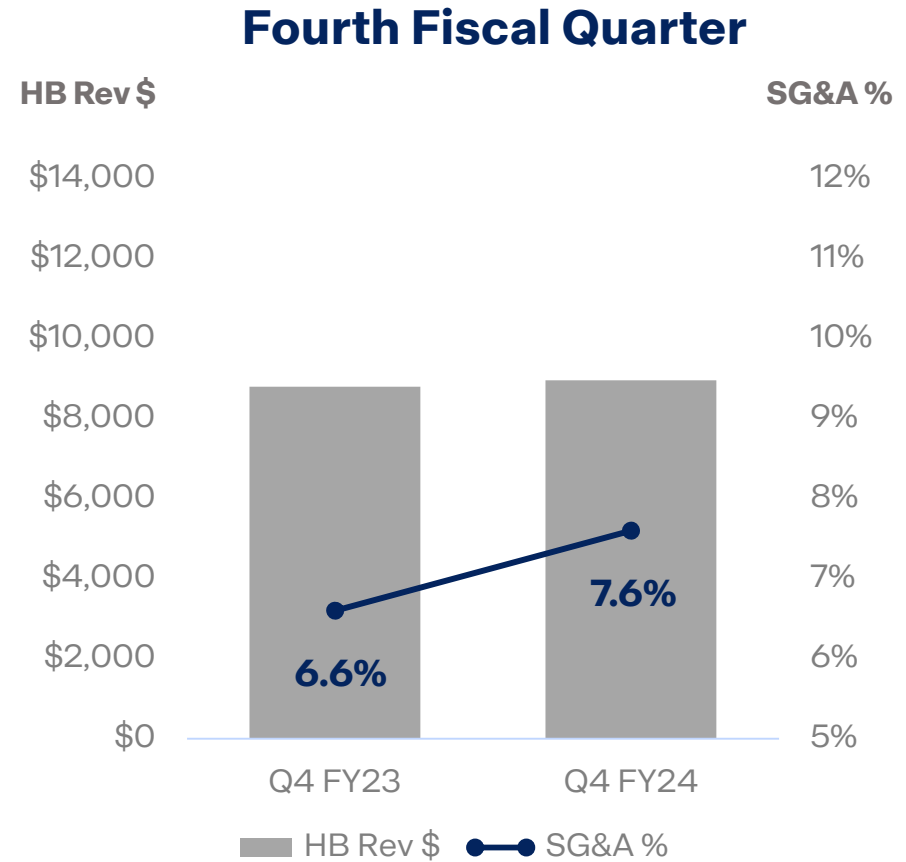
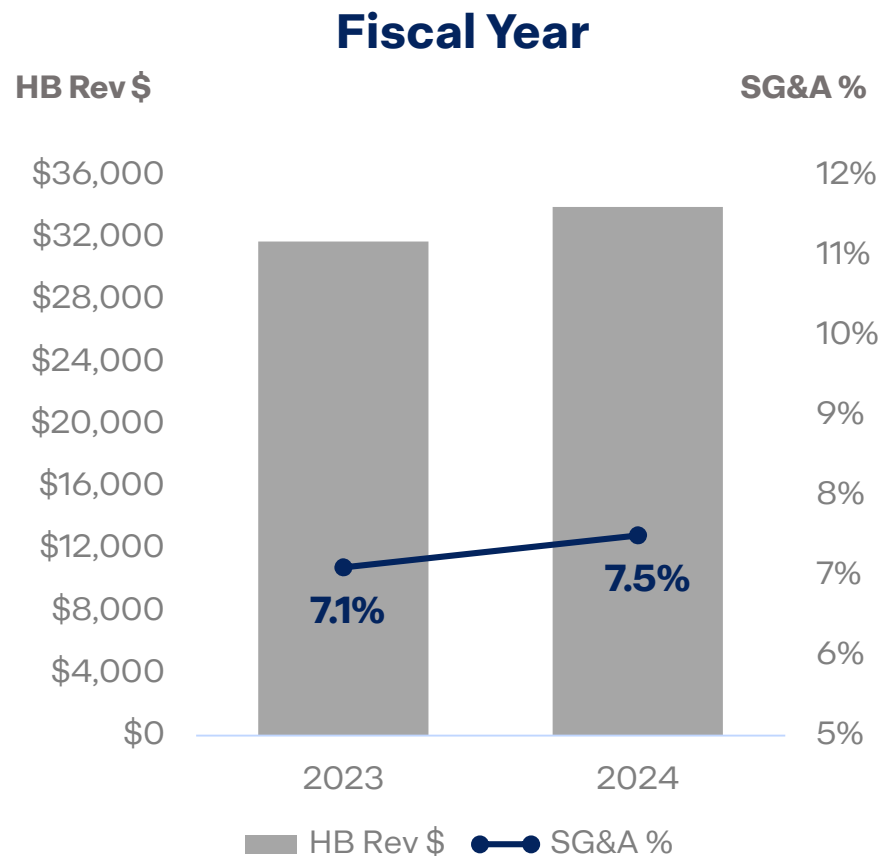
Shown as a % of the Company's homebuilding segment's home sales revenues

Includes interest amortized to cost of sales

Refer to slide 5 of the Company's Q4 FY24 Supplementary Data presentation for detailed components of home sales gross margin

Homebuilding SG&A

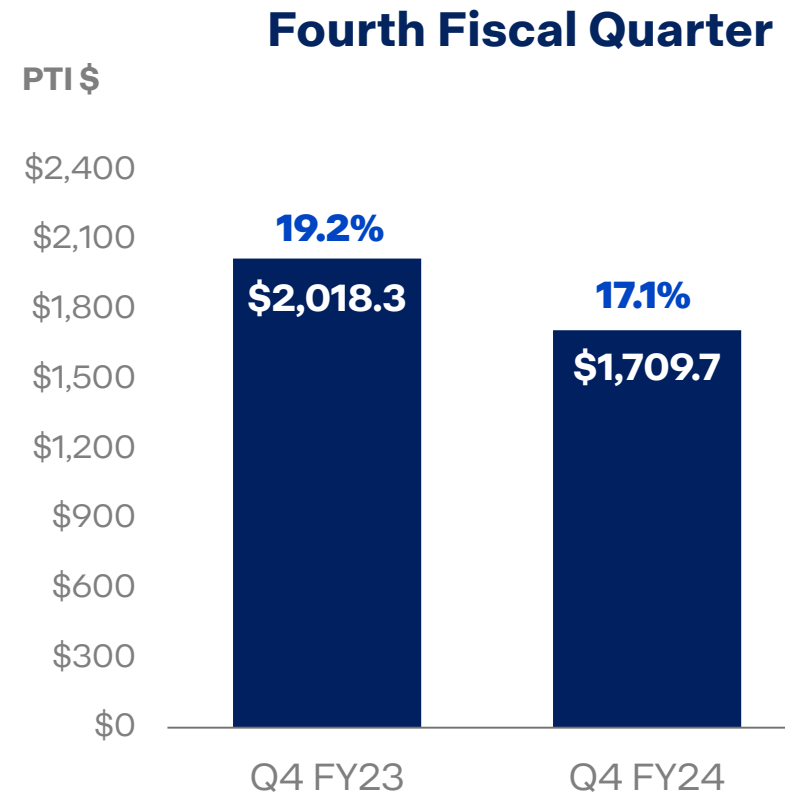
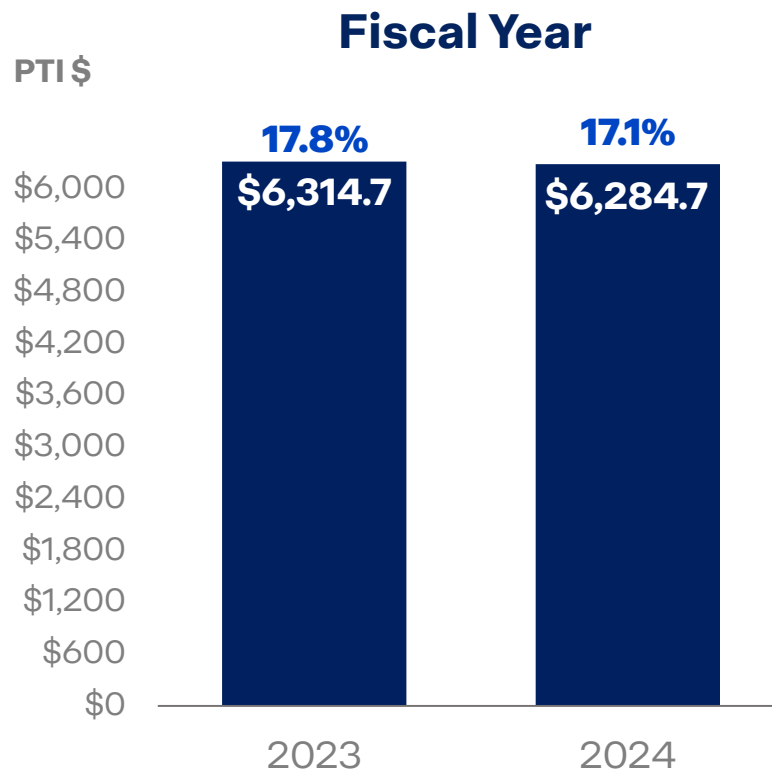
Controlling SG&A while ensuring that our platform adequately supports future growth



\$ in millions
Shown as a % of homebuilding revenues

Consolidated Pre-Tax Income

Q4 FY24 consolidated pre-tax income was \$1.7 billion, with a profit margin of 17.1%



\$ in millions
Shown as a % of consolidated revenues

Balance Sheet

	9/30/2024	9/30/2023
Homebuilding		
Cash and cash equivalents	\$ 3,627.8	\$ 2,926.7
Inventories:		
Construction in progress and finished homes	8,986.1	9,134.3
Land inventories	11,044.9	9,021.5
	<u>20,031.0</u>	<u>18,155.8</u>
Deferred income taxes and other assets	3,822.6	3,617.6
Rental, Forestar, Financial Services and other assets	8,622.9	7,882.3
Total assets	<u>\$ 36,104.3</u>	<u>\$ 32,582.4</u>
Homebuilding		
Notes payable	\$ 2,926.8	\$ 2,329.9
Other liabilities	3,598.1	3,619.2
Rental, Forestar, Financial Services and other liabilities	3,755.0	3,495.4
Stockholders' equity	<u>25,312.8</u>	<u>22,696.2</u>
Noncontrolling interests	511.6	441.7
Total equity	<u>25,824.4</u>	<u>23,137.9</u>
Total liabilities and equity	<u>\$ 36,104.3</u>	<u>\$ 32,582.4</u>
Debt to total capital – consolidated	<u>18.9%</u>	<u>18.3%</u>
Common shares outstanding	324.03	334.85
Book value per common share	<u>\$ 78.12</u>	<u>\$ 67.78</u>

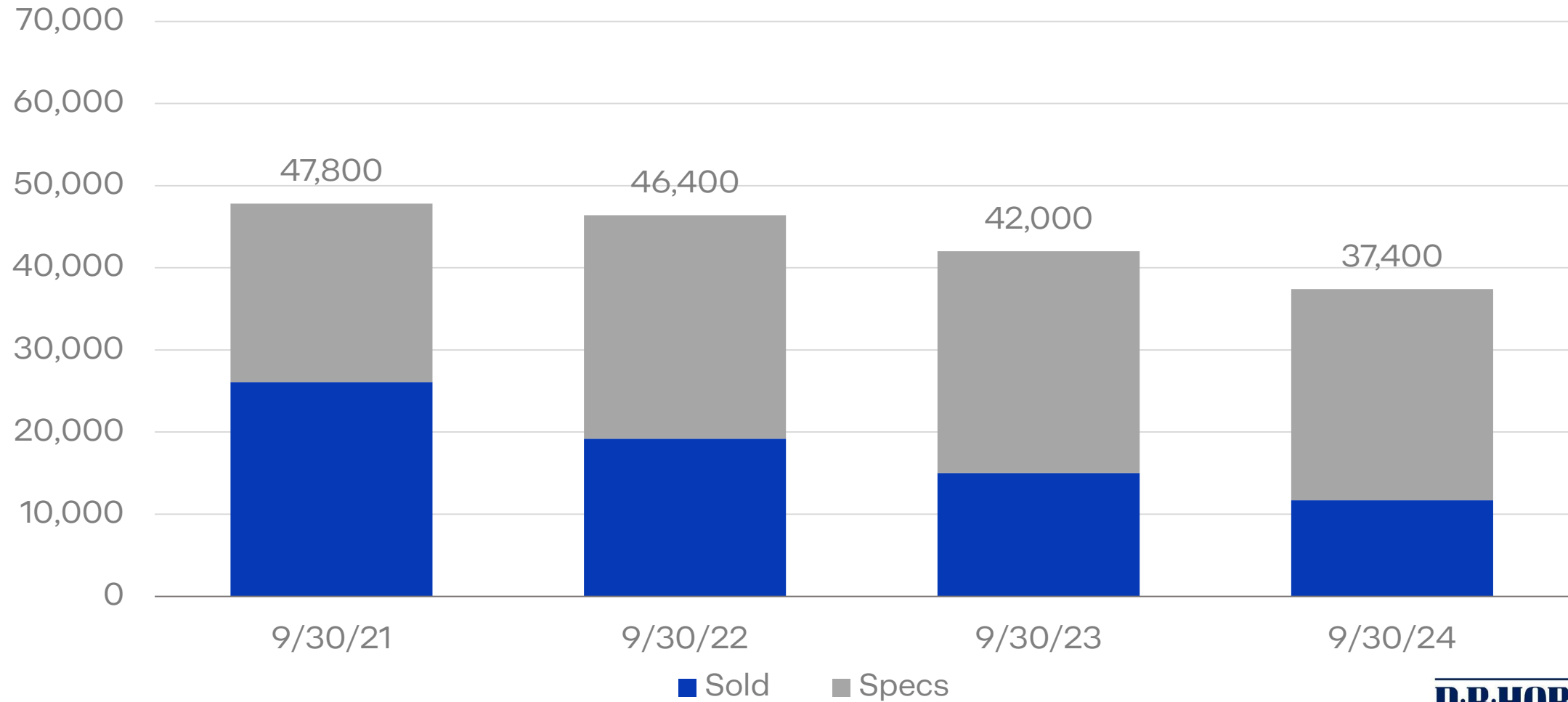
\$ in millions except per share metrics

Homebuilding cash and cash equivalents presented above includes \$4.8 million and \$6.5 million of restricted cash for the periods ended 9/30/2024 and 9/30/2023, respectively

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Homes In Inventory

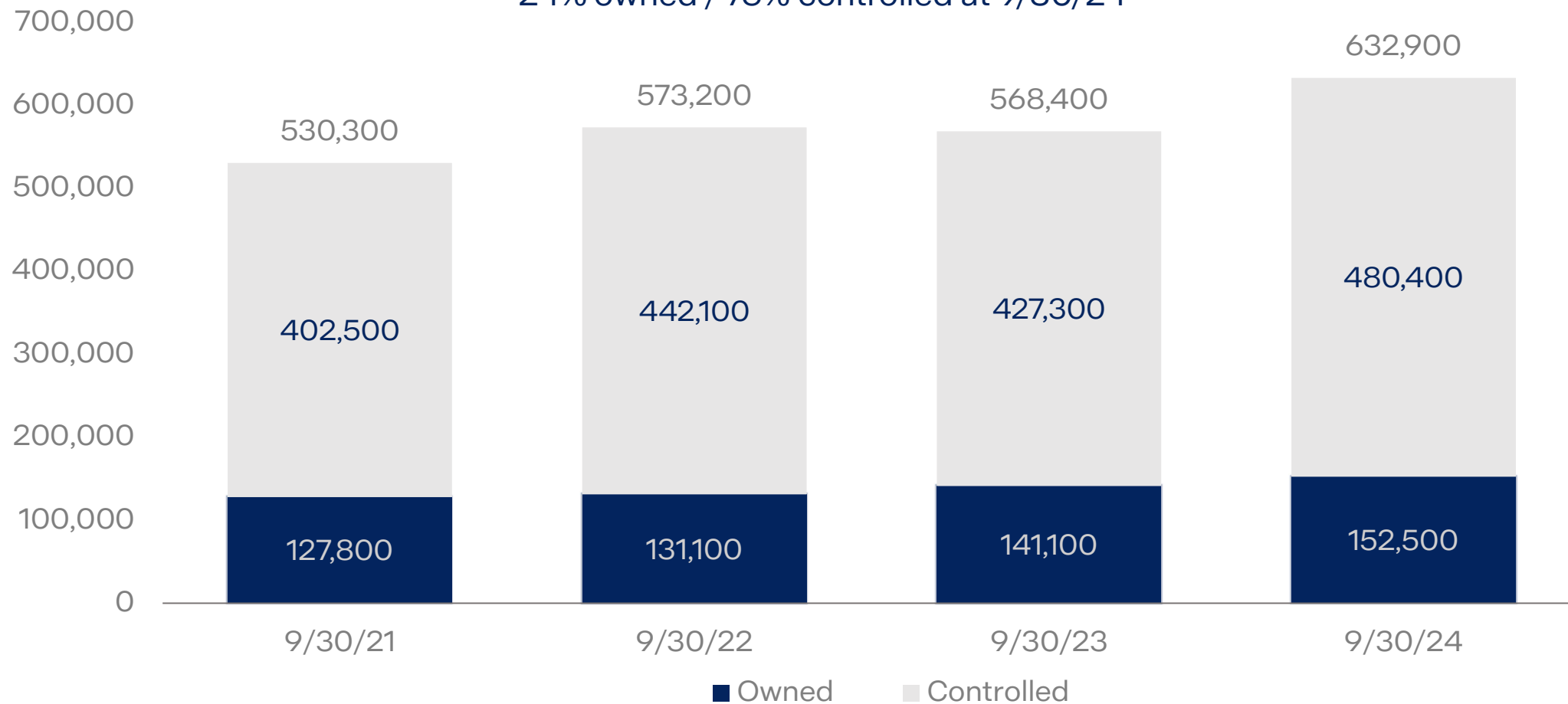
Faster housing turns support more efficient housing inventory levels



Homes in inventory excluding model homes

Homebuilding Land And Lot Position

Strong, flexible land and lot pipeline
24% owned / 76% controlled at 9/30/24



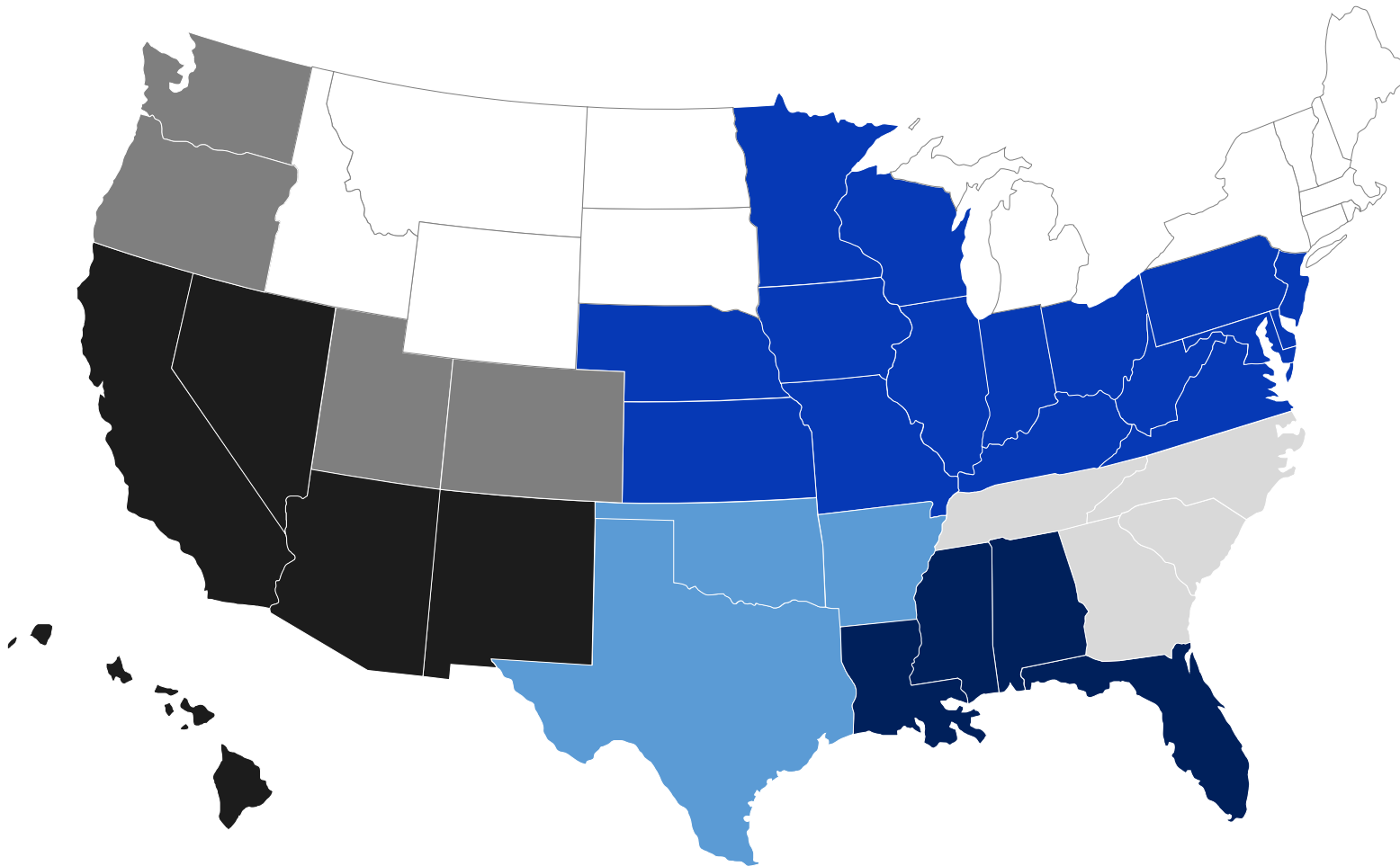
Controlled lots include lots owned by FOR that DHI has under contract or the right of first offer to purchase of 37,700, 31,400, 36,700, and 39,200 at 9/30/24, 9/30/23, 9/30/22 and 9/30/21, respectively.



Appendix

Geographic Diversification

125 Markets | 36 States



D.R. Horton is the most geographically diverse homebuilder in the U.S.

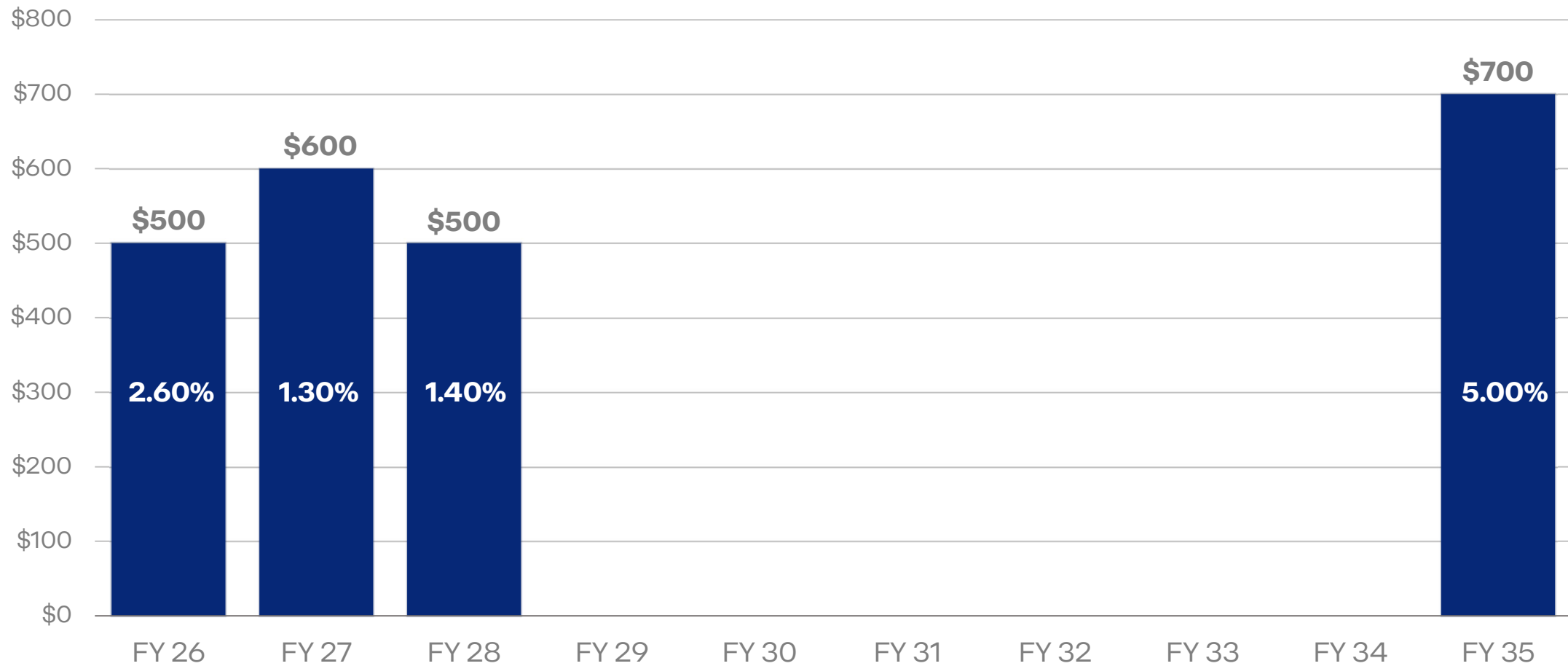
	HB Revenue	Inventory
Northwest	8%	10%
Southwest	14%	16%
South Central	23%	19%
Southeast	26%	22%
East	18%	20%
North	11%	13%

As of or for the fiscal year ended September 30, 2024 | HB = homebuilding

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Homebuilding Public Debt Maturities By Year

As of October 16, 2024



\$ in millions