



INVESTOR PRESENTATION

Second Quarter 2022

CAUTIONARY STATEMENT

Forward-Looking Statements

This presentation includes statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are not historical facts. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “projection,” “should,” “will” or other similar words. The statements in this presentation that are not historical statements, including statements regarding LGI Homes, Inc.’s (“LGI Homes”) future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance, are forward-looking statements within the meaning of the federal securities laws. LGI Homes has based its forward-looking statements on its management’s beliefs and assumptions based on information available to its management at the time the statements are made. LGI Homes cautions you that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results. Therefore, LGI Homes cannot assure you that actual results will not differ materially from those expressed or implied by its forward-looking statements. Please read LGI Homes’ most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q filed thereafter and other filings with the Securities and Exchange Commission, including the “Risk Factors” and “Cautionary Statement about Forward-Looking Statements” sections in such filings, for a discussion of some of the factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. LGI Homes expressly disclaims any intent, obligation or undertaking to update or revise any forward-looking statements to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Use of Non-GAAP Financial Measures

In addition to the financial statements presented in accordance with U.S. generally accepted accounting principles (“GAAP”), LGI Homes uses certain non-GAAP financial measures, including Adjusted Gross Margin. Adjusted Gross Margin is a non-GAAP financial measure used by management as a supplemental measure in evaluating LGI Homes’ operating performance. LGI Homes defines Adjusted Gross Margin as Gross Margin less Capitalized Interest and adjustments resulting from the application of purchase accounting included in the Cost of Sales. Other companies may not calculate Adjusted Gross Margin or other non-GAAP financial measures in the same manner as LGI Homes and therefore such information may not be directly comparable to those measures of LGI Homes’ performance. Reconciliations of Adjusted Gross Margin to Gross Margin, the GAAP financial measure that management believe to be most directly comparable, are included in the Appendix at the end of this presentation. References to LTM, or last twelve months, in this presentation are to the twelve months ended June 30, 2022.

RECENT FINANCIAL RESULTS

Second Quarter 2022

- ▶ Home Closings: 2,027, (29.0%)
- ▶ Home Sales Revenues: \$723.1 Million, (8.6%)
- ▶ Average Sales Price: \$356,719, +28.7%
- ▶ Ending Active Communities: 92
- ▶ Average Active Communities: 91.3
- ▶ Gross Margin: 32.0%, +500 basis points
- ▶ Adjusted Gross Margin ⁽¹⁾: 33.1%, +460 basis points
- ▶ Pre-Tax Net Income: \$163.0 Million, +9.3%
- ▶ Net Income: \$123.4 Million, +4.4%
- ▶ Basic EPS: \$5.24; Diluted EPS: \$5.20

Year-to-Date 2022

- ▶ Home Closings: 3,626, (33.1%)
- ▶ Home Sales Revenues: \$1.3 Billion, (15.2%)
- ▶ Average Sales Price: \$350,005, +26.6%
- ▶ Ending Active Communities: 92
- ▶ Average Active Communities: 90.2
- ▶ Gross Margin: 30.7%, +370 basis points
- ▶ Adjusted Gross Margin ⁽¹⁾: 31.9%, +340 basis points
- ▶ Pre-Tax Net Income: \$262.6 Million, (3.6%)
- ▶ Net Income: \$202.1 Million, (7.2%)
- ▶ Basic EPS: \$8.53; Diluted EPS: \$8.43

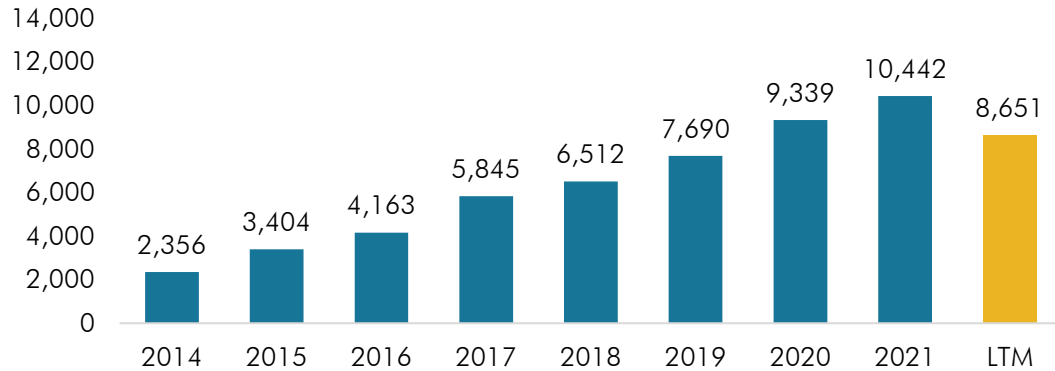
Note: Metrics compared to the second quarter and year-to-date results as of June 30, 2021; numbers may not foot due to rounding

1) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales. See the Appendix for a reconciliation of Adjusted Gross Margin to Gross Margin

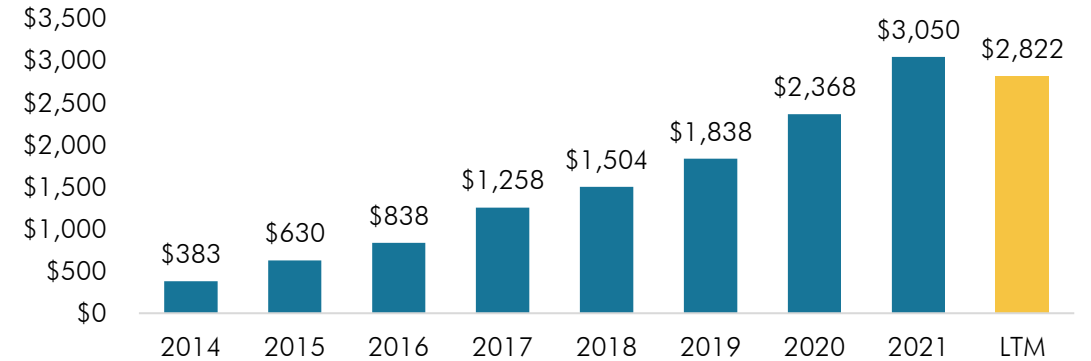
STRONG OPERATING RESULTS

LGI HOMES HAS GENERATED STRONG RESULTS THROUGHOUT ITS HISTORY

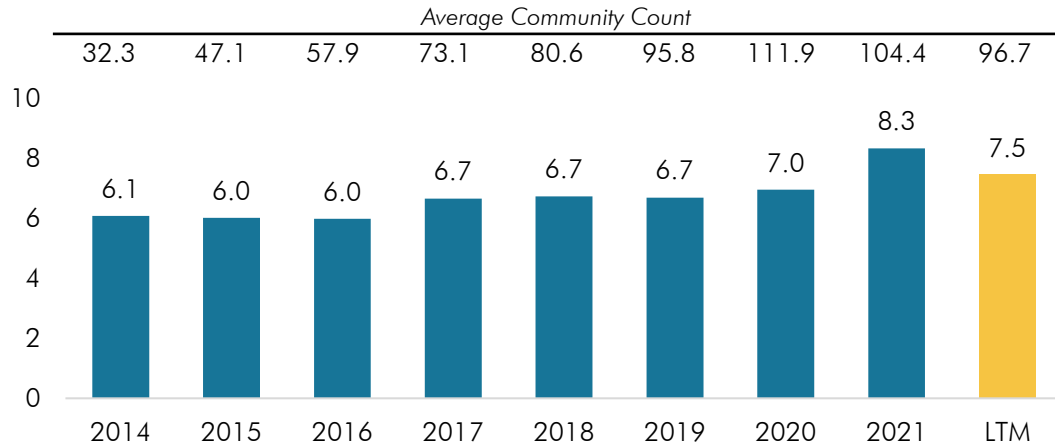
Home Closings (Units)



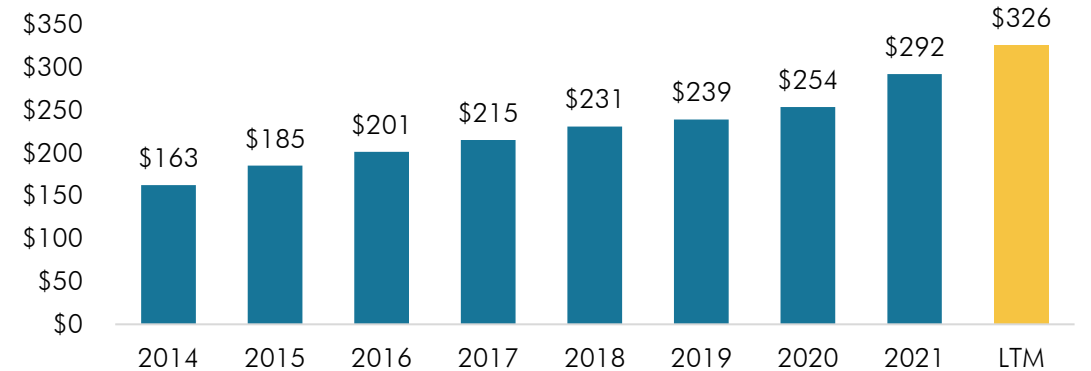
Revenue (\$ millions)



Average Absorptions and Communities ⁽¹⁾



Average Sales Price (\$ thousands)



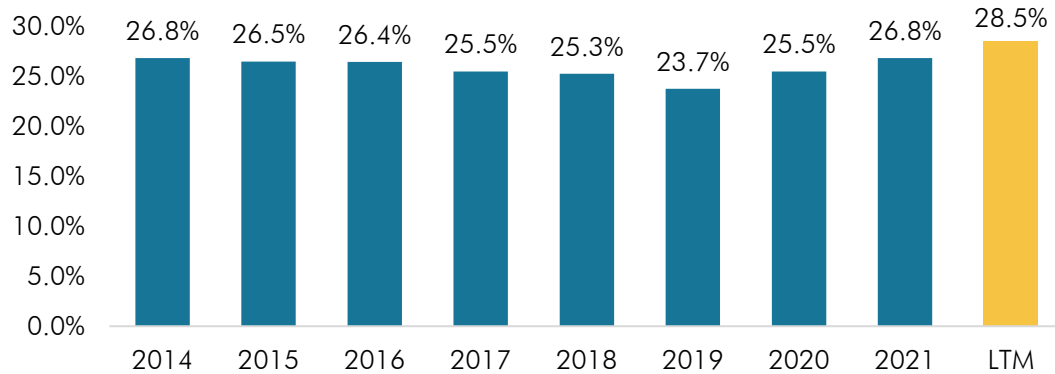
Note: LTM as of June 30, 2022

1) Absorptions per Community per Month; includes wholesale closings

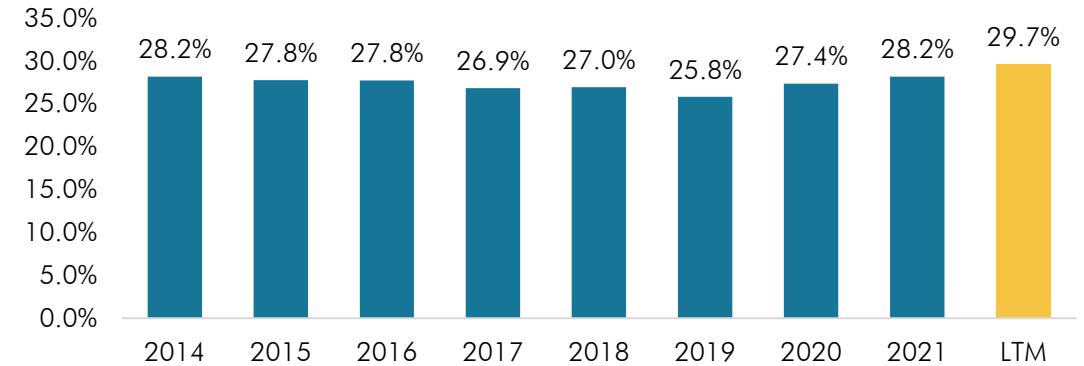
LEADING MARGINS & PROFITABILITY

ALONG WITH RAPID GROWTH, LGI HOMES HAS CONSISTENTLY GENERATED INDUSTRY-LEADING MARGINS & PROFITABILITY

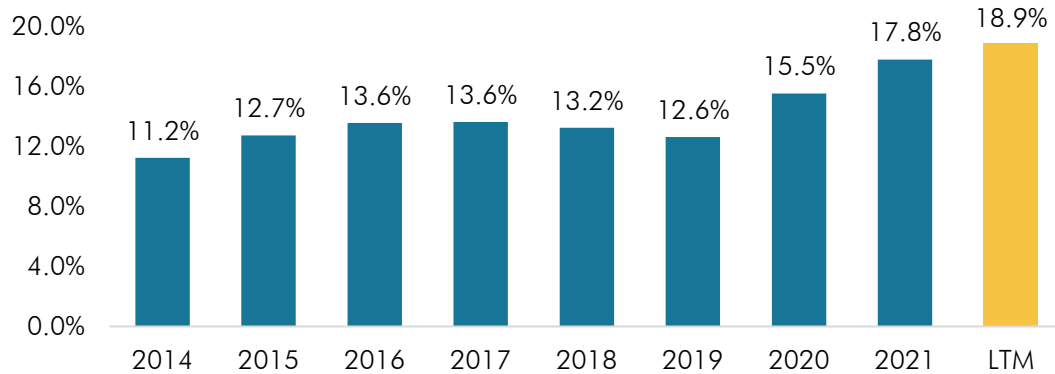
Gross Margin Percentage ^{(1) (2)}



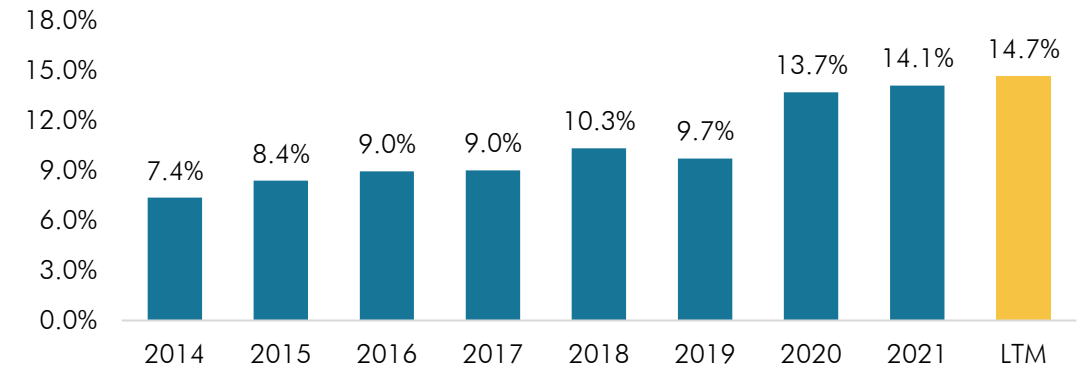
Adjusted Gross Margin Percentage ^{(2) (3)}



Pre-Tax Net Income Percentage ⁽²⁾



Net Income Percentage ^{(2) (4)}



Note: LTM as of June 30, 2022

1) Gross Margin is defined as Home Sales Revenues less Cost of Sales

2) Calculated as a percentage of Home Sales Revenues

3) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales. See the Appendix for a reconciliation of Adjusted Gross Margin to Gross Margin

4) FY 2020 and FY 2021 results include the impact of 45L tax credits

CONDENSED BALANCE SHEET

RECENT CAPITAL STRUCTURE IMPROVEMENTS UNDERPIN A BALANCE SHEET WELL POSITIONED FOR CYCLICAL HEADWINDS

(\$ in thousands)	December 31, 2019	December 31, 2020	March 31, 2021	December 31, 2021	June 30, 2022
ASSETS					
Cash and Cash Equivalents	\$ 38,345	\$ 35,942	\$ 48,157	\$ 50,514	\$ 41,971
Accounts Receivable	56,390	115,939	59,229	57,909	52,106
Real Estate Inventory	1,499,624	1,569,489	1,609,693	2,085,904	2,633,706
Goodwill	12,018	12,018	12,018	12,018	12,018
Other Assets	59,738	92,699	96,389	145,520	133,556
Total Assets	\$ 1,666,115	\$ 1,826,087	\$ 1,825,486	\$ 2,351,865	\$ 2,873,357
LIABILITIES					
Accounts Payable and Other Liabilities	\$ 130,363	\$ 148,684	\$ 192,900	\$ 150,781	\$ 203,973
Notes Payable	690,559	538,398	413,948	805,236	1,155,463
Total Liabilities	820,922	687,082	606,848	956,017	1,359,436
EQUITY					
Common Stock	264	267	269	269	271
Additional Paid-In Capital	252,603	270,598	276,398	291,577	302,688
Retained Earnings	610,382	934,277	1,033,935	1,363,922	1,565,984
Treasury Stock, at Cost	(18,056)	(66,137)	(91,964)	(259,920)	(355,022)
Total Equity	845,193	1,139,005	1,218,638	1,395,848	1,513,921
Total Liabilities and Equity	\$ 1,666,115	\$ 1,826,087	\$ 1,825,486	\$ 2,351,865	\$ 2,873,357
Gross Debt to Capitalization ⁽¹⁾	45.0%	32.1%	25.4%	36.6%	43.3%
Net Debt to Capitalization ⁽²⁾	43.6%	30.6%	23.1%	35.1%	42.4%

As of June 30, 2022:

\$42 Million in Cash

Over \$2.6 Billion in Inventory

Net Debt to Cap of 42.4%

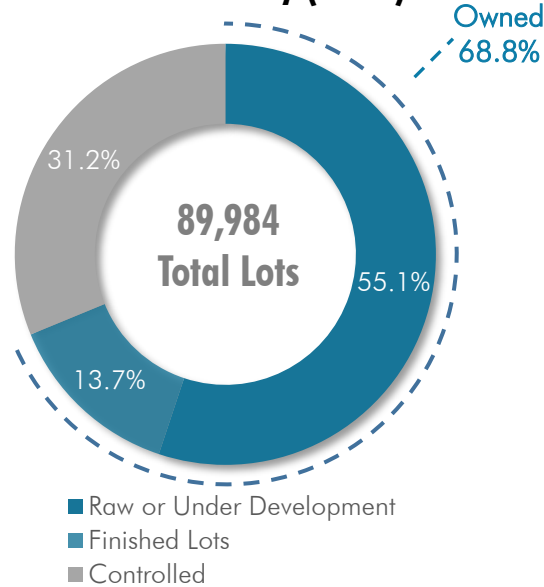
Nearly \$1.6 Billion in Earnings Since IPO

1) Calculated as Notes Payable as a percentage of the sum of Notes Payable and Total Equity

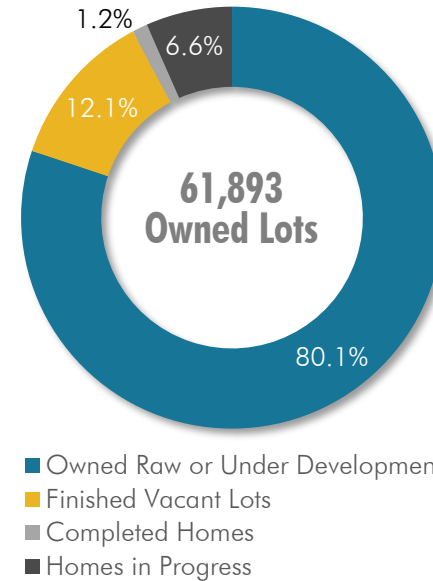
2) Calculated as Notes Payable less Cash and Cash Equivalents ("Net Debt") as a percentage of the sum of Net Debt and Total Equity

REAL ESTATE INVENTORY

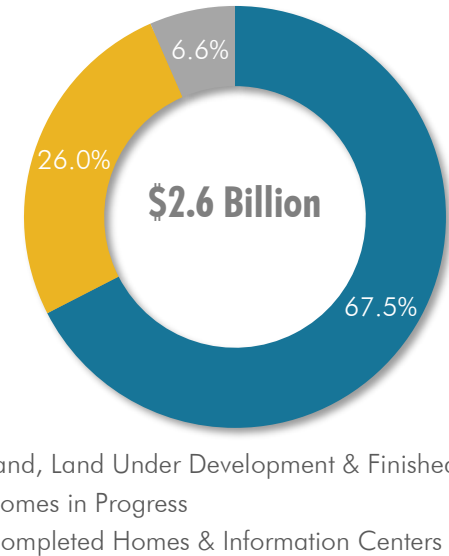
Total Lot Inventory (Units)



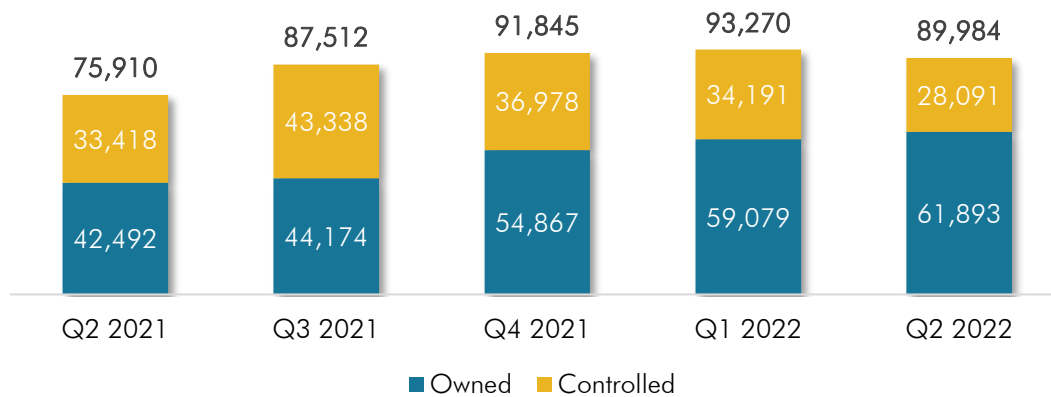
Owned Lot Inventory (Units)



Owned Real Estate Inventory (\$ Value)



Owned and Controlled Lots Over Time



Real Estate Inventory by Reportable Segment (June 30, 2022)

	LTM Home Closings ⁽¹⁾	Owned Lots	Controlled Lots	Total Lots
Central	3,969	24,231	9,199	33,430
Southeast	1,698	16,591	5,186	21,777
Northwest	949	6,909	4,079	10,988
West	957	9,065	5,960	15,025
Florida	1,078	5,097	3,667	8,764
Total	8,651	61,893	28,091	89,984

Note: Some numbers may not foot due to rounding

1) As of June 30, 2022



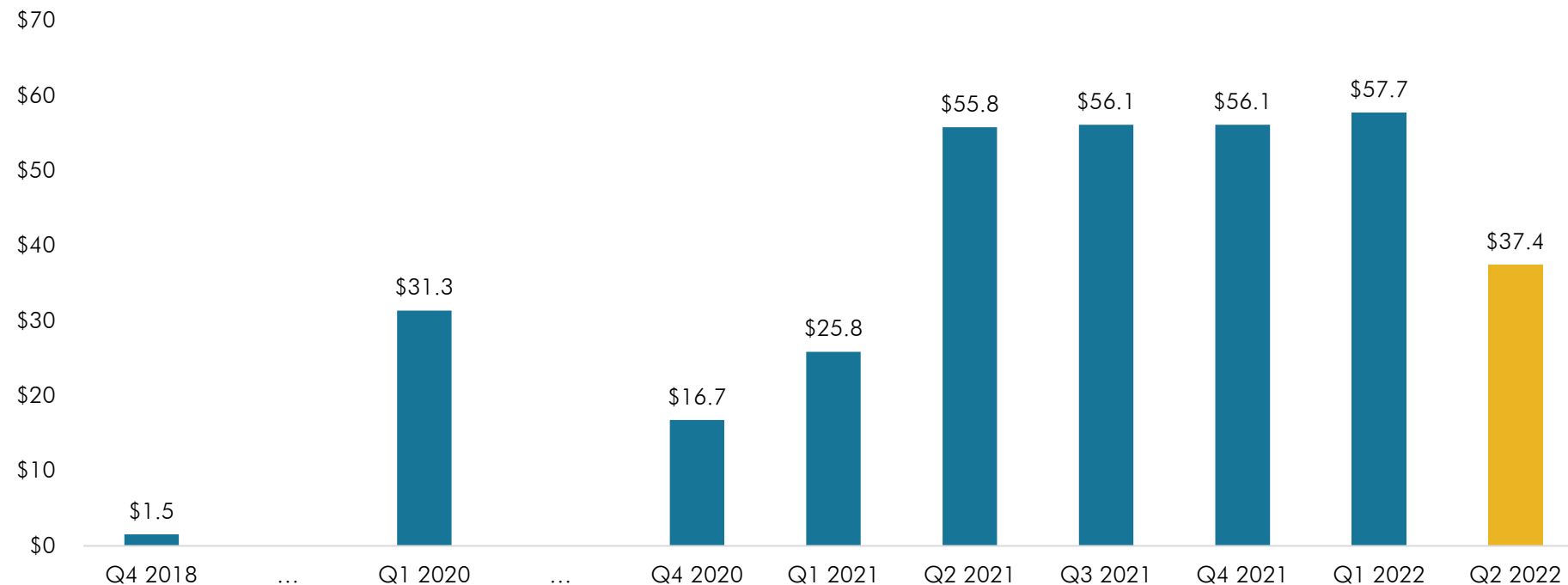
QUARTERLY SHARE REPURCHASES

Total Value of Shares of LGI Homes Common Stock Repurchased During Each Quarter (\$ millions)

During the three months ended June 30, 2022, 417,861 shares of LGI Homes common stock were repurchased for \$37.4 million

Since Q4'18, 2,939,472 shares have been repurchased for total consideration of \$338.5 million

At June 30, 2022, \$211.5 million was remaining under the LGI Homes stock repurchase program



	Q4 2018	...	Q1 2020	...	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Price Paid Per Share	\$38.58	...	\$55.26	...	\$110.20	\$119.45	\$166.50	\$156.30	\$148.20	\$121.37	\$89.58
Average Share Price During the Quarter	\$42.23	...	\$74.29	...	\$113.91	\$120.10	\$165.46	\$146.07	\$148.09	\$123.48	\$92.70
Quarterly Shares Repurchased	39,000	...	567,028	...	151,965	216,221	335,000	358,817	378,525	475,055	417,861
Cumulative Shares Repurchased to Date	39,000	...	606,028	...	757,993	974,214	1,309,214	1,668,031	2,046,556	2,521,611	2,939,472
Cumulative Value of Shares Repurchased to Date ⁽¹⁾	\$1.5M	...	\$32.8M	...	\$49.6M	\$75.4M	\$131.2M	\$187.3M	\$243.4M	\$301.0M	\$338.5M
Authorized Repurchase Amount Remaining ⁽²⁾	\$48.5M	...	\$17.2M	...	\$300.4M	\$274.6M	\$218.8M	\$162.7M	\$106.6M	\$249.0M	\$211.5M
Shares of Common Stock Outstanding	22.7M	...	25.1M	...	25.0M	24.9M	24.6M	24.3M	23.9M	23.7M	23.3M

1) Totals include commissions

2) Adjusted in Q4'20 for the Board's October 2020 authorization of an additional \$300.0 million available for share repurchases and in Q1'22 for the Board's February 2022 authorization of an additional \$200.0 million available for share repurchases



Appendix

HISTORICAL SECOND QUARTER OPERATING RESULTS

LGI HOMES HAS GENERATED STRONG SECOND QUARTER RESULTS THROUGHOUT ITS HISTORY

	Q2 2014	Q2 2015	Q2 2016	Q2 2017	Q2 2018	Q2 2019	Q2 2020	Q2 2021	Q2 2022
Home Closings	662	853	1,128	1,511	1,815	1,944	2,005	2,856	2,027
Average Active Communities	30.0	44.3	55.7	71.3	78.0	93.0	116.0	105.0	91.3
Avg. Monthly Absorption Rate	7.4	6.4	6.8	7.1	7.8	7.0	5.8	9.1	7.4
Average Sales Price	\$160,744	\$186,197	\$197,450	\$214,545	\$231,321	\$237,567	\$240,200	\$277,140	\$356,719
Home Sales Revenues (\$M)	\$106.4	\$158.8	\$222.7	\$324.2	\$419.8	\$461.8	\$481.6	\$791.5	\$723.1
Gross Margin %	26.7%	26.8%	26.5%	26.6%	26.1%	24.1%	24.5%	27.0%	32.0%
Adjusted Gross Margin % ⁽¹⁾	27.9%	28.2%	27.8%	28.0%	27.7%	26.3%	26.6%	28.5%	33.1%
SG&A %	13.6%	13.4%	12.7%	11.7%	11.3%	11.4%	10.4%	8.6%	10.0%
Pre-Tax Net Income (\$M)	\$13.9	\$21.2	\$31.4	\$48.6	\$62.7	\$60.5	\$68.6	\$149.1	\$163.0
Pre-Tax Net Income %	13.1%	13.4%	14.1%	15.0%	14.9%	13.1%	14.2%	18.8%	22.5%
Effective Tax Rate %	35.0%	34.2%	34.2%	33.8%	24.0%	23.9%	18.9%	20.8%	24.3%
Net Income (\$M)	\$9.0	\$14.0	\$20.7	\$32.2	\$47.6	\$46.1	\$55.6	\$118.1	\$123.4
Net Income %	8.5%	8.8%	9.3%	9.9%	11.3%	10.0%	11.5%	14.9%	17.1%
Basic Earnings per Share	\$0.44	\$0.70	\$1.01	\$1.49	\$2.11	\$2.01	\$2.22	\$4.75	\$5.24
Diluted Earnings per Share	\$0.43	\$0.66	\$0.96	\$1.39	\$1.90	\$1.82	\$2.21	\$4.71	\$5.20

Note: Highlighted bold values represent most favorable metrics for periods shown

1) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales

HISTORICAL ANNUAL OPERATING RESULTS

DEMONSTRATED HISTORY OF RECORD-BREAKING ANNUAL PERFORMANCE YEAR AFTER YEAR

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	LTM ⁽¹⁾
Home Closings	2,356	3,404	4,163	5,845	6,512	7,690	9,339	10,442	8,651
Average Active Communities	32.3	47.1	57.9	73.1	80.6	95.8	111.9	104.4	96.7
Avg. Monthly Absorption Rate	6.1	6.0	6.0	6.7	6.7	6.7	7.0	8.3	7.5
Average Sales Price	\$162,677	\$185,146	\$201,374	\$215,220	\$231,020	\$239,032	\$253,553	\$292,104	\$326,182
Home Sales Revenues (\$M)	\$383.3	\$630.2	\$838.3	\$1,258.0	\$1,504.4	\$1,838.2	\$2,367.9	\$3,050.1	\$2,821.8
Gross Margin %	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.5%
Adjusted Gross Margin % ⁽²⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.7%
SG&A %	15.8%	13.8%	13.1%	12.0%	12.0%	11.4%	10.1%	8.9%	9.6%
Pre-Tax Net Income (\$M)	\$43.1	\$80.3	\$113.7	\$171.4	\$199.1	\$231.8	\$367.8	\$542.8	\$532.9
Pre-Tax Net Income %	11.2%	12.7%	13.6%	13.6%	13.2%	12.6%	15.5%	17.8%	18.9%
Effective Tax Rate %	34.5%	34.2%	34.0%	33.9%	22.0%	23.0%	11.9%	20.8%	22.3%
Net Income (\$M)	\$28.2	\$52.8	\$75.0	\$113.3	\$155.3	\$178.6	\$323.9	\$429.6	\$413.9
Net Income %	7.4%	8.4%	9.0%	9.0%	10.3%	9.7%	13.7%	14.1%	14.7%
Basic Earnings per Share	\$1.37	\$2.65	\$3.61	\$5.24	\$6.89	\$7.70	\$12.89	\$17.46	\$17.25 ⁽³⁾
Diluted Earnings per Share	\$1.33	\$2.44	\$3.41	\$4.73	\$6.24	\$7.02	\$12.76	\$17.25	\$17.03 ⁽³⁾

Note: Highlighted bold values represent most favorable metrics for periods shown excluding the LTM period

1) LTM as of June 30, 2022

2) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales

3) Calculated as the sum of the prior four quarters

RECONCILIATION OF ADJUSTED GROSS MARGIN (NON-GAAP)

FOR THE QUARTERS ENDED JUNE 30th

(\$ in thousands)	Q2 2014	Q2 2015	Q2 2016	Q2 2017	Q2 2018	Q2 2019	Q2 2020	Q2 2021	Q2 2022
Home Sales Revenues	\$106,412	\$158,826	\$222,723	\$324,178	\$419,847	\$461,830	\$481,602	\$791,512	\$723,069
Cost of Home Sales	\$78,016	\$116,253	\$163,628	\$237,830	\$310,082	\$350,519	\$363,629	\$577,433	\$491,710
Gross Margin	\$28,396	\$42,573	\$59,095	\$86,348	\$109,765	\$111,311	\$117,973	\$214,079	\$231,359
Capitalized Interest Charged to Cost of Sales	\$396	\$1,490	\$2,669	\$4,338	\$6,588	\$8,989	\$8,684	\$10,442	\$5,735
Purchase Accounting Adjustment ⁽¹⁾	\$923	\$760	\$211	\$137	\$0	\$956	\$1,252	\$1,446	\$2,026
Adjusted Gross Margin (Non-GAAP)	\$29,715	\$44,823	\$61,975	\$90,823	\$116,353	\$121,256	\$127,909	\$225,967	\$239,120
Gross Margin % ⁽²⁾	26.7%	26.8%	26.5%	26.6%	26.1%	24.1%	24.5%	27.0%	32.0%
Adjusted Gross Margin % ⁽²⁾	27.9%	28.2%	27.8%	28.0%	27.7%	26.3%	26.6%	28.5%	33.1%

1) Adjustments result from the application of purchase accounting related to prior acquisitions and represent the amount of the fair value step-up adjustments for real estate inventory included in Cost of Sales

2) Calculated as a percentage of Home Sales Revenues

RECONCILIATION OF ADJUSTED GROSS MARGIN (NON-GAAP)

FOR THE 12 MONTHS ENDED DECEMBER 31ST & THE LAST TWELVE MONTHS ENDED JUNE 30, 2022

(\$ in thousands)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	LTM ⁽¹⁾
Home Sales Revenues	\$383,268	\$630,236	\$838,320	\$1,257,960	\$1,504,400	\$1,838,154	\$2,367,929	\$3,050,149	\$2,821,803
Cost of Home Sales	\$280,481	\$463,304	\$616,707	\$937,540	\$1,124,484	\$1,401,675	\$1,764,832	\$2,232,115	\$2,018,031
Gross Margin	\$102,787	\$166,932	\$221,613	\$320,420	\$379,916	\$436,479	\$603,097	\$818,034	\$803,772
Capitalized Interest Charged to Cost of Sales	\$1,704	\$6,057	\$10,680	\$17,400	\$24,311	\$35,230	\$40,381	\$37,546	\$26,679
Purchase Accounting Adjustment⁽²⁾	\$3,620	\$2,131	\$485	\$246	\$1,408	\$3,324	\$4,872	\$4,964	\$7,014
Adjusted Gross Margin (Non-GAAP)	\$108,111	\$175,120	\$232,778	\$338,066	\$405,635	\$475,033	\$648,350	\$860,544	\$837,465
Gross Margin %⁽³⁾	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.5%
Adjusted Gross Margin %⁽³⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.7%

1) LTM as of June 30, 2022

2) Adjustments result from the application of purchase accounting related to prior acquisitions and represent the amount of the fair value step-up adjustments for real estate inventory included in Cost of Sales

3) Calculated as a percentage of Home Sales Revenues



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