



INVESTOR PRESENTATION

Third Quarter 2023

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 September 30, 2023.

RECENT FINANCIAL RESULTS

Third Quarter 2023

- ▶ Home Closings: 1,751, +13.2%
- ▶ Home Sales Revenues: \$617.5 Million, +12.9%
- ▶ Average Sales Price: \$352,678, (0.3%)
- ▶ Ending Active Communities: 106
- ▶ Average Active Communities: 103.7
- ▶ Gross Margin: 25.7%, (280) basis points
- ▶ Adjusted Gross Margin ⁽¹⁾: 27.2%, (230) basis points
- ▶ Pre-Tax Net Income: \$89.4 Million, (17.7%)
- ▶ Net Income: \$67.0 Million, (25.8%)
- ▶ Basic EPS: \$2.85; Diluted EPS: \$2.84

Year-to-Date 2023

- ▶ Home Closings: 4,971, (3.9%)
- ▶ Home Sales Revenues: \$1.75 Billion, (3.6%)
- ▶ Average Sales Price: \$352,075, +0.3%
- ▶ Ending Active Communities: 106
- ▶ Average Active Communities: 101.1
- ▶ Gross Margin: 22.8%, (720) basis points
- ▶ Adjusted Gross Margin ⁽¹⁾: 24.5%, (670) basis points
- ▶ Pre-Tax Net Income: \$193.2 Million, (48.0%)
- ▶ Net Income: \$147.1 Million, (49.7%)
- ▶ Basic EPS: \$6.24; Diluted EPS: \$6.21

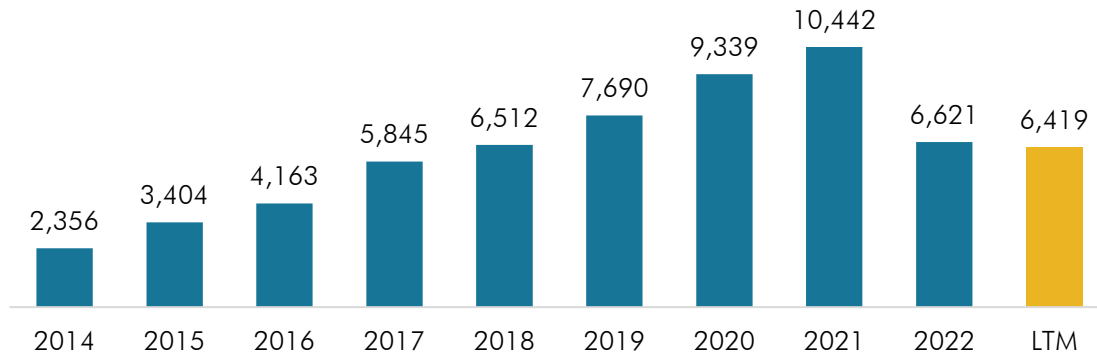
Note: Metrics compared to the third quarter and year-to-date results as of September 30, 2022; numbers may not foot due to rounding

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

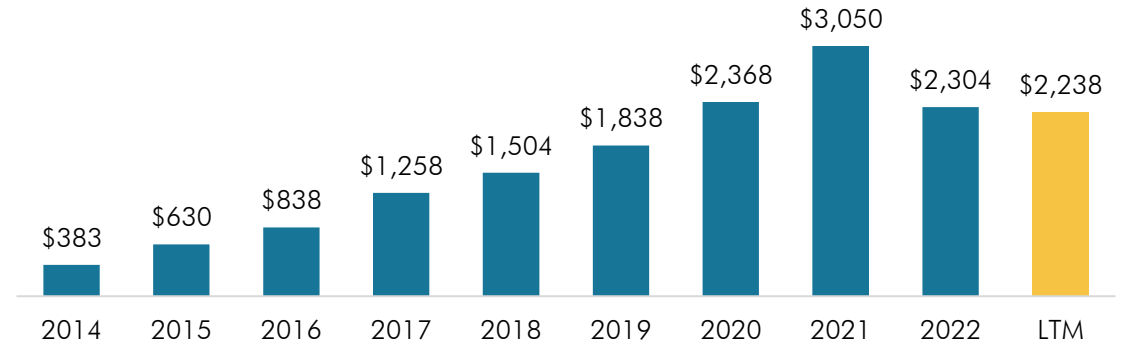
STRONG OPERATING RESULTS

LGI HOMES HAS GENERATED STRONG RESULTS AND INDUSTRY-LEADING ABSORPTIONS

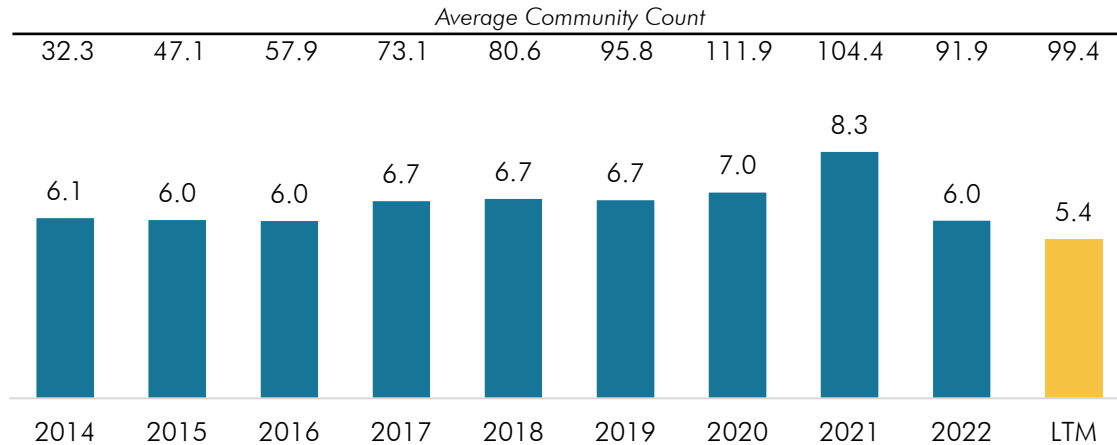
Home Closings (Units)



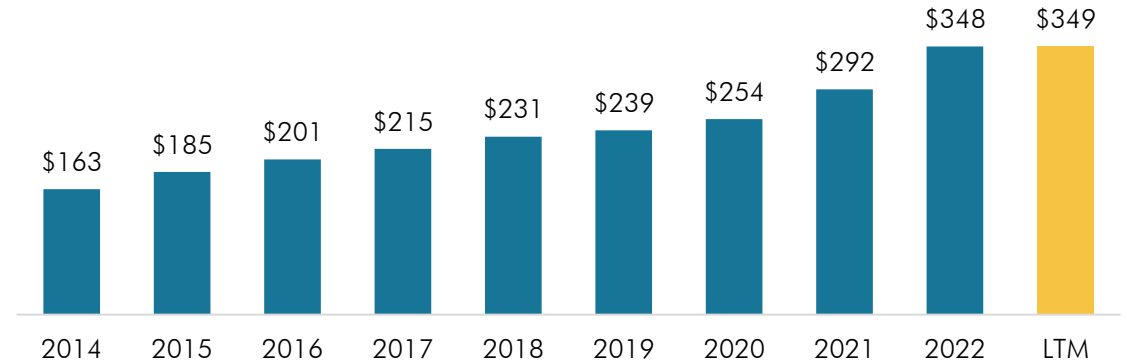
Revenue (\$ millions)



Average Absorptions and Communities⁽¹⁾



Average Sales Price (\$ thousands)



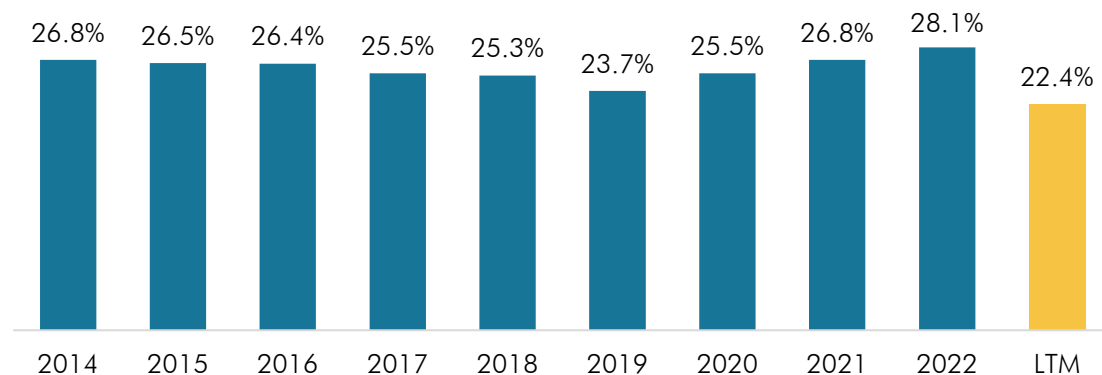
Note: LTM as of September 30, 2023

1) Absorptions per Community per Month; includes wholesale closings

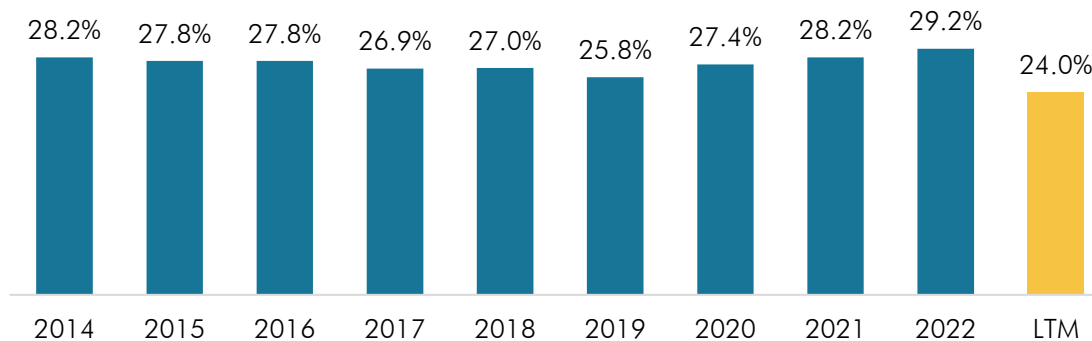
LEADING MARGINS & PROFITABILITY

LGI HOMES HAS CONSISTENTLY GENERATED STRONG MARGINS & PROFITABILITY

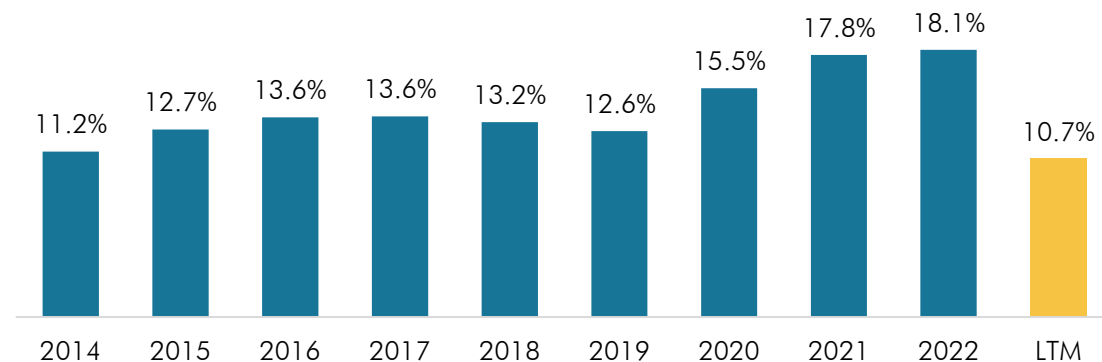
Gross Margin Percentage ^{(1) (2)}



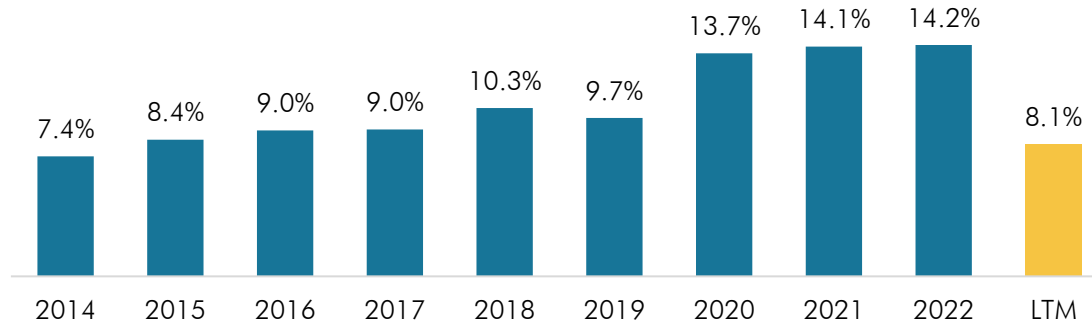
Adjusted Gross Margin Percentage ^{(2) (3)}



Pre-Tax Net Income Percentage ⁽²⁾



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



Note: LTM as of September 30, 2023

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) Beginning in FY 2020, results include the impact of 45L tax credits

BALANCE SHEET

DISCIPLINED INVESTMENT IN FUTURE COMMUNITY COUNT GROWTH

(\$ in thousands)	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2023
ASSETS					
Cash and Cash Equivalents	\$ 38,345	\$ 35,942	\$ 50,514	\$ 31,998	\$ 46,981
Accounts Receivable	56,390	115,939	57,909	25,143	35,651
Real Estate Inventory	1,499,624	1,569,489	2,085,904	2,898,296	3,056,966
Goodwill	12,018	12,018	12,018	12,018	12,018
Other Assets	59,738	92,699	145,520	157,373	183,395
Total Assets	\$ 1,666,115	\$ 1,826,087	\$ 2,351,865	\$ 3,124,828	\$ 3,335,011
LIABILITIES					
Accounts Payable and Other Liabilities	\$ 130,363	\$ 148,684	\$ 150,781	\$ 365,415	\$ 341,970
Notes Payable	690,559	538,398	805,236	1,117,001	1,190,366
Total Liabilities	820,922	687,082	956,017	1,482,416	1,532,336
EQUITY					
Common Stock	264	267	269	272	275
Additional Paid-In Capital	252,603	270,598	291,577	306,673	319,795
Retained Earnings	610,382	934,277	1,363,922	1,690,489	1,837,627
Treasury Stock, at Cost	(18,056)	(66,137)	(259,920)	(355,022)	(355,022)
Total Equity	845,193	1,139,005	1,395,848	1,642,412	1,802,675
Total Liabilities and Equity	\$ 1,666,115	\$ 1,826,087	\$ 2,351,865	\$ 3,124,828	\$ 3,335,011
Gross Debt to Capitalization ⁽¹⁾	45.0%	32.1%	36.6%	40.5%	39.8%
Net Debt to Capitalization ⁽²⁾	43.6%	30.6%	35.1%	39.8%	38.8%

As of September 30, 2023:

**\$47 Million
in Cash**

**Inventory of
\$3.1 Billion**

**Net leverage of
38.8%**

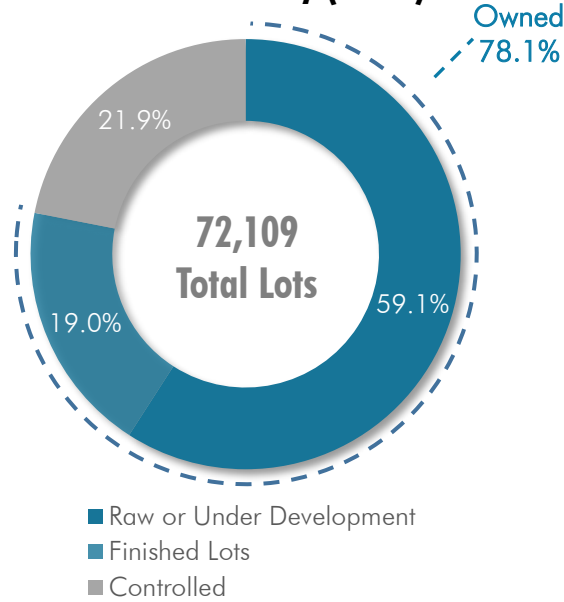
**Liquidity of
\$243 Million**

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

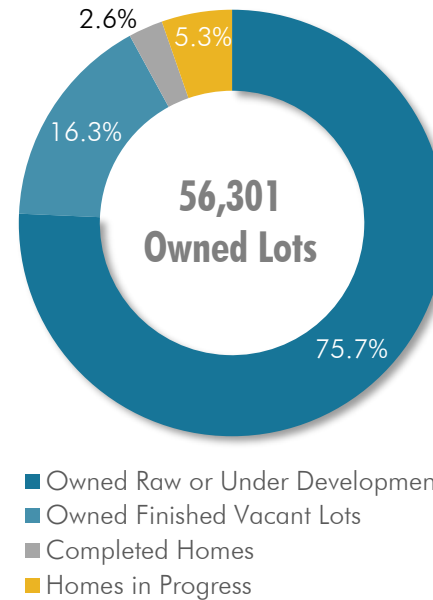
2) Calculated as Notes Payable less Cash and Cash Equivalents ("Net Debt") as a percentage of the sum of Net Debt and Total Equity

INVENTORY MANAGEMENT

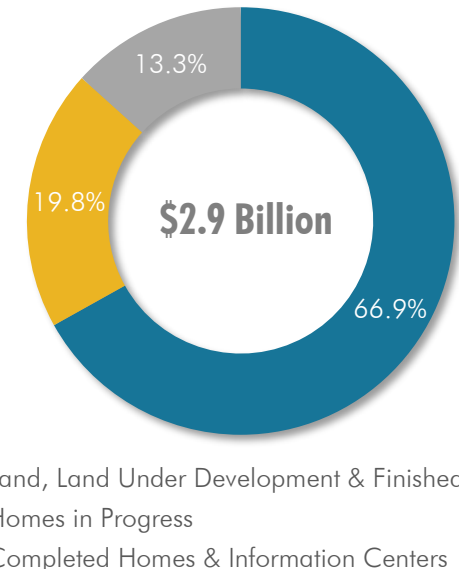
Total Lot Inventory (Units) ⁽¹⁾



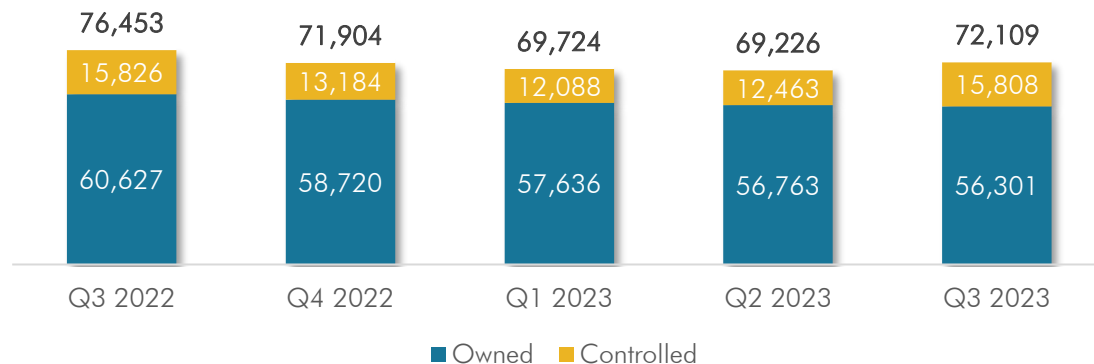
Owned Lot Inventory (Units) ⁽¹⁾



Owned Real Estate Inventory (\$ Value) ^{(1) (2)}



Total Owned and Controlled Lots Over Time



Total Real Estate Inventory by Reportable Segment ⁽³⁾

	LTM Home Closings	Owned Lots	Controlled Lots	Total Lots
Central	2,358	21,048	3,624	24,672
Southeast	1,602	14,756	4,907	19,663
Northwest	506	5,981	2,138	8,119
West	825	9,176	2,195	11,371
Florida	1,128	5,340	2,944	8,284
Total	6,419	56,301	15,808	72,109

Note: Some numbers may not foot due to rounding

1) As of September 30, 2023

2) Excludes real estate not owned of \$118.9 million

3) LTM as of September 30, 2023



Appendix

HISTORICAL THIRD QUARTER OPERATING RESULTS

QUARTERS ENDED SEPTEMBER 30th

	Q3 2014	Q3 2015	Q3 2016	Q3 2017	Q3 2018	Q3 2019	Q3 2020	Q3 2021	Q3 2022	Q3 2023
Home Closings	557	934	1,052	1,729	1,601	2,003	2,091	2,499	1,547	1,751
Average Active Communities	33.7	49.3	58.7	76.3	82.0	101.3	109.3	102.7	93.0	103.7
Avg. Monthly Absorption Rate	5.5	6.3	6.0	7.6	6.5	6.6	6.4	8.1	5.5	5.6
Average Sales Price	\$166,097	\$186,248	\$205,613	\$211,623	\$237,582	\$241,179	\$255,477	\$300,764	\$353,635	\$352,678
Home Sales Revenues (\$M)	\$92.5	\$174.0	\$216.3	\$365.9	\$380.4	\$483.1	\$534.2	\$751.6	\$547.1	\$617.5
Gross Margin %	27.3%	26.4%	26.3%	25.1%	25.6%	24.1%	25.3%	26.9%	28.5%	25.7%
Adjusted Gross Margin % ⁽¹⁾	28.3%	27.5%	27.7%	26.5%	27.4%	26.3%	27.3%	28.2%	29.5%	27.2%
SG&A %	16.6%	13.2%	12.8%	11.3%	12.0%	10.9%	10.8%	8.6%	11.2%	12.4%
Pre-Tax Net Income (\$M)	\$10.5	\$23.2	\$29.5	\$50.9	\$49.0	\$64.7	\$77.8	\$127.0	\$108.7	\$89.4
Pre-Tax Net Income %	11.4%	13.3%	13.6%	13.9%	12.9%	13.4%	14.6%	16.9%	19.9%	14.5%
Effective Tax Rate %	33.1%	33.6%	34.0%	33.8%	23.0%	23.8%	(14.4%)	20.8%	16.8%	25.1%
Net Income (\$M)	\$7.0	\$15.4	\$19.5	\$33.7	\$37.7	\$49.3	\$89.0	\$100.6	\$90.4	\$67.0
Net Income %	7.6%	8.9%	9.0%	9.2%	9.9%	10.2%	16.7%	13.4%	16.5%	10.9%
Basic Earnings per Share	\$0.34	\$0.77	\$0.92	\$1.55	\$1.66	\$2.15	\$3.55	\$4.10	\$3.88	\$2.85
Diluted Earnings per Share	\$0.34	\$0.76	\$0.86	\$1.40	\$1.52	\$1.93	\$3.52	\$4.05	\$3.85	\$2.84

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

YEARS ENDED DECEMBER 31ST & LAST TWELVE MONTHS ENDED SEPTEMBER 30, 2023

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM ⁽¹⁾
Home Closings	2,356	3,404	4,163	5,845	6,512	7,690	9,339	10,442	6,621	6,419
Average Active Communities	32.3	47.1	57.9	73.1	80.6	95.8	111.9	104.4	91.9	99.4
Avg. Monthly Absorption Rate	6.1	6.0	6.0	6.7	6.7	6.7	7.0	8.3	6.0	5.4
Average Sales Price	\$162,677	\$185,146	\$201,374	\$215,220	\$231,020	\$239,032	\$253,553	\$292,104	\$348,052	\$348,719
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	\$2,304.5	\$2,238.4
Gross Margin %	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.1%	22.4%
Adjusted Gross Margin % ⁽²⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.2%	24.0%
SG&A %	15.8%	13.8%	13.1%	12.0%	12.0%	11.4%	10.1%	8.9%	11.1%	12.8%
Pre-Tax Net Income (\$M)	\$43.1	\$80.3	\$113.7	\$171.4	\$199.1	\$231.8	\$367.8	\$542.8	\$418.1	\$240.1
Pre-Tax Net Income %	11.2%	12.7%	13.6%	13.6%	13.2%	12.6%	15.5%	17.8%	18.1%	10.7%
Effective Tax Rate %	34.5%	34.2%	34.0%	33.9%	22.0%	23.0%	11.9%	20.8%	21.9%	24.5%
Net Income (\$M)	\$28.2	\$52.8	\$75.0	\$113.3	\$155.3	\$178.6	\$323.9	\$429.6	\$326.6	\$181.3
Net Income %	7.4%	8.4%	9.0%	9.0%	10.3%	9.7%	13.7%	14.1%	14.2%	8.1%
Basic Earnings per Share	\$1.37	\$2.65	\$3.61	\$5.24	\$6.89	\$7.70	\$12.89	\$17.46	\$13.90	\$7.72 ⁽³⁾
Diluted Earnings per Share	\$1.33	\$2.44	\$3.41	\$4.73	\$6.24	\$7.02	\$12.76	\$17.25	\$13.76	\$7.68 ⁽³⁾

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

1) LTM as of September 30, 2023

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)

QUARTERS ENDED SEPTEMBER 30TH

(\$ in thousands)	Q3 2014	Q3 2015	Q3 2016	Q3 2017	Q3 2018	Q3 2019	Q3 2020	Q3 2021	Q3 2022	Q3 2023
Home Sales Revenues	\$92,516	\$173,956	\$216,304	\$365,896	\$380,369	\$483,081	\$534,202	\$751,608	\$547,074	\$617,539
Cost of Home Sales	\$67,256	\$127,949	\$159,483	\$274,000	\$283,035	\$366,431	\$398,971	\$549,319	\$391,275	\$458,734
Gross Margin	\$25,260	\$46,007	\$56,821	\$91,896	\$97,334	\$116,650	\$135,231	\$202,289	\$155,799	\$158,805
Capitalized Interest Charged to Cost of Sales	\$473	\$1,824	\$2,980	\$5,135	\$6,185	\$9,511	\$9,164	\$8,603	\$4,617	\$8,580
Purchase Accounting Adjustment ⁽¹⁾	\$434	\$39	\$73	\$54	\$850	\$671	\$1,396	\$952	\$1,162	\$767
Adjusted Gross Margin (Non-GAAP)	\$26,167	\$47,870	\$59,874	\$97,085	\$104,369	\$126,832	\$145,791	\$211,844	\$161,578	\$168,152
Gross Margin % ⁽²⁾	27.3%	26.4%	26.3%	25.1%	25.6%	24.1%	25.3%	26.9%	28.5%	25.7%
Adjusted Gross Margin % ⁽²⁾	28.3%	27.5%	27.7%	26.5%	27.4%	26.3%	27.3%	28.2%	29.5%	27.2%

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 TWELVE MONTHS ENDED DECEMBER 31ST & LAST TWELVE MONTHS ENDED SEPTEMBER 30, 2023

(\$ in thousands)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM
Home Sales Revenues	\$383,268	\$630,236	\$838,320	\$1,257,960	\$1,504,400	\$1,838,154	\$2,367,929	\$3,050,149	\$2,304,455	\$2,238,428
Cost of Home Sales	\$280,481	\$463,304	\$616,707	\$937,540	\$1,124,484	\$1,401,675	\$1,764,832	\$2,232,115	\$1,657,855	\$1,737,835
Gross Margin	\$102,787	\$166,932	\$221,613	\$320,420	\$379,916	\$436,479	\$603,097	\$818,034	\$646,600	\$500,593
Capitalized Interest Charged to Cost of Sales	\$1,704	\$6,057	\$10,680	\$17,400	\$24,311	\$35,230	\$40,381	\$37,546	\$20,276	\$29,886
Purchase Accounting Adjustment ⁽²⁾	\$3,620	\$2,131	\$485	\$246	\$1,408	\$3,324	\$4,872	\$4,964	\$6,869	\$6,910
Adjusted Gross Margin (Non-GAAP)	\$108,111	\$175,120	\$232,778	\$338,066	\$405,635	\$475,033	\$648,350	\$860,544	\$673,745	\$537,389
Gross Margin % ⁽³⁾	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.1%	22.4%
Adjusted Gross Margin % ⁽³⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.2%	24.0%

1) LTM as of September 30, 2023

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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