

D.R. HORTON, INC. UPDATES SELECT FOURTH QUARTER AND FISCAL YEAR 2021 GUIDANCE

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ARLINGTON, Texas--(BUSINESS WIRE)-- [D.R. Horton, Inc.](#) (NYSE:DHI), America's Builder, today reported that the Company is updating its guidance for homes closed, consolidated revenues and home sales gross margin for the fourth quarter of fiscal 2021.

The Company now expects its homes closed for the fourth quarter of fiscal 2021 to be in a range of 21,300 homes to 21,700 homes compared to the previous range of 23,000 homes to 24,500 homes, due to continuing significant disruptions in the supply chain, including shortages and delivery delays in certain building materials along with tightness in the labor market. As a result, the Company now expects its homes closed for fiscal 2021 to increase 24% to 25% from fiscal 2020 to a range of 81,300 homes to 81,700 homes compared to the previous range of 83,000 homes to 84,500 homes.

Due to the lower expected closings volume, partially offset by an expected increase in the average sales price of homes closed during the quarter, the Company now expects its fourth quarter consolidated revenues to be in a range of \$7.7 billion to \$7.9 billion compared to the prior range of \$7.9 billion to \$8.4 billion. As a result, the Company now expects its consolidated revenues for fiscal 2021 to increase 35% to 36% from fiscal 2020 to a range of \$27.4 billion to \$27.6 billion compared to the previous range of \$27.6 billion to \$28.1 billion.

As strong new home demand and limited housing supply continue to support pricing power across most of its operating footprint, the Company now expects its fourth quarter home sales gross margin to be in the range of 26.5% to 26.8%, an improvement from the previous range of 26.0% to 26.3%.

The net effect of changes to the Company's guidance for the fourth quarter of fiscal 2021 is expected to have a minimal impact on its earnings versus the Company's prior guidance.

The Company has maintained a strong pace of home starts in the current quarter and still expects to grow its homes closed at a double-digit percentage pace in fiscal 2022 as compared to fiscal 2021. More detailed fiscal 2022 guidance will be provided in the Company's year-end earnings release and on its conference call to be held in November.

About D.R. Horton, Inc.

D.R. Horton, Inc., America's Builder, has been the largest homebuilder by volume in the United States since 2002. Founded in 1978 in Fort Worth, Texas, D.R. Horton has operations in 96 markets in 30 states across the United States and closed 80,276 homes in the twelve-month period ended June 30, 2021. The Company is engaged in the construction and sale of high-quality homes through its diverse brand portfolio that includes D.R. Horton, Emerald Homes, Express Homes and Freedom Homes with sales prices ranging from \$150,000 to over \$1,000,000. D.R. Horton also provides mortgage financing, title services and insurance agency services for homebuyers through its mortgage, title and insurance subsidiaries.

Forward-Looking Statements

Portions of this document may constitute "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. All forward-looking statements are based upon information available to D.R. Horton on the date this release was issued. D.R. Horton does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements in this release include all of the Company's updated guidance metrics for the fourth quarter and fiscal 2021 and that the net effect of changes to the Company's guidance for the fourth quarter of fiscal 2021 is expected to have a minimal impact on its earnings versus the Company's prior guidance. The forward-looking statements also include that the Company still expects to grow its homes closed at a double-digit percentage pace in fiscal 2022 as compared to fiscal 2021 and that more detailed fiscal 2022 guidance will be provided in the Company's year-end earnings release and on its conference call to be held in November.

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 effects of public health issues such as a major epidemic or pandemic, including the impact of COVID-19 on the economy and our businesses; the cyclical nature of the homebuilding and lot development industries and changes in economic, real estate and other conditions; constriction of the credit and public capital markets, which could limit our ability to access capital and increase our costs of capital; 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 and lot inventory; our ability to effect our growth strategies, acquisitions or investments successfully; the impact of an inflationary, deflationary or higher interest rate environment; home warranty and construction defect claims; the effects of health and safety incidents; supply shortages and other risks of acquiring land, building materials and skilled labor; reductions in the availability of performance bonds; increases in the costs of owning a home; the effects of governmental regulations and environmental matters on our homebuilding and land development operations; the effects of governmental regulations on our financial services operations; competitive conditions within the homebuilding, lot development and financial services industries; 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 information technology failures, data security breaches and our ability to satisfy privacy and data protection laws and regulations. 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 its most recent quarterly report on Form 10-Q, both of which are filed with the Securities and Exchange Commission.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding D.R. Horton's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.

