

D.R. HORTON, INC. REPORTS A 72% INCREASE IN SECOND QUARTER NET INCOME AND A RECORD \$2.7 BILLION BACKLOG AT MARCH 31, 2002

04/22/02

Quarter Highlights

- Merger with Schuler Homes completed
- Stockholder's equity exceeded \$2.0 billion
- Sales backlog increased 28% to a record \$2.7 billion
- Consolidated revenue increased 76% to \$1.6 billion
- Net income increased 72% to \$88.9 million
- Consensus earnings per share estimate exceeded by 23%
- Homebuilding debt to total capitalization (net of cash) improved to 55.8% from 57.8%
- Homes closed increased 53% to 6,639 homes

ARLINGTON, Texas, April 22 /PRNewswire-FirstCall/ -- D.R. Horton, Inc. (NYSE: DHI) Monday (April 22, 2002), reported its 98th consecutive quarter of year-over-year growth in revenues and net income. Second quarter net income increased 72% to \$88.9 million (\$0.64 per share), from \$51.6 million (\$0.45 per share) in fiscal 2001. Second quarter consolidated revenue increased 76% to \$1.6 billion, from \$0.9 billion in fiscal 2001. Homebuilding revenue for the quarter increased 77% to \$1,576.2 million (6,639 homes closed), compared to \$892.4 million (4,330 homes closed) for the same period of fiscal 2001.

For the six months ended March 31, 2002, net income increased 60% to \$162.4 million (\$1.26 per share), compared to \$101.4 million (\$0.88 per share) for the same period of fiscal 2001. Consolidated revenue for the six months increased 54% to \$2.8 billion, from \$1.8 billion for the same period of fiscal 2001. Homebuilding revenue for the six months increased 54% to \$2,711.2 million (12,330 homes closed), compared to \$1,766.0 million (8,620 homes closed) for the same period of fiscal 2001.

As previously reported, net sales orders for the second quarter established an all-time quarterly record of \$1.8 billion (8,617 homes), an increase of 35% compared to \$1.4 billion (6,712 homes) for the same quarter of fiscal 2001. Net sales orders for the first six months of fiscal 2002 increased 27% to \$2.9 billion (13,761 homes), compared to \$2.3 billion (10,941 homes) for the same period of fiscal 2001. The Company's backlog of homes under contract at March 31, 2002 established another all-time record, totaling \$2.7 billion (12,398 homes), up 28% from \$2.1 billion (9,709 homes) at March 31, 2001.

The Company is issuing earnings per share guidance for the fiscal year ended September 30, 2002 in the range of \$2.75 to \$2.80. The balance of our fiscal year 2002 earnings will be realized approximately 40% in our third quarter and 60% in our fourth quarter.

The Company will host a conference call this morning at 11:00 a.m. EDT. The dial-in number is 800-374-9096. The call will also be webcast from www.drhorton.com on the "Investor Relations" page.

Donald R. Horton, Chairman of the Board, said, "It has been an exciting quarter for the Company. We completed our merger with Schuler Homes, achieved our 98th consecutive quarter of growth in revenues and earnings and declared a 3-for-2 stock split. The Company continues to experience strong sales demand as evidenced by the second quarter's 35% sales increase, which contributed to a record backlog of \$2.7 billion. Our record earnings for the first half of this fiscal year, combined with our record backlog, ensure that fiscal 2002 will be our 25th consecutive year of growth and profitability, and position the Company for a prosperous fiscal year 2003."

Founded in 1978, D.R. Horton, Inc. is engaged in the construction and sale of high quality homes designed principally for the entry-level and first time move-up markets. D.R. Horton currently builds and sells homes under the D.R. Horton, Arappco, Cambridge, Continental, Dietz-Crane, Dobson, Emerald, Mareli, Melody, Milburn, Regency, Schuler, SGS Communities, Stafford, Torrey, Trimark, and Western Pacific names in 21 states and 42 markets, with a geographic presence in the Midwest, Mid-Atlantic, Southeast, Southwest and Western regions of the United States. The Company also provides mortgage financing and title services for homebuyers through its mortgage and title subsidiaries.

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. 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: changes in general economic, real estate and business conditions; changes in interest rates and the availability of mortgage financing; governmental regulations and environmental matters; the Company's substantial leverage; competitive conditions within the industry; the availability of capital; the Company's ability to integrate acquisitions and successfully effect the cost savings, operating efficiencies and revenue enhancements that are believed available and otherwise to successfully effect its other growth strategies. 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 quarterly reports on Form 10-Q, which are filed with the Securities and Exchange Commission.

D.R. HORTON, INC.

CONSOLIDATED STATEMENTS OF INCOME

(UNAUDITED)

	Three months ended		Six months ended	
	March 31,		March 31,	
	2001	2002	2001	2002
(In millions, except per share amounts)				
Homebuilding:				
Revenues				
Home sales	\$853.6	\$1,534.4	\$1,709.7	\$2,660.1
Land/lot sales	38.8	41.8	56.3	51.1
	892.4	1,576.2	1,766.0	2,711.2
Cost of sales				
Home sales	682.8	1,258.8	1,372.7	2,157.8
Land/lot sales	30.6	36.2	44.1	44.1
	713.4	1,295.0	1,416.8	2,201.9
Gross profit				
Home sales	170.8	275.6	337.0	502.3
Land/lot sales	8.2	5.6	12.2	7.0
	179.0	281.2	349.2	509.3
Selling, general and				
administrative expense	94.1	149.5	186.0	267.9
Interest expense	1.6	2.6	4.5	3.8
Other expense (income)	5.7	(2.4)	9.0	0.1
Operating income from homebuilding	77.6	131.5	149.7	237.5
Financial services:				
Revenues	14.4	23.9	28.5	48.8
Selling, general and				
administrative expense	9.8	14.9	19.9	30.0
Interest expense	0.9	1.0	2.0	2.3
Other (income)	(1.2)	(2.8)	(2.6)	(5.8)
Operating income from financial				
services	4.9	10.8	9.2	22.3
Income before income taxes	82.5	142.3	158.9	259.8
Provision for income taxes	30.9	53.4	59.6	97.4
Income before cumulative effect of				
change in accounting principle	\$51.6	\$88.9	\$99.3	\$162.4
Cumulative effect of change in				
accounting principle, net of income				
taxes	---	---	2.1	---
Net income	\$51.6	\$88.9	\$101.4	\$162.4
Amounts per share - basic:				
Income before cumulative effect of				
change in accounting principle	\$0.46	\$0.69	\$0.88	\$1.33
Cumulative effect of change in				
accounting principle, net of				
income taxes	---	---	0.02	---
Net income	\$0.46	\$0.69	\$0.90	\$1.33

Amounts per share - diluted:

Income before cumulative effect of				
change in accounting principle	\$0.45	\$0.64	\$0.86	\$1.26
Cumulative effect of change in				
accounting principle, net of				
income taxes	---	---	0.02	---
Net income per share	\$0.45	\$0.64	\$0.88	\$1.26

Weighted average number of shares:

Basic	113.2	128.9	112.8	122.1
Diluted	115.1	141.5	114.6	129.4

Other Homebuilding Financial Data

Interest in home and land cost of				
sales	\$18.5	\$29.4	\$36.7	\$51.7
Depreciation and amortization	\$5.7	\$5.0	\$11.4	\$10.0
Interest Incurred	\$31.2	\$46.5	\$60.7	\$83.2

D.R. HORTON, INC.
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

March 31, 2002
(In millions)

ASSETS

Homebuilding:

Cash and cash equivalents	\$176.3
Inventories	4,201.1
Property and equipment (net)	68.5
Other assets	359.1
Excess of cost over net assets	
acquired (net)	564.0
	5,369.0

Financial services:

Cash and cash equivalents	13.5
Mortgage loans held for sale	202.3
Other assets	12.1
	227.9
	\$5,596.9

LIABILITIES

Homebuilding:

Accounts payable and other liabilities	\$629.9
Notes payable	2,748.2
	3,378.1

Financial services:

Accounts payable and other liabilities	9.7
Notes payable	148.2
	157.9
	3,536.0

Minority interests	21.9
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STOCKHOLDERS' EQUITY

Common stock	1.0
Additional capital	1,346.7
Unearned compensation	(7.5)
Retained earnings	698.8
	2,039.0
	\$5,596.9

D.R. HORTON, INC.
(\$'s in millions)

NET SALES CONTRACTS

	Three Months Ended March 31,				Six Months Ended March 31,			
	2001		2002		2001		2002	
	Units	\$'s	Units	\$'s	Units	\$'s	Units	\$'s
Mid-Atlantic	860	\$184.3	883	\$182.7	1,410	\$312.7	1,511	\$310.7
Midwest	595	155.6	463	117.3	921	235.6	851	214.3
Southeast	850	154.0	969	158.4	1,398	252.0	1,704	276.7
Southwest	2,795	453.4	3,685	613.9	4,474	731.1	6,017	993.2
West	1,612	408.6	2,617	761.1	2,738	724.7	3,678	1,060.0
	6,712	\$1,355.9	8,617	\$1,833.4	10,941	\$2,256.1	13,761	\$2,854.9

HOMES CLOSED

	Three Months Ended March 31,				Six Months Ended March 31,			
	2001		2002		2001		2002	
	Units	\$'s	Units	\$'s	Units	\$'s	Units	\$'s
Mid-Atlantic	630	\$139.5	633	\$138.6	1,225	\$273.5	1,228	\$263.7
Midwest	386	89.7	388	95.4	874	208.4	851	214.1
Southeast	593	104.5	790	135.7	1,158	204.7	1,678	290.6
Southwest	1,886	314.3	2,338	403.9	3,678	602.8	4,909	836.5
West	835	205.6	2,490	760.8	1,685	420.3	3,664	1,055.2
	4,330	\$853.6	6,639	\$1,534.4	8,620	\$1,709.7	12,330	\$2,660.1

SALES CONTRACT BACKLOG

	As of March 31,			
	2001		2002	
	Units	\$'s	Units	\$'s
Mid-Atlantic	1,008	\$246.8	1,105	\$237.4
Midwest	947	252.7	918	263.0
Southeast	1,227	225.0	1,490	239.6
Southwest	3,985	679.8	5,410	910.2
West	2,542	679.0	3,475	1,013.5
	9,709	\$2,083.3	12,398	\$2,663.7

WEBSITE ADDRESS: www.DRHORTON.com

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Web site: <http://www.drhorton.com>

Company News On-Call: <http://www.prnewswire.com/comp/118697.html>

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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.