

D.R. HORTON, INC. UPDATES ITS FOURTH QUARTER AND FISCAL YEAR 2017 GUIDANCE

09/25/17

ARLINGTON, Texas--(BUSINESS WIRE)-- [D.R. Horton, Inc.](#) (NYSE:DHI), America's Builder, today reported that the Company is updating guidance for its fourth quarter backlog conversion rate, fourth quarter SG&A as a percentage of homebuilding revenues and fiscal 2017 cash flow from operations.

Due to delays caused by the recent hurricanes, the Company now expects its backlog conversion rate for the fourth quarter of fiscal 2017 to be approximately 85% compared to the previous range of 88% to 90% and its SG&A as a percentage of homebuilding revenues to be approximately 8.6% compared to the previous range of 8.3% to 8.4%. For the fiscal year, the Company expects to generate approximately \$150 million of cash flow from operations compared to the previous guidance of approximately \$300 million.

The Company does not expect the recent weather events to have an impact on its preliminary fiscal 2018 guidance issued in July. More detailed fiscal 2018 guidance will be provided in the Company's year-end earnings release and conference call 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 for fifteen consecutive and closed 44,833 homes in the twelve-month period ended June 30, 2017. 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](#) ranging from \$100,000 to over \$1,000,000. D.R. Horton also provides [mortgage financing](#) and [title services](#) for homebuyers through its mortgage and title 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 that due to delays caused by the recent hurricanes, the Company now expects its backlog conversion rate for the fourth quarter of fiscal 2017 to be approximately 85% compared to the previous range of 88% to 90% and its SG&A as a percentage of homebuilding revenues to be approximately 8.6% compared to the previous range of 8.3% to 8.4% and that for the fiscal year, the Company expects to generate approximately \$150 million of cash flow from operations compared to the previous guidance of approximately \$300 million. The forward-looking statements also include that the Company does not expect the recent weather events to have an impact on its preliminary fiscal 2018 guidance issued in July and that more detailed fiscal 2018 guidance will be provided in the Company's year-end earnings release and conference call 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 cyclical nature of the homebuilding industry and changes in economic, real estate and other conditions; constriction of the credit 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; home warranty and construction defect claims; the effects of a health and safety incident; the effects of negative publicity; supply shortages and other risks of acquiring land, building materials and skilled labor; the impact of an inflationary, deflationary or higher interest rate environment; 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 operations; the effects of governmental regulations on our financial services operations; our significant debt and our ability to comply with related debt covenants, restrictions and limitations; competitive conditions within the homebuilding and financial services industries; our ability to effect our growth strategies, acquisitions or investments successfully, including the proposed Forestar merger; the effects of the loss of key personnel; and information technology failures and data security breaches. 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 our most recent quarterly report on Form 10-Q, both of which are filed with the Securities and Exchange Commission (SEC).

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Source: D.R. Horton, Inc.

"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.

