



RANCH GATE ESTATES | SCOTTSDALE, AZ

THIRD QUARTER 2024 COMPANY OVERVIEW

STATEMENT OF FORWARD-LOOKING INFORMATION

Information presented herein for the third quarter ended July 31, 2024 is subject to finalization of the Company's regulatory filings, related financial and accounting reporting procedures and external auditor procedures.

This release contains or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. One can identify these statements by the fact that they do not relate to matters of a strictly historical or factual nature and generally discuss or relate to future events. These statements contain words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “can,” “could,” “might,” “should,” “likely,” “will,” and other words or phrases of similar meaning. Such statements may include, but are not limited to, information and statements regarding: expectations regarding inflation and interest rates; the markets in which we operate or may operate; our strategic priorities; our land acquisition, land development and capital allocation priorities; market conditions; demand for our homes; anticipated operating results and guidance; home deliveries; financial resources and condition; changes in revenues; changes in profitability; changes in margins; changes in accounting treatment; cost of revenues, including expected labor and material costs; selling, general, and administrative expenses; interest expense; inventory write-downs; home warranty and construction defect claims; unrecognized tax benefits; anticipated tax refunds; sales paces and prices; effects of home buyer cancellations; growth and expansion; joint ventures in which we are involved; anticipated results from our investments in unconsolidated entities; our ability to acquire or dispose of land and pursue real estate opportunities; our ability to gain approvals and open new communities; our ability to market, construct and sell homes and properties; our ability to deliver homes from backlog; our ability to secure materials and subcontractors; our ability to produce the liquidity and capital necessary to conduct normal business operations or to expand and take advantage of opportunities; and the outcome of legal proceedings, investigations, and claims.

Any or all of the forward-looking statements included in this release are not guarantees of future performance and may turn out to be inaccurate. This can occur as a result of incorrect assumptions or as a consequence of known or unknown risks and uncertainties. The major risks and uncertainties – and assumptions that are made – that affect our business and may cause actual results to differ from these forward-looking statements include, but are not limited to:

- the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages and strength of the U.S. dollar;
- market demand for our products, which is related to the strength of the various U.S. business segments and U.S. and international economic conditions;
- the availability of desirable and reasonably priced land and our ability to control, purchase, hold and develop such land;
- access to adequate capital on acceptable terms;
- geographic concentration of our operations;
- levels of competition;
- the price and availability of lumber, other raw materials, home components and labor;
- the effect of U.S. trade policies, including the imposition of tariffs and duties on home building products and retaliatory measures taken by other countries;
- the effects of weather and the risk of loss from earthquakes, volcanoes, fires, floods, droughts, windstorms, hurricanes, pest infestations and other natural disasters, and the risk of delays, reduced consumer demand, and shortages and price increases in labor or materials associated with such natural disasters;
- risks related to acts of war, terrorism or outbreaks of contagious diseases, such as Covid-19;
- federal and state tax policies;
- transportation costs;
- the effect of land use, environment and other governmental laws and regulations;

- legal proceedings or disputes and the adequacy of reserves;
- risks relating to any unforeseen changes to or effects on liabilities, future capital expenditures, revenues, expenses, earnings, indebtedness, financial condition, losses and future prospects;
- changes in accounting principles;
- risks related to unauthorized access to our computer systems, theft of our and our homebuyers' confidential information or other forms of cyber-attack; and
- other factors described in “Risk Factors” included in our Annual Report on Form 10-K for the year ended October 31, 2023 and in subsequent filings we make with the Securities and Exchange Commission (“SEC”).

Many of the factors mentioned above or in other reports or public statements made by us will be important in determining our future performance. Consequently, actual results may differ materially from those that might be anticipated from our forward-looking statements.

Forward-looking statements speak only as of the date they are made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

For a further discussion of factors that we believe could cause actual results to differ materially from expected and historical results, see the information under the captions “Risk Factors” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Annual Report on Form 10-K filed with the SEC and in subsequent reports filed with the SEC. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995, and all of our forward-looking statements are expressly qualified in their entirety by the cautionary statements contained or referenced in this section.

FINANCE & INVESTOR RELATIONS LEADERSHIP

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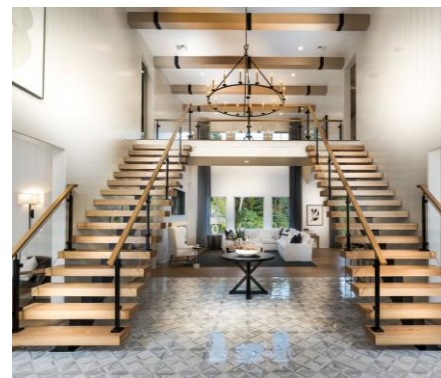
FACTORS SUPPORTING DEMAND

- Constrained supply of new & resale homes on the market
- Buyers have benefited from a decade of solid stock market
- Millennials in prime home buying years
- Boomers making lifestyle changes
- Largest ever immigration year
- Increased desire for high quality move-in ready homes
- Lower unemployment rates among college graduates
- Age & poor quality of existing stock favors new build
- New homes designs allow for workplace flexibility



ENCLAVE AT BOXBOROUGH | WESTBOROUGH, MA

EVOLUTION OF THE HOMEBUILDING INDUSTRY



LARGEST PLAYERS ARE TAKING SHARE

- Public homebuilders have gone from 27% market share in 2012 to ~53% in June 2024*

BETTER BUSINESS MODEL

- Greater access to capital & labor
- Higher bargaining power with suppliers

FOCUSED ON CAPITAL EFFICIENCY IN LAND ACQUISITION

- Reduces land risk
- Drives higher ROE business
- Less cyclical industry
- Less debt

DEMAND FOR SPEC FAVORS LARGE PLAYERS

- Largest public homebuilders have greatest access to capital for their spec platforms
- Large publics can influence affordability by buying down mortgage rates

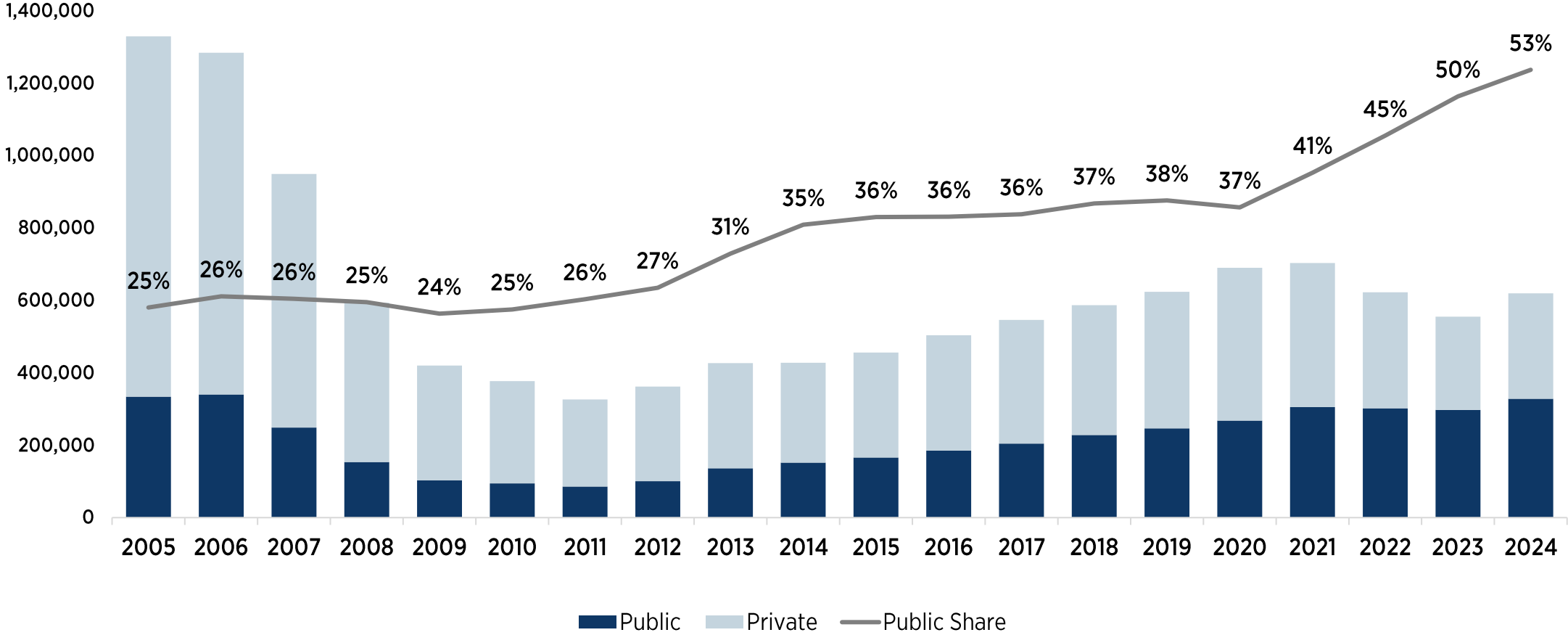
UNDervalUED

- Public homebuilders are producing structurally higher return on equity
- Consistent production & profitability
- Shareholder returns support valuation
- Long-term industry tailwinds (next page)

PUBLIC BUILDERS ARE GAINING MARKET SHARE

PUBLIC BUILDERS HAVE TAKEN SHARE FROM THE PRIVATE BUILDERS AND IN 2023 REPRESENTED GREATER THAN 50% OF NEW HOME SETTLEMENTS

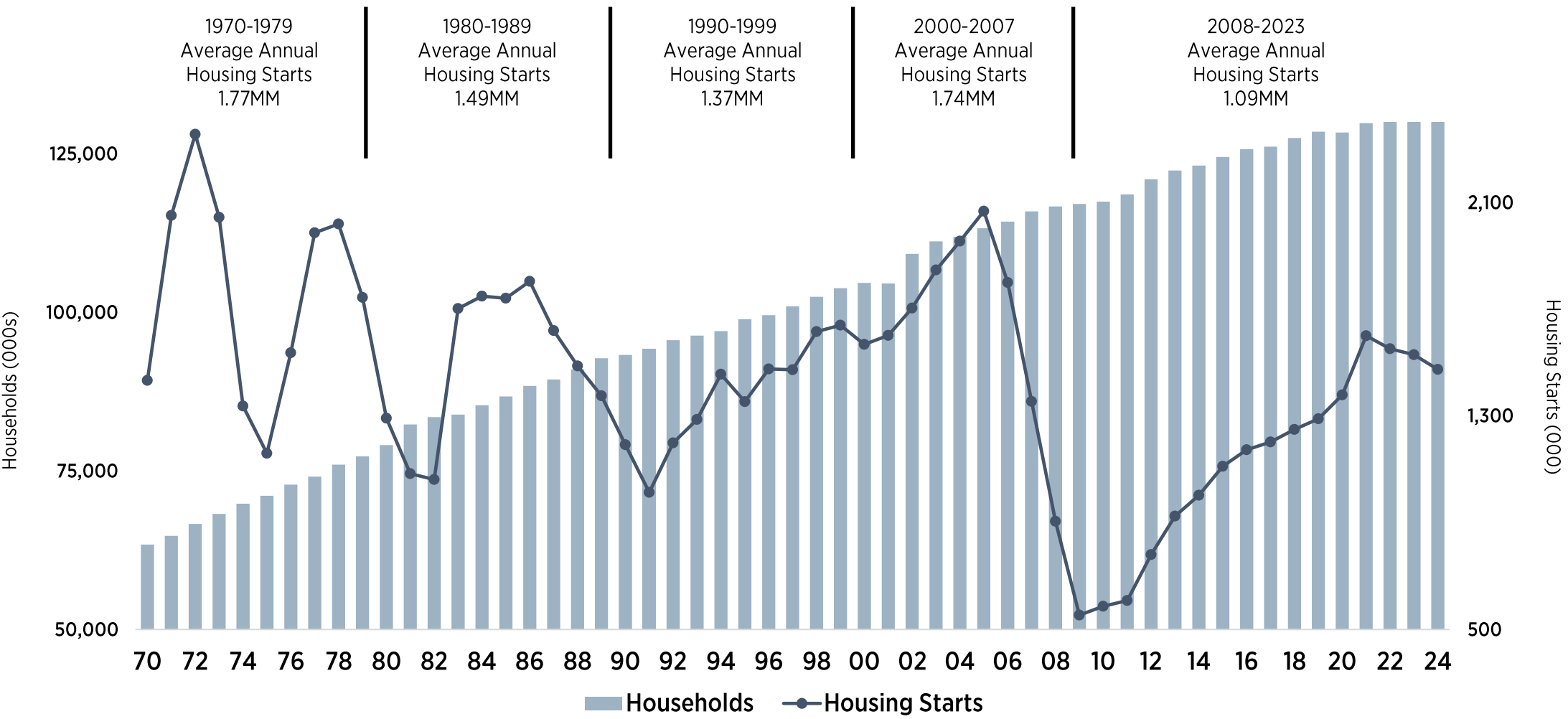
PUBLIC AND PRIVATE HOMEBUILDER CLOSINGS AND PUBLIC HOMEBUILDER SHARE
2005 - 2024P



Source: Zonda

INDUSTRY IS UNDERSUPPLIED AS HOUSEHOLDS INCREASE

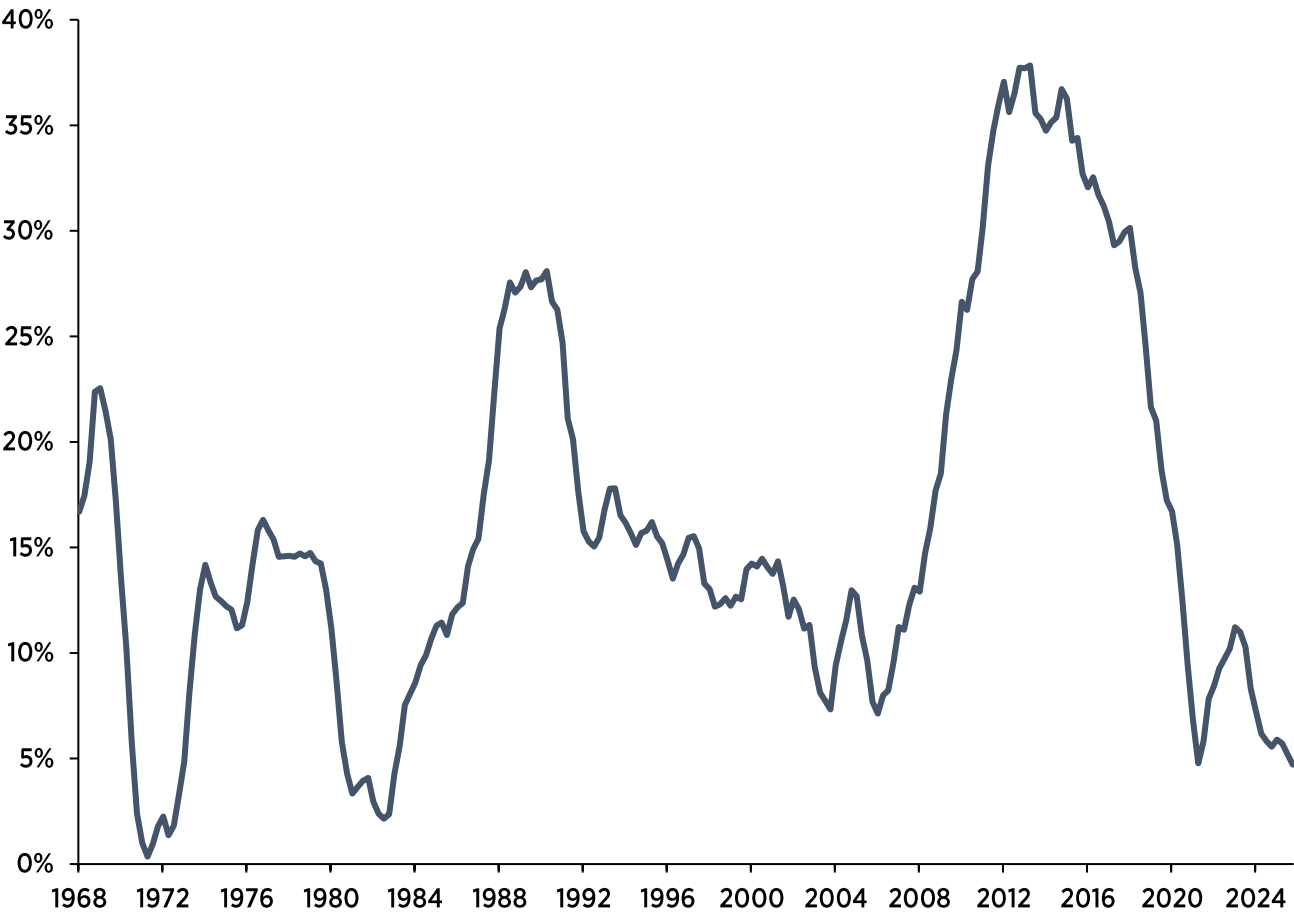
HOUSING STARTS HAVE NOT KEPT PACE WITH HOUSEHOLD GROWTH



Source: U.S. Census Bureau

NEW HOME PREMIUM

THE NEW HOME PREMIUM HAS COMPRESSED FROM HISTORICAL 17% TO 5% TODAY, MAKING THE VALUE PROPOSITION OF A NEW HOME COMPELLING COMPARED TO A USED HOME



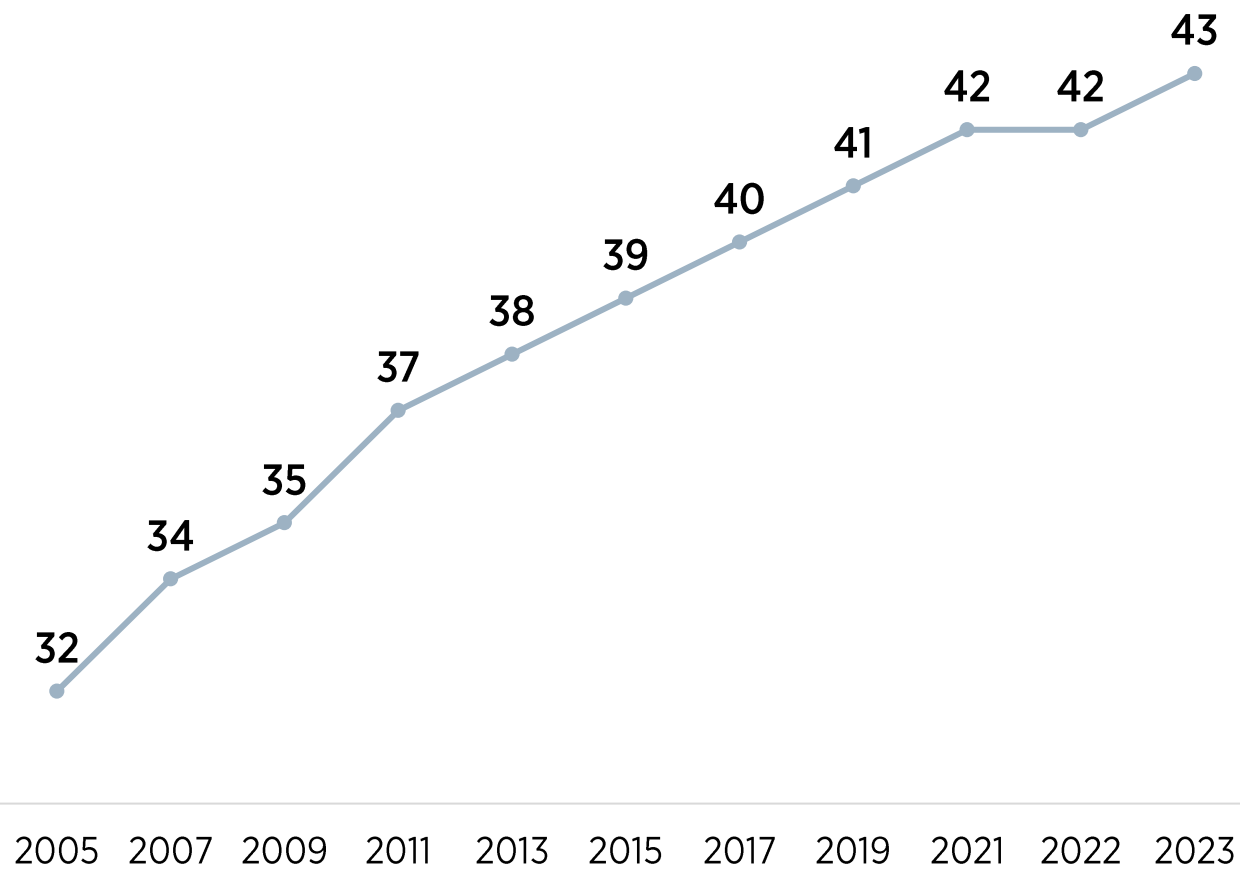
Source: Census Bureau and NAR



EXISTING HOUSING STOCK IS AGING

THE MEDIAN AGE OF OWNER-OCCUPIED U.S. HOMES IS 43 YEARS, ACCORDING TO THE LATEST DATA, COMPARED TO A MEDIAN AGE OF 32 YEARS IN 2005.

MEDIAN AGE OF OWNER-OCCUPIED HOUSING (IN YEARS)



Source: Wolfe Research and Census Bureau



NATIONAL FOOTPRINT POSITIONS TOLL BROTHERS FOR GROWTH

24 STATES
60+ MARKETS

Pacific
11% of Communities
13% of Lots Controlled
24% of Revenue

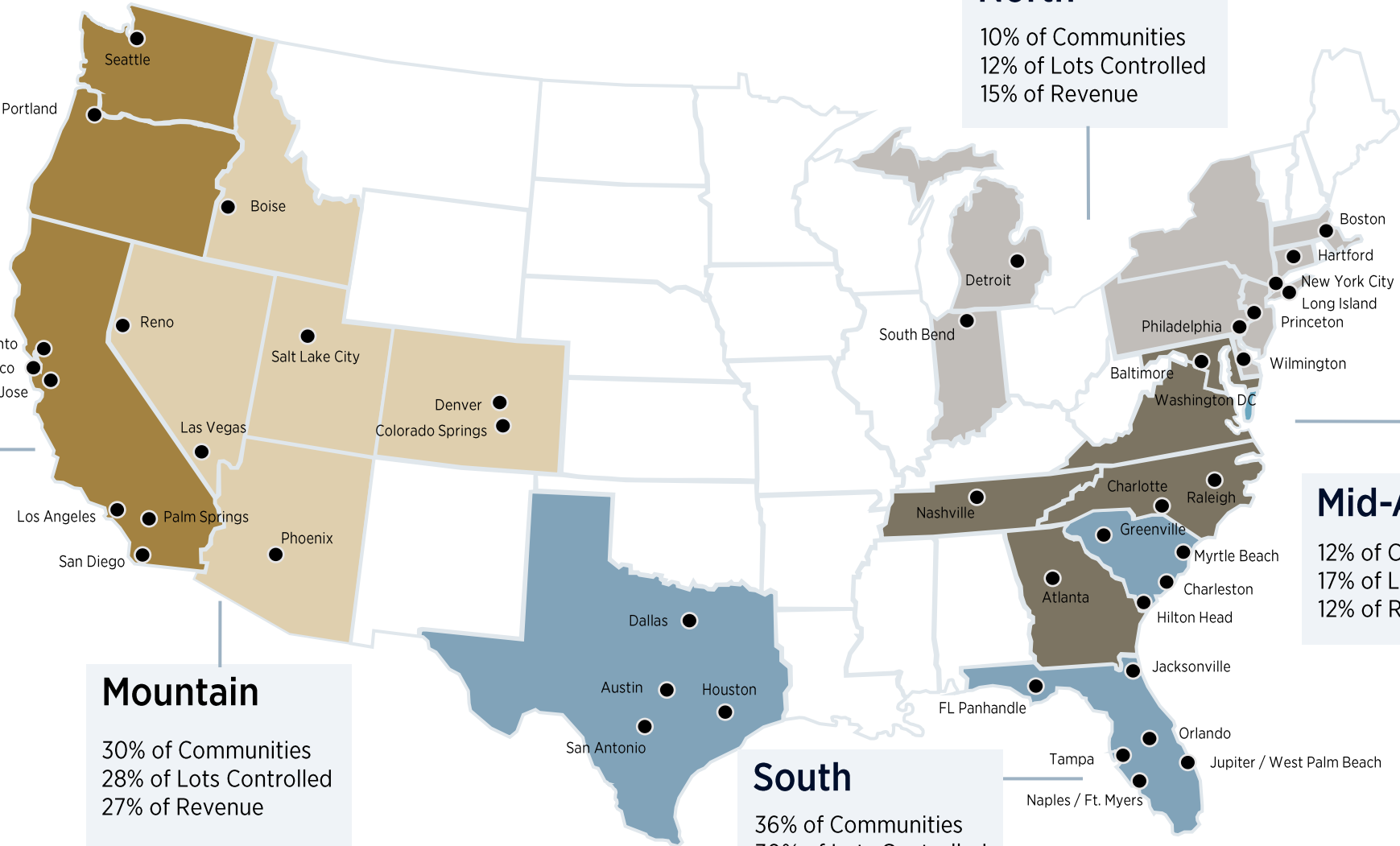
Regions	Community Count	Lot Count
North	40	9,047
Mid-Atlantic	50	12,578
South	146	21,691
Mountain	122	20,218
Pacific	46	9,195
Total	404	72,729

Mountain
30% of Communities
28% of Lots Controlled
27% of Revenue

North
10% of Communities
12% of Lots Controlled
15% of Revenue

Mid-Atlantic
12% of Communities
17% of Lots Controlled
12% of Revenue

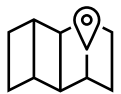
South
36% of Communities
30% of Lots Controlled
22% of Revenue



Note: Community count and lot count as of July 31, 2024; Revenue as of 10/31/2023

TOLL BROTHERS AMERICA'S LUXURY HOMEBUILDER BRAND EXPERIENCE

PROTECTING, MAINTAINING, & GROWING THE TOLL BROTHERS
BRAND BUILT OVER 57 YEARS



PRESTIGIOUS
LOCATIONS



DISTINCTIVE
ARCHITECTURE



UNRIVALED
CHOICE



EXTRAORDINARY CUSTOMER
EXPERIENCE

STRATEGY FOCUSED ON DRIVING SHAREHOLDER RETURNS



LAND ACQUISITION

- Focus on increasing optioned land
- Using land banking, JVs, rolling takedowns, & seller financing where feasible
- Operate in some of the most difficult land approval markets in U.S. – once you get it approved, it's gold!

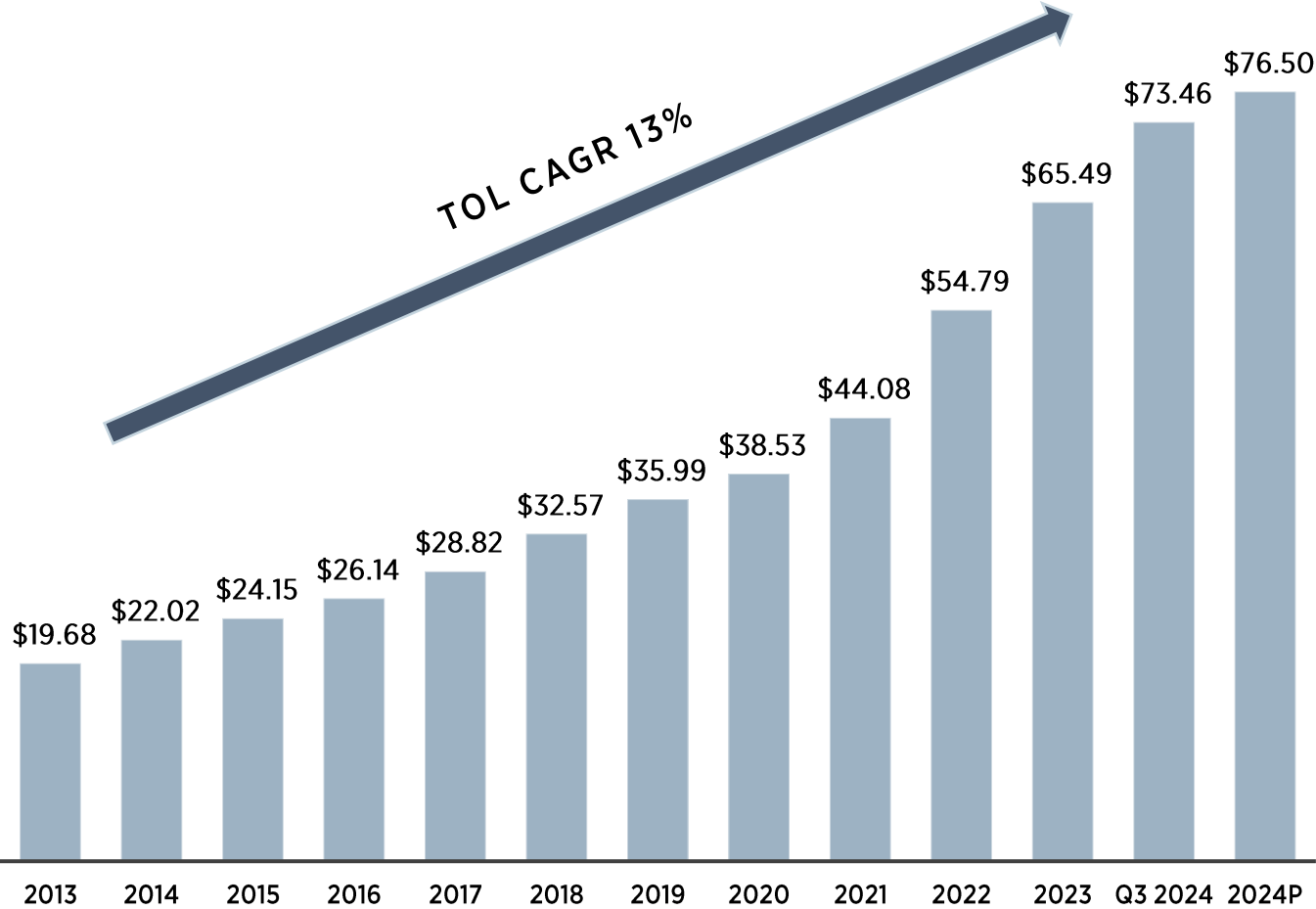
BUYBACKS & DIVIDENDS

- Consistent repurchaser of shares ~50% since 2016
- Dividend of \$0.92 annually, 14% growth since 2017

IMPROVED OPERATIONS

- Optimized product
- Expanded product & price points
- Consistent cash flow
- Lower SG&A

BOOK VALUE PER SHARE

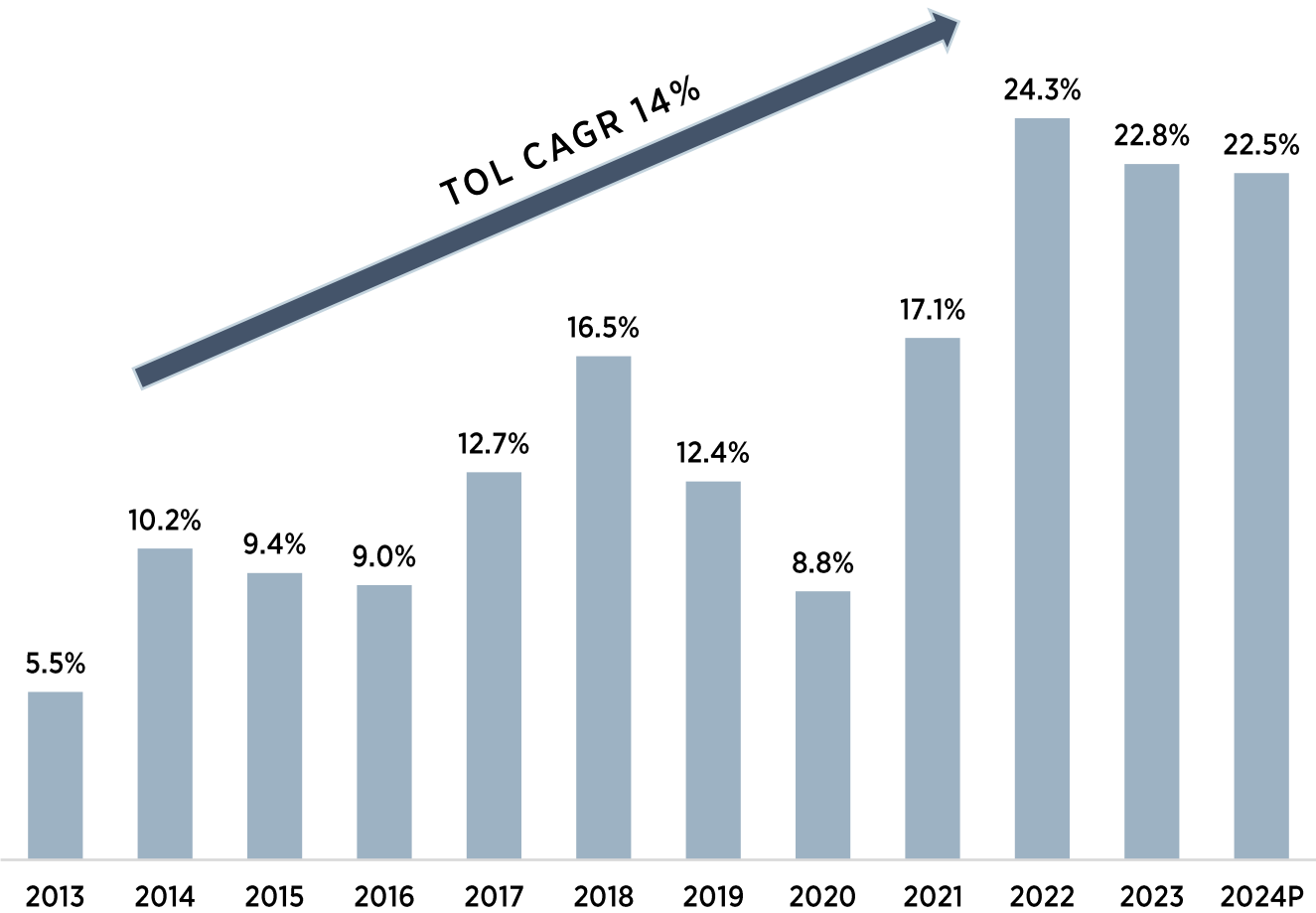


NOTE: 2024P is based on the midpoint of Toll Brothers' guidance



TOLL BROTHERS AT RIVERSEGE | JACKSONVILLE, FL

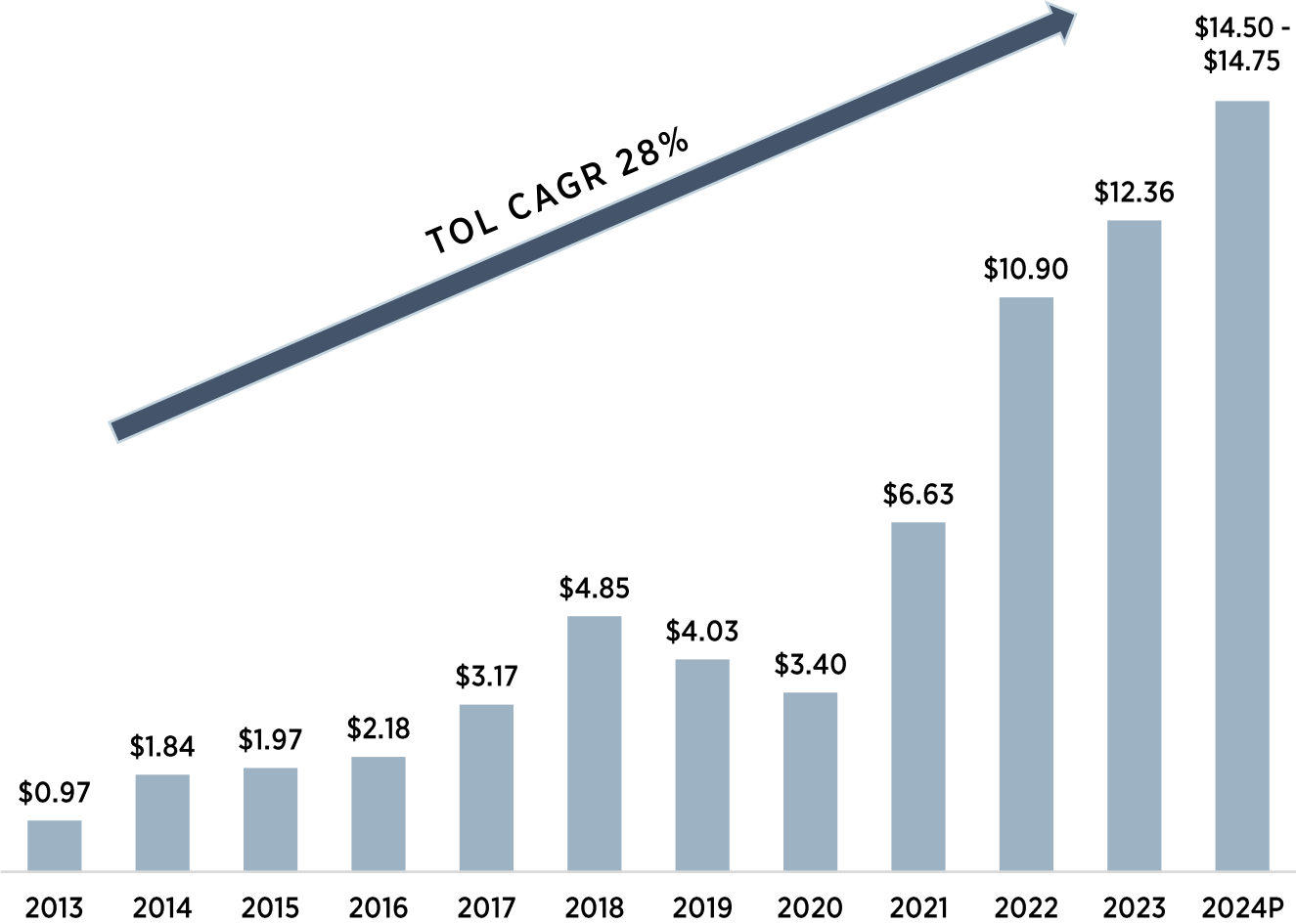
RETURN ON BEGINNING EQUITY



NOTE: 2024P is based on the midpoint of Toll Brothers' guidance



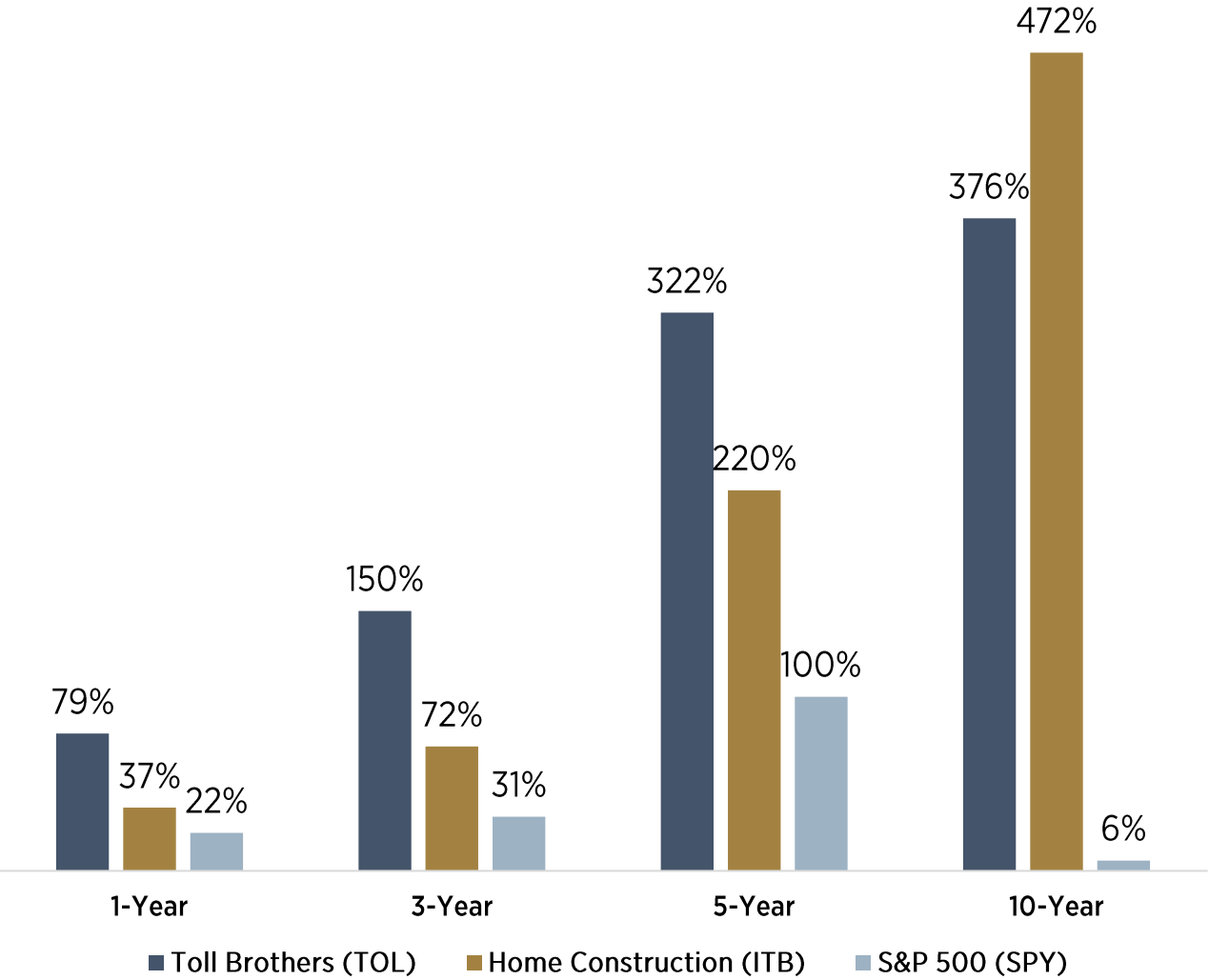
EARNINGS PER SHARE



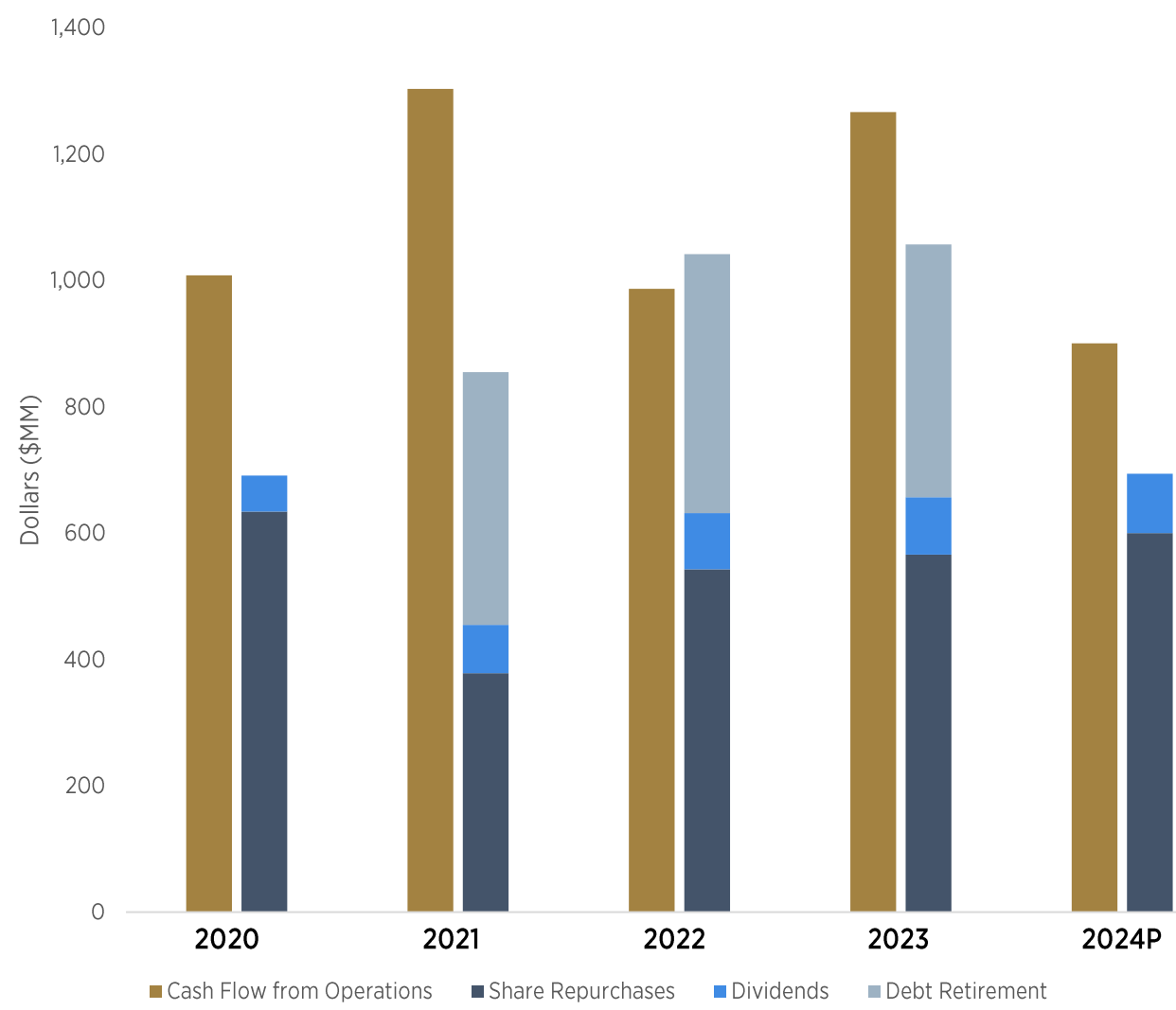
NOTE: 2024P implied EPS is based on Toll Brothers' range of FY 2024 guidance



TOTAL SHAREHOLDER RETURN



STOCK REPURCHASE / DIVIDEND SUMMARY



A modern living room with a high ceiling, wood paneling, and large windows. A yellow armchair and a grey sofa are visible. A large, ornate pendant light hangs from the ceiling. The text is overlaid on a semi-transparent white box in the center of the image.

**SINCE 2016 WE HAVE REPURCHASED
~50% OF OUR SHARES WHICH IS
86 MILLION SHARES AT A \$46
AVERAGE PRICE. WE HAVE ALSO PAID
\$547 MILLION OF DIVIDENDS.**

CONSISTENT GROWTH & PROFITABILITY



THE ISLES AT LAKEWOOD RANCH | LAKEWOOD RANCH, FL

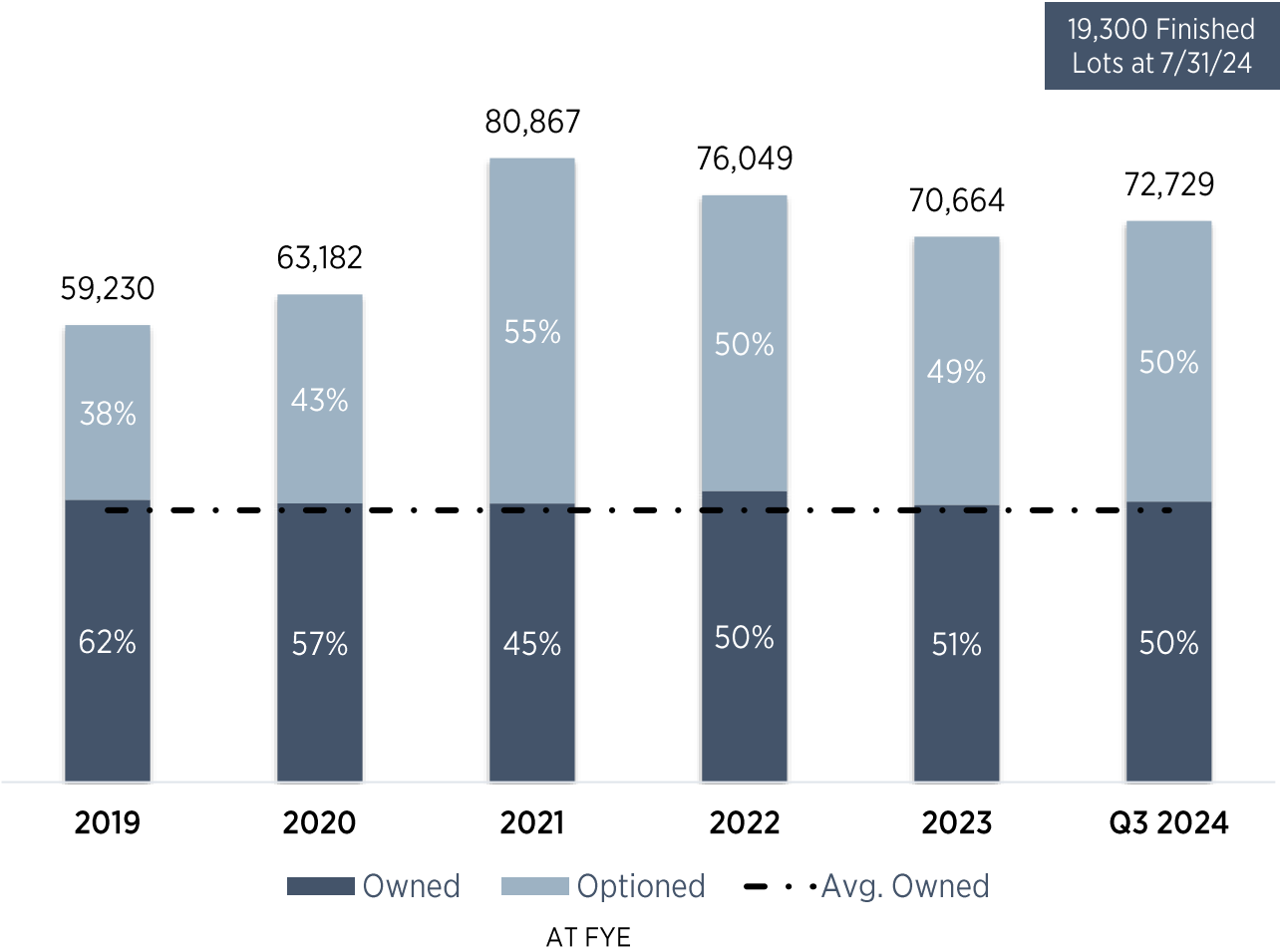
	FY 2020	FY 2021	FY 2022	FY 2023	YTD 2024
Revenue – Homes Sales (000s)	\$6,937,357	\$8,431,746	\$9,711,170	\$9,866,026	\$7,303,328
Pre-tax Income (000s)	\$586,901	\$1,100,315	\$1,703,726	\$1,842,371	\$1,464,567
Net Income (000s)	\$446,624	\$833,627	\$1,286,500	\$1,372,071	\$1,095,786
Diluted EPS	\$3.40	\$6.63	\$10.90	\$12.36	\$10.40
EBITDA (000s)	\$838,032	\$1,368,174	\$1,951,161	\$2,069,041	\$1,464,567
Cash & Marketable Securities (000s)	\$1,370,944	\$1,638,494	\$1,346,754	\$1,300,068	\$893,422
Selling Community Count	317	340	348	370	404
Owned & Optioned Lots	63,182	80,867	76,049	70,664	72,729
Adjusted Gross Margin (Ex. Int. & Impair.)	23.5%	25.0%	27.5%	28.7%	28.6%
Operating Margin	7.8%	11.6%	14.7%	17.3%	19.0%
JV & Other Income (000s)	\$36,641	\$113,678	\$195,101	\$117,616	\$213,467
Return on Beginning Stockholders' Equity	8.8%	17.10%	24.30%	22.80%	N/A

NOTE: Numbers are non-GAAP, see reconciliation on page 25

SOLID LAND POSITIONS US FOR GROWTH

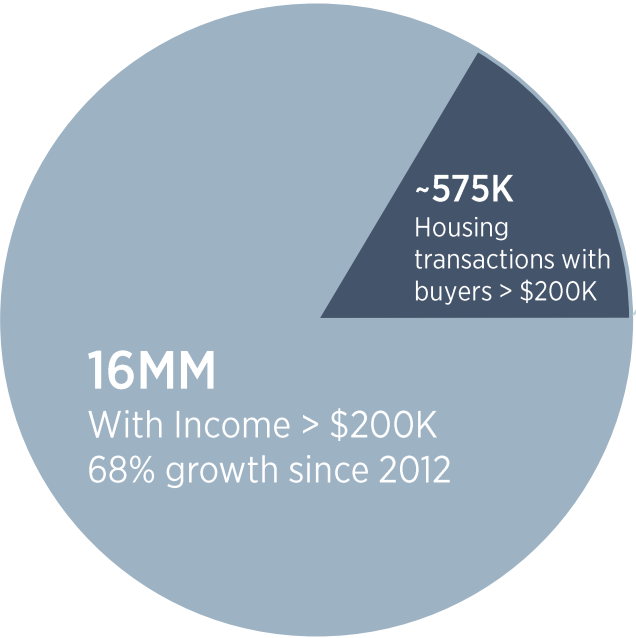
FOCUSED ON CAPITAL EFFICIENCY IN OUR OWNED PORTFOLIO

PERCENTAGE OF LOTS OPTIONED VS. OWNED



TOTAL ADDRESSABLE MARKET (TAM)

\$200K HOUSEHOLD INCOME



ANNUAL TOL HOMES	10,700
TOTAL ADDRESSABLE MARKET	575,000
TOL ANNUALLY REACHES	1.9% of TAM



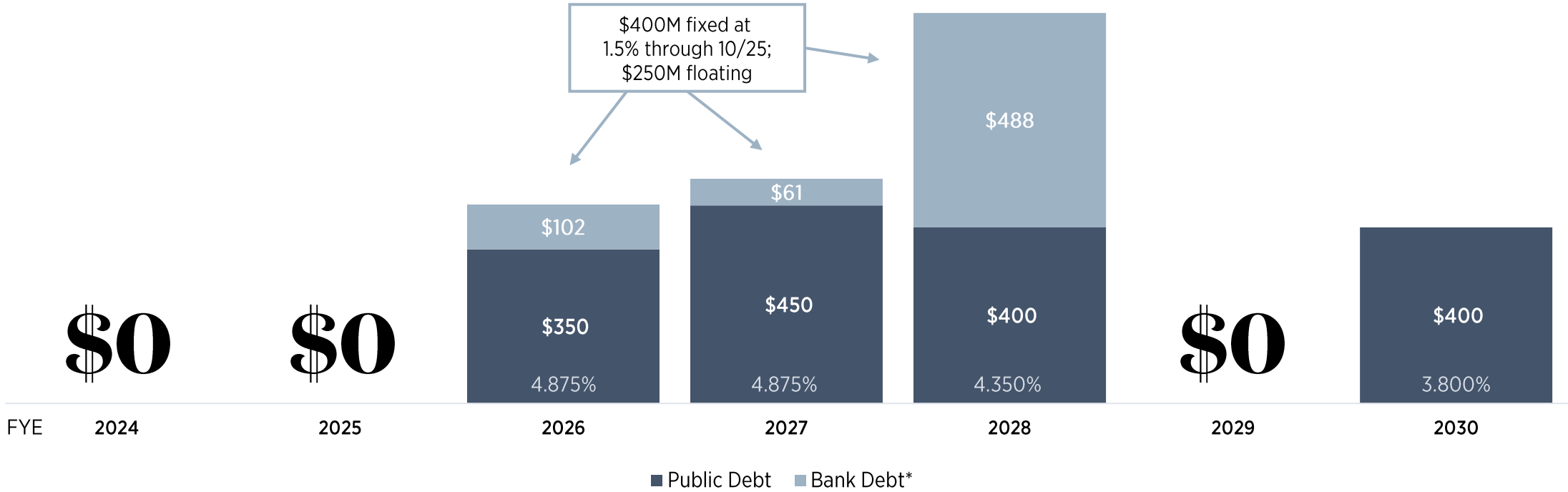
CANYON POINT AT TRAVERSE MOUNTAIN | DRAPER, UT

DEBT MATURITY PROFILE

AS OF JULY 31, 2024

SUPERIOR ACCESS CAPITAL MARKET Senior/Corporate Credit Ratings		
Moody's	Baa3	(Positive)
Standard & Poor's	BBB-	(Stable)
Fitch Inc.	BBB	(Stable)

Cash & Equivalents	\$0.89 BN
Revolver Availability	\$1.77 BN
TOTAL LIQUIDITY	\$2.67 BN



*Bank debt includes our \$487.5MM term loan due February 2028, \$60.9MM due November 2027 & \$101.6MM due November 2026; \$0 drawn on our \$1.955BN credit facility maturing in February 2028.



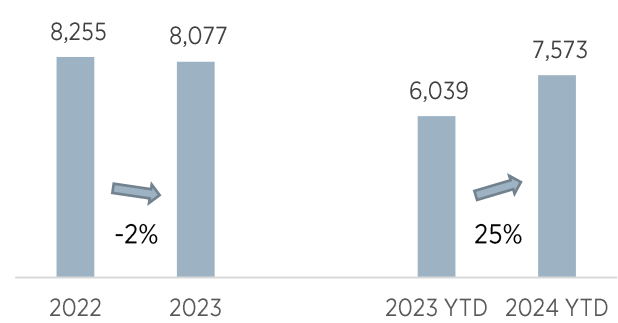
The image shows a sophisticated interior design. In the foreground, two dark wood staircases with glass railings lead to an upper level. The central area features a dining table with six chairs and two armchairs with blue patterned cushions. Large windows in the background reveal a sunset over a body of water and hills. The ceiling has a modern circular light fixture with multiple bulbs. The walls are white with decorative paneling and framed art.

APPENDIX

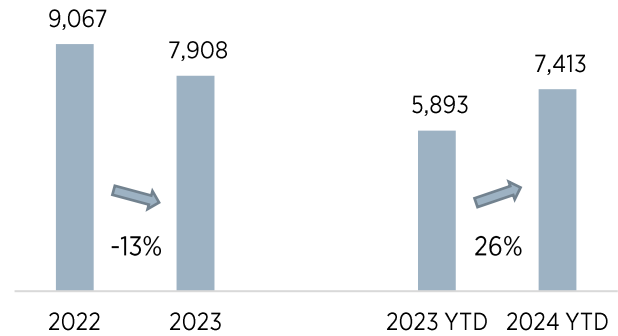
TOLL BROTHERS FINANCIAL HIGHLIGHTS

CONTRACTS

Units

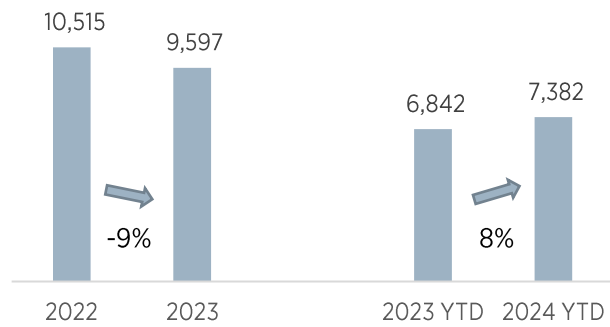


Dollars (\$MM)

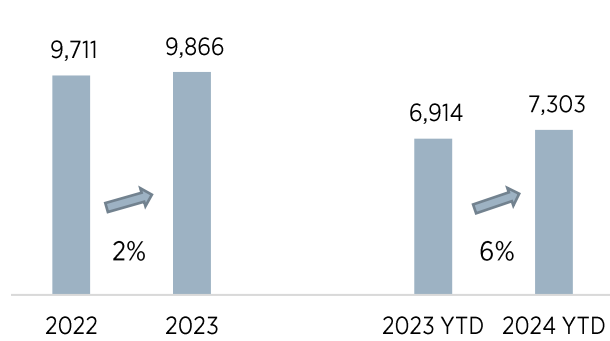


REVENUE

Units

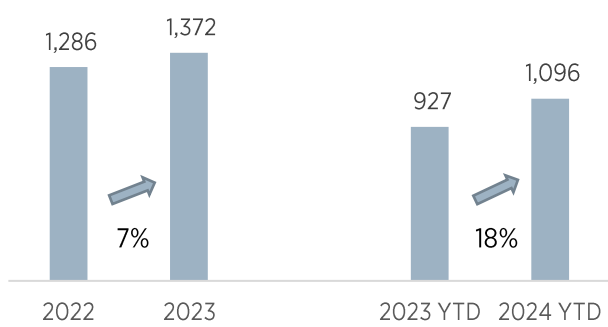


Dollars (\$MM)

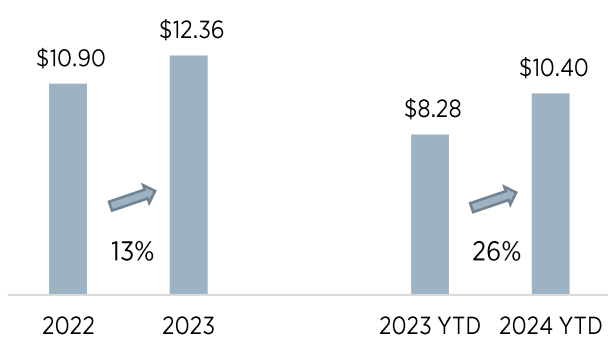


PROFITABILITY*

Net Income (\$MM)



Earnings per share



*YTD 2024 includes -\$125 million, or \$1.18 per share, from the sale of a parcel of land to a commercial developer.

SPEC INVENTORY

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Specs:							
Pre-Footing	812	1,248	1,258	1,574	1,345	1,499	1,656
Under Construction	1,999	1,837	1,951	2,158	2,256	2,342	2,489
Completed	416	353	474	663	778	671	745
Total Specs	3,227	3,438	3,683	4,395	4,379	4,512	4,890
Backlog:							
Pre-footing	1,325	1,391	1,640	1,188	1,555	1,416	1,314
Under Construction	6,408	6,183	5,655	5,390	5,138	5,677	5,455
Total Backlog	7,733	7,574	7,295	6,578	6,693	7,093	6,769
Total Homes in Process	10,960	11,012	10,978	10,973	11,072	11,605	11,659
Community Count	328	350	345	370	377	386	404
Completed Specs / Community	1.3	1.0	1.4	1.8	2.1	1.7	1.8
Total Specs / Community	9.8	9.8	10.7	11.9	11.6	11.7	12.1

NON-GAAP RECONCILIATION

ADJUSTED GROSS MARGIN & EBITDA

	2020	2021	2022	2023	YTD 2024
Revenues – home sales	6,937,357	8,431,746	9,711,170	9,866,026	7,303,328
Cost of Revenues	5,534,103	6,538,454	7,237,409	7,207,279	5,339,671
Gross Margin	1,403,254	1,893,292	2,473,761	2,658,747	1,963,657
Add: Interest Recognized in cost of sales	174,375	187,237	164,831	139,410	91,121
Inventory write-downs	55,883	26,535	32,741	30,706	35,358
Adjusted Gross Margin	1,633,412	2,107,064	2,671,333	2,828,863	2,090,136
Gross Margin as a % of revenue	20.20%	22.50%	25.50%	26.90%	26.90%
Adjusted Gross Margin as a % of revenue	23.50%	25.00%	27.50%	28.70%	28.60%
Pretax Income	586,901	1,100,315	1,703,726	1,842,371	1,464,567
Add: Interest expense	182,258	191,609	170,619	150,197	92,942
Depreciation & Amortization	68,873	76,250	76,816	76,473	55,428
EBITDA	838,032	1,368,174	1,951,161	2,069,041	1,612,937

Note: Amounts in thousands, except percentages