

PULTEGROUP INC/MI/
Form 10-Q
April 25, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2017

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-9804

PULTEGROUP, INC.
(Exact name of registrant as specified in its charter)
MICHIGAN 38-2766606
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

3350 Peachtree Road NE, Suite 150
Atlanta, Georgia 30326
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (404) 978-6400

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
YES ☐ NO ☒

Number of common shares outstanding as of April 20, 2017: 315,503,892

PULTEGROUP, INC.
TABLE OF CONTENTS

	Page No.
PART I <u>FINANCIAL INFORMATION</u>	
Item 1 <u>Financial Statements</u>	
<u>Condensed Consolidated Balance Sheets at March 31, 2017 and December 31, 2016</u>	<u>3</u>
<u>Consolidated Statements of Operations for the three months ended March 31, 2017 and 2016</u>	<u>4</u>
<u>Consolidated Statements of Comprehensive Income for the three months ended March 31, 2017 and 2016</u>	<u>5</u>
<u>Consolidated Statements of Shareholders' Equity for the three months ended March 31, 2017 and 2016</u>	<u>6</u>
<u>Consolidated Statements of Cash Flows for the three months ended March 31, 2017 and 2016</u>	<u>7</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>8</u>
Item 2 <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>28</u>
Item 3 <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>39</u>
Item 4 <u>Controls and Procedures</u>	<u>41</u>
PART II <u>OTHER INFORMATION</u>	<u>42</u>
Item 2 <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>42</u>
Item 6 <u>Exhibits</u>	<u>43</u>
<u>Signatures</u>	<u>44</u>

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PULTEGROUP, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (\$000's omitted)

	March 31, 2017 (Unaudited)	December 31, 2016 (Note)
ASSETS		
Cash and equivalents	\$ 397,758	\$ 698,882
Restricted cash	26,105	24,366
Total cash, cash equivalents, and restricted cash	423,863	723,248
House and land inventory	7,028,335	6,770,655
Land held for sale	48,563	31,728
Residential mortgage loans available-for-sale	345,379	539,496
Investments in unconsolidated entities	65,293	51,447
Other assets	829,625	857,426
Intangible assets	151,342	154,792
Deferred tax assets, net	1,028,414	1,049,408
	\$9,920,814	\$ 10,178,200

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:		
Accounts payable	\$ 367,180	\$ 405,455
Customer deposits	240,745	187,891
Accrued and other liabilities	1,360,418	1,448,994
Income tax liabilities	41,941	34,860
Financial Services debt	140,381	331,621
Senior notes	3,110,004	3,110,016
	5,260,669	5,518,837
Shareholders' equity	4,660,145	4,659,363
	\$9,920,814	\$ 10,178,200

Note: The Condensed Consolidated Balance Sheet at December 31, 2016 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements.

See accompanying Notes to Condensed Consolidated Financial Statements.

PULTEGROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(000's omitted, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2017	2016
Revenues:		
Homebuilding		
Home sale revenues	\$1,585,421	\$1,394,243
Land sale revenues	1,640	2,487
	1,587,061	1,396,730
Financial Services	41,767	35,848
Total revenues	1,628,828	1,432,578
Homebuilding Cost of Revenues:		
Home sale cost of revenues	(1,217,678)	(1,038,028)
Land sale cost of revenues	(3,228)	(2,028)
	(1,220,906)	(1,040,056)
Financial Services expenses	(28,367)	(26,119)
Selling, general, and administrative expenses	(236,268)	(242,316)
Other expense, net	(4,022)	(5,874)
Income before income taxes	139,265	118,213
Income tax expense	(47,747)	(34,913)
Net income	\$91,518	\$83,300
Per share:		
Basic earnings	\$0.29	\$0.24
Diluted earnings	\$0.28	\$0.24
Cash dividends declared	\$0.09	\$0.09
Number of shares used in calculation:		
Basic	317,756	347,815
Effect of dilutive securities	2,329	2,662
Diluted	320,085	350,477

See accompanying Notes to Condensed Consolidated Financial Statements.

PULTEGROUP, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(000's omitted)

(Unaudited)

Three Months

Ended

March 31,

2017 2016

Net income \$91,518