M/I Homes, Inc. and Subsidiaries
Non-GAAP Reconciliation (1)
(Dollars and shares in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Income before income taxes	$ 33,531	$ 25,185	$ 57,404	$ 51,520
Add: Purchase accounting adjustments	2,961	—	3,857	—
Add: Acquisition and integration costs	—	—	1,700	—
Add: Stucco-related charges	—	8,500	—	8,500
Adjusted income before income taxes	$ 36,492	$ 33,685	$ 62,961	$ 60,020
Net income to common shareholders	$ 27,911	$ 15,770	$ 45,974	$ 31,434
Add: Purchase accounting adjustments - net of tax	2,191	—	2,854	—
Add: Acquisition and integrations costs - net of tax	—	—	1,258	—
Add: Stucco-related charges - net of tax	—	5,440	—	5,440
Adjusted net income to common shareholders	$ 30,102	$ 21,210	$ 50,086	$ 36,874
Purchase accounting adjustments - net of tax	$ 2,191	$ —	$ 2,854	$ —
Divided by: Diluted weighted average shares outstanding	29,101	30,619	29,818	30,471
Diluted earnings per share related to purchase accounting adjustments	$ 0.08	$ —	$ 0.10	$ —
Acquisition and integration costs - net of tax	$ —	$ —	$ 1,258	$ —
Divided by: Diluted weighted average shares outstanding	29,101	30,619	29,818	30,471
Diluted earnings per share related to acquisition and integration costs	$ —	$ —	$ 0.04	$ —
Stucco-related charges - net of tax	$ —	$ 5,440	$ —	$ 5,440
Divided by: Diluted weighted average shares outstanding	29,101	30,619	29,818	30,471
Diluted earnings per share related to stucco-related charges	$ —	$ 0.18	$ —	$ 0.18
Add: Diluted earnings per share	0.96	0.55	1.56	1.09
Adjusted diluted earnings per share	$ 1.04	$ 0.73	$ 1.70	$ 1.27

M/I Homes, Inc. and Subsidiaries
Non-GAAP Financial Results (1)
(Dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net income	$ 27,911	$ 16,989	$ 45,974	$ 33,872
Add:				
Provision for income taxes	5,620	8,196	11,430	17,648
Interest expense net of interest income	4,093	3,104	9,249	7,716
Interest amortized to cost of sales	6,203	4,843	11,067	8,609
Depreciation and amortization	3,455	3,283	7,104	6,866
Non-cash charges	1,691	1,538	2,730	2,566
Adjusted EBITDA	$ 48,973	$ 37,953	$ 87,554	$ 77,277

(1) We believe these non-GAAP financial measures are relevant and useful to investors in understanding our operations, and may be helpful in comparing us with other companies in the homebuilding industry to the extent they provide similar information. These non-GAAP financial measures should be used to supplement our GAAP results in order to provide a greater understanding of the factors and trends affecting our operations.