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

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Income before income taxes	$ 41,356	$ 23,479
Add: Purchase accounting adjustments [2]	—	428
Adjusted income before income taxes	$ 41,356	$ 23,907
Net income	$ 31,746	$ 17,723
Add: Purchase accounting adjustments - net of tax [2]	—	317
Adjusted net income	$ 31,746	$ 18,040
Purchase accounting adjustments - net of tax [2]	$ —	$ 317
Divided by: Diluted weighted average shares outstanding	29,009	27,970
Diluted earnings per share related to purchase accounting adjustments [2]	$ —	$ 0.01
Add: Diluted earnings per share	1.09	0.63
Adjusted diluted earnings per share	$ 1.09	$ 0.64

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

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Net income	$ 31,746	$ 17,723
Add:		
Provision for income taxes	9,610	5,756
Interest expense net of interest income	3,888	5,938
Interest amortized to cost of sales	6,570	5,393
Depreciation and amortization	4,224	3,817
Non-cash charges	2,923	912
Adjusted EBITDA	$ 58,961	$ 39,539

(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.

(2) Represents purchase accounting adjustments related to our acquisition of Pinnacle Homes in Detroit, Michigan on March 1, 2018.