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

	Three Months Ended December 31,		Twelve months ended December 31,	
	2022	**2021**	**2022**	**2021**
Income before income taxes	$ 164,190	$ 141,364	$ 635,207	$ 509,114
Add: Impairment (2)	18,352	—	18,352	—
Add: Loss on early extinguishment of debt (3)	—	—	—	9,072
Adjusted income before income taxes	$ 182,542	$ 141,364	$ 653,559	$ 518,186
Net income	$ 130,395	$ 113,383	$ 490,662	$ 396,868
Add: Impairment - net of tax (2)	13,948	—	13,948	—
Add: Loss on early extinguishment of debt (3)	—	—	—	6,985
Adjusted net income	$ 144,343	$ 113,383	$ 504,610	$ 403,853
Impairment - net of tax (2)	$ 13,948	$ —	$ 13,948	$ —
Loss on early extinguishment of debt (3)	$ —	$ —	$ —	$ 6,985
Divided by: Diluted weighted average shares outstanding	28,017	29,612	28,463	29,880
Diluted earnings per share related to impairment (2)	$ 0.50	$ —	$ 0.50	$ —
Diluted earnings per share related to loss on early extinguishment of debt (3)	—	—	—	0.23
Add: Diluted earnings per share	4.65	3.83	17.24	13.28
Adjusted diluted earnings per share	$ 5.15	$ 3.83	$ 17.74	$ 13.51

(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 the related charges divided by diluted weighted average shares outstanding during the respective period as presented in the Summary Statement of Income.

(3) Represents loss on early extinguishment of debt related to the early redemption of our 2025 Senior Notes during the third quarter of 2021, consisting of a $7.1 million prepayment premium due to early redemption and $2.0 million for the write-off of unamortized debt issuance costs.

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Net income	$ 130,395	$ 113,383	$ 490,662	$ 396,868
Add:				
Provision for income taxes	33,795	27,981	144,545	112,246
Interest income	(2,034)	(677)	(4,403)	(1,950)
Interest amortized to cost of sales	8,724	7,974	30,270	33,829
Depreciation and amortization	4,350	4,378	17,174	16,915
Non-cash charges	20,526	2,360	27,139	10,437
Adjusted EBITDA	$ 195,756	$ 155,399	$ 705,387	$ 568,345

(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.