



News release

For Immediate Release

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KB HOME CHAIRMAN AND CEO BRUCE KARATZ RANKED AMONG MOST INFLUENTIAL PEOPLE IN HOME BUILDING

Karatz is top ranked homebuilder on *Builder* Magazine's Power Brokers list

LOS ANGELES, (December 20, 2004) – KB Home (NYSE: KBH) one of the nation's premier homebuilders, announced today that Chairman and CEO Bruce Karatz is the highest ranked homebuilding executive on *Builder* magazine's Power Broker list, as published in their December 2004 issue.

Karatz was the top ranked homebuilder coming in sixth on the list of 50. The list, topped by Alan Greenspan, is followed by Fannie Mae Chairman and CEO Franklin Raines; President George W. Bush; NAHB Executive Vice President Jerry Howard; and Founding Principal of Duany Plater-Zyberk & Co, Andres Duany; and includes economists, bankers, architects, manufacturers, developers as well as builders.

"It is an honor to be ranked and included in this list of leaders and friends," said Karatz. "This distinction is a reflection of KB Home's solid geographic and financial growth, as well as the performance from the talented workforce that comprises our team. I am extremely proud of our company's accomplishments and those of our industry that continues to grow, deliver quality and customer satisfaction, and provide the American Dream on a daily basis."

In his 33 years with KB Home, Karatz has often been recognized for his deep commitment to his business and civic communities, including being inducted into the California Industry Hall of Fame in 1992. This year he helped KB Home celebrate its 35th year on the New York Stock Exchange by Ringing the Closing BellSM on Election Day, and led the charge to build a brand new 3,200 square foot home for a deserving family on ABC's television show, "Extreme Makeover: Home Edition." KB Home was also named 2004 "Best Overall Company" by the American Business Awards, and Karatz was honored by the American Jewish Council with the annual Human Relations Award.

Under Karatz' leadership, KB Home delivered 31,646 homes in 2004, compared to less than 4,000 when he became CEO in 1986 and less than 7,000 when he was named Chairman in 1993. In fact, Bruce has enjoyed helping nearly 400,000 families achieve the American Dream during his tenure.

For more information, visit <http://www.kbhome.com>.

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About KB Home

Building homes for nearly half a century, KB Home is one of America's premier homebuilders with domestic operating divisions in some of the fastest-growing regions and states: West Coast—California; Southwest—Arizona, Nevada and New Mexico; Central—Colorado, Illinois, Indiana and Texas; and Southeast—Florida, Georgia, North Carolina and South Carolina. Kaufman & Broad S.A., the Company's majority-owned subsidiary, is one of the largest homebuilders in France. In fiscal 2004, the Company delivered homes to 31,646 families in the United States and France. It also operates a full-service mortgage company for the convenience of its buyers. Founded in 1957, and winner of the 2004 American Business Award for Best Overall Company, KB Home is a Fortune 500 company listed on the New York Stock Exchange under the ticker symbol "KBH." For more information about any of KB Home's new home communities, call 888-KB-HOMES or visit <http://www.kbhome.com>.

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