



News release

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KB HOME'S BRUCE KARATZ NAMED BEST CHAIRMAN BY AMERICAN BUSINESS AWARDS

Third Annual Stevie® Awards Presented on June 6 in New York City

Los Angeles, CA (June 7, 2005) – KB Home (NYSE: KBH) one of the nation's premier homebuilders, announced today that the company's chairman and CEO Bruce Karatz was honored with the 2005 American Business Award (a.k.a. the Stevies™) for "Best Chairman".

During his 30 year tenure with KB Home, Karatz has worked to transform the industry and helped nearly 400,000 families achieve the American Dream. In 2004 he was ranked the top homebuilding executive on *Builder* magazine's list of the most influential people in homebuilding, coming in sixth behind Alan Greenspan, Franklin Raines, President George W. Bush, Jerry Howard and Andres Duany. Under his leadership, KB Home delivered 31,646 homes in 2004, compared to fewer than 4,000 when he became CEO in 1986 and less than 7,000 when he was named Chairman in 1993.

In a little more than 10 years, Karatz has taken the company from building in just 3 states to 13 states, combining organic expansion and strategic acquisitions in 36 of the top MSA's in the nation. In 2004, the company reported \$7.05 billion in revenues (up from \$5.03 billion in 2003).

Hailed as "the business world's own Oscars" by the *New York Post* (April 27, 2005), The American Business Awards are the first national, all-encompassing business awards program honoring great performances in the workplace.

"It is truly a privilege to lead a dedicated Board of Directors, an exceptional management team and a business that reflects the hard work and dedication of over 6000 employees," said KB Home Chairman and Chief Executive Officer Bruce Karatz. "It is an honor to receive this prestigious recognition from the esteemed American Business Awards for what I consider the dream job of making homeownership a reality for tens of thousands of families each year."

Nicknamed the Stevies for the Greek word "crowned," the awards were presented during ceremonies at the Marriott Marquis Hotel in New York City. The ceremonies were hosted by CNN personality Ali Velshi, videocast live on the Internet, and broadcast nationwide on radio. During this year's ceremony, Donald J. Trump received the first Lifetime Achievement Stevie Award.

Members of the Awards' Board of Distinguished Judges & Advisors and their staffs selected Stevie winners from among the Finalists. Finalists were chosen by business professionals nationwide during preliminary judging in February through April.

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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 publicly-traded French 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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