



News release

FOR IMMEDIATE RELEASE

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KB HOME CEO BRUCE KARATZ NAMED TO USC BOARD OF TRUSTEES

LOS ANGELES (January 16, 2006) – KB Home (NYSE:KBH), one of the nation's premier homebuilders, today announced that Bruce Karatz, Chairman and Chief Executive Officer, has been named to the University of Southern California Board of Trustees.

"I'm honored to be joining the Board of Trustees of this world-class institution that has meant so much to me both personally and professionally throughout my career," said Karatz. "This is an exciting opportunity for me to give back to a school that has served me and thousands of other students so well during its impressive 125-year history. I look forward to doing my part to preserve and enhance the tradition and outstanding reputation that USC has so rightly earned."

"Bruce Karatz has had a stellar career in home building, which has been recognized with numerous achievements and awards; he has also been an active member of the Board of Councilors of the USC Gould School of Law," said USC President Steven B. Sample. "We are looking forward to his experience, leadership and enthusiasm as a member of the USC Board of Trustees."

Karatz has been described as one of the most influential people in homebuilding by *Builder* magazine, as well as the "best merchandiser and marketer of homes in the nation" by the *Los Angeles Business Journal*.

Since joining KB Home as an in-house attorney more than 30 years ago, Karatz has brought an innovative and fresh approach to the business. Karatz worked to transform the industry with his KBNxt concept of building homes only after they have been sold; this not only helped revolutionize the homebuilding industry but also fueled KB Home's unprecedented growth. KB Home delivered over 37,140 homes in 2005 compared to less than 4,000 when Karatz became CEO in 1986, and less than 7,000 when he was named Chairman in 1993. In the past decade, Karatz has taken the company into 40 of the U.S. major markets. During the same span, KB Home went from building in just three states to 16, through organic expansion or strategic acquisitions in the most robust areas. During his tenure, Karatz has enjoyed helping nearly 400,000 families achieve the "American Dream" in a KB home.

Karatz is currently vice chair of the board of councilors of USC Gould Law School and also serves on the boards of directors for Honeywell International, Edison International and the California Commission for Jobs and Economic Growth. A graduate of Boston University, Karatz earned his law degree from USC in 1970.

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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, Louisiana and Texas; and Southeast—Florida, Georgia, Maryland, North Carolina, South Carolina and Virginia. Kaufman & Broad S.A., the Company's publicly-traded French subsidiary, is one of the largest homebuilders in France. In fiscal 2005, the Company delivered homes to 37,140 families in the United States and France. KB Home also offers complete mortgage services through Countrywide KB Home Loans, a joint venture with Countrywide Financial Corporation. 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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