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## **KB Home Announces \$1 Billion Credit Facility**

Los Angeles, CA October 30, 2003—KB Home (NYSE:KBH), one of the nation's largest home builders, today announced the successful completion of a new \$1 billion unsecured revolving credit facility with a consortium of banks led by Bank of America. The four-year revolving facility replaces KB Home's existing \$644 million revolving credit facility expiring in 2004 and its \$183 million term loan expiring in 2005.

"We are gratified by the continued commitment of these highly respected banking institutions and appreciate the new banking partners who have joined our group," said Bruce Karatz, chairman and CEO, KB Home. "We believe the success of the syndication is due to the strong relationships we have forged with our bank group over the years, as well as our success in achieving debt reduction and judicious balance sheet management."

"This enhanced capital capacity provides a strong foundation as we continue to grow our business," noted Karatz.

KB Home's revolving line of credit was issued through a geographically diverse group of leading banks including Bank of America, Bank One, Fleet Bank, Credit Lyonnais, Wachovia Bank, Key Bank and Sun Trust Bank.

### **About KB Home:**

KB Home is one of America's largest homebuilders with domestic operating divisions in the following regions and states: West Coast -- California; Southwest -- Arizona, Nevada and New Mexico; Central -- Colorado, Illinois and Texas; and Southeast -- Florida, Georgia and North Carolina. Kaufman & Broad S.A., the Company's majority-owned subsidiary, is one of the largest homebuilders in France. In fiscal 2002, the Company delivered 25,565 homes in the United States and France. It also operates KB Home Mortgage Company, a full-service mortgage company for the convenience of its buyers. Founded in 1957, 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 1-888-KB-HOMES or visit the Company's Web site at [www.kbhome.com](http://www.kbhome.com).

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