



News Release



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KB HOME TO BUILD ALL NEW HOME COMMUNITIES TO STRICT ENERGY STAR® GUIDELINES IN 2009

**Commitment furthers KB Home's sustainability goals;
Helps homebuyers lower their utility costs and environmental impact**

LOS ANGELES (February 3, 2009) – KB Home (NYSE: KBH), one of America's largest homebuilders, today announced that all new home communities opening in 2009 and beyond will be built to ENERGY STAR® guidelines. These new homes will be engineered to heat and cool efficiently, use less energy, and provide substantial savings for homebuyers. In fact, according to the Environmental Protection Agency, ENERGY STAR qualified homes are at least 15% more energy efficient than homes built to the 2004 International Residential Code and include additional energy-saving features that typically make them 20–30% more efficient than standard homes, allowing homeowners to reduce both their carbon footprint and monthly utility bills.

KB Home has long been a leader in building energy efficient homes. Since 2001, the Company has already built more than 48,000 ENERGY STAR qualified homes and over 9,400 energy-efficient homes using the ComfortWise® guidelines, reducing greenhouse emissions by over 150,000 metric tons annually – and saving homeowners up to \$25 million per year on utility bills. In its Sustainability Report released in July 2008, KB Home made the commitment to build to ENERGY STAR guidelines at all new home communities by 2009 (www.kbhome.com/sustainability).

“We believe today's buyers want homes that are both energy-efficient and environmentally-friendly,” said Jeffrey Mezger, president and chief executive officer of KB Home. “By meeting this expectation, we are driving down a buyer's energy costs, which makes home ownership even more affordable, and are also contributing to increased environmental responsibility, which improves quality of life for everyone.”

“KB Home's leadership in the area of energy efficiency is something that all businesses, regardless of the industry, should strive to emulate,” said Sam Rashkin, director of the ENERGY STAR® for Homes program for the U.S. Environmental Protection Agency. “As

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one of the nation's largest homebuilders, KB Home has a unique opportunity to make a real impact on the environment through their commitment to building ENERGY STAR qualified homes. With this announcement, they have truly set the bar in the homebuilding industry and we hope more of the nation's builders will follow their example."

In order to be designated as an ENERGY STAR qualified home, a third party must verify that the home meets a set of strict requirements developed by the U.S. Environmental Protection Agency. These criteria include effective insulation, high-performance windows, tight construction and ducts, efficient heating and cooling equipment, energy-efficient products such as appliances, and compliance with a thermal bypass checklist.

KB Home's Built to Order™ approach also makes it possible for homebuyers to incorporate even more environmentally-friendly products into their new homes. At the KB Home Studio, KB Home is working to educate buyers so they can further lower their energy bills and reduce their consumption of natural resources by choosing options from the Company's *My Home. My Earth.*® program, launched in February 2007. A range of eco-friendly options are offered in four categories – Energy Efficiency, Inside Environment, Water Wise and Sustainable Sources.

In 2008, KB Home became the first major homebuilder to build exclusively with ENERGY STAR qualified appliances in every one of its new homes. ENERGY STAR appliances are approximately 15% more efficient than standard appliances. By expanding that commitment to building all ENERGY STAR qualified homes in new communities opening in 2009, KB Home takes another step toward its stated goal of becoming a leading environmentally-friendly national company.

About KB Home

KB Home, one of the nation's leading homebuilders, has delivered hundreds of thousands of quality homes for families since its founding in 1957. The company is distinguished by its Built to Order™ homebuilding approach that puts a custom home experience within reach of its customers at an affordable price. KB Home's award-winning homes and communities meet the needs of first-time homebuyers with flexible designs that also appeal to move-up buyers and active adults. Los Angeles-based KB Home was named the #1 homebuilder in FORTUNE magazine's 2008 list of America's Most Admired Companies®. The company trades under the ticker symbol "KBH," and was the first homebuilder listed on the New York Stock Exchange. For more information about any of KB Home's new home communities call 888-KB-HOMES or visit www.kbhome.com.

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