



NEWS RELEASE

KB Home Increases Quarterly Dividend

7/13/2023

Company Raises Quarterly Cash Dividend 33% to \$.20 Per Share

LOS ANGELES--(BUSINESS WIRE)-- KB Home (NYSE: KBH) today announced that its Board of Directors approved an increase in the Company's quarterly cash dividend on its common stock to \$.20 per share from \$.15 per share. This 33% increase results in an annualized dividend rate of \$.80 per share, representing a yield of approximately 1.5%, based on the closing price of the Company's common stock on July 13, 2023.

In addition, the Board of Directors declared the next quarterly cash dividend, at the \$.20 per share rate, will be payable on August 17, 2023, to stockholders of record on August 3, 2023.

"Our business is generating a significant level of operating cash flow and, as we continue to expand both our scale and our profitability, we expect our cash generation capabilities to increase as well. With a balanced approach to capital allocation and a solid balance sheet, we expect to deploy this cash toward land acquisition and development, and a return of capital to our stockholders. An important element of this cash deployment is our quarterly cash dividend, which we have paid consistently each quarter for close to 35 years. We remain focused on driving long-term stockholder value and our Board's approval of a meaningful increase in our dividend enhances our value creation," said Jeffrey Mezger, Chairman, President and Chief Executive Officer.

About KB Home

KB Home is one of the largest and most recognized homebuilders in the United States, operating in 47 markets

from coast to coast, and building over 670,000 quality homes in our more than 65-year history. What sets KB Home apart is our focus on building strong, personal relationships with every customer — from those buying their first home to experienced buyers — so they have a real partner in the homebuying process. No two KB homes are the same. That's because every home is uniquely built for each customer, at a price that fits their budget. As the leader in energy-efficient homebuilding, KB Home was the first builder to commit to build every home to be ENERGY STAR® certified, a standard that fewer than 10% of new homes nationwide meet and has built more ENERGY STAR certified homes than any other builder. An energy-efficient KB home helps lower the cost of ownership and is designed to deliver greater comfort and well-being than new homes without certification. Reflecting the company's commitment to creating an exceptional homebuying experience, KB Home is the #1 customer-ranked national homebuilder based on homebuyer satisfaction surveys from a leading third-party review site. Learn more about how we build homes built on relationships by visiting kbhome.com.

Forward-Looking and Cautionary Statements

Certain matters discussed in this press release, including any statements that are predictive in nature or concern future market and economic conditions, business and prospects, our future financial and operational performance, or our future actions and their expected results are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations and projections about future events and are not guarantees of future performance. We do not have a specific policy or intent of updating or revising forward-looking statements. If we update or revise any such statement(s), no assumption should be made that we will further update or revise that statement(s) or update or revise any other such statement(s). Actual events and results may differ materially from those expressed or forecasted in forward-looking statements due to a number of factors. The most important risk factors that could cause our actual performance and future events and actions to differ materially from such forward-looking statements include, but are not limited to the following: general economic, employment and business conditions; conditions in the capital, credit and financial markets; our ability to access external financing sources and raise capital through the issuance of common stock, debt or other securities, and/or project financing, on favorable terms; the execution of any securities repurchases pursuant to our board of directors' authorization; changes in interest rates, including those set by the Federal Reserve, which the Federal Reserve has increased sharply in the past few quarters and may further increase to moderate inflation, and those available in the capital markets or from financial institutions and other lenders, and applicable to mortgage loans; our debt level, including our ratio of debt to capital, and our ability to adjust our debt level and maturity schedule; our compliance with the terms of our revolving credit facility and our senior unsecured term loan; the ability or willingness of the applicable lenders and financial institutions, or any substitute or additional lenders and financial institutions, to meet their commitments or fund borrowings, extend credit or provide payment guarantees to or for us under our revolving credit facility or unsecured letter of credit facility; volatility in the market price of our common stock; weak or declining consumer confidence, either generally



or specifically with respect to purchasing homes; competition from other sellers of new and resale homes; our ability to successfully implement our current and planned strategies and initiatives related to our product, geographic and market positioning, gaining share and scale in our served markets and in entering into new markets; our ability to generate orders and convert our backlog of orders to home deliveries, cash flow and revenues, particularly in key markets in California; our ability to successfully implement our business strategies and achieve any associated financial and operational targets and objectives, including those discussed in this release or in any of our other public filings, presentations or disclosures; and other events outside of our control. Please see our periodic reports and other filings with the Securities and Exchange Commission for a further discussion of these and other risks and uncertainties applicable to our business.

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