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KB Home Releases Preliminary December Net Orders

LOS ANGELES, Jan 3, 2002 (BUSINESS WIRE) -- KB Home (NYSE: KBH) today released preliminary net orders for the month of December 2001. Presented below is preliminary net order information along with year-over-year percent changes.

	December 2001 Unit Net Orders	December 2001/2000 Unit % Change
West Coast	406	48.2%
Southwest	353	-23.8
Central	480	-10.1
Total U.S.	1,239	-2.5
France	186	27.4
TOTAL	1,425	.6%

KB Home is one of America's largest homebuilders with domestic operating divisions in some of the fastest-growing areas of the country including California, Arizona, Nevada, New Mexico, Colorado, Texas and Florida. Kaufman & Broad S.A., the Company's majority-owned subsidiary, is one of the largest homebuilders in France. In fiscal 2000, the Company delivered homes to 22,847 families in the United States and France. It also operates 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 888-KB-HOMES or visit the Company's Web site at www.kbhome.com.

Except for the historical information contained herein, certain matters discussed in this press release are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995, including any statements concerning future financial performance, business and prospects, and future Company actions and their expected results. These forward-looking statements are subject to risks, uncertainties and assumptions including, but not limited to, the continued impact of the recent terrorist activities and U.S. response, accelerating recessionary trends and other adverse changes in general economic conditions, material prices, labor costs, interest rates, uncertainties associated with California's electricity supply problems, the secondary market for loans, consumer confidence, competition, currency exchange rates (insofar as they affect the Company's operations in France), environmental factors, government regulations affecting the Company's operations, the availability and cost of land in desirable areas, unanticipated violations of Company policy, unanticipated legal proceedings, and conditions in the capital, credit and homebuilding markets. See the Company's Annual Report on Form 10-K and its Annual Report to Shareholders for the year ended November 30, 2000 and its other filings for a further discussion of these and other risks and uncertainties applicable to the Company's business.

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