



Investor Presentation



Second Quarter 2026

Forward-Looking 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). In addition, such forward-looking statements may be based in whole or in part on general observations or opinions of our management, limited or anecdotal evidence and/or business or industry experience without in-depth or any particular empirical investigation, inquiry or analysis and are not intended, and do not express, factual assertions about past events. 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; population growth or decline, household formations and demographic trends; 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; material and trade costs and availability, including the costs associated with achieving the standards for ENERGY STAR certified homes, and delays related to state and municipal construction, permitting, inspection and utility processes, which have been disrupted by key equipment shortages; rising consumer and producer price inflation; changes in interest rates, including those set by the Federal Reserve 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 unsecured revolving credit facility and our senior unsecured term loan; the ability and 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 unsecured revolving credit facility or unsecured letter of credit facility; volatility in the market price of our common stock; our obtaining adequate levels of affordable insurance for our business and our ability to cover any incurred costs, liabilities or losses that are not covered by the insurance we have procured or that are due to our deciding not to procure certain types or amounts of insurance coverage; home selling prices, including our homes’ selling prices, being unaffordable relative to consumer incomes; weak or declining consumer confidence, either generally or specifically with respect to purchasing homes; competition from other sellers of new and resale homes, particularly homebuilders with significant unsold inventory; weather events, significant natural disasters and other climate and environmental factors, such as a lack of adequate water supply to permit new home communities in certain areas; potential instability associated with the regulatory and executive policies, proposals and orders of the U.S. presidential administration, including any directed at our operations, business practices or capital allocation strategies; government actions, policies, programs and regulations directed at or affecting the housing market (including the tax benefits associated with purchasing and owning a home, and the standards, fees and size limits applicable to the purchase or insuring of mortgage loans by government-sponsored enterprises and government agencies, and the potential significant scaling back or ending of the federal conservatorship of the government-sponsored enterprises), the homebuilding industry, or construction activities; changes in existing tax laws or enacted corporate income tax rates, including those resulting from regulatory guidance and interpretations issued with respect thereto, such as Internal Revenue Service guidance regarding heightened qualification requirements for federal tax credits for building energy-efficient homes and the pending expiration of such tax credits in 2026; changes in U.S. trade policies, including the imposition of tariffs and duties on homebuilding materials and products, and related trade disputes with and retaliatory measures taken by other countries, and financial markets’ and business’ reactions to any such policies; disruptions in world and regional trade flows, economic activity and supply chains due to the military conflicts in the Middle East and in Ukraine, including those stemming from wide-ranging sanctions and other restrictions the U.S. and other countries have imposed or may further impose respectively on Iranian or Russian business sectors, financial organizations, individuals and raw materials, the impact of which may, among other things, increase our operational costs, exacerbate building materials and appliance shortages and/or reduce our revenues and earnings; the adoption of new or amended financial accounting standards and the guidance and/or interpretations with respect thereto; the availability and cost of land in desirable areas and our ability to timely and efficiently develop acquired land parcels and open new home communities; impairment, land option contract abandonment or other inventory-related charges, including any stemming from decreases in the value of our land assets; our warranty claims experience with respect to homes previously delivered and actual warranty costs incurred; costs and/or charges arising from regulatory compliance requirements or from legal, arbitral or regulatory proceedings, investigations, claims or settlements, including unfavorable outcomes in any such matters resulting in actual or potential monetary damage awards, penalties, fines or other direct or indirect payments, or injunctions, consent decrees or other voluntary or involuntary restrictions or adjustments to our business operations or practices that are beyond our current expectations and/or accruals; our ability to use/realize the net deferred tax assets we have generated; 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, through, among other things, our making substantial investments in land and land development, which, in some cases, involves putting significant capital over several years into large projects in one location, and in entering into new markets; our operational and investment concentration in markets in California; consumer interest in and responsiveness to our new home communities, products and simplified selling process with transparent pricing and limited incentives, particularly from first-time homebuyers and higher-income consumers; our ability to generate orders and convert our backlog of orders to home deliveries 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, during today’s conference call or in any of our other public filings, presentations or disclosures; income tax expense volatility associated with stock-based compensation; the costs we incur in connection with relocating our corporate headquarters office from Los Angeles, California to Tempe, Arizona in 2027, including costs for employee-related severance, retention, and relocation, as well as recruitment and onboarding; the ability of our homebuyers to obtain homeowners and flood insurance policies, and/or typical or lender-required policies for other hazards or events, for their homes, which may depend on the ability and willingness of insurers or government-funded or -sponsored programs to offer coverage at an affordable price or at all; the ability of our homebuyers to obtain residential mortgage loans and mortgage banking services, which may depend on the ability and willingness of lenders and financial institutions to offer such loans and services to our homebuyers; the performance of mortgage lenders to our homebuyers; the performance of KBHS Home Loans, LLC (“KBHS”); the ability and willingness of lenders and financial institutions to extend credit facilities to KBHS to fund its originated mortgage loans; information technology failures and data security breaches; an epidemic, pandemic or significant seasonal or other disease outbreak, and the control response measures that international, federal, state and local governments, agencies, law enforcement and/or health authorities implement to address it, which may precipitate or exacerbate one or more of the above-mentioned and/or other risks, and significantly disrupt or prevent us from operating our business in the ordinary course for an extended period; widespread protests and/or civil unrest, whether due to political events, social movements or other reasons; 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.



KB Home: At a Glance



50 markets	10 states
West Coast California Idaho Washington	Southwest Arizona Nevada
Central Colorado Texas	Southeast Florida Georgia North Carolina

1957 BUILT OVER 700K HOMES SINCE OUR FOUNDING IN 1957

Leading brand awareness

BTO DIFFERENTIATED BUILT TO ORDER[®] MODEL

Simple, affordable, personalized

~71% 1ST TIME & 1ST MOVE UP BUYERS

Millennials & Gen Z's: 150 million people; largest demographic opportunity

LEADER CUSTOMER SATISFACTION

One of the top customer-ranked national homebuilders based on third-party buyer surveys

>217,000 ENERGY STAR CERTIFIED HOMES

Leader in energy efficiency, conserving resources and helping customers lower their total cost of homeownership

>\$2.0B RETURNED TO STOCKHOLDERS

through repurchases and dividends since Q2 2021

As of 5/31/26, unless otherwise noted

Long-Term Investment Thesis for KBH

A Brand that has Endured for Nearly 70 Years

- One of the largest and most trusted homebuilders in the U.S.
- Industry-leading brand awareness
- Customer satisfaction: One of the top customer-ranked national homebuilders based on third-party buyer surveys; record 96% score on AvidCX^{®1}

Differentiated Business Model: Built to Order

- Buyers personalize their homes based on a simple process focused on what they value and can afford
- Ability to significantly influence final sales price – buyers select their floor plan, lot, square footage, elevation and finishes in our Design Studios
- KB has among the highest absorption rates in the industry, which we believe is driven by our affordable, personalized model

1st Time and 1st Move-Up Focus Provides Long-Term Market Opportunity

- Poised to benefit from favorable demographics: Millennials and Gen-Zs, the largest population cohorts (150 million people) are contributing to growth in household formations—a key driver of homeownership

Geographically Focused: 50 Major Markets in 10 States

- Markets selected for their long-term economic and demographic growth potential
- Substantial opportunity to expand our volume in the future with this footprint

Industry-Leading Capital Distribution

- Led our peer group in return of capital yield in the past five years; repurchased approximately 38% of our shares outstanding
- Healthy quarterly cash dividend, which we have paid for the longest period in our industry, without interruption
- Returned over \$2.0 billion in cash to our shareholders through repurchases and dividends since Q2 2021





Built to Order Model Provides Competitive Advantages

Data-Driven Process

Our standard floor plans and features are the result of local market surveys of what buyers want in their homes. Standardization across our divisions enhances our ability to provide affordable choices.

Buyers Value Choice

Buyers select their floor plan, lot, square footage and elevation, as well as personalized finishes in our Design Studios, based on what they value and can afford. Our process is simple and personalized, and the choices are affordable.

Choice Influences Affordability

Buyers are empowered to significantly influence their overall sales price based on their selections. Approximately 65% of our communities offer plans with square footage below 1,600 — smaller homes with similar room counts and livability, at lower starting base prices without compromising gross margin percentages.

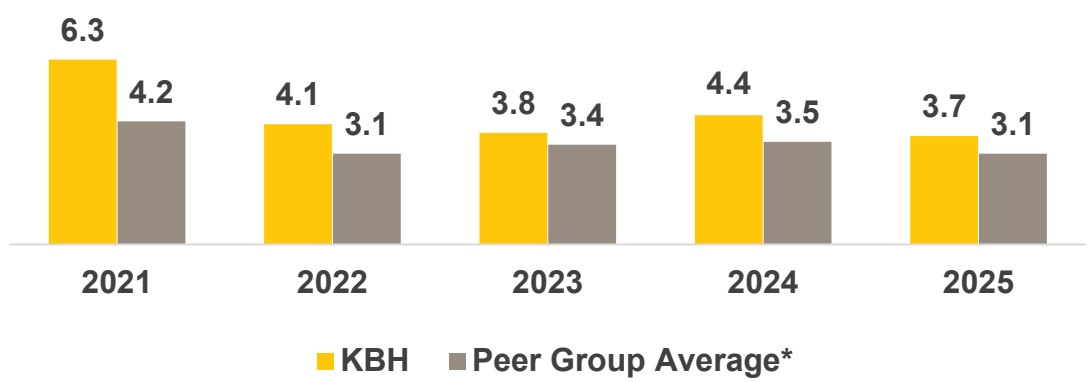
Creates a Stronger Company

Drives greater predictability and lower volatility through alignment of sales, starts and deliveries. Reduces reliance on speculative inventory and exposure to pricing swings, enabling more disciplined capital deployment. Enhances visibility into future deliveries and revenues, supporting more sustainable and consistent margins and returns across cycles.

Competitive Differentiator

Resale homes are our largest competitor. Our affordable personalization provides an important point of differentiation in attracting buyers.

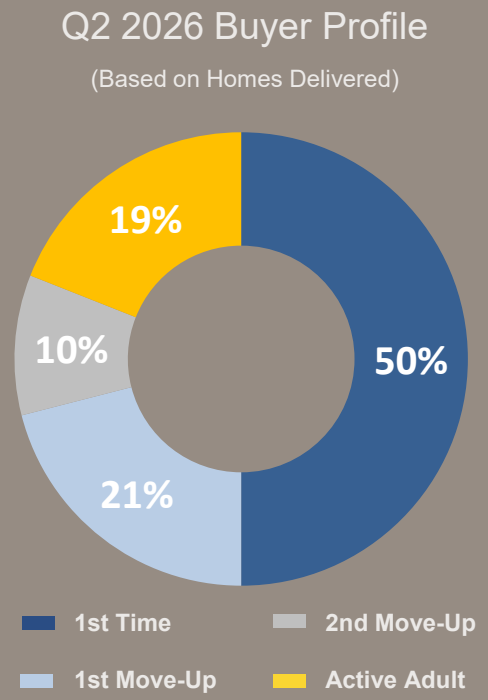
Buyers Value Choice Affordable Personalization Drives Industry-Leading Monthly Absorption per Community



Sources: Sell-Side Analyst Research and Form 10-K Filings
* Includes CCS, DHI, LEN, MTH, NVR, PHM, TMHC, TOL, TPH

Built to Order Attracts Largest Demand Segments of Market

A Leader in the 1st Time Buyer Segment While Drawing a Mix of Buyers to Our Communities



Invest in land positions within **prime growth** submarkets

Position our product to target the **median household income** in each submarket

BTO **enhances value and affordability** through **choice** of lot, square footage, floor plan and elevation, and the ability to **personalize** in our Design Studios

While we primarily target 1st time and affordable 1st move-up buyers, our BTO business model also appeals to 2nd move-up buyers and empty nesters who can make a different set of choices in the same community



100% Committed to Our Customers' Satisfaction

- KB Home's unique Built to Order business model begins and ends with the needs of our homebuyers.
- We survey homebuyers to find out their priorities and design our homes to meet those needs. Our buyers have choice in personalizing their home to suit their lifestyle and budget. Each of our homebuyers is supported by a dedicated team that guides them every step of the way, helping to ensure an exceptional buying experience.
- In FY 2025, KB Home was the #1 customer-ranked national homebuilder on TrustBuilder, a leading independent homebuilding review site, marking the fifth consecutive year we earned the spot.
- Additionally, 2025 marked our highest-ever full-year overall customer satisfaction score to date, at just over 96%, as measured through a comprehensive post move-in survey conducted via AvidCX, a trusted platform of homebuyer experience insights.

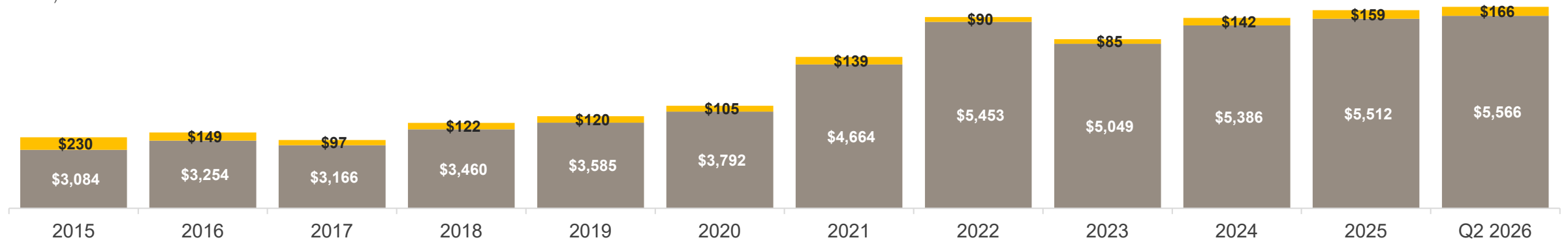




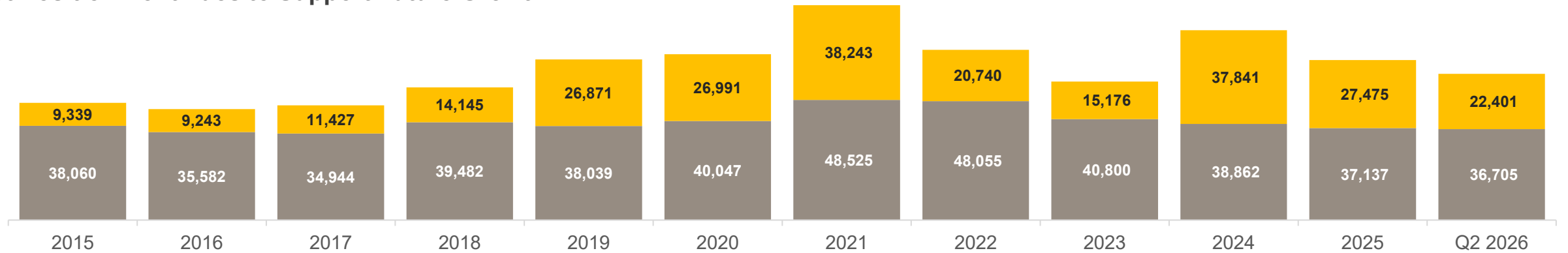
Primed for Growth through Investments in Land Acquisition

Land Portfolio Focused on Long-Term Economic & Demographic Growth Markets

(\$ in millions)



Lot Position Continues to Support Future Growth



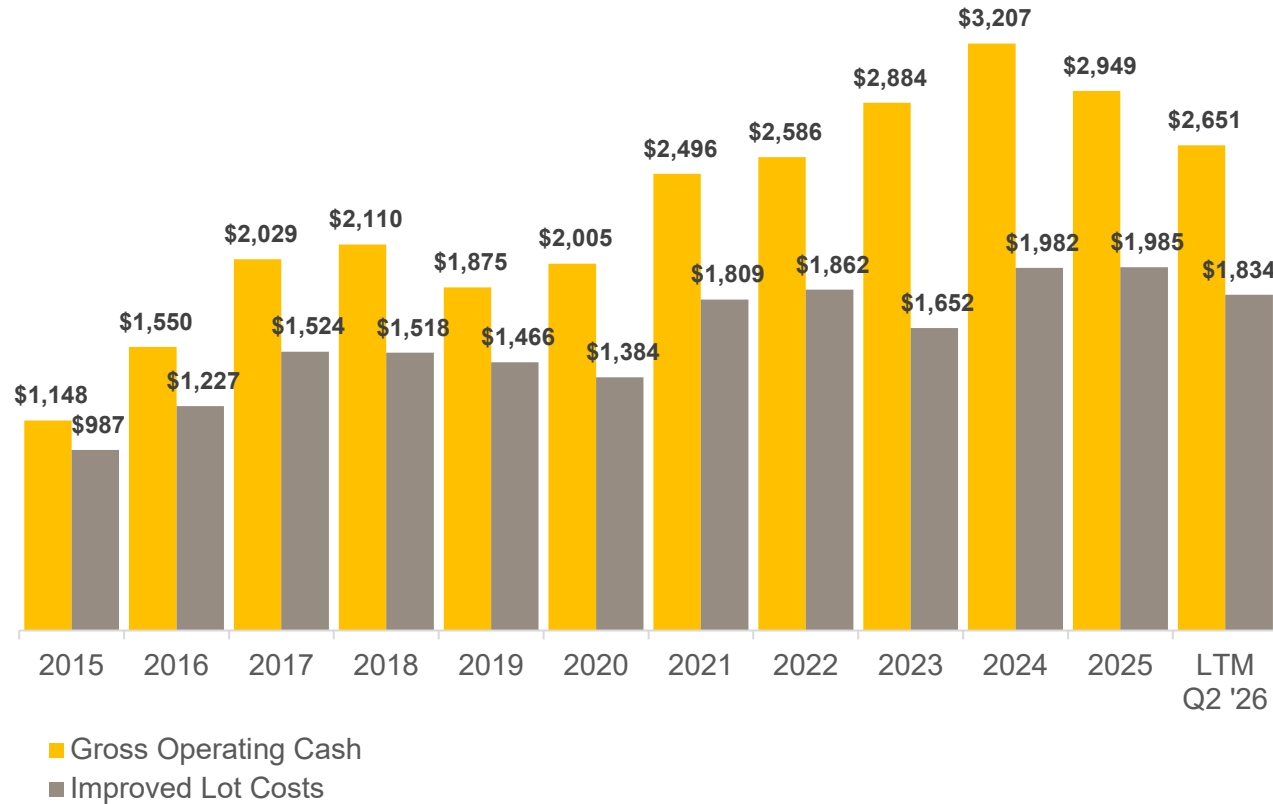
■ Optioned Lots
■ Owned Lots



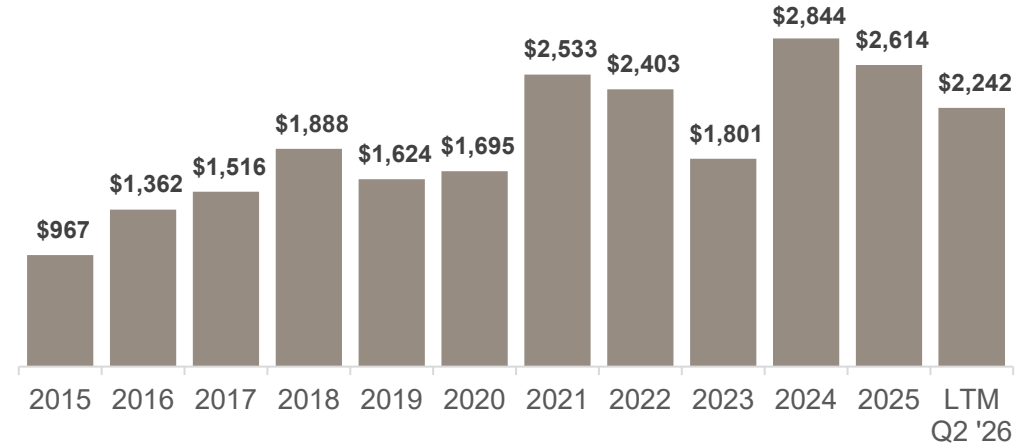
Investing in Growth while Returning Capital to Shareholders

(\$ in millions)

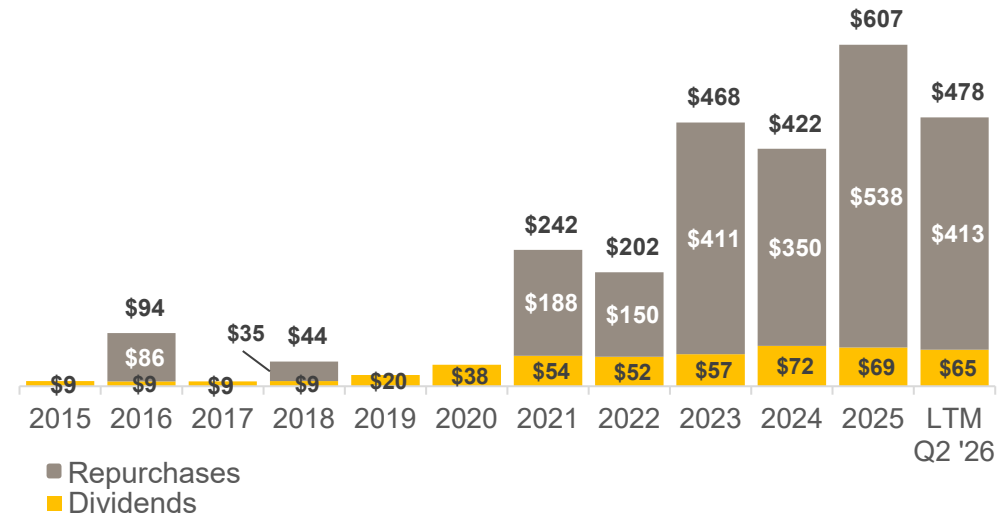
Generating Significant Cash from Homes Delivered



Land Spend



Returning Capital to Shareholders

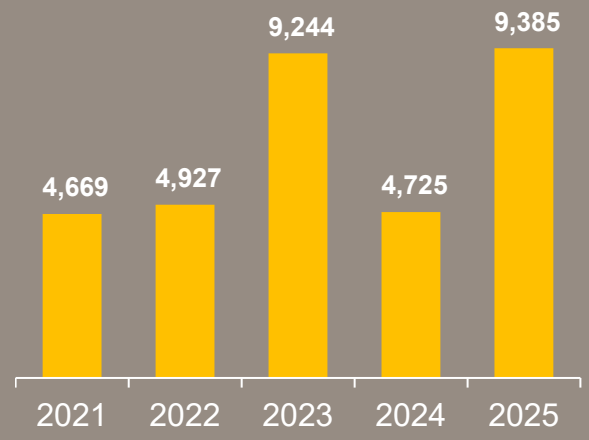


9 Gross Operating Cash defined as Net Cash provided by (used in) Operating Activities, as reported, before Land Acquisition and Development Investment

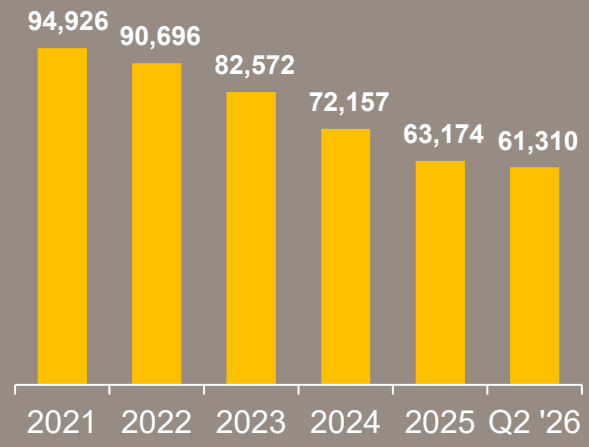


Creating Value for Shareholders

Shares Repurchased (thousands)



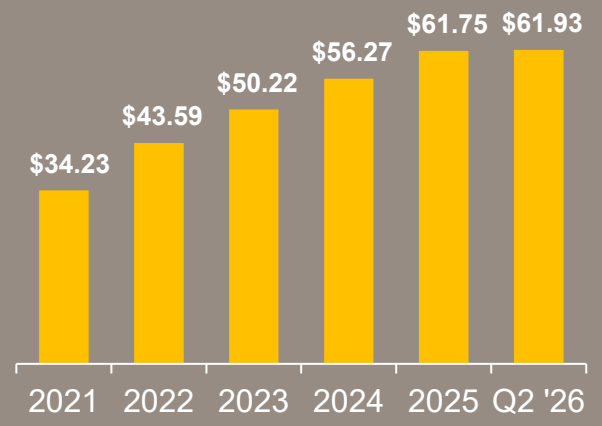
Shares Outstanding (thousands)



Diluted Earnings Per Share



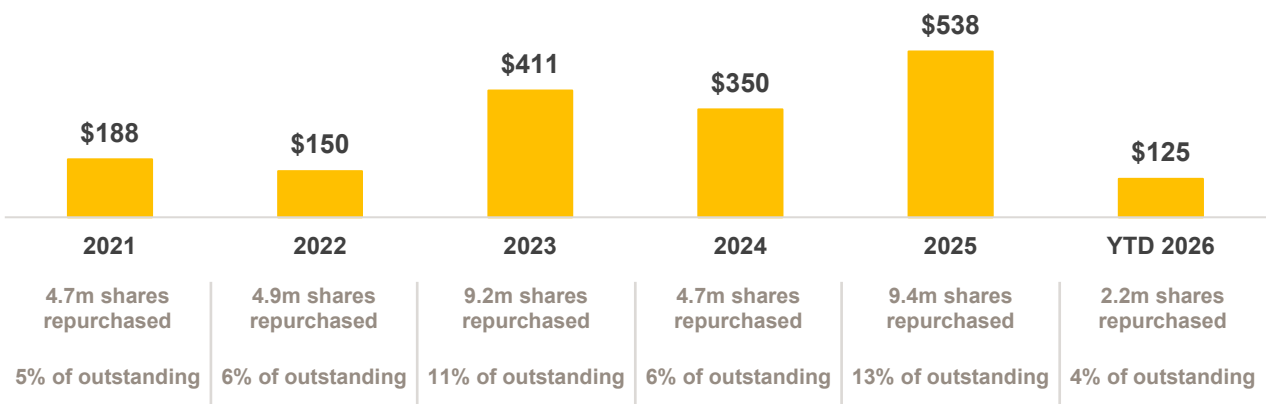
Book Value Per Share



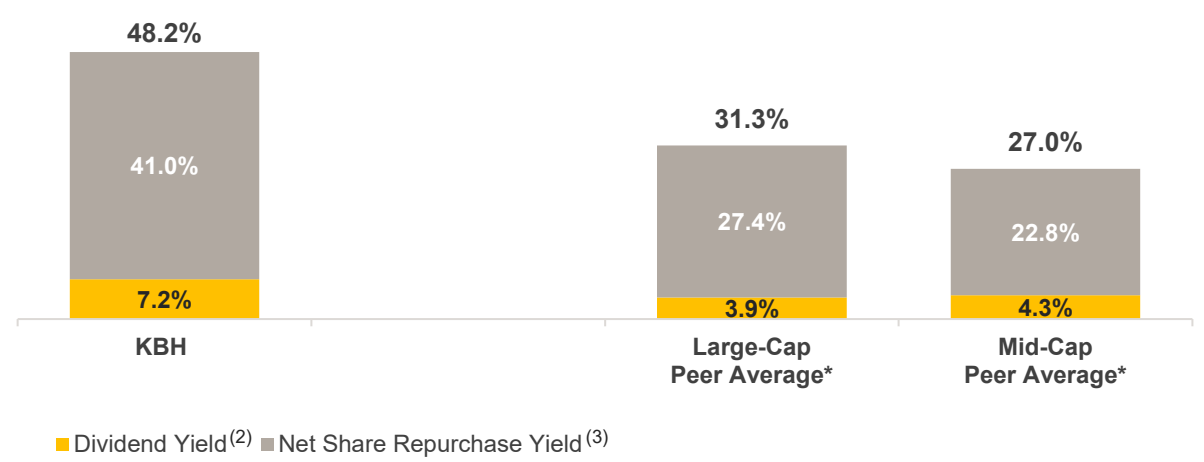


Balance Sheet Strength Fuels Industry-Leading Return of Capital

Share Repurchases (\$ in millions)



Return of Capital Yield⁽¹⁾ vs. Peers | Since Q2 2021



*Source: FactSet as of June 1, 2026 (Large-Cap: PHM, NVR, LEN, DHI | Mid-Cap: TOL, TMHC, CCS, MTH)
 (1) Return on capital yield defined as share repurchase yield plus dividend yield.
 (2) Dividend yield calculated as dividends paid divided by average equity market capitalization.
 (3) Net share repurchase calculated as share repurchases less shares issuances divided by average equity market capitalization.



Second Quarter 2026



Diversification of our Growth-Oriented Geographic Footprint

(\$ in millions)

		West Coast			Southwest		Central		Southeast	
		CA	WA	ID	NV	AZ	TX	CO	NC	FL
Q2 2026	Homebuilding Revenues	\$402.1 36%	\$69.4 6%	\$40.0 4%	\$114.0 10%	\$52.6 5%	\$143.6 13%	\$62.2 6%	\$71.2 6%	\$152.0 14%
YTD 2026	Homebuilding Revenues	\$764.4 35%	\$122.9 6%	\$73.5 5%	\$235.9 11%	\$110.9 5%	\$321.7 15%	\$107.7 5%	\$142.3 6%	\$299.9 14%
FY 2025	Homebuilding Revenues	\$2,332.5 38%	\$282.3 4%	\$76.9 1%	\$751.3 12%	\$494.2 8%	\$970.5 16%	\$206.3 3%	\$348.0 6%	\$749.9 12%
FY 2020	Homebuilding Revenues	\$1,688.4 41%	\$60.2 1%	-	\$550.8 13%	\$246.0 6%	\$932.2 22%	\$260.6 6%	\$29.2 1%	\$400.3 10%
FY 2015*	Homebuilding Revenues	\$1,402.3 46%	-	-	\$266.5 9%	\$131.8 4%	\$609.4 20%	\$200.4 7%	\$57.1 2%	\$278.0 9%

Second Quarter 2026 Highlights

(all comparisons on a year-over-year basis)

- Revenues totaled \$1.11 billion
- Homebuilding operating income was \$28.2 million, compared to \$131.5 million
 - Homebuilding operating income margin was 2.5%, compared to 8.6%. Excluding inventory-related charges, homebuilding operating income margin was 3.0%, compared to 9.0%.
 - Housing gross profit margin was 15.2%, compared to 19.3%. Excluding inventory-related charges, housing gross profit margin was 15.7%, compared to 19.7%, primarily reflecting price reductions, higher relative land costs and reduced operating leverage.
 - Selling, general and administrative expenses were 12.7% of housing revenues compared to 10.7%, mainly due to a decrease in operating leverage.
- Pretax income totaled \$37.2 million, or 3.3% of total revenues, and included financial services pretax income of \$6.7 million
- Net income was \$27.3 million and diluted earnings per share was \$0.43.
- Total liquidity was approximately \$1.12 billion, including \$199.8 million of cash and cash equivalents and nearly \$923.4 million of available capacity under the Company's unsecured revolving credit facility, with \$275.0 million of cash borrowings outstanding
- During the quarter, the Company repurchased 1.4 million shares of its outstanding common stock at a cost of \$75.0 million
- Stockholders' equity totaled \$3.80 billion, and book value per share increased 6% to \$61.93

	Q2 2026	Q2 2025	% Change
Housing Revenues	\$1.11 billion	\$1.52 billion	-27%
Deliveries	2,395	3,120	-23%
Average Selling Price	\$461,900	\$488,700	-5%
Net Orders	3,317	3,460	-4%
Net Order Value	\$1.55 billion	\$1.61 billion	-4%
Backlog Homes	4,526	4,776	-5%
Backlog Value	\$2.14 billion	\$2.29 billion	-7%
Ending Community Count	280	253	11%
Average Community Count	278	254	9%
Absorption (net orders per community, per month)	4.0	4.5	-11%



Housing Revenues

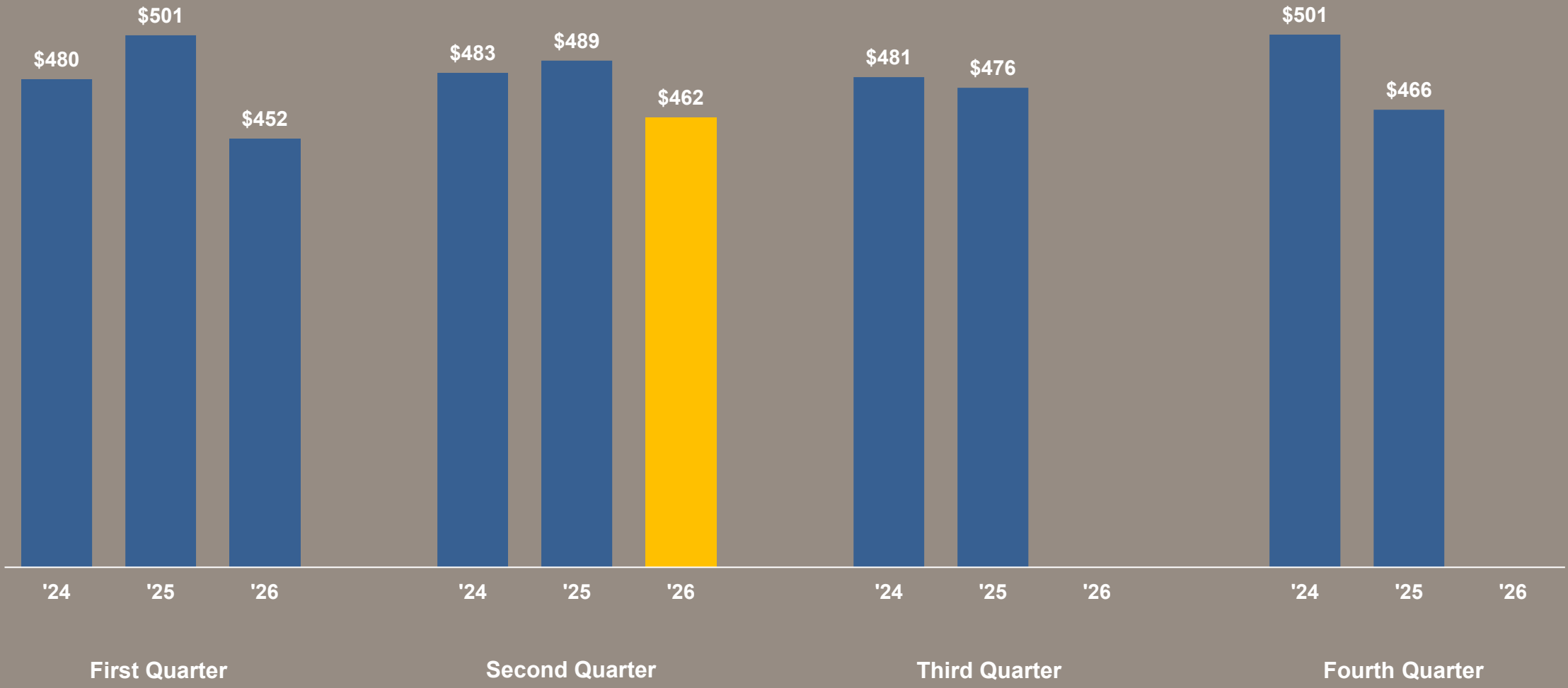
(\$ in millions)





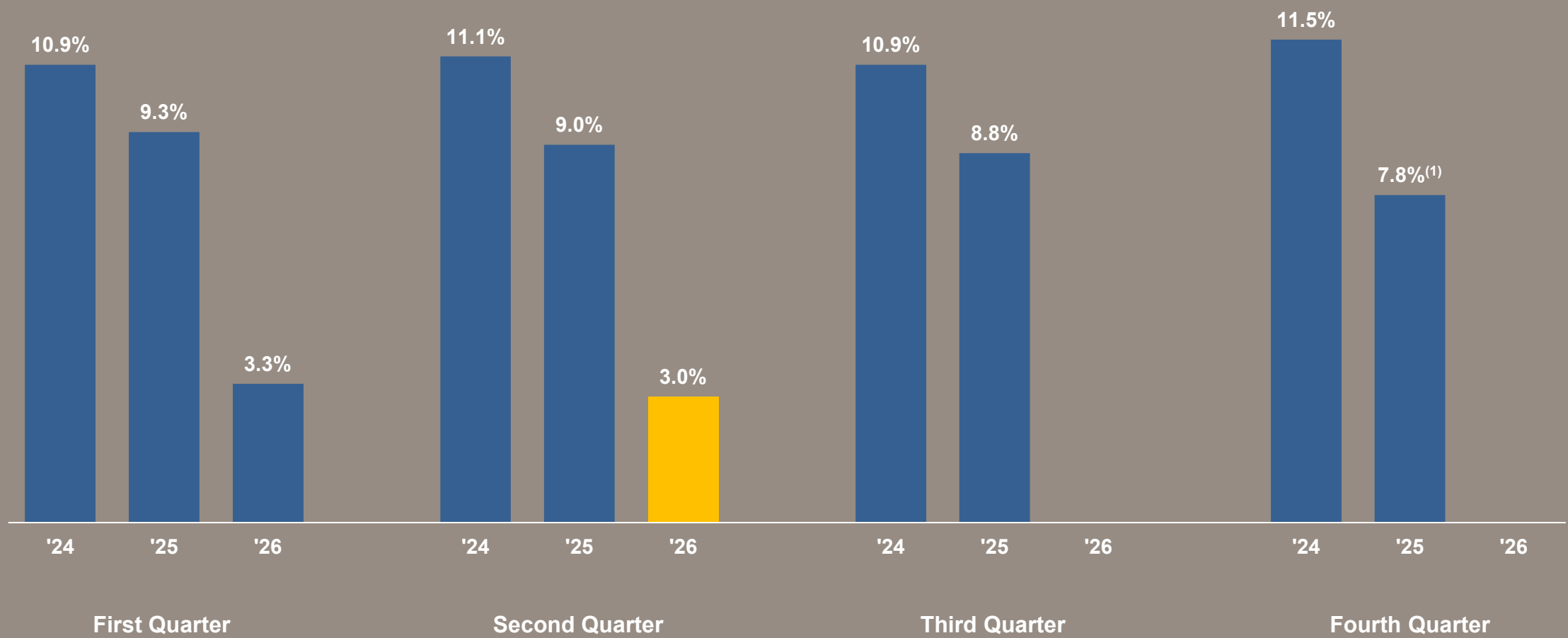
Average Selling Price

(\$ in thousands)





Homebuilding Operating Income Margin*

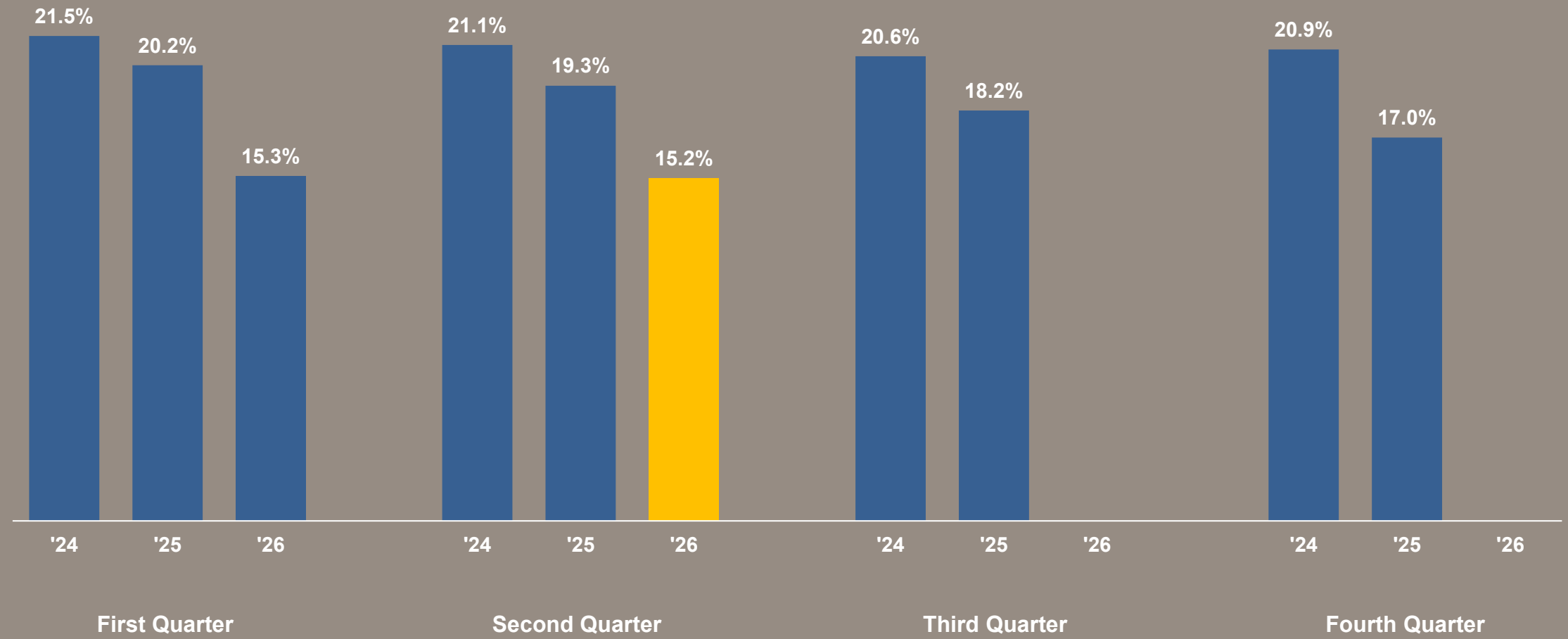


* Excluding inventory-related charges. See Appendix: Reconciliation of Non-GAAP Financial Measures.

(1) Includes \$16 million of accelerated equity-based compensation expense recognized under applicable accounting guidance. Excluding this item, homebuilding operating income margin was 8.7%.

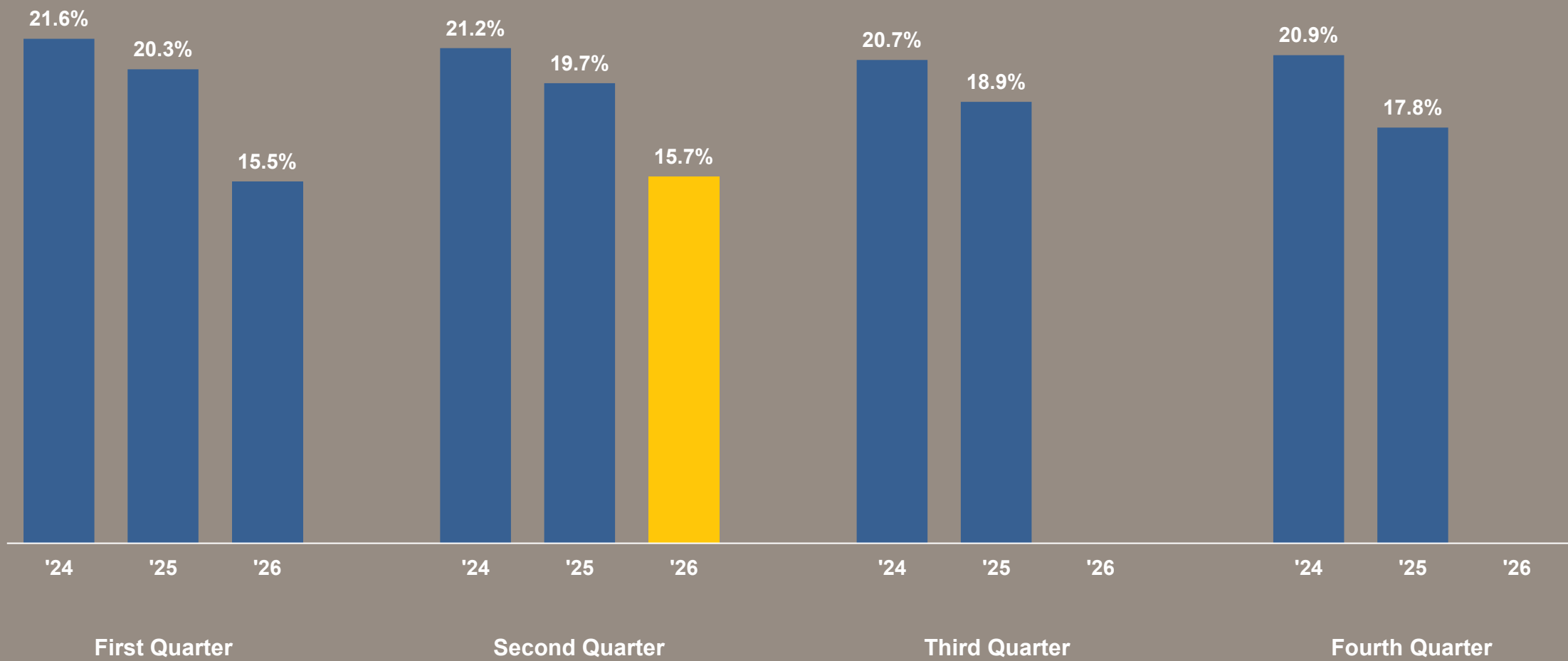


Housing Gross Profit Margin – Reported



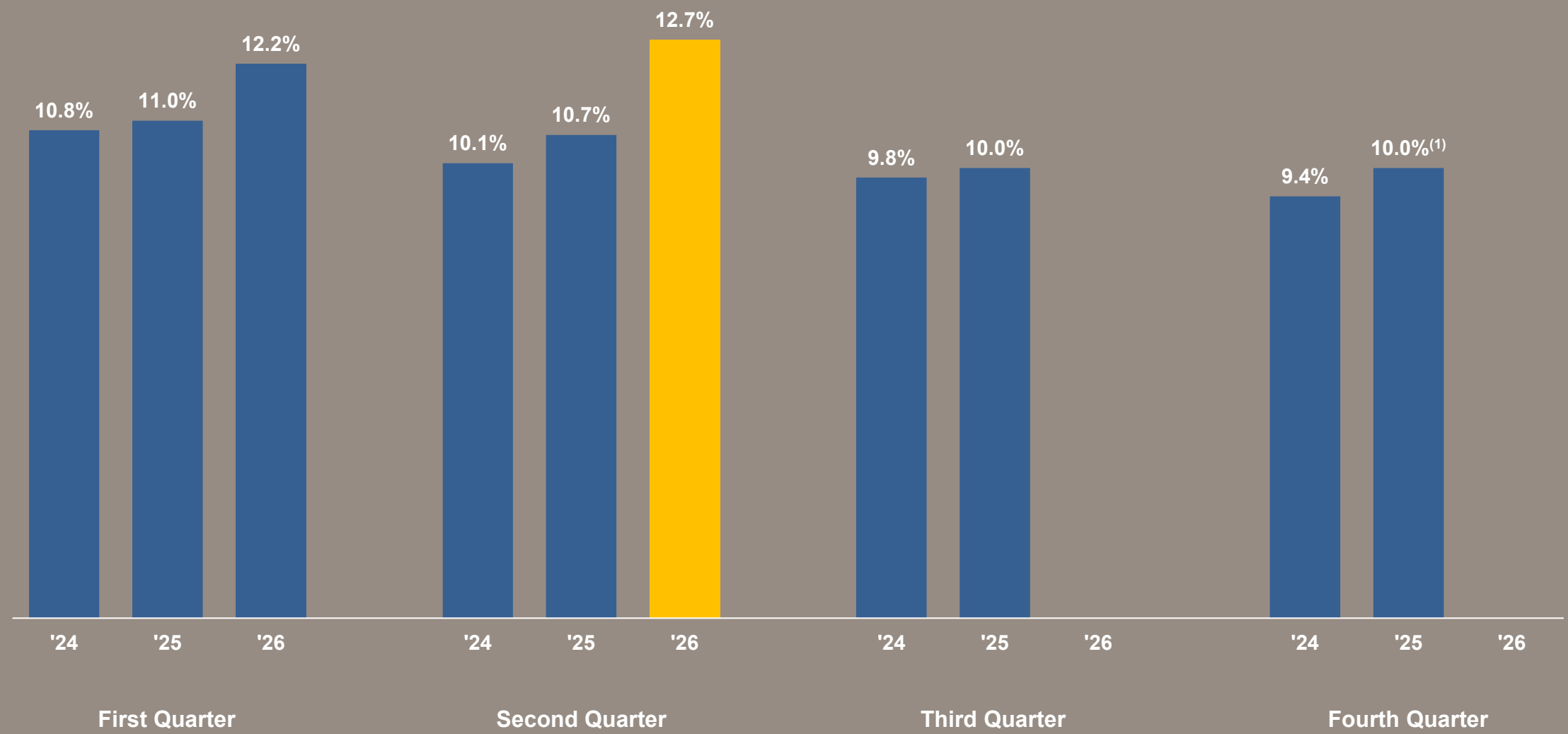


Housing Gross Profit Margin – As Adjusted*





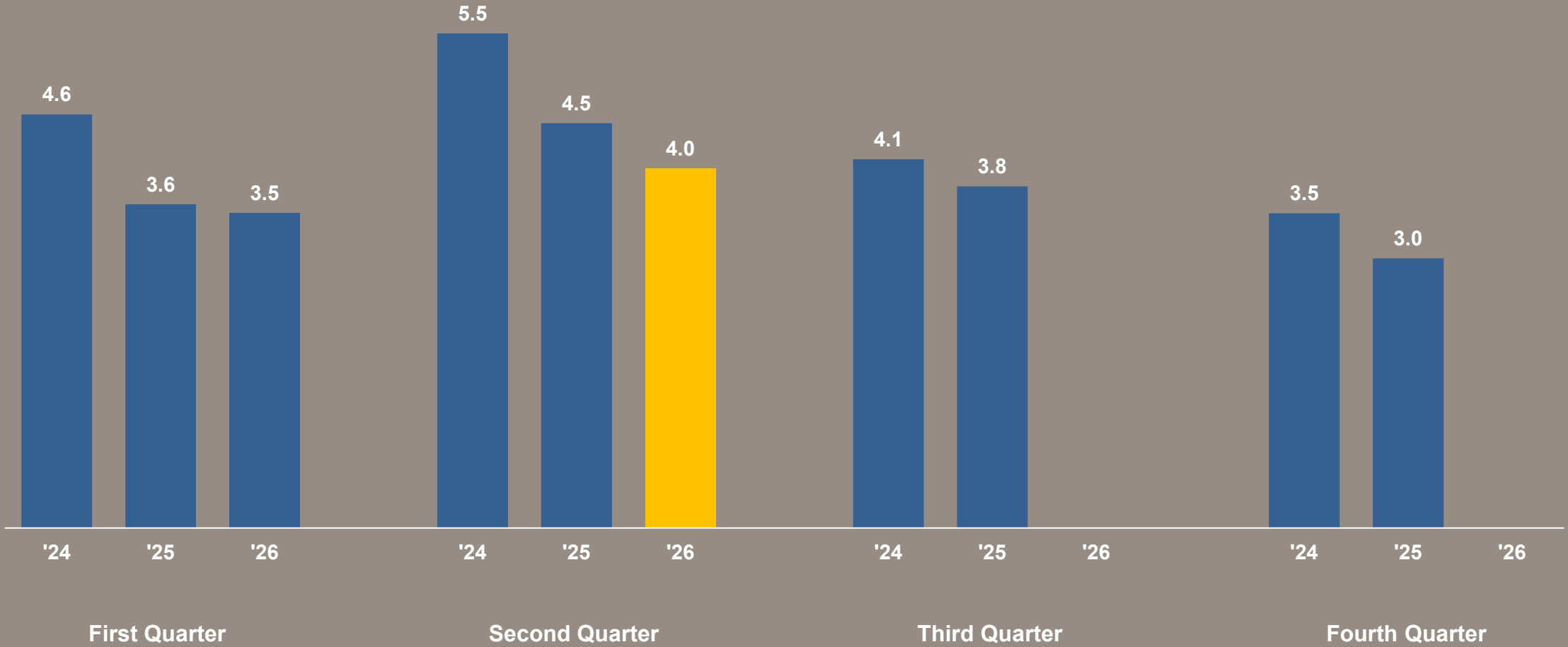
SG&A Expense Ratio



20 (1) Includes \$16 million of accelerated equity-based compensation expense recognized under applicable accounting guidance. Excluding this item, SG&A expense ratio was 9.1%.

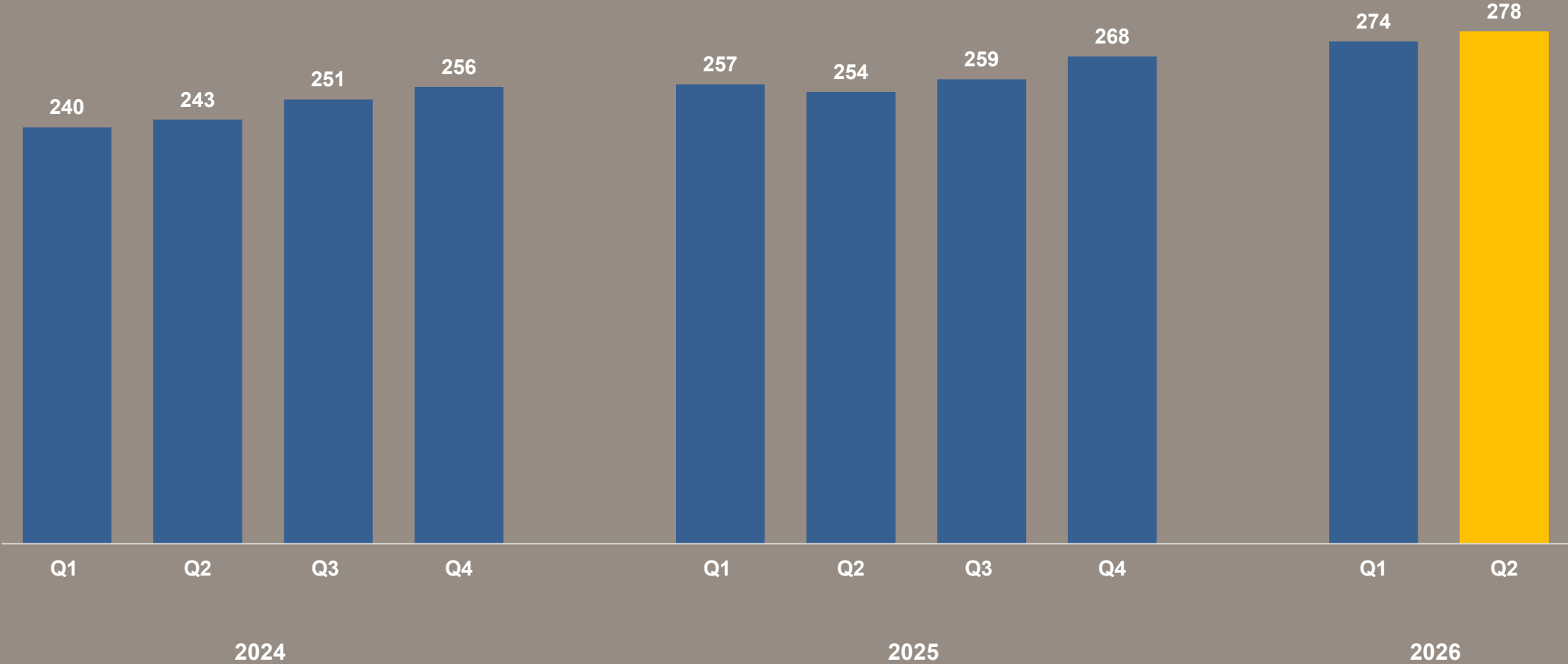


Net Orders per Community per Month





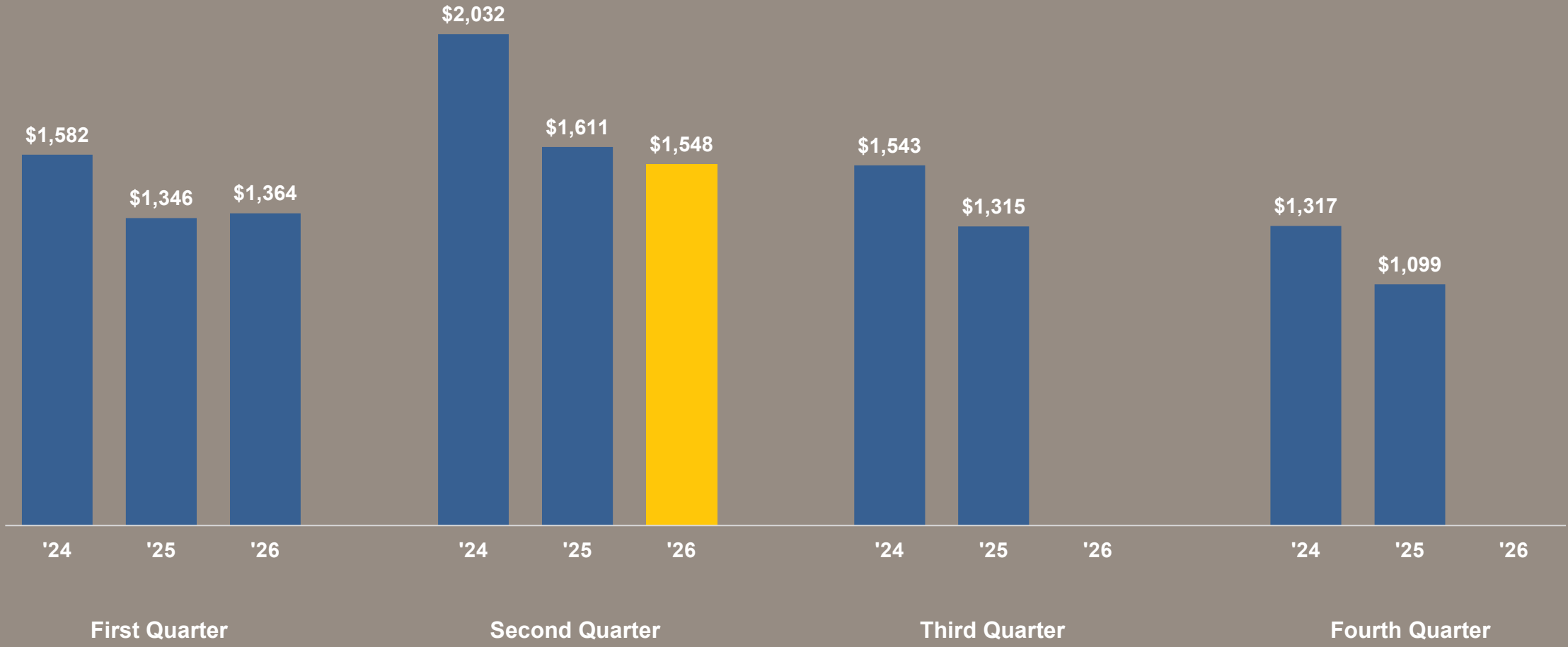
Average Community Count





Net Order Value

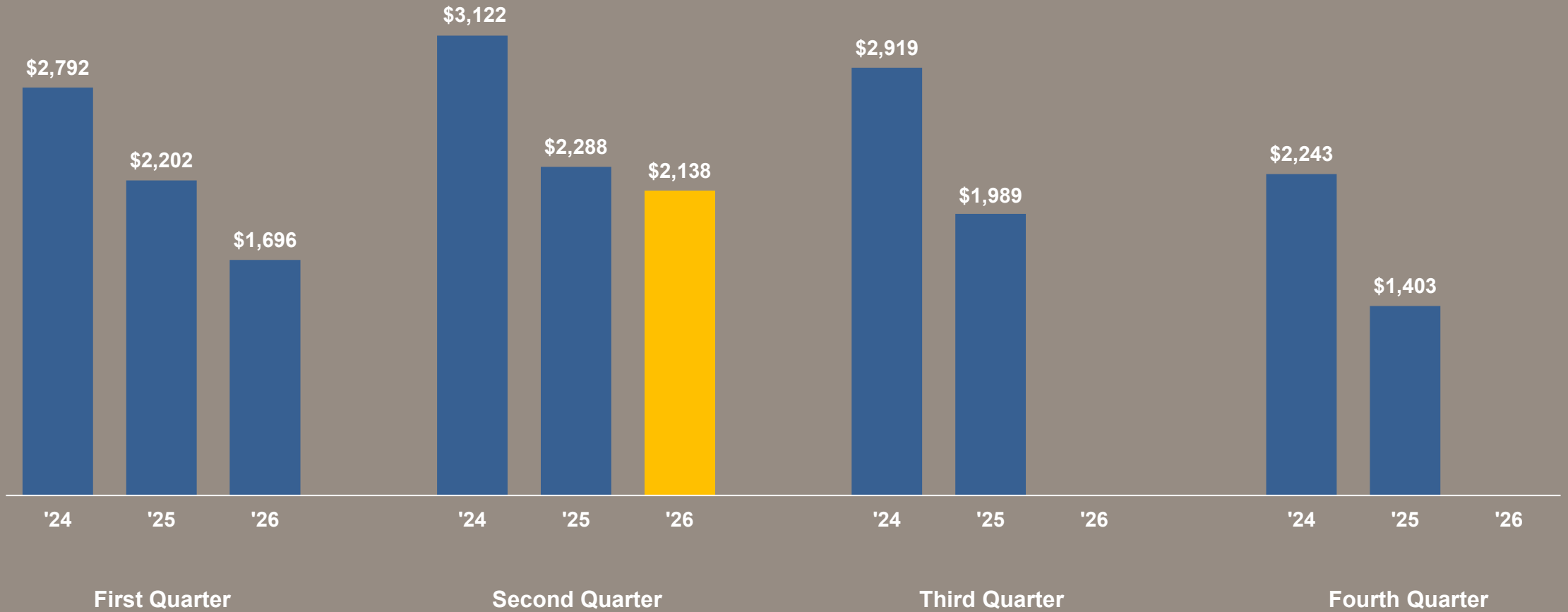
(\$ in millions)





Backlog Value

(\$ in millions)





Healthy Capital Structure

Highlights

BB+ Credit Profile Optimal for our Business

- Provides reliable access to capital at low cost, with investment grade-like covenants and significant flexibility
- Continue to target total debt-to-capital ratio in the range of 30%, with some variation due to use of the revolver to manage seasonal working capital needs

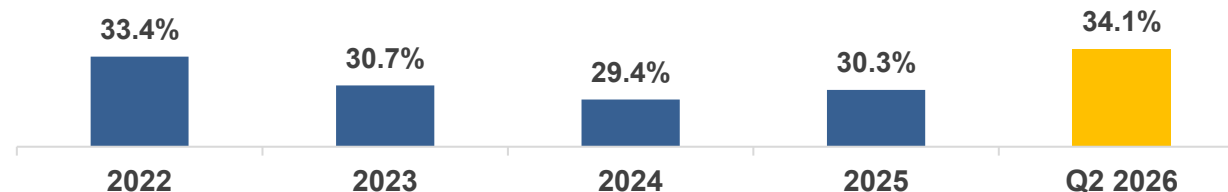
Strong Liquidity to Support our Business

- Total liquidity, including cash and revolver availability, was approximately \$1.12 billion at May 31, 2026
- We had \$275.0 million of cash borrowings outstanding on our revolving credit facility with \$923 million available to draw

Debt Maturities

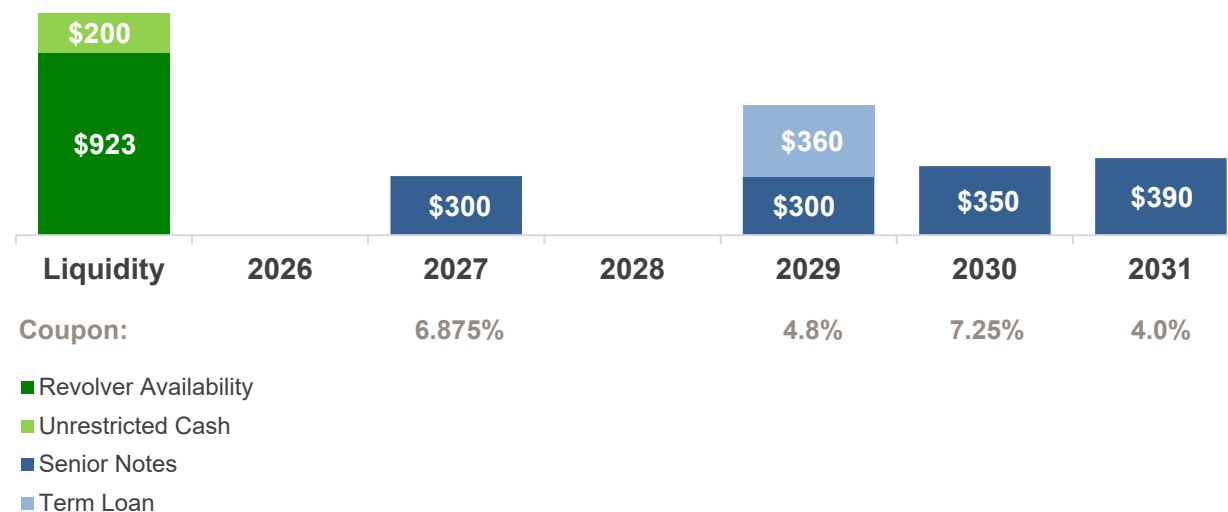
- Our next maturity is in June 2027 when our \$300 million 6.875% Senior Notes mature
- The maturity of our \$360 million Term Loan is in November 2029
- Our \$1.2 billion revolving credit facility has a November 2030 maturity

Debt-to-Capital Ratio



Liquidity and Debt Maturity Summary at May 31, 2026

(\$ in millions)



The Sustainability Difference



Leadership in Sustainable Homebuilding



217,000+

Total U.S. EPA ENERGY STAR™ Certified New Homes

29,000+

Cumulative Solar Homes

31,000+

Total U.S. EPA WaterSense™ & Water Smart Homes

Approx. \$1.3 Billion*

Cumulative Utility Bill Savings

Approx. 2.3 Billion Gallons*

Water Conserved Annually

Approx. 8.8 Billion Pounds*

Fewer CO₂ Emissions

Awards & Recognition

In 2025 and early 2026, we were recognized for our environmental, social, and governance leadership by a number of organizations, including:

Fortune

World's Most Admired Companies 2026

Newsweek

America's Greenest Companies 2025

Newsweek

America's Most Responsible Companies 2026

Time

100 Most Influential Companies 2026

Time

America's Best Mid-Size Companies 2025

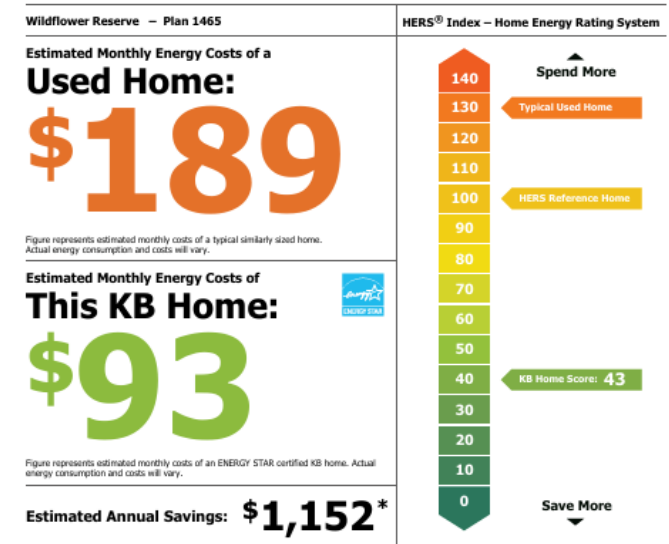


Built on Relationships

In 2025, KB Home unveiled the nation's first new-home community that meets the home- and neighborhood-level wildfire resilience standards developed by the Insurance Institute for Business & Home Safety.

Energy Savings Comparison

At KB Home, our homes are designed to be ENERGY STAR® certified and built with quality construction techniques and materials. An ENERGY STAR certified home offers fewer air leaks and drafts, reduced noise and energy-efficient appliances and lighting to ultimately deliver significant savings on utility bills compared to homes without certification.



Energy Savings Comparison

Our proprietary tool demonstrating the lower total cost of homeownership possible with a KB home**

KB Home provides this comparison for every floor plan at each of our communities



Los Angeles, CA – Volunteers organized food items at the *Westside Food Bank*

kbcares



Inland Empire, CA - Volunteers collected over 2,000 toys for *Toys for Tots*



Orlando, FL – Volunteers donated over 1,300 food items to *Serenity Grace*

Giving Back to Our Communities



Phoenix, AZ - Volunteers assembled 120 beds for *Sleep in Heavenly Peace*



Denver, CO - Volunteers helped package over 2,000 food bags at *Food for Thought*



Austin, TX – Volunteers wrapped and donated gifts for families through the *Center for Child Protection*.



Raleigh, NC – Volunteers delivered essential items to *Samaritan's Purse* for victims of Hurricane Helen

Governance Practices: A Snapshot

Independent

- Eight of our ten directors are independent
- We have a Lead Independent Director
- Independent directors lead all Board committees

Accountable

- Directors are elected annually under a majority voting standard
 - At our 2026 Annual Meeting of Stockholders, directors received an average of 98% support
- Directors and senior executives are subject to robust stock ownership requirements

Aligned

- We have one class of outstanding voting securities that allows each holder one vote for each share held
- No supermajority voting requirements



A man with short brown hair and a light beard is sitting on a dark grey couch, smiling warmly at the camera. He is holding a sleeping baby in his arms. The baby is wearing a white long-sleeved shirt with thin blue stripes and blue pants. The background is a bright, out-of-focus indoor setting with a window showing a view of houses and trees. A yellow vertical line is on the left side of the image.

Summary

kb
HOME

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- Healthy quarterly cash dividend, which we have paid for the longest period in our industry, without interruption
- Returned over \$2.0 billion in cash to our shareholders through repurchases and dividends since Q2 2021

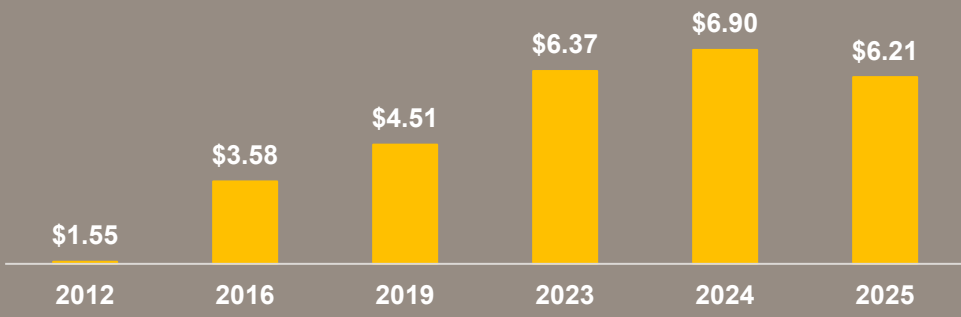




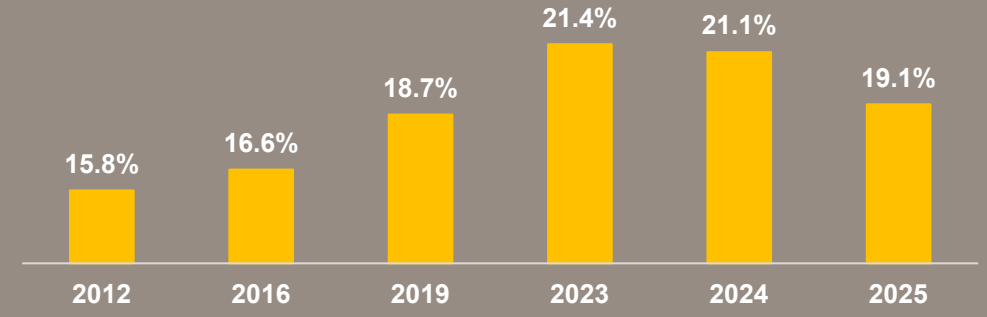
KB Home is a Stronger, More Profitable Company Today

The growth in our scale and profitability, together with the health of our balance sheet, have transformed KB Home into a larger and stronger company.

Housing Revenues (\$ in billions)



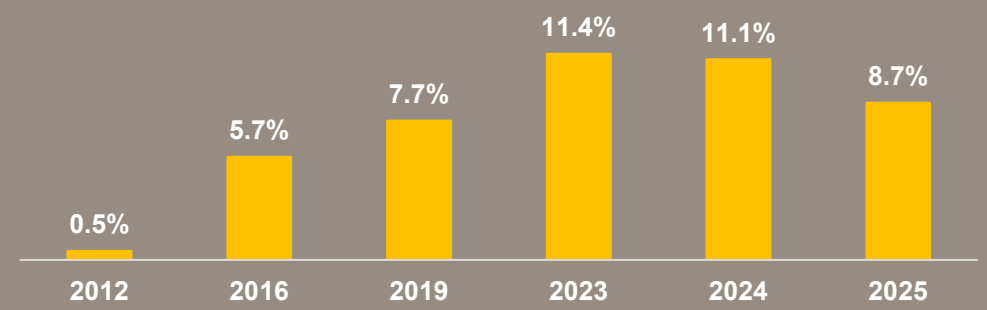
Housing Gross Margin⁽¹⁾



Diluted Earnings (Loss) per Share



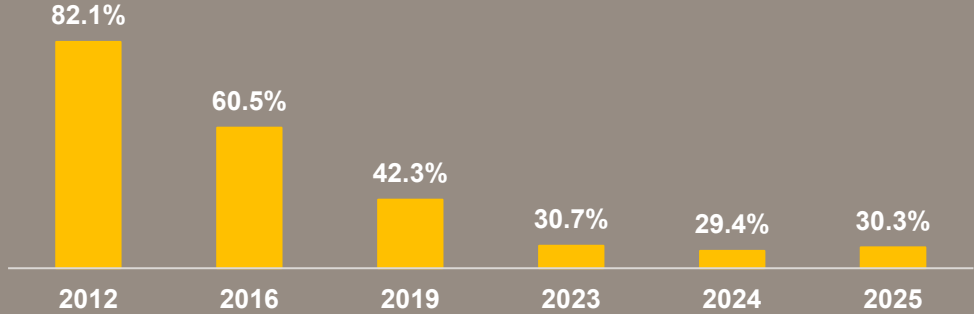
Homebuilding Operating Income Margin⁽¹⁾



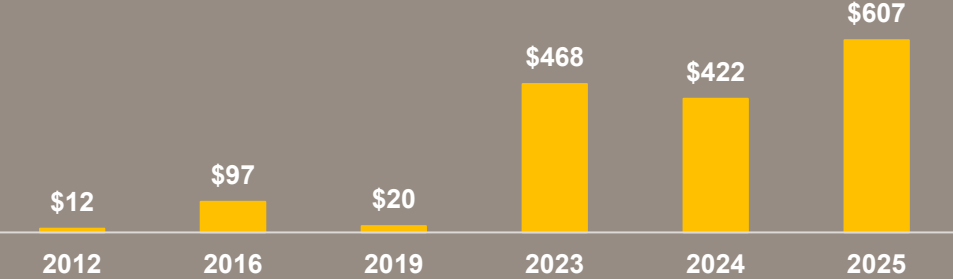


KB Home is a Stronger, More Profitable Company Today

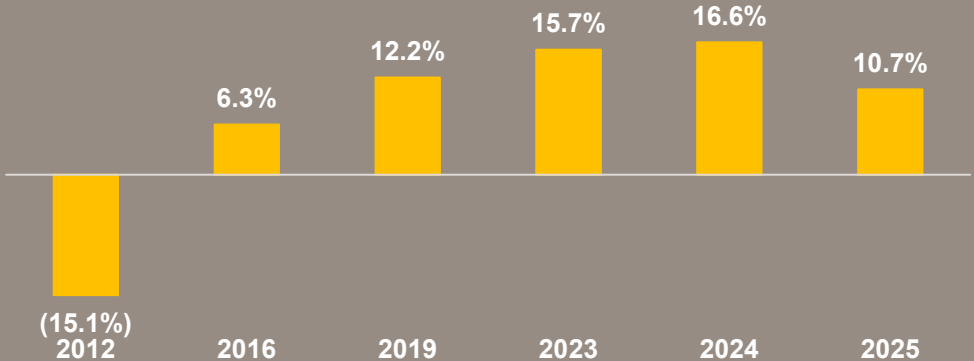
Debt-to-Capital Ratio



Capital Returned to Stockholders (\$ in millions)



Return on Equity



Book Value per Share





Appendix

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Reconciliation of Non-GAAP Financial Measures

	2023				2024				2025				2026	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<u>Housing Gross Profit Margin</u>														
Housing Gross Profit Margin - As Reported	21.5%	21.1%	21.5%	20.7%	21.5%	21.1%	20.6%	20.9%	20.2%	19.3%	18.2%	17.0%	15.3%	15.2%
Housing inventory-related charges	0.3	0.3	-	0.1	0.1	0.1	0.1	-	0.1	0.4	0.7	0.8	0.2	0.5
Housing Gross Profit Margin - As Adjusted	<u>21.8%</u>	<u>21.4%</u>	<u>21.5%</u>	<u>20.8%</u>	<u>21.6%</u>	<u>21.2%</u>	<u>20.7%</u>	<u>20.9%</u>	<u>20.3%</u>	<u>19.7%</u>	<u>18.9%</u>	<u>17.8%</u>	<u>15.5%</u>	<u>15.7%</u>
<u>Homebuilding Operating Income Margin</u>														
Homebuilding Operating Income Margin - As Reported	11.4%	11.5%	11.3%	10.9%	10.8%	11.1%	10.8%	11.5%	9.2%	8.6%	8.1%	6.9%	3.1%	2.5%
Homebuilding inventory-related charges	0.3	0.2	0.1	-	0.1	-	0.1	-	0.1	0.4	0.7	0.9	0.2	0.5
Homebuilding operating income margin excluding inventory-related charges	<u>11.7%</u>	<u>11.7%</u>	<u>11.4%</u>	<u>10.9%</u>	<u>10.9%</u>	<u>11.1%</u>	<u>10.9%</u>	<u>11.5%</u>	<u>9.3%</u>	<u>9.0%</u>	<u>8.8%</u>	<u>7.8%</u>	<u>3.3%</u>	<u>3.0%</u>

The Company believes these non-GAAP financial measures, which assist management in making certain decisions, are relevant and useful to investors in understanding its operations and in providing meaningful period-to-period comparisons and may be helpful in comparing the Company with other homebuilding companies to the extent they provide similar information.

Thank you for your interest in KB Home.

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