NEWS RELEASE

KB Home Announces Completion of Cash Tender Offer for Senior Notes

6/9/2021

LOS ANGELES--(BUSINESS WIRE)-- KB Home (NYSE: KBH) today announced the results of its previously announced cash tender offer (the "Tender Offer") for any and all of its outstanding 7.000% Senior Notes due 2021 (the "2021 Notes"), totaling $450,000,000 in aggregate principal amount. The Tender Offer expired at 5:00 p.m., New York City time, on June 8, 2021 (the "Expiration Date").

As of the Expiration Date, a total of $269,829,000 in aggregate principal amount of the 2021 Notes had been validly tendered in the Tender Offer, excluding $2,686,000 in aggregate principal amount of 2021 Notes that remain subject to guaranteed delivery procedures. The Company accepted for purchase all of the 2021 Notes that were validly tendered, paid the Offer Consideration (as defined below) (plus accrued and unpaid interest) thereon and settled the Tender Offer (other than with respect to the 2021 Notes that remain subject to guaranteed delivery procedures) on June 9, 2021 (the "Settlement Date").

In accordance with the terms and subject to the conditions of the Tender Offer, the Company offered to make a cash payment to all holders who validly tendered their 2021 Notes in the Tender Offer of $1,017.25 per $1,000 principal amount of 2021 Notes tendered (the "Offer Consideration"), plus accrued and unpaid interest thereon to, but not including, the Settlement Date. With respect to 2021 Notes accepted for purchase that were tendered and are subsequently delivered in accordance with the guaranteed delivery procedures, the Company expects such tendering holders to receive payment of the Offer Consideration for such accepted 2021 Notes on June 11, 2021, plus accrued and unpaid interest thereon to, but not including, the Settlement Date. The Company is funding the payment for tendered and accepted 2021 Notes with a portion of the net proceeds from its previously announced issuance and sale of $390 million in aggregate principal amount of new 4.00% Senior Notes due 2031.

This press release is for informational purposes only and is not an offer to purchase or a solicitation of an offer to purchase with respect to any of the 2021 Notes. This press release is not a redemption notice for the 2021 Notes.

About KB Home

KB Home is one of the largest and most recognized homebuilders in the United States and has been building quality homes for over 60 years. Today, KB Home operates in 45 markets across eight states, serving a wide array of buyer groups. What sets us apart is how we give our customers the ability to personalize their homes from homesites and floor plans to cabinets and countertops, at a price that fits their budget. We are the first builder to make every home we build ENERGY STAR® certified. In fact, we go beyond the EPA requirements by ensuring every ENERGY STAR certified KB home has been tested and verified by a third-party inspector to meet the EPA's strict certification standards, which help to lower the cost of ownership and to make our new homes healthier and more comfortable than new ones without certification. We also work with our customers every step of the way, building strong personal relationships so they have a real partner in the homebuying process, and the experience is as simple and easy as possible. Learn more about how we build homes built on relationships by visiting kbhome.com.

Forward-Looking and Cautionary Statements

You are cautioned that certain statements contained or incorporated or deemed to be incorporated by reference in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "hopes," and similar expressions constitute forward-looking statements. Forward-looking statements, including those relating our settlement of the Tender Offer and the payment of the Offer Consideration, plus accrued and unpaid interest thereon to, but not including, the Settlement Date with respect to the 2021 Notes that remain subject to guaranteed delivery procedures, are based on our current expectations and projections about future events and are subject to risks, uncertainties, and assumptions. These statements are not guarantees of future performance, and we have no specific policy or intention to update these statements whether as a result of new information, future events or otherwise.

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