



News release

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KB HOME TO BUILD HOMES IN 2008 EXCLUSIVELY WITH ENERGY STAR® QUALIFIED APPLIANCES

Move is Part of the Company's Ongoing Drive to Build Greener Homes and Be Protective of the Natural Environment

LOS ANGELES (December 19, 2007) — As part of the Company's ongoing drive to take actions in its business that will help protect the natural environment, KB Home (NYSE: KBH), one of the nation's largest homebuilders, today announced that, beginning in 2008, it will build new homes exclusively with ENERGY STAR® qualified refrigerators, dishwashers and laundry appliances from Whirlpool Corporation. All of the standard and upgraded ENERGY STAR® qualified appliances will be offered to homebuyers nationwide through KB Home Studios, the retail-like design centers where customers select among 5,000 options to personalize their Built to Order new homes.

"KB Home is committed to finding imaginative ways to be protective of our natural environment, and this is the latest innovative step in the Company's long tradition of building homes that are environmentally friendly," said Jeffrey Mezger, president and chief executive officer of KB Home. "This action will also help our homeowners join in the global effort to reduce carbon emissions and conserve natural resources, while achieving substantial savings in utility costs over the long-term."

"We applaud KB Home's leadership in ensuring that energy-efficient appliances are standard in the thousands of new homes the company builds each year," said Sam Rashkin, director of the ENERGY STAR® for Homes program for the U.S. Environmental Protection Agency. "KB Home is setting a strong example for all businesses to look at what they can do to help their customers save energy and other precious natural resources while enhancing their quality of life."

Since ENERGY STAR® qualified appliances use 10-50 percent less energy and water than standard models, the potential environmental impact of this new initiative by KB Home is considerable. The American Council for an Energy-Efficient Economy estimates that if everyone increased the energy efficiency of their major appliances by 10-30 percent, it would equal the demand for electricity equivalent to that of 25 large power plants. KB Home's commitment is an important step in helping KB Home homebuyers reduce their carbon footprint.



This move is the latest in a series of actions by KB Home to remain in the forefront of environmentally-friendly building and design. In recent years, the Company has built more than 42,000 ENERGY STAR® designated homes in cooperation with the U.S. Environmental Protection Agency and U.S. Department of Energy. According to EPA estimates, the cumulative energy savings produced by these homes – which feature high performance HVAC systems, insulation, windows and more – is equivalent to removing over 17,000 cars from our roads each year, while saving homeowners \$8-16 million per year in utility bills.

KB Home has also been a leader in a variety of other environmental initiatives, including protecting old growth trees in national forests from harvesting, pioneering water-wise landscaping in arid and semi-arid areas of the country, recycling demolition debris and offering zero-energy home options in select communities. The Company works with government agencies and community groups to build homes in which the design, materials, and water and power consumption minimize intrusion into the natural environment. In addition, this year KB Home launched a program called *myEarth*, in which environmentally-friendly design options are offered to homebuyers in KB Home Studios across the country.

In exclusively offering energy- and water-saving appliances, KB Home is working closely with Whirlpool Corporation, the Company's long-time supplier of new home appliances nationwide.

About KB Home

Celebrating its 50th anniversary in the homebuilding industry, KB Home is one of the nation's largest homebuilders. Headquartered in Los Angeles, the Company has operating divisions in 13 states, building communities from coast to coast. 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 or complete mortgage services offered through Countrywide KB Home Loans, call 888-KB-HOMES or visit www.kbhome.com.

About Whirlpool Corporation

Whirlpool Corporation is the world's leading manufacturer and marketer of major home appliances, with annual sales of approximately \$18 billion, more than 73,000 employees, and more than 70 manufacturing and technology research centers around the world. The company markets Jenn-Air, KitchenAid, Maytag, Whirlpool, Amana, Gladiator, Brastemp, Bauknecht, and other major brand names to consumers in nearly every country around the world. For more information on Whirlpool Corporation and its offerings for building professionals, please visit www.insideadvantage.com or call 1-800-253-3977.

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