

KAUFMAN BROAD

PRESS RELEASE - FOR IMMEDIATE RELEASE

(Paris – November 24, 2008) – At the Extraordinary Shareholders' Meeting of Kaufman & Broad S.A., held today under the chairmanship of Guy Nafilyan, shareholders granted the Board of Directors a new authorization to carry out a share issue with pre-emptive subscription rights and a new authorization to increase the number of shares offered with or without pre-emptive subscription rights if the issue is oversubscribed. The third resolution, pertaining to an employee share issue, was not adopted.

The Company now has the authorizations necessary to strengthen its balance sheet if need be. However, the Company made it clear that it has no plans to carry out a share issue in the immediate future.

Kaufman & Broad S.A. also confirmed that it was in compliance with its contractual obligations vis à vis the banks and that none of its debt was due to mature in the short or medium-term. It further indicated that it has initiated discussions with its banks about rearranging its credit facilities to enhance the Company's financial flexibility, that these discussions were advancing satisfactorily and that the Company was therefore confident that an agreement would soon be reached.

In light of deteriorated real estate market conditions which should result in a significant decline in full year revenue for 2008, Kaufman & Broad S.A. noted that several measures taken at the beginning of the year have been reinforced in recent months, such as abandoning certain projects that no longer meet profitability criteria, reducing project costs and cutting operating expenses. This same strategy has enabled the Company to successfully weather the real estate crisis back in the 1990s.

For nearly 40 years, Kaufman & Broad has been designing, building and selling single-family homes and apartments, as well as office properties on behalf of third parties. Its size, profitability and strong brand name have made Kaufman & Broad one of France's leading developers and builders of homes.

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