

FOR IMMEDIATE RELEASE

Press release

Kaufman & Broad announces the closing of the refinancing of its syndicated bank debt (“Senior Debt”)

Paris, March 31, 2014 - Kaufman and Broad S.A. (the “**Company**”) announces the closing of the refinancing of its Senior Debt by means of a new senior facilities agreement for a total amount of €200,000,000 (the “**New Senior Facilities Agreement**”) which will replace its existing Senior Debt.

Successful completion of refinancing

The implementation of the New Senior Facilities Agreement was conditioned on the success of the refinancing by its majority shareholder, Financière Gaillon 8 SA, which closed today. Financière Gaillon 8 SA issued €370,000,000 aggregate principal amount of Senior Notes due 2019 (the “**Senior Notes**”). The Senior Notes will bear interest at an annual rate of 7.00%. A portion of the net proceeds from the issuance and the sale of the Senior Notes will be used to prefund the interest payable on the Senior Notes for the first interest period.

The New Senior Facilities Agreement will mature in five years and includes:

- a new Revolving Credit Facility of up to €50,000,000 aggregate principal amount; and
- a new senior credit facility of €50,000,000 aggregate principal amount available under a Facility A tranche (“**Facility A**”) and of €100,000,000 aggregate principal amount available under a Facility B tranche (“**Facility B**”).

The Company has drawn the full amounts available under Facility A and Facility B, for a total of €150,000,000, and has applied these amounts, along with available cash, to fully repay debt outstanding under its existing senior credit facilities dated July 9, 2007 (as amended). As of the date hereof, the Company has not drawn on its new revolving credit facility.

About Kaufman & Broad SA

For more than 40 years, Kaufman & Broad has been designing, supervising the construction of and selling single-family homes in communities, apartments and offices on behalf of third parties. Kaufman & Broad is a leading French property builder and developer in view of our size, earnings and the power of our brand.

For more information about Kaufman & Broad SA: www.ketb.com.

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