# KB Home (KBH)

NYSE; other; SIC 1531, Operative Builders; CIK 0000795266

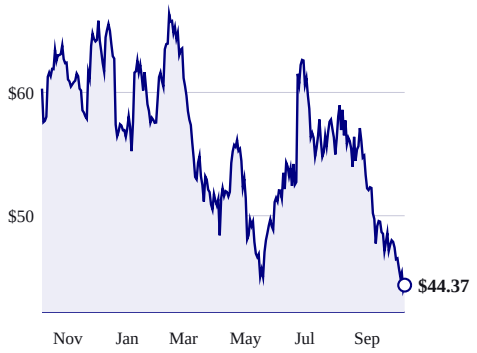
## KB Home

KBH; other

| | |
|---|---|
| **Grade** | None<br>5 of 14 inputs computable; 7 are required |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $6.7B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: short runway, distress, fortress balance sheet |
| **Inputs computable** | 5 of 14 |
| **Graded from** | filings received through Jan 23, 2026<br>259 days before the rescan; latest periodic filing 10-Q received Oct 8, 2026 |
| **Last close** | $44.35<br>2026-10-08; market equity $2.7B |
| **Price used in grade** | None |

**Share price, twelve months to the rescan**

*split-adjusted close; the letter is fixed at the rescan that set it*




## Letter at every rescan

*Jan 21, 2012 to Oct 9, 2026; sector percentile, stronger toward the top; facts filed by each date only*

## Business, in the company's words

*opening of Item 1 of the 10-K received Jan 23, 2026*

in this report, we historically have experienced fluctuations in our quarterly operating results with measurably more homes delivered and revenues generated in our third and fourth fiscal quarters. However, as was the case in recent years, this pattern may not continue in the future at all or to ?Inflation. Since 2021, product and labor costs and general inflation in the economy have increased and remained elevated compared to the prior decade. In turn, we experienced rising land and construction costs, particularly for building materials and construction service providers' rates, warranty repair costs, and compensation and benefit expenses to attract and retain talent.

## The fourteen inputs

*lower percentile is stronger; equal-weighted sleeves*

| Input | Percentile, 0 to 100 | Value | Peer median | Percentile | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 85.7** | | | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Gross profitability | | not computable | 27.1% | | | one or more required annual facts are missing |
| Return on invested capital | | not computable | 10.0% | | | one or more required annual facts are missing |
| Accruals ratio | | 1.4% | (5.9%) | 85.7 | 506 | 2025-11-30 |
| Gross margin stability, five years | | not computable | 2.2 pts | | | five annual gross margins are required; found 0 |
| **Solvency** | | | | | | |
| Twelve-month failure probability | | not computable | 0.04% | | | liabilities and a nearby cover-page share count are required at 2026-08-31 |
| Altman Z double-prime | | not computable | 2.05 | | | one or more required annual facts are missing |
| Net debt to EBITDA | | not computable | 2.52x | | | one or more required annual facts are missing |
| Interest coverage | | not computable | 2.18x | | | interest expense must exceed $100,000 |
| Current ratio | | not computable | 1.32x | | | one or more required annual facts are missing |
| **Growth and financing, sleeve percentile 42.7** | | | | | | |
| Revenue growth, three-year compound | | (3.3%) | 5.1% | 77.4 | 403 | 2025-11-30 |
| Free cash flow growth, three-year compound | | 27.6% | 8.7% | 25.6 | 220 | 2025-11-30 |
| Reinvestment rate | | not computable | 11.9% | | | one or more required annual facts are missing |
| Asset growth, three years | | 0.1% | 4.1% | 66.1 | 438 | 2025-11-30 |
| Net share issuance, one year | | (12.4%) | (0.4%) | 1.7 | 356 | 2025-12-31 |

## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Thin data | 5 of 14 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-10-08 close; none enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (14.8%) | 2.0% | 35 |
| Distance from 52-week high | (33.1%) | (26.8%) | 38 |

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| | | | |
|---|---|---|---|
| EBIT to enterprise value | not computable | 4.4% | |
| Free cash flow yield | 10.7% | 4.1% | 84 |
| Book value to price | 1.41 | 0.34 | 93 |
| Sales to price | 2.31 | 0.70 | 83 |
| Composite equity issuance, five years | (50.1%) | (8.8%) | 4 |
| Relative strength against the sector, log excess return | (0.31) | (0.13) | 35 |

## Diagnostics

*not in the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-11-30** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | n/a |
| Operating cash flow, four quarters | n/a |
| Months of runway | not finite |
| Days since last periodic filing | 1 (10-Q received Oct 8, 2026) |
| Median daily dollar volume, 63 sessions | $57.7M |

## Sources

*each row links to the filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | net income | us-gaap:NetIncomeLoss | $428.8M | 2025-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 2 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $335.7M | 2025-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 3 | assets | us-gaap:Assets | $6.7B | 2025-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 4 | assets | us-gaap:Assets | $6.9B | 2024-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 5 | operating income | us-gaap:OperatingIncomeLoss | $345.7M | 2018-11-30 | 2019-01-24 | 10-K | 0000795266-19-000005 |
| 6 | interest expense | us-gaap:InterestExpense | $0 | 2018-11-30 | 2020-01-24 | 10-K | 0000795266-20-000007 |
| 7 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | $6.2B | 2025-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | $6.9B | 2024-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 9 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | $6.4B | 2023-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | $6.9B | 2022-11-30 | 2025-01-24 | 10-K | 0000795266-25-000014 |
| 11 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $48.4M | 2025-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 12 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $362.7M | 2024-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 13 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $39.3M | 2024-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.1B | 2023-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 15 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $35.5M | 2023-11-30 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 16 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $183.4M | 2022-11-30 | 2025-01-24 | 10-K | 0000795266-25-000014 |
| 17 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $45.2M | 2022-11-30 | 2025-01-24 | 10-K | 0000795266-25-000014 |
| 18 | assets | us-gaap:Assets | $6.6B | 2023-11-30 | 2025-01-24 | 10-K | 0000795266-25-000014 |
| 19 | assets | us-gaap:Assets | $6.7B | 2022-11-30 | 2024-01-19 | 10-K | 0000795266-24-000008 |
| 20 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 63,173,611 | 2025-12-31 | 2026-01-23 | 10-K | 0000795266-26-000017 |
| 21 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 72,156,821 | 2024-12-31 | 2025-01-24 | 10-K | 0000795266-25-000014 |

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