

D.R. HORTON, INC. TO REDEEM ITS ZERO COUPON CONVERTIBLE SENIOR NOTES

05/27/03

ARLINGTON, Texas, May 27 /PRNewswire-FirstCall/ -- D.R. Horton, Inc. (NYSE: DHI) Tuesday (May 27, 2003), announced that it is calling all of its Zero Coupon Convertible Senior Notes due 2021 for redemption on the redemption date of June 26, 2003. Under the terms of the indenture governing the notes, the Company may redeem the notes for cash by paying the note holders a redemption price equal to the notes' accreted value plus any accrued and unpaid contingent interest. On the redemption date, the redemption price for the notes will be approximately \$561.9557 per \$1,000 principal amount at maturity.

The notes are also convertible into D.R. Horton's common stock until 5 p.m. New York City time on June 25, 2003. The conversion rate of the notes is 26.2391 shares of D.R. Horton common stock per \$1,000 principal amount at maturity of the notes. The aggregate principal amount of the notes at maturity is \$381,113,000. If none of the notes are converted, the aggregate cash redemption price for all of the outstanding notes would be approximately \$214,168,630.

A Notice of Redemption will be sent to each record holder today and may be obtained by each beneficial holder and by each "street name" holder by contacting the American Stock Transfer & Trust Company, the trustee, paying agent and conversion agent, at (800) 937-5449. The Notice of Redemption includes information on the terms, conditions and procedures for holders to deliver the notes and collect the redemption price or to convert the notes. The Notice of Redemption is also available by contacting the D.R. Horton Investor Relations department at (817) 856-8200 ext. 1562.

This press release shall not constitute an offer to buy or sell or a solicitation of an offer to buy or sell the notes or any other securities.

Founded in 1978, D.R. Horton, Inc. is engaged in the construction and sale of high quality homes designed principally for the entry-level and first time move-up markets. D.R. Horton currently builds and sells homes under the D.R. Horton, Arappco, Cambridge, Continental, Dietz-Crane, Dobson, Emerald, Melody, Milburn, Schuler, SGS Communities, Stafford, Torrey, Trimark, and Western Pacific names in 20 states and 44 markets, with a geographic presence in the Midwest, Mid-Atlantic, Southeast, Southwest and Western regions of the United States. The Company also provides mortgage financing and title services for homebuyers through its mortgage and title subsidiaries.

