

# Masco Corporation

## Key Financial Data - Unaudited

Q3 - 2008 (In Millions, Except Earnings Per Share and Working Capital Days)

Sales & Earnings	Q3 - 2008	Q3 - 2007	Change
Net Sales	\$ 2,528	\$ 3,005	-16%
Operating Profit	\$ 196	\$ 371	-47%
Operating Profit %	7.8%	12.3%	(450) bps
Other Income (Expense), Net	\$ (57)	\$ (45)	27%
Income Taxes	\$ 92	\$ 109	-16%
Minority Interest	\$ 11	\$ 11	0%
Income from Continuing Operations	\$ 36	\$ 206	-83%
Diluted EPS from Continuing Operations	\$ 0.10	\$ 0.56	-82%

Operating Expenses	Q3 - 2008	Q3 - 2007	Change
Cost of Sales	\$ 1,880	\$ 2,155	-13%
Gross Margin	25.6%	28.3%	(270) bps
SG&A Expenses (Including GCE)	\$ 452	\$ 479	-6%
SG&A as a % of net sales	17.9%	15.9%	(200) bps
General Corporate Expense (GCE)	\$ 32	\$ 44	-27%
General Corp Expense as a % of net sales	1.3%	1.5%	20 bps

Business Segments	Q3 - 2008	Q3 - 2007	Change
<b>Cabinets and Related Products:</b>			
Net Sales	\$ 584	\$ 736	-21%
Operating Profit	\$ 23	\$ 105	-78%
Operating Profit % to Net Sales	3.9%	14.3%	(1,040) bps
<b>Plumbing Products:</b>			
Net Sales	\$ 805	\$ 865	-7%
Operating Profit	\$ 88	\$ 100	-12%
Operating Profit % to Net Sales	10.9%	11.6%	(70) bps
<b>Installation and Other Services:</b>			
Net Sales	\$ 492	\$ 689	-29%
Operating Profit	\$ 10	\$ 60	-83%
Operating Profit % to Net Sales	2.0%	8.7%	(670) bps
<b>Decorative Architectural Products:</b>			
Net Sales	\$ 446	\$ 467	-4%
Operating Profit	\$ 94	\$ 114	-18%
Operating Profit % to Net Sales	21.1%	24.4%	(330) bps
<b>Other Specialty Products:</b>			
Net Sales	\$ 201	\$ 248	-19%
Operating Profit	\$ 16	\$ 36	-56%
Operating Profit % to Net Sales	8.0%	14.5%	(650) bps
<b>Total Segment Reported:</b>			
Net Sales	\$ 2,528	\$ 3,005	-16%
Operating Profit	\$ 231	\$ 415	-44%
Operating Profit % to Net Sales	9.1%	13.8%	(470) bps
Change in Key Retailer Sales	-11%	-1%	

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Business Regions	Q3 - 2008	Q3 - 2007	Change
<b>North America</b>			
Net Sales	\$ 1,975	\$ 2,417	-18%
Operating Profit	\$ 193	\$ 346	-44%
Operating Profit % to Net Sales	9.8%	14.3%	(450) bps
<b>International, principally Europe</b>			
Net Sales	\$ 553	\$ 588	-6%
Operating Profit	\$ 38	\$ 69	-45%
Operating Profit % to Net Sales	6.9%	11.7%	(480) bps

Working Capital	Q3 - 2008	Q3 - 2007	Change
Receivable Days	50	51	(1) days
Inventory Days	52	49	3 days
Payable Days	41	42	(1) days
Working Capital (Receivables+Inventory-Payables)	\$ 1,805	\$ 2,130	-15%
Working Capital as a % of Sales (As Reported TTM*)	17.6%	17.7%	10 bps

Other	Q3 - 2008	Q3 - 2007
Dividend Payments (year-to-date)	\$ 251	\$ 262
Cash Paid for Share Repurchases (year-to-date)	\$ 160	\$ 804
Common Shares Repurchased (year-to-date)	9	29
Common Shares Repurchased (QTR)	1	7
CAPEX (year-to-date)	\$ 142	\$ 174
Depreciation and Amortization (year-to-date)	\$ 179	\$ 185
Return on Invested Capital (As Reported TTM)	5.8%	8.0%
Return on Invested Capital (As Reconciled TTM)	6.7%	10.4%
Average diluted common shares outstanding (QTR)	352	367
Average diluted common shares outstanding (October 1)	351	364
Effective Tax Rate (QTR)	66.2%	33.4%

Debt Ratio	Q3 - 2008	Q2 - 2008
Long-term Debt	\$ 3,961	\$ 3,960
Notes Payable	\$ 115	\$ 116
Total Debt	\$ 4,076	\$ 4,076
Shareholders' Equity	\$ 3,750	\$ 3,954
Debt to Capital	52.1%	50.8%

\* - Trailing Twelve Months