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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

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**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **July 25, 2019**

**Masco Corporation**

(Exact name of Registrant as Specified in Charter)

<b>Delaware</b> (State or Other Jurisdiction of Incorporation or Organization)	<b>1-5794</b> (Commission File Number)	<b>38-1794485</b> (I.R.S. Employer Identification No.)
<b>17450 College Parkway, Livonia, Michigan</b> (Address of Principal Executive Offices)		<b>48152</b> (Zip Code)
	<b>( 313 ) 274-7400</b> (Registrant's telephone number, including area code)	

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$1.00 par value	MAS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

Attached and incorporated herein by reference as Exhibit 99 is a copy of the press release dated July 25, 2019 reporting Masco Corporation's financial results for the second quarter 2019 and certain other information and supplemental information prepared for use in connection with the financial results for the second quarter 2019 . On July 25, 2019 , Masco Corporation will hold an investor conference call and webcast to discuss financial results for the second quarter 2019 .

This information, including the Exhibit attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

[99](#) Press Release of Masco Corporation dated July 25, 2019 reporting Masco Corporation's financial results for the second quarter 2019 and certain other information and supplemental information prepared for use in connection with the financial results for the second quarter 2019 .

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MASCO CORPORATION

By: /s/ John G. Sznewajs  
Name: John G. Sznewajs  
Title: Vice President, Chief Financial Officer

July 25, 2019

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## MASCO CORPORATION REPORTS SECOND QUARTER 2019 RESULTS

### Key Results

- Sales decreased 1 percent to \$2.3 billion ; in local currency, sales matched prior year
- Operating profit for the quarter increased 9 percent to \$392 million; adjusted operating profit increased 5 percent to \$399 million
- Earnings per share increased 21 percent to \$0.82 per share; adjusted earnings per share increased 16 percent to \$0.88 per share
- Updating 2019 anticipated earnings per share to be in the range of \$2.51 - \$2.61 per share, and on an adjusted basis, to be in the range of \$2.62 - \$2.72 per share, compared to a previous range of \$2.60 - \$2.80
- Board announces intent to increase annual dividend by \$.06 per share to \$.54 per share, beginning in the fourth quarter

**LIVONIA, Mich. ( July 25, 2019 )** - Masco Corporation (NYSE: MAS), one of the world's leading manufacturers of branded home improvement and building products, reported its second quarter results.

"We delivered operating profit growth and margin expansion across all segments in the quarter," said Masco President and CEO, Keith Allman. "This performance was achieved through disciplined pricing actions and cost control, which more than offset lower volumes. We continued our focus on creating shareholder value and returned \$202 million to shareholders through share repurchases and dividends during the quarter."

### 2019 Second Quarter Commentary

- On a reported basis, compared to second quarter 2018 :
  - Net sales decreased 1 percent to \$2.3 billion ; in local currency, net sales matched prior year
  - In local currency, North American sales increased 1 percent and international sales decreased 4 percent
  - Gross margins increased 170 basis points to 34.4 percent from 32.7 percent
  - Operating profit increased 9 percent to \$392 million
  - Operating margins increased 160 basis points to 17.2 percent from 15.6 percent
  - Net income increased to \$0.82 per share, compared to \$0.68 per share
- Compared to second quarter 2018 , results for key financial measures, as adjusted for certain items (see Exhibit A) and with a normalized tax rate of 25 percent, were as follows:
  - Gross margins increased 90 basis points to 34.5 percent compared to 33.6 percent
  - Operating profit increased 5 percent to \$399 million from \$380 million
  - Operating margins increased 100 basis points to 17.5 percent compared to 16.5 percent
  - Net income increased to \$0.88 per share, compared to \$0.76 per share
- Liquidity at the end of the second quarter was \$325 million
- Repurchased 4.3 million shares in the quarter

### 2019 Second Quarter Operating Segment Results

- Plumbing Products' net sales decreased 2 percent (flat excluding the impact of foreign currency) due to lower volume and currency, partially offset by pricing
- Decorative Architectural Products' net sales increased 3 percent due to growth in paints and other coating products
- Cabinetry Products' net sales decreased 6 percent due to lower volume, partially offset by pricing
- Windows and Other Specialty Products' net sales decreased 3 percent due to lower volume, partially offset by favorable mix in North America and pricing

"We are pleased with how we have navigated through a dynamic first half of 2019, and believe we are well positioned to execute on our plans in the second half of the year," said Allman. "We anticipate adjusted earnings per share to be in the range of \$2.62 - \$2.72. Additionally, our Board demonstrated confidence in our future by announcing its intention to raise our annual dividend 13% to \$0.54 per share beginning in the fourth quarter."

## **About Masco**

Headquartered in Livonia, Michigan, Masco Corporation is a global leader in the design, manufacture and distribution of branded home improvement and building products. Our portfolio of industry-leading brands includes Behr<sup>®</sup> paint; Delta<sup>®</sup> and Hansgrohe<sup>®</sup> faucets, bath and shower fixtures; KraftMaid<sup>®</sup> and Merillat<sup>®</sup> cabinets; Milgard<sup>®</sup> windows and doors; Kichler<sup>®</sup> decorative and outdoor lighting; and HotSpring<sup>®</sup> spas. We leverage our powerful brands across product categories, sales channels and geographies to create value for our customers and shareholders. For more information about Masco Corporation, visit [www.masco.com](http://www.masco.com).

The 2019 second quarter supplemental material, including a presentation in PDF format, is available on Masco's website at [www.masco.com](http://www.masco.com).

## **Conference Call Details**

A conference call regarding items contained in this release is scheduled for Thursday, July 25, 2019 at 8:00 a.m. ET. Participants in the call are asked to register five to ten minutes prior to the scheduled start time by dialing (855) 226-2726 (855-22MASC0) and from outside the U.S. at (706) 679-3614. Please use the conference identification number 6594856. The conference call will be webcast simultaneously and in its entirety through Masco's website. Shareholders, media representatives and others interested in Masco may participate in the webcast by registering through the Investor Relations section on Masco's website.

A replay of the call will be available on Masco's website or by phone by dialing (855) 859-2056 and from outside the U.S. at (404) 537-3406. Please use the conference identification number 6594856. The telephone replay will be available approximately two hours after the end of the call and continue through August 25, 2019.

## **Safe Harbor Statement**

This press release contains statements that reflect our views about our future performance and constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "outlook," "believe," "anticipate," "appear," "may," "will," "should," "intend," "plan," "estimate," "expect," "assume," "seek," "forecast," and similar references to future periods. Our views about future performance involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. We caution you against relying on any of these forward-looking statements.

Our future performance may be affected by the levels of residential repair and remodel activity and new home construction, our ability to maintain our strong brands and reputation and to develop new products, our ability to maintain our competitive position in our industries, our reliance on key customers, the cost and availability of raw materials and increasing tariffs, our dependence on third-party suppliers, risks associated with international operations and global strategies, our ability to achieve the anticipated benefits of our strategic initiatives, including the potential divestitures of our Cabinetry and Windows businesses, our ability to successfully execute our acquisition strategy and integrate businesses that we have and may acquire, our ability to attract, develop and retain talented personnel, risks associated with our reliance on information systems and technology, and our ability to achieve the anticipated benefits from our investments in new technology. These and other factors are discussed in detail in Item 1A, "Risk Factors" in our most recent Annual Report on Form 10-K, as well as in our Quarterly Reports on Form 10-Q and in other filings we make with the Securities and Exchange Commission. Any forward-looking statement made by us speaks only as of the date on which it was made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Unless required by law, we undertake no obligation to update publicly any forward-looking statements as a result of new information, future events or otherwise.

## **Investor Contact**

David Chaika  
Vice President, Treasurer and Investor Relations  
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**MASCO CORPORATION**  
**Condensed Consolidated Statements of Operations - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(in millions, except per common share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net sales	\$ 2,275	\$ 2,297	\$ 4,183	\$ 4,217
Cost of sales	1,493	1,547	2,802	2,848
Gross profit	782	750	1,381	1,369
Selling, general and administrative expenses	390	392	762	767
Impairment charges for goodwill and other intangible assets	—	—	16	—
Operating profit	392	358	603	602
Other income (expense), net:				
Interest expense	(41)	(38)	(80)	(79)
Other, net	(4)	(8)	(8)	(11)
	(45)	(46)	(88)	(90)
Income before income taxes	347	312	515	512
Income tax expense	95	88	136	127
Net income	252	224	379	385
Less: Net income attributable to noncontrolling interest	12	13	23	25
Net income attributable to Masco Corporation	\$ 240	\$ 211	\$ 356	\$ 360
Income per common share attributable to Masco Corporation (diluted):				
Net income	\$ 0.82	\$ 0.68	\$ 1.21	\$ 1.15
Average diluted common shares outstanding	290	309	292	311

*Historical information is available on our website.*

MASCO CORPORATION  
Exhibit A: Reconciliations - Unaudited  
For the Three and Six Months Ended June 30, 2019 and 2018

(dollars in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
<b>Gross Profit, Selling, General and Administrative Expenses, and Operating Profit Reconciliations</b>				
<b>Net sales</b>	<b>\$ 2,275</b>	<b>\$ 2,297</b>	<b>\$ 4,183</b>	<b>\$ 4,217</b>
<b>Gross profit, as reported</b>	<b>\$ 782</b>	<b>\$ 750</b>	<b>\$ 1,381</b>	<b>\$ 1,369</b>
Rationalization charges	2	2	2	3
Kichler inventory step up adjustment	—	20	—	25
<b>Gross profit, as adjusted</b>	<b>\$ 784</b>	<b>\$ 772</b>	<b>\$ 1,383</b>	<b>\$ 1,397</b>
Gross margin, as reported	34.4%	32.7%	33.0%	32.5%
Gross margin, as adjusted	34.5%	33.6%	33.1%	33.1%
<b>Selling, general and administrative expenses, as reported</b>	<b>\$ 390</b>	<b>\$ 392</b>	<b>\$ 762</b>	<b>\$ 767</b>
Professional fees related to potential divestitures	5	—	8	—
<b>Selling, general and administrative expenses, as adjusted</b>	<b>\$ 385</b>	<b>\$ 392</b>	<b>\$ 754</b>	<b>\$ 767</b>
Selling, general and administrative expenses as percent of net sales, as reported	17.1%	17.1%	18.2%	18.2%
Selling, general and administrative expenses as percent of net sales, as adjusted	16.9%	17.1%	18.0%	18.2%
<b>Operating profit, as reported</b>	<b>\$ 392</b>	<b>\$ 358</b>	<b>\$ 603</b>	<b>\$ 602</b>
Rationalization charges	2	2	2	3
Kichler inventory step up adjustment	—	20	—	25
Impairment charges for goodwill and other intangible assets	—	—	16	—
Professional fees related to potential divestitures	5	—	8	—
<b>Operating profit, as adjusted</b>	<b>\$ 399</b>	<b>\$ 380</b>	<b>\$ 629</b>	<b>\$ 630</b>
Operating margin, as reported	17.2%	15.6%	14.4%	14.3%
Operating margin, as adjusted	17.5%	16.5%	15.0%	14.9%

Historical information is available on our website.

**MASCO CORPORATION**  
**Exhibit A: Reconciliations - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(in millions, except per common share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
<b>Income Per Common Share Reconciliations</b>				
<b>Income before income taxes, as reported</b>	\$ 347	\$ 312	\$ 515	\$ 512
Rationalization charges	2	2	2	3
Kichler inventory step up adjustment	—	20	—	25
Impairment charges for goodwill and other intangible assets	—	—	16	—
Professional fees related to potential divestitures	5	—	8	—
(Earnings) from equity investments, net	—	(2)	—	(2)
<b>Income before income taxes, as adjusted</b>	<b>354</b>	<b>332</b>	<b>541</b>	<b>538</b>
Tax at 25% rate	(88)	(83)	(135)	(135)
Less: Net income attributable to noncontrolling interest	12	13	23	25
<b>Net income, as adjusted</b>	<b>\$ 254</b>	<b>\$ 236</b>	<b>\$ 383</b>	<b>\$ 378</b>
<b>Net income per common share, as adjusted</b>	<b>\$ 0.88</b>	<b>\$ 0.76</b>	<b>\$ 1.31</b>	<b>\$ 1.22</b>
Average diluted common shares outstanding	290	309	292	311

**Outlook for the Twelve Months Ended December 31, 2019**

	Twelve Months Ended December 31, 2019	
	Low End	High End
<b>Income Per Common Share Outlook</b>		
<b>Net income per common share</b>	\$ 2.51	\$ 2.61
Rationalization charges	0.02	0.02
Impairment charges for goodwill and other intangible assets	0.04	0.04
Professional fees related to potential divestitures	0.03	0.03
Allocation to participating securities per share (1)	0.02	0.02
<b>Net income per common share, as adjusted</b>	<b>\$ 2.62</b>	<b>\$ 2.72</b>

(1) Represents the impact of distributed dividends and undistributed earnings to unvested restricted stock awards in accordance with the two-class method of calculating earnings per share.

Historical information is available on our website.

**MASCO CORPORATION**  
**Condensed Consolidated Balance Sheets and Other Financial Data - Unaudited**  
**June 30, 2019 and December 31, 2018**

(dollars in millions)

	June 30, 2019	December 31, 2018
<b>Balance Sheet</b>		
<b>Assets</b>		
Current Assets:		
Cash and cash investments	\$ 325	\$ 559
Receivables	1,423	1,153
Inventories	975	946
Prepaid expenses and other	120	108
Total Current Assets	2,843	2,766
Property and equipment, net	1,212	1,223
Operating lease right-of-use assets	228	—
Goodwill	891	898
Other intangible assets, net	387	406
Other assets	92	100
Total Assets	\$ 5,653	\$ 5,393
<b>Liabilities</b>		
Current Liabilities:		
Accounts payable	\$ 1,023	\$ 926
Notes payable	231	8
Accrued liabilities	699	750
Total Current Liabilities	1,953	1,684
Long-term debt	2,771	2,971
Other liabilities	858	669
Total Liabilities	5,582	5,324
Equity	71	69
Total Liabilities and Equity	\$ 5,653	\$ 5,393

	As of June 30,	
	2019	2018
<b>Other Financial Data</b>		
<b>Working Capital Days</b>		
Receivable days	54	56
Inventory days	67	70
Payable days	72	72
Working capital	\$ 1,375	\$ 1,368
Working capital as a % of sales (LTM)	16.5%	17.1%

Historical information is available on our website.



**MASCO CORPORATION**  
**Condensed Consolidated Statements of Cash Flows and Other Financial Data - Unaudited**  
**For the Six Months Ended June 30, 2019 and 2018**

(dollars in millions)

	Six Months Ended June 30,	
	2019	2018
<b>Cash Flows From (For) Operating Activities:</b>		
Cash provided by operating activities	\$ 510	\$ 499
Working capital changes	(297)	(206)
Net cash from operating activities	213	293
<b>Cash Flows From (For) Financing Activities:</b>		
Retirement of notes	—	(114)
Purchase of Company common stock	(289)	(265)
Cash dividends paid	(70)	(65)
Dividends paid to noncontrolling interest	(42)	(89)
Proceeds from the exercise of stock options	13	—
Employee withholding taxes paid on stock-based compensation	(16)	(33)
Increase (decrease) in debt, net	20	(1)
Credit Agreement and other financing costs	(2)	—
Net cash for financing activities	(386)	(567)
<b>Cash Flows From (For) Investing Activities:</b>		
Capital expenditures	(71)	(103)
Acquisition of business, net of cash acquired	—	(548)
Other, net	8	107
Net cash for investing activities	(63)	(544)
Effect of exchange rate changes on cash and cash investments	2	8
<b>Cash and Cash Investments:</b>		
Decrease for the period	(234)	(810)
At January 1	559	1,194
At June 30	\$ 325	\$ 384
	<b>As of June 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>Liquidity</b>		
Cash and cash investments	\$ 325	\$ 384

*Historical information is available on our website.*

**MASCO CORPORATION**  
**Segment Data - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2019	2018	Change	2019	2018	Change
<b>Plumbing Products</b>						
Net sales	\$ 1,012	\$ 1,032	(2)%	\$ 1,952	\$ 2,003	(3)%
Operating profit, as reported	\$ 198	\$ 194		\$ 351	\$ 357	
Operating margin, as reported	19.6%	18.8%		18.0%	17.8%	
Rationalization charges	2	1		2	2	
Accelerated depreciation related to rationalization activity	—	1		—	1	
Operating profit, as adjusted	200	196		353	360	
Operating margin, as adjusted	19.8%	19.0%		18.1%	18.0%	
Depreciation and amortization	20	18		39	36	
EBITDA, as adjusted	\$ 220	\$ 214		\$ 392	\$ 396	
<b>Decorative Architectural Products</b>						
Net sales	\$ 827	\$ 806	3 %	\$ 1,400	\$ 1,351	4 %
Operating profit, as reported	\$ 173	\$ 145		\$ 246	\$ 234	
Operating margin, as reported	20.9%	18.0%		17.6%	17.3%	
Kichler inventory step up adjustment	—	20		—	25	
Impairment charge for other intangible assets	—	—		9	—	
Operating profit, as adjusted	173	165		255	259	
Operating margin, as adjusted	20.9%	20.5%		18.2%	19.2%	
Depreciation and amortization	10	10		20	15	
EBITDA, as adjusted	\$ 183	\$ 175		\$ 275	\$ 274	
<b>Cabinetry Products</b>						
Net sales	\$ 251	\$ 268	(6)%	\$ 488	\$ 485	1 %
Operating profit, as reported	\$ 33	\$ 33		\$ 53	\$ 39	
Operating margin, as reported	13.1%	12.3%		10.9%	8.0%	
Professional fees related to potential divestitures	1	—		3	—	
Operating profit, as adjusted	34	33		56	39	
Operating margin, as adjusted	13.5%	12.3%		11.5%	8.0%	
Depreciation and amortization	4	4		7	7	
EBITDA, as adjusted	\$ 38	\$ 37		\$ 63	\$ 46	

Historical information is available on our website.

**MASCO CORPORATION**  
**Segment Data - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2019	2018	Change	2019	2018	Change
<b>Windows and Other Specialty Products</b>						
Net sales	\$ 185	\$ 191	(3)%	\$ 343	\$ 378	(9)%
Operating profit (loss), as reported	\$ 7	\$ 8		\$ (4)	\$ 12	
<i>Operating margin, as reported</i>	3.8%	4.2%		(1.2)%	3.2%	
Impairment charge for goodwill	—	—		7	—	
Professional fees related to potential divestitures	4	—		5	—	
Operating profit, as adjusted	11	8		8	12	
<i>Operating margin, as adjusted</i>	5.9%	4.2%		2.3 %	3.2%	
Depreciation and amortization	5	5		11	11	
EBITDA, as adjusted	\$ 16	\$ 13		\$ 19	\$ 23	
<b>Total</b>						
Net sales	\$ 2,275	\$ 2,297	(1)%	\$ 4,183	\$ 4,217	(1)%
Operating profit, as reported - segment	\$ 411	\$ 380		\$ 646	\$ 642	
General corporate expense, net	(19)	(22)		(43)	(40)	
Operating profit, as reported	392	358		603	602	
<i>Operating margin, as reported</i>	17.2%	15.6%		14.4 %	14.3%	
Rationalization charges - segment	2	1		2	2	
Accelerated depreciation related to rationalization activity - segment	—	1		—	1	
Kichler inventory step up adjustment	—	20		—	25	
Impairment charges for goodwill and other intangible assets	—	—		16	—	
Professional fees related to potential divestitures	5	—		8	—	
Operating profit, as adjusted	399	380		629	630	
<i>Operating margin, as adjusted</i>	17.5%	16.5%		15.0 %	14.9%	
Depreciation and amortization - segment	39	37		77	69	
Depreciation and amortization - non-operating	3	2		5	4	
EBITDA, as adjusted	\$ 441	\$ 419		\$ 711	\$ 703	

Historical information is available on our website.

**MASCO CORPORATION**  
**North American and International Data - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(dollars in millions)

	Three Months Ended June 30,		Change	Six Months Ended June 30,		Change
	2019	2018		2019	2018	
<b>North American</b>						
Net sales	\$ 1,891	\$ 1,872	1 %	\$ 3,426	\$ 3,388	1 %
Operating profit, as reported	\$ 364	\$ 323		\$ 566	\$ 541	
Operating margin, as reported	19.2%	17.3%		16.5%	16.0%	
Rationalization charges	2	1		2	2	
Accelerated depreciation related to rationalization activity	—	1		—	1	
Kichler inventory step up adjustment	—	20		—	25	
Impairment charge for other intangible assets	—	—		9	—	
Professional fees related to potential divestitures	3	—		6	—	
Operating profit, as adjusted	369	345		583	569	
Operating margin, as adjusted	19.5%	18.4%		17.0%	16.8%	
Depreciation and amortization	29	27		56	48	
EBITDA, as adjusted	\$ 398	\$ 372		\$ 639	\$ 617	
<b>International</b>						
Net sales	\$ 384	\$ 425	(10)%	\$ 757	\$ 829	(9)%
Operating profit, as reported	\$ 47	\$ 57		\$ 80	\$ 101	
Operating margin, as reported	12.2%	13.4%		10.6%	12.2%	
Impairment charge for goodwill	—	—		7	—	
Professional fees related to potential divestitures	2	—		2	—	
Operating profit, as adjusted	49	57		89	101	
Operating margin, as adjusted	12.8%	13.4%		11.8%	12.2%	
Depreciation and amortization	10	10		21	21	
EBITDA, as adjusted	\$ 59	\$ 67		\$ 110	\$ 122	

Historical information is available on our website.

**MASCO CORPORATION**  
**North American and International Data - Unaudited**  
**For the Three and Six Months Ended June 30, 2019 and 2018**

(dollars in millions)

	Three Months Ended June 30,		Change	Six Months Ended June 30,		Change
	2019	2018		2019	2018	
<b>Total</b>						
Net sales	\$ 2,275	\$ 2,297	(1)%	\$ 4,183	\$ 4,217	(1)%
Operating profit, as reported - segment	\$ 411	\$ 380		\$ 646	\$ 642	
General corporate expense, net	(19)	(22)		(43)	(40)	
Operating profit, as reported	392	358		603	602	
Operating margin, as reported	17.2%	15.6%		14.4%	14.3%	
Rationalization charges - segment	2	1		2	2	
Accelerated depreciation related to rationalization activity	—	1		—	1	
Kichler inventory step up adjustment	—	20		—	25	
Impairment charges for goodwill and other intangible assets	—	—		16	—	
Professional fees related to potential divestitures	5	—		8	—	
Operating profit, as adjusted	399	380		629	630	
Operating margin, as adjusted	17.5%	16.5%		15.0%	14.9%	
Depreciation and amortization - segment	39	37		77	69	
Depreciation and amortization - non-operating	3	2		5	4	
EBITDA, as adjusted	\$ 441	\$ 419		\$ 711	\$ 703	

Historical information is available on our website.