



MASCO CORPORATION REPORTS FIRST QUARTER RESULTS INCREASES FULL-YEAR EARNINGS GUIDANCE

Masco Corporation Highlights:

First Quarter 2006

- Net sales from continuing operations increased nine percent to a first quarter record \$3.2 billion.
- Income from continuing operations was \$219 million or \$.53 per common share, excluding costs and charges associated with the Plumbing Products segment; including such charges, income was \$208 million or \$.51 per common share.
- The Company returned \$408 million to shareholders through share repurchases and dividends.
- The quarterly dividend was increased by 10 percent, from \$.20 to \$.22 per common share, making 2006 the 48th consecutive year in which dividends have been increased.
- The Company had approximately \$800 million in cash and marketable securities at March 31.

Taylor, Michigan (May 2, 2006) - Masco Corporation (NYSE: MAS) today reported that net sales from continuing operations for the quarter ended March 31, 2006 increased nine percent to a first quarter record of \$3.2 billion compared with \$2.9 billion for the first quarter of 2005. North American sales increased 13 percent and International sales decreased five percent. In local currencies, International sales increased three percent compared with the first quarter of 2005.

Income from continuing operations before the cumulative effect of an accounting change, net, and excluding costs and charges associated with profit improvement programs in the Plumbing Products segment for the first quarter of 2006, was \$219 million or \$.53 per common share compared with \$207 million or \$.47 per common share for the comparable period of 2005. The first quarters of 2006 and 2005 benefited from net gains from the sale of financial investments of \$.01 and \$.06 per common share, respectively.

Income from continuing operations before the cumulative effect of an accounting change, net, for the first quarter of 2006 was \$208 million or \$.51 per common share including \$17 million pre-tax of costs and charges associated with profit improvement programs in the Plumbing Products segment.

Net income for the first quarter of 2006 was \$204 million or \$.50 per common share after giving recognition to the cumulative effect of an accounting change, net, of \$3 million or \$.01 per common share related to share-based compensation for stock appreciation rights for foreign operations. Net income for the first quarter of 2005 was \$231 million or \$.52 per common share which included income of \$24 million or \$.06 per common share related to discontinued operations.

As part of its profit improvement programs, the Company announced a plant closure in the Plumbing Products segment in January 2006. The Company incurred \$17 million pre-tax or \$.03 per common share, of costs and charges associated with this plant closure and other profit improvement programs in the Plumbing Products segment in the first quarter of 2006 and, as previously announced, expects to incur additional costs throughout 2006. Implementing these programs should improve the Company's earnings outlook for 2007 and beyond.

The Company's 2006 first quarter results, seasonally the lowest of the year, while better than expected, nevertheless continued to be adversely affected by recent cost increases in commodity, energy and freight costs, offset in part by selling price increases for certain products. The Company has implemented and continues to implement additional selling price increases for a number of its products and believes that by the end of the first half of 2006, many of these cost increases will be largely offset by such price increases.

Assuming no further significant commodity and energy cost increases and excluding costs associated with its profit improvement programs and any other items, the Company believes, based on current business trends, that it will now achieve 2006 full-year earnings from continuing operations in a range of \$2.40 to \$2.50 per common share compared to the Company's previous guidance of \$2.35 to \$2.45 per common share. Including planned costs and charges related to plant closures and other profit improvement programs in the Plumbing Products segment, which are presently expected, in aggregate, to approximate \$70 million pre-tax (\$.11 per common share) in 2006, earnings from continuing operations are expected to be in a range of \$2.29 to \$2.39 per common share.

Headquartered in Taylor, Michigan, Masco Corporation is one of the world's leading manufacturers of home improvement and building products, as well as a leading provider of services that include the installation of insulation and other building products.

A conference call regarding items contained in this release is scheduled for Tuesday, May 2, 2006 at 11:00 a.m. ET. Participants in the call are asked to register five to ten minutes prior to the scheduled start time by dialing (719) 457-2641 (confirmation #3757634). The conference call will be webcast simultaneously on the Company's website at www.masco.com and supplemental material, including the financial data referred to on the call and a reconciliation of non-GAAP information provided on the call, will also be available on the website. A replay of the call will be available on Masco's website or by phone by dialing (719) 457-0820 (replay access code #3757634) approximately two hours after the end of the call and will continue through May 9, 2006.

Masco Corporation's press releases and other information are available through the Company's toll free number, 1-888-MAS-NEWS, or under the Investor Relations section of Masco's website at www.masco.com.

Statements contained herein may include certain forward-looking statements regarding Masco's future sales, earnings growth potential and other developments. Actual results may vary materially because of external factors such as housing starts, commodity costs, interest rate fluctuations, changes in consumer spending and other factors over which management has no control. The Company believes that certain non-GAAP performance measures and ratios, used in managing the business, may provide users of this financial information with additional meaningful comparisons between current results and results in prior periods. Non-GAAP performance measures and ratios should be viewed in addition to, and not as an alternative for, the Company's reported results under accounting principles generally accepted in the United States. Additional information about the Company's products, markets and conditions, which could affect the Company's future performance, is contained in the Company's filings with the Securities and Exchange Commission and is available on Masco's website at www.masco.com. Masco undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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