



MASCO CORPORATION ANNOUNCES A REDUCTION IN ANTICIPATED EARNINGS FOR 2006 AS A RESULT OF THE ACCELERATED DECLINE IN HOUSING STARTS

Taylor, Michigan (September 20, 2006) – Masco Corporation (NYSE: MAS) today announced lower earnings expectations for 2006. "A softening of incoming orders for building products and services in recent weeks, along with a forecasted deeper than expected decline in year-over-year single family housing starts for the last four months of 2006, currently projected to approximate twenty percent, are expected to result in the Company's third quarter sales being approximately flat, and fourth quarter sales being down low- to mid-single digits compared to the third and fourth quarters of 2005, respectively. Accordingly, full year earnings, excluding costs and charges related to profit improvement programs and any other items, may be closer to \$2.25 to \$2.30 per common share rather than our most recent guidance of the lower end of the range of \$2.40 to \$2.50 per common share," said Richard A. Manoogian, Chairman and Chief Executive Officer of Masco Corporation.

The Company will host a conference call today at 9:00 a.m. ET. Participants in the call are asked to register five to ten minutes prior to the scheduled start time by dialing (719) 457-2645 (confirmation #4017834). The conference call will be webcast simultaneously on the Company's website at www.masco.com. A replay of the call will be available on Masco's website or by phone by dialing (719) 457-0820 (replay access code #4017834) approximately two hours after the end of the call and will continue through September 27, 2006.

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.

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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