

## Masco Corporation Reports Third Quarter 2025 Results

2025-10-29

### Highlights

- Net sales decreased 3 percent to \$1,917 million; in local currency and excluding divestitures, net sales decreased 2 percent
- Operating profit margin decreased 220 basis points to 15.8 percent; adjusted operating profit margin decreased 190 basis points to 16.3 percent
- Earnings per share was \$0.90; adjusted earnings per share decreased 10 percent to \$0.97
- Repurchased 1.8 million shares for \$124 million
- Expect 2025 earnings per share in the range of \$3.84 - \$3.89 per share, and on an adjusted basis, \$3.90 - \$3.95 per share

LIVONIA, Mich.--(BUSINESS WIRE)-- Masco Corporation (NYSE: MAS), one of the world's leading manufacturers of branded home improvement and building products, reported its third quarter 2025 results.

### 2025 Third Quarter Results

- On a reported basis, compared to the third quarter 2024:
  - Net sales decreased 3 percent to \$1,917 million; in local currency and excluding divestitures, net sales decreased 2 percent
    - Plumbing Products' net sales increased 2 percent; in local currency net sales increased 1 percent
    - Decorative Architectural Products' net sales decreased 12 percent; in local currency and excluding divestitures, net sales decreased 6 percent
    - In local currency, North American sales decreased 6 percent and International sales were in line with prior year
  - Gross margin decreased 240 basis points to 34.2 percent from 36.6 percent
  - Operating profit decreased 15 percent to \$303 million from \$357 million
  - Operating margin decreased 220 basis points to 15.8 percent from 18.0 percent
  - Net income increased 17 percent to \$0.90 per share, compared to \$0.77 per share
- Compared to third quarter 2024, results for key financial measures, as adjusted for certain items

(see Exhibit A) and with a normalized tax rate of 24.5 percent, were as follows:

- Gross margin decreased 210 basis points to 34.6 percent from 36.7 percent
- Operating profit decreased 13 percent to \$312 million from \$360 million
- Operating margin decreased 190 basis points to 16.3 percent from 18.2 percent
- Net income decreased 10 percent to \$0.97 per share, compared to \$1.08 per share
- Liquidity at the end of the third quarter was \$1,559 million (including availability under our revolving credit facility)

"During the third quarter, we continued to navigate through a dynamic geopolitical and macroeconomic environment. While the near-term market conditions remained a headwind to our business, our teams continued to focus on execution to grow share and drive long-term success," said Masco President and CEO, Jon Nudi. "We delivered adjusted operating profit of \$312 million and adjusted earnings per share of \$0.97 during the quarter. Additionally, our capital allocation strategy enabled us to return \$188 million to shareholders through dividends and share repurchases."

"For the full year, we now anticipate our 2025 adjusted earnings per share to be in the range of \$3.90 to \$3.95, compared to our previous expectation of \$3.90 to \$4.10," continued Nudi. "We remain committed to leveraging the strength of our industry leading brands, innovative product portfolio, and unmatched customer service, and we believe Masco is well positioned to continue to deliver long-term shareholder value."

### **Dividend Declaration**

Masco's Board of Directors declared a quarterly dividend of \$0.31 per share, payable on November 24, 2025 to shareholders of record on November 7, 2025.

### **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® paint; Delta® and hansgrohe® faucets, bath and shower fixtures; Liberty® branded decorative and functional hardware; and HotSpring® 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 2025 third quarter supplemental material, including a presentation in PDF format, is available on the Company'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 Wednesday, October 29, 2025 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 800-549-8228 or 289-819-1520. Please use the conference identification number 16464.

The conference call will be webcast simultaneously and in its entirety through the Company's website. Shareholders, media representatives and others interested in Masco may participate in the webcast by registering through the Investor Relations section on the Company's website.

A replay of the call will be available on Masco's website or by phone by dialing 888-660-6264 or 289-

819-1325. Please use the playback passcode 16464#. The telephone replay will be available approximately two hours after the end of the call and continue through November 29, 2025.

### **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 to a lesser extent, new home construction, our ability to maintain our strong brands, to develop innovative products and respond to changing consumer purchasing practices and preferences, our ability to maintain our public image and reputation, our ability to maintain our competitive position in our industries, our reliance on key customers, the cost and availability of materials, our dependence on suppliers and service providers, extreme weather events and changes in climate, risks associated with our international operations and global strategies, the impact on demand, pricing and product costs resulting from tariffs, our ability to achieve the anticipated benefits of our strategic initiatives, our ability to successfully execute our acquisition strategy and integrate businesses that we have acquired and may in the future acquire, our ability to attract, develop and retain a talented workforce, risks associated with cybersecurity vulnerabilities, threats and attacks and risks associated with our reliance on information systems and 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.

**MASCO CORPORATION**  
**Condensed Consolidated Statements of Operations - Unaudited**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
(in millions, except per common share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 1,917	\$ 1,983	\$ 5,769	\$ 6,000
Cost of sales	1,261	1,258	3,696	3,805
Gross profit	656	725	2,073	2,195
Selling, general and administrative expenses	353	368	1,072	1,123
Operating profit	303	357	1,001	1,073
Other income (expense), net:				
Interest expense	(25)	(25)	(77)	(75)
Other, net	(2)	(85)	(16)	(95)
	(27)	(109)	(93)	(170)
Income before income taxes	276	248	908	903
Income tax expense	76	68	226	222
Net income	200	180	682	681

Less: Net income attributable to noncontrolling interest	11	13	36	41
Net income attributable to Masco Corporation	\$ 189	\$ 167	\$ 645	\$ 640
Income per common share attributable to Masco Corporation (diluted):				
Net income	\$ 0.90	\$ 0.77	\$ 3.06	\$ 2.91
Average diluted common shares outstanding	209	218	211	220

*Historical information is available on our website.*

Amounts may not add due to rounding.

## MASCO CORPORATION

### Exhibit A: Reconciliations - Unaudited

For the Three and Nine Months Ended September 30, 2025 and 2024  
(dollars in millions)

	Three Months Ended September 30, 2025		Nine Months Ended September 30, 2025	
	2025	2024	2025	2024
<b>Gross Profit, Selling, General and Administrative Expenses, and Operating Profit Reconciliations</b>				
<b>Net sales</b>	\$ 1,917	\$ 1,983	\$ 5,769	\$ 6,000
<b>Gross profit, as reported</b>	\$ 656	\$ 725	\$ 2,073	\$ 2,195
Rationalization charges	7	2	10	6
<b>Gross profit, as adjusted</b>	\$ 663	\$ 727	\$ 2,082	\$ 2,202
Gross margin, as reported	34.2%	36.6%	35.9%	36.6%
Gross margin, as adjusted	34.6%	36.7%	36.1%	36.7%
<b>Selling, general and administrative expenses, as reported</b>	\$ 353	\$ 368	\$ 1,072	\$ 1,123
Rationalization charges	2	—	3	1
<b>Selling, general and administrative expenses, as adjusted</b>	\$ 352	\$ 368	\$ 1,069	\$ 1,121
Selling, general and administrative expenses as a percent of net sales, as reported	18.4%	18.6%	18.6%	18.7%
Selling, general and administrative expenses as a percent of net sales, as adjusted	18.4%	18.6%	18.5%	18.7%
<b>Operating profit, as reported</b>	\$ 303	\$ 357	\$ 1,001	\$ 1,073
Rationalization charges	8	2	12	8
<b>Operating profit, as adjusted</b>	\$ 312	\$ 360	\$ 1,013	\$ 1,081
Operating margin, as reported	15.8%	18.0%	17.4%	17.9%
Operating margin, as adjusted	16.3%	18.2%	17.6%	18.0%

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## MASCO CORPORATION

### Exhibit A: Reconciliations - Unaudited

For the Three and Nine Months Ended September 30, 2025 and 2024  
(in millions, except per common share data)

	Three Months Ended September 30, 2025		Nine Months Ended September 30, 2025	
	2025	2024	2025	2024
<b>Income Per Common Share Reconciliations</b>				
<b>Income before income taxes, as reported</b>	\$ 276	\$ 248	\$ 908	\$ 903

Rationalization charges	8	2	12	8
Loss on sale of business (1)	—	81	—	81
Realized (gains) losses from private equity funds, net	—	(1)	5	(1)
<b>Income before income taxes, as adjusted</b>	<b>284</b>	<b>330</b>	<b>925</b>	<b>990</b>
Tax at 24.5% rate	(70)	(81)	(227)	(243)
Less: Net income attributable to noncontrolling interest	11	13	36	41
<b>Net income, as adjusted</b>	<b>\$ 204</b>	<b>\$ 236</b>	<b>\$ 662</b>	<b>\$ 706</b>
<b>Net income per common share, as adjusted</b>	<b>\$ 0.97</b>	<b>\$ 1.08</b>	<b>\$ 3.14</b>	<b>\$ 3.21</b>
Average diluted common shares outstanding	209	218	211	220

(1) Represents the preliminary loss for the three and nine months ended September 30, 2024 from the sale of our Kichler Lighting business.

#### Outlook for the Year Ended December 31, 2025

	Year Ended December 31, 2025	
	Low End	High End
<b>Income Per Common Share Reconciliation</b>		
<b>Net income per common share</b>	<b>\$ 3.84</b>	<b>\$ 3.89</b>
Rationalization charges	0.04	0.04
Realized losses from private equity funds, net	0.02	0.02
<b>Net income per common share, as adjusted</b>	<b>\$ 3.90</b>	<b>\$ 3.95</b>

*Historical information is available on our website.*

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#### MASCO CORPORATION

#### Condensed Consolidated Balance Sheets and Other Financial Data - Unaudited

September 30, 2025 and December 31, 2024  
(dollars in millions)

	September 30, 2025	December 31, 2024
<b>Balance Sheet</b>		
<b>Assets</b>		
Current assets:		
Cash and cash investments	\$ 559	\$ 634
Receivables	1,181	1,035
Inventories	1,069	938
Prepaid expenses and other	150	123
Total current assets	2,959	2,730
Property and equipment, net	1,181	1,116
Goodwill	622	597
Other intangible assets, net	213	220
Operating lease right-of-use assets	239	231
Other assets	98	123
Total assets	\$ 5,311	\$ 5,016
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 842	\$ 789
Notes payable	2	3
Accrued liabilities	732	767

Total current liabilities	1,576	1,560
Long-term debt	2,945	2,945
Noncurrent operating lease liabilities	226	223
Other liabilities	396	342
Total liabilities	5,143	5,069
<b>Equity</b>	168	(53)
Total liabilities and equity	\$ 5,311	\$ 5,016

	<b>As of September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Other Financial Data</b>		
Working capital days	53	50
Receivable days	84	78
Inventory days	69	70
Payable days		
Working capital	\$ 1,408	\$ 1,291
Working capital as a % of sales (LTM)	18.5%	16.4%

*Historical information is available on our website.*

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## MASCO CORPORATION

### Condensed Consolidated Statements of Cash Flows and Other Financial Data - Unaudited For the Nine Months Ended September 30, 2025 and 2024 (dollars in millions)

	<b>Nine Months Ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash Flows From (For) Operating Activities:</b>		
Cash provided by operating activities		
Cash provided by operating activities	\$ 896	\$ 957
Working capital changes	(292)	(288)
Net cash from operating activities	604	668
<b>Cash Flows From (For) Financing Activities:</b>		
Purchase of Company common stock	(354)	(482)
Excise tax paid on the purchase of Company common stock	(6)	—
Cash dividends paid	(197)	(191)
Purchase of redeemable noncontrolling interest	—	(15)
Dividends paid to noncontrolling interest	(30)	(25)
Proceeds from the exercise of stock options	6	76
Employee withholding taxes paid on stock-based compensation	(10)	(34)
Decrease in debt, net	(1)	(2)
Net cash for financing activities	(592)	(673)
<b>Cash Flows From (For) Investing Activities:</b>		
Capital expenditures	(109)	(112)
Acquisition of business	—	(4)
Proceeds from disposition of business, net of cash disposed	—	131
Other, net	(2)	(3)
Net cash (for) from investing activities	(111)	12
Effect of exchange rate changes on cash and cash investments	23	5
<b>Cash and Cash Investments:</b>		
(Decrease) increase for the period	(75)	12
At January 1	634	634
At September 30	\$ 559	\$ 646

	<u>As of September 30,</u>	
	<u>2025</u>	<u>2024</u>
<b>Liquidity</b>		
Cash and cash investments	\$ 559	\$ 646
Revolver availability	1,000	1,000
<b>Total Liquidity</b>	<u>\$ 1,559</u>	<u>\$ 1,646</u>

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### MASCO CORPORATION

#### Segment Data - Unaudited

#### For the Three and Nine Months Ended September 30, 2025 and 2024 (dollars in millions)

	<u>Three Months Ended September 30,</u>		Change	<u>Nine Months Ended September 30,</u>		Change
	2025	2024		2025	2024	
<b>Plumbing Products</b>						
Net sales	\$ 1,247	\$ 1,219	2%	\$ 3,744	\$ 3,665	2%
Operating profit, as reported	\$ 196	\$ 240		\$ 688	\$ 713	
<i>Operating margin, as reported</i>	<i>15.7%</i>	<i>19.7%</i>		<i>18.4%</i>	<i>19.5%</i>	
Rationalization charges	8	2		11	7	
Operating profit, as adjusted	204	242		700	720	
<i>Operating margin, as adjusted</i>	<i>16.4%</i>	<i>19.9%</i>		<i>18.7%</i>	<i>19.6%</i>	
Depreciation and amortization	29	26		81	80	
EBITDA, as adjusted	\$ 232	\$ 269		\$ 780	\$ 799	
<b>Decorative Architectural Products</b>						
Net sales	\$ 670	\$ 764	(12)%	\$ 2,025	\$ 2,336	(13)%
Operating profit, as reported	\$ 128	\$ 138		\$ 381	\$ 436	
<i>Operating margin, as reported</i>	<i>19.1%</i>	<i>18.1%</i>		<i>18.8%</i>	<i>18.7%</i>	
Rationalization charges	1	—		1	1	
Operating profit, as adjusted	128	138		381	437	
<i>Operating margin, as adjusted</i>	<i>19.1%</i>	<i>18.1%</i>		<i>18.8%</i>	<i>18.7%</i>	
Depreciation and amortization	8	9		22	28	
EBITDA, as adjusted	\$ 136	\$ 147		\$ 404	\$ 465	
<b>Total</b>						
Net sales	\$ 1,917	\$ 1,983	(3)%	\$ 5,769	\$ 6,000	(4)%
Operating profit, as reported - segment	\$ 324	\$ 378		\$ 1,068	\$ 1,149	
General corporate	(20)	(21)		(62)	(76)	

	(20)	(1)	(20)	(1)
expense, net				
Operating profit, as reported	303	357	1,001	1,073
<i>Operating margin, as reported</i>	15.8%	18.0%	17.4%	17.9%
Rationalization charges - segment	8	2	12	8
Operating profit, as adjusted	312	360	1,013	1,081
<i>Operating margin, as adjusted</i>	16.3%	18.2%	17.6%	18.0%
Depreciation and amortization - segment	36	36	103	108
Depreciation and amortization - other	2	2	6	5
EBITDA, as adjusted	\$ 349	\$ 397	\$ 1,121	\$ 1,194

*Historical information is available on our website.*

Amounts may not add due to rounding.

### **Investor Contact**

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Source: Masco Corporation