

Appendix

Appendix – Operating Profit Reconciliation

MASCO

	Year Ended December 31,		
($ in Millions)	2016	2015	2014
Operating Profit, as reported	**$ 1,053**	**$ 914**	**$ 721**
Rationalization charges	22	18	64
(Income) from litigation settlements	-	-	(9)
(Gain) on sale of property and equipment	-	(5)	-
Operating Profit, as adjusted	**$ 1,075**	**$ 927**	**$ 776**

Appendix – EPS Reconciliation

MASCO

(in millions, except per common share data)

($ in Millions)	Year Ended December 31, 2016	2015	2014
Income from continuing operations before income taxes, as reported	**$ 830**	**$ 689**	**$ 507**
Rationalization charges	22	18	64
(Income) from litigation settlements	-	-	(9)
(Gain) on sale of property and equipment	-	(5)	-
(Gain) from private equity funds, net	(5)	(6)	(4)
(Earnings) losses from equity investments, net	(2)	(2)	2
(Gain) from auction rate securities	(3)	-	-
Loss from other investments	3	-	-
Income from continuing operations before income taxes, as adjusted	**845**	**694**	**560**
Tax at 36% rate	(304)	(250)	(202)
Less: Net income attributable to noncontrolling interest	43	39	47
Income from continuing operations, as adjusted	**$ 498**	**$ 405**	**$ 311**
Income per common share, as adjusted	**$ 1.51**	**$ 1.19**	**$ 0.88**
Average diluted common shares outstanding	330	341	352