

MASCO CORP /DE/
Form 424B2
March 08, 2010

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**Filed Pursuant to Rule 424(b)(2)
Registration No. 333-165047**

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
7.125% Notes due 2020	\$500,000,000.00	\$35,650.00
Total	\$500,000,000.00	\$35,650.00

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

PROSPECTUS SUPPLEMENT

(To prospectus dated February 24, 2010)

Masco Corporation

**\$500,000,000 7.125% Senior Notes Due 2020
Issue Price: 99.998%**

We are offering \$500,000,000 of our 7.125% senior notes due March 15, 2020 (the Notes).

The Notes will bear interest at a fixed rate of 7.125% per annum. We will pay interest semi-annually on the Notes on March 15 and September 15 of each year, beginning on September 15, 2010. The Notes will mature on March 15, 2020.

We may redeem the Notes at any time at the make-whole premium set forth under the heading Description of the Notes Redemption at Our Option in this prospectus supplement.

The Notes will be unsecured obligations and rank equally with all of our other unsecured senior indebtedness from time to time outstanding. The Notes will be issued only in registered form in denominations of \$2,000 and integral multiples of \$1,000 above that amount.

Investing in the Notes involves risks. See the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2009 and beginning on page S-3 of this prospectus supplement for a discussion of certain risks that should be considered in connection with an investment in the Notes.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information.

	Price to Public(1)	Underwriting Discounts	Proceeds To Us (Before Expenses)
Per Note	99.998%	1.000%	98.998%
Total	\$ 499,990,000	\$ 5,000,000	\$ 494,990,000

(1) Plus accrued interest, if any, from March 10, 2010, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The Notes will be ready for delivery in book-entry form only through The Depository Trust Company for the benefit of its participants, including Euroclear and Clearstream, on or about March 10, 2010.

Joint Book-Running Managers

BofA Merrill Lynch

Citi

J.P. Morgan

Co-Managers

**Daiwa Securities America
Commerzbank Corporates &
Markets
PNC Capital Markets LLC**

**BNP PARIBAS
KeyBanc Capital Markets
RBC Capital Markets**

**Comerica Securities
Mitsubishi UFJ Securities
SunTrust Robinson Humphrey**

The date of this prospectus supplement is March 5, 2010.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus required to be filed with the SEC. Neither we nor the underwriters have authorized anyone to provide you with different information. If anyone provides you with additional or different information, you should not rely on it. Neither we nor the underwriters are making an offer of these securities in any jurisdiction where the offer or sale of such securities is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement. Our business, financial condition, liquidity, results of operations and prospects may have changed since that date.

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Our executive offices are located at 21001 Van Born Road, Taylor, Michigan 48180. Our telephone number is (313) 274-7400 and our website address is <http://www.masco.com>. The information on our website is not incorporated by reference in, and does not form a part of, this prospectus supplement or the accompanying prospectus.

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SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS AND RISK FACTORS

Certain sections of this prospectus supplement, including the documents incorporated by reference herein, contain forward-looking statements reflecting the Company's views about its future performance and constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 (the Reform Act) provides a safe harbor for forward-looking statements made by or on behalf of the Company. The Company and its representatives may, from time to time, make written or oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and in its reports to stockholders. Generally, the inclusion of the words believe, expect, intend, estimate, project, anticipate, will and similar expressions identify statements that constitute forward-looking statements. All statements addressing future operating performance of the Company or any subsidiary, and statements addressing events and developments that the Company expects or anticipates will occur in the future, are forward-looking statements within the meaning of the Reform Act. The forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

These views involve risks and uncertainties that are difficult to predict and, accordingly, the Company's actual results may differ materially from the results discussed in such forward-looking statements. Readers should consider the various factors, including those discussed in our Annual Report on Form 10-K for the year ended December 31, 2009 under Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations Executive Level Overview, Critical Accounting Policies and Estimates and Outlook for the Company, and in our quarterly reports on Form 10-Q, that are on file with the SEC, for additional factors that may affect the Company's performance.

Several of the more significant factors that affect our results of operations, including future operating performance, are levels of home improvement activity and new home construction principally in North America and Europe, the importance of our relationships with key customers (including The Home Depot, which represented approximately 26 percent of net sales in 2009), our ability to maintain our leadership positions in our U.S. and global markets in the face of increasing competition and our ability to effectively manage our overall cost structure, including the cost and availability of materials. These and other factors that may significantly affect our performance are discussed in our Annual Report on Form 10-K and in our quarterly reports on Form 10-Q as noted above.

You should rely only on the information contained in this prospectus supplement, in the accompanying prospectus and in material we file with the SEC. We have not authorized anyone to provide you with information that is different.

We are offering to sell, and seeking offers to buy, the securities described in this prospectus supplement and the accompanying prospectus only where offers and sales are permitted. Since information that we file with the SEC in the future will automatically update and supersede information contained in this prospectus supplement and the accompanying prospectus, you should not assume that the information contained herein or therein is accurate as of any date other than the date on the front of the document.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. This prospectus supplement also incorporates by reference the information described under **Where You Can Find More Information**. The second part is the accompanying prospectus dated February 24, 2010. The accompanying prospectus contains a description of our debt securities and gives more general information, some of which may not apply to this offering.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Unless we have indicated otherwise, references in this prospectus supplement to Masco, the Company, we, us and our refer to Masco Corporation and its consolidated subsidiaries.

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RISK FACTORS

In considering whether to purchase the Notes, you should carefully consider all the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectus. In particular, you should carefully consider the risk factors described below and the risk factors incorporated by reference from our Annual Report on Form 10-K for the year ended December 31, 2009.

Risks Related to the Offering

An active trading market for the Notes may not develop.

There is currently no public market for the Notes, and we do not currently plan to list the Notes on any national securities exchange. In addition, the liquidity of any trading market in the Notes, and the market price quoted for the Notes, may be adversely affected by changes in the overall market for these Notes, prevailing interest rates, ratings assigned to the Notes, time remaining to the maturity of the Notes, outstanding amount of the Notes, the market for similar securities, prospects for other companies in our industry and changes in Masco's consolidated financial condition, results of operations or prospects. A liquid trading market in the Notes may not develop, which could decrease the amounts you would otherwise receive upon a sale or disposition of the Notes.

The Notes are the unsecured obligations of Masco Corporation and not obligations of its subsidiaries and will be structurally subordinated to the claims of its subsidiaries' creditors. Structural subordination increases the risk that Masco Corporation will be unable to meet its obligations on the Notes when they mature.

The Notes are exclusively the obligations of Masco Corporation and are not obligations of its subsidiaries. A substantial portion of Masco Corporation's operations are conducted through its subsidiaries. As a result, Masco's cash flow and ability to service its debt, including the Notes, depend upon the earnings of its subsidiaries and the distribution to it of earnings, loans or other payments by its subsidiaries.

Masco Corporation's subsidiaries are separate and distinct legal entities. Its subsidiaries will not guarantee the Notes and are under no obligation to pay any amounts due on the Notes or to provide Masco Corporation with funds for its payment obligations, whether by dividends, distributions, loans or other payments. Payments to Masco Corporation by its subsidiaries will also be contingent upon such subsidiaries' earnings and business considerations and may be subject to legal and contractual restrictions.

Masco Corporation's right to receive any assets of any of its subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of the Notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including senior and subordinated debt holders and bank and trade creditors. In addition, even if Masco Corporation were a creditor of any of its subsidiaries, its rights as a creditor would be subordinate to any security interest in the assets of its subsidiaries and any indebtedness of its subsidiaries senior to that held by Masco Corporation.

The Notes will be subject to the prior claims of any future secured creditors.

The Notes are unsecured obligations, ranking effectively junior to outstanding secured indebtedness of Masco Corporation and its subsidiaries and any additional secured indebtedness it or they may incur. Accordingly, the Notes will be subordinated to the extent Masco Corporation or its subsidiaries have or will obtain secured borrowings. The indenture governing the Notes permits Masco Corporation and its subsidiaries to incur additional secured debt under

specified circumstances. If Masco Corporation or its subsidiaries incur additional secured debt, the assets securing any such indebtedness will be subject to prior claims by secured creditors. In the event of bankruptcy, insolvency, liquidation, reorganization, dissolution or other winding up, or upon any acceleration of the Notes, assets of Masco Corporation or its subsidiaries that secure other indebtedness will be available to pay obligations on the Notes only after all other such debt secured by those assets has been repaid in full. Any remaining assets will be available to you ratably with all of the other unsecured and unsubordinated creditors of Masco

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Corporation and its subsidiaries, including trade creditors. If there are not sufficient assets remaining to pay all these creditors, then all or a portion of the Notes then outstanding would remain unpaid.

The negative covenants in the indenture that governs the Notes provide limited protection to holders of the Notes.

The indenture governing the Notes contains covenants limiting our ability to create certain liens, enter into certain sale and leaseback transactions, and consolidate or merge with, or convey, transfer or lease all or substantially all our assets to, another person. The covenants addressing limitations on liens and on sale and leaseback transactions contain exceptions that will allow us and our subsidiaries to incur liens with respect to material assets. See Description of Debt Securities Covenants Restricting Pledges, Mergers and Other Significant Corporate Actions in the accompanying prospectus. In light of these exceptions, your Notes may be structurally or effectively subordinated to new lenders. The indenture does not limit the amount of additional debt that we or our subsidiaries may incur.

The provisions of the Notes will not necessarily protect you in the event of certain highly leveraged transactions.

Upon the occurrence of a change of control repurchase event you will have the right to require Masco Corporation to repurchase the Notes on the terms set forth in the Notes. However, the change of control repurchase event provisions will not afford you protection in the event of certain highly leveraged transactions that may adversely affect you. For example, any leveraged recapitalization, refinancing, restructuring or acquisition initiated by us generally will not constitute a change of control that would potentially lead to a change of control repurchase event. As a result, we could enter into any such transaction even though the transaction could increase the total amount of our outstanding indebtedness, adversely affect our capital structure or credit rating or otherwise adversely affect the holders of the Notes. These transactions may not involve a change in voting power or beneficial ownership or result in a downgrade in the ratings of the Notes, or, even if they do, may not necessarily constitute a change of control repurchase event that affords you the protections described in this prospectus supplement. If any such transaction were to occur, the value of the Notes could decline. See Description of Notes Change of Control Repurchase Event .

We may not be able to repurchase all of the Notes upon a Change of Control Repurchase Event, which would result in a default under the Notes.

Masco Corporation will be required to offer to repurchase the Notes upon the occurrence of a change of control repurchase event as described in the Description of Notes Change of Control Repurchase Event . However, Masco Corporation may not have sufficient funds to repurchase the Notes in cash at such time. In addition, Masco's ability to repurchase the Notes for cash may be limited by law or the terms of other agreements relating to its indebtedness outstanding at the time, which agreements may provide that a Change of Control Repurchase Event constitutes an event of default or prepayment under such other indebtedness. Our failure to make such a repurchase would result in a default under the Notes.

Ratings of the Notes may change and affect the market price and marketability of the Notes.

Our long term debt has been rated Ba2 and BBB by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, respectively. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the view of each rating agency at the time the rating is issued. An explanation of the significance of such rating may be obtained from such rating agency. There is no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in each rating agency's judgment, circumstances so warrant. It is also possible that such ratings may be lowered in connection with future events, such as future acquisitions. Holders of Notes will have no recourse against us or any other parties in the event of a change in or suspension or withdrawal of such ratings. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price or

marketability of the Notes. In addition, any decline in the ratings of the Notes may make it more difficult for us to raise capital on acceptable terms.

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Masco manufactures, distributes and installs home improvement and building products, with emphasis on brand name products and services holding leadership positions in their markets. The Company is among the largest manufacturers in North America of brand-name consumer products designed for the home improvement and new home construction markets. The Company's operations consist of five business segments that are based on similarities in products and services.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table sets forth summary consolidated financial information for Masco's continuing operations for the periods and dates indicated. The information for the years ended and as of December 31, 2009, 2008 and 2007, is derived from our audited consolidated financial statements. You should read the financial information presented below in conjunction with the consolidated financial statements, accompanying notes and management's discussion and analysis of financial condition and results of operations of Masco, which are incorporated by reference into this prospectus supplement.

	Year Ended December 31,		
	2009	2008	2007
	(Dollars in millions, except per common share data)		
Operating Data:			
Net sales(1)	\$ 7,792	\$ 9,484	\$ 11,413
Operating profit(1),(2),(3),(4)	55	90	1,061
(Loss) income from continuing operations(1),(2),(3),(4),(5),(6)	(140)	(366)	502
Per share of common stock:			
(Loss) income from continuing operations:			
Basic	(0.41)	(1.06)	1.33
Diluted	(0.41)	(1.06)	1.32
Dividends declared	0.30	0.93	0.92
Dividends paid	0.46	0.925	0.91
Balance Sheet Data:			
Total assets	\$ 9,175	\$ 9,483	\$ 10,907
Long-term debt	3,604	3,915	3,966
Shareholders equity(6)	2,817	2,981	4,142

(1) Amounts exclude discontinued operations.

(2) The year 2009 includes non-cash impairment charges for goodwill aggregating \$180 million after tax (\$262 million pre-tax).

(3) The year 2008 includes non-cash impairment charges for goodwill and other intangible assets aggregating \$445 million after tax (\$467 million pre-tax).

- (4) The year 2007 includes non-cash impairment charges for goodwill and other intangible assets aggregating \$100 million after tax (\$119 million pre-tax).
- (5) (Loss) income from continuing operations excludes income from noncontrolling interest of \$38 million, \$39 million and \$37 million, respectively, in 2009, 2008 and 2007.
- (6) (Loss) income from continuing operations and shareholders' equity have been restated for the adoption of new accounting guidance regarding the classification of noncontrolling interest and the accounting for the Zero Coupon Convertible Senior Notes.

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Our ratios of earnings to fixed charges for the years ended December 31, 2005 through 2009 are set forth in the table below.

	Year Ended December 31,				
	2009	2008	2007	2006	2005
Ratio of earnings to fixed charges(1)	0.5x	0.3x	3.7x	4.0x	6.0x

(1) Ratio of earnings to fixed charges means the ratio of income from continuing operations before income taxes and cumulative effect of accounting change, net, and fixed charges to fixed charges, where fixed charges are the interest on indebtedness, amortization of debt expense and estimated interest factor for rentals.

USE OF PROCEEDS

We expect to use substantially all of the net proceeds from the sale of securities described in this prospectus for our general corporate purposes, including the repayment of all or a portion of our floating rate notes due March 12, 2010.

The floating rate notes due March 12, 2010 bear interest at a floating rate equal to three month USD LIBOR plus 30 basis points per annum. As of December 31, 2009, the effective interest rate on the floating rate notes was 1.3%.

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The following table sets forth a summary of our consolidated capitalization on an actual and as adjusted basis as of December 31, 2009. Our consolidated capitalization, as adjusted, gives effect to the issuance of the Notes offered by this prospectus supplement and the application of the estimated net proceeds as described in "Use of Proceeds" as if the offering had occurred on December 31, 2009. This table should be read in conjunction with our Consolidated Financial Statements incorporated by reference in this prospectus supplement.

	As of December 31, 2009	
	Actual	As Adjusted
	(Unaudited, in millions)	
Long-term debt:		
Notes offered hereby	\$	\$ 500
Other long-term debt, including current portion	3,968	3,668
Total long-term debt, including current portion	3,968	4,168
Stockholders' equity:		
Common stock, \$1.00 par value and additional paid in capital authorized: 1,400,000,000 shares; issued and outstanding: 350,400,000 shares as of December 31, 2009	350	350
Preferred stock, \$1.00 par value authorized: 1,000,000 shares; issued and outstanding: none as of December 31, 2009	42	42
Paid-in capital	1,871	1,871
Retained earnings	366	366
Accumulated other comprehensive income	188	188
Noncontrolling Interest		
Total stockholders' equity	2,817	2,817
Total capitalization	\$ 6,785	\$ 6,985

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DESCRIPTION OF NOTES

The summary herein of certain provisions of the indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the indenture, a form of which is available upon request from us. The following description of the particular terms of the Notes supplements the description of the general terms and provisions of the debt securities set forth under "Description of Debt Securities" beginning on page 4 of the accompanying prospectus.

General

The Notes offered hereby will initially be limited to \$500,000,000 aggregate principal amount. The indenture does not limit our ability to incur additional unsecured indebtedness. The Notes are to be issued under an indenture, which is more fully described in the accompanying prospectus.

The Notes will mature on March 15, 2020 and are not subject to any sinking fund.

We may, without the consent of the existing holders of the Notes, issue additional notes having the same terms so that in either case the existing Notes and the new notes form a single series under the indenture.

The Notes will be our senior unsecured debt obligations and will rank equally among themselves and with all of our other present and future senior unsecured indebtedness.

The Notes will be redeemable by us at any time prior to maturity as described below under "Redemption at Our Option."

Change of Control Repurchase Event

If a change of control repurchase event occurs we will make an offer to each holder of Notes to repurchase all or any part (in integral multiples of \$1,000) of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to the date of purchase. Within 30 days following any change of control repurchase event or, at our option, prior to any change of control, but after the public announcement of the change of control, we will mail a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the change of control repurchase event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the change of control, state that the offer to purchase is conditioned on the change of control repurchase event occurring on or prior to the payment date specified in the notice. We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a change of control repurchase event. To the extent that the provisions of any securities laws or regulations conflict with the change of control repurchase event provisions of the Notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the change of control repurchase event provisions of the Notes by virtue of such conflict.

On the change of control repurchase event payment date, we will, to the extent lawful:

1. accept for payment all Notes or portions of Notes properly tendered pursuant to our offer;

2. deposit with the paying agent an amount equal to the aggregate purchase price in respect of all Notes or portions of Notes properly tendered; and
3. deliver or cause to be delivered to the trustee the Notes properly accepted, together with an officers certificate stating the aggregate principal amount of Notes being purchased by us.

The paying agent will promptly mail to each holder of Notes properly tendered the purchase price for the Notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any Notes surrendered; *provided* that each new note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof.

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We will not be required to make an offer to repurchase the Notes upon a change of control repurchase event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer.

The term **below investment grade rating event** means the Notes are rated below investment grade by both rating agencies on any date from the date of the public notice of an arrangement that could result in a change of control until the end of the 60-day period following public notice of the occurrence of a change of control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by either of the rating agencies); *provided* that a below investment grade rating event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular change of control (and thus shall not be deemed a below investment grade rating event for purposes of the definition of change of control repurchase event hereunder) if the rating agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at the request of the Company that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable change of control (whether or not the applicable change of control shall have occurred at the time of the below investment grade rating event).

The term **change of control** means the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act), becomes the beneficial owner, directly or indirectly, of more than 50% of our voting stock, measured by voting power rather than number of shares.

The term **change of control repurchase event** means the occurrence of both a change of control and a below investment grade rating event.

The term **investment grade** means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's); a rating of BBB-or better by S&P (or its equivalent under any successor rating categories of S&P); and the equivalent investment grade credit rating from any additional rating agency or rating agencies selected by us.

The term **Moody's** means Moody's Investors Service Inc.

The term **rating agency** means (1) each of Moody's and S&P; and (2) if either of Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by us (as certified by a resolution of our board of directors) as a replacement agency for Moody's or S&P, or both, as the case may be.

The term **S&P** means Standard & Poor's Ratings Services, a division of McGraw-Hill, Inc.

The term **voting stock** of any specified person (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Interest

The Notes will bear interest at a fixed rate of 7.125%. The Notes will bear interest from March 10, 2010, payable semi-annually on each March 15 and September 15, beginning on September 15, 2010, to the persons in whose names the Notes are registered at the close of business on the March 1 and September 1, as the case may be, immediately

preceding such March 15 and September 15 (whether or not a business day). Interest on the Notes will accrue from March 10, 2010, or from the most recent interest payment date to which interest has been paid or provided for, to but excluding the relevant interest payment date.

If an interest payment date for the Notes falls on a day that is not a business day, the interest payment shall be postponed to the next succeeding business day, and no interest on such payment shall accrue for the period from and after such interest payment date.

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Redemption at Our Option

We may, at our option, redeem the Notes in whole or in part at any time at a redemption price equal to the greater of:

100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date, and as determined by the Independent Investment Banker, the sum of the present values of the principal amount of and remaining scheduled payments of interest on the Notes to be redeemed (not including any portion of payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis at the Treasury Rate plus 50 basis points plus accrued interest to the redemption date for the Notes.

The redemption price will be calculated assuming a 360-day year consisting of twelve 30-day months.

Treasury Rate means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated on the third business day preceding the redemption date, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

Comparable Treasury Issue means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Notes that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

Comparable Treasury Price means, with respect to any redemption date:

the average of the Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of the Reference Treasury Dealer Quotations, or

if the Independent Investment Banker obtains fewer than five Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

Independent Investment Banker means one of the Reference Treasury Dealers appointed by us.

Reference Treasury Dealer means (a) each of Banc of America Securities LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. and their respective successors, unless any of them ceases to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), in which case we shall substitute another Primary Treasury Dealer, and (b) any other Primary Treasury Dealers selected by us.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding that redemption date.

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each holder of the Notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions of the Notes called for redemption.

Book-Entry; Delivery and Form

Global Notes

The Notes will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company (DTC). The Notes will be issued in the form of one or more global notes in the aggregate principal amount of the Notes. Such global notes will be deposited with DTC and may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any nominee to a successor of DTC or a nominee of such successor.

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So long as DTC, or its nominee, is the registered owner of a global note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such global note for all purposes under the indenture. Except as set forth below, owners of beneficial interests in a global note will not be entitled to have the Notes represented by such global note registered in their names, will not receive or be entitled to receive physical delivery of such Notes in definitive form and will not be considered the owners or holders thereof under the indenture. Accordingly, each person owning a beneficial interest in a global note must rely on the procedures of DTC for such global note and, if such person is not a participant in DTC (as described below), on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the indenture.

DTC has advised Masco and the underwriters as follows:

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization under the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges in deposited securities, through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its direct participants and by the NYSE Group, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the Securities and Exchange Commission.

Ownership of Beneficial Interests

Purchases of notes under the DTC system must be made by or through direct participants, which will receive a credit for the notes on DTC's records. The ownership interest of each actual purchaser, or beneficial owner, of notes is in turn to be recorded on the direct and indirect participant's records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct and indirect participant through which the beneficial owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the notes, except in the event that use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all notes deposited by participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes; DTC's records reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote with respect to the global notes. Under its usual procedures DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date (identified in the listing attached to the Omnibus Proxy).

Principal and interest payments on the global notes will be made to DTC. Masco expects that DTC, upon receipt of any payment of principal or interest in respect of a global note, will credit immediately participants

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accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on DTC's records. Masco also expects that payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such participant and not of DTC, Masco or the trustee, subject to any statutory or regulatory requirements as may be in effect from time to time.

DTC may discontinue providing its service as securities depository with respect to the Notes at any time by giving reasonable notice to Masco or the trustee. In addition, Masco may (subject to DTC's procedures) decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). Under such circumstances, if a successor securities depository is not obtained, note certificates in fully registered form are required to be printed and delivered to beneficial owners of the global notes representing such Notes, subject to such procedures.

Same-day Settlement and Payment

The Notes will trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in the Notes will, therefore, settle in immediately available funds. All applicable payments of principal and interest on the Notes issued as global notes will be made by Masco in immediately available funds.

Euroclear and Clearstream, Luxembourg

If the depository for a global note is DTC, you may hold interests in the global notes through Euroclear Bank S.A./N.V., as operator of the Euroclear System, which is referred to as Euroclear or Clearstream Banking, société anonyme, which is referred to as Clearstream, Luxembourg, in each case, as a participant in DTC.

Euroclear and Clearstream, Luxembourg will hold interests, in each case, on behalf of their participants through customers' securities accounts in the names of Euroclear and Clearstream, Luxembourg on the books of their respective depositories, which in turn will hold such interests in customers' securities in the depositories' names on DTC's books.

Payments, deliveries, transfers, exchanges, notices and other matters relating to the Notes made through Euroclear or Clearstream, Luxembourg must comply with the rules and procedures of those systems. Those systems could change their rules and procedures at any time. We have no control over those systems or their participants, and we take no responsibility for their activities. Transactions between participants in Euroclear or Clearstream, Luxembourg, on the one hand, and other participants in DTC, on the other hand, would also be subject to DTC's rules and procedures.

Investors will be able to make and receive through Euroclear and Clearstream, Luxembourg payments, deliveries, transfers, exchanges, notices and other transactions involving any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States.

In addition, because of time-zone differences, U.S. investors who hold their interests in the Notes through these systems and wish, on a particular day, to transfer their interests, or to receive or make a payment or delivery or exercise any other right with respect to their interests, may find that the transaction will not be effected until the next business day in Luxembourg or Brussels, as applicable. Thus, investors who wish to exercise rights that expire on a particular day may need to act before the expiration date. In addition, investors who hold their interests through both DTC and Euroclear or Clearstream, Luxembourg may need to make special arrangements to finance any purchase or sales of their interests between the U.S. and European clearing systems, and those transactions may settle later than transactions within one clearing system.

The information above concerning DTC and DTC's book-entry system, as well as information regarding Euroclear and Clearstream, has been obtained from sources that Masco believes to be reliable (including DTC, Euroclear and Clearstream), but Masco takes no responsibility for the accuracy thereof.

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Neither Masco, the trustee nor the underwriters will have any responsibility or obligation to participants, or the persons for whom they act as nominees, with respect to the accuracy of the records of DTC, Euroclear, Clearstream or their nominees or any participant with respect to any ownership interest in the Notes or payments to, or the providing of notice to, participants or beneficial owners.

For other terms of the Notes, see [Description of Debt Securities](#) in the accompanying prospectus.

Defeasance

The Notes will be subject to defeasance and discharge and to defeasance of certain covenants as set forth in the indenture, see [Description of Debt Securities](#) [Defeasance](#) in the accompanying prospectus.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following are the material U.S. federal income tax consequences of ownership and disposition of the Notes. This discussion applies only to Notes that:

are held by those initial holders who purchased such Notes in this offering at the issue price, which will equal the first price to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the Notes is sold for money; and

are held as capital assets.

This discussion does not describe all of the tax consequences that may be relevant to holders in light of their particular circumstances, such as alternative minimum tax consequences and tax consequences applicable to holders subject to special rules, such as:

tax-exempt organizations;

traders in securities that elect the mark-to-market method of accounting for their securities;

certain financial institutions;

insurance companies;

dealers in securities or foreign currencies;

persons holding Notes as part of a hedge, straddle or other integrated transaction for U.S. federal income tax purposes, or persons entering into a constructive sale with respect to the Notes;

U.S. Holders (as defined below) whose functional currency is not the U.S. dollar; or

partnerships or other entities classified as partnerships for U.S. federal income tax purposes.

If a partnership or other entity classified as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding the Notes are urged to consult their own tax advisors.

This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof (the Code), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein. Persons considering the purchase of Notes are urged to consult their tax advisors with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Tax Consequences to U.S. Holders

As used herein, the term U.S. Holder means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

The term "U.S. Holder" also includes certain former citizens and residents of the United States.

Potential Contingent Payment Debt Treatment

Upon the occurrence of a change of control repurchase event, Masco would generally be required to repurchase the Notes at 101% of their principal amount plus accrued and unpaid interest, as described under "Description of the Notes Change of Control Repurchase Event." Although the issue is not free from doubt, Masco intends to take

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the position that such requirement does not result in the Notes being treated as contingent payment debt instruments under the applicable Treasury Regulations. Masco's position is not binding on the Internal Revenue Service (the IRS). If the IRS successfully takes a contrary position, U.S. Holders would be required to treat any gain recognized on the sale or other disposition of the Notes as ordinary income rather than as capital gain. Furthermore, U.S. Holders would be required to accrue interest income on a constant yield basis at an assumed yield determined at the time of issuance of the Notes, with adjustments to such accruals when any contingent payments are made that differ from the payments calculated based on the assumed yield. U.S. Holders should consult their tax advisors regarding the tax consequences of the Notes being treated as contingent payment debt instruments. The remainder of this discussion assumes that the Notes are not treated as contingent payment debt instruments.

Payments of Interest

The Notes will be issued without original issue discount for U.S. federal income tax purposes. Accordingly, interest paid on a Note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the holder's method of accounting for federal income tax purposes.

Sale, Exchange, Redemption or Other Disposition of the Notes

Upon the sale, exchange, redemption or other taxable disposition of a Note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, redemption or other taxable disposition and the holder's tax basis in the Note. For these purposes, the amount realized does not include any amount attributable to accrued interest. Amounts attributable to accrued interest are treated as interest as described under *Payments of Interest* above.

Gain or loss realized on the sale, exchange, redemption or other taxable disposition of a Note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange, redemption or other taxable disposition the Note has been held by the holder for more than one year. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

Information returns will be filed with the IRS in connection with payments on the Notes and the proceeds from a sale or other disposition of the Notes other than with respect to certain exempt recipients (such as corporations). A U.S. Holder will be subject to backup withholding on these payments if the U.S. Holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Tax Consequences to Non-U.S. Holders

As used herein, the term *Non-U.S. Holder* means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

Non-U.S. Holder does not include a holder who is a non-resident alien individual present in the United States for 183 days or more in the taxable year of disposition of a Note. These holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the sale, exchange, redemption or other disposition of a Note.

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Payments on the Notes

Subject to the discussion below concerning backup withholding, payments of principal, interest and premium on the Notes by Masco or any paying agent to any Non-U.S. Holder will not be subject to U.S. federal withholding tax, provided that, in the case of interest:

the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of Masco entitled to vote and is not a controlled foreign corporation related, directly or indirectly, to Masco through stock ownership; and

the beneficial owner of that Note certifies on an IRS Form W-8BEN (or other applicable IRS Form W-8), under penalties of perjury, that it is not a United States person (as defined in the Code) and Masco does not have actual knowledge or reason to know that the beneficial owner is a United States person.

If a Non-U.S. Holder of a Note is engaged in a trade or business in the United States, and if interest on the Note is effectively connected with the conduct of this trade or business (and, if required by an applicable income tax treaty, is attributable to a permanent establishment in the United States), the Non-U.S. Holder, although exempt from the withholding tax discussed in the preceding paragraph, will generally be taxed in the same manner as a U.S. Holder (see Tax Consequences to U.S. Holders above), except that the holder will generally be required to provide to Masco a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax. These holders should consult their own tax advisors with respect to other U.S. tax consequences of the ownership and disposition of Notes, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate).

Sale, Exchange, Redemption or Other Disposition of the Notes

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder of a Note will not be subject to U.S. federal income tax on gain realized on the sale, exchange, redemption or other disposition of such Note, unless the gain is effectively connected with the conduct by the holder of a trade or business in the United States.

If a Non-U.S. Holder of a Note is engaged in a trade or business in the United States, and if gain realized by the Non-U.S. Holder on a sale, exchange, redemption or other disposition of a Note is effectively connected with the conduct of this trade or business, the Non-U.S. Holder will generally be taxed in the same manner as a U.S. Holder (see Tax Consequences to U.S. Holders above), subject to an applicable income tax treaty providing otherwise. These holders should consult their own tax advisors with respect to other U.S. tax consequences of the ownership and disposition of Notes, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate).

Backup Withholding and Information Reporting

Information returns will be filed with the IRS in connection with payments on the Notes. Unless the Non-U.S. Holder complies with certification procedures to establish that it is not a United States person, information returns may be filed with the IRS in connection with the proceeds from a sale or other disposition of the Notes and the Non-U.S. Holder may be subject to backup withholding on payments on the Notes or on the proceeds from a sale or other disposition of the Notes. The certification procedures required to claim the exemption from withholding tax on interest described above will satisfy the certification requirements necessary to avoid backup withholding as well. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Table of Contents**UNDERWRITING**

We intend to offer the Notes through the underwriters. Banc of America Securities LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. are acting as representatives of the underwriters named below. Subject to the terms and conditions contained in an underwriting agreement between us and the underwriters, we have agreed to sell to the underwriters, and the underwriters severally have agreed to purchase from us, the principal amount of the Notes listed opposite their names below.

Underwriters	Principal Amount of Notes
Banc of America Securities LLC	\$ 150,000,000
Citigroup Global Markets Inc.	150,000,000
J.P. Morgan Securities Inc.	150,000,000
Daiwa Securities America Inc.	10,000,000
BNP Paribas Securities Corp	5,000,000
Comerica Securities, Inc.	5,000,000
Commerzbank Capital Markets Corp	5,000,000
KeyBanc Capital Markets Inc.	5,000,000
Mitsubishi UFJ Securities (USA), Inc.	5,000,000
PNC Capital Markets LLC	5,000,000
RBC Capital Markets Corporation	5,000,000
SunTrust Robinson Humphrey, Inc.	5,000,000
Total	\$ 500,000,000

The underwriters have agreed to purchase all of the Notes sold pursuant to the underwriting agreement if any of these Notes are purchased. If an underwriter defaults, the underwriting agreement provides that, under certain circumstances, the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to the approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The underwriters have advised us that they propose to offer the Notes to the public at the public offering price that appears on the cover page of this prospectus supplement. The underwriters may offer such Notes to selected dealers at

the public offering price minus a selling concession of up to 0.60% of the principal amount of the Notes. In addition, the underwriters may allow, and those selected dealers may reallow, a selling concession to certain other dealers of up to 0.25% of the principal amount of the Notes. After the initial public offering, the underwriters may change the public offering price and other selling terms.

The expenses of the offering, not including the underwriting discount, are estimated to be \$150,000 and are payable by us.

New Issue of Notes

The Notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the Notes on any national securities exchange or for quotation of the Notes on any automated dealer quotation system. We have been advised by the underwriters that they presently intend to make a market in the Notes after

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completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for the Notes or that an active public market for the Notes will develop. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

Price Stabilization and Short Positions

In connection with the offering, the underwriters are permitted to engage in transactions that stabilize the market price of the Notes. Such transactions consist of bids or purchases to peg, fix or maintain the price of the Notes. If the underwriters create a short position in the Notes in connection with the offering, i.e., if they sell more Notes than are on the cover page of this prospectus supplement the underwriters may reduce that short position by purchasing Notes in the open market. Purchases of a security to stabilize the price or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor any of the underwriters makes any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Sales Outside the United States

The Notes may be offered and sold in the United States and certain jurisdictions outside the United States in which such offer and sale is permitted.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of Notes described in this prospectus supplement may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the Notes that has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer of securities may be offered to the public in that relevant member state at any time:

to any legal entity that is authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000; and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

to fewer than 100 natural or legal persons (other than qualified investors as defined below) subject to obtaining the prior consent of the representatives for any such offer; or

in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.

Each purchaser of Notes described in this prospectus supplement located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this provision, the expression an offer to the public in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe to the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

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Notice to Prospective Investors in the United Kingdom

This prospectus supplement is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). This prospectus supplement and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in Hong Kong

The Notes may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the notes may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Notice to Prospective Investors in Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan, and each of the underwriters and each of its affiliates has represented and agreed that it has not offered or sold, and it will not offer or sell, directly or indirectly, any of the Notes in or to residents of Japan or to any persons for reoffering or resale, directly or indirectly in Japan or to any resident of Japan, except pursuant to any exemption from the registration requirements of the Securities and Exchange Law available thereunder and in compliance with the other relevant laws and regulations of Japan.

Notice to Prospective Investors in Singapore

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA);
- (ii) to a relevant person, or any person pursuant to Section 257(1A), and in accordance with the conditions, specified in Section 275 of the SFA; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Whether the Notes are subscribed or purchased under Section 275 by a relevant person which is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures, and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 except: (1) to an institutional

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investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, financial advisory, investment banking and other commercial dealings in the ordinary course of business with us, including acting as lenders under various loan facilities. They have received customary fees and commissions for these transactions.

VALIDITY OF SECURITIES

The legality of the Notes offered hereby will be passed upon for Masco by Gregory D. Wittrock, Vice President, General Counsel and Secretary of Masco, and for the underwriters by Davis Polk & Wardwell LLP, Menlo Park, California. Mr. Wittrock is a Masco stockholder and a holder of options to purchase shares of our common stock. Davis Polk & Wardwell LLP performs legal services from time to time for us and some of our related companies.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus Supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2009 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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WHERE YOU CAN FIND MORE INFORMATION

We have filed this prospectus supplement and the accompanying prospectus as part of a registration statement on Form S-3 with the SEC. The registration statement contains exhibits and other information that are not contained in this prospectus supplement or the accompanying prospectus. In particular, the registration statement includes as an exhibit a copy of our senior debt indenture. Our descriptions in this prospectus supplement and the accompanying prospectus of the provisions of documents filed as exhibits to the registration statement or otherwise filed with the SEC are only summaries of the documents' material terms. If you want a complete description of the content of the documents, you should obtain the documents by following the procedures described in the paragraph below.

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at <http://www.sec.gov>, from which interested persons can electronically access our filings with the SEC, including the registration statement of which this prospectus supplement and the accompanying prospectus form part (including the exhibits and schedules thereto).

The SEC allows us to incorporate by reference much of the information we file with them, which means that we can disclose important information to you by referring you directly to those publicly available documents. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. In addition, information we file with the SEC in the future will automatically update and supersede information contained in this prospectus supplement and the accompanying prospectus.

We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities we are offering with this under this prospectus supplement:

- (i) Our Annual Report on Form 10-K for the fiscal year ended December 31, 2009;
- (ii) Our Proxy Statement for our 2009 Annual Meeting of Stockholders filed on April 8, 2009; and
- (iii) The description of our common stock contained in the amendment on Form 8 dated May 22, 1991 to our registration statement on Form 8-A.

You may obtain free copies of any of these documents by writing or telephoning us at 21001 Van Born Road, Taylor, Michigan, 48180, Attention: Maria Duey, Vice President Investor Relations, (313) 274-7400, or by visiting our web site at www.masco.com. However, the information on our website is not a part of this prospectus supplement and the accompanying prospectus.

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PROSPECTUS

Masco Corporation

**DEBT SECURITIES
PREFERRED STOCK (\$1 Par Value)
COMMON STOCK (\$1 Par Value)
DEPOSITARY SHARES
PURCHASE CONTRACTS
UNITS
WARRANTS**

We may offer and issue, and selling security holders may offer and sell, debt securities and shares of our preferred stock and common stock from time to time. The debt securities and shares of preferred stock may be convertible into or exchangeable for shares of our common stock or other securities. We may offer and issue preferred stock either directly or represented by depositary shares. We may offer contracts to purchase our securities from time to time either separately or as part of a unit that combines our debt securities or securities of third parties. We may offer warrants to purchase our debt or equity securities or securities of third parties or other rights from time to time either individually or together with any other securities. This prospectus describes the general terms of these securities and the general manner in which we, or any selling security holders, will offer them. We will provide the specific terms of these securities in supplements to this prospectus. The prospectus supplements will also describe the specific manner in which we, or any selling security holders, will offer these securities.

Our common stock is listed on the New York Stock Exchange under the symbol MAS. On February 23, 2010 the closing price of our common stock was \$13.25 per share.

Investing in these securities involves certain risks. See Item 1A Risk Factors in our Annual Report on Form 10-K, as supplemented by our Quarterly Reports on Form 10-Q, incorporated by reference in this prospectus for a discussion of the factors you should carefully consider before deciding to purchase these securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We, or any selling security holders, may offer these securities in amounts, at prices and on terms determined at the time of offering. We, or any selling security holders, may sell the securities directly to you, through agents we or they select, or through underwriters and dealers we or they select. If we or they use agents, underwriters or dealers to sell these securities, we will name them and describe their compensation in a prospectus supplement.

The date of this prospectus is February 24, 2010

You should rely only on the information contained in or incorporated by reference in this prospectus, in any accompanying prospectus supplement or in any free writing prospectus filed by us with the Securities and Exchange Commission and any information about the terms of securities offered to you by the issuer, its underwriters or agents. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus or any prospectus supplement or in any such free writing prospectus is accurate as of any date other than their respective dates. Except as otherwise specified, the terms Masco, the Company, we, us, and our refer to Masco Corporation.

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THE COMPANY

Masco Corporation manufactures, distributes and installs home improvement and building products, with emphasis on brand-name products and services holding leadership positions in their markets. We are among the largest manufacturers in North America of a number of home improvement and building products, including faucets, cabinets, architectural coatings and windows and we are one of the largest installers of insulation for the new home construction market. The Company's operations consist of five business segments that are based on similarities in products and services.

Our principal executive offices are located at 21001 Van Born Road, Taylor, Michigan 48180, and our telephone number is (313) 274-7400. We maintain a website at www.masco.com. This text is not an active link, and our website and the information contained on that site, or connected to that site, is not incorporated into this prospectus.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC utilizing a shelf registration process. Under this shelf process, we may sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading "Where You Can Find More Information."

WHERE YOU CAN FIND MORE INFORMATION

We have filed this prospectus as part of a registration statement on Form S-3 with the SEC. The registration statement contains exhibits and other information that are not contained in this prospectus. In particular, the registration statement includes as exhibits copies of the forms of our senior debt and subordinated debt indentures. Our descriptions in this prospectus of the provisions of documents filed as exhibits to the registration statement or otherwise filed with the SEC are only summaries of the documents' material terms. If you want a complete description of the content of the documents, you should obtain the documents by following the procedures described in the paragraph below.

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at <http://www.sec.gov>, from which interested persons can electronically access our filings with the SEC, including the registration statement containing this prospectus (including the exhibits and schedules thereto).

The SEC allows us to incorporate by reference much of the information we file with them, which means that we can disclose important information to you by referring you directly to those publicly available documents. The information incorporated by reference is considered to be part of this prospectus. In addition, information we file with

the SEC in the future will automatically update and supersede information contained in this prospectus and the accompanying prospectus supplement.

We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities we are offering with this prospectus:

- (i) Our Annual Report on Form 10-K for the fiscal year ended December 31, 2009;
- (ii) Our Proxy Statement for our 2009 Annual Meeting of Stockholders filed on April 8, 2009; and
- (iii) The description of our common stock contained in the amendment on Form 8 dated May 22, 1991 to our registration statement on Form 8-A.

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You may obtain free copies of any of these documents by writing or telephoning us at 21001 Van Born Road, Taylor, Michigan, 48180, Attention: Maria Duey, Vice President Investor Relations, (313) 274-7400, or by visiting our web site at www.masco.com. However, the information on our website is not a part of this prospectus.

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS AND RISK FACTORS

Certain sections of this registration statement contain statements reflecting the Company's views about its future performance and constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 (the Reform Act) provides a safe harbor for forward-looking statements made by or on behalf of Masco Corporation. The Company and its representatives may, from time to time, make written or oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and in its reports to stockholders. Generally, the inclusion of the words believe, expect, intend, estimate, project, anticipate, will and similar expressions identify statements that constitute forward-looking statements. All statements addressing operating performance of the Company or any subsidiary, events or developments that the Company expects or anticipates would occur in the future are forward-looking statements within the meaning of the Reform Act.

These views involve risks and uncertainties that are difficult to predict and, accordingly, the Company's actual results may differ materially from the results discussed in such forward-looking statements. Readers should consider the various factors, including those discussed in our annual report for the year ended December 31, 2009 under Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations, Critical Accounting Policies and Estimates and Outlook for the Company, and in our Quarterly Reports on Form 10-Q that are on file with the SEC for additional factors that may affect the Company's performance. The forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. The Company undertakes no obligation to update any forward-looking statements as a result of new information, future events or otherwise.

Factors that affect our results of operations include the levels of home improvement activity and new home construction principally in North America and Europe, the importance of our relationships with key customers (including The Home Depot, which represented approximately 26 percent of net sales in 2009), our ability to maintain our leadership positions in our U.S. and global markets in the face of increasing competition and our ability to effectively manage our overall cost structure, including the cost and availability of materials. Additional factors that may significantly affect our performance are discussed under Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q that are on file with the SEC.

You should rely only on the information contained in this prospectus, in the accompanying prospectus supplement and in material we file with the SEC. We have not authorized anyone to provide you with information that is different.

We are offering to sell, and seeking offers to buy, the securities described in this prospectus only where offers and sales are permitted. Since information that we file with the SEC in the future will automatically update and supersede information contained in this prospectus or any accompanying prospectus supplement, you should not assume that the information contained in this prospectus or in any prospectus supplement is accurate as of any date other than the date on the front of the document.

USE OF PROCEEDS

We expect to use substantially all of the net proceeds from the sale of securities described in this prospectus for our general corporate purposes, which may include making additions to our working capital, repaying indebtedness, financing acquisitions and investments in new or existing lines of business. We will describe our intended use of the proceeds from a particular offering of securities in the related prospectus supplement. Funds not required immediately for any of the previously listed purposes may be invested in cash equivalents.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES AND OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

Our ratios of earnings to fixed charges and of earnings to combined fixed charges and preferred stock dividends for the years ended December 31, 2005 through 2009 are set forth in the table below.

	Year Ended December 31,				
	2009	2008	2007	2006	2005
Ratio of earnings to fixed charges(1)	.5	.3	3.7	4.0	6.0
Ratio of earnings to combined fixed charges and preferred stock dividends(2)	.5	.3	3.7	4.0	6.0

- (1) Ratio of earnings to fixed charges means the ratio of income from continuing operations before income taxes and cumulative effect of accounting change, net, and fixed charges to fixed charges, where fixed charges are the interest on indebtedness, amortization of debt expense and estimated interest factor for rentals.
- (2) Ratio of earnings to combined fixed charges and preferred stock dividends means the ratio of income from continuing operations before income taxes and cumulative effect of accounting change, net, fixed charges and preferred stock dividends to fixed charges and preferred stock dividends. Currently, we have no shares of preferred stock outstanding and we have not paid any dividends on preferred stock in the periods presented. Therefore, the ratios of earnings to combined fixed charges and preferred stock dividends are not different from the ratios of earnings to fixed charges.

DESCRIPTION OF DEBT SECURITIES**Debt May Be Senior or Subordinated**

We may issue senior or subordinated debt securities. The senior debt securities will constitute part of our senior debt, will be issued under our Senior Debt Indenture, as defined below, and will rank on a parity with all of our other unsecured and unsubordinated debt. The subordinated debt securities will be issued under our Subordinated Debt Indenture, as defined below, and will be subordinate and junior in right of payment, as set forth in the Subordinated Debt Indenture, to all of our senior indebtedness, which is defined in our Subordinated Debt Indenture. If this prospectus is being delivered in connection with a series of subordinated debt securities, the accompanying prospectus supplement or the information we incorporate in this prospectus by reference will indicate the approximate amount of senior indebtedness outstanding as of the end of the most recent fiscal quarter. We refer to our Senior Debt Indenture and our Subordinated Debt Indenture individually as an indenture and collectively as the indentures.

We have summarized below the material provisions of the indentures and the debt securities, or indicated which material provisions will be described in the related prospectus supplement. These descriptions are only summaries, and each investor should refer to the applicable indenture, which describes completely the terms and definitions summarized below and contains additional information regarding the debt securities.

Any reference to particular sections or defined terms of the applicable indenture in any statement under this heading qualifies the entire statement and incorporates by reference the applicable section or definition into that statement. The

indentures are substantially identical, except for the provisions relating to our negative pledge and limitations on sales and leasebacks, which are included in the Senior Debt Indenture only, and the provisions relating to subordination, which are included in the Subordinated Debt Indenture only. Neither indenture limits our ability to incur additional indebtedness.

We may issue debt securities from time to time in one or more series. The debt securities may be denominated and payable in U.S. dollars or foreign currencies. We may also issue debt securities, from time to time, with the principal amount or interest payable on any relevant payment date to be determined by reference to one or more currency exchange rates, securities or baskets of securities, commodity prices or indices. Holders of these types of debt securities will receive payments of principal or interest that depend upon the value of the applicable currency, security or basket of securities, commodity or index on or shortly before the relevant payment dates. As a result, you

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may receive a payment of principal on any principal payment date, or a payment of interest on any interest payment date, that is greater than or less than the amount of principal or interest otherwise payable on such dates, depending upon the value on such dates of the applicable currency, security or basket of securities, commodity or index. Information as to the methods for determining the amount of principal or interest payable on any date, the currencies, securities or baskets of securities, commodities or indices to which the amount payable on such date is linked and any additional material United States federal income tax considerations will be set forth in the applicable prospectus supplement.

Debt securities may bear interest at a fixed rate, which may be zero, or a floating rate. Debt securities bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate may be sold at a discount below their stated principal amount.

We may, without the consent of the existing holders of any series of debt securities, issue additional debt securities having the same terms so that the existing debt securities and the new debt securities form a single series under the indenture.

Terms Specified in Prospectus Supplement

The prospectus supplement will contain, where applicable, the following terms of and other information relating to any offered debt securities:

classification as senior or subordinated debt securities and the specific designation of such securities;

aggregate principal amount and purchase price;