



CreditRiskMonitor's assessment of Revlon, Inc.'s ("Revlon")
"high risk" status has been determined by a combination of factors:

Monthly Average FRISK® Score.....	Page 2
The FRISK® Score Components	3
Company Report Detail.....	4
FRISK® Deep Dive and Adjusted Market Cap Volatility	5
FRISK® Stress Index.....	6
Peer Analysis on Alternate Suppliers and Customers.....	7
Quarterly Performance Ratios.....	8
Quarterly Leverage Ratios.....	9
Quarterly Liquidity Ratios and Rates of Return.....	10
.....	
About This Report/Contact CreditRiskMonitor.....	11

MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's proprietary FRISK® score has Revlon, Inc. (NYSE: REV) at a **1**, the highest probability of bankruptcy in the next 12 months.

Business Name	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2018	2018
	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
Revlon, Inc.	4	3	3	3	3	2	1	1	2	2	2	2	1

The FRISK® score is 96% accurate* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

FRISK® Probability of bankruptcy within 12 months			
	FRISK®	From	To
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
Worst	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
	1	9.99%	50.00%

While the percentage risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A "Merton" type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z"-Score Model

Bond agency ratings from Moody's and Fitch

Crowdsourced CreditRiskMonitor Usage Data

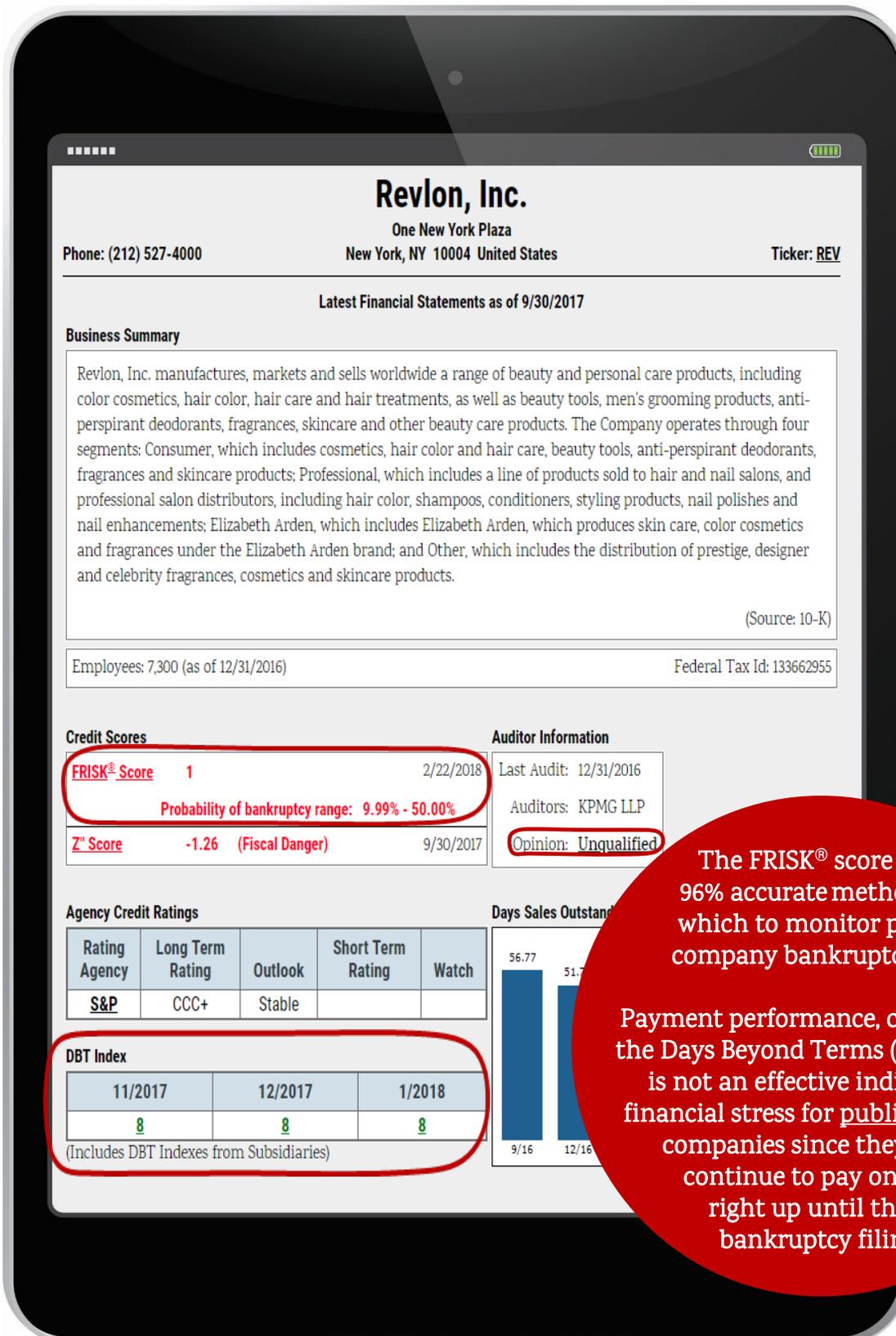
Crowdsourcing has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same "Fair Disclosure" restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company's management and sales representatives to be alerted to concerns in a public company's performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation's quarterly journal article, "Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals"](#)

COMPANY REPORT DETAIL



Revlon, Inc.

One New York Plaza

Phone: (212) 527-4000

New York, NY 10004 United States

Ticker: **REV**

Latest Financial Statements as of 9/30/2017

Business Summary

Revlon, Inc. manufactures, markets and sells worldwide a range of beauty and personal care products, including color cosmetics, hair color, hair care and hair treatments, as well as beauty tools, men's grooming products, anti-perspirant deodorants, fragrances, skincare and other beauty care products. The Company operates through four segments: Consumer, which includes cosmetics, hair color and hair care, beauty tools, anti-perspirant deodorants, fragrances and skincare products; Professional, which includes a line of products sold to hair and nail salons, and professional salon distributors, including hair color, shampoos, conditioners, styling products, nail polishes and nail enhancements; Elizabeth Arden, which includes Elizabeth Arden, which produces skin care, color cosmetics and fragrances under the Elizabeth Arden brand; and Other, which includes the distribution of prestige, designer and celebrity fragrances, cosmetics and skincare products.

(Source: 10-K)

Employees: 7,300 (as of 12/31/2016)

Federal Tax Id: 133662955

Credit Scores

FRISK® Score 1 2/22/2018

Probability of bankruptcy range: 9.99% - 50.00%

Z® Score -1.26 (Fiscal Danger) 9/30/2017

Auditor Information

Last Audit: 12/31/2016

Auditors: KPMG LLP

Opinion: Unqualified

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
S&P	CCC+	Stable		

Days Sales Outstanding



DBT Index

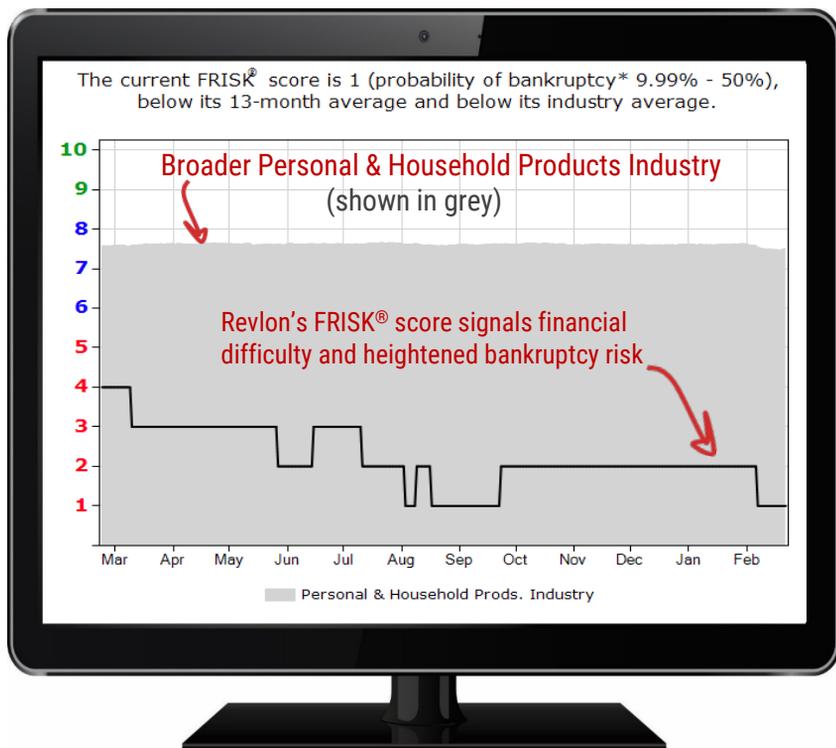
11/2017	12/2017	1/2018
8	8	8

(Includes DBT Indexes from Subsidiaries)

The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing.

FRISK® DEEP DIVE



The FRISK® score relative to the broader Personal & Household Products industry raises an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

FRISK® STRESS INDEX

#	Business Name	Country	FRISK Score
1	Revlon Consumer Products Corp.	United States	1
2	Revlon Inc.	United States	1
3	Avon Products, Inc.	United States	3
4	DS Healthcare Group Inc.	United States	3
5	Summer Infant, Inc.	United States	3
6	Cannabis Sativa Inc	United States	4

FRISK® Stress Index - SIC classification: Perfumes, cosmetics, and other toilet preparations located in the United States

Primary industry codes only Primary and secondary industry codes

Businesses From: All Businesses ▾ CLEAR

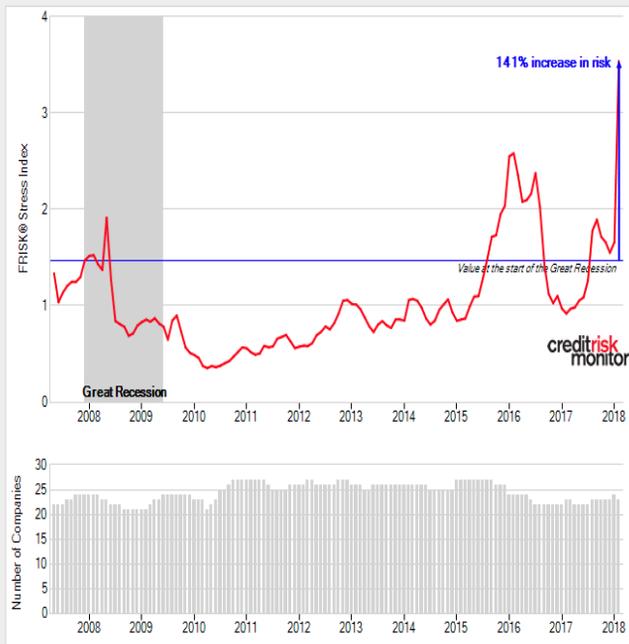
In Industry: SIC 2844: Perfumes, cosmetics, and other toilet preparations ▾

Country: United States ▾

UPDATE RESULTS

Scale: Auto ▾

Total Companies in all months 44



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 2844 (Perfumes, Cosmetics, and other Toilet Preparations) has increased 141% since 2007. Revlon, Inc. is among the weakest names in the industry as evidenced by its FRISK® score of 1.

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

Revlon demonstrates bottom quartile ranking in key financial ratios (shown in red) vs. its Personal & Household Products industry peers.

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers.

Peer Analysis						
2017.3						
Sector: Consumer/Non-Cyclical, Industry: Personal & Household Products						
REFRESH						
Non-Cyclical [Industry: Personal & Household Prods.] [Calendar Year/Quarter: 2017.3]						
Businesses in Peer Group: 1005	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
Credit Ratings						
ZScore	220	244	-1.26	-659.79	4.24	88.94
Performance ratios:						
Net Sales (Thousands of U.S. Dollars)	13	36	666,500	0	167,744	Company
Gross Margin % Of Sales	67	238	56.44	-66.67	39	Company
Gross Margin % Of Sales -- TTM	62	241	56.72	-16.43		1 Ocean Bio-Chem, Inc.
SG&A % Of Sales	192	232	54.40	1.54		2 Mao Bao INC
SG&A % Of Sales -- TTM	193	235	53.31	1.34		3 Fuburg Industrial Co., Ltd.
Operating Margin % Of Sales	206	242	-0.83	-3,233.33		4 Monalisa Co., Ltd.
Operating Margin % Of Sales TTM	202	245	-0.66	-13,866.67		5 HANKOOK COSMETICS, LTD
EBITDA Margin Of Sales	93	124	4.82	-987.28		6 Best World International Limited
EBITDA Margin Of Sales -- TTM	97	132	4.95	2,700.18		7 PALTAC Corp
Net Profit Margin % Of Sales	212	242	-4.86	-7,566.67		8 Innate-Palmolive (Pakistan) Ltd
Net Profit Margin % Of Sales - TTM	212	245	-5.27	-13,866.67		9 Company
Pre-tax Income % Of Sales	216	242	6.54	-7,566.67	7.59	10 Company
Effective Tax Rate	141	246	24.77	-176.50	22.14	11 75.21
Depreciation % Of Prop/Plant/Equipment	193	214	32.19	0.00	10.92	12 353.49
Capital Expense % Of Prop/Plant/Equipment	136	161	35.00	0.00	13.16	13 770.86
Interest Coverage	92	113	0.80	-9,078.22	8.45	14 5,784.05
Interest Coverage -- TTM	103	128	0.82	-8,858.34	7.77	15 823.86
Liquidity ratios:						
Cash Ratio	199	249	0.08	0.00	0.35	16 13
Quick Ratio	187	240	0.56	0.00	1	17 Company
Current Ratio	170	249	1.25	0.00		
Efficiency ratios:						
Accounts Receivable Turnover	133	243	6.28	0.00		18 1 Denizli Cam Sanayi ve Ticaret AS
Days Sales Outstanding	136	242	58.12	0.00		19 2 Eastern Merchants Plc
% of Inventory Financed by Vendors	108	216	62.01	1.41		20 3 Unilever Ghana Limited
% of Inventory Financed by Vendors -- TTM	113	221	64.18	2.50		21 4 PIGEON CORPORATION
Inventory Turnover	182	237	2.16	-7.93		22 5 Shanghai Jahwa United Co., Ltd.
Inventory Turnover TTM	179	237	2.37	0.00		23 6 Consorcio Industrial de Arequipa S.A.
Days Sales in Inventory	184	232	168.72	-5,544.32	99	24 7 Atlanta Devon Ltd
Inventory to Working Capital	179	237	2.30	-85.37	0.49	25 8 Pharm Co., Ltd.
Accounts Payable Turnover	172	231	3.37	-0.76	5.44	26 137.51
Accounts Payable Turnover -- TTM	168	235	3.67	0.00	5.12	27 25,247.00
Leverage & debt coverage						
Total Debt to Equity Ratio	N/A	205	N/A	0.00	0.28	28 29.75
Debt to Tangible Equity Ratio	N/A	141	N/A	0.00	0.27	29 189.08
Total Debt to Assets Ratio	219	228	0.92	0.00	0.19	30 12.03
Short-Term Debt % of Total Debt	17	224	9.18	0.09	65.06	31 100.00
Short-Term Debt % of Working Capital	149	226	111.22	-13,946.70	9.29	32 94,819.80
Liabilities to Net Worth Ratio	N/A	214	N/A	0.01	0.72	33 308.35
Total Liabilities to Equity Ratio	N/A	228	N/A	0.01	0.66	34 57.10
TTM EBITDA Over Total Debt	103	124	0.05	-268.29	0.41	35 99.43
Green - Ranked in Upper Quartile of Peer Group						
White - Ranked in the Middle Two Quartiles of Peer Group						
Red - Ranked in Lower Quartile of Peer Group						
Orange - Confidential						
Grey - Data is Not Available						

TTM = trailing 12 months
N/A = Not Available

QUARTERLY PERFORMANCE RATIOS

Net losses
in the last
five fiscal
quarters

Poor interest
coverage ratio
& recurring
negative free
cash flow

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2017	3 mos 6/30/2017	3 mos 3/31/2017	3 mos 12/31/2016	3 mos 9/30/2016
Net Sales \$	\$666,500	\$645,700	\$594,900	\$800,700	\$604,800
% change	3.22%	8.54%	-25.70%	32.39%	23.71%
Gross Margin \$	\$376,200	\$377,500	\$329,800	\$452,400	\$361,400
% change	-0.34%	14.46%	-27.10%	25.18%	13.86%
% of sales	56.44%	58.46%	55.44%	56.50%	59.76%
change as % of incremental sales	-6.25%	93.90%	n/m	46.45%	37.96%
SG&A \$	\$362,600	\$359,100	\$353,600	\$368,200	\$285,700
% change	0.97%	1.56%	-3.97%	28.88%	10.31%
% of sales	54.40%	55.61%	59.44%	45.98%	47.24%
change as % of incremental sales	16.83%	10.83%	n/m	42.11%	23.04%
Operating margin \$	(\$5,500)	\$4,700	(\$42,500)	\$25,400	\$24,800
% change	-217.02%	111.06%	-267.32%	2.42%	-52.67%
% of sales	-0.83%	0.73%	-7.14%	3.17%	4.10%
change as % of incremental sales	-49.04%	92.91%	n/m	0.31%	-23.81%
EBITDA \$	\$32,100	\$41,400	(\$6,800)	\$67,400	\$54,200
% change	-22.46%	708.82%	-110.09%	24.35%	-30.96%
% of sales	4.82%	6.41%	-1.14%	8.42%	8.96%
change as % of incremental sales	-44.71%	94.88%	n/m	6.74%	-20.97%
EBIT \$	(\$5,800)	\$4,700	(\$43,900)	\$25,200	\$25,400
% change	-223.40%	110.71%	-274.21%	-0.79%	-51.34%
% of sales	-0.87%	0.73%	-7.38%	3.15%	4.20%
change as % of incremental sales	-50.48%	95.67%	n/m	-0.10%	-23.12%
Pre-tax income \$	(\$43,600)	(\$25,200)	(\$76,600)	(\$24,400)	(\$4,900)
% change	-73.02%	67.10%	-213.93%	-397.96%	-122.90%
% of sales	-6.54%	-3.90%	-12.88%	-3.05%	-0.81%
change as % of incremental sales	-88.46%	101.18%	n/m	-9.95%	-22.69%
Net income (loss) \$	(\$32,400)	(\$36,500)	(\$37,400)	(\$36,500)	(\$4,700)
% change	11.23%	2.41%	-2.47%	-676.60%	-156.63%
% of sales	-4.86%	-5.65%	-6.29%	-4.56%	-0.78%
change as % of incremental sales	19.71%	1.77%	n/m	-16.23%	-11.22%
Tax expense \$	(\$10,800)	\$11,900	(\$38,900)	\$9,500	(\$400)
Effective tax rate	24.77%	-47.22%	50.78%	-38.93%	8.16%
Depreciation expense \$	\$27,500	\$26,400	\$25,200	\$32,900	\$22,600
% of sales	4.13%	4.09%	4.24%	4.11%	3.74%
% of capital expenses	91.97%	109.09%	163.64%	125.57%	155.86%
% of PP&E, net (annualized)	32.19%	32.14%	31.34%	41.61%	34.19%
Capital expenditures \$	\$29,900	\$24,200	\$15,400	\$26,200	\$14,500
% change	23.55%	57.14%	-41.22%	80.69%	29.46%
% of PP&E, net (annualized)	35.00%	29.46%	19.15%	33.14%	21.94%
% of working capital (annualized)	44.47%	30.27%	16.24%	24.01%	15.39%
Interest coverage ratio	0.80	1.09	(0.19)	1.36	1.79
% change	-26.34%	680.14%	-113.82%	-24.03%	-29.82%
Free cash flow \$	(\$164,900)	(\$77,800)	(\$101,000)	\$158,900	(\$28,200)
% change	-111.95%	22.97%	-163.56%	663.48%	-182.70%
Source:	10-Q 11/3/2017	10-Q 8/4/2017	10-Q 5/5/2017	10-K 3/3/2017	10-Q 11/4/2016

QUARTERLY LEVERAGE RATIOS

Negative stockholders' equity and tangible net worth in the last five fiscal quarters

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2017	6/30/2017	3/31/2017	12/31/2016	9/30/2016
Total debt \$	\$2,924,600	\$2,775,600	\$2,731,000	\$2,692,000	\$2,761,300
% change	5.37%	1.63%	1.45%	-2.51%	53.02%
Stockholders' equity \$	(\$701,900)	(\$672,400)	(\$642,000)	(\$614,800)	(\$559,600)
% change	-4.39%	-4.74%	-4.42%	-9.86%	0.37%
Tangible net worth \$	(\$2,005,900)	(\$1,982,700)	(\$1,955,700)	(\$1,940,900)	(\$1,901,900)
% change	-1.17%	-1.38%	-0.76%	-2.05%	-39.10%
Total assets \$	\$3,167,800	\$3,062,000	\$2,999,000	\$3,023,500	\$3,113,700
% change	3.46%	2.10%	-0.81%	-2.90%	62.61%
Total debt to assets ratio	0.92	0.91	0.91	0.89	0.89
% change	1.84%	-0.45%	2.27%	0.41%	-5.90%
Tangible assets \$	\$1,863,800	\$1,751,700	\$1,685,300	\$1,697,400	\$1,771,400
% change	6.40%	3.94%	-0.71%	-4.18%	59.70%
Short-term debt \$	\$268,600	\$117,300	\$70,400	\$28,900	\$95,200
% change	128.99%	66.62%	143.60%	-69.64%	355.50%
Short-term debt % of total debt	9.18%	4.23%	2.58%	1.07%	3.45%
% change	117.32%	63.94%	140.11%	-68.86%	197.68%
Short-term debt % of working capital	111.22%	39.57%	20.52%	6.96%	20.81%
% change	181.04%	92.87%	194.93%	-66.57%	194.97%
Total liabilities \$	\$3,869,700	\$3,734,400	\$3,641,000	\$3,638,300	\$3,673,300
% change	3.62%	2.57%	0.07%	-0.95%	48.33%
Total debt to EBITDA ratio (annualized)	22.78	16.76	n/a	9.99	12.74
% change		n/a	n/a	-21.60%	121.63%
Source:			10-Q 5/5/2017	10-K 3/3/2017	10-Q 11/4/2016

Recurring unfavorable annualized total debt to EBITDA ratio

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Year-over-year working capital drastically decreases

Meager cash and quick ratios

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2017	6/30/2017	3/31/2017	12/31/2016	9/30/2016
Current assets \$	\$1,199,900	\$1,113,100	\$1,060,900	\$1,124,100	\$1,205,300
% change	7.80%	4.92%	-5.62%	-6.74%	63.30%
% of short-term debt	446.72%	948.93%	1,506.96%	3,889.62%	1,266.07%
Current liabilities \$	\$958,400	\$816,700	\$717,800	\$708,700	\$747,900
% change	17.35%	13.78%	1.28%	-5.24%	69.25%
Working capital \$	\$241,500	\$296,400	\$343,100	\$415,400	\$457,400
% change	-18.52%	-13.61%	-17.40%	-9.18%	54.42%
% of sales (annualized)	9.06%	11.48%	14.42%	12.97%	18.91%
Cash \$	\$79,200	\$83,700	\$121,500	\$186,800	\$99,200
% change	-5.38%	-31.11%	-34.96%	88.31%	-46.61%
% of short-term debt	29.49%	71.36%	172.59%	646.37%	104.20%
Cash ratio	0.08	0.10	0.17	0.26	0.13
% change	-19.41%	-39.46%	-35.77%	98.79%	-68.47%
Quick assets \$	\$538,600	\$473,400	\$497,200	\$610,700	\$583,400
% change	13.77%	-4.79%	-18.59%	4.68%	28.45%
% of short-term debt	200.52%	403.58%	706.25%	2,113.15%	612.82%
Quick ratio	0.56	0.58	0.69	0.86	0.78
% change	-3.04%	-16.33%	-19.61%	10.46%	-24.10%
Current ratio	1.25	1.36	1.48	1.59	1.61
% change	-8.14%	-7.79%	-6.82%	-1.58%	-3.51%
Source:	10-Q 11/3/2017	10-Q 8/4/2017	10-Q 5/5/2017	10-K 3/3/2017	10-Q 11/4/2016

Unable to generate any positive returns

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2017	3 mos 6/30/2017	3 mos 3/31/2017	3 mos 12/31/2016	3 mos 9/30/2016
Return on total assets	-1.04%	-1.20%	-1.24%	-1.19%	-0.19%
% change	13.63%	3.03%	-4.41%	-536.44%	-142.81%
Return on tangible assets	-1.79%	-2.12%	-2.21%	-2.10%	-0.33%
% change	15.61%	3.95%	-5.07%	-544.96%	-143.45%
Source:	10-Q 11/3/2017	10-Q 8/4/2017	10-Q 5/5/2017	10-K 3/3/2017	10-Q 11/4/2016

ABOUT THIS REPORT/CONTACT CREDITRISKMONITOR



CreditRiskMonitor is a financial risk analysis and news service that helps credit, supply chain and financial professionals stay ahead of and manage risk quickly, accurately and cost effectively. More than 35% of the Fortune 1000, plus over a thousand other large corporations worldwide, rely on our financial risk coverage of over 58,000 global public companies.

CreditRiskMonitor's High Risk Reports feature companies that are exhibiting a significantly high level of financial distress, as indicated by our proprietary FRISK[®] score. The ultimate goal of the High Risk Report series is two-part: provide an early warning for those doing business with an increasingly distressed company and inform of the many signals that should be examined when assessing financial risks.

[Request a Personalized Demo and Risk Assessment](#)

[Read more High Risk Reports, Bankruptcy Case Studies and other resources](#)

Contact us at:

845.230.3000

creditriskmonitor.com/contact-us