



REVLON REPORTS THIRD QUARTER 2019 RESULTS

NEW YORK, November 8, 2019 - Revlon, Inc. (NYSE: REV) today announced its results for the quarter ended September 30, 2019.

Quarter ended September 30, 2019 summary developments:¹

- As Reported net sales were \$596.8 million in the third quarter of 2019, compared to \$655.4 million during the prior-year period, a decline of 8.9%. On a constant currency basis, net sales decreased 7.1% driven primarily by net sales declines in the Portfolio and Revlon segments, partially offset by net sales growth in the Elizabeth Arden segment. Revlon segment net sales declines were primarily driven by retailers reducing inventory and overall category declines.
- As Reported operating income improved to \$16.7 million in the third quarter of 2019, compared to \$2.3 million during the prior-year period. The higher operating income was driven primarily by cost reductions related to the Company's cost optimization initiatives and improved gross profit margin.
- As Reported net loss increased to \$44.7 million in the third quarter of 2019 versus a \$11.1 million net loss in the prior-year period. The higher net loss was driven primarily by a \$36.6 million decrease in the benefit from income taxes due in part to a one-time, non-cash true-up associated with U.S. 2017 Tax Act in the prior-year period and higher interest expense, partially offset by the higher operating income described above.
- Adjusted EBITDA^(a) in the third quarter of 2019 was \$68.4 million which included the impact of \$3.7 million of tariffs and \$2.0 million of negative foreign exchange. Excluding these items, Adjusted EBITDA would have increased \$1.7 million or approximately 2% versus the prior-year period's Adjusted EBITDA of \$72.4 million.

"While we were disappointed with the negative results in the North America business, we remain pleased with the momentum and strong growth we are achieving in Elizabeth Arden and the expansion of our businesses in China, travel retail and e-commerce. The Revlon brand continued to be impacted by overall category declines as well as customer inventory reductions and the planned management of trade inventory levels. Despite top-line softness, we saw growth in profitability across three of our four segments, as well as improved cash flow usage resulting from our cost optimization program which remains on track to deliver the previously-announced cost reductions," said Debra Perelman, President and CEO of Revlon.

¹ The results discussed include the following measures: U.S. GAAP ("As Reported"); and non-GAAP ("Adjusted"), which excludes certain Non-Operating Items and EBITDA Exclusions (as defined in Footnote (a)) from As Reported results. See footnote (a) for further discussion of the Company's Adjusted measures. Reconciliations of As Reported results to Adjusted results are provided as an attachment to this release. In addition, where indicated, the Company analyzes and presents its results excluding the impact of foreign currency translation ("XFX"). Unless otherwise noted, the discussion is presented on an As Reported basis.

Third Quarter 2019 Results

Total Company Results

In calculating Adjusted results, adjustments were made for the Non-Operating Items, and the EBITDA Exclusions in the case of Adjusted EBITDA, in each case as described in footnote (a).

	Three Months Ended September 30,					
	2019		2018		As Reported	Adjusted (*)
	As Reported	Adjusted (*)	As Reported	Adjusted (*)	% Change	% Change
Net Sales	\$ 596.8	\$ 596.8	\$ 655.4	\$ 659.7	(8.9)%	(9.5)%
Gross Profit	327.8	329.0	350.4	367.0	(6.4)%	(10.4)%
Gross Margin	54.9%	55.1%	53.5%	55.6%	140bps	-50bps
Operating Income	\$ 16.7	\$ 25.6	\$ 2.3	\$ 26.0	N.M.	(1.5)%
Net (Loss) Income	(44.7)	(37.5)	(11.1)	7.3	N.M.	N.M.
Adjusted EBITDA		68.4		72.4		(5.5)%
Diluted Loss per Common Share	\$ (0.84)	\$ (0.71)	\$ (0.21)	\$ 0.14	N.M.	N.M.

(*) Refer to footnote (a) to this Earnings Release for a discussion and reconciliation of our non-GAAP measures, including Adjusted Net Sales, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Adjusted EBITDA, Adjusted Net Income (Loss) and Adjusted Diluted Loss per Common Share.

Segment Results

The Company operates in four reporting segments: Revlon; Elizabeth Arden; Portfolio; and Fragrances:

Revlon - The Revlon segment is comprised of the Company's flagship Revlon brands. Revlon segment products are primarily marketed, distributed and sold in the mass retail channel, large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department stores, professional hair and nail salons, one-stop shopping beauty retailers and specialty cosmetic stores in the U.S. and internationally under brands such as **Revlon** in color cosmetics; **Revlon ColorSilk** and **Revlon Professional** in hair color; and **Revlon** in beauty tools.

Elizabeth Arden - The Elizabeth Arden segment is comprised of the Company's Elizabeth Arden branded products. The Elizabeth Arden segment markets, distributes and sells fragrances, skin care and color cosmetics primarily to prestige retailers, department and specialty stores, perfumeries, boutiques, e-commerce sites, the mass retail channel, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and elizabetharden.com e-commerce websites, in the U.S. and internationally, under brands such as **Elizabeth Arden Ceramide**, **Prevage**, **Eight Hour**, **SUPERSTART**, **Visible Difference** and **Skin Illuminating** in the Elizabeth Arden skin care brands; and **Elizabeth Arden White Tea**, **Elizabeth Arden Red Door**, **Elizabeth Arden 5th Avenue** and **Elizabeth Arden Green Tea** in Elizabeth Arden fragrances.

Portfolio - The Company's Portfolio segment markets, distributes and sells a comprehensive line of premium, specialty and mass products primarily to the mass retail channel, hair and nail salons and professional salon distributors in the U.S. and internationally and large volume retailers, specialty and

department stores under brands such as **Almay** and **SinfulColors** in color cosmetics; **American Crew** in men's grooming products (which are also sold direct-to-consumer on its americancrew.com website); **CND** in nail polishes, gel nail color and nail enhancements; **Mitchum** in anti-perspirant deodorants; **Cutex** nail care products; and **Pure Ice** in nail polishes. The Portfolio segment also includes a multi-cultural hair care line consisting of **Creme of Nature** hair care products, which are sold in both professional salons and in large volume retailers and other retailers, primarily in the U.S.; and a body care line under the **Natural Honey** brand and a hair color line under the **Llongueras** brand (licensed from a third party) that are both sold in the mass retail channel, large volume retailers and other retailers, primarily in Spain.

Fragrances - The Fragrances segment includes the development, marketing and distribution of certain owned and licensed fragrances, as well as the distribution of prestige fragrance brands owned by third parties. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers, specialty stores, e-commerce sites, the mass retail channel, travel retailers and other international retailers. The owned and licensed fragrances include brands such as **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **Britney Spears**, **Elizabeth Taylor**, **Curve**, **John Varvatos**, **Christina Aguilera**, **Giorgio Beverly Hills**, **Ed Hardy**, **Charlie**, **Lucky Brand**, **Paul Sebastian**, **Alfred Sung**, **Jennifer Aniston**, **Mariah Carey**, **Halston**, **Geoffrey Beene**, **La Perla**, **White Shoulders**, **AllSaints** and **Wildfox**.

(USD millions)	Three Months Ended September 30,			
	Net Sales			
	As Reported		As Reported	
	2019	2018	% Change	AFX % Change
Revlon	\$ 217.3	\$ 249.5	(12.9)%	(11.1)%
Elizabeth Arden	123.2	122.1	0.9 %	3.4 %
Portfolio	118.2	138.4	(14.6)%	(12.4)%
Fragrances	138.1	145.4	(5.0)%	(3.9)%
Total	\$ 596.8	\$ 655.4	(8.9)%	(7.1)%

	Three Months Ended September 30,			
	Segment Profit			
	As Reported		As Reported	
	2019	2018	% Change	AFX % Change
Revlon	\$ 7.3	\$ 36.8	(80.2)%	(78.8)%
Elizabeth Arden	12.5	6.6	89.4 %	98.5 %
Portfolio	14.4	2.1	N.M.	N.M.
Fragrances	34.2	26.9	27.1 %	28.6 %
Total	\$ 68.4	\$ 72.4	(5.5)%	(2.8)%

Revlon Segment

Revlon segment net sales in the third quarter of 2019 were \$217.3 million, a 12.9% (or 11.1% XFX) decrease compared to the prior-year period, driven primarily by lower net sales of Revlon color cosmetics due to retailer inventory management and overall category declines, combined with increased promotionality, primarily in North America.

Revlon segment profit in the third quarter of 2019 was \$7.3 million, compared to \$36.8 million in the prior-year period, driven primarily by the segment's lower net sales, lower gross profit margin and higher brand support.

Elizabeth Arden Segment

Elizabeth Arden segment net sales in the third quarter of 2019 were \$123.2 million, a 0.9% (or 3.4% XFX) increase compared to the prior-year period, driven by higher net sales of Elizabeth Arden skin care products, including Ceramide and Prevage, primarily internationally.

Elizabeth Arden segment profit in the third quarter of 2019 was \$12.5 million, compared to \$6.6 million in the prior-year period, primarily due to the segment's higher net sales and improved gross profit margin.

Portfolio Segment

Portfolio segment net sales of \$118.2 million in the third quarter of 2019 decreased by 14.6% (or 12.4% XFX) compared to the prior-year period, driven primarily by the segment's lower net sales of Almay color cosmetics due to category declines and increased promotionality, CND nail products as a result of cycling against Shellac Luxe's launch during the prior-year period and Pure Ice nail polishes following the termination of its primary source of distribution.

Portfolio segment profit in the third quarter of 2019 was \$14.4 million, compared to \$2.1 million in the prior-year period, primarily as a result of lower brand support and distribution expenses, partially offset by the segment's lower net sales.

Fragrances Segment

Fragrances segment net sales of \$138.1 million in the third quarter of 2019 decreased by 5.0% (or 3.9% XFX) compared to the prior-year period, driven primarily by the segment's lower net sales of Juicy Couture and Britney Spears branded fragrances due to timing of innovation, partially offset by higher net sales of Curve branded fragrances.

Fragrances segment profit in the third quarter of 2019 was \$34.2 million, compared to \$26.9 million in the prior-year period, primarily as a result of improved gross profit margin and lower overhead expenses, brand support and distribution costs, partially offset by the segment's lower net sales.

Geographic Net Sales

Overall, As Reported total net sales decreased by 8.9%, as detailed below by segment for the Company's North America and International Regions.

(USD millions)	Three Months Ended September 30,			
	2019 As Reported	2018 As Reported	As Reported % Change	As Reported XFX % Change
Net Sales:				
Revlon				
North America	\$ 100.0	\$ 123.1	(18.8)%	(18.8)%
International	117.3	126.4	(7.2)%	(3.7)%
Elizabeth Arden				
North America	\$ 29.5	\$ 40.3	(26.8)%	(26.6)%
International	93.7	81.8	14.5 %	18.1 %
Portfolio				
North America	\$ 71.4	\$ 88.1	(19.0)%	(19.0)%
International	46.8	50.3	(7.0)%	(1.0)%
Fragrances				
North America	\$ 98.6	\$ 99.3	(0.7)%	(0.6)%
International	39.5	46.1	(14.3)%	(10.8)%
Total Net Sales	\$ 596.8	\$ 655.4	(8.9)%	(7.1)%
<i>Total Net Sales Summary</i>				
North America	\$ 299.5	\$ 350.8	(14.6)%	(14.6)%
International	297.3	304.6	(2.4)%	1.5 %

Revlon Segment

In North America, Revlon segment net sales of \$100.0 million in the third quarter of 2019 decreased by 18.8% compared to the prior-year period, driven primarily by lower net sales of Revlon color cosmetics due to customer inventory management, overall category declines and higher levels of promotionality, as well as lower net sales of Revlon-branded beauty tools within the U.S. mass retail channel.

In International, Revlon segment net sales of \$117.3 million in the third quarter of 2019 decreased by 7.2% (or 3.7% XFX) compared to the prior-year period, driven primarily by the segment's lower net sales of Revlon ColorSilk hair color due to planned efforts to manage trade inventory levels, and Revlon color cosmetics resulting from customer inventory management, partially offset by growth in Asia fueled by the e-commerce launch of Revlon color cosmetics in China.

Elizabeth Arden Segment

In North America, Elizabeth Arden segment net sales were \$29.5 million in the third quarter of 2019, a decrease of 26.8% (or 26.6% XFX) compared to the prior-year period, driven in large part by decreased net sales of Elizabeth

Arden color cosmetics due to the Company's planned SKU rationalization efforts as it prioritizes more productive SKUs to increase profitability, as well as certain retail store closures, partially offset by higher net sales of Ceramide skin care products.

In International, Elizabeth Arden segment net sales of \$93.7 million in the third quarter of 2019 increased by 14.5% (or 18.1% XFX) compared to the prior-year period, driven primarily by higher net sales of skin care products within the Company's Travel Retail business and in Asia particularly in China.

Portfolio Segment

In North America, Portfolio segment net sales of \$71.4 million in the third quarter of 2019 decreased by 19.0% compared to the prior-year period, driven primarily by lower net sales of Almay color cosmetics, Pure Ice nail polishes following the termination of its primary source of distribution and Mitchum anti-perspirant deodorants.

In International, Portfolio segment net sales of \$46.8 million in the third quarter of 2019 decreased by 7.0% (or 1.0% XFX) compared to the prior-year period, driven primarily by lower net sales of CND nail products, partially offset by higher net sales of Mitchum anti-perspirant deodorants.

Fragrances Segment

In North America, Fragrances segment net sales of \$98.6 million in the third quarter of 2019 decreased by 0.7% (or 0.6% XFX) compared to the prior-year period, driven primarily by lower net sales of Juicy Couture and Britney Spears branded fragrances, partially offset by higher overall net sales within our mass channel, including Curve and Elizabeth Taylor brands.

In International, Fragrances segment net sales of \$39.5 million in the third quarter of 2019 decreased by 14.3% (or 10.8% XFX) compared to the prior-year period, driven primarily by the segment's lower net sales of Juicy Couture and Britney Spears branded fragrances due to timing of innovation.

Cash Flow

Net cash used in operating activities in the first nine months of 2019 was \$166.8 million, compared to \$296.7 million in the prior-year period, driven by the lower net loss and favorable working capital changes, as well as one-time costs incurred in 2018 related to the remediation of the Company's ERP implementation. Free cash flow^(a) used in the first nine months of 2019 was \$186.8 million, compared to \$338.3 million used in the prior-year period, driven by lower operating cash flow usage and lower capital expenditures.

Liquidity Update

As of September 30, 2019, the Company had approximately \$166.8 million of available liquidity, consisting of \$60.7 million of unrestricted cash and cash equivalents, as well as \$81.2 million in available borrowing capacity under the Amended 2016 Revolving Credit Facility (which had \$348.4 million drawn as of such date) and \$30.0 million in available borrowing capacity under the 2019 Senior Line of Credit (which was undrawn as of such date), less float of \$5.1 million.

2018 Optimization Program

The Company remains on track to deliver the previously-announced annualized cost reductions of between \$125 million and \$150 million as a result of the Company's 2018 Optimization Program, and now expects to realize between \$90 million and \$95 million of in-year cost reductions during 2019, of which approximately \$65 million had been realized as of September 30, 2019. Approximately 50% of the annualized cost reductions are expected to be realized within cost of sales and the remainder in selling, general and administrative expenses.

Third Quarter 2019 Results Conference Call

The Company will host a conference call with members of the investment community today, November 8, 2019, at 8:30 A.M. EST to discuss its third quarter 2019 financial results. Access to the call is available to the public at www.revloninc.com.

Investor Relations:

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Footnotes to Press Release

^(a) **Non-GAAP Financial Measures:** EBITDA; Adjusted EBITDA; Adjusted net sales; Adjusted operating loss/income; Adjusted net income/loss; Adjusted gross profit; Adjusted gross profit margin; Adjusted diluted loss per common share and free cash flow (together, the “Non-GAAP Measures”) are non-GAAP financial measures. See the reconciliations of such Non-GAAP Measures to their most directly comparable GAAP measures in the accompanying financial tables, to the extent not otherwise directly reconciled in the Company’s financial results.

The Company defines EBITDA as income from continuing operations before interest, taxes, depreciation, amortization, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt and miscellaneous expenses (the foregoing being the “EBITDA Exclusions”). The Company presents Adjusted EBITDA to exclude the EBITDA Exclusions, as well as the impact of non-cash stock-based compensation expense and certain other non-operating items that are not directly attributable to the Company's underlying operating performance (the “Non-Operating Items”). The following table identifies the Non-Operating Items excluded in the presentation of Adjusted EBITDA for all periods:

(USD millions)

Income Adjustments to EBITDA	Q3 2019	Q3 2018
Non-Operating Items:		
Non-cash stock-based compensation expense	\$ 3.9	\$ 6.3
Restructuring and related charges	5.4	3.8
Acquisition and integration costs	0.1	3.4
Financial control remediation actions and related charges	3.4	—
Oxford ERP system disruption-related charges	—	16.5

Adjusted net loss and adjusted diluted loss per common share exclude the after-tax impact of the Non-Operating Items from As Reported net loss.

The Company excludes the EBITDA Exclusions and Non-Operating Items, as applicable, in calculating the Non-GAAP Measures because the Company's management believes that some of these items may not occur in certain periods, the amounts

recognized can vary significantly from period to period and/or these items do not facilitate an understanding of the Company's underlying operating performance.

Free cash flow is defined as net cash provided by/used in operating activities, less capital expenditures for property, plant and equipment. Free cash flow excludes proceeds on sale of discontinued operations. Free cash flow does not represent the residual cash flow available for discretionary expenditures, as it excludes certain expenditures such as mandatory debt service requirements, which for the Company are significant.

The Company's management uses the Non-GAAP Measures as operating performance measures, and in the case of free cash flow, as a liquidity measure (in conjunction with GAAP financial measures), as an integral part of its reporting and planning processes and to, among other things: (i) monitor and evaluate the performance of the Company's business operations, financial performance and overall liquidity; (ii) facilitate management's internal comparisons of the Company's historical operating performance of its business operations; (iii) facilitate management's external comparisons of the results of its overall business to the historical operating performance of other companies that may have different capital structures and debt levels; (iv) review and assess the operating performance of the Company's management team and, together with other operational objectives, as a measure in evaluating employee compensation, including bonuses and other incentive compensation; (v) analyze and evaluate financial and strategic planning decisions regarding future operating investments; and (vi) plan for and prepare future annual operating budgets and determine appropriate levels of operating investments.

Management believes that the Non-GAAP Measures are useful to investors to provide them with disclosures of the Company's operating results on the same basis as that used by management. Management believes that the Non-GAAP Measures provide useful information to investors about the performance of the Company's overall business because such measures eliminate the effects of certain charges that are not directly attributable to the Company's underlying operating performance. Additionally, management believes that providing the Non-GAAP Measures enhances the comparability for investors in assessing the Company's financial reporting. Management believes that free cash flow is useful for investors because it provides them with an important perspective on the cash available for debt service and other strategic measures, after making necessary capital investments in property and equipment to support the Company's ongoing business operations, and provides them with the same measures that management uses as the basis for making resource allocation decisions.

Accordingly, the Company believes that the presentation of the Non-GAAP Measures, when used in conjunction with GAAP financial measures, are useful financial analytical measures that are used by management, as described above, and therefore can assist investors in assessing the Company's financial condition, operating performance and underlying strength. The Non-GAAP Measures should not be considered in isolation or as a substitute for their respective most directly comparable As Reported financial measures prepared in accordance with GAAP, such as net income/loss, operating income/loss, diluted earnings/loss per share or net cash provided by (used in) operating activities. Other companies may define such non-GAAP measures differently. Also, while EBITDA and Adjusted EBITDA, as used in this release, are defined differently than Adjusted EBITDA for the Company's credit agreements and indentures, certain financial covenants in its borrowing arrangements are tied to similar financial measures. These non-GAAP financial measures should be read in conjunction with the Company's financial statements and related footnotes filed with the SEC.

^(b) Segment profit is defined as income from continuing operations for each of the Company's Revlon, Elizabeth Arden, Portfolio and Fragrances segments, excluding the EBITDA Exclusions. Segment profit also excludes the impact of certain items that are not directly attributable to the segments' underlying operating performance, including the impact of the Non-Operating Items noted above in footnote (a). The Company does not have any material inter-segment sales.

FORWARD-LOOKING STATEMENTS

Statements made in this press release, which are not historical facts, are forward-looking and are provided pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements speak only as of the date they are made and the Company undertakes no obligation to publicly update any forward-looking statement, whether to reflect actual results of operations; changes in financial condition; changes in general U.S. or international economic or industry conditions and/or conditions in the Company's reportable segments; changes in estimates, expectations or assumptions; or

other circumstances, conditions, developments and/or events arising after the issuance of this press release, except for the Company's ongoing obligations under the U.S. federal securities laws. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on preliminary or potentially inaccurate estimates and assumptions that could cause actual results to differ materially from those expected or implied by the estimated financial information. Such forward-looking statements include, among other things, (i) the Company being pleased with the momentum and strong growth that it is achieving in Elizabeth Arden and the expansion of its businesses in China, travel retail and e-commerce; (ii) the Company's belief that it remains on track to deliver the previously-announced annualized cost reductions of between \$125 million and \$150 million as part of the Company's 2018 Optimization Program, and its expectation to realize between \$90 million and \$95 million of in-year cost reductions during 2019 and that approximately 50% of the annualized cost reductions are expected to be realized within cost of sales and the remainder in selling, general and administrative expenses; and (iii) with respect to Elizabeth Arden color cosmetics, the Company's plan that its SKU rationalization efforts as it prioritizes more productive SKUs will increase profitability. Actual results may differ materially from the Company's forward-looking statements for a number of reasons, including as a result of the risks and other items described in Revlon's filings with the SEC, including, without limitation, in Revlon's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and amendments thereto, if any, filed with the SEC during 2018 and 2019 (which may be viewed on the SEC's website at <http://www.sec.gov> or on Revlon, Inc.'s website at <http://www.revloninc.com>). Additional important factors that could cause actual results to differ materially from those indicated by the Company's forward-looking statements include: (i) less than expected results from Elizabeth Arden and/or the expansion of its businesses in China, travel retail and e-commerce and/or unanticipated circumstances or results that may adversely affect the Company's financial performance and growth, such as due to greater than expected adverse effects of the ongoing changes in the U.S.'s trade policies with China; less than effective new product innovation and development and/or greater than expected investments or unanticipated costs to achieve such initiatives; greater than anticipated declines in the brick-and-mortar retail channel or those conditions occurring at a rate faster than anticipated; the Company's inability to address the pace and impact of the new commercial landscape, such as its inability to further enhance its e-commerce and social media capabilities and/or increase its penetration of e-commerce and social media channels; difficulties, delays and/or the Company's inability to (in whole or in part) develop and implement effective content to enhance its online retail position, improve its consumer engagement across social media platforms and/or transform its technology and data to support efficient management of its digital infrastructure; the Company incurring greater than anticipated levels of expenses and/or debt to facilitate the foregoing objectives, which could result in, among other things, less than anticipated revenues and/or profitability; decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise, and/or supply disruptions at the Company's manufacturing facilities; changes in consumer preferences, such as reduced consumer demand for the Company's color cosmetics and other current products, including new product launches; changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels, such as due to the continuing consumption declines in core beauty categories in the mass retail channel in North America; lower than expected customer acceptance or consumer acceptance of, or less than anticipated results from, the Company's existing or new products; higher than expected retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; lower than expected results from the Company's advertising, promotional, pricing and/or marketing plans; higher than expected sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise or decreased sales of the Company's existing or new products; actions by the Company's customers, such as greater than expected inventory management and/or de-stocking, and greater than anticipated space reconfigurations or reductions in display space and/or product discontinuances or a greater than expected impact from pricing, marketing, advertising and/or promotional strategies by the Company's customers; and/or decreased sales of the Company's products as a result of changes in the competitive environment and increased competitive activities by the Company's competitors, including, among other things, business combinations, technological breakthroughs, implementation of new pricing strategies, new product offerings, increased advertising, promotional and marketing spending and advertising, promotional and/or marketing successes by competitors; (ii) difficulties with, delays in or the Company's inability to successfully complete the actions underlying the 2018 Optimization Program, in whole or in part, which could result in less than expected operating and financial benefits from such actions, such as difficulties with, delays in or the Company's inability to generate reductions in its cost base and/or overhead costs, higher than anticipated restructuring charges and/or payments and/or changes in the expected timing of such charges and/or payments, delays in completing the actions underlying the 2018 Optimization Program, which could reduce and/or defer the benefits expected to be realized from such activities, less than anticipated annualized cost reductions from the 2018 Optimization Program and/or changes in the timing of realizing such cost reductions, such as due to less than anticipated resources to fund such activities and/or more than expected costs to achieve the expected cost reductions; and/or (iii) less than anticipated benefits, such as a less than anticipated increase in profitability, resulting from the Company's SKU rationalization efforts as it prioritizes more productive SKUs within Elizabeth Arden color cosmetics. Factors other than those referred to above could also cause Revlon's results to differ materially from expected results. Additionally, the business and financial materials and any other statement or disclosure on, or made available through, Revlon's website or other websites referenced herein shall not be incorporated by reference into this press release.

REVLON, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(dollars in millions, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	(Unaudited)		(Unaudited)	
Net sales	\$ 596.8	\$ 655.4	\$ 1,720.2	\$ 1,822.9
Cost of sales	269.0	305.0	750.7	807.2
Gross profit	327.8	350.4	969.5	1,015.7
Selling, general and administrative expenses	308.1	340.8	973.2	1,087.1
Acquisition and integration costs	0.1	3.4	0.7	12
Restructuring charges and other, net	2.9	3.9	11.6	13.9
Loss on disposal of minority investment	—	—	—	20.1
Operating income (loss)	16.7	2.3	(16.0)	(117.4)
Other expenses:				
Interest expense	50.2	46.4	145.7	129.1
Amortization of debt issuance costs	3.7	3.8	10.4	9.1
Foreign currency losses, net	7.6	1.1	9.0	10.7
Miscellaneous, net	1.7	0.4	7.6	0.6
Other expenses	63.2	51.7	172.7	149.5
Loss from continuing operations before income taxes	(46.5)	(49.4)	(188.7)	(266.9)
Benefit from income taxes	(2.1)	(38.7)	(3.2)	(43.1)
Loss from continuing operations, net of taxes	(44.4)	(10.7)	(185.5)	(223.8)
(Loss) income from discontinued operations, net of taxes	(0.3)	(0.4)	2.0	(0.1)
Net loss	\$ (44.7)	\$ (11.1)	\$ (183.5)	\$ (223.9)
Other comprehensive income (loss):				
Foreign currency translation adjustments	(1.8)	(4.9)	(0.5)	(12.3)
Amortization of pension related costs, net of tax	2.3	2.3	7.2	6.5
Reclassification into earnings of accumulated losses from the de-designated 2013 Interest Rate Swap, net of tax	—	—	—	0.7
Other comprehensive income (loss), net	0.5	(2.6)	6.7	(5.1)
Total comprehensive loss	\$ (44.2)	\$ (13.7)	\$ (176.8)	\$ (229.0)
Basic (loss) earnings per common share:				
Continuing operations	\$ (0.84)	\$ (0.20)	\$ (3.50)	\$ (4.24)
Discontinued operations	—	(0.01)	0.04	—
Net loss	\$ (0.84)	\$ (0.21)	\$ (3.46)	\$ (4.24)
Diluted (loss) earnings per common share:				
Continuing operations	\$ (0.84)	\$ (0.20)	\$ (3.50)	\$ (4.24)
Discontinued operations	—	(0.01)	0.04	—
Net loss	\$ (0.84)	\$ (0.21)	\$ (3.46)	\$ (4.24)
Weighted average number of common shares outstanding:				
Basic	53,129,004	52,834,879	53,057,154	52,777,883
Diluted	53,129,004	52,834,879	53,057,154	52,777,883

REVLON, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(dollars in millions)

	September 30,	December 31,
	2019	2018
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 60.7	\$ 87.3
Trade receivables, net	454.9	431.3
Inventories	522.0	523.2
Prepaid expenses and other current assets	155.9	152.0
Total current assets	1,193.5	1,193.8
Property, plant and equipment, net	413.7	354.5
Deferred income taxes	159.3	131.8
Goodwill	673.4	673.9
Intangible assets, net	496.7	532.0
Other assets	122.9	130.8
Total assets	\$ 3,059.5	\$ 3,016.8
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Short-term borrowings	\$ 5.1	\$ 9.3
Current portion of long-term debt	363.5	348.1
Accounts payable	322.3	332.1
Accrued expenses and other current liabilities	368.3	430.9
Total current liabilities	1,059.2	1,120.4
Long-term debt	2,906.6	2,727.7
Long-term pension and other post-retirement plan liabilities	162.0	169.0
Other long-term liabilities	159.2	56.5
Total stockholders' deficiency	(1,227.5)	(1,056.8)
Total liabilities and stockholders' deficiency	\$ 3,059.5	\$ 3,016.8

REVLON, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)

	Nine Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (183.5)	\$ (223.9)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	124.6	119.4
Foreign currency losses from re-measurement	9.0	10.7
Amortization of debt discount	1.2	0.9
Stock-based compensation amortization	7.7	14.8
Benefit from deferred income taxes	(19.0)	(61.5)
Amortization of debt issuance costs	10.4	9.1
Non-cash loss on disposal of minority investment	—	18.6
Loss on sale of certain assets	0.2	0.6
Pension and other post-retirement cost	6.3	2.0
Change in assets and liabilities:		
Increase in trade receivables	(30.5)	(7.0)
Increase in inventories	(4.9)	(100.3)
Increase in prepaid expenses and other current assets	(5.5)	(60.5)
Increase in accounts payable	9.1	39.3
Decrease in accrued expenses and other current liabilities	(81.0)	(1.6)
Pension and other post-retirement plan contributions	(7.8)	(6.1)
Purchases of permanent displays	(28.4)	(57.0)
Other, net	25.3	5.8
Net cash used in operating activities	(166.8)	(296.7)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(20.0)	(41.6)
Net cash used in investing activities	(20.0)	(41.6)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease) increase in short-term borrowings and overdraft	(22.4)	2.3
Net borrowings under the Amended 2016 Revolving Credit Facility	13.4	251.3
Net borrowings under the 2019 Term Loan Facility	200.0	—
Net borrowings under the 2018 Foreign Asset-Based Term Loan	—	89.4
Repayments under the 2016 Term Loan Facility	(13.5)	(13.5)
Payment of financing costs	(13.4)	(9.4)
Tax withholdings related to net share settlements of restricted stock units and awards	(1.6)	(3.6)
Other financing activities	(0.9)	0.1
Net cash provided by financing activities	161.6	316.6
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1.4)	(3.2)
Net decrease in cash, cash equivalents and restricted cash	(26.6)	(24.9)
Cash, cash equivalents and restricted cash at beginning of period	87.5	87.4
Cash, cash equivalents and restricted cash at end of period	\$ 60.9	\$ 62.5
<i>Supplemental schedule of cash flow information:</i>		
Cash paid during the period for:		
Interest	\$ 157.9	\$ 131.4
Income taxes, net of refunds	6.9	11.7

REVLON, INC. AND SUBSIDIARIES
EBITDA AND ADJUSTED EBITDA RECONCILIATION
(dollars in millions)

	Three Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Reconciliation to net loss:		
Net loss	\$ (44.7)	\$ (11.1)
Loss from discontinued operations, net of taxes	(0.3)	(0.4)
Loss from continuing operations, net of taxes	(44.4)	(10.7)
Interest expense	50.2	46.4
Amortization of debt issuance costs	3.7	3.8
Foreign currency losses, net	7.6	1.1
Benefit from income taxes	(2.1)	(38.7)
Depreciation and amortization	38.9	40.1
Miscellaneous, net	1.7	0.4
EBITDA	<u>\$ 55.6</u>	<u>\$ 42.4</u>
Non-operating items:		
Non-cash stock-based compensation expense	3.9	6.3
Restructuring and related charges	5.4	3.8
Acquisition and integration costs	0.1	3.4
Financial control remediation actions and related charges	3.4	—
Oxford ERP system disruption-related charges	—	16.5
Adjusted EBITDA	<u>\$ 68.4</u>	<u>\$ 72.4</u>

	Nine Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Reconciliation to net loss:		
Net loss	\$ (183.5)	\$ (223.9)
Income (loss) from discontinued operations, net of taxes	2.0	(0.1)
Loss from continuing operations, net of taxes	(185.5)	(223.8)
Interest expense	145.7	129.1
Amortization of debt issuance costs	10.4	9.1
Foreign currency losses, net	9.0	10.7
Benefit from income taxes	(3.2)	(43.1)
Depreciation and amortization	124.6	119.4
Miscellaneous, net	7.6	0.6
EBITDA	<u>\$ 108.6</u>	<u>\$ 2.0</u>
Non-operating items:		
Non-cash stock-based compensation expense	7.7	14.8
Restructuring and related charges	27.4	14.8
Acquisition and integration costs	0.7	12.0
Financial control remediation actions and related charges	9.8	—
Oxford ERP system disruption-related charges	—	49.6
Loss on disposal of minority investment	—	20.1
Adjusted EBITDA	<u>\$ 154.2</u>	<u>\$ 113.3</u>

REVLON, INC. AND SUBSIDIARIES
SEGMENT PROFIT, ADJUSTED EBITDA AND ADJUSTED OPERATING LOSS RECONCILIATION
(dollars in millions)

	Three Months Ended September 30,	
	2019	2018
	(Unaudited)	
Segment Net Sales:		
Revlon	\$ 217.3	\$ 249.5
Elizabeth Arden	123.2	122.1
Portfolio	118.2	138.4
Fragrances	138.1	145.4
Total Segment Net Sales	\$ 596.8	\$ 655.4
Segment Profit:		
Revlon	\$ 7.3	\$ 36.8
Elizabeth Arden	12.5	6.6
Portfolio	14.4	2.1
Fragrances	34.2	26.9
Total Segment Profit/Adjusted EBITDA	\$ 68.4	\$ 72.4
Reconciliation to loss from continuing operations before income taxes:		
Loss from continuing operations before income taxes	\$ (46.5)	\$ (49.4)
Interest expense	50.2	46.4
Amortization of debt issuance costs	3.7	3.8
Foreign currency losses, net	7.6	1.1
Miscellaneous, net	1.7	0.4
Operating loss	16.7	2.3
Non-operating items:		
Restructuring and related charges	5.4	3.8
Acquisition and integration costs	0.1	3.4
Financial control remediation actions and related charges	3.4	—
Oxford ERP system disruption-related charges	—	16.5
Adjusted Operating income (loss)	25.6	26.0
Non-cash stock-based compensation expense	3.9	6.3
Depreciation and amortization	38.9	40.1
Adjusted EBITDA	\$ 68.4	\$ 72.4

REVLON, INC. AND SUBSIDIARIES
SEGMENT PROFIT, ADJUSTED EBITDA AND ADJUSTED OPERATING LOSS RECONCILIATION
(dollars in millions)

	Nine Months Ended September 30,	
	2019	2018
	(Unaudited)	
Segment Net Sales:		
Revlon	\$ 716.1	\$ 736.9
Elizabeth Arden	352.0	333.9
Portfolio	354.1	420.5
Fragrances	298.0	331.6
Total Segment Net Sales	\$ 1,720.2	\$ 1,822.9
Segment Profit:		
Revlon	\$ 58.5	\$ 75.6
Elizabeth Arden	17.1	2.3
Portfolio	25.0	(5.8)
Fragrances	53.6	41.2
Total Segment Profit/Adjusted EBITDA	\$ 154.2	\$ 113.3
Reconciliation to loss from continuing operations before income taxes:		
Loss from continuing operations before income taxes	\$ (188.7)	\$ (266.9)
Interest expense	145.7	129.1
Amortization of debt issuance costs	10.4	9.1
Foreign currency losses, net	9.0	10.7
Miscellaneous, net	7.6	0.6
Operating loss	(16.0)	(117.4)
Non-operating items:		
Restructuring and related charges	27.4	14.8
Acquisition and integration costs	0.7	12.0
Financial control remediation actions and related charges	9.8	—
Oxford ERP system disruption-related charges	—	49.6
Loss on disposal of minority investment	—	20.1
Adjusted Operating loss	21.9	(20.9)
Non-cash stock-based compensation expense	7.7	14.8
Depreciation and amortization	124.6	119.4
Adjusted EBITDA	\$ 154.2	\$ 113.3

REVLON, INC. AND SUBSIDIARIES
ADJUSTED NET SALES RECONCILIATION
(dollars in millions)

	Three Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Net Sales	\$ 596.8	\$ 655.4
Non-operating items:		
Oxford ERP system disruption-related charges	—	4.3
Adjusted Net Sales	\$ 596.8	\$ 659.7

REVLON, INC. AND SUBSIDIARIES
ADJUSTED NET SALES RECONCILIATION
(dollars in millions)

	Nine Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Net Sales	\$ 1,720.2	\$ 1,822.9
Non-operating items:		
Oxford ERP system disruption-related charges	—	10.1
Adjusted Net Sales	\$ 1,720.2	\$ 1,833.0

REVLON, INC. AND SUBSIDIARIES
ADJUSTED GROSS PROFIT RECONCILIATION
(dollars in millions)

	Three Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Gross Profit	\$ 327.8	\$ 350.4
Non-operating items:		
Restructuring and related charges	1.2	0.1
Oxford ERP system disruption-related charges	—	16.5
Adjusted Gross Profit	\$ 329.0	\$ 367.0

	Nine Months Ended	
	September 30,	
	2019	2018
	(Unaudited)	
Gross Profit	\$ 969.5	\$ 1,015.7
Non-operating items:		
Restructuring and related charges	4.2	0.4
Oxford ERP system disruption-related charges	—	49.6
Adjusted Gross Profit	\$ 973.7	\$ 1,065.7

REVLON, INC. AND SUBSIDIARIES
ADJUSTED NET LOSS AND ADJUSTED DILUTED LOSS PER SHARE RECONCILIATION
(dollars in millions, except share and per share amounts)

	Three Months Ended September 30,	
	2019	2018
	(Unaudited)	
Reconciliation to net loss and diluted loss per share:		
Net loss	\$ (44.7)	\$ (11.1)
Non-operating items (after-tax):		
Restructuring and related charges	4.6	3.2
Acquisition and integration costs	—	2.7
Financial control remediation actions and related charges	2.6	—
Oxford ERP system disruption-related charges	—	12.5
Adjusted net loss	\$ (37.5)	\$ 7.3
Net loss:		
Diluted loss per common share	(0.84)	(0.21)
Adjustment to diluted loss per common share	0.13	0.35
Adjusted diluted earnings (loss) per common share	\$ (0.71)	\$ 0.14
U.S. GAAP weighted average number of common shares outstanding:		
Diluted	53,129,004	52,834,879

	Nine Months Ended September 30,	
	2019	2018
	(Unaudited)	
Reconciliation to net loss and diluted loss per share:		
Net loss	\$ (183.5)	\$ (223.9)
Non-operating items (after-tax):		
Restructuring and related charges	21.6	12.2
Acquisition and integration costs	0.5	9.4
Financial control remediation actions and related charges	7.5	—
Oxford ERP system disruption-related charges	—	37.6
Loss on disposal of minority investment	—	15.5
Adjusted net loss	\$ (153.9)	\$ (149.2)
Net loss:		
Diluted loss per common share	(3.46)	(4.24)
Adjustment to diluted loss per common share	0.56	1.41
Adjusted diluted loss per common share	\$ (2.90)	\$ (2.83)
U.S. GAAP weighted average number of common shares outstanding:		
Diluted	53,057,154	52,777,883

REVLON, INC. AND SUBSIDIARIES
FREE CASH FLOW RECONCILIATION
(dollars in millions)

	Nine Months Ended September 30,	
	2019	2018
	(Unaudited)	
Reconciliation to net cash used in operating activities:		
<hr/>		
Net cash used in operating activities	\$ (166.8)	\$ (296.7)
Less capital expenditures	(20.0)	(41.6)
Free cash flow	<u>\$ (186.8)</u>	<u>\$ (338.3)</u>