UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2014

OR

__ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from__________________ to _______________

Commission File Number: 1-11178

REVLON, INC.

(Exact name of registrant as specified in its charter)

Delaware	**13-3662955**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1 New York Plaza, New York, New York	**10004**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **212-527-4000**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer x	Non-accelerated filer ☐	Smaller reporting company ☐
		(Do not check if a smaller reporting company)	

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No x

As of September 30, 2014, 52,356,798 shares of Class A Common Stock were outstanding. At such date, 40,669,640 shares of Class A Common Stock were beneficially owned by MacAndrews & Forbes Holdings Inc. and certain of its affiliates.

REVLON, INC. AND SUBSIDIARIES
INDEX

PART I - Financial Information

Item 1.	Financial Statements	2
	Consolidated Balance Sheets as of September 30, 2014 (Unaudited) and December 31, 2013	2
	Unaudited Consolidated Statements of Income and Comprehensive Income for the Three and Nine Months Ended September 30, 2014 and 2013	3
	Unaudited Consolidated Statement of Stockholders' Deficiency for the Nine Months Ended September 30, 2014	4
	Unaudited Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2014 and 2013	5
	Notes to Unaudited Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	28
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	44
Item 4.	Controls and Procedures	46

PART II - Other Information

Item 1.	Legal Proceedings	52
Item 1A.	Risk Factors	52
Item 6.	Exhibits	53
	Signatures	54

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

REVLON, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except share and per share amounts)

	September 30, 2014	December 31, 2013[a]
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 178.4	$ 244.1
Trade receivables, less allowance for doubtful accounts of $6.1 and $4.2 as of September 30, 2014 and December 31, 2013, respectively	256.0	253.5
Inventories	187.2	175.0
Deferred income taxes – current	61.8	65.1
Prepaid expenses and other	61.5	61.4
Total current assets	744.9	799.1
Property, plant and equipment, net of accumulated depreciation of $244.5 and $243.1 as of September 30, 2014 and December 31, 2013, respectively	209.1	195.9
Deferred income taxes – noncurrent	38.6	65.7
Goodwill	466.8	472.3
Intangible assets, net of accumulated amortization of $34.6 and $19.0 as of September 30, 2014 and December 31, 2013, respectively	336.1	360.1
Other assets	117.1	123.8
Total assets	$ 1,912.6	$ 2,016.9
LIABILITIES AND STOCKHOLDERS’ DEFICIENCY		
Current liabilities:		
Short-term borrowings	$ 7.9	$ 7.9
Current portion of long-term debt	7.0	65.4
Accounts payable	167.7	165.7
Accrued expenses and other	261.4	313.7
Total current liabilities	444.0	552.7
Long-term debt	1,858.3	1,862.3
Long-term pension and other post-retirement plan liabilities	96.4	118.3
Other long-term liabilities	84.5	80.1
Commitments and contingencies		
Stockholders’ deficiency:		
Class A Common Stock, par value $0.01 per share; 900,000,000 shares authorized; 53,925,029 and 53,231,651 shares issued as of September 30, 2014 and December 31, 2013, respectively	0.5	0.5
Additional paid-in capital	1,019.0	1,015.3
Treasury stock, at cost: 754,853 shares of Class A Common Stock as of September 30, 2014 and December 31, 2013, respectively	(9.8)	(9.8)
Accumulated deficit	(1,414.5)	(1,452.7)
Accumulated other comprehensive loss	(165.8)	(149.8)
Total stockholders’ deficiency	(570.6)	(596.5)
Total liabilities and stockholders’ deficiency	$ 1,912.6	$ 2,016.9

[a] During the nine months ended September 30, 2014, the Company recorded Measurement Period Adjustments (as hereinafter defined) to certain net assets and intangible assets acquired in the Colomer Acquisition (as hereinafter defined) on October 9, 2013. Accordingly, the prior period has been retrospectively adjusted for such Measurement Period Adjustments. Refer to Note 2, "Business Combination" for additional details.

See Accompanying Notes to Unaudited Consolidated Financial Statements

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net sales	$ 472.3	$ 333.1	$ 1,440.0	$ 1,003.7
Cost of sales	164.6	121.1	495.3	358.1
Gross profit	307.7	212.0	944.7	645.6
Selling, general and administrative expenses	251.8	164.1	761.6	482.0
Acquisition and integration costs	0.9	5.9	5.4	6.3
Restructuring charges and other, net	0.8	(1.5)	18.1	1.8
Operating income	54.2	43.5	159.6	155.5
Other expenses, net:				
Interest expense	20.6	16.2	63.9	50.8
Interest expense – preferred stock dividends	—	1.7	—	4.9
Amortization of debt issuance costs	1.3	1.3	4.1	3.8
Loss on early extinguishment of debt	—	0.2	2.0	28.1
Foreign currency losses, net	9.3	0.4	17.9	3.2
Miscellaneous, net	0.1	0.6	0.2	0.8
Other expenses, net	31.3	20.4	88.1	91.6
Income from continuing operations before income taxes	22.9	23.1	71.5	63.9
Provision for income taxes	8.7	12.1	34.2	30.3
Income from continuing operations, net of taxes	14.2	11.0	37.3	33.6
Income (loss) from discontinued operations, net of taxes	0.4	(1.5)	0.9	(6.3)
Net income	$ 14.6	$ 9.5	$ 38.2	$ 27.3
Other comprehensive (loss) income:				
Currency translation adjustment, net of tax [(a)]	(18.3)	1.1	(17.1)	(3.6)
Amortization of pension related costs, net of tax [(b)(d)]	1.1	2.0	3.4	5.8
Revaluation of derivative financial instruments, net of tax [(c)]	0.6	—	(2.3)	—
Other comprehensive (loss) income	(16.6)	3.1	(16.0)	2.2
Total comprehensive (loss) income	$ (2.0)	$ 12.6	$ 22.2	$ 29.5
Basic earnings (loss) per common share:				
Continuing operations	$ 0.27	$ 0.21	$ 0.71	$ 0.64
Discontinued operations	0.01	(0.03)	0.02	(0.12)
Net income	$ 0.28	$ 0.18	$ 0.73	$ 0.52
Diluted earnings (loss) per common share:				
Continuing operations	$ 0.27	$ 0.21	$ 0.71	$ 0.64
Discontinued operations	0.01	(0.03)	0.02	(0.12)
Net income	$ 0.28	$ 0.18	$ 0.73	$ 0.52
Weighted average number of common shares outstanding:				
Basic	52,356,798	52,356,798	52,356,798	52,356,798
Diluted	52,414,963	52,356,798	52,389,935	52,356,798

(a) Net of tax expense (benefit) of $0.2 million and $0.9 million for the three months ended September 30, 2014 and 2013, respectively, and $(0.4) million and $3.2 million for the nine months ended September 30, 2014 and 2013, respectively.

(b) Net of tax benefit of nil and $(0.2) million for the three months ended September 30, 2014 and 2013, respectively, and nil and $(0.9) million for the nine months ended September 30, 2014 and 2013, respectively.

(c) Net of tax expense (benefit) of $0.4 million and $(1.4) million for the three and nine months ended September 30, 2014, respectively.

(d) This other comprehensive income component is included in the computation of net periodic benefit (income) costs. See Note 5, “Pension and Post-Retirement Benefits,” for additional information regarding net periodic benefit (income) costs.

See Accompanying Notes to Unaudited Consolidated Financial Statements

REVLON, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY
(dollars in millions)

	Common Stock	Additional Paid-In-Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Deficiency
Balance, January 1, 2014	$ 0.5	$ 1,015.3	$ (9.8)	$ (1,452.7)	$ (149.8)	$ (596.5)
Stock-based compensation amortization		3.7				3.7
Net income				38.2		38.2
Other comprehensive income, net [(a)]					(16.0)	(16.0)
Balance, September 30, 2014	$ 0.5	$ 1,019.0	$ (9.8)	$ (1,414.5)	$ (165.8)	$ (570.6)

(a) See Note 12, "Accumulated Other Comprehensive Loss," regarding the changes in the accumulated balances for each component of other comprehensive income during the nine months ended September 30, 2014.

See Accompanying Notes to Unaudited Consolidated Financial Statements

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

	Nine Months Ended September 30,	
	2014	**2013**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 38.2	$ 27.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	76.4	51.4
Foreign currency loss from Venezuela re-measurement	6.0	0.6
Amortization of debt discount	1.0	1.2
Stock-based compensation amortization	3.7	—
Provision for deferred income taxes	28.0	19.6
Loss on early extinguishment of debt	2.0	28.1
Amortization of debt issuance costs	4.1	3.8
Insurance proceeds for property, plant and equipment	—	(13.1)
Gain on sale of certain assets	(0.4)	(3.1)
Pension and other post-retirement income	(3.9)	(0.2)
Change in assets and liabilities:		
(Increase) decrease in trade receivables	(16.4)	16.9
Increase in inventories	(17.9)	(31.3)
Increase in prepaid expenses and other current assets	(1.6)	(7.3)
Increase in accounts payable	10.3	4.2
Decrease in accrued expenses and other current liabilities	(32.8)	(42.4)
Pension and other post-retirement plan contributions	(16.4)	(16.0)
Purchases of permanent displays	(33.1)	(30.1)
Other, net	(0.5)	(3.8)
Net cash provided by operating activities	46.7	5.8
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(30.3)	(17.9)
Insurance proceeds for property, plant and equipment	—	13.1
Proceeds from the sale of certain assets	0.9	3.4
Net cash used in investing activities	(29.4)	(1.4)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease) increase in short-term borrowings and overdraft	(3.1)	0.2
Repayment under the Amended and Restated Senior Subordinated Term Loan	(58.4)	—
Repayments under the Acquisition Term Loan	(5.3)	—
Proceeds from the issuance of the 5¾% Senior Notes	—	500.0
Repayment of the 9¾% Senior Secured Notes	—	(330.0)
Repayments under the 2011 Term Loan	—	(113.0)
Payment of financing costs	(1.8)	(32.7)
Other financing activities	(2.1)	(1.8)
Net cash (used in) provided by financing activities	(70.7)	22.7
Effect of exchange rate changes on cash and cash equivalents	(12.3)	(4.1)
Net (decrease) increase in cash and cash equivalents	(65.7)	23.0
Cash and cash equivalents at beginning of period	244.1	116.3
Cash and cash equivalents at end of period	$ 178.4	$ 139.3
Supplemental schedule of cash flow information:		
Cash paid during the period for:		
Interest	$ 72.7	$ 56.2
Income taxes, net of refunds	16.8	10.7
Preferred stock dividends	—	4.6

See Accompanying Notes to Unaudited Consolidated Financial Statements

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Revlon, Inc. (and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation"), and its subsidiaries. Revlon, Inc. is a direct and indirect majority-owned subsidiary of MacAndrews & Forbes Holdings Inc. ("MacAndrews & Forbes Holdings" and, together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation wholly-owned by Ronald O. Perelman.

The Company’s vision is to establish Revlon as the quintessential and most innovative beauty company in the world by offering products that make consumers feel attractive and beautiful. We want to inspire our consumers to express themselves boldly and confidently. The Company operates in two segments, the consumer division (“Consumer”) and the professional division (“Professional”), and manufactures, markets and sells worldwide an extensive array of beauty and personal care products, including cosmetics, hair color, hair care and hair treatments, beauty tools, men's grooming products, anti-perspirant deodorants, fragrances, skincare and other beauty care products. The Company’s principal customers for its products in the Consumer segment include large mass volume retailers and chain drug and food stores (collectively, the “mass retail channel”) in the U.S. and internationally, as well as certain department stores and other specialty stores, such as perfumeries, outside the U.S. The Company's principal customers for its products in the Professional segment include hair and nail salons and distributors in the U.S. and internationally.

The accompanying Consolidated Financial Statements are unaudited. In management's opinion, all adjustments necessary for a fair presentation have been made. The Unaudited Consolidated Financial Statements include the accounts of the Company after the elimination of all material intercompany balances and transactions.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the consolidated financial statements in the period they are determined to be necessary. Significant estimates made in the accompanying Unaudited Consolidated Financial Statements include, but are not limited to, allowances for doubtful accounts, inventory valuation reserves, expected sales returns and allowances, trade support costs, certain assumptions related to the valuation of acquired intangible and long-lived assets and the recoverability of intangible and long-lived assets, income taxes, including deferred tax valuation allowances and reserves for estimated tax liabilities, restructuring costs, certain estimates and assumptions used in the calculation of the net periodic benefit (income) costs and the projected benefit obligations for the Company’s pension and other post-retirement plans, including the expected long-term return on pension plan assets and the discount rate used to value the Company’s pension benefit obligations. The Unaudited Consolidated Financial Statements should be read in conjunction with the consolidated financial statements and related notes contained in Revlon, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2013, filed with the U.S. Securities and Exchange Commission (the "SEC") on March 5, 2014 (the "2013 Form 10-K").

The Company's results of operations and financial position for interim periods are not necessarily indicative of those to be expected for a full year.

Certain prior year amounts in the Unaudited Consolidated Financial Statements have been reclassified to conform to the current period's presentation.

Immaterial Correction - Presentation of Consolidated Balance Sheet as of December 31, 2013

The previously recorded deferred income taxes - noncurrent, which represent the Company's noncurrent deferred tax assets, and other long-term liabilities, which include the Company's noncurrent deferred tax liabilities, as of December 31, 2013 were retrospectively corrected to reflect the Consumer and Professional U.S. entities as one tax-paying component, as well as to appropriately reflect offsetting noncurrent deferred tax assets and noncurrent deferred tax liabilities within other Professional entities. The Company has deemed the correction to be immaterial as there is no impact to the Company’s results of operations, cash flows and stockholders’ deficiency for any period, and there are no qualitative factors which would indicate that the change is material. This immaterial correction decreased deferred income taxes - noncurrent and other long-term liabilities, as of December 31, 2013, to $65.7 million and $80.1 million, respectively, as reported in the accompanying Consolidated Balance Sheet, from the previously reported amounts of $179.6 million and $194.0 million, respectively.

Discontinued Operations Presentation

As a result of the Company's decision on December 30, 2013 to exit its business operations in China, the Company is reporting the results of its China operations within income (loss) from discontinued operations, net of taxes in the Company's Unaudited Consolidated Statements of Income and Comprehensive Income. Accordingly, prior year amounts have been reclassified to conform to the current period's presentation. See Note 4, "Discontinued Operations," for further discussion.

Impact of Foreign Currency Translation - Venezuela Currency

In January 2014, the Venezuela government announced that the *Comisión de Administracion de Divisas* (“CADIVI”) would be replaced by the government-operated *National Center of Foreign Commerce* (the "CENCOEX"), and indicated that the *Sistema Complementario de Administración de Divisas* (“SICAD”) market would continue to be offered as an alternative foreign currency exchange. Additionally, a parallel foreign currency exchange system has been developed, SICAD II, which started functioning in March 2014, and for the second quarter of 2014 the SICAD II exchange market had an average transaction rate to the Company of approximately 53 Bolivars per U.S. Dollar (the “SICAD II Rate”). The SICAD II market allows companies to apply for the purchase of foreign currency and foreign currency denominated securities for any legal use or purpose.

During the first nine months of 2014, the Company continued to exchange Bolivars for U.S. Dollars to the extent permitted through the CENCOEX, SICAD and SICAD II markets based on its ability to participate in those markets. As a result, the Company considered its specific facts and circumstances in order to determine the appropriate rate of exchange to translate Revlon Venezuela’s financial statements. Based on the Company’s assessment of factors, including of its legal ability and intent to continue to participate in the SICAD II exchange market to import finished goods into Venezuela, the Company determined that it was appropriate to utilize the SICAD II Rate of 53 Bolivars per U.S. Dollar to translate Revlon Venezuela’s financial statements beginning on June 30, 2014.

As a result of the change from the official rate of 6.3 Bolivars per U.S. Dollar to the SICAD II Rate on June 30, 2014, the Company was required to re-measure all of Revlon Venezuela’s monetary assets and liabilities at the rate of 53 Bolivars per U.S. Dollar as of June 30, 2014. Non-monetary assets and liabilities continue to be measured at their historical rates. The Company recorded a foreign currency loss of $6.0 million in the second quarter of 2014 as a result of the required re-measurement of Revlon Venezuela’s balance sheet. As Venezuela was designated as a highly inflationary economy effective January 1, 2010, the Company reflected this foreign currency loss in earnings. For both the three and nine months ended September 30, 2014, the change to the SICAD II Rate, as compared to the 6.3 Bolivars per U.S. Dollar official rate, had the impact of reducing net sales by $6.7 million and reducing operating income by $4.1 million.

Recently Adopted Accounting Pronouncements

In March 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2013-04, “Accounting for Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation is Fixed at the Reporting Date,” requiring an entity to record an obligation resulting from joint and several liability arrangements at the greater of the amount that the entity has agreed to pay or the amount the entity expects to pay. Additional disclosures about joint and several liability arrangements will also be required. This guidance is effective for fiscal periods beginning after December 15, 2013, and is applied retrospectively for obligations that existed at the beginning of the fiscal year for which the entity adopted such guidance, with early adoption permitted. The Company adopted ASU No. 2013-04 beginning January 1, 2014, and such adoption did not have an impact on the Company's results of operations, financial condition or disclosures.

Recently Issued Accounting Pronouncements

In April 2014, the FASB issued ASU No. 2014-08, "Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity," which changes the requirements for reporting discontinued operations under Accounting Standards Codification Topic 205. Under ASU No. 2014-08, a disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has, or will have, a major effect on an entity’s operations and financial results. The standard states that a strategic shift could include a disposal of (i) a major geographical area of operations, (ii) a major line of business, (iii) a major equity method investment or (iv) other major parts of an entity. ASU No. 2014-08 no longer precludes presentation as a discontinued operation if (i) there are operations and cash flows of the component that have not been eliminated from the reporting entity’s ongoing operations or (ii) there is significant continuing involvement with a component after its disposal. Additional disclosures about discontinued operations will also be required. The guidance is effective for annual periods beginning on or after December 15, 2014, and is to be applied prospectively to new disposals and new classifications of disposal groups as held for sale after the effective date. The Company expects to adopt ASU No. 2014-08 on a prospective basis beginning January 1, 2015.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers," which supersedes the revenue recognition requirements in the Accounting Standards Codification ("Codification") Topic 605, Revenue Recognition, and most industry-specific guidance throughout the Industry Topics of the Codification. The core principle of the new ASU No. 2014-09 is for companies to recognize revenue from the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. The guidance is effective for annual and interim periods beginning after December 15, 2016, with early adoption prohibited. The Company expects to adopt ASU No. 2014-09 beginning January 1, 2017 and is in the process of assessing the impact that the new guidance will have on the Company's results of operations, financial condition and disclosures.

In August 2014, the FASB issued ASU No. 2014-15, "Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" that will explicitly require management to assess an entity's ability to continue as a going concern and to provide related footnote disclosures if conditions give rise to substantial doubt. According to the new standard, substantial doubt exists if it is probable that the entity will be unable to meet its obligations within one year after the issuance date. The likelihood threshold of "probable", similar to its current use in U.S. GAAP for loss contingencies, is used to define substantial doubt. Disclosures will be required if conditions give rise to substantial doubt including whether and how management's plans will alleviate the substantial doubt. The guidance is effective for annual periods beginning after December 15, 2015, with early adoption prohibited. The Company expects to adopt ASU No. 2014-15 beginning January 1, 2016 and is in the process of assessing the impact that the new guidance will have on the Company's disclosures.

2. BUSINESS COMBINATION

The Colomer Acquisition

On October 9, 2013 (the "Acquisition Date"), Products Corporation completed its acquisition of The Colomer Group Participations, S.L. ("Colomer" and the "Colomer Acquisition"), a Spanish company which primarily manufactures, markets and sells professional products to hair and nail salons and other professional channels under brands such as **Revlon Professional**, **CND**, including **CND Shellac**, and **American Crew**, as well as retail and multi-cultural product lines. The cash purchase price for the Colomer Acquisition was $664.5 million, which Products Corporation financed with proceeds from the Acquisition Term Loan under the Amended Term Loan Facility (both as hereinafter defined). The Colomer Acquisition provides the Company with broad brand, geographic and channel diversification and substantially expands the Company's business, providing both distribution into new channels and cost synergy opportunities.

The results of operations of the Colomer business are included in the Company’s Consolidated Financial Statements commencing on the Acquisition Date.

For the three and nine months ended September 30, 2014 and 2013, respectively, the Company incurred acquisition and integration costs related to the Colomer Acquisition, which consist of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Acquisition costs	$ 0.1	$ 5.9	$ 0.5	$ 6.3
Integration costs	0.8	—	4.9	—
Total acquisition and integration costs	$ 0.9	$ 5.9	$ 5.4	$ 6.3

The acquisition costs primarily include legal and consulting fees related to the Colomer Acquisition. The integration costs consist of non-restructuring costs related to the Company's plans to integrate Colomer's operations into the Company's business, and, for 2014, primarily include employee-related costs related to management changes and audit-related fees.

Purchase Price Allocation

The Company accounted for the Colomer Acquisition as a business combination during the fourth quarter of 2013. The table below summarizes the amounts recognized for assets acquired and liabilities assumed as of the Acquisition Date, as well as adjustments made in the period after the Acquisition Date to the amounts initially recorded in 2013 (the "Measurement Period Adjustments"). Accordingly, the Company retrospectively adjusted its consolidated balance sheet as of December 31, 2013 to reflect these Measurement Period Adjustments. The Measurement Period Adjustments did not have a material impact on the Company's Consolidated Statements of Income and Comprehensive Income for the year ended December 31, 2013.

The total consideration of $664.5 million was recorded based on the respective estimated fair values of the net assets acquired on the Acquisition Date with resulting goodwill, as follows:

	Amounts Previously Recognized as of October 9, 2013 (Provisional) [(a)]	Measurement Period Adjustments	Amounts Recognized as of Acquisition Date (Adjusted)
Cash and cash equivalents	$ 36.9	$ —	$ 36.9
Trade receivables	83.9	—	83.9
Inventories	75.1	—	75.1
Prepaid expenses and other	31.3	—	31.3
Property, plant and equipment	96.7	—	96.7
Intangible assets[(b)]	292.7	5.4	298.1
Goodwill[(b)(c)]	255.7	(2.4)	253.3
Deferred tax asset - noncurrent	53.1	—	53.1
Other assets[(c)]	1.9	3.9	5.8
Total assets acquired	927.3	6.9	934.2
Accounts payable	48.0	—	48.0
Accrued expenses and other	65.6	—	65.6
Long-term debt	0.9	—	0.9
Long-term pension and other benefit plan liabilities	4.5	—	4.5
Deferred tax liability[(b)]	123.3	2.1	125.4
Other long-term liabilities[(c)]	20.5	4.8	25.3
Total liabilities assumed	262.8	6.9	269.7
Total consideration	$ 664.5	$ —	$ 664.5

[(a)] As previously reported in Revlon, Inc.'s 2013 Form 10-K.

[(b)] The Measurement Period Adjustments to intangible assets, deferred tax liability and goodwill in the first quarter of 2014 related to a change in assumptions used to calculate the fair value of an acquired customer relationship intangible asset, which increased the intangible asset by $5.4 million and extended the life of the asset from 10 to 20 years, increased deferred tax liabilities by $2.1 million, and resulted in a net decrease to goodwill of $3.3 million.

[(c)] The Company recorded a $3.9 million income tax adjustment to the beginning tax balance within other assets and a $4.8 million adjustment to other long-term liabilities, resulting in a net increase to goodwill of $0.9 million.

In determining the fair values of net assets acquired and resulting goodwill, the Company considered, among other factors, an analysis of Colomer's historical financial performance and an estimate of the future performance of the acquired business, as well as market participants' intended use of the acquired assets.

The acquired intangible assets, based on the fair values of the identifiable intangible assets, are as follows:

	Fair Values at October 9, 2013	Weighted Average Useful Life (in years)
Trade names, indefinite-lived	$ 108.6	Indefinite
Trade names, finite-lived	109.4	5 - 20
Customer relationships	62.4	15 - 20
License agreement	4.1	10
Internally-developed IP	13.6	10
Total acquired intangible assets	$ 298.1	

Unaudited Pro Forma Results

The following table presents the Company's pro forma consolidated net sales and income from continuing operations, before income taxes for the three and nine months ended September 30, 2013. The unaudited pro forma results include the historical consolidated statements of operations of the Company and Colomer, giving effect to the Colomer Acquisition and related financing transactions as if they had occurred on January 1, 2012.

	Unaudited Pro Forma Results	
	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013
Net sales	$ 473.9	$ 1,408.1
Income from continuing operations, before income taxes	43.9	92.8

The pro forma results, prepared in accordance with U.S. GAAP, include the following pro forma adjustments related to the Colomer Acquisition:

(i) the pro forma increase in depreciation and amortization expense based on the fair value adjustments to property, plant and equipment and acquired finite-lived intangible assets recorded in connection with the Colomer Acquisition of $4.6 million and $13.8 million in the three and nine months ended September 30, 2013, respectively;

(ii) the elimination of goodwill impairment charges recognized by Colomer of $9.0 million, in both the three and nine months ended September 30, 2013;

(iii) the elimination of acquisition and integration costs recognized by the Company and Colomer aggregating to $5.9 million and $6.7 million in the three and nine months ended September 30, 2013, respectively;

(iv) the elimination of Colomer's debt facility fees of $3.6 million, in both the three and nine months ended September 30, 2013, respectively, as the debt facility was terminated on the Acquisition Date; and

(v) the pro forma increase in interest expense and amortization of debt issuance costs, resulting from the issuance of the Acquisition Term Loan used by Products Corporation to finance the Colomer Acquisition, for a total combined increase of $6.2 million and $18.5 million for the three and nine months ended September 30, 2013, respectively.

The unaudited pro forma results do not include: (1) any revenue or cost reductions that may be achieved through the business combination; or (2) the impact of non-recurring items directly related to the business combination.

The unaudited pro forma results are not necessarily indicative of the operating results that would have occurred if the Colomer Acquisition had been completed as of the date for which the pro forma financial information is presented. In addition, the unaudited pro forma results do not purport to project the future consolidated operating results of the combined company.

3. RESTRUCTURING CHARGES

Integration Program

In January 2014, the Company announced that it was implementing actions to integrate Colomer’s operations into the Company’s business, as well as additional restructuring actions identified to reduce costs across the Company’s businesses (all such actions, together, the “Integration Program”).

The Company expects to recognize total restructuring charges, capital expenditures and related non-restructuring costs under the Integration Program of approximately $50 million in the aggregate over the periods described below.

The Integration Program is designed to deliver cost reductions throughout the combined organization by generating synergies and operating efficiencies within the Company’s global supply chain and consolidating offices and back office support, and other actions designed to reduce selling, general and administrative ("SG&A") expenses. Certain actions that are part of the Integration Program are subject to consultations with employees, works councils or unions and governmental authorities. The Company expects to substantially complete the Integration Program by the end of 2015.

The approximately $50 million of total expected non-restructuring costs, capital expenditures and restructuring charges under the Integration Program referred to above consist of the following:

1. $12.5 million and $4.9 million of non-restructuring integration costs recognized in 2013 and for the nine months ended September 30, 2014, respectively. Such costs have been reflected within acquisition and integration costs in the Company's Consolidated Statements of Income and Comprehensive Income and are related to combining Colomer’s operations into the Company’s business;

2. Expected integration-related capital expenditures of approximately $7 million, $3.3 million of which has been paid in the nine months ended September 30, 2014, approximately $1.9 million is expected to be paid during the remainder of 2014 and the remaining balance in 2015; and

3. The Company expects total restructuring and related charges of approximately $26 million, $17.1 million of which was recognized for the nine months ended September 30, 2014. Approximately $4 million of charges are expected to be recognized during the remainder of 2014 and any remaining charges to be recognized in 2015. A summary of the restructuring and related charges incurred through September 30, 2014 and expected to be incurred for the Integration Program, are as follows:

	Restructuring Charges and Other, Net					
	Employee Severance and Other Personnel Benefits	Other	Total Restructuring Charges	Inventory Write-offs and Other Manufacturing-Related Costs (a)	Other Charges (b)	Total Restructuring and Related Charges
Charges incurred through the nine months ended September 30, 2014	$ 15.2	$ 1.2	$ 16.4	$ 0.2	$ 0.5	$ 17.1
Total expected charges	$ 17.5	$ 3.0	$ 20.5	$ 2.0	$ 3.5	$ 26.0

(a) Inventory write-offs and other manufacturing-related costs are recorded within cost of sales within the Company’s Consolidated Statements of Income and Comprehensive Income.

(b) Other charges are recorded within SG&A expenses within the Company’s Consolidated Statements of Income and Comprehensive Income.

Of the $17.1 million of restructuring and related charges recognized through the third quarter 2014, $7.3 million relate to the Consumer segment and $9.8 million relate to the Professional segment.

The Company expects that cash payments related to the restructuring and related charges in connection with the Integration Program will total approximately $25 million, of which $6.4 million was paid during the nine months ended September 30, 2014, approximately $7 million is expected to be paid during the remainder of 2014 and the majority of the remaining balance is expected to be paid in 2015.

December 2013 Program

In December 2013, the Company announced restructuring actions that include exiting its business operations in China, as well as implementing other immaterial restructuring actions outside the U.S. that are expected to generate other operating efficiencies (the "December 2013 Program"). Certain of these restructuring actions are subject to consultations with employees, works councils or unions and governmental authorities and has resulted in the Company eliminating approximately 1,100 positions in 2014, primarily in China, which included eliminating in the first quarter of 2014 approximately 940 beauty advisors retained indirectly through a third-party agency. The charges incurred for the December 2013 Program relate entirely to the Consumer segment.

A summary of the restructuring and related charges incurred through September 30, 2014 and expected to be incurred for the December 2013 Program, are as follows:

	Restructuring Charges and Other, Net						
	Employee Severance and Other Personnel Benefits	Other	Total Restructuring Charges	Allowances and Returns	Inventory Write-offs	Other Charges	Total Restructuring and Related Charges
Charges incurred through December 31, 2013	$ 9.1	$ 0.5	$ 9.6	$ 7.4	$ 4.0	$ 0.4	$ 21.4
Adjustments recorded for the nine months ended September 30, 2014 [(a)]	(0.5)	(0.2)	(0.7)	(0.9)	(0.9)	—	(2.5)
Cumulative charges incurred through September 30, 2014	$ 8.6	$ 0.3	$ 8.9	$ 6.5	$ 3.1	$ 0.4	$ 18.9
Total expected charges	$ 8.6	$ 0.3	$ 8.9	$ 6.5	$ 3.1	$ 0.4	$ 18.9

(a) Of the $2.5 million adjustments for the nine months ended September 30, 2014 related to the December 2013 Program, $2.3 million relates to the Company's exit of its business operations in China and is recorded within income (loss) from discontinued operations, net of taxes. See Note 4, "Discontinued Operations," for further discussion. The remaining $0.2 million is recorded in restructuring charges and other, net within income from continuing operations, net of taxes.

The Company expects cash payments related to the December 2013 Program to total approximately $17 million, of which $0.1 million was paid in 2013, $15.1 million was paid during the nine months ended September 30, 2014, and the majority of the remaining balance is expected to be paid during the remainder of 2014.

September 2012 Program

In September 2012, the Company announced a restructuring (the “September 2012 Program”), which primarily involved the Company exiting its owned manufacturing facility in France and its leased manufacturing facility in Maryland; rightsizing its organizations in France and Italy; and realigning its operations in Latin America and Canada. The charges incurred related to the September 2012 Program relate entirely to the Consumer segment.

During the first nine months of 2013, the Company recorded charges related to the September 2012 Program of $2.2 million. Of the $2.2 million charge, $1.8 million was recorded in restructuring charges, $0.2 million was recorded in cost of sales and $0.2 million was recorded in SG&A expenses. The Company recognized cumulative charges of $27.2 million through December 31, 2013 related to the September 2012 Program, all of which relate to the Company's Consumer segment. There were no charges related to such program for the nine months ended September 30, 2014.

The Company expects net cash payments to total approximately $25 million related to the September 2012 Program, of which $21.1 million was paid cumulatively through December 31, 2013, $3.2 million was paid during the nine months ended September 30, 2014 and the balance is expected to be paid during the remainder of 2014.

Other Immaterial Actions

During the first nine months of 2014, the Company recorded net charges totaling $1.9 million within restructuring charges and other, net, for other immaterial restructuring actions within the Consumer segment, primarily due to $2.2 million of charges related to employee-related costs, partially offset by a $0.3 million gain related to the sale of equipment.

Restructuring Reserve

The related liability balance and activity for the restructuring costs are presented below:

	Balance Beginning of Year	(Income) Expense, Net	Foreign Currency Translation	Utilized, Net		Balance End of Year
				Cash	Non-cash	
Integration Program:						
Employee severance and other personnel benefits	$ —	$ 15.2	$ —	$ (5.1)	$ —	$ 10.1
Other	—	1.2	—	(1.0)	—	0.2
December 2013 Program:						
Employee severance and other personnel benefits	9.0	(0.5)	(0.2)	(7.3)	0.2	1.2
Other	0.5	(0.2)	—	(0.3)	—	—
September 2012 Program:						
Employee severance and other personnel benefits	2.7	—	(0.1)	(2.4)		0.2
Other	1.5	—	—	(0.8)	—	0.7
2014 Other Immaterial Actions:						
Employee severance and other personnel benefits	—	2.2	(0.1)	(1.8)	—	0.3
Other	—	—	—	—	—	—
Total restructuring reserve	$ 13.7	$ 17.9	$ (0.4)	$ (18.7)	$ 0.2	$ 12.7
Gain on sale of equipment for 2014 Other Immaterial Actions		(0.3)				
Portion of restructuring benefits recorded within income (loss) from discontinued operations [(a)]		0.5				
Total restructuring charges and other, net, from continuing operations		$ 18.1				

[(a)] Refer to Note 4, "Discontinued Operations" for additional information regarding the Company's exit of its business operations in China.

As of September 30, 2014, $12.2 million of the restructuring reserve balance was included within accrued expenses and other and $0.5 million was included within other long-term liabilities in the Company's Consolidated Balance Sheet. As of December 31, 2013, the entire restructuring reserve balance was included within accrued expenses and other in the Company's Consolidated Balance Sheet.

4. DISCONTINUED OPERATIONS

On December 30, 2013, the Company announced that it was implementing restructuring actions that include exiting its business operations in China (refer to Note 3, "Restructuring Charges"). The Company expects to complete such exit by the end of 2014.

The results of the China discontinued operations are included within income (loss) from discontinued operations, net of taxes, within the Consumer segment. The summary comparative financial results of discontinued operations are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net sales [(a)]	$ —	$ 6.3	$ 2.6	$ 17.7
Income (loss) from discontinued operations, before taxes	0.4	(1.6)	1.1	(6.7)
Provision for income taxes	—	0.1	0.2	0.4
Income (loss) from discontinued operations, net of taxes	0.4	(1.5)	0.9	(6.3)

[(a)] Net sales during the first nine months of 2014 primarily represent favorable adjustments to sales returns related to the Company's exit of its China operations.

Assets and liabilities of discontinued operations included in the Consolidated Balance Sheets consist of the following:

	September 30, 2014	December 31, 2013
Cash and cash equivalents	$ 3.4	$ 0.9
Trade receivables, net	0.2	1.9
Inventories	—	—
Other current assets	0.1	—
Total current assets	3.7	2.8
Total assets	$ 3.7	$ 2.8
Accounts payable	$ 1.5	$ 4.7
Accrued expenses and other	4.0	27.6
Total current liabilities	5.5	32.3
Other long-term liabilities	—	2.8
Total liabilities	$ 5.5	$ 35.1

5. PENSION AND POST-RETIREMENT BENEFITS

The components of net periodic benefit (income) costs for the Company's pension and the other post-retirement benefit plans for the third quarter of 2014 and 2013 were as follows:

	Pension Plans		Other Post-Retirement Benefit Plans	
	Three Months Ended September 30,		Three Months Ended September 30,	
	2014	2013	2014	2013
Net periodic benefit (income) costs:				
Service cost	$ 0.2	$ 0.3	$ —	$ —
Interest cost	7.5	6.9	0.2	0.1
Expected return on plan assets	(10.3)	(9.6)	—	—
Amortization of actuarial loss	1.1	2.1	—	0.1
	(1.5)	(0.3)	0.2	0.2
Portion allocated to Revlon Holdings	(0.1)	—	—	—
	$ (1.6)	$ (0.3)	$ 0.2	$ 0.2

The components of net periodic benefit (income) costs for the Company's pension and the other post-retirement benefit plans for the first nine months of 2014 and 2013 were as follows:

	Pension Plans		Other Post-Retirement Benefit Plans	
	Nine Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net periodic benefit (income) costs:				
Service cost	$ 0.6	$ 0.7	$ —	$ —
Interest cost	22.6	20.7	0.5	0.4
Expected return on plan assets	(31.0)	(28.7)	—	—
Amortization of actuarial loss	3.3	6.4	0.1	0.3
	(4.5)	(0.9)	0.6	0.7
Portion allocated to Revlon Holdings	(0.1)	(0.1)	—	—
	$ (4.6)	$ (1.0)	$ 0.6	$ 0.7

In the three and nine months ended September 30, 2014, the Company recognized net periodic benefit income of $(1.4) million and $(4.0) million, respectively, compared to $(0.1) million and $(0.3) million in the three and nine months ended September 30, 2013, respectively, primarily due to an increase in the fair value of pension plan assets at December 31, 2013, as well as lower amortization of actuarial losses.

Net periodic benefit (income) costs are reflected in the Company's Unaudited Consolidated Financial Statements as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net periodic benefit (income) costs:				
Cost of sales	$ (1.2)	$ (0.6)	$ (3.0)	$ (1.5)
Selling, general and administrative expense	(0.2)	0.6	(0.5)	1.8
Inventories	—	(0.1)	(0.5)	(0.6)
	$ (1.4)	$ (0.1)	$ (4.0)	$ (0.3)

The Company expects that it will have net periodic benefit income of approximately $(5) million for its pension and other post-retirement benefit plans for all of 2014, compared with net periodic benefit income of $(0.4) million in 2013.

During the third quarter of 2014, $4.5 million and $0.2 million were contributed to the Company's pension and post-retirement benefit plans, respectively. During the first nine months of 2014, $15.8 million and $0.6 million were contributed to the Company’s pension plans and other post-retirement benefit plans, respectively. The Company currently expects to contribute approximately $20 million in the aggregate to its pension and other post-retirement benefit plans in 2014.

Relevant aspects of the qualified defined benefit pension plans, nonqualified pension plans and other post-retirement benefit plans sponsored by Products Corporation are disclosed in Note 16, "Savings Plan, Pension and Post-Retirement Benefits," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K.

6. SEGMENT DATA AND RELATED INFORMATION

Reportable operating segments include components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker (the “Chief Executive Officer”) in deciding how to allocate resources and in assessing performance. As a result of the similarities in the procurement, marketing and distribution processes for all of the Company’s products, much of the information provided in the consolidated financial statements is similar to, or the same as, that reviewed on a regular basis by the Company's management.

At September 30, 2014, the Company’s operations are organized into the following two operating segments, which also represent the Company’s reportable segments:

- ***Consumer*** - The Consumer segment is comprised of the Company's consumer brands, which primarily include **Revlon**, **Almay**, **SinfulColors** and **Pure Ice** in cosmetics; **Revlon ColorSilk** in women’s hair color; **Revlon** in beauty tools; and **Mitchum** in anti-perspirant deodorants. The Company’s principal customers for its consumer products include the mass retail channel, consisting of large mass volume retailers and chain drug and food stores in the U.S. and internationally, as well as certain department stores and other specialty stores, such as perfumeries, outside the U.S. The Consumer segment also includes a skincare and hair color line sold in the mass retail channel, primarily in Spain, which were acquired as part of the Colomer Acquisition.

- ***Professional*** - The Professional segment is comprised primarily of the brands which the Company acquired in the Colomer Acquisition, which include **Revlon Professional** in hair color and hair care; **CND**-branded products in nail polishes and nail enhancements; and **American Crew** in men’s grooming products, all of which are sold worldwide in the professional salon channel. The Company’s principal customers for its professional products include hair and nail salons and distributors in the U.S. and internationally. The Professional segment also includes a multi-cultural line consisting of **Creme of Nature** hair care products sold in the mass retail channel and in professional salons, primarily in the U.S.

The Company's management evaluates segment profit, which is defined as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt and miscellaneous expenses, for each of the Company's Consumer and Professional segments. Segment profit also excludes unallocated corporate expenses and the impact of certain items that are not directly attributable to the segments' underlying operating performance, which for the three and nine months ended September 30, 2014 and 2013 include the impact of: (i) restructuring and related charges; (ii) acquisition and integration costs; (iii) costs of sales resulting from a fair value adjustment to inventory acquired in the Colomer Acquisition; (iv) insurance proceeds received in 2013 related to the 2011 fire that destroyed the Company's facility in Venezuela; (v) insurance proceeds from the recovery of litigation settlements; and (vi) an accrual for estimated clean-up costs related to the Company's facility in Venezuela. Such items are shown in the table reconciling segment profit to consolidated income from continuing operations before income taxes. Unallocated corporate expenses primarily include general and administrative expenses related to the corporate organization. These expenses are recorded in unallocated corporate expenses as these items are centrally directed and controlled and are not included in internal measures of segment operating performance. The Company does not have any material inter-segment sales.

The accounting policies for each of the reportable segments are the same as those described in Note 1, “Description of Business and Summary of Significant Accounting Policies” in Revlon, Inc.'s 2013 Form 10-K. The assets and liabilities of the Company are managed centrally and are reported internally in the same manner as the consolidated financial statements; thus, no additional information regarding assets and liabilities of the Company’s operating segments is produced for the Company's management or included herein.

The following table is a comparative summary of the Company's net sales and segment profit by operating segment for the three and nine months ended September 30, 2014 and 2013:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014 [(a)]	2013	2014 [(a)]	2013
Segment Net Sales:				
Consumer	$ 348.2	$ 333.1	$ 1,055.0	$ 1,003.7
Professional	124.1	—	385.0	—
Total	$ 472.3	$ 333.1	$ 1,440.0	$ 1,003.7
Segment Profit:				
Consumer	$ 78.1	$ 78.9	$ 232.0	$ 240.2
Professional	25.2	—	88.5	—
Total	$ 103.3	$ 78.9	$ 320.5	$ 240.2
Reconciliation:				
Segment Profit	$ 103.3	$ 78.9	$ 320.5	$ 240.2
Less:				
Unallocated corporate expenses	18.3	15.3	54.0	48.5
Depreciation and amortization	25.6	17.4	76.4	51.4
Non-cash stock compensation expense	3.2	—	3.7	—
Non-recurring items:				
Restructuring and related charges	1.1	(1.4)	18.8	2.2
Acquisition and integration costs	0.9	5.9	5.4	6.3
Inventory purchase accounting adjustment, cost of sales	—	—	2.6	—
Gain from insurance proceeds related to Venezuela fire	—	—	—	(26.4)
Accrual for clean-up costs related to destroyed facility in Venezuela	—	—	—	4.5
Shareholder litigation recoveries	—	(1.8)	—	(1.8)
Operating Income	54.2	43.5	159.6	155.5
Less:				
Interest Expense	20.6	16.2	63.9	50.8
Interest Expense - Preferred Stock	—	1.7	—	4.9
Amortization of debt issuance costs	1.3	1.3	4.1	3.8
Loss on early extinguishment of debt	—	0.2	2.0	28.1
Foreign currency losses (gains), net	9.3	0.4	17.9	3.2
Miscellaneous, net	0.1	0.6	0.2	0.8
Income from continuing operations before income taxes	$ 22.9	$ 23.1	$ 71.5	$ 63.9

[(a)] Consumer segment net sales and segment profit include the results of retail brands acquired in the Colomer Acquisition, which had previously been included in the Professional segment.

As of September 30, 2014, the Company had operations established in 24 countries outside of the U.S. and its products are sold throughout the world. Generally, net sales by geographic area are presented by attributing revenues from external customers on the basis of where the products are sold.

In the tables below, certain prior year amounts have been reclassified to conform to the current period’s presentation.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2014		2013		2014		2013	
Geographic area:								
Net sales:								
United States	$ 243.8	*52%*	$ 185.8	*56%*	$ 749.2	*52%*	$ 581.8	*58%*
Outside of the United States	228.5	*48%*	147.3	*44%*	690.8	*48%*	421.9	*42%*
	$ 472.3		$ 333.1		$ 1,440.0		$ 1,003.7	

	September 30, 2014		December 31, 2013	
Long-lived assets, net:				
United States	$ 847.6	*75%*	$ 837.0	*73%*
Outside of the United States	281.5	*25%*	315.1	*27%*
	$ 1,129.1		$ 1,152.1	

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2014		2013		2014		2013	
Classes of similar products:								
Net sales:								
Color cosmetics	$ 242.6	*51%*	$ 212.3	*64%*	$ 763.5	*53%*	$ 662.1	*66%*
Hair care	132.8	*28%*	43.1	*13%*	405.5	*28%*	131.0	*13%*
Beauty care and fragrance	96.9	*21%*	77.7	*23%*	271.0	*19%*	210.6	*21%*
	$ 472.3		$ 333.1		$ 1,440.0		$ 1,003.7	

7. INVENTORIES

	September 30, 2014	December 31, 2013
Raw materials and supplies	$ 53.7	$ 50.8
Work-in-process	13.4	12.8
Finished goods	120.1	111.4
	$ 187.2	$ 175.0

8. GOODWILL AND INTANGIBLE ASSETS, NET

Goodwill

The following table presents the changes in goodwill by segment during the nine months ended September 30, 2014:

	Consumer	Professional	Total
Balance at December 31, 2013 before Measurement Period Adjustments [(a)]	$ 217.9	$ 256.8	$ 474.7
Measurement Period Adjustments	—	(2.4)	(2.4)
Balance at December 31, 2013	217.9	254.4	472.3
Foreign currency translation adjustment	—	(5.5)	(5.5)
Balance at September 30, 2014	$ 217.9	$ 248.9	$ 466.8

[(a)] As previously reported in Revlon, Inc.'s 2013 Form 10-K.

During the first quarter of 2014, the Company recorded Measurement Period Adjustments to certain net assets and intangible assets acquired in the Colomer Acquisition on October 9, 2013. See Note 2, "Business Combination" for further discussion of the Colomer Acquisition.

Intangible Assets, Net

The following tables present details of the Company's total intangible assets:

	September 30, 2014		
	Gross Carrying Amount	**Accumulated Amortization**	**Net Carrying Amount**
Finite-lived intangible assets:			
Trademarks and Licenses	$ 140.6	$ (20.8)	$ 119.8
Customer relationships	110.0	(11.8)	98.2
Patents and Internally-Developed IP	16.1	(2.0)	14.1
Total finite-lived intangible assets	$ 266.7	$ (34.6)	$ 232.1
Indefinite-lived intangible assets:			
Trade Names	$ 104.0		$ 104.0
Total indefinite-lived intangible assets	$ 104.0		$ 104.0
Total intangible assets	$ 370.7	$ (34.6)	$ 336.1

	December 31, 2013 [(a)]		
	Gross Carrying Amount	**Accumulated Amortization**	**Net Carrying Amount**
Finite-lived intangible assets:			
Trademarks and Licenses	$ 142.1	$ (11.0)	$ 131.1
Customer relationships	111.5	(6.7)	104.8
Patents and Internally-Developed IP	15.8	(1.3)	14.5
Total finite-lived intangible assets	$ 269.4	$ (19.0)	$ 250.4
Indefinite-lived intangible assets:			
Trade Names	$ 109.7		$ 109.7
Total indefinite-lived intangible assets	$ 109.7		$ 109.7
Total intangible assets	$ 379.1	$ (19.0)	$ 360.1

[(a)] During the first quarter of 2014, the Company recorded Measurement Period Adjustments to customer relationships acquired in the Colomer Acquisition on October 9, 2013. Accordingly, the prior period has been retrospectively adjusted for such Measurement Period Adjustments. Refer to Note 2, "Business Combination" for additional details.

9. ACCRUED EXPENSES AND OTHER

	September 30, 2014	December 31, 2013
Sales returns and allowances	$ 61.3	$ 91.5
Compensation and related benefits	71.2	74.5
Advertising and promotional costs	48.1	42.9
Taxes	20.9	28.5
Interest	3.8	13.8
Restructuring reserve	12.2	13.7
Other	43.9	48.8
	$ 261.4	$ 313.7

10. LONG-TERM DEBT

	September 30, 2014	December 31, 2013
Amended Term Loan Facility: Acquisition Term Loan due 2019, net of discounts [a]	$ 693.3	$ 698.3
Amended Term Loan Facility: 2011 Term Loan due 2017, net of discounts [a]	671.3	670.1
Amended Revolving Credit Facility [b]	—	—
5¾% Senior Notes due 2021 [c]	500.0	500.0
Amended and Restated Senior Subordinated Term Loan due 2014 [d]	—	58.4
Spanish Government Loan due 2025 [e]	0.7	0.9
	1,865.3	1,927.7
Less current portion	(7.0)	(65.4)
	$ 1,858.3	$ 1,862.3

[a] In February 2014, Products Corporation entered into an amendment (the “February 2014 Term Loan Amendment”) to its amended term loan agreement, which is comprised of (i) the $675.0 million term loan due November 19, 2017 (the "2011 Term Loan") and (ii) the $700.0 million term loan due October 8, 2019 (the "Acquisition Term Loan"), which had $694.8 million in aggregate principal balance outstanding as of September 30, 2014 (together, the "Amended Term Loan Agreement"). The February 2014 Term Loan Amendment reduced the interest rates applicable to the 2011 Term Loan. See "Recent Debt Transactions - February 2014 Term Loan Amendment" below for further discussion. Additionally, see Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K for additional details regarding Products Corporation's Amended Term Loan Agreement.

[b] See Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K for certain details regarding Products Corporation's existing $175.0 million asset-based, multi-currency revolving credit facility (the "Amended Revolving Credit Facility").

[c] See Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K for certain details regarding Products Corporation's 5¾% Senior Notes that mature on February 15, 2021.

[d] See "Recent Debt Transactions - Repayment of Non-Contributed Loan" below and Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K for certain details regarding the $58.4 million non-contributed loan portion of the Amended and Restated Senior Subordinated Term Loan Agreement (the "Non-Contributed Loan"), which Products Corporation optionally prepaid in full on May 1, 2014.

[e] See Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s 2013 Form 10-K for certain details regarding the euro-denominated loan payable to the Spanish government which matures on June 30, 2025.

Recent Debt Transactions

February 2014 Term Loan Amendment

In February 2014, Products Corporation entered into the February 2014 Term Loan Amendment to its Amended Term Loan Agreement among Products Corporation, as borrower, a syndicate of lenders and Citicorp USA, Inc., as administrative and collateral agent.

Pursuant to the February 2014 Term Loan Amendment, the interest rates applicable to Eurodollar Loans under the $675.0 million 2011 Term Loan bear interest at the Eurodollar Rate plus 2.5% per annum, with the Eurodollar Rate not to be less than 0.75% (compared to 3.0% and 1.0%, respectively, prior to the February 2014 Term Loan Amendment), while Alternate Base Rate Loans under the 2011 Term Loan bear interest at the Alternate Base Rate plus 1.5%, with the Alternate Base Rate not to be less than 1.75% (compared to 2.0% in each case prior to the February 2014 Term Loan Amendment) (and as each such term is defined in the Amended Term Loan Agreement). The 2011 Term Loan is subject to a 1% premium in connection with any repricing transaction occurring prior to the date that is 12 months after the closing of such amendment (or February 26, 2015).

Products Corporation's Acquisition Term Loan and Amended Revolving Credit Facility were not amended in connection with the February 2014 Term Loan Amendment.

For the nine months ended September 30, 2014, the Company incurred approximately $1.1 million of fees and expenses in connection with the February 2014 Term Loan Amendment, which were expensed as incurred, and wrote-off $0.8 million of unamortized debt discount and deferred financing costs as a result of the February 2014 Term Loan Amendment. These amounts, totaling $1.9 million, were recognized within loss on early extinguishment of debt in the Company’s Consolidated Statements of Income and Comprehensive Income for the nine months ended September 30, 2014.

Repayment of Non-Contributed Loan

On May 1, 2014, Products Corporation used available cash on hand to optionally prepay in full the remaining $58.4 million principal amount outstanding under the Non-Contributed Loan that remained owing from Products Corporation to various third parties. The Non-Contributed Loan would have otherwise matured on October 8, 2014. In connection with the repayment, the Company wrote-off $0.1 million of deferred financing costs, which were recognized within loss on early extinguishment of debt in the Company's Consolidated Statements of Income and Comprehensive Income for the nine months ended September 30, 2014.

Covenants

Products Corporation was in compliance with all applicable covenants under the Amended Term Loan Agreement and the Amended Revolving Credit Facility as of September 30, 2014. At September 30, 2014, the aggregate principal amounts outstanding under the Acquisition Term Loan and the 2011 Term Loan were $694.8 million and $675.0 million, respectively, and availability under the $175.0 million Amended Revolving Credit Facility, based upon the calculated borrowing base less $9.0 million of outstanding undrawn letters of credit and nil then drawn on the Amended Revolving Credit Facility, was $166.0 million.

Products Corporation was in compliance with all applicable covenants under its 5¾% Senior Notes Indenture as of September 30, 2014.

11. BASIC AND DILUTED EARNINGS (LOSS) PER COMMON SHARE

Shares used in basic earnings (loss) per share are computed using the weighted average number of common shares outstanding during each period. Shares used in diluted earnings (loss) per share include the dilutive effect of unvested restricted shares and outstanding stock options under the Company’s stock plan using the treasury stock method. For the three months ended September 30, 2013 and the nine months ended September 30, 2014 and 2013, all outstanding options to purchase shares of Revlon, Inc. Class A common stock, par value of $0.01 per share (the “Class A Common Stock”), that could potentially dilute basic earnings per common share in the future were excluded from the calculation of diluted earnings per common share as their effect would be anti-dilutive, as in each case their exercise price was in excess of the average NYSE closing price of the Class A Common Stock for these periods.

For the three and nine months ended September 30, 2014, the number of weighted average shares of unvested restricted stock that were not included in the computation of diluted earnings per common share because their effect would be anti-dilutive was de minimis. For the three and nine months ended September 30, 2013, there were no shares of unvested restricted stock outstanding.

The components of basic and diluted earnings (loss) per common share for the three and nine months ended September 30, 2014 and 2013 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Numerator:				
Income from continuing operations, net of taxes	$ 14.2	$ 11.0	$ 37.3	$ 33.6
Income (loss) from discontinued operations, net of taxes	0.4	(1.5)	0.9	(6.3)
Net income	$ 14.6	$ 9.5	$ 38.2	$ 27.3
Denominator:				
Weighted average common shares outstanding – Basic	52,356,798	52,356,798	52,356,798	52,356,798
Effect of dilutive restricted stock	58,165	—	33,137	—
Weighted average common shares outstanding – Diluted	52,414,963	52,356,798	52,389,935	52,356,798
Basic earnings (loss) per common share:				
Continuing operations	$ 0.27	$ 0.21	$ 0.71	$ 0.64
Discontinued operations	0.01	(0.03)	0.02	(0.12)
Net income	$ 0.28	$ 0.18	$ 0.73	$ 0.52
Diluted earnings (loss) per common share:				
Continuing operations	$ 0.27	$ 0.21	$ 0.71	$ 0.64
Discontinued operations	0.01	(0.03)	0.02	(0.12)
Net income	$ 0.28	$ 0.18	$ 0.73	$ 0.52

12. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of accumulated other comprehensive loss as of September 30, 2014 are as follows:

	Foreign Currency Translation	Actuarial (Loss) Gain on Post-retirement Benefits	Deferred Gain (Loss) - Hedging	Accumulated Other Comprehensive Loss
Balance, January 1, 2014	$ 19.2	$ (170.5)	$ 1.5	$ (149.8)
Currency translation adjustment, net of tax benefit of $0.4 million	(17.1)	—	—	(17.1)
Amortization of pension related costs, net of tax of nil [a]	—	3.4	—	3.4
Revaluation of derivative financial instrument, net of tax benefit of $1.4 million[b]	—	—	(2.3)	(2.3)
Other comprehensive income (loss)	(17.1)	3.4	(2.3)	(16.0)
Balance, September 30, 2014	$ 2.1	$ (167.1)	$ (0.8)	$ (165.8)

[a] Amount represents the change in accumulated other comprehensive loss as a result of the amortization of unrecognized prior service costs and actuarial losses (gains) arising during each year related to the Company’s pension and other post-retirement plans. See Note 5, “Pension and Post-retirement Benefits,” for further discussion of the Company’s pension and other post-retirement plans.

[b] For the nine months ended September 30, 2014, the 2013 Interest Rate Swap (as hereinafter defined) was deemed effective and therefore the changes in fair value related to the 2013 Interest Rate Swap are recorded in other comprehensive income. See Note 14, "Financial Instruments," for further discussion of the 2013 Interest Rate Swap.

13. FAIR VALUE MEASUREMENTS

Assets and liabilities are required to be categorized into three levels of fair value based upon the assumptions used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3, if applicable, generally would require significant management judgment. The three levels for categorizing the fair value measurement of assets and liabilities are as follows:

- Level 1: Fair valuing the asset or liability using observable inputs, such as quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair valuing the asset or liability using inputs other than quoted prices that are observable for the applicable asset or liability, either directly or indirectly, such as quoted prices for similar (as opposed to identical) assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; and
- Level 3: Fair valuing the asset or liability using unobservable inputs that reflect the Company's own assumptions regarding the applicable asset or liability.

As of September 30, 2014, the fair values of the Company's financial assets and liabilities that are required to be measured at fair value are categorized in the table below:

	Total	Level 1	Level 2	Level 3
Assets:				
Derivatives:				
FX Contracts[a]	$ 0.6	$ —	$ 0.6	$ —
Total assets at fair value	$ 0.6	$ —	$ 0.6	$ —
Liabilities:				
Derivatives:				
FX Contracts[a]	$ —	$ —	$ —	$ —
2013 Interest Rate Swap[b]	1.2	—	1.2	—
Total liabilities at fair value	$ 1.2	$ —	$ 1.2	$ —

As of December 31, 2013, the fair values of the Company's financial assets and liabilities that are required to be measured at fair value are categorized in the table below:

	Total	Level 1	Level 2	Level 3
Assets:				
Derivatives:				
FX Contracts[a]	$ 1.0	$ —	$ 1.0	$ —
2013 Interest Rate Swap[b]	2.5	—	2.5	—
Total assets at fair value	$ 3.5	$ —	$ 3.5	$ —
Liabilities:				
Derivatives:				
FX Contracts[a]	$ 0.2	$ —	$ 0.2	$ —
Total liabilities at fair value	$ 0.2	$ —	$ 0.2	$ —

[a] The fair value of the Company's foreign currency forward exchange contracts ("FX Contracts") was measured based on observable market transactions of spot and forward rates on the respective dates. See Note 14, "Financial Instruments."

[b] The fair value of the Company's 2013 Interest Rate Swap was measured based on the implied forward rates from the U.S. Dollar three-month LIBOR yield curve on the respective dates. See Note 14, "Financial Instruments."

As of September 30, 2014, the fair values and carrying values of the Company's long-term debt, including the current portion of long-term debt, are categorized in the table below:

	Fair Value				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying Value**
Liabilities:					
Long-term debt, including current portion	$ —	$ 1,837.3	$ —	$ 1,837.3	$ 1,865.3

As of December 31, 2013, the fair values and carrying values of the Company's long-term debt, including the current portion of long-term debt, are categorized in the table below:

	Fair Value				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying Value**
Liabilities:					
Long-term debt, including current portion	$ —	$ 1,931.9	$ —	$ 1,931.9	$ 1,927.7

The fair value of the Company's long-term debt, including the current portion of long-term debt, is based on the quoted market prices for the same issues or on the current rates offered for debt of similar remaining maturities.

The carrying amounts of cash and cash equivalents, trade receivables, notes receivable, accounts payable and short-term borrowings approximate their fair values.

14. FINANCIAL INSTRUMENTS

Products Corporation maintains standby and trade letters of credit for various corporate purposes under which Products Corporation is obligated, of which $9.0 million and $9.9 million (including amounts available under credit agreements in effect at that time) were maintained at September 30, 2014 and December 31, 2013, respectively. Included in these amounts is approximately $7.7 million and $8.1 million at September 30, 2014 and December 31, 2013, respectively, in standby letters of credit which support Products Corporation's self-insurance programs. The estimated liability under such programs is accrued by Products Corporation.

Derivative Financial Instruments

The Company uses derivative financial instruments, primarily (i) FX Contracts, intended for the purpose of managing foreign currency exchange risk by reducing the effects of fluctuations in foreign currency exchange rates on the Company's net cash flows, and (ii) interest rate hedging transactions, such as the 2013 Interest Rate Swap, intended for the purpose of managing interest rate risk associated with Products Corporation's variable rate indebtedness.

Foreign Currency Forward Exchange Contracts

The FX Contracts are entered into primarily to hedge the anticipated net cash flows resulting from inventory purchases and intercompany payments denominated in currencies other than the local currencies of the Company's foreign and domestic operations and generally have maturities of less than one year.

The U.S. Dollar notional amount of the FX Contracts outstanding at September 30, 2014 and December 31, 2013 was $19.8 million and $52.9 million, respectively.

Interest Rate Swap Transaction

In November 2013, Products Corporation executed a forward-starting floating-to-fixed interest rate swap transaction with a 1.00% floor, based on a notional amount of $400 million in respect of indebtedness under the Acquisition Term Loan over a period of three years (the "2013 Interest Rate Swap"). The Company designated the 2013 Interest Rate Swap as a cash flow hedge of the variability of the forecasted three-month LIBOR interest rate payments related to its Acquisition Term Loan with respect to the $400 million notional amount over the three-year term of the 2013 Interest Rate Swap. Under the terms of the 2013 Interest Rate Swap, Products Corporation will receive from the counterparty a floating interest rate based on the higher of three-month USD LIBOR or 1.00% commencing in May 2015, while paying a fixed interest rate payment to the counterparty equal to 2.0709% (which effectively fixes the interest rate on such notional amount at 5.0709% over the three-year term of the 2013 Interest Rate

Swap.) For the nine months ended September 30, 2014, the 2013 Interest Rate Swap was deemed effective and therefore the changes in fair value related to the 2013 Interest Rate Swap have been recorded in Other Comprehensive Income. As of September 30, 2014, the balance of deferred net losses on derivatives included in accumulated other comprehensive income was $0.8 million after-tax. (See "*Quantitative Information – Derivative Financial Instruments*" below). The Company expects that $0.6 million of the after-tax amounts related to the 2013 Interest Rate Swap will be reclassified into earnings over the next 12 months as a result of transactions that are expected to occur over that period. The amount ultimately realized in earnings may differ as the LIBOR is subject to change. Realized gains and losses are ultimately determined by actual rates at maturity of the derivative.

Credit Risk

Exposure to credit risk in the event of nonperformance by any of the counterparties is limited to the gross fair value of the derivative instruments in asset positions, which totaled $0.6 million and $3.5 million as of September 30, 2014 and December 31, 2013, respectively. The Company attempts to minimize exposure to credit risk by generally entering into derivative contracts with counterparties that have investment-grade credit ratings and are major financial institutions. The Company also periodically monitors any changes in the credit ratings of its counterparties. Given the current credit standing of the Company's derivative instrument counterparties, the Company believes the risk of loss under these derivative instruments arising from any non-performance by any of the counterparties is remote.

Quantitative Information – Derivative Financial Instruments

The effects of the Company's derivative instruments on its consolidated financial statements were as follows:

(a) Fair Values of Derivative Financial Instruments in Consolidated Balance Sheets:

	Fair Values of Derivative Instruments					
	Assets			Liabilities		
	Balance Sheet Classification	September 30, 2014 Fair Value	December 31, 2013 Fair Value	Balance Sheet Classification	September 30, 2014 Fair Value	December 31, 2013 Fair Value
Derivatives designated as hedging instruments:						
2013 Interest Rate Swap[i]	Prepaid expenses and other	$ —	$ —	Accrued expenses and other	$ 1.0	$ —
	Other assets	—	2.5	Other long-term liabilities	0.2	—
Derivatives not designated as hedging instruments:						
FX Contracts[ii]	Prepaid expenses and other	$ 0.6	$ 1.0	Accrued Expenses	$ —	$ 0.2

[i] The fair values of the 2013 Interest Rate Swap at September 30, 2014 and December 31, 2013 were measured based on the implied forward rates from the U.S. Dollar three-month LIBOR yield curve at September 30, 2014 and December 31, 2013, respectively.

[ii] The fair values of the FX Contracts at September 30, 2014 and December 31, 2013 were measured based on observable market transactions of spot and forward rates at September 30, 2014 and December 31, 2013, respectively.

(b) Effects of Derivative Financial Instruments on the Consolidated Statements of Income and Comprehensive Income for the three and nine months ended September 30, 2014 and 2013:

	Amount of Gain (Loss) Recognized in Other Comprehensive Income			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Derivatives designated as hedging instruments:				
2013 Interest Rate Swap, net of tax [a]	$ 0.6	$ —	$ (2.3)	$ —

[a] Net of tax expense (benefit) of $0.4 million and $(1.4) million for the three and nine months ended September 30, 2014, respectively.

		Amount of Gain (Loss) Recognized in Net Income			
		Three Months Ended September 30,		Nine Months Ended September 30,	
	Income Statement Classification	2014	2013	2014	2013
Derivatives not designated as hedging instruments:					
FX Contracts	Foreign currency losses (gains), net	$ 1.5	$ (1.0)	$ 0.2	$ 1.3

15. INCOME TAXES

The provision for income taxes represents federal, foreign, state and local income taxes. The effective tax rate differs from the applicable federal statutory rate due to the effect of state and local income taxes, tax rates and income in foreign jurisdictions, utilization of tax loss carryforwards, foreign earnings taxable in the U.S., non-deductible expenses and other items. The Company's tax provision changes quarterly based on various factors including, but not limited to, the geographical mix of earnings, enacted tax legislation, foreign, state and local income taxes, tax audit settlements and the interaction of various global tax strategies. In addition, changes in judgment from the evaluation of new information resulting in the recognition, derecognition and/or re-measurement of a tax position taken in a prior period are recognized in the quarter in which any such change occurs.

For the third quarter of 2014 and 2013, the Company recorded a provision for income taxes of $8.7 million and $12.1 million, respectively. The $3.4 million decrease in the provision for income taxes was primarily attributable to certain discrete items that favorably impacted the provision for income taxes in the third quarter of 2014, including return-to-provision adjustments.

For the first nine months of 2014 and 2013, the Company recorded a provision for income taxes of $34.2 million and $30.3 million, respectively. The $3.9 million increase in the provision for income taxes was primarily attributable to the loss on early extinguishment of debt recognized in the first nine months of 2013 that did not recur in 2014, which favorably impacted the provision for income taxes, and an increase in pre-tax income in the first nine months of 2014, partially offset by the favorable impact of certain discrete items in the period, including the favorable resolution of tax matters in certain foreign jurisdictions and return-to-provision adjustments.

The Company's effective tax rate for the three months ended September 30, 2014 was higher than the federal statutory rate of 35% due principally to foreign dividends and earnings taxable in the U.S., foreign and U.S. tax effects attributable to operations outside the U.S., and state and local taxes, net of U.S. federal income tax benefit, partially offset by certain discrete items in the third quarter of 2014, including the return-to-provision adjustments.

The Company's effective tax rate for the nine months ended September 30, 2014 was higher than the federal statutory rate of 35% due principally to foreign dividends and earnings taxable in the U.S. and state and local taxes, net of U.S. federal income tax benefits.

The Company remains subject to examination of its income tax returns in various jurisdictions including, without limitation, Australia and Spain, for tax years ended December 31, 2010 through December 31, 2013, South Africa for tax years ended December 31, 2010 through December 31, 2012, and the U.S. (federal) for tax years ended December 31, 2011 through December 31, 2013.

16. CONTINGENCIES

The Company is involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, financial condition and/or its results of operations. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period.

17. RELATED PARTY TRANSACTIONS

Reimbursement Agreements

As previously disclosed in Revlon, Inc.'s 2013 Form 10-K, Revlon, Inc., Products Corporation and MacAndrews & Forbes Inc. (a wholly-owned subsidiary of MacAndrews & Forbes Holdings) have entered into reimbursement agreements (the "Reimbursement Agreements") pursuant to which (i) MacAndrews & Forbes Inc. is obligated to provide (directly or through its affiliates) certain professional and administrative services, including, without limitation, employees, to Revlon, Inc. and its subsidiaries, including, without limitation, Products Corporation, and to purchase services from third party providers, such as

insurance, legal, accounting and air transportation services, on behalf of Revlon, Inc. and its subsidiaries, including Products Corporation, to the extent requested by Products Corporation, and (ii) Products Corporation is obligated to provide certain professional and administrative services, including, without limitation, employees, to MacAndrews & Forbes and to purchase services from third party providers, such as insurance, legal and accounting services, on behalf of MacAndrews & Forbes to the extent requested by MacAndrews & Forbes, provided that in each case the performance of such services does not cause an unreasonable burden to MacAndrews & Forbes or Products Corporation, as the case may be.

The Company reimburses MacAndrews & Forbes for the allocable costs of the services purchased for or provided by MacAndrews & Forbes to the Company and its subsidiaries and for the reasonable out-of-pocket expenses incurred by MacAndrews & Forbes in connection with the provision of such services. MacAndrews & Forbes reimburses Products Corporation for the allocable costs of the services purchased for or provided by Products Corporation to MacAndrews & Forbes and for the reasonable out-of-pocket expenses incurred in connection with the purchase or provision of such services. Each of the Company, on the one hand, and MacAndrews & Forbes Inc., on the other, has agreed to indemnify the other party for losses arising out of the services provided by it under the Reimbursement Agreements, other than losses resulting from its willful misconduct or gross negligence.

The Reimbursement Agreements may be terminated by either party on 90 days' notice. The Company does not intend to request services under the Reimbursement Agreements unless their costs would be at least as favorable to the Company as could be obtained from unaffiliated third parties.

The Company participates in MacAndrews & Forbes' directors and officers liability insurance program (the “D&O Insurance Program”), as well as its other insurance coverages, such as property damage, business interruption, cyber liability and other liabilities and other coverages, which cover the Company, as well as MacAndrews & Forbes and its subsidiaries. The limits of coverage for certain of the policies are available on an aggregate basis for losses to any or all of the participating companies and their respective directors and officers. The Company reimburses MacAndrews & Forbes from time to time for its allocable portion of the premiums for such coverage or the Company pays the insurers directly, which premiums the Company believes are more favorable than the premiums the Company would pay were it to secure stand-alone coverage. Any amounts paid by the Company directly to MacAndrews & Forbes in respect of premiums are included in the amounts paid under the Reimbursement Agreements.

The net activity related to services provided and/or purchased under the Reimbursement Agreements during the nine months ended September 30, 2014 and 2013 was $3.8 million and $4.4 million, respectively, which primarily includes the partial payments made by the Company to MacAndrews & Forbes during the first quarter of 2014 and 2013 for premiums related to the Company's allocable portion of the 5-year renewal of the D&O Insurance Program for the period from January 31, 2012 through January 31, 2017. Partially offsetting the 2013 net activity was also $1.8 million received from MacAndrews & Forbes for reimbursable costs incurred by the Company related to matters covered by the D&O Insurance Program. The receivable balances from MacAndrews & Forbes were nil at both September 30, 2014 and December 31, 2013 for transactions subject to the Reimbursement Agreements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Overview of the Business

The Company (as defined below) is providing this overview in accordance with the SEC's December 2003 interpretive guidance regarding Management's Discussion and Analysis of Financial Condition and Results of Operations.

Revlon, Inc. (and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation"), and its subsidiaries. Revlon, Inc. is a direct and indirect majority-owned subsidiary of MacAndrews & Forbes Holdings Inc. ("MacAndrews & Forbes Holdings" and together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation wholly-owned by Ronald O. Perelman.

The Company currently operates in two segments, the consumer division ("Consumer") and the professional division ("Professional"), and manufactures, markets and sells worldwide an extensive array of beauty and personal care products, including cosmetics, hair color, hair care and hair treatments, beauty tools, men's grooming products, anti-perspirant deodorants, fragrances, skincare and other beauty care products. The Company believes that its global brand name recognition, product quality, R&D, new product innovation and marketing experience have enabled it to create leading global consumer and professional brands.

On October 9, 2013 (the "Acquisition Date"), Products Corporation completed its acquisition of The Colomer Group Participations, S.L. ("Colomer" and the "Colomer Acquisition"). The results of operations of the Colomer business are included in the Company's Consolidated Financial Statements commencing on the Acquisition Date.

The Company's Business Strategy

The Company's vision is to establish Revlon as the quintessential and most innovative beauty company in the world by offering products that make consumers feel attractive and beautiful. We want to inspire our consumers to express themselves boldly and confidently.

The Company's strategic goal is to optimize the market and financial performance of its portfolio of brands and assets. The business strategies employed by the Company to achieve this goal are:

1. ***Manage financial drivers for value creation.*** We are focused on gross profit margin expansion, which includes optimizing price, as well as allocating sales allowances to maximize our return on trade spending. We also continue to focus on reducing costs across our global supply chain. In addition, we are focused on eliminating non-value added general and administrative costs in order to fund reinvestment to facilitate growth.

2. ***Grow our global brands through exceptional innovation and effective brand support***. We are focused on creating fewer, bigger and better innovations across our brands that are relevant, unique, impactful and distinctive. We want to continue to build strong brands by focusing on high-quality, consumer-preferred offerings; effective consumer communication; increased levels of effective advertising and promotion; and superb execution and collaboration with our customers.

3. ***Pursue growth opportunities.*** We are focused on pursuing organic growth opportunities within our existing brand portfolio and existing channels, as well as seeking acquisition opportunities that complement our portfolio. We are also focused on exploring opportunities to expand our geographical presence in key markets, as appropriate.

4. ***Improve cash flow.*** We are focused on improving our cash flows through, among other things, continued effective management of our working capital and by focusing on appropriate return on capital spending.

Discontinued Operations Presentation

As a result of the Company's decision on December 30, 2013 to exit its business operations in China, the Company is reporting the results of its China operations within income (loss) from discontinued operations, net of taxes, in the Company's Consolidated Statements of Income and Comprehensive Income. Accordingly, prior year amounts have been restated to conform to this presentation. Unless otherwise stated, financial results discussed within "Overview" and "Results of Operations" refer to continuing operations. See Note 4, "Discontinued Operations," to the Unaudited Consolidated Financial Statements in this Form 10-Q for further discussion.

Overview of Net Sales and Earnings Results

Consolidated net sales in the third quarter of 2014 were $472.3 million, an increase of $139.2 million, or 41.8%, compared to $333.1 million in the third quarter of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $10.1 million,

consolidated net sales increased $149.3 million, or 44.8%, in the third quarter of 2014, primarily driven by the inclusion of $143.7 million of net sales as a result of the Colomer Acquisition in October 2013, of which $124.1 million is included within the Professional segment and $19.6 million is included within the Consumer segment.

Consolidated net sales in the first nine months of 2014 were $1,440.0 million, an increase of $436.3 million, or 43.5%, compared to $1,003.7 million in the first nine months of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $25.9 million, consolidated net sales increased $462.2 million, or 46.0%, in the first nine months of 2014, primarily driven by the inclusion of $437.6 million of net sales as a result of the Colomer Acquisition in October 2013, of which $385.0 million is included within the Professional segment and $52.6 million is included within the Consumer segment.

Consolidated income from continuing operations, net of taxes, in the third quarter of 2014 was $14.2 million, compared to $11.0 million in the third quarter of 2013. The increase of $3.2 million was primarily due to:

- $95.7 million of higher gross profit due to a $139.2 million increase in consolidated net sales, partially offset by a $43.5 million increase in cost of sales, both of which were primarily driven by the inclusion of net sales and cost of sales as a result of the Colomer Acquisition;

with the foregoing partially offset by:

- $87.7 million of higher selling general and administrative ("SG&A") expenses primarily driven by the inclusion of SG&A expenses as a result of the Colomer Acquisition.

Consolidated income from continuing operations, net of taxes, in the first nine months of 2014 was $37.3 million, compared to $33.6 million in the first nine months of 2013. The increase of $3.7 million was primarily due to:

- $299.1 million of higher gross profit due to a $436.3 million increase in consolidated net sales, partially offset by a $137.2 million increase in cost of sales, both of which were primarily driven by the inclusion of net sales and cost of sales as a result of the Colomer Acquisition; and

- a $28.1 million aggregate loss on early extinguishment of debt recognized in the first nine months of 2013 primarily due to the 2013 Senior Notes Refinancing (as hereinafter defined), compared to an aggregate loss on early extinguishment of debt of $2.0 million in the first nine months of 2014 primarily due to the February 2014 Term Loan Amendment (as hereinafter defined);

with the foregoing partially offset by:

- $279.6 million of higher SG&A expenses primarily driven by the inclusion of SG&A expenses as a result of the Colomer Acquisition;
- $16.3 million of higher restructuring charges and other, net related to continuing operations, primarily related to the Integration Program (as hereinafter defined);

- $14.7 million of higher foreign currency losses, net, partially due to the $6.0 million foreign currency loss recognized in the first nine months of 2014 as a result of the re-measurement of Revlon Venezuela's balance sheet; and

- $13.1 million of higher interest expense primarily due to higher average debt as a result of the Colomer Acquisition.

These items are discussed in more detail within "Results of Operations" and within "Financial Condition, Liquidity and Capital Resources" below.

Recent Events

Integration Program

In January 2014, the Company announced that it was implementing actions to integrate Colomer's operations into the Company's business, as well as additional restructuring actions identified to reduce costs across the Company's businesses (all such actions, together, the "Integration Program").

The Company expects to recognize total restructuring charges, capital expenditures and related non-restructuring costs under the Integration Program of approximately $50 million in the aggregate over the periods described below, and to achieve annualized cost reductions of approximately $30 million to $35 million by the end of 2015. Approximately $10 million to $15 million of these cost reductions are expected to benefit 2014 results.

The Integration Program is designed to deliver cost reductions throughout the combined organization by generating synergies and operating efficiencies within the Company's global supply chain and consolidating offices and back office support, and other actions designed to reduce selling, general and administrative expenses. Certain actions that are part of the Integration Program

are subject to consultations with employees, works councils or unions and governmental authorities. The Company expects to substantially complete the Integration Program by the end of 2015.

The approximately $50 million of total restructuring charges, related non-restructuring costs and capital expenditures under the Integration Program referred to above consist of the following:

- Restructuring and related costs: The Company expects total restructuring and related charges for the Integration Program of approximately $26 million. During the first nine months of 2014, the Company recorded charges totaling $17.1 million related to restructuring and related actions under the Integration Program, of which $16.4 million was recorded in restructuring charges and other, net, $0.2 million was recorded in cost of sales and $0.5 million was recorded in SG&A expenses. Approximately $4 million of charges are expected to be recognized during the remainder of 2014 and any remaining charges to be recognized in 2015. The Company expects cash payments related to the restructuring and related charges in connection with the Integration Program will total approximately $25 million, of which $6.4 million was paid in the first nine months of 2014, approximately $7 million is expected to be paid during the remainder of 2014, with the majority of the remaining balance expected to be paid in 2015.

- Non-restructuring integration costs: $12.5 million and $4.9 million of non-restructuring integration costs recognized in 2013 and for the first nine months of 2014, respectively. Such costs have been reflected within acquisition and integration costs in the Company's Consolidated Statements of Income and Comprehensive Income related to combining Colomer’s operations into the Company’s business.

- Capital Expenditures: Expected integration-related capital expenditures of approximately $7 million, $3.3 million of which was paid in the first nine months of 2014. The Company expects approximately $1.9 million to be paid during the remainder of 2014, with the remaining balance expected to be paid in 2015.

For further discussion of the Colomer Acquisition and the Integration Program, see Note 2, "Business Combination" and Note 3, "Restructuring Charges - Integration Program" to the Unaudited Consolidated Financial Statements in this Form 10-Q.

2014 Debt Transactions

During the first nine months of 2014, the Company completed the following debt transactions:

- February 2014 Term Loan Amendment: In February 2014, Products Corporation entered into an amendment (the “February 2014 Term Loan Amendment”) to its amended term loan agreement, which is comprised of (i) the $675.0 million term loan due November 19, 2017 (the "2011 Term Loan") and (ii) the $700.0 million term loan due October 8, 2019 (the "Acquisition Term Loan"), which has $694.8 million in aggregate principal balance outstanding as of September 30, 2014 (together, the "Amended Term Loan Agreement"). The February 2014 Term Loan Amendment reduced the interest rates applicable to Eurodollar Loans under the 2011 Term Loan to the Eurodollar Rate plus 2.5% per annum, with the Eurodollar Rate not to be less than 0.75%, and interest rates applicable to Alternate Base Rate Loans under the 2011 Term Loan to the Alternate Base Rate plus 1.5%, with the Alternate Base Rate not to be less than 1.75%.

- Repayment of Non-Contributed Loan: On May 1, 2014, Products Corporation used available cash on hand to optionally prepay in full the remaining $58.4 million principal amount outstanding under the non-contributed loan portion of the Amended and Restated Senior Subordinated Term Loan Agreement (the "Non-Contributed Loan") that remained owing from Products Corporation to various third parties. The Non-Contributed Loan would have otherwise matured on October 8, 2014.

See “Financial Condition, Liquidity and Capital Resources – Long-Term Debt Instruments” for further discussion.

Operating Segments

Commencing on the Colomer Acquisition Date, the Company began operating in two segments, the Consumer segment and the Professional segment:

- The Consumer segment is comprised of the Company's consumer brands, which primarily include **Revlon**, **Almay**, **SinfulColors** and **Pure Ice** in color cosmetics; **Revlon ColorSilk** in women’s hair color; **Revlon** in beauty tools; and **Mitchum** in anti-perspirant deodorants. The Company’s principal customers for its consumer products include the mass retail channel in the U.S. and internationally, consisting of large mass volume retailers and chain drug and food stores in the U.S., as well as certain department stores and other specialty stores, such as perfumeries, outside the U.S. The Consumer segment also includes a skincare line and a hair color line sold in the mass retail channel, primarily in Spain, which was acquired as part of the Colomer Acquisition.

- The Professional segment is comprised primarily of the brands which the Company acquired in the Colomer Acquisition, which include **Revlon Professional** in hair color and hair care; **CND**-branded products in nail polishes

and nail enhancements; and **American Crew** in men's grooming products, all of which are sold worldwide in the professional salon channel. The Company's principal customers for its professional products include hair and nail salons and distributors in the U.S. and internationally. The Professional segment also includes a multi-cultural hair care line sold in the mass retail channel and in professional salons, primarily in the U.S.

Results of Operations

In the tables, all amounts are in millions and numbers in parentheses ( ) denote unfavorable variances.

Consolidated Net Sales:

Third quarter results:

Consolidated net sales in the third quarter of 2014 were $472.3 million, an increase of $139.2 million, or 41.8%, compared to $333.1 million in the third quarter of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $10.1 million, consolidated net sales increased $149.3 million, or 44.8%, in the third quarter of 2014, primarily driven by the inclusion of the net sales as a result of the Colomer Acquisition, commencing on the Acquisition Date. See "Segment Results" below for further discussion.

Year-to-date results:

Consolidated net sales in the first nine months of 2014 were $1,440.0 million, an increase of $436.3 million, or 43.5%, compared to $1,003.7 million in the first nine months of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $25.9 million, consolidated net sales increased $462.2 million, or 46.0%, in the first nine months of 2014, primarily driven by the inclusion of the net sales as a result of the Colomer Acquisition, commencing on the Acquisition Date. See "Segment Results" below for further discussion.

Segment Results:

The Company's management evaluates segment profit, which is defined as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt and miscellaneous expenses, for each of the Company's Consumer and Professional segments. Segment profit also excludes unallocated corporate expenses and the impact of certain items that are not directly attributable to the segments' underlying operating performance, which for the three and nine months ended September 30, 2014 and 2013 include the impact of: (i) restructuring and related charges; (ii) acquisition and integration costs; (iii) costs of sales resulting from a fair value adjustment to inventory acquired in the Colomer Acquisition; (iv) insurance proceeds received in 2013 related to the 2011 fire that destroyed the Company's facility in Venezuela; (v) insurance proceeds from the recovery of litigation settlements; and (vi) an accrual for estimated clean-up costs related to the Company's facility in Venezuela. Such items are shown in the table reconciling segment profit to consolidated income from continuing operations before income taxes. Unallocated corporate expenses primarily include general and administrative expenses related to the corporate organization. These expenses are recorded in unallocated corporate expenses as these items are centrally directed and controlled and are not included in internal measures of segment operating performance. The Company does not have any material inter-segment sales. For a reconciliation of segment profit to income from continuing operations before income taxes, see Note 6, "Segment Data and Related Information" to the Unaudited Consolidated Financial Statements in this Form 10-Q.

The following table is a comparative summary of the Company's segment results for the three months ended September 30, 2014 and 2013:

	Net Sales						Segment Profit			
	Three Months Ended September 30,		Change		XFX Change [a]		Three Months Ended September 30,		Change	
	2014	2013	$	%	$	%	2014	2013	$	%
Consumer	$ 348.2	$ 333.1	$ 15.1	4.5%	$ 25.2	7.6%	$ 78.1	$ 78.9	$ (0.8)	(1.0)%
Professional	124.1	—	124.1	—	124.1	—	25.2	—	25.2	—
Total Net Sales	$ 472.3	$ 333.1	$ 139.2	41.8%	$ 149.3	44.8%	$ 103.3	$ 78.9	$ 24.4	30.9 %

[a] XFX excludes the impact of foreign currency fluctuations.

The following table is a comparative summary of the Company's segment results for the nine months ended September 30, 2014 and 2013:

	Net Sales						Segment Profit			
	Nine Months Ended September 30,		Change		XFX Change [(a)]		Nine Months Ended September 30,		Change	
	2014	2013	$	%	$	%	2014	2013	$	%
Consumer	$ 1,055.0	$ 1,003.7	$ 51.3	5.1%	$ 77.2	7.7%	$ 232.0	$ 240.2	$ (8.2)	(3.4)%
Professional	385.0	—	385.0	—	385.0	—	88.5	—	88.5	—
Total Net Sales	$ 1,440.0	$ 1,003.7	$ 436.3	43.5%	$ 462.2	46.0%	$ 320.5	$ 240.2	$ 80.3	33.4 %

[(a)] XFX excludes the impact of foreign currency fluctuations.

Consumer Segment

Third quarter results:

Consumer segment net sales in the third quarter of 2014 were $348.2 million, an increase of $15.1 million, or 4.5%, compared to $333.1 million in the third quarter of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $10.1 million, total Consumer net sales increased $25.2 million, or 7.6%, in the third quarter of 2014, compared to the third quarter of 2013, primarily driven by (i) the inclusion of $19.6 million of net sales from consumer brands acquired in the Colomer Acquisition, which are reported within the Consumer segment; and (ii) $8.8 million of favorable returns reserve adjustments in the U.S. during the third quarter of 2014, as a result of lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, partially offset by increased returns expense for current year returns. The third quarter of 2014 also had lower net sales of **Almay** color cosmetics and **SinfulColors** color cosmetics, partially offset by higher net sales of **Mitchum** products.

Consumer segment profit in the third quarter of 2014 was $78.1 million, an increase of $0.8 million, or 1.0%, compared to $78.9 million in the third quarter of 2013, primarily due to higher gross profit as a result of the returns adjustment to net sales as discussed above. See "Gross Profit" below for further discussion. This increase was mostly offset by $3.8 million of higher advertising expense to support the Company's Consumer brands and unfavorable foreign currency fluctuations of approximately $4 million.

Year-to-date results:

Consumer segment net sales in the first nine months of 2014 were $1,055.0 million, an increase of $51.3 million, or 5.1%, compared to $1,003.7 million in the first nine months of 2013. Excluding the unfavorable impact of foreign currency fluctuations of $25.9 million, total Consumer net sales increased $77.2 million, or 7.7%, in the first nine months of 2014, compared to the first nine months of 2013, primarily driven by (i) the inclusion of $52.6 million of net sales from Consumer brands acquired in the Colomer Acquisition; and (ii) $15.1 million of favorable returns reserve adjustments in the U.S. during the first nine months of 2014, as a result of lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, partially offset by increased returns expense for current year returns. In addition, the first nine months of 2014 had higher net sales of **Revlon** color cosmetics and **Revlon ColorSilk** hair color, partially offset by lower net sales of **Almay** color cosmetics.

Consumer segment profit in the first nine months of 2014 was $232.0 million, a decrease of $8.2 million, or 3.4%, compared to $240.2 million in the first nine months of 2013, primarily due to $23.9 million of higher advertising expense to support the Company's Consumer brands and unfavorable foreign currency fluctuations of approximately $7 million, partially offset by higher gross profit, primarily due to the returns adjustment discussed above, net of related inventory write-off charges, as well as the increase in net sales as discussed above. See "Gross Profit" below for further discussion.

Professional Segment

The Company's Professional segment is comprised primarily of the operations acquired by the Company in the Colomer Acquisition in October 2013 (with the exception of the retail brands acquired in the Colomer Acquisition, which the Company has included within the Consumer segment, as noted above). As there are no comparable prior years' net sales and segment profit for the Professional segment, an analysis of net sales and segment profit for the Professional segment in the third quarter and first nine months of 2014, compared to the third quarter and first nine months of 2013, is not included in this Form 10-Q. Professional net sales were $124.1 million and $385.0 million for the third quarter and first nine months of 2014, respectively, consisting

primarily of the net sales of **CND** products worldwide, including **CND Shellac**; **Revlon Professional** products, primarily in Europe; and **American Crew** products and other professional brands world-wide.

Professional segment profit in the third quarter and first nine months of 2014 was $25.2 million and $88.5 million, respectively, and is comprised primarily of the operating results of the operations acquired in the Colomer Acquisition.

Geographic Results:

In connection with changes that the organization made to its management reporting structure following the Colomer Acquisition, beginning with the first quarter of 2014, the Company has combined its former Latin America and Canada; Asia Pacific; and Europe, Middle East and Africa operating regions into the International region for reporting purposes. The Company has modified its net sales discussion to conform to how management reviews the business, and, accordingly, prior year amounts have been restated to conform to this presentation.

The following table is a comparative summary of the Company's net sales by region for the three months ended September 30, 2014 and 2013:

	Three Months Ended September 30,		Change		XFX Change [a]	
	2014	2013	$	%	$	%
United States	$ 243.8	$ 185.8	$ 58.0	31.2%	$ 58.0	31.2%
International	228.5	147.3	81.2	55.1%	91.3	62.0%
Total Net Sales	$ 472.3	$ 333.1	$ 139.2	41.8%	$ 149.3	44.8%

[a] XFX excludes the impact of foreign currency fluctuations.

The following table is a comparative summary of the Company's net sales by region for the nine months ended September 30, 2014 and 2013:

	Nine Months Ended September 30,		Change		XFX Change [a]	
	2014	2013	$	%	$	%
United States	$ 749.2	$ 581.8	$ 167.4	28.8%	$ 167.4	28.8%
International	690.8	421.9	268.9	63.7%	294.8	69.9%
Total Net Sales	$ 1,440.0	$ 1,003.7	$ 436.3	43.5%	$ 462.2	46.0%

[a] XFX excludes the impact of foreign currency fluctuations.

United States

Third quarter results:

In the U.S., net sales in the third quarter of 2014 increased $58.0 million, or 31.2%, to $243.8 million, as compared to $185.8 million in the third quarter of 2013, primarily due to the inclusion of $47.5 million of net sales as a result of the Colomer Acquisition. Net sales in the U.S. were also impacted by $8.8 million of favorable returns reserve adjustments during the third quarter 2014, as a result of lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, partially offset by increased returns expense for current year returns. In addition, the third quarter of 2014 had higher net sales of **Revlon** color cosmetics and **Mitchum** products, partially offset by lower net sales of **Almay** color cosmetics and **SinfulColors** color cosmetics.

Year-to-date results:

In the U.S., net sales in the first nine months of 2014 increased $167.4 million, or 28.8%, to $749.2 million, as compared to $581.8 million in the first nine months of 2013, primarily due to the inclusion of $145.5 million of net sales as a result of the Colomer Acquisition. Net sales in the U.S. were also impacted by $15.1 million of favorable returns reserve adjustments during the first nine months of 2014, as a result of lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, partially offset by increased returns expense for current year returns. In addition, the first nine months of 2014 had higher net sales of **Revlon** color cosmetics and **Revlon ColorSilk** hair color, partially offset by lower net sales of **Almay** color cosmetics.

International

Third quarter results:

International net sales in the third quarter of 2014 increased $81.2 million, or 55.1%, to $228.5 million, as compared to $147.3 million in the third quarter of 2013. Excluding the $10.1 million unfavorable impact of foreign currency fluctuations, International net sales increased $91.3 million, or 62.0%, primarily due to the inclusion of $96.2 million of net sales as a result of the Colomer Acquisition. Additionally, net sales were impacted by lower net sales of **Revlon** color cosmetics in certain distributor markets, partially offset by higher net sales of **Revlon** color cosmetics in Venezuela, Japan and South Africa. Results in Venezuela benefited from the increased availability of U.S. Dollars to import finished goods for sale in Venezuela in the third quarter of 2014, as compared to the third quarter of 2013. See "Impact of Foreign Currency Translation-Venezuela" below within "Financial Condition, Liquidity and Capital Resources" for further discussion.

Year-to-date results:

International net sales in the first nine months of 2014 increased $268.9 million, or 63.7%, to $690.8 million, as compared to $421.9 million in the first nine months of 2013. Excluding the $25.9 million unfavorable impact of foreign currency fluctuations, International net sales increased $294.8 million, or 69.9%, primarily due to the inclusion of $292.1 million of net sales as a result of the Colomer Acquisition. Additionally, net sales were impacted by higher net sales of **Revlon** color cosmetics in Japan and other beauty care products in Venezuela and Argentina, mostly offset by lower net sales of **Revlon** color cosmetics and **Revlon ColorSilk** hair color in certain distributor markets. Results in Venezuela benefited from the increased availability of U.S. Dollars to import finished goods for sale in Venezuela in the first nine months of 2014, as compared to the first nine months of 2013. See "Impact of Foreign Currency Translation-Venezuela" below within "Financial Condition, Liquidity and Capital Resources" for further discussion.

Gross profit:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	**2013**	**Change**	**2014**	**2013**	**Change**
Gross profit	$ 307.7	$ 212.0	$ 95.7	$ 944.7	$ 645.6	$ 299.1
Percentage of net sales	*65.1%*	*63.6%*	*1.5%*	*65.6%*	*64.3%*	*1.3%*

Gross profit increased $95.7 million, and as a percentage of net sales gross profit increased 1.5 percentage points in the third quarter of 2014, compared to the third quarter of 2013. The drivers of gross profit in the third quarter of 2014, compared to the third quarter of 2013, primarily included:

- the inclusion of gross profit from the October 2013 Colomer Acquisition, which increased gross profit by $94.3 million and increased gross profit as a percentage of net sales by 0.2 percentage points;
- the favorable impact of returns accrual adjustments made in the third quarter 2014, due to lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, which increased gross profit by $8.1 million and increased gross profit as a percentage of net sales by 0.8 percentage points; and
- favorable sales mix within the Consumer segment, which increased gross profit by $3.0 million and increased gross profit as a percentage of net sales by 0.9 percentage points;

with the foregoing partially offset by:

- unfavorable foreign currency fluctuations, which reduced gross profit by $7.1 million, with a de minimis impact to gross profit as a percentage of net sales; and
- higher allowances, which reduced gross profit by $2.7 million and decreased gross profit as a percentage of net sales by 0.4 percentage points.

Gross profit increased $299.1 million, and as a percentage of net sales gross profit increased 1.3 percentage points in the first nine months of 2014, compared to the first nine months of 2013. The drivers of gross profit in the first nine months of 2014, compared to the first nine months of 2013, primarily included:

- the inclusion of gross profit from the October 2013 Colomer Acquisition, which increased gross profit by $295.6 million and increased gross profit as a percentage of net sales by 0.8 percentage points;

- the favorable impact of returns accrual adjustments in the first nine months of 2014, net of related inventory write-off charges, due to lower expected discontinued products in the future related to the Company's strategy to focus on fewer, bigger and better innovations, which increased gross profit by $12.1 million and increased gross profit as a percentage of net sales by 0.2 percentage points;
- favorable volume, which increased gross profit by $8.5 million, with no impact on gross profit as a percentage of net sales; and
- favorable sales mix within the Consumer segment, which increased gross profit by $8.1 million and increased gross profit as a percentage of net sales by 0.8 percentage points;

with the foregoing partially offset by:

- unfavorable foreign currency fluctuations, which reduced gross profit by $19.4 million and reduced gross profit as a percentage of net sales by 0.3 percentage points; and
- higher allowances, which reduced gross profit by $6.8 million and decreased gross profit as a percentage of net sales by 0.3 percentage points.

SG&A expenses:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	Change	2014	2013	Change
SG&A expenses	$ 251.8	$ 164.1	$ (87.7)	$ 761.6	$ 482.0	$ (279.6)

SG&A expenses increased $87.7 million in the third quarter of 2014, as compared to the third quarter of 2013, primarily driven by:

- the inclusion of SG&A expenses as a result of the Colomer Acquisition, commencing on the Acquisition Date, which contributed $70.7 million to the increase in SG&A expenses;
- $12.4 million of higher general and administrative expenses, primarily due to higher incentive compensation expense driven by a lower accrual in the third quarter of 2013 based on the Company's anticipated achievement for full year 2013 at that time, and higher stock-based compensation, as well as higher occupancy costs due to overlapping rents as a result of the Company's move to its new New York headquarters during the third quarter of 2014; and
- $3.8 million of higher advertising expenses to support the Company's brands within the Consumer segment;

with the foregoing partially offset by:

- $3.5 million of favorable impact of foreign currency fluctuations.

SG&A expenses increased $279.6 million in the first nine months of 2014, as compared to the first nine months of 2013, primarily driven by:

- the inclusion of SG&A expenses as a result of the Colomer Acquisition, commencing on the Acquisition Date, which contributed $222.6 million to the increase in SG&A expenses;
- a $26.4 million gain from insurance proceeds in the first nine months of 2013 due to the settlement of the Company's claim for the loss of inventory from the fire that destroyed the Company's facility in Venezuela, partially offset by an accrual in the first nine months of 2013 of $4.5 million for estimated clean-up costs related to the destroyed facility, both of which did not recur in the first nine months of 2014;
- $23.9 million of higher advertising expenses to support the Company's brands within the Consumer segment; and
- $12.6 million of higher general and administrative expenses, primarily due to higher incentive compensation expense driven by a lower accrual in the first nine months of 2013 based on the Company's anticipated achievement for full year 2013 at that time, and higher stock-based compensation, as well as higher occupancy costs due to overlapping rents as a result of the Company's move to its new New York headquarters during the third quarter of 2014;

with the foregoing partially offset by:

- $10.2 million of favorable impact of foreign currency fluctuations.

Acquisition and Integration Costs:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	Change	2014	2013	Change
Acquisition and integration costs	$ 0.9	$ 5.9	$ 5.0	$ 5.4	$ 6.3	$ 0.9

The acquisition and integration costs for the third quarters and first nine months of 2014 and 2013 consist of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Acquisition costs	$ 0.1	$ 5.9	$ 0.5	$ 6.3
Integration costs	0.8	—	4.9	—
Total acquisition and integration costs	$ 0.9	$ 5.9	$ 5.4	$ 6.3

The acquisition costs primarily include legal fees and consulting fees directly attributable to the Colomer Acquisition. The integration costs consist of non-restructuring costs related to the Company's integration of Colomer's operations into the Company's business, and, for 2014, primarily including employee-related costs related to management changes and audit-related fees.

Restructuring charges and other, net:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	Change	2014	2013	Change
Restructuring charges and other, net	$ 0.8	$ (1.5)	$ (2.3)	$ 18.1	$ 1.8	$ (16.3)

Integration Program

During the third quarter of 2014, the Company recorded charges totaling $1.4 million related to restructuring and related actions under the Integration Program, of which $1.1 million was recorded in restructuring charges and other, net, $0.1 million was recorded in cost of sales and $0.2 million was recorded in SG&A expenses.

During the first nine months of 2014, the Company recorded charges totaling $17.1 million related to restructuring and related actions under the Integration Program, of which $16.4 million was recorded in restructuring charges and other, net, $0.2 million was recorded in cost of sales and $0.5 million was recorded in SG&A expenses.

For additional details on the Integration Program, please see "Overview - Recent Events - Integration Program."

Other Immaterial Restructuring Actions

During the first nine months of 2014, the Company recorded net charges totaling $1.9 million within restructuring charges and other, net, for other immaterial restructuring actions within the Consumer segment, primarily due to $2.2 million of charges related to employee-related costs, partially offset by a $0.3 million gain related to the sale of equipment.

December 2013 Program

The Company recognized cumulative charges of $21.4 million through December 31, 2013 within income (loss) from discontinued operations, related to restructuring actions that include exiting its business operations in China, as well as implementing other immaterial restructuring actions outside the U.S. that are expected to generate other operating efficiencies (the "December 2013 Program"). In the first nine months of 2014, the Company revised its estimated charges for the December 2013 Program and decreased its restructuring and related charges by $2.5 million, for cumulative charges incurred through September 30, 2014 of $18.9 million. Of that $2.5 million decrease, $2.3 million relates to the Company's exit of its business operations in China and is recorded within income (loss) from discontinued operations, net of taxes. The remaining $0.2 million is recorded in restructuring charges and other, net within income from continuing operations, net of taxes.

The Company expects cash payments to total approximately $17 million related to the December 2013 Program, of which $0.1 million was paid in 2013, and $15.1 million was paid in the first nine months of 2014, with the majority of the remaining balance expected to be paid during the remainder of 2014.

The Company expects approximately $10 million of cost reductions to benefit 2014 from the December 2013 Program and annualized cost reductions thereafter are expected to be approximately $11 million.

September 2012 Program

In September 2012, the Company announced a restructuring (the "September 2012 Program"), which primarily involved the Company exiting its owned manufacturing facility in France and its leased manufacturing facility in Maryland; rightsizing its organizations in France and Italy; and realigning its operations in Latin America and Canada.

During the third quarter of 2013, the Company recorded a net benefit related to the September 2012 Program of $1.5 million, primarily due to a $2.5 million gain related to the July 2013 sale of the Company's manufacturing facility in France, partially offset by changes in estimates related to legal and other termination costs.

During the first nine months of 2013, the Company recorded net charges of $2.2 million related to the September 2012 Program, primarily due to $4.7 million of additional charges as a result of changes in estimates related to severance and other termination benefits, partially offset by a $2.5 million gain related to the July 2013 sale of the Company's manufacturing facility in France. Of the $2.2 million net charge, $1.8 million is recorded in restructuring charges and other, net, $0.2 million is recorded in cost of sales and $0.2 million is recorded in SG&A expenses.

The Company recognized $27.2 million of cumulative charges related to the September 2012 Program through December 31, 2013, with no additional charges recorded in the first nine months of 2014.

The Company expects net cash payments related to the September 2012 Program will total approximately $25 million, of which $21.1 million was paid cumulatively through December 31, 2013, and $3.2 million was paid in the nine months ended September 30, 2014, with the balance expected to be paid during the remainder of 2014.

For further discussion of the Integration Program, December 2013 Program and September 2012 Program, see Note 3, "Restructuring Charges," to the Unaudited Consolidated Financial Statements in this Form 10-Q.

Interest expense:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	**2013**	**Change**	**2014**	**2013**	**Change**
Interest expense	$ 20.6	$ 16.2	$ (4.4)	$ 63.9	$ 50.8	$ (13.1)
Interest expense - preferred stock dividends	$ —	$ 1.7	$ 1.7	—	4.9	4.9

The $4.4 million and $13.1 million increase in interest expense in the third quarter and first nine months of 2014, respectively, as compared to the prior year periods of 2013, were primarily due to higher average debt as a result of Products Corporation's Acquisition Term Loan that was used to fund the Colomer Acquisition, partially offset by lower weighted-average borrowing rates.

In accordance with the terms of the certificate of designation of the Revlon, Inc. Series A Preferred Stock, par value $0.01 per share (the "Preferred Stock"), during the third quarter and first nine months of 2013, Revlon, Inc. recognized $1.7 million and $4.9 million, respectively, of interest expense related to the regular quarterly dividends on the Preferred Stock. Revlon, Inc. consummated the mandatory redemption of such Preferred Stock in October 2013.

Loss on early extinguishment of debt:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	**2013**	**Change**	**2014**	**2013**	**Change**
Loss on early extinguishment of debt	$ —	$ 0.2	$ 0.2	$ 2.0	$ 28.1	$ 26.1

The Company recognized an aggregate loss on the early extinguishment of debt of $2.0 million during the first nine months of 2014, primarily due to $1.1 million of fees and expenses which were expensed as incurred in connection with the February 2014 Term Loan Amendment, as well as the write-off of $0.8 million of unamortized debt discount and deferred financing fees as a result of such transaction. Refer to "Financial Condition, Liquidity and Capital Resources - Long Term Debt Instruments" for further discussion.

The Company recognized an aggregate loss on the early extinguishment of debt of $28.1 million during the first nine months of 2013, primarily due to $18.6 million of fees and expenses which were expensed as incurred in connection with the (i) February 2013 refinancing of Products Corporation's 9¾% Senior Secured Notes and Products Corporation's issuance of the 5¾% Senior

Notes (the "2013 Senior Notes Refinancing") and (ii) the February 2013 amendments to the 2011 Term Loan (the "February 2013 Term Loan Amendments"), as well as the write-off of $9.3 million of unamortized debt discount and deferred financing fees as a result of such transactions.

Foreign currency losses, net:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	Change	2014	2013	Change
Foreign currency losses, net	$ 9.3	$ 0.4	$ (8.9)	$ 17.9	$ 3.2	$ (14.7)

The increase in foreign currency losses, net, of $8.9 million during the third quarter of 2014, as compared to the third quarter of 2013, was primarily driven by:

- the unfavorable impact of the revaluation of certain U.S. Dollar denominated intercompany payables during the third quarter of 2014, compared to the third quarter of 2013.

The increase in foreign currency losses, net, of $14.7 million during the first nine months of 2014, as compared to the first nine months of 2013, was primarily driven by:

- the unfavorable impact of the revaluation of certain U.S. Dollar denominated intercompany payables and foreign currency denominated intercompany receivables during the first nine months of 2014, compared to the first nine months of 2013; and
- a $6.0 million foreign currency loss related to the required re-measurement of Revlon Venezuela's balance sheet during the second quarter of 2014.

Provision for income taxes:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	Change	2014	2013	Change
Provision for income taxes	$ 8.7	$ 12.1	$ 3.4	$ 34.2	$ 30.3	$ (3.9)

The provision for income taxes decreased $3.4 million in the third quarter of 2014, as compared to the third quarter of 2013, primarily due to certain discrete items that favorably impacted the provision for income taxes in the third quarter of 2014, including return-to-provision adjustments.

The provision for income taxes increased $3.9 million in the first nine months of 2014, as compared to the first nine months of 2013, primarily due to the loss on early extinguishment of debt recognized in the first nine months of 2013 that did not recur in 2014, which favorably impacted the provision for income taxes, and an increase in pre-tax income in the first nine months of 2014, partially offset by the favorable impact of certain discrete items in the period, including the favorable resolution of tax matters in certain foreign jurisdictions and return-to-provision adjustments.

The Company's effective tax rate for the three months ended September 30, 2014 was higher than the federal statutory rate of 35% due principally to foreign dividends and earnings taxable in the U.S., foreign and U.S. tax effects attributable to operations outside the U.S., and state and local taxes, net of U.S. federal income tax benefit, partially offset by certain discrete items in the third quarter of 2014, including the return-to-provision adjustments.

The Company's effective tax rate for the nine months ended September 30, 2014 was higher than the federal statutory rate of 35% due principally to foreign dividends and earnings taxable in the U.S. and state and local taxes, net of U.S. federal income tax benefits.

The Company expects that its tax provision and effective tax rate in any individual quarter or year-to-date period will vary and may not be indicative of the Company's tax provision and effective tax rate for the full year.

Financial Condition, Liquidity and Capital Resources

At September 30, 2014, the Company had a liquidity position of $338.5 million, consisting of unrestricted cash and cash equivalents (net of any outstanding checks) of $172.5 million, as well as $166.0 million in available borrowings under the $175.0

million asset-based, multi-currency revolving credit facility (the "Amended Revolving Credit Facility") based upon the borrowing base less $9.0 million of undrawn outstanding letters of credit and nil then drawn under the Amended Revolving Credit Facility at such date.

The Company’s foreign operations held $58.4 million out of the total $172.5 million in unrestricted cash and cash equivalents (net of any outstanding checks) as of September 30, 2014. The cash held by the Company’s foreign operations is primarily used to fund such operations. The Company regularly assesses its cash needs and the available sources of cash to fund these needs. As part of this assessment, the Company determines the amount of foreign earnings, if any, that it intends to repatriate to help fund its domestic cash needs, including for the Company’s debt service obligations, and pays applicable U.S. income and foreign withholding taxes, if any, on such earnings. The Company believes that the cash generated by its domestic operations and availability under the Amended Revolving Credit Facility and other permitted lines of credit should be sufficient to meet its domestic liquidity needs for at least the next twelve months. Therefore, the Company does not currently anticipate that restrictions or taxes on repatriation of foreign earnings will have a material effect on the Company’s liquidity during such period.

Changes in Cash Flows

At September 30, 2014, the Company had cash and cash equivalents of $178.4 million, compared with $244.1 million at December 31, 2013. The following table summarizes the Company’s cash flows from operating, investing and financing activities for the nine months ended September 30, 2014 and 2013:

	Nine Months Ended September 30,	
	2014	2013
Net cash provided by operating activities	$ 46.7	$ 5.8
Net cash used in investing activities	(29.4)	(1.4)
Net cash (used in) provided by financing activities	(70.7)	22.7
Effect of exchange rate changes on cash and cash equivalents	(12.3)	(4.1)

Operating Activities

Net cash provided by operating activities was $46.7 million and $5.8 million in the first nine months of 2014 and 2013, respectively. As compared to cash provided in the first nine months of 2013, cash provided by operating activities in the first nine months of 2014 was impacted by cash provided by operating activities related to the operations acquired in the Colomer Acquisition, partially offset by unfavorable changes in working capital, including higher interest payments, higher tax payments and payments of acquisition and integration costs related to the Colomer Acquisition.

Net cash used in operating activities related to discontinued operations, including restructuring payments, was approximately $26 million and $9 million for the nine months ended September 30, 2014 and 2013, respectively.

Investing Activities

Net cash used in investing activities was $29.4 million and $1.4 million for the nine months ended September 30, 2014 and 2013, respectively. Net cash used in investing activities for the first nine months of 2014 included $30.3 million of cash used for capital expenditures. Net cash used in investing activities for the first nine months of 2013 included $17.9 million of cash used for capital expenditures, partially offset by $13.1 million of insurance proceeds received in July 2013 for the Company's property claim related to the June 2011 fire at the Company's facility in Venezuela.

Financing Activities

Net cash (used in) provided by financing activities was $(70.7) million and $22.7 million for the nine months ended September 30, 2014 and 2013, respectively.

Net cash used in financing activities for the first nine months of 2014 included:

- the repayment of the $58.4 million aggregate principal amount outstanding of the Non-Contributed Loan;
- $5.3 million of scheduled amortization payments on the Acquisition Term Loan;
- $3.1 million of short-term borrowings and overdraft; and
- the payment of $1.8 million of financing costs primarily related to the February 2014 Term Loan Amendment.

Net cash provided by financing activities for the first nine months of 2013 included:

- Products Corporation's issuance of the $500.0 million aggregate principal amount of the 5¾% Senior Notes at par;

with the foregoing partially offset by:

- the repayment and redemption of all of the $330.0 million aggregate principal amount outstanding of Products Corporation's 9¾% Senior Secured Notes in connection with the 2013 Senior Notes Refinancing;
- the repayment of the $113.0 million in principal on the 2011 Term Loan in connection with the consummation of the February 2013 Term Loan Amendments; and
- the payment of $32.7 million of financing costs comprised of: (i) $17.5 million of redemption and tender offer premiums, as well as fees and expenses related to the repayment and redemption of all of the $330.0 million aggregate principal amount outstanding of the 9¾% Senior Secured Notes; (ii) $10.1 million of underwriters' fees and other fees in connection with the issuance of the 5¾% Senior Notes; (iii) $1.2 million of fees incurred in connection with the February 2013 Term Loan Amendments; (iv) $1.9 million of fees incurred in connection with the August 2013 Term Loan Amendments; (v) $1.6 million of fees incurred in connection with the Incremental Amendment; and (vi) $0.4 million of fees incurred in connection with the August 2013 Revolver Amendment.

Cash Pooling Arrangement

Certain of the Company's foreign subsidiaries utilize a cash pooling arrangement with a financial institution for cash management purposes. This cash pooling arrangement allows the participating entities to withdraw cash from the financial institution to the extent aggregate cash deposits held by its participating locations are available at the financial institution. To the extent any participating location on an individual basis is in an overdraft position, such overdrafts would be recorded within short-term borrowings in the consolidated balance sheet and reflected as financing activities in the consolidated statement of cash flows, and the cash deposits held as collateral for such overdrafts would be classified as restricted cash within cash and cash equivalents. As of September 30, 2014, the Company had $3.3 million of such overdrafts recorded in short-term borrowings and $3.3 million of restricted cash recorded in cash and cash equivalents in the Consolidated Balance Sheet.

Long-Term Debt Instruments

For further detail regarding Products Corporation's long-term debt instruments, see Note 11, "Long-Term Debt and Redeemable Preferred Stock," to the Consolidated Financial Statements in Revlon, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2013, filed with the U.S. Securities and Exchange Commission (the "SEC") on March 5, 2014 (the "2013 Form 10-K"), as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition, Liquidity and Capital Resources" in Revlon, Inc.'s 2013 Form 10-K.

(a) Recent Debt Transactions

Term Loan and Revolving Credit Facility Amendments

In February 2014, Products Corporation entered into an amendment (the “February 2014 Term Loan Amendment”) to the Amended Term Loan Agreement among Products Corporation, as borrower, a syndicate of lenders and Citicorp USA, Inc., as administrative and collateral agent.

Pursuant to the February 2014 Term Loan Amendment, the interest rates applicable to Eurodollar Loans under the $675.0 million 2011 Term Loan bear interest at the Eurodollar Rate plus 2.5% per annum, with the Eurodollar Rate not to be less than 0.75% (compared to 3.0% and 1.0%, respectively, prior to the February 2014 Term Loan Amendment), while Alternate Base Rate Loans under the 2011 Term Loan bear interest at the Alternate Base Rate plus 1.5%, with the Alternate Base Rate not to be less than 1.75% (compared to 2.0% in each case prior to the February 2014 Term Loan Amendment) (and as each such term is defined in the Amended Term Loan Agreement). The 2011 Term Loan is subject to a 1% premium in connection with any repricing transaction occurring prior to the date that is 12 months after the closing of such amendment (or February 26, 2015).

Products Corporation's Acquisition Term Loan and Amended Revolving Credit Facility were not amended in connection with the February 2014 Term Loan Amendment.

For the nine months ended September 30, 2014, the Company incurred approximately $1.1 million of fees and expenses in connection with the February 2014 Term Loan Amendment, which were expensed as incurred, and wrote-off $0.8 million of unamortized debt discount and deferred financing costs as a result of the February 2014 Term Loan Amendment. These amounts, totaling $1.9 million, were recognized within loss on early extinguishment of debt in the Company’s Consolidated Statements of Income and Comprehensive Income for the nine months ended September 30, 2014.

Repayment of Non-Contributed Loan

On May 1, 2014, Products Corporation used available cash on hand to optionally prepay in full the remaining $58.4 million principal amount outstanding under the Non-Contributed Loan that remained owing from Products Corporation to various third parties. The Non-Contributed Loan would have otherwise matured on October 8, 2014.

(b) Covenants

Amended Credit Agreements

Products Corporation was in compliance with all applicable covenants under the Amended Term Loan Agreement and the Amended Revolving Credit Facility (the "Amended Credit Agreements") as of September 30, 2014. At September 30, 2014, the aggregate principal amount outstanding under the Acquisition Term Loan and the 2011 Term Loan was $694.8 million and $675.0 million, respectively, and availability under the $175.0 million Amended Revolving Credit Facility, based upon the calculated borrowing base less $9.0 million of outstanding undrawn letters of credit and nil then drawn on the Amended Revolving Credit Facility, was $166.0 million. During the third quarter and first nine months of each of 2014 and 2013 there were no borrowings under the Amended Revolving Credit Facility.

Products Corporation was in compliance with all applicable covenants under its 5¾% Senior Notes Indenture as of September 30, 2014.

Impact of Foreign Currency Translation – Venezuela

During the third quarters of 2014 and 2013, Revlon Venezuela's net sales were de minimis and approximately 2%, respectively, of the Company's consolidated net sales. During both the first nine months of 2014 and 2013, Revlon Venezuela had net sales of approximately 1% of the Company's consolidated net sales. At September 30, 2014 and December 31, 2013, Revlon Venezuela's assets were de minimis and approximately 1% of the Company's total assets, respectively.

Highly-Inflationary Economy: Effective January 1, 2010, Venezuela was designated as a highly inflationary economy under U.S. GAAP. As a result, beginning January 1, 2010, the U.S. Dollar is the functional currency for Revlon Venezuela. As Venezuela is designated as highly inflationary, currency translation adjustments of Revlon Venezuela's balance sheet are reflected in earnings.

Currency Devaluation: In January 2014, the Venezuela government announced that the *Comisión de Administracion de Divisas* ("CADIVI") would be replaced by the government-operated *National Center of Foreign Commerce* (the "CENCOEX"), and indicated that the *Sistema Complementario de Administración de Divisas* ("SICAD") market would continue to be offered as an alternative foreign currency exchange. Additionally, a parallel foreign currency exchange system has been developed, SICAD II, which started functioning in March 2014, and for the second quarter of 2014 the SICAD II exchange market had an average transaction rate to the Company of approximately 53 Bolivars per U.S. Dollar (the "SICAD II Rate"). The SICAD II market allows companies to apply for the purchase of foreign currency and foreign currency denominated securities for any legal use or purpose.

During the first nine months of 2014, the Company continued to exchange Bolivars for U.S. Dollars to the extent permitted through the CENCOEX, SICAD and SICAD II markets based on its ability to participate in those markets. As a result, the Company considered its specific facts and circumstances in order to determine the appropriate rate of exchange to translate Revlon Venezuela's financial statements. Based on the Company's assessment of factors, including of its legal ability and intent to continue to participate in the SICAD II exchange market to import finished goods into Venezuela, the Company determined that it was appropriate to utilize the SICAD II Rate of 53 Bolivars per U.S. Dollar to translate Revlon Venezuela's financial statements as of June 30, 2014. In the third quarter of 2014, the Company continued using the SICAD II Rate, which did not materially change from the second quarter of 2014, to translate Revlon Venezuela's financial statements.

As a result of the change from the official rate of 6.3 Bolivars per U.S. Dollar to the SICAD II Rate on June 30, 2014, the Company was required to re-measure all of Revlon Venezuela's monetary assets and liabilities at the rate of 53 Bolivars per U.S. Dollar as of June 30, 2014. Non-monetary assets and liabilities continue to be measured at their historical rates. The Company recorded a foreign currency loss of $6.0 million in the second quarter of 2014 as a result of the required re-measurement of Revlon Venezuela's balance sheet. As Venezuela was designated as a highly inflationary economy effective January 1, 2010, the Company reflected this foreign currency loss in earnings. For both the three and nine months ended September 30, 2014, the change to the SICAD II Rate, as compared to the 6.3 Bolivars per U.S. Dollar official rate, had the impact of reducing net sales by $6.7 million and reducing operating income by $4.1 million.

Volume restrictions on the conversion of the Bolivar to the U.S. Dollar limits Revlon Venezuela's purchasing activity. The use of the SICAD II Rate in lieu of the official rate to translate Revlon Venezuela's financial statements will have a negative impact on Revlon Venezuela's results of operations going forward. Current or additional governmental restrictions, worsening import authorization controls, price and profit controls or labor unrest in Venezuela, could have further adverse impacts on the Company's

business and results of operations in Venezuela. See Part I, Item 1A, "Risk Factors" - “The Company's foreign operations are subject to a variety of social, political and economic risks and have been, and are expected to continue to be, affected by foreign currency fluctuations, currency controls and/or government-mandated pricing controls, which could have a material adverse effect on the results of the Company's business, financial condition and/or results of operations and the value of its foreign assets” in Revlon, Inc.'s 2013 Form 10-K.

Sources and Uses

The Company’s principal sources of funds are expected to be operating revenues, cash on hand and funds available for borrowing under the Amended Revolving Credit Facility and other permitted lines of credit. The Amended Credit Agreements, the 5¾% Senior Notes Indenture and the Amended and Restated Senior Subordinated Term Loan Agreement contain certain provisions that by their terms limit Products Corporation and its subsidiaries’ ability to, among other things, incur additional debt.

The Company’s principal uses of funds are expected to be the payment of operating expenses, including expenses in connection with the continued execution of the Company’s business strategy, integration costs related to the Colomer Acquisition, purchases of permanent wall displays, capital expenditure requirements, debt service payments and costs, tax payments, pension and other post-retirement benefit plan contributions, payments in connection with the Company’s restructuring programs, severance not otherwise included in the Company’s restructuring programs, debt and/or equity repurchases, if any, and costs related to litigation. The Company’s cash contributions to its pension and post-retirement benefit plans in the first nine months of 2014 were $16.4 million. The Company expects cash contributions to its pension and post-retirement benefit plans to be approximately $20 million in the aggregate for full year 2014. The Company’s cash taxes paid in the first nine months of 2014 were $16.8 million. The Company expects to pay cash taxes of approximately $20 million in the aggregate for full year 2014. The Company’s purchases of permanent wall displays and capital expenditures in the first nine months of 2014 were $33.1 million and $30.3 million, respectively. The Company expects purchases of permanent wall displays to be approximately $55 million in the aggregate for full year 2014. The Company expects capital expenditures to be approximately $60 million in the aggregate for full year 2014. The Company expects total cash paid for its discontinued operations in China for full year 2014 to be approximately $13 million, which is in addition to restructuring cash payments for the December 2013 Program.

The Company has undertaken, and continues to assess, refine and implement, a number of programs to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables and accounts payable; and controls on general and administrative spending. In the ordinary course of business, the Company’s source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows.

Continuing to execute the Company’s business strategy could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands, divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining the Company’s approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure, including optimizing the integration of the Colomer Acquisition. The Company plans to integrate the operations of Colomer into the Company’s business and expects to achieve approximately $30 million to $35 million of annualized cost reductions by the end of 2015, with approximately $10 million to $15 million of these cost reductions expected to benefit 2014 results, at a cost of approximately $50 million in the aggregate over 2013 through 2015. Any of these actions, the intended purpose of which would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities. Any such activities may be funded with cash on hand, funds available under the Amended Revolving Credit Facility and/or other permitted additional sources of capital, which actions could increase the Company’s total debt.

The Company may also, from time to time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, in privately negotiated transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions. Any retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material.

The Company expects that operating revenues, cash on hand and funds available for borrowing under the Amended Revolving Credit Facility and other permitted lines of credit will be sufficient to enable the Company to pay its operating expenses for 2014, including expenses in connection with the execution of the Company’s business strategy, integration costs related to the Colomer Acquisition, purchases of permanent wall displays, capital expenditure requirements, debt service payments and costs, tax payments, pension and other post-retirement plan contributions, payments in connection with the Company’s restructuring programs, severance not otherwise included in the Company’s restructuring programs, debt and/or equity repurchases, if any, and costs related to litigation.

There can be no assurance that available funds will be sufficient to meet the Company’s cash requirements on a consolidated basis. If the Company’s anticipated level of revenues is not achieved because of, among other things, decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty care products in either the Consumer or Professional segment; adverse changes in currency exchange rates, currency controls and/or government-mandated pricing controls; decreased sales of the Company’s products as a result of increased competitive activities by the Company’s competitors; changes in consumer purchasing habits, including with respect to shopping channels; inventory management by the Company's customers; space reconfigurations or reductions in display space by the Company's customers; changes in pricing or promotional strategies by the Company's customers; or less than anticipated results from the Company’s existing or new products or from its advertising, promotional and/or marketing plans; or if the Company’s expenses, including, without limitation, for restructuring costs, acquisition and integration costs (including, without limitation, the Colomer Acquisition), costs related to litigation, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses, the Company’s current sources of funds may be insufficient to meet the Company’s cash requirements.

Any such developments, if significant, could reduce the Company’s revenues and operating income and could adversely affect Products Corporation’s ability to comply with certain financial covenants under the Amended Credit Agreements and in such event the Company could be required to take measures, including, among other things, reducing discretionary spending. (See Item 1A. "Risk Factors" in Revlon, Inc.'s 2013 Form 10-K for further discussion of certain risks associated with the Company's business and indebtedness.)

Derivative Financial Instruments

Foreign Currency Forward Exchange Contracts

Products Corporation enters into foreign currency forward exchange contracts ("FX Contracts") and option contracts from time to time to hedge certain net cash flows denominated in currencies other than the local currencies of the Company’s foreign and domestic operations. The FX Contracts are entered into primarily for the purpose of hedging anticipated inventory purchases and certain intercompany payments denominated in currencies other than the local currencies of the Company’s foreign and domestic operations and generally have maturities of less than one year. At September 30, 2014, the FX Contracts outstanding had a notional amount of $19.8 million and a net asset fair value of $0.6 million.

Interest Rate Swap Transaction

In November 2013, Products Corporation executed a forward-starting floating-to-fixed interest rate swap transaction with a 1.00% floor, based on a notional amount of $400 million in respect of indebtedness under the Acquisition Term Loan over a period of three years. The Company designated the 2013 Interest Rate Swap as a cash flow hedge of the variability of the forecasted three-month LIBOR interest rate payments related to its Acquisition Term Loan with respect to the $400 million notional amount over the three-year term of the 2013 Interest Rate Swap. Under the terms of the 2013 Interest Rate Swap, Products Corporation will receive from the counterparty a floating interest rate based on the higher of three-month USD LIBOR or 1.00% commencing in May 2015, while paying a fixed interest rate payment to the counterparty equal to 2.0709% (which effectively fixes the interest rate on such notional amount at 5.0709% over the three-year term of the 2013 Interest Rate Swap). For the nine months ended September 30, 2014, the 2013 Interest Rate Swap was deemed effective and therefore the changes in fair value related to the 2013 Interest Rate Swap have been recorded in Other Comprehensive Income in the Consolidated Financial Statements. The fair value of the Company's 2013 Interest Rate Swap at September 30, 2014 was a liability of $1.2 million.

Credit Risk

Exposure to credit risk in the event of nonperformance by any of the counterparties is limited to the gross fair value of the derivative instruments in asset positions, which totaled $0.6 million and $3.5 million as of September 30, 2014 and December 31, 2013, respectively. The Company attempts to minimize exposure to credit risk by generally entering into derivative contracts with counterparties that have investment-grade credit ratings and are major financial institutions. The Company also periodically monitors any changes in the credit ratings of its counterparties. Given the current credit standing of the Company's derivative instrument counterparties, the Company believes the risk of loss arising from any non-performance by any of the counterparties under these derivative instruments is remote.

Disclosures about Contractual Obligations and Commercial Commitments

During the third quarter of 2014, the Company relocated its headquarters in New York, New York. The operating lease associated with the new building includes minimum lease payments in the aggregate of approximately $70 million over the 15-year term.

As of September 30, 2014, there were no other material changes to the Company's total contractual cash obligations, as set forth in the contractual obligations and commercial commitments disclosure included in Revlon, Inc.'s 2013 Form 10-K, other than those entered into in connection with the February 2014 Term Loan Amendment and the repayment of the Non-Contributed Loan.

The following reflects the impact of the February 2014 Term Loan Amendment and the repayment of the Non-Contributed Loan on the Company's interest obligations related to its long-term debt:

	Payments Due by Period (dollars in millions)				
Contractual Obligations	**Total**	**2014 Q4**	**2015-2016**	**2017-2018**	**After 2018**
Interest on long-term debt [(a)]	404.5	12.9	164.7	138.0	88.9

(a) Consists of interest through the respective maturity dates on (i) the $694.8 million aggregate principal amount outstanding under the Acquisition Term Loan; (ii) the $675.0 million in aggregate principal amount outstanding under the 2011 Term Loan; and (iii) the $500.0 million in aggregate principal amount of the 5¾% Senior Notes, in each case, based on interest rates under such debt agreements as of September 30, 2014. For a discussion of the 2013 Interest Rate Swap, see "Interest Rate Swap Transaction" above.

Off-Balance Sheet Transactions

The Company does not maintain any off-balance sheet transactions, arrangements, obligations or other relationships with unconsolidated entities or others that are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Discussion of Critical Accounting Policies

For a discussion of the Company's critical accounting policies, see Revlon, Inc.'s 2013 Form 10-K.

Effect of Recent Accounting Pronouncements

See discussion of recent accounting pronouncements in Note 1, "Description of Business and Basis of Presentation," to the Unaudited Consolidated Financial Statements in this Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Sensitivity

The Company has exposure to changing interest rates primarily under the Amended Term Loan Facility and the Amended Revolving Credit Facility. The Company manages interest rate risk through a combination of fixed and floating rate debt. The Company from time to time makes use of derivative financial instruments to adjust its fixed and floating rate ratio, such as the 2013 Interest Rate Swap referenced below. The Company does not hold or issue financial instruments for trading purposes.

The qualitative and quantitative information presented in Item 7A of Revlon, Inc.'s 2013 Form 10-K ("Item 7A") describes significant aspects of the Company's financial instrument programs that have material market risk as of December 31, 2013. The following tables present this information as required by Item 7A as of September 30, 2014:

Expected Maturity Date for the year ended December 31,

(dollars in millions, except for rate information)

	2014	2015	2016	2017	2018	Thereafter	Total	Fair Value September 30, 2014
Debt								
Short-term variable rate (various currencies)	$ 6.1						$ 6.1	$ 6.1
Average interest rate [a]	4.8%							
Short-term fixed rate (third party - EUR)	1.8						1.8	1.8
Average interest rate	11.9%							
Long-term fixed rate – third party (USD)						$ 500.0	500.0	490.0
Average interest rate						5.75%		
Long-term fixed rate – third party (EUR)			$ 0.1	$ 0.1	$ 0.1	0.4	0.7	0.7
Average interest rate			—	—	—	—		
Long-term variable rate – third party (USD)	1.8 [b]	$ 7.0	7.0	682.0	7.0	665.0	1,369.8	1,346.6
Average interest rate [a][c]	4.0%	4.0%	4.2%	4.0%	5.0%	5.3%		
Total debt	$ 9.7	$ 7.0	$ 7.1	$ 682.1	$ 7.1	$ 1,165.4	$ 1,878.4	$ 1,845.2

[a] Weighted average variable rates are based upon implied forward rates from the U.S. Dollar LIBOR and Euribor yield curves at September 30, 2014.

[b] Includes quarterly amortization payments required under the Acquisition Term Loan.

[c] At September 30, 2014, the Acquisition Term Loan bears interest at the Eurodollar Rate (as defined in the Amended Term Loan Agreement) plus 3.00% per annum (with the Eurodollar Rate not to be less than 1.00%). As a result of the February 2014 Term Loan Amendment, the 2011 Term Loan bears interest at the Eurodollar Rate plus 2.5% per annum (with the Eurodollar Rate not to be less than 0.75%). For discussion of the February 2014 Term Loan Amendment, which reduced interest rates on the 2011 Term Loan, refer to Note 10, "Long-Term Debt," to the Unaudited Consolidated Financial Statements in this Form 10-Q.

In November 2013, Products Corporation executed the 2013 Interest Rate Swap, which is a forward-starting, floating-to-fixed interest rate swap transaction with a 1.00% floor, based on a notional amount of $400 million in respect of indebtedness under the Acquisition Term Loan over a period of three years. The Company designated the 2013 Interest Rate Swap as a cash flow hedge of the variability of the forecasted three-month LIBOR interest rate payments related to its Acquisition Term Loan with respect to the $400 million notional amount over the three-year term of the 2013 Interest Rate Swap. Under the terms of the 2013 Interest Rate Swap, Products Corporation will receive from the counterparty a floating interest rate based on the higher of three-month USD LIBOR or 1.00% commencing in May 2015, while paying a fixed interest rate payment to the counterparty equal to 2.0709% (which effectively fixes the interest rate on such notional amounts at 5.0709% over the three-year term of the 2013 Interest Rate Swap). The fair value of the Company's 2013 Interest Rate Swap at September 30, 2014 was a liability of $1.2 million.

Exchange Rate Sensitivity

The Company manufactures and sells its products in a number of countries throughout the world and, as a result, is exposed to movements in foreign currency exchange rates. In addition, a portion of the Company's borrowings are denominated in foreign currencies, which are also subject to market risk associated with exchange rate movement. The Company from time to time hedges major foreign currency cash exposures through foreign exchange forward and option contracts. Products Corporation enters into these contracts with major financial institutions in an attempt to minimize counterparty risk. These contracts generally have a duration of less than twelve months and are primarily against the U.S. Dollar. In addition, Products Corporation enters into foreign currency swaps to hedge intercompany financing transactions. The Company does not hold or issue financial instruments for trading purposes.

Forward Contracts ("FC")	Average Contractual Rate $/FC	Original US Dollar Notional Amount	Contract Value September 30, 2014	Asset Fair Value September 30, 2014
Sell Australian Dollars/Buy USD	0.8999	$ 5.9	$ 6.1	$ 0.2
Sell Canadian Dollars/Buy USD	0.9101	5.4	5.5	0.1
Sell Japanese Yen/Buy USD	0.0097	3.6	3.8	0.2
Buy Australian Dollars/Sell NZ Dollars	1.0850	1.8	1.9	0.1
Sell South African Rand/Buy USD	0.0907	1.3	1.3	—
Sell New Zealand Dollars/Buy USD	0.8137	0.6	0.6	—
Sell Hong Kong Dollars/Buy USD	0.1290	0.4	0.4	—
Sell USD/Buy Euros	1.2980	0.3	0.3	—
Sell Danish Krone/Buy Euros	7.4570	0.3	0.3	—
Sell Canadian Dollars/Buy Euros	1.4250	0.2	0.2	—
Total forward contracts		$ 19.8	$ 20.4	$ 0.6

Item 4. Controls and Procedures

(a) <u>Disclosure Controls and Procedures.</u> The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the three-month period covered by this Quarterly Report on Form 10-Q. Based upon such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective.

(b) <u>Changes in Internal Control Over Financial Reporting.</u> There have not been any changes in the Company's internal control over financial reporting during the third quarter of 2014 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Forward-Looking Statements

This Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2014, as well as other public documents and statements of the Company, contain forward-looking statements that involve risks and uncertainties, which are based on the beliefs, expectations, estimates, projections, assumptions, forecasts, plans, anticipations, targets, outlooks, initiatives, visions, objectives, strategies, opportunities, drivers, focus and intents of the Company's management. While the Company believes that its estimates and assumptions are reasonable, the Company cautions that it is very difficult to predict the impact of known factors, and, of course, it is impossible for the Company to anticipate all factors that could affect its results. The Company's actual results may differ materially from those discussed in such forward-looking statements. Such statements include, without limitation, the Company's expectations and estimates (whether qualitative or quantitative) as to:

(i) the Company's future financial performance;

(ii) the effect on sales of decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty care products in either the Consumer or Professional segment; adverse changes in currency exchange rates, currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors, changes in consumer purchasing

habits, including with respect to shopping channels; inventory management by the Company's customers; space reconfigurations or reductions in display space by the Company's customers; changes in pricing or promotional strategies by the Company's customers; less than anticipated results from the Company’s existing or new products or from its advertising, promotional and/or marketing plans; or if the Company’s expenses, including, without limitation, for pension expense under its benefit plans, acquisition-related integration costs (including, without limitation, the Colomer Acquisition), costs related to litigation, advertising, promotional and marketing activities, or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses;

(iii) the Company's belief that the continued execution of its business strategy could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands, divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining its approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure, including optimizing the integration of the Colomer Acquisition (including the Company’s plans to integrate the operations of Colomer into the Company’s business and its expectations that the Integration Program will deliver cost reductions throughout the combined organization by generating cost synergies and operating efficiencies within the Company's global supply chain and consolidating offices and back office support, and other actions designed to reduce selling, general and administrative expenses, and achieve approximately $30 million to $35 million of annualized cost reductions by the end of 2015, with approximately $10 million to $15 million of these cost reductions expected to benefit 2014 results, while recognizing approximately $50 million, in the aggregate over 2013 through 2015, of total restructuring charges, capital expenditures (including expected integration-related capital expenditures of approximately $7 million, $3.3 million of which was paid in the first nine months of 2014, approximately $1.9 million is expected to be paid during the remainder of 2014 and the remaining balance in 2015) and related non-restructuring costs, any of which, the intended purpose of which would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities, which activities may be funded with cash on hand, funds available under the Amended Revolving Credit Facility and/or other permitted additional sources of capital, which actions could increase the Company’s total debt;

(iv) the Company’s vision to establish Revlon as the quintessential and most innovative beauty company in the world by offering products that make consumers feel attractive and beautiful and to inspire its consumers to express themselves boldly and confidently; and the Company's expectations regarding its strategic goal to optimize the market and financial performance of its portfolio of brands and assets by: (a) managing financial drivers for value creation by being focused on gross profit margin expansion, which includes optimizing price, as well as allocating sales allowances to maximize our return on trade spending, continuing to focus on reducing costs across our global supply chain and focusing on eliminating non-value added general and administrative costs in order to fund reinvestment to facilitate growth; (b) growing our global brands through exceptional innovation and effective brand support by being focused on creating fewer, bigger and better innovations across our brands that are relevant, unique, impactful and distinctive; wanting to continue to build strong brands by focusing on high-quality, consumer-preferred offerings; effective consumer communication; increased levels of effective advertising and promotion; and superb execution and collaboration with our customers; (c) pursuing growth opportunities by being focused on pursuing organic growth opportunities within our existing brand portfolio and existing channels, as well as seeking acquisition opportunities that complement our portfolio and being focused on exploring opportunities to expand our geographical presence in key markets, as appropriate; and (d) improve cash flow by being focused on improving our cash flows through, among other things, continued effective management of our working capital and by focusing on appropriate return on capital spending;

(v) the effect of restructuring activities, restructuring costs and charges, the timing of restructuring payments and the benefits from such activities; including, without limitation, the Company’s expectation (i) that total restructuring and related charges related to the Integration Program will be approximately $26 million, with approximately $4.0 million of charges expected to be recognized during the remainder of 2014 and any remaining charges to be recognized in 2015; (ii) that cash payments related to the restructuring and related charges in connection with the Integration Program will total approximately $25 million, of which $6.4 million was paid in the first nine months of 2014, approximately $7 million is expected to be paid during the remainder of 2014 and the majority of the remaining balance is expected to be paid in 2015; (iii) that net cash payments related to the September 2012 Program will total approximately $25 million, of which $21.1 million was paid cumulatively through December 31, 2013, $3.2 million was paid during the nine months ended September 30, 2014, and the balance is expected to be paid during the remainder of 2014; (iv) that total restructuring and related charges under the December 2013 Program will be approximately $18.9 million; (v) that cash payments will total approximately $17 million related to the December 2013 Program, of which $0.1 million was paid in 2013, $15.1 million was paid during the nine months ended

September 30, 2014, and the majority of the remaining balance is expected to be paid during the remainder of 2014; (vi) that total cash paid for its discontinued operations in China will be approximately $13 million, which is in addition to restructuring cash payments for the December 2013 Program; (vii) that approximately $10 million of cost reductions related to the December 2013 Program will benefit 2014 and that annualized cost reductions thereafter will be approximately $11 million; and (viii) that the Company expects to substantially complete the Integration Program by the end of 2015 and will complete its exit of its business operations in China by the end of 2014;

(vi) the Company’s expectation that operating revenues, cash on hand and funds available for borrowing under Products Corporation's Amended Revolving Credit Facility and other permitted lines of credit will be sufficient to enable the Company to cover its operating expenses for 2014, including the cash requirements referred to in item (viii) below, and the Company's beliefs that (a) the cash generated by its domestic operations and availability under the Amended Revolving Credit Facility and other permitted lines of credit should be sufficient to meet its domestic liquidity needs for at least the next twelve months, and (b) restrictions or taxes on repatriation of foreign earnings will not have a material effect on the Company's liquidity during such period;

(vii) the Company’s expected principal sources of funds, including operating revenues, cash on hand and funds available for borrowing under Products Corporation's Amended Revolving Credit Facility and other permitted lines of credit, as well as the availability of funds from the Company taking certain measures, including, among other things, reducing discretionary spending;

(viii) the Company's expected principal uses of funds, including amounts required for the payment of operating expenses, including expenses in connection with the continued execution of the Company’s business strategy; integration costs related to the Colomer Acquisition; payments in connection with the Company's purchases of permanent wall displays; capital expenditure requirements; debt service payments and costs, cash tax payments, pension and other post-retirement benefit plan contributions; payments in connection with the Company's restructuring programs, severance not otherwise included in the Company’s restructuring programs; debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting certain territories (including, without limitation, that the Company may also, from time to time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, in privately negotiated transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions and that any retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material); and its estimates of the amount and timing of such operating and other expenses;

(ix) matters concerning the Company's market-risk sensitive instruments, as well as the Company’s expectations as to the counterparty’s performance, including that any risk of loss under its derivative instruments arising from any non-performance by any of the counterparties is remote;

(x) the Company's expectation to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables and accounts payable; and controls on general and administrative spending; and the Company’s belief that in the ordinary course of business, its source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows;

(xi) the Company’s expectations regarding its future net periodic benefit cost for its U.S. and international defined benefit plans, including, without limitation, the Company's expectation to have net periodic benefit income of approximately $(5) million for its pension and other post-retirement benefit plans for all of 2014;

(xii) the Company's expectation that its tax provision and effective tax rate in any individual quarter and year-to-date period will vary and may not be indicative of the Company's tax provision and effective tax rate for the full year;

(xiii) the Company's expectation that it will decide whether to exchange Bolivars for U.S. Dollars to the extent permitted through the CENCOEX, SICAD and/or SICAD II markets based on its ability to participate in those markets and to the extent reasonable for its business in the future, the Company's belief that current or additional governmental restrictions, worsening import authorization controls, price and profit controls or labor unrest in Venezuela could have further adverse impacts on the Company's business and results of operations and the Company's expectation that use of the SICAD II Rate in lieu of the official rate to translate Revlon Venezuela's financial statements will have a negative impact on Revlon Venezuela's results of operations going forward;

(xiv) the Company’s belief that while the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company’s business, financial condition and/or its results of operations, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company’s operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company’s income for that particular period; and

(xv) the Company’s beliefs and expectations regarding certain benefits of the Colomer Acquisition, including that it provides the Company with broad brand, geographic and channel diversification and substantially expands the Company's business, providing both distribution into new channels and cost synergy opportunities.

Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language such as "estimates," "objectives," "visions," "projects," "forecasts," "focus," "drive towards," "plans," "targets," "strategies," "opportunities," "assumptions," "drivers," "believes," "intends," "outlooks," "initiatives," "expects," "scheduled to," "anticipates," "seeks," "may," "will" or "should" or the negative of those terms, or other variations of those terms or comparable language, or by discussions of strategies, targets, long-range plans, models or intentions. Forward-looking statements speak only as of the date they are made, and except for the Company's ongoing obligations under the U.S. federal securities laws, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Investors are advised, however, to consult any additional disclosures the Company made or may make in its 2013 Form 10-K, and in its Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, in each case filed with the SEC in 2014 (which, among other places, can be found on the SEC's website at http://www.sec.gov, as well as on the Company's corporate website at www.revloninc.com). Except as expressly set forth in this Quarterly Report on Form 10-Q, the information available from time to time on such websites shall not be deemed incorporated by reference into this Quarterly Report on Form 10-Q. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. (See also Item 1A. "Risk Factors" in Revlon, Inc.'s 2013 Form 10-K for further discussion of risks associated with the Company's business.) In addition to factors that may be described in the Company's filings with the SEC, including this filing, the following factors, among others, could cause the Company's actual results to differ materially from those expressed in any forward-looking statements made by the Company:

(i) unanticipated circumstances or results affecting the Company's financial performance, including decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty care products in either the Consumer or Professional segment; adverse changes in currency exchange rates, currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors; 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 shopping channels; 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 restructuring costs, acquisition and integration costs related to the Colomer Acquisition; higher than expected pension expense and/or cash contributions under its benefit plans, costs related to litigation, advertising, promotional and/or marketing expenses or lower than expected results from the Company’s advertising, promotional 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 inventory management and greater than anticipated space reconfigurations or reductions in display space and/or product discontinuances or a greater than expected impact from pricing or promotional strategies by the Company's customers; and changes in the competitive environment and actions by the Company's competitors, including business combinations, technological breakthroughs, new product offerings, increased advertising, promotional and marketing spending and advertising, promotional and/or marketing successes by competitors;

(ii) in addition to the items discussed in (i) above, the effects of and changes in economic conditions (such as continued volatility in the financial markets, inflation, monetary conditions and foreign currency fluctuations, currency controls and/or government-mandated pricing controls, as well as in trade, monetary, fiscal and tax policies in international markets) and political conditions (such as military actions and terrorist activities);

(iii) unanticipated costs or difficulties or delays in completing projects associated with the continued execution of the Company’s business strategy or lower than expected revenues or the inability to create value through improving our financial performance as a result of such strategy, including lower than expected sales, or higher than expected costs, including as may arise from any additional repositioning, repackaging or reformulating of one or more brands or product lines, launching of new product lines, including higher than expected expenses, including for sales returns, for launching its new products, acquiring businesses or brands, divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining its approach to retail merchandising, and/or difficulties, delays or increased costs in connection with taking further actions to optimize the Company’s manufacturing, sourcing, supply chain or organizational size and structure, including optimizing the integration of the Colomer Acquisition (including difficulties or delays in and/or the Company’s inability to integrate the Colomer business which could result in less than expected cost reductions, more than expected costs to achieve the expected cost reductions or delays in achieving the expected cost reductions and/or less than expected benefits from the Integration Program, more than expected costs in implementing such program and/or difficulties or delays, in whole or in part, in executing

the Integration Program), as well as the unavailability of cash on hand and/or funds under the Amended Revolving Credit Facility or from other permitted additional sources of capital to fund such potential activities;

(iv) difficulties, delays or unanticipated costs in achieving the Company's strategic goals and vision, including due to factors such as (a) difficulties, delays or the Company's inability to build its strong brands, such as due to less than effective product development, less than expected acceptance of its new or existing products by consumers, salon professionals and/or customers in the Consumer or Professional segments, less than expected acceptance of its advertising, promotional and/or marketing plans and/or brand communication by consumers, salon professionals and/or customers in the Consumer or Professional segments, less than expected investment in advertising, promotional and/or marketing activities or greater than expected competitive investment, less than expected levels of advertising, promotional and/or marketing activities for its new product launches and/or less than expected levels of execution with its customers in the Consumer or Professional segments or higher than expected costs and expenses; (b) difficulties, delays in or less than expected results from the Company's efforts to optimize the market and financial performance of its portfolio of brands and assets due to the reasons set forth in clause (a) above, as well as due to: (i) difficulties, delays in or less than expected results from the Company's efforts to manage financial drivers for value creation, such as due to higher than expected costs; (ii) difficulties, delays in or less than expected results from the Company's efforts to grow our global brands through exceptional innovation and effective brand support; (iii) difficulties, delays in or less than expected results from the Company's efforts to pursue growth opportunities, as well as difficulties, delays in and/or the Company's inability to complete acquisition opportunities that complement our portfolio, such as difficulties, delays in and/or unanticipated costs in consummating, or the Company's inability to consummate, transactions to acquire new brands; and (iv) difficulties, delays in and/or the Company's inability to improve cash flow;

(v) difficulties, delays or unanticipated costs or charges or less than expected cost reductions and other benefits resulting from the Company's restructuring activities, such as greater than anticipated costs or charges or less than anticipated cost reductions or other benefits from the September 2012 Program, the December 2013 Program and/or the Integration Program and/or the risk that any of such programs may not satisfy the Company's objectives;

(vi) lower than expected operating revenues, cash on hand and/or funds available under the Amended Revolving Credit Facility and/or other permitted lines of credit or higher than anticipated operating expenses, such as referred to in clause (viii) below, and/or less than anticipated cash generated by the Company's domestic operations or unanticipated restrictions or taxes on repatriation of foreign earnings, either of which could have a material adverse effect on the Company's liquidity needs;

(vii) the unavailability of funds under Products Corporation's Amended Revolving Credit Facility or other permitted lines of credit; or from difficulties, delays in or the Company's inability to take other measures, such as reducing discretionary spending;

(viii) higher than expected operating expenses, sales returns, working capital expenses, permanent wall display costs, capital expenditures, debt service payments, tax payments, cash pension plan contributions, post-retirement benefit plan contributions and/or net periodic benefit costs for the pension and other post-retirement benefit plans, integration costs related to the Colomer Acquisition, restructuring costs, severance and discontinued operations not otherwise included in the Company's restructuring programs, debt and/or equity repurchases and/or costs related to litigation;

(ix) interest rate or foreign exchange rate changes affecting the Company and its market-risk sensitive financial instruments and/or difficulties, delays or the inability of the counterparty to perform such transactions;

(x) difficulties, delays or the inability of the Company to efficiently manage its cash and working capital;

(xi) lower than expected returns on pension plan assets and/or lower discount rates, which could result in higher than expected cash contributions, higher net periodic benefit costs and/or less than expected net periodic benefit income;

(xii) unexpected significant variances in the Company's tax provision and effective tax rate;

(xiii) difficulties, delays in or the Company's inability to exchange Bolivars for U.S. Dollars, whether due to the lack of a market developing for such exchange or otherwise and/or unanticipated adverse impacts to the Company's results of operations such as due to higher than expected exchange rates; and difficulties or delays in the Company's ability to import certain products through Venezuela's monetary systems (including, without limitation, the CADIVI, SICAD, SICAD II and/or CENCOEX markets);

(xiv) unexpected effects on the Company's business, financial condition and/or its results of operations as a result of legal proceedings; and

(xv) difficulties or delays in realizing, or less than anticipated, benefits from the Colomer Acquisition, such as (i) less than expected cost reductions, more than expected costs to achieve the expected cost reductions or delays in achieving the expected cost reductions, such as due to difficulties or delays in and/or the Company's inability to integrate the

Colomer business, in whole or in part, and/or changes in the timing of completing its expected integration actions; and/or (ii) less than expected growth from the Colomer brands, such as due to difficulties, delays, unanticipated costs or the Company's inability to launch innovative new products within the Professional segment and/or difficulties or delays in and/or the Company's inability to expand its distribution into new channels; and/or (iii) less than expected synergistic benefits to the Company's Consumer segment from having a presence in the professional channel.

Factors other than those listed above could also cause the Company's results to differ materially from expected results.

Website Availability of Reports and Other Corporate Governance Information

The Company maintains a comprehensive corporate governance program, including Corporate Governance Guidelines for Revlon, Inc.'s Board of Directors, Revlon, Inc.'s Board Guidelines for Assessing Director Independence and charters for Revlon, Inc.'s Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee. Revlon, Inc. maintains a corporate investor relations website, www.revloninc.com, where stockholders and other interested persons may review, without charge, among other things, Revlon, Inc.'s corporate governance materials and certain SEC filings (such as Revlon, Inc.'s annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, annual reports, Section 16 reports reflecting certain changes in the stock ownership of Revlon, Inc.'s directors and Section 16 officers, and certain other documents filed with the SEC), each of which are generally available on the same business day as the filing date with the SEC on the SEC's website http://www.sec.gov. In addition, under the section of the website entitled, "Corporate Governance," Revlon, Inc. posts printable copies of the latest versions of its Corporate Governance Guidelines, Board Guidelines for Assessing Director Independence, charters for Revlon, Inc.'s Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee, as well as Revlon, Inc.'s Code of Business Conduct, which includes Revlon, Inc.'s Code of Ethics for Senior Financial Officers, and the Audit Committee Pre-Approval Policy. The business and financial materials and any other statement or disclosure on, or made available through, the websites referenced herein shall not be deemed incorporated by reference into this report.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, financial condition and/or its results of operations. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period.

Item 1A. Risk Factors

In addition to the other information in this report, investors should consider carefully the risk factors discussed in Part I, Item 1A. "Risk Factors" in Revlon, Inc.'s 2013 Form 10-K.

Item 6. Exhibits

*10.1	Employment Agreement, dated as of September 24, 2014 between Products Corporation and Roberto Simon.
10.2	Fourth Amended and Restated Revlon, Inc. Stock Plan (as amended, the "Stock Plan") (incorporated by reference to Annex A to Revlon, Inc.'s Information Statement on Schedule 14C filed with the SEC on July 3, 2014).
*10.3	Form of Restricted Stock Agreement under the Stock Plan.
*31.1	Certification of Lorenzo Delpani, Chief Executive Officer, dated October 29, 2014, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
*31.2	Certification of Roberto Simon, Chief Financial Officer, dated October 29, 2014, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
32.1 (furnished herewith)	Certification of Lorenzo Delpani, Chief Executive Officer, dated October 29, 2014, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 (furnished herewith)	Certification of Roberto Simon, Chief Financial Officer, dated October 29, 2014, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase
*101.DEF	XBRL Taxonomy Extension Definition Linkbase
*101.LAB	XBRL Taxonomy Extension Label Linkbase
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase

*Filed herewith.

S I G N A T U R E S

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: October 29, 2014

Revlon, Inc.
(Registrant)

By: /s/ Lorenzo Delpani	By: /s/ Roberto Simon	By: /s/ Jessica T. Graziano
Lorenzo Delpani	Roberto Simon	Jessica T. Graziano
President,	Executive Vice President and	Senior Vice President,
Chief Executive Officer and	Chief Financial Officer	Corporate Controller,
Director		Chief Accounting Officer and Treasurer

This EMPLOYMENT AGREEMENT (this "Agreement"), dated as of September 24, 2014 (the “Effective Date”), is entered into by and between REVLON CONSUMER PRODUCTS CORPORATION, a Delaware corporation (“RCPC” and, together with its parent Revlon, Inc. ("Revlon") and its subsidiaries, the "Company"), and Roberto Simon (the "Executive").

WHEREAS, RCPC wishes to employ the Executive and the Executive wishes to accept employment with the Company on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, RCPC and the Executive hereby agree as follows:

1. Employment, Duties and Acceptance.

1.1 Employment, Duties. RCPC hereby employs the Executive for the Term (as defined in Section 2.1) to render exclusive and full-time services to the Company in the capacity of Executive Vice President and Chief Financial Officer of Revlon and RCPC, with responsibility for all financial operations of the Company, including without limitation, treasury, controller group, accounting, internal audit, internal control over financial reporting, investor relations and tax, and/or such other duties and responsibilities consistent with such position (including service as a director of the Company or director or officer of any subsidiary of the Company if so elected) as may be assigned to the Executive from time to time by the Company’s President and Chief Executive Officer (the “CEO”). The Executive’s title shall be Executive Vice President and Chief Financial Officer of Revlon and RCPC, or such other title of at least equivalent level consistent with the Executive’s duties from time to time as may be designated by the Company. The Executive agrees to serve, if appointed, as a member of the Global Leadership Team or such other committee of the Company’s most senior executives as may succeed the Global Leadership Team from time to time and report to the CEO or the CEO’s designee.

1.2 Acceptance. The Executive hereby accepts such employment and agrees to render the services described above. During the Term, the Executive agrees to serve the Company faithfully and to devote the Executive's entire business time, energy and skill to such employment, and to use the Executive's best efforts, skill and ability to promote the Company's interests. Notwithstanding the foregoing, the Executive may continue to manage his personal finances, engage in charitable activities and professional development activities and, with the prior approval of the CEO, serve on the Board of a public company provided none of the foregoing, individually or taken together, distract from or interfere with the Executive’s performance of his responsibilities under this Agreement.

1.3 Location. The duties to be performed by the Executive hereunder shall be performed primarily at the office of RCPC in the New York City metropolitan area, subject to reasonable travel requirements consistent with the nature of the Executive’s duties from time to time on behalf of the Company.

1.4 Performance Warranty. As an inducement for the Company to enter into this Agreement, the Executive hereby represents that the Executive is not a party to any contract, agreement or understanding which prevents, prohibits or limits the Executive in any way from entering into and fully performing the Executive's obligations under this Agreement and any duties and responsibilities that may be assigned to the Executive hereunder.

2. Term of Employment; Certain Post-Term Benefits.

2.1 The Term. The Term of the Executive's employment under this Agreement (the "Term") shall commence on the Effective Date and shall end 12 months after RCPC provides to the Executive a notice of non-renewal, unless sooner terminated pursuant to Section 4. During any period that the Executive's employment shall continue following the end of the Term, the Executive shall be deemed an employee at will, provided, however, that the Executive shall be eligible for severance on the terms and subject to the conditions of the Revlon Executive Severance Pay Plan as in effect from time to time, or such plan or plans, if any, as may succeed it (the "Executive Severance Plan"), provided that the severance and benefit continuation period for the Executive under the Executive Severance Plan shall be not less than 12 months, subject to the terms and conditions of such plan.

2.2 Special Curtailment. The term shall end earlier than the date provided in Section 2.1, if sooner terminated pursuant to Section 4.

3. Compensation; Benefits.

3.1 Salary. The Company agrees to pay the Executive during the Term a base salary, payable bi-weekly, at the annual rate of not less than $600,000 (the "Base Salary"). All payments of Base Salary or other compensation hereunder shall be less such deductions or withholdings as are required by applicable law and regulations. The Executive will be considered for merit increases in connection with the Executive's performance evaluations, which are performed in accordance with the Company's salary administration policies and procedures (which generally occur annually). In the event that RCPC, in its sole discretion, from time to time determines to increase the Base Salary, such increased amount shall, from and after the effective date of the increase, constitute "Base Salary" for purposes of this Agreement and shall not thereafter be decreased.

3.2 Incentive Compensation.

(a) Bonus. The Executive shall be eligible to participate in the Revlon Executive Annual Bonus Program as in effect from time to time, or such program or plans, if any, as may succeed it (the "Bonus Program"), with target bonus eligibility of 75% of Base Salary for achieving performance objectives set by the Compensation Committee or its designee, subject to the terms and conditions of such Bonus Program and the Revlon Executive Incentive Compensation Plan (the "Incentive Compensation Plan"). In the event that the Executive's employment shall terminate pursuant to Section 4.4 during any calendar year, the Executive's bonus with respect to the year during which such termination occurs shall be pro-rated for the actual number of days of active employment during such year and such bonus as pro-rated shall be payable (i) if and to the extent

bonuses are payable to executives under the Bonus Program for that year based upon achievement of the objectives set for that year and not including any discretionary bonus amounts which may otherwise be payable to other executives despite non-achievement of bonus objectives for such year and (ii) on the date bonuses would otherwise be payable to executives under the Bonus Program. Notwithstanding anything herein or contained in the Bonus Program to the contrary, in the event that the Executive's employment shall terminate pursuant to Section 4.4 during any calendar year, the Executive shall be entitled to receive the Executive's bonus (if not already paid) with respect to the year immediately preceding the year of termination (if bonuses with respect to such year are payable to other executives based upon achievement of bonus objectives and not based upon discretionary amounts which may be paid to other executives despite non-achievement of bonus objectives) as and when such bonuses would otherwise be payable to executives under the Bonus Program, despite the fact that Executive may not be actively employed on such date of payment.

(b) Stock-Based Compensation. During the Term, the Executive shall be eligible for recommendation to the Compensation Committee or other committee of the Board administering the Fourth Amended and Restated Revlon, Inc. Stock Plan or any plan that may replace it, as from time to time in effect (the “Stock Plan”) to receive an award of stock options, restricted shares or other awards, at levels, on terms, and at such times as are generally applicable to other senior executives of the Executive’s level.

(c) Long-Term Incentive Compensation ("LTIP"): For 2015 and subsequent performance years, during the Executive's period of employment with the Company in this position, the Executive shall be eligible to participate each year in the Company's LTIP Program under the Incentive Compensation Plan at a level consistent with similarly situated Global Leadership Team members, which is currently $500,000 per annum, subject to Compensation Committee approval, and the terms of the Incentive Compensation Plan and the applicable LTIP terms adopted by the Compensation Committee.

3.3 Business Expenses. RCPC shall pay or reimburse the Executive for all reasonable expenses actually incurred or paid by the Executive during the Term in the performance of the Executive's services under this Agreement, subject to and in accordance with the Revlon Travel and Entertainment Policy as in effect from time to time, or such policy or policies, if any, as may succeed it.

3.4 Vacation. During each calendar year of the Term, the Executive shall be entitled to a vacation period or periods in accordance with the vacation policy of the Company as in effect from time to time, but not less than four weeks.

3.5 Fringe Benefits. During the Term, the Executive shall be entitled to participate in those qualified and non-qualified defined benefit, defined contribution, group life insurance, medical, dental, disability and other benefit plans and programs of the Company as from time to time in effect (or their successors) generally made available to other executives of the Executive's level and in such other plans and programs and in such perquisites, as from time to time in effect, as may be generally made available to senior executives of the Company of the Executive’s level generally. Further, during the Term, the Executive will be eligible (a) to participate in Revlon’s Executive Financial Counseling and Tax Preparation Program, as from time to time in effect, or

such program or programs, if any, as may succeed it, and (b) to receive a car allowance at the rate of $30,000 per annum, under the car allowance program as in effect from time to time, or such program or programs, if any, as may succeed it.

3.6 Internal Revenue Code Section 409A. Section 409A of the Code (as defined below) and/or its related rules and regulations ("Section 409A"), imposes additional taxes and interest on compensation or benefits deferred under certain "nonqualified deferred compensation plans" (as defined under the Code). These plans may include, among others, nonqualified retirement plans, bonus programs, stock option plans, employment agreements and severance agreements. The Company reserves the right to provide compensation or benefits under any such plan in amounts, at times and in a manner that minimizes taxes, interest or penalties as a result of Section 409A, including any required withholdings, and the Executive agrees to cooperate with the Company in such actions. Specifically, and without limitation of the previous sentence, if the Executive is a "specified employee," as such term is defined under Section 409A (generally one of the Company's top 50 highest paid officers), to the extent required under Section 409A, the Company will not make any payments of non-qualified deferred compensation to the Executive under this Agreement upon a "separation from service," as such term is defined under Section 409A, until six months after the Executive's date of separation from service or, if earlier, the date of the Executive's death. Upon expiration of the six-month period, or, if earlier, the date of the Executive's death, the Company shall make a payment to the Executive (or the Executive’s beneficiary or estate, if applicable) equal to the sum of all payments that would have been paid to the Executive from the date of separation from service had the Executive not been a "specified employee" through the end of the six month period, and thereafter the Company will make all the payments at the times specified in this Agreement or applicable policy, as the case may be. In addition, the Company and the Executive agree that, for purposes of this Agreement, termination of employment (or any variation thereof) will satisfy all of the requirements of "separation from service" as defined under Section 409A. For purposes of this Agreement, the right to a series of installment payments, such as salary continuation or severance payments, shall be treated as the right to a series of separate payments and shall not be treated as a right to a single payment. For purposes of this Agreement, the term "Code" shall mean the Internal Revenue Code of 1986, as amended, including all final regulations promulgated thereunder, and any reference to a particular section of the Code shall include any provision that modifies, replaces or supersedes such section.

4. Termination.

4.1 Death. If the Executive shall die during the Term, the Term shall terminate and no further amounts or benefits shall be payable hereunder, other than (i) for accrued, but unpaid, Base Salary as of such date; (ii) pursuant to life insurance provided under Section 3.5; and (iii) to the extent expressly required pursuant to the terms of compensation and benefit plans and policies as in effect on the date of death.

4.2 Disability. If during the Term the Executive shall become physically or mentally disabled, whether totally or partially, such that the Executive has been unable to perform the Executive's services hereunder for (i) a period of six consecutive months or (ii) shorter periods aggregating six months during any twelve month period, RCPC may at any time after the last day of the six consecutive months of disability or the day on which the shorter periods of disability shall

have equaled an aggregate of six months, by written notice to the Executive (but before the Executive has returned to active service following such disability), terminate the Term and no further amounts or benefits shall be payable hereunder other than (i) for accrued, but unpaid, Base Salary as of such date and (ii) to the extent required pursuant to the terms of compensation and benefit plans and policies as in effect on the date of termination.

4.3 Cause. RCPC may at any time by written notice to the Executive terminate the Term for “Cause” and, upon such termination, the Executive shall be entitled to receive no further amounts or benefits hereunder, except for accrued, but unpaid, salary as of such date and as required by law. As used herein the term “Cause” shall mean gross neglect by the Executive of the Executive's duties hereunder, conviction of the Executive of any felony, conviction of the Executive of any lesser crime or offense involving the property of the Company or any of its affiliates, willful misconduct by the Executive in connection with the performance of the Executive's duties hereunder or other material breach by the Executive of this Agreement (specifically including, without limitation, Section 1.4), any breach of the Revlon Code of Business Conduct, including, without limitation, the Code of Ethics for Senior Financial Officers, or the Non-Competition Agreement (as defined in Section 5.2), or any other conduct on the part of the Executive which would make the Executive's continued employment by the Company prejudicial in any material respect to the best interests of the Company. If and to the extent any occurrence of Cause is capable of cure in the good faith determination of the Company, the Company shall provide notice of same to the Executive, who shall then have ten days to cure such event of Cause to the satisfaction of the Company, it being acknowledged and agreed that the Company’s good faith determination as to whether a Cause event is subject to cure shall be final and binding upon the parties.

4.4 Company Breach; Other Termination. The Executive shall be entitled to terminate the Term and the Executive’s employment upon 30 days’ prior written notice (if during such period RCPC fails to cure any such breach) in the event that RCPC materially breaches any of its obligations hereunder and the Executive provides notice to RCPC within 90 days of such breach. In addition, RCPC shall be entitled to terminate the Term and the Executive’s employment at any time and without prior notice (otherwise than pursuant to the provisions of Section 4.2 or 4.3). In consideration of the Executive’s covenant in Section 5.2, upon termination under this Section 4.4 by the Executive, or in the event RCPC so terminates the Term otherwise than pursuant to the provisions of Section 4.2 or 4.3, the Executive shall have no affirmative duty to seek other employment to mitigate the payments provided below and RCPC agrees, and the Company’s sole obligation arising from such termination shall be, for RCPC either

(i) to make payments in lieu of Base Salary in the amounts prescribed by Section 3.1, to pay the Executive the portion, if any, of any annual bonus contemplated by Section 3.2(a) and to continue the Executive’s participation in the medical, dental and vision plans of the Company in which the Executive was then participating as of the date of termination pursuant to Section 3.5 (in each case less amounts required by law, including COBRA, to be withheld) through the date on which the Term would have ended pursuant to Section 2.1, if RCPC had given notice of non-renewal on the date of termination (such period shall be referred to as the "Severance Period"), provided that (1) such benefit continuation is subject to the terms of such plans and applicable law, including COBRA; (2) the Executive may continue participation in the Company’s medical, dental and vision benefit programs by continuing to pay premiums to the Company at the contribution

level in effect for active employees until the earliest to occur of (i) the end of the Severance Period; (ii) the expiration of the maximum period for continuation coverage permissible under applicable federal law for which the Executive would be eligible; or (iii) when the Executive becomes covered by medical, dental and/or vision plans of another employer or becomes eligible for Medicare (or similar governmentally-sponsored benefit); (3) any bonus payments required pursuant to this Section 4.4(i) shall be payable as and when bonuses would otherwise be payable to executives under the Bonus Program as then in effect; (4) the Executive shall, as a condition, execute such release, confidentiality, non-competition (consistent in all respects with the Non-Competition Agreement (as defined in Section 5.2 below)) and other covenants as would be required in order for the Executive to receive payments and benefits under the Executive Severance Plan that is applicable to the Executive referred to in clause (ii) below; and (5) any cash compensation paid or payable or any non-cash compensation paid or payable in lieu of cash compensation earned by the Executive from other employment or consultancy during such period shall reduce the payments provided for herein payable with respect to such other employment or consultancy, or

(ii) to make the payments and provide the benefits prescribed by, and in accordance with the terms and conditions of, the Executive Severance Plan.

For purposes of calculating severance amounts under this Section, Executive's service prior to the date of this Agreement with The Colomer Group shall be included. The Company shall provide the greater of the payments and other benefits described under clauses (i) and (ii) of this Section 4.4; provided, however, if the provision of any benefits described above would trigger a tax under Section 409A, the Company shall instead promptly pay to the Executive in a cash lump-sum payment an amount equal to the value (based on the then-current cost to the Company) of such benefits. Any compensation earned by the Executive from other employment or a consultancy shall reduce the payments required pursuant to clause (i) above or shall be governed by the terms of the Executive Severance Plan in the case of clause (ii) above.

4.5 Litigation Expenses. If RCPC and the Executive become involved in any action, suit or proceeding relating to the alleged breach of this Agreement by RCPC or the Executive, or any dispute as to whether a termination of the Executive's employment is with or without Cause or as a result of a breach under Section 4.4, then if and to the extent that a final, non-appealable, judgment in such action, suit or proceeding is rendered in favor of the Executive, RCPC shall reimburse the Executive for all expenses (including reasonable attorneys' fees) incurred by the Executive in connection with such action, suit or proceeding or the portion thereof adjudicated in favor of the Executive.

4.6 Voluntary Resignation. The Executive may on 60 days' written notice to the Company resign his employment and such resignation shall not constitute a breach of this Agreement. In the event of said resignation, the Term shall terminate and no further amounts or benefits shall be payable hereunder other than (i) for accrued, but unpaid, Base Salary as of such date and (ii) to the extent required pursuant to the terms of compensation and benefit plans and policies as in effect on the date of termination.

5. Protection of Confidential Information; Non-Competition.

5.1 The Executive acknowledges that the Executive’s services will be unique, that they will involve the development of Company-subsidized relationships with key customers, suppliers, and service providers as well as with key Company employees and that the Executive's work for the Company will give the Executive access to highly confidential information not available to the public or competitors, including trade secrets and confidential marketing, sales, product development and other data and plans which it would be impracticable for the Company to effectively protect and preserve in the absence of this Section 5 and the disclosure or misappropriation of which could materially adversely affect the Company. Accordingly, the Executive agrees:

5.1.1 except in the course of performing the Executive’s duties provided for in Section 1.1, not at any time, whether during or after the Executive’s employment with the Company, to divulge to any other entity or person any confidential information acquired by the Executive concerning the Company's or its affiliates' financial affairs or business processes or methods or their research, development or marketing programs or plans, any other of its or their trade secrets, any information regarding personal matters of any directors, officers, employees or agents of the Company or its affiliates or their respective family members, or, except only to the extent required to enforce this Agreement in legal proceedings and then subject to the fullest extent possible pursuant to protective orders and other measures to maintain the confidentiality of such information, any information concerning the circumstances of the Executive’s employment and any termination of the Executive’s employment with the Company or any information regarding discussions related to any of the foregoing. The foregoing prohibitions shall include, without limitation, directly or indirectly publishing (or causing, participating in, assisting or providing any statement, opinion or information in connection with the publication of) any diary, memoir, letter, story, photograph, interview, article, essay, account or description (whether fictionalized or not) concerning any of the foregoing, publication being deemed to include any presentation or reproduction of any written, verbal or visual material in any communication medium, including any book, magazine, newspaper, theatrical production or movie, or television or radio programming or commercial or over the internet. In the event that the Executive is requested or required to make disclosure of information subject to this Section 5.1.1 under any court order, subpoena or other judicial process, the Executive may comply but will before doing so promptly notify RCPC, take all reasonable steps requested by RCPC at RCPC’s expense to defend against the compulsory disclosure and permit RCPC, at its expense, to control with counsel of its choice any proceeding relating to the compulsory disclosure. The Executive acknowledges that all information the disclosure of which is prohibited by this section is of a confidential and proprietary character and of great value to the Company.

5.1.2 to deliver promptly to the Company on termination of the Executive's employment with the Company, or at any time that RCPC may so request, all memoranda, notes, records, reports, manuals, drawings, blueprints and other documents (and all copies thereof) relating to the Company's business and all property associated therewith, which the Executive may then possess or have under the Executive's control, including, without limitation, computer disks or data (including data retained on any computer), and any home office equipment or computers purchased or provided by Revlon or other materials. Notwithstanding the foregoing, Executive may retain “address books” of personal and business contacts.

5.2 In consideration of RCPC’s covenant in Section 4.4, the Executive agrees (i) in all respects fully to comply with the terms of the Employee Agreement as to Confidentiality and Non-Competition (the “Non-Competition Agreement”), whether or not the Executive is a signatory thereof, with the same effect as if the same were set forth herein in full, and (ii) in the event that the Executive shall terminate the Executive’s employment otherwise than as provided in Section 4.4, the Executive shall comply with the restrictions set forth in paragraph 9(e) of the Non-Competition Agreement through the date on which the Term would then otherwise have expired pursuant to Section 2.1, subject only to the Company continuing to make payments equal to the Executive’s Base Salary during such period, notwithstanding the limitation otherwise applicable under paragraph 9(d) thereof or any other provision of the Non-Competition Agreement.

5.3 If the Executive commits a breach of any of the provisions of Sections 5.1 or 5.2 hereof, which breach remains uncured, RCPC shall have the following rights and remedies:

5.3.1 the right and remedy to immediately terminate all further payments and benefits provided for in this Agreement, except as may otherwise be required by law in the case of qualified benefit plans;

5.3.2 the right and remedy to have the provisions of this Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach will cause irreparable injury to the Company and that money damages and disgorgement of profits will not provide an adequate remedy to the Company, and, if the Executive attempts or threatens to commit a breach of any of the provisions of Sections 5.1 or 5.2, the right and remedy to be granted a preliminary and permanent injunction in any court having equity jurisdiction against the Executive committing the attempted or threatened breach (it being agreed that each of the rights and remedies enumerated above shall be independent of the others and shall be severally enforceable, and that all of such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available to RCPC under law or in equity); and

5.3.3 the right and remedy to require the Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits (collectively "Benefits") derived or received by the Executive as the result of any transactions constituting a breach of any of the provisions of Sections 5.1 or 5.2 hereof, and the Executive hereby agrees to account for and pay over such Benefits as directed by RCPC.

5.4 If any of the covenants contained in Sections 5.1, 5.2 or 5.3, or any part thereof, hereafter are construed to be invalid or unenforceable, the same shall not affect the remainder of the covenant or covenants, which shall be given full effect, without regard to the invalid portions.

5.5 If any of the covenants contained in Sections 5.1 or 5.2, or any part thereof, are held to be unenforceable because of the duration of such provision or the area covered thereby, the parties agree that the court making such determination shall have the power to reduce the duration and/or area of such provision so as to be enforceable to the maximum extent permitted by applicable law and, in its reduced form, said provision shall then be enforceable.

5.6 The parties hereto intend to and hereby confer jurisdiction to enforce the covenants contained in Sections 5.1, 5.2 and 5.3 upon the courts of any state or country within the geographical scope of such covenants. In the event that the courts of any one or more of such states or countries shall hold such covenants wholly unenforceable by reason of the breadth of such covenants or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect RCPC's right to the relief provided above in the courts of any other states or countries within the geographical scope of such covenants as to breaches of such covenants in such other respective jurisdictions, the above covenants as they relate to each state or country being for this purpose severable into diverse and independent covenants.

5.7 Any termination of the Term or the Executive's employment shall have no effect on the continuing operation of this Section 5.

6. Inventions and Patents.

6.1 The Executive agrees that all processes, technologies and inventions (collectively, "Inventions"), including new contributions, improvements, ideas and discoveries, whether patentable or not, conceived, developed, invented or made by the Executive during the Term shall belong to the Company, provided that such Inventions grew out of the Executive's work with the Company or any of its subsidiaries or affiliates, are related in any manner to the business (commercial or experimental) of the Company or any of its subsidiaries or affiliates or are conceived or made on the Company's time or with the use of the Company's facilities or materials. The Executive shall further: (a) promptly disclose such Inventions to the Company; (b) assign to the Company, without additional compensation, all patent and other rights to such Inventions for the United States and foreign countries; (c) sign all papers necessary to carry out the foregoing; and (d) give testimony in support of the Executive's inventorship.

6.2 If any Invention is described in a patent application or is disclosed to third parties, directly or indirectly, by the Executive within two years after the termination of the Executive's employment with the Company, it is to be presumed that the Invention was conceived or made during the Term.

6.3 The Executive agrees that the Executive will not assert any rights to any Invention as having been made or acquired by the Executive prior to the date of this Agreement, except for Inventions, if any, disclosed to the Company in writing prior to the date hereof.

7. Intellectual Property.

Notwithstanding and without limitation of Section 6, the Company shall be the sole owner of all the products and proceeds of the Executive's services hereunder, including, but not limited to, all materials, ideas, concepts, formats, suggestions, developments, arrangements, packages, programs and other intellectual properties that the Executive may acquire, obtain, develop or create in connection with or during the Term, free and clear of any claims by the Executive (or anyone claiming under the Executive) of any kind or character whatsoever (other than the Executive's right to receive payments hereunder). The Executive shall, at the request of RCPC, execute such assignments, certificates or other instruments as RCPC may from time to time deem necessary or

desirable to evidence, establish, maintain, perfect, protect, enforce or defend its right, title or interest in or to any such properties.

8. Revlon Code of Business Conduct.

In consideration of RCPC's execution of this Agreement, the Executive agrees in all respects to fully comply with the then current most recently published or circulated terms of the Revlon Code of Business Conduct, a current copy of which is annexed as Schedule A, including, without limitation, the Code of Ethics for Senior Financial Officers, included within such Code, whether or not the Executive is a signatory thereof, with the same effect as if the same were set forth herein in full.

9. Indemnification.

Subject to the terms, conditions and limitations of its by-laws and applicable Delaware law, Revlon Inc. and RCPC will to the fullest extent permissible under such by-laws defend and indemnify the Executive against all costs, charges and expenses incurred or sustained by the Executive in connection with any action, suit or proceeding to which the Executive may be made a party, brought by any shareholder of the Company directly or derivatively or by any third party by reason of any act or omission of the Executive as an officer, director or employee of the Company or of any subsidiary or affiliate of the Company. The Executive shall be covered by the Directors and Officers insurance coverage as is maintained by Revlon, Inc. and RCPC for its directors and officers including, to the extent provided under such Directors and Officers Insurance, coverage for actions, suits or proceedings brought after the Executive ceases employment with RCPC but relating to periods during the Executive’s employment with RCPC.

10. Notices.

All notices, requests, consents and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, sent by overnight courier or mailed first class, postage prepaid, by registered or certified mail (notices mailed shall be deemed to have been given on the date mailed), provided that all notices to the Company shall be sent to the Company’s then current worldwide global headquarters address, the current address for which is set forth below, and shall also be sent simultaneously by email, as follows (or to such other address as either party shall designate by notice in writing to the other in accordance herewith):

If to the Company, to:

Revlon Consumer Products Corporation
One New York Plaza
New York, New York 10004
Attention: Chief Legal Officer
E-mail: lucinda.treat@revlon.com

If to the Executive, to the Executive’s principal residence as reflected in the records of the Company.

11. General.

11.1 This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York applicable to agreements made between residents thereof and to be performed entirely in New York, without regard to the state’s conflict of laws provisions, except as otherwise preempted by the laws of the United States. The parties consent and agree to the exclusive jurisdiction and venue of the Federal and State courts sitting in the County of New York for all purposes. Each party to this Agreement hereby waives the right to a jury trial in any lawsuit arising out of or relating to this Agreement or Executive's employment by or termination of employment with the Company.

11.2 The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

11.3 This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter hereof, and supersedes all prior agreements, arrangements and understandings, written or oral, relating to the subject matter hereof including any offer letter or term sheets. No representation, promise or inducement has been made by either party that is not embodied in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise or inducement not so set forth. This Agreement amends and restates, supersedes and replaces any and all prior employment agreements, offer letters, letter agreements and the like covering the terms of your employment with the Company, all of which are considered void and of no further force or effect; provided, however, this Agreement has no impact on and does not supercede, replace, amend, void, cancel or terminate any benefit awards under the Company’s Incentive Compensation Plan, Stock Plan or other similar compensation, benefit plans or policies, such as, without limitation, LTIP and restricted stock awards and the respective award agreements.

11.4 This Agreement shall be binding upon the parties hereto and their successors and permitted assignees. This Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, nor may the Executive pledge, encumber or anticipate any payments or benefits due hereunder, by operation of law or otherwise. RCPC may assign its rights, together with its obligations, hereunder (i) to any affiliate or (ii) to a third party in connection with any sale, transfer or other disposition of all or substantially all of any business to which the Executive's services are then principally devoted, provided that no assignment shall relieve RCPC from its obligations hereunder to the extent the same are not timely discharged by such assignee.

11.5 This Agreement may be amended, modified, superseded, canceled, renewed or extended, and the terms or covenants hereof may be waived, only by a written instrument executed by both of the parties hereto, or in the case of a waiver, by the party waiving compliance. The failure of either party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver

of any such breach, or a waiver of the breach of any other term or covenant contained in this Agreement.

11.6 This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

12. Subsidiaries and Affiliates. As used herein, the term "subsidiary" shall mean any corporation or other business entity controlled directly or indirectly by the corporation or other business entity in question, and the term "affiliate" shall mean and include any corporation or other business entity directly or indirectly controlling, controlled by or under common control with the corporation or other business entity in question.

13. Change of Control Payments and Benefits.

13.1. Change of Control.

(a) Extension of Term. In the event of any Change of Control, as defined on Schedule B, the Term of the Executive's Agreement shall be automatically extended for 24 months from the effective date (the "COC Effective Date") of any such Change of Control (the "Extended Term").

(b) Benefit Continuation; Bonus and Salary Payment. If during the Extended Term, the Executive terminates the Term of his employment for "COC Good Reason" (as defined below in sub-clause (b)(iii)) or if the Company terminates the Term of the Executive's employment other than for "Cause" (as defined in Section 4.3 of the Agreement)—

(i) to the extent available under applicable law, including, without limitation, COBRA, and the Company's group benefit programs, the Company shall provide, for a period of two years from such termination date (or such maximum earlier date as is allowed under COBRA), all fringe benefits then provided to the Executive, including, without limitation, qualified and non-qualified defined benefit, defined contribution, insurance, medical, dental, disability, automobile, financial planning, tax preparation and other benefit plans and programs of the Company as from time to time in effect (or their successors) in which the Executive participated on the COC Effective Date, provided that the Executive will be permitted to continue such participation in the Company's medical, dental and vision programs under COBRA by continuing to pay premiums to the Company at the contribution level in effect for active employees until the earliest to occur of (a) the end of the above-referenced 2-year period following termination; (b) the expiration of the maximum period for continuation coverage permissible under applicable federal law for which the Executive would be eligible; or (c) when the Executive becomes covered by medical, dental and/or vision plans of another employer or becomes eligible for Medicare (or similar governmentally-sponsored benefit). To the extent that such benefits are not or cease being available under applicable law or the Company's group benefit programs, such benefits cease to be equivalent to, or better than, the benefits under the plans and programs in effect on the COC Effective Date, or such benefits would trigger a tax under Section 409A, the Company shall immediately pay to the Executive in a cash lump sum payment an amount equal to the value (based on the then current cost to the Company) of such benefits (or the remaining

eligible portion thereof, as the case may be) and shall have no further obligation to continue to provide the benefits under this Section;

(ii) the Company shall immediately pay to the Executive in a cash lump sum payment two times the sum of (A) the greater of the Executive's Base Salary in effect on (1) the COC Effective Date or (2) such termination date plus (B) the average amount of the gross bonus amounts earned by the Executive over the five calendar years preceding such termination (or if employed by the Company for less than five calendar years, the actual number of calendar years for which the Executive was eligible to receive a bonus payment). Notwithstanding the foregoing, if the Change of Control is not an event that is recognized under Treasury regulation 1.409A-3(i)(5), the two times Base Salary amount in (A) above shall not be paid in a lump sum but shall be paid in equal installments at the same intervals that payments would be made under Section 4.4 hereof over the two year period (but in all events for the full two year period and with no offsets).

(iii) "COC Good Reason" means, for purposes of this sub-clause (b) only (and not for any other purpose or reason under this Agreement): (A) a material adverse change in the Executive's job responsibilities; (B) any reduction in the Executive's Base Salary; (C) any reduction in the Executive's annual bonus opportunity; (D) any reduction in the Executive's aggregate value of benefits; or (E) the Executive's being required by the Company to relocate beyond a 50-mile radius of the Executive's then current residence.

(iv) The Executive shall have no duty to mitigate by seeking other employment or otherwise and no compensation earned by the Executive from other employment, a consultancy or otherwise shall reduce any payments provided for under this Section 13.1.

(c) Equity Compensation; Long-Term Incentive Compensation In the event of any Change of Control (A) all then unvested restricted shares, if any, held by the Executive shall immediately vest and be fully exercisable and all restrictions shall lapse; (B) all unpaid long-term incentive compensation shall be treated in accordance with the terms and provisions of the Incentive Compensation Plan (or such successor plan as in effect), and any applicable long-term incentive compensation program adopted thereunder in which the Executive participated.

(d) Governing Provision. In the event of any conflict between this Section 13 and any other section or provision of this Agreement, the section which provides the Executive with most favored treatment in the event of a Change of Control shall govern and prevail.

(e) Termination after the Extended Term. In the event the Executive remains employed after the Extended Term, the provisions of this Agreement, including those as to termination of employment but other than Article 13, shall apply.

13.2 Section 280G.

(a) If the aggregate of all amounts and benefits due to the Executive under this Agreement or any other plan, program, agreement or arrangement of the Company or any of its

Affiliates, which, if received by the Executive in full, would constitute “parachute payments,” as such term is defined in and under Section 280G of the Code (collectively, “Change of Control Benefits”), reduced by all Federal, state and local taxes applicable thereto, including the excise tax imposed pursuant to Section 4999 of the Code, is less than the amount the Executive would receive, after all such applicable taxes, if the Executive received aggregate Change of Control Benefits equal to an amount which is $1.00 less than three times the Executive's “base amount,” as defined in and determined under Section 280G of the Code, then such Change of Control Benefits shall be reduced or eliminated to the extent necessary so that the Change of Control Benefits received by the Executive will not constitute parachute payments. If a reduction in the Change of Control Benefits is necessary, reduction shall occur in the following order unless the Executive elects in writing a different order, subject to the Company’s consent (which consent shall not be unreasonably withheld): first, a reduction of cash payments not attributable to equity awards which vest on an accelerated basis; second, the cancellation of accelerated vesting of stock awards; third, the reduction of employee benefits; and fourth, a reduction in any other “parachute payments.” If acceleration of vesting of stock award compensation is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant of the Executive's stock awards unless the Executive elects in writing a different order for cancellation.

(b) It is possible that after the determinations and selections made pursuant to Section 13.2(a) above the Executive will receive Change of Control Benefits that are, in the aggregate, either more or less than the amounts contemplated by Section 13.2(a) above (hereafter referred to as an “Excess Payment” or “Underpayment,” respectively). If there is an Excess Payment, the Executive shall promptly repay the Company an amount consistent with this Section 13.2. If there is an Underpayment, the Company shall pay the Executive an amount consistent with this Section 13.2.

(c) The determinations with respect to this Section 13.2 shall be made by an independent auditor (the “Auditor”) compensated by the Company. The Auditor shall be the Company’s regular independent auditor, unless the Executive objects to the use of that firm, in which event the Auditor shall be a nationally-recognized United States public accounting firm chosen by the Company and approved by the Executive (which approval shall not be unreasonably withheld or delayed).

{Signature page(s) follow.}

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

REVLON CONSUMER PRODUCTS CORPORATION

By: /s/ Lorenzo Delpani
Name: Lorenzo Delpani
Title: President and Chief Executive Officer

/s/ Roberto Simon
Roberto Simon

By signing below Revlon, Inc. hereby agrees to the provisions of Section 9.

REVLON, INC.

By: /s/ Lorenzo Delpani
Name: Lorenzo Delpani
Title: President and Chief Executive Officer

<u>SCHEDULE A</u>

REVLON CODE OF BUSINESS CONDUCT

See attached.

SCHEDULE B

A "Change of Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:

(i) any Person, other than one or more Permitted Holders, is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this definition a Person will be deemed to have "beneficial ownership" of all shares that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company; provided that under such circumstances the Permitted Holders do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of the Company (for the purposes of this clause (i) and clause (iii), such other Person will be deemed to beneficially own any Voting Stock of a specified corporation held by a parent corporation, if such other Person beneficially owns, directly or indirectly, more than 50% of the voting power of the Voting Stock of such parent corporation and the Permitted Holders do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of such parent corporation);

(ii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of the Company was approved by a vote of 66-2/3% of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Company then in office;

(iii) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets to an entity in which any Person, other than one or more Permitted Holders is or becomes the Beneficial Owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this definition a Person will be deemed to have "beneficial ownership" of all shares that any Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of securities of such entity representing 50% or more of the combined voting power of such entity's Voting Stock, and the Permitted Holders "beneficially own" (as so defined) directly or indirectly, in the aggregate a lesser percentage of the total voting power of the Voting Stock of such entity than such other Person and do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of such entity; or

(iv) a "Change of Control" shall have occurred under, and as defined in, the indenture governing Revlon Consumer Products Corporation's 8 5/8% Senior Subordinated Notes Due 2008 or any other Subordinated Obligations of Revlon Consumer Products Corporation

so long as such 8 5/8% Senior Subordinated Notes Due 2008 or other Subordinated Obligations are outstanding.

Notwithstanding the foregoing, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same combined voting power of the Voting Stock in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

"Capital Stock" of any Person shall mean any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into or exchangeable for such equity.

"Company" means Revlon, Inc. together with its subsidiaries, including, without limitation, Revlon Consumer Products Corporation.

"8 5/8% Senior Subordinated Notes Due 2008" means Revlon Consumer Products Corporation's 8 5/8% Senior Subordinated Notes due 2008 and any notes exchanged therefore.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Permitted Holders" means Ronald O. Perelman (or in the event of his incompetence or death, his estate, heirs, executor, administrator, committee or other personal representative (collectively, "heirs")) or any Person controlled, directly or indirectly, by Ronald O. Perelman or his heirs.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

"Preferred Stock," as applied to the Capital Stock of the Company, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of the Company, over shares of Capital Stock of any other class of the Company.

"Subordinated Obligations" has the meaning ascribed thereto in the indenture for Revlon Consumer Products Corporation's 9½% Senior Notes due 2011.

"Voting Stock" means all classes of Capital Stock of the Company then outstanding and normally entitled to vote in the election of Directors.

<u>Restricted Stock Agreement</u>

FOURTH AMENDED AND RESTATED REVLON, INC. STOCK PLAN

This RESTRICTED STOCK AGREEMENT (this "Agreement") is entered into between REVLON, INC., a Delaware corporation ("Revlon" and, together with Revlon's affiliates, the "Company"), and the employee of the Company identified in the Notice of Grant (as defined below) to which this Agreement relates (the "Grantee"), subject to the Grantee's acceptance of this Agreement.

Revlon's Compensation Committee (the "Committee") has determined that the objectives of the Fourth Amended and Restated Revlon, Inc. Stock Plan, as amended (the "Plan"), will be furthered by granting to the Grantee shares of Revlon, Inc. Class A common stock ("Common Stock"), subject to certain restrictions, upon the terms and conditions hereinafter contained ("Restricted Stock" or the "Restricted Stock Award").

In consideration of the foregoing and of the mutual undertakings set forth in this Agreement, the Company and the Grantee agree as follows:

SECTION 1. Notice of Grant; Number of Shares. Subject to Section 10 of this Agreement, the Company hereby grants to the Grantee the number of shares of Restricted Stock as designated in the notice of grant from the Company which accompanies the electronic distribution of this Agreement or the online award summary referred to therein (the "Notice of Grant"). The Grantee shall not be required to make any payment for the Restricted Stock.

SECTION 2. Restrictions.

(a) Lapse of Restrictions. Subject to the Plan and the other terms of this Agreement, as set forth in the Notice of Grant, for so long as the Restricted Stock Award shall not be cancelled pursuant to the terms of the Plan or this Agreement, the restrictions relating to the Restricted Stock Award which is the subject of this Agreement shall lapse as to one-fifth of the shares on each March 15th following the grant date, until fully vested, which is the vesting schedule for this grant established by the Committee. Notwithstanding the foregoing, the restrictions relating to the Restricted Stock Award which is the subject of this Agreement shall immediately lapse and such shares shall be deemed fully vested upon a "Change of Control," as defined in Schedule 1 hereto.

(b) Transfer Agent Action Upon Lapse of Restrictions. Upon the grant of the Restricted Stock, the Company shall promptly instruct its transfer agent to record the Restricted Stock as the property of the Grantee, subject to restrictions. Upon the lapse of restrictions relating to the shares of Restricted Stock, as set forth in Section 2 hereof, the Company shall promptly instruct its transfer agent to eliminate any notation of the restrictions with respect to the vested shares and to record such vested shares as outstanding, with no restrictions.

(c) Limitations on the Sale of Vested Shares. Unless the Committee determines otherwise, the Grantee shall not have the right to sell, assign, transfer, pledge, hypothecate, encumber or otherwise dispose of the shares of Restricted Stock granted pursuant to this Agreement, regardless of whether such shares have vested, until the Grantee's employment with the Company has ceased. Any attempt to dispose of these shares in contravention of such restrictions shall be null and void and without effect.

SECTION 3. Voting; Dividends. Prior to the date that restrictions lapse pursuant to Section 2 of this Agreement, the Grantee shall have no right to vote and no right to receive dividends or other distributions with respect to the Restricted Stock. Subject to the restrictions set forth in the Plan and this Agreement, from and after the date that restrictions lapse pursuant to Section 2 of this Agreement, the Grantee shall possess all incidents of ownership of the shares of Restricted Stock granted hereunder, including the right to receive dividends with respect to such shares of Restricted Stock and the right to vote such shares

of Restricted Stock, but only with respect to the shares of Restricted Stock for which such restrictions have lapsed pursuant to Section 2 hereof.

SECTION 4. Taxes. The Grantee shall be responsible for paying to the Company promptly upon request, and in any event at the time the Grantee recognizes taxable income in respect of the Restricted Stock Award (which would include the date when any shares of Restricted Stock vest pursuant to Section 2 hereof), an amount equal to the taxes, if any, the Company determines it is required to withhold under applicable tax laws with respect to the Restricted Stock, in the manner of payment prescribed by the Company. Notwithstanding the foregoing, unless and until the Company, in its discretion, allows or prescribes an alternate method of tax withholding upon notice to the Grantee prior to any given vesting date hereunder, the Company shall satisfy its applicable tax withholding obligations associated with the Restricted Stock by withholding from delivery upon the lapse of restrictions shares of Common Stock having a fair market value (determined as of the date as to which the amount of tax to be withheld is determined) equal to the amount of taxes which the Company determines it is required to withhold under applicable tax laws. The Grantee further agrees and acknowledges that all other taxes, duties and fees related to the Restricted Stock must be paid directly by the Grantee to the appropriate authorities, and that the Company may offset against any future compensation, earnings, bonus, expense reimbursements or incentive compensation of any kind amounts necessary to cover any tax withholding obligations of the Company associated with the Restricted Stock which have not been accounted for in a manner satisfactory to the Company. The Grantee may not make an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the grant of any shares of Restricted Stock hereunder.

SECTION 5. Termination of Employment.

(a) Effective as of the date of the Grantee's termination of employment with the Company for any reason, all Restricted Stock which is unvested or as to which all restrictions have not lapsed as provided in Section 2 of this Agreement shall be cancelled, except to the extent the Committee may otherwise determine.

(b) Nothing in the Plan or this Agreement shall confer upon the Grantee or any other person the right to continue in the employment of the Company or affect any right which the Company may have to terminate the employment of the Grantee or any other person.

(c) If the Grantee ceases employment with the Company and accepts employment with a competitor in violation of the Company's Employee Agreement as to Confidentiality and Non-Competition, as in effect from time to time (a copy of which is available upon request from the Company's Chief Legal Officer), or any other non-competition agreement or covenant executed by the Grantee, then the value of any Restricted Stock which vested during the 12-month period prior to the date of termination shall be repaid to the Company by the Grantee, in cash, within 10 days of such acceptance of employment and the Company is hereby authorized to deduct such amount from any other amounts otherwise due the Grantee.

SECTION 6. Plan Provisions to Prevail. This Agreement shall be subject to all of the terms and provisions of the Plan, as may be amended from time to time, which are incorporated hereby and made a part hereof, including, without limitation, the provisions of Section 2.9(c) of the Plan (generally prohibiting the sale of shares not owned or immediately issuable and failure to duly deliver shares in settlement), Section 3.2 of the Plan (generally relating to consents required by securities and other laws), Section 3.5 of the Plan (relating to changes in capitalization) and Section 3.11 of the Plan (generally relating to the effects of certain reorganizations and other extraordinary transactions). Any term defined in the Plan shall have the same meaning in this Agreement. In the event there is any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern. In the event there is any inconsistency regarding the details of the grant between the records or communications of the Company's outside Stock Plan Administrator and the resolutions and/or minutes of the Committee authorizing the award(s) subject to this

Agreement, the Committee's records shall prevail over the records, communications, databases and online summaries or presentations of those grant details furnished or maintained by the Company's outside Stock Plan Administrator.

SECTION 7. Grantee's Acknowledgment. By entering into this Agreement, the Grantee agrees and acknowledges that (a) he/she has received, read and understood a copy of the Plan, including Section 3.8(c) of the Plan (generally relating to waivers of claims to continued exercise or vesting of awards, damages and severance entitlements related to non-continuation of awards), and this Agreement and accepts the shares of Restricted Stock upon all of the terms thereof, and (b) that no member of the Committee shall be liable for any Plan Action (as defined in the Plan), including without limitation any action or determination made in good faith with respect to the Plan or any award thereunder or under this Agreement. The Grantee has reviewed with his or her own advisors the tax and other consequences of the transactions contemplated by this Agreement. The Grantee is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to all matters of this Agreement.

SECTION 8. Nontransferability Prior to Vesting. In addition to the provisions of Section 2(c) of this Agreement, no shares of Restricted Stock granted to the Grantee under this Agreement shall be assignable or transferable by the Grantee (voluntarily or by operation of law) prior to the lapse of restrictions set forth in the Plan and this Agreement, other than by will or by the laws of descent and distribution.

SECTION 9. Legend on Certificates. The Grantee agrees that any certificate issued for shares of Restricted Stock prior to the lapse of any outstanding restrictions shall be inscribed with substantially the following legend:

This certificate and the shares of stock represented hereby are subject to the terms and conditions, including forfeiture provisions and restrictions against transfer, contained in the Fourth Amended and Restated Revlon, Inc. Stock Plan, as amended from time to time, and an agreement entered into between the registered owner and Revlon, Inc. (the "Restrictions"). Any attempt to dispose of these shares in contravention of the Restrictions, including by way of sale, assignment, transfer, pledge, hypothecation, encumbrance or otherwise, shall be null and void and without effect.

SECTION 10. Conditions.

(a) Notwithstanding anything contained in this Agreement to the contrary the grant of the award pursuant to Section 1 hereof is conditioned upon and subject to the Grantee's execution and delivery to the Company of an executed copy of this Agreement (which may be electronically accepted by the Grantee pursuant to processes prescribed by the Company).

(b) By entering into this Agreement and as a condition for receiving the grant of the award pursuant to Section 1 hereof, the Grantee agrees to fully comply in all respects with the terms of the Company's Employee Agreement as to Confidentiality and Non-Competition (a copy of which is available upon request from the Company's Chief Legal Officer), whether or not the Grantee is a signatory thereof, with the same effect as if the same were set forth herein in full.

SECTION 11. Notices. Any notice to be given to the Company hereunder shall be in writing and shall be addressed to the Company's Chief Legal Officer at her or his then current Revlon email address. Any notice to be given to the Grantee hereunder shall be in writing and shall be addressed to the Grantee at the address set forth below, or at such other address as the Grantee may hereafter designate to the Company by notice as provided herein, or at such other address of the Grantee on file with the Company's human

resource or payroll records, whichever is later communicated. Subject to the foregoing, notices hereunder shall be deemed to have been duly given when sent by email or personal delivery, or three business days following delivery by registered or certified mail, or on the next business day if sent via overnight courier, in each case to the party entitled to receive the same in the manner provided in this Section 11.

SECTION 12. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and the successors and assigns of the Company and, to the extent set forth in Section 3.3 of the Plan and Section 8 of this Agreement, the Grantee's heirs and personal representatives.

SECTION 13. Governing Law. This Agreement shall be governed by the laws of the State of New York applicable to agreements made and to be performed entirely within such state.

SECTION 14. Modifications to Agreement; Waivers. Subject to the other provisions of this Agreement, this Agreement may not be altered, modified, changed or discharged, except by a writing signed by or on behalf of both Revlon and the Grantee. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

SECTION 15. Other Company Actions. Nothing contained in this Agreement shall be construed to prevent the Company from taking any action which is deemed by it to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Restricted Stock Award granted under this Agreement. Neither the Grantee nor any other person shall have any claim against the Company as a result of any such action.

SECTION 16. Committee Authority. The Committee shall have full authority to interpret, construe and administer the terms of this Agreement in its sole discretion. The determination of the Committee as to any such matter of interpretation, construction or administration shall be final, binding and conclusive on all parties.

SECTION 17. No Violation of Securities Laws; Securities Trading Policy.

(a) The Company shall not be obligated to make any payment hereunder if such payment, in the opinion of counsel for the Company, would violate any applicable securities laws. The Company shall be under no obligation to register any shares of Common Stock or any other property pursuant to any securities laws on account of the transactions contemplated by this Agreement.

(b) In addition to the provisions of Section 2(c) of this Agreement, the Grantee understands and agrees that under the Company's Confidentiality of Information and Securities Trading Policy, as is in effect from time to time, a copy of which is available upon request from the Company's Chief Legal Officer (the "Trading Policy"), employees and Directors of the Company, including Grantees of restricted stock, may be restricted from selling shares of restricted stock after the restrictions lapse and during certain "restricted periods." As of the date of this Agreement, the "restricted periods" commence on the first day of each fiscal quarter of the Company (i.e., April 1, July 1, October 1 and January 1) and continue until two business days after the public release of the Company's earnings for the prior quarter (under the Trading Policy, these periods may change from time to time, and the Company may impose other restricted trading periods due to special circumstances).

SECTION 18. Severability. Notwithstanding any other provision of this Agreement, if any provision of this Agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person, such provision shall be construed or deemed amended to conform to the

applicable laws, or if it cannot be construed or deemed amended without, in the sole discretion of the Committee, materially altering the intent of the Agreement, such provision shall be stricken as to such jurisdiction or person, and the remainder of the Agreement shall remain in full force and effect.

SECTION 19. Headings. The headings of sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of this Agreement.

SECTION 20. Fractional Shares. Unless and until the Committee in its sole discretion determines otherwise, no fractional shares of Common Stock shall be issued or delivered pursuant to this Agreement, and unless and until the Committee in its sole discretion determines that cash, other securities, or other property shall be paid or transferred in lieu of any fractional shares, any rights to any fractional share shall be canceled, terminated or otherwise eliminated, without payment of any consideration.

SECTION 21. Entire Agreement. This Agreement and the Plan contains the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersedes all prior communications, representations and negotiations, written or oral, in respect thereto. Neither the Company nor the Committee nor the Grantee have made any promises, agreements, conditions or understandings, either orally or in writing, concerning the Restricted Stock grant that are not included in this Agreement or the Plan.

SECTION 22. Miscellaneous. This Agreement is being furnished to the Grantee electronically and shall not be enforceable by the Grantee unless and until it has been electronically accepted by the Grantee via electronic acceptance procedures established by the Company, as communicated to the Grantee in the Notice of Grant (or otherwise in writing), and such acceptance has been logged and validated by the Company. Once electronically accepted by the Grantee, the effective date of this Agreement, for reference purposes, shall be the grant date. The grant covered by this Agreement shall be void and of no force or effect if this Agreement is not accepted timely by the Grantee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

REVLON, INC.

By: */s/ Lawrence B. Alletto*
Name: Lawrence B. Alletto
Title: Executive Vice President, Chief Financial Officer and Chief Administrative Officer

GRANTEE

By clicking "I Agree" or "Accepted" or words to that effect on the online award acceptance tool made available to the Grantee by the Company or its Stock Plan Administrator, as advised in the Notice of Grant, Grantee is acknowledging that he/she has read this Agreement and all of the documents referred to herein and is agreeing to abide by all of their terms.

SCHEDULE 1 TO RESTRICTED STOCK AGREEMENT

Change of Control

A "Change of Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:

(i) any Person, other than one or more Permitted Holders, is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this definition a Person will be deemed to have "beneficial ownership" of all shares that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company; provided, that under such circumstances the Permitted Holders do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of the Company (for the purposes of this clause (i) and clause (iii), such other Person will be deemed to beneficially own any Voting Stock of a specified corporation held by a parent corporation, if such other Person beneficially owns, directly or indirectly, more than 50% of the voting power of the Voting Stock of such parent corporation and the Permitted Holders do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of such parent corporation);

(ii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of the Company was approved by a vote of 66-2/3% of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Company then in office;

(iii) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets to an entity in which any Person, other than one or more Permitted Holders is or becomes the Beneficial Owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this definition a Person will be deemed to have "beneficial ownership" of all shares that any Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of securities of such entity representing 50% or more of the combined voting power of such entity's Voting Stock, and the Permitted Holders "beneficially own" (as so defined) directly or indirectly, in the aggregate a lesser percentage of the total voting power of the Voting Stock of such entity than such other Person and do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of such entity; or

(iv) a "Change of Control" shall have occurred under, and as defined in, the indenture governing Revlon Consumer Products Corporation's 8 5/8% Senior Subordinated Notes Due 2008 or any other Subordinated Obligations of Revlon Consumer Products Corporation so long as such 8 5/8% Senior Subordinated Notes Due 2008 or Subordinated Obligations are outstanding.

Notwithstanding the foregoing, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Company immediately prior to such transaction or series of transactions

continue to have substantially the same combined voting power of the Voting Stock in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

"Capital Stock" of any Person shall mean any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into or exchangeable for such equity.

"Company" means Revlon, Inc. together with its subsidiaries, including, without limitation, Revlon Consumer Products Corporation.

"8 5/8% Senior Subordinated Notes Due 2008" means Revlon Consumer Products Corporation's 8 5/8% Senior Subordinated Notes due 2008 and any notes exchanged therefor.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Permitted Holders" means Ronald O. Perelman (or in the event of his incompetence or death, his estate, heirs, executor, administrator, committee or other personal representative (collectively, "heirs")) or any Person controlled, directly or indirectly, by Ronald O. Perelman or his heirs.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

"Preferred Stock," as applied to the Capital Stock of the Company, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of the Company, over shares of Capital Stock of any other class of the Company.

"Subordinated Obligations" has the meaning ascribed thereto in the indenture for Revlon Consumer Products Corporation's 9½% Senior Notes due 2011.

"Voting Stock" means all classes of Capital Stock of the Company then outstanding and normally entitled to vote in the election of Directors.

Exhibit 31.1

CERTIFICATIONS

I, Lorenzo Delpani, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon, Inc. (the "Registrant");

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

   (d) Disclosed in this Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: October 29, 2014

/s/ Lorenzo Delpani
Lorenzo Delpani
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Roberto Simon, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon, Inc. (the "Registrant");

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

   (d) Disclosed in this Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: October 29, 2014

/s/ Roberto Simon
Roberto Simon
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Revlon, Inc. (the "Company") for the period ended September 30, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lorenzo Delpani, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lorenzo Delpani
Lorenzo Delpani
Chief Executive Officer

October 29, 2014

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Revlon, Inc. (the "Company") for the period ended September 30, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Roberto Simon, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Roberto Simon
Roberto Simon
Executive Vice President, Chief Financial Officer
and Chief Administrative Officer

October 29, 2014