

WITH THE POSSIBILITY OF A GLOBAL RECESSION LOOMING AND RISING CORPORATE DEFAULT RISK, EARLY WARNING SIGNALS ARE MORE IMPORTANT NOW THAN EVER

Moody's
ANALYTICS

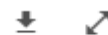


REVLON, INC.

1-Year PD vs. Trigger

PD ABOVE TRIGGER

Trigger Definition ⓘ



3M

6M

1Y

3Y

5Y

All

June 27, 2017

To

June 27, 2022

60%

2+ years of actionable insights to avoid losses

PD in-line with Trigger since 2018

PD breaches Trigger 2+ years before default

Bankruptcy

40%

20%

0%

Jan 2018

Jan 2019

Jan 2020

Jan 2021

Jan 2022

— 1-yr PD - - PD Trigger

Net sales for the 90-year-old multinational cosmetics company [dropped 20%](#) in 2020 from \$2.4B in 2019. In March 2020, the company cut 1,000 jobs to help profitability. Mask-wearing from the pandemic only accelerated on-going issues from growing competition. In June 2022, Revlon filed for bankruptcy driven by its high debt, rising prices, and supply chain constraints.