THE LEAD
https://theleadleft.com/reorg-credit-intelligence-9-27-2021/

Reorg Credit Intelligence – 9/27/2021

THE LEAD | September 29, 2021

Structure of Revlon's BrandCo Loan May Advantage BrandCo 2L Recoveries on RemainCo Collateral at the Expense of 2016 Term Lenders

Chart

Summary Output			
($ millions)			
Summary			
Revlon Total Enterprise Valuation	**Low**	**Mid**	**High**
LTM Adjusted EBITDA	258.4	268.4	278.4
Revlon WholeCo Multiple	7.0x	8.5x	10.0x
Valuation	**1,808.8**	**2,281.4**	**2,784.0**
Plus: Cash Balance	109.8	109.8	109.8
Enterprise Value	**1,918.6**	**2,391.2**	**2,893.8**
Aggregate Recoveries	**Low**	**Mid**	**High**
2021 Foreign Asset-Based Term Facility $ Recovery	75.0	75.0	75.0
2021 Foreign Asset-Based Term Facility % Recovery	*100%*	*100%*	*100%*
Revolving Credit Facility - ABL Tranche A (LIFO) $ Recovery	102.1	102.1	102.1
Revolving Credit Facility - ABL Tranche A (LIFO) % Recovery	*100%*	*100%*	*100%*
Term Loan - SISO Facility $ Recovery	130.0	130.0	130.0
Term Loan - SISO Facility % Recovery	*100%*	*100%*	*100%*
Term Loan - ABL Tranche B (FILO) $ Recovery	50.0	50.0	50.0
Term Loan - ABL Tranche B (FILO) % Recovery	*100%*	*100%*	*100%*
BrandCo 1L $ Recovery	1,107.4	1,107.7	1,107.7
BrandCo 1L % Recovery	119.2%	119.2%	119.2%
BrandCo 2L $ Recovery	272.5	655.2	945.5
BrandCo 2L % Recovery	28.8%	69.3%	100.0%
BrandCo 3L $ Recovery	0.9	2.1	3.0
BrandCo 3L % Recovery	28.8%	69.3%	100.0%
RemainCo TL $ Recovery	180.7	269.2	480.5
RemainCo TL % Recovery	20.6%	30.6%	54.7%
6.25% Senior Notes $ Recovery	-	-	-
6.25% Senior Notes % Recovery	0.0%	0.0%	0.0%
Residual Value for Revlon Shareholders	-	-	-
Residual Value per Share	-	-	-

Numerous refinancing transactions in recent years, including Revlon's success in addressing its 2021 unsecured note maturity last year with an out-of-court solution, leaves the company with an incredibly complex capital structure consisting of foreign term loans, a three-tiered ABL facility, a three-tiered "BrandCo" facility, a partially paid-down regular-way term loan and one unsecured note issuance. Click through for our Americas Core Credit experts analysis of the Revlon refinancing situation.

Contact: Matt Danese
mdanese@reorg.com