

November 2021

Investor Presentation

Fiscal 2022 2nd Quarter and
1st Half Results

Forward Looking Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 relating to, among other things, the business, financial condition and results of operations of CSW Industrials, Inc. (“CSWI” or the “Company”). Any statements preceded or followed by or that include the words “believe,” “expect,” “intend,” “plan,” “should” or words, phrases or similar expressions or the negative thereof, are intended to identify forward-looking statements. These statements are made on the basis of the current beliefs, expectations and assumptions of the management of CSWI. There are a number of risks and uncertainties that could cause CSWI’s actual results to differ materially from the forward-looking statements included in this presentation. In light of these risks, uncertainties, assumptions, and other factors inherent in forward-looking statements, actual results may differ materially from those discussed in this presentation. Other unknown or unpredictable factors could also have a material adverse effect on CSWI’s actual future results, performance, or achievements and include, without limitation, the factors described from time to time in our filings with the SEC, including the risk factors described in our Annual Report on Form 10-K. As a result of the foregoing, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. CSWI does not assume any obligation to update these forward-looking statements to reflect any new information, subsequent events or circumstances, or otherwise, except as may be required by law.

Non-GAAP Financial Information

This presentation includes non-GAAP financial measures including Adjusted Earnings Per Share, Adjusted Net Income and Adjusted Operating Income. Reconciliations to the most directly comparable GAAP measures are included in the Appendix of this presentation. These measures should be considered in addition to results prepared in accordance with GAAP, but are not a substitute for GAAP results.



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CSW Industrials (Nasdaq: CSWI)



A growth-oriented, diversified industrial company with a strategic focus on providing niche, value-added products in the end markets we serve.

Three Segments (Segment percentages reflect TTM¹ Revenue)



TTM Total Revenue ~\$540.2MM

Key Highlights

2015

Publicly Listed on Nasdaq²

~\$2.2B

Market Capitalization³

~\$8.8MM

TTM Cash Returned to Shareholders

~42%

TTM Gross Margin

\$213MM

Liquidity⁴

Compelling Investment Thesis



Sustained multi-year revenue growth



Proven history of robust profitability



Strong balance sheet and financial results



Experienced leadership team



Driving long-term shareholder value

Consistently demonstrating growth in excess of end markets served

- Total revenue CAGR of **9.4%** from FY16 through FY21¹
- Organic revenue CAGR of **5.8%** from FY16 through FY21¹

Robust margin profile provided by niche products, applications, and solutions

- **45.5%** Adjusted Gross Profit Margin annual average FY16 – FY21¹
- **16.4%** Adjusted Operating Income Margin annual average FY16 – FY21¹

Strong financial position supports incremental organic and inorganic growth

- ~1.5x leverage, ~\$196MM available on our \$400MM revolving credit facility²
- \$121.0MM TTM adjusted EBITDA, and 22.4% adjusted EBITDA margin as a percent of revenue³

Demonstrated track record of leading public companies

- Dedicated to enhancing shareholder value
- Committed to exemplifying CSWI's culture and values

Disciplined and strategic capital allocation policy enhances shareholder value

- ~\$465MM cumulative investment with 6 acquisitions completed FY16 through FY21
- ~\$104MM cash returned to shareholders since 3Q18, in the form of dividends and share repurchases⁴
- ~370% total shareholder return, compared to ~120% for the Russell 2000⁵

Our Guiding Objectives

At CSWI, *how we succeed matters*, and accordingly we will:

Treat Our Employees Well

- Meaningful, continued safety improvements measured via TRIR¹
 - As calendar year end (CY) 2020 **TRIR was 3.2**
 - Through the first nine months of CY 2021 **TRIR was 1.3**
- Completed 3rd bi-annual employee engagement survey across North America, Australia, and United Kingdom, **achieved 93% response rate**

Serve Our Customers Well

- Emphasize consistent availability and timely delivery
- Maintain incremental inventory for high demand products and specific raw materials
- Focus on driving market and wallet share gains

Manage Our Supply Chains Effectively

- Acknowledge and proactively respond to cost increases for specific raw materials and logistics impacting the industry
- Utilize balance sheet strength to strategically anticipate supply chain disruptions and raw material dislocations

Position CSWI for Sustainable, Long-Term Growth and Profitability

- **Top-Line Growth: 24.7%** revenue CAGR from 1H20 to 1H22²
- **Compelling Profitability: 21.7%, 24.2%, and 22.2%** Adjusted EBITDA margin³ in 2Q22, 2Q21, and 2Q20, respectively
- **Capital Allocation Priorities: risk-adjusted returns analysis** currently organic investment focused, ready to capitalize on next inorganic opportunity

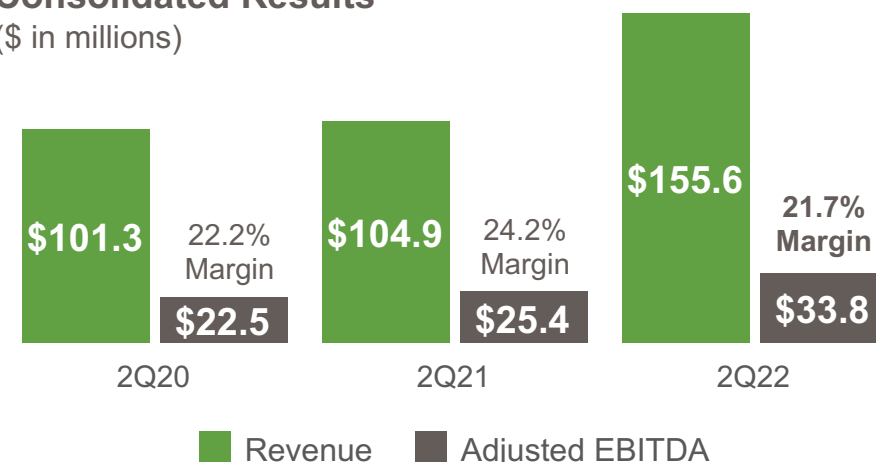
Fiscal 2022 2nd Quarter Summary of Financial Results

Consolidated Results: 2Q22 Summary

Consolidated Financial Highlights (2Q22 vs 2Q21):

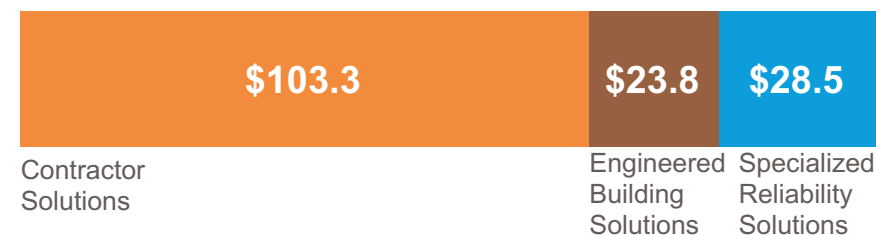
- Revenue of \$155.6MM, **48.3% increase**
 - \$35.2MM TRUaire acquisition inorganic contribution
 - \$15.4MM, or 14.7%, organic growth from price actions and increased volumes
- Adjusted EBITDA of \$33.8MM, **33.3% growth**
 - 21.7% Adjusted EBITDA margin
 - Current period profitability impacted by incremental expenses related to inclusion of TRUaire and Whitmore JV, accelerating inflation in freight and materials, increased costs to support commercial success, \$1.4MM of costs from pandemic-driven operating reduction at TRUaire facility in Vietnam
- Third consecutive quarter of price actions in 2Q22
 - Full, cumulative impact of implemented price actions expected by 1Q23
 - Initial actions intended to protect profit dollars
 - Additional pricing actions will continue to enhance profitability as warranted by ongoing inflation in material and freight
- EPS of \$1.14, a **3.6% increase**, compared to \$1.10
- Net cash provided by operating activities of \$23.8MM

Summary Quarterly Consolidated Results¹ (\$ in millions)



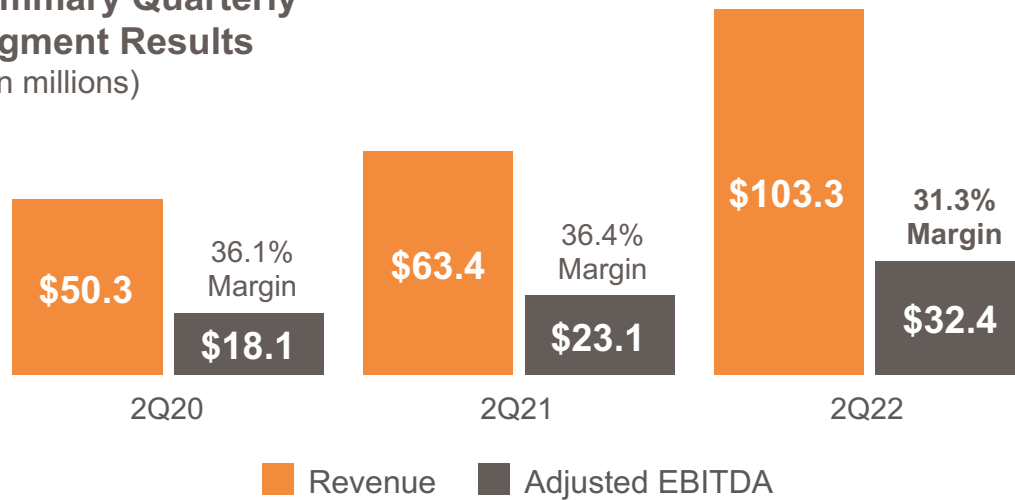
2Q22 Revenue (\$ in millions)

\$155.6 Consolidated CSWI

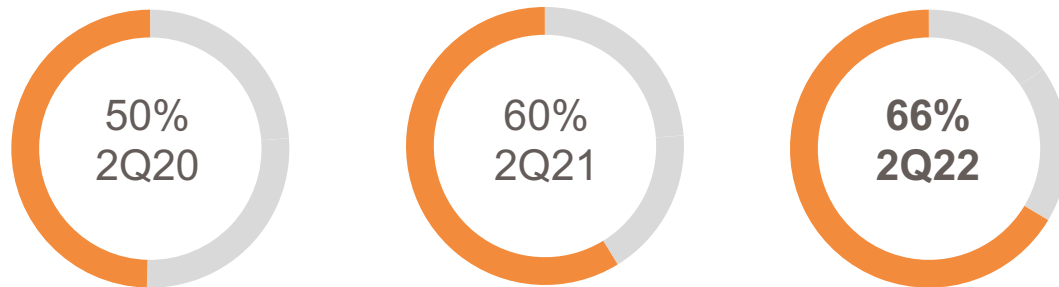


Contractor Solutions: 2Q22 Segment Summary

Summary Quarterly Segment Results (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



Segment Financials (2Q22 vs 2Q21):

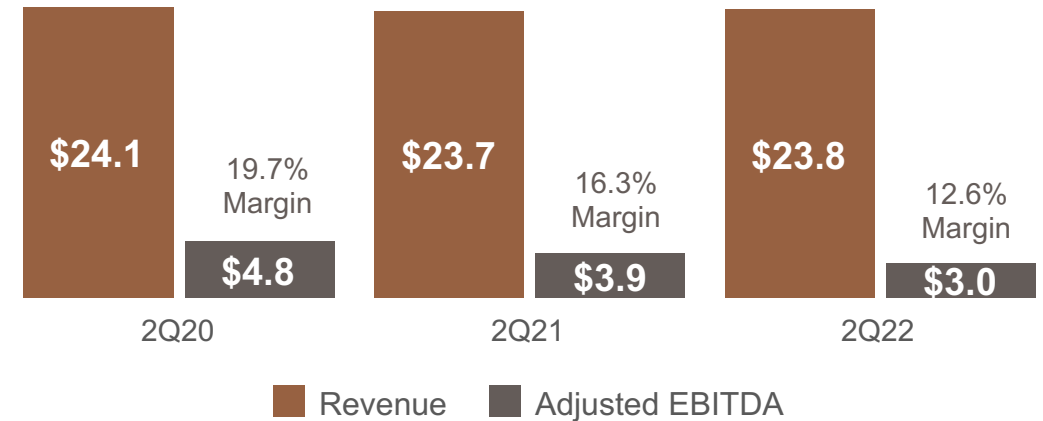
- Segment Revenue increased **63.1% (7.6% organic)** to **\$103.3MM**, primarily driven by:
 - TRUaire inorganic growth of \$35.2MM
 - Organic growth of \$4.8MM
 - driven by multiple pricing initiatives beginning in 4Q21, most recent action announced this week
- Segment Adjusted EBITDA increased **40.3%** due to strong revenue growth
- Segment Adjusted EBITDA margin was **31.3%**
 - Incremental expenses outpaced revenue growth
 - Current year period margin drivers:
 - further inflation in material and freight costs,
 - \$1.4MM of costs from the pandemic-driven operating reduction at TRUaire manufacturing facility in Vietnam
 - increased depreciation and optimization expenses related to enterprise resource planning systems
 - incremental headcount

Engineered Building Solutions: 2Q22 Segment Summary

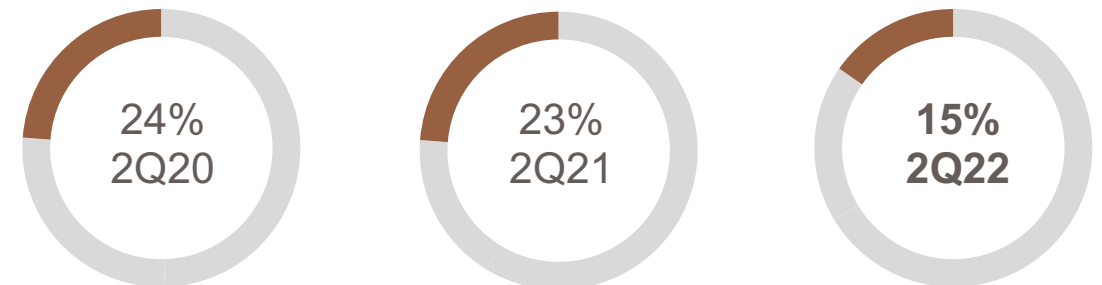
Segment Financials (2Q22 vs 2Q21):

- Segment Revenue flat
 - Prior period declines in the backlog reduced incremental current period revenue
- Segment adjusted EBITDA and margin decrease
 - Shift in sales to shorter-cycle, lower margin projects
 - Incremental expenses for investments in future growth with additional sales team members and new product development
- T8Q¹ book to bill ratio at 1
 - 1H22 bookings increased 17% over 2H21
 - 2Q22 bookings up 18% over 1Q22
- Intentional focus on backlog diversification stabilizing top line revenue
 - Market share growth in institutional, education, and commercial projects, minimize our exposure to multi-family projects
 - Geographic diversification expansion

Summary Quarterly Segment Results (\$ in millions)

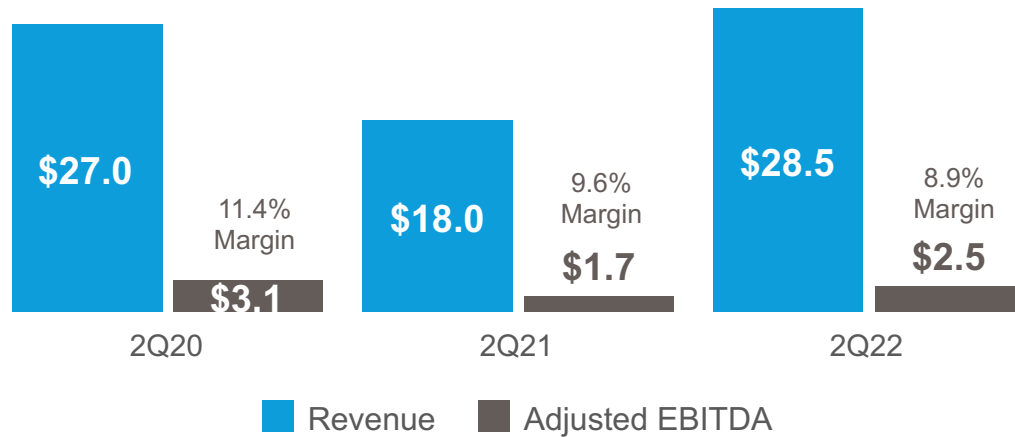


Segment as a % of Consolidated CSWI Revenue:

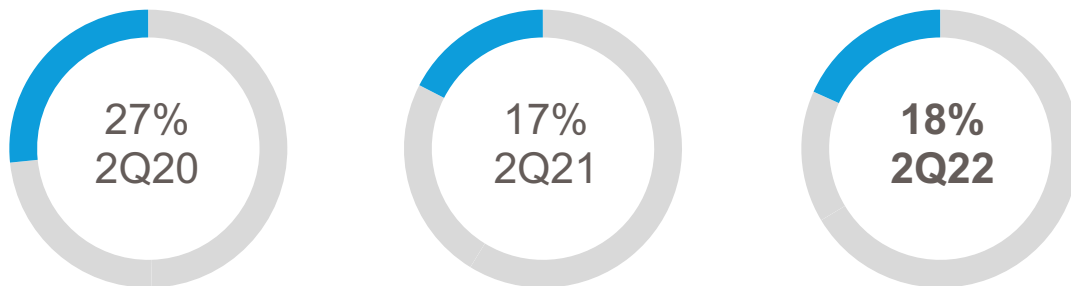


Specialized Reliability Solutions: 2Q22 Segment Summary

Summary Quarterly Segment Results (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



Segment Financials (2Q22 vs 2Q21):

- Segment Revenue increased **58.0% (all organic)**, to \$28.5MM, primarily driven by:
 - Increased sales volumes into energy, rail, & mining end markets
 - Successfully implemented our fourth price increase this fiscal year, with latest announced last week
- Segment adjusted EBITDA increased with increased sales
- Segment adjusted EBITDA margin decreased
 - Accelerating material and freight expenses outpaced implemented pricing initiatives
- Expect 2H22 improved profitability due to
 - Improving end market conditions, accelerating growth of the JV, and cumulative pricing action benefits

Fiscal 1st Half 2022 Summary of Financial Results

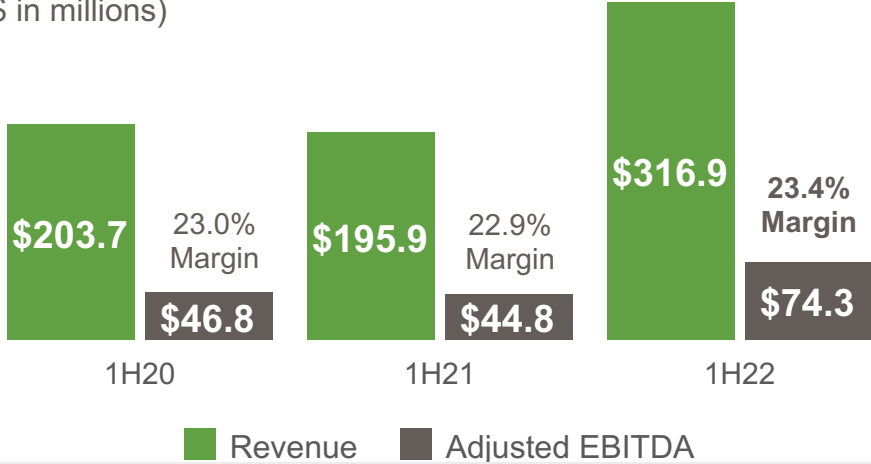
Consolidated Results: 1H22 Summary

Consolidated Financial Highlights (1H22 vs 1H21):

- Revenue of \$316.9MM, a **61.7% increase**
 - \$68.8MM inorganic contribution from TRUaire acquisition
 - \$52.1MM, or **26.6% organic growth**, with growth in all segments
- Adjusted EBITDA of \$74.3MM, **65.7% growth**
 - Adjusted EBITDA margin of 23.4% compares favorably to 22.9%
- Adjusted EPS of \$2.60, a **35.9% increase**, compared to \$1.91
- Strong results - testament to persistence in providing high-quality, innovative products and excellent customer service, while limiting disruptions to our customers and partners, and minimizing product outages
- Four distinct price actions in most end markets served during 1H22
 - Pricing has protected profit dollars, with a decrease in margins as pricing has outpaced accelerating inflation

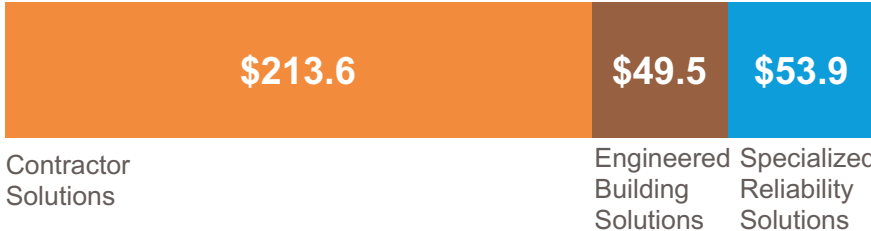
Summary 1H22 Consolidated Results¹

(\$ in millions)



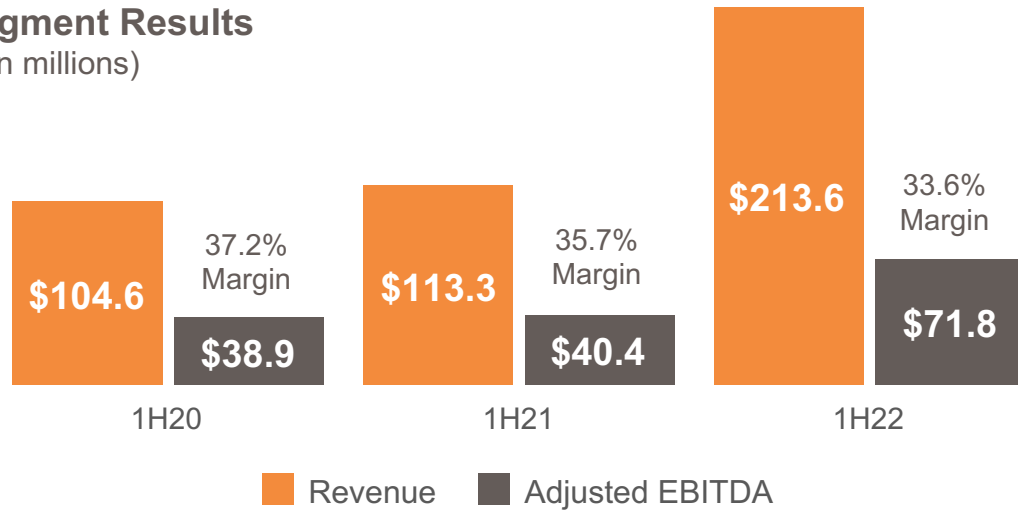
1H22 Revenue (\$ in millions)

\$316.9 Consolidated CSWI

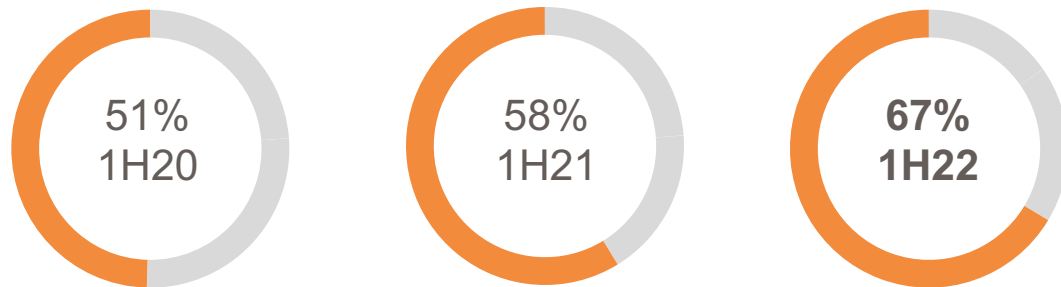


Contractor Solutions: 1H22 Segment Summary

Summary 1H22 Segment Results (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



Segment Financials (1H22 vs 1H21):

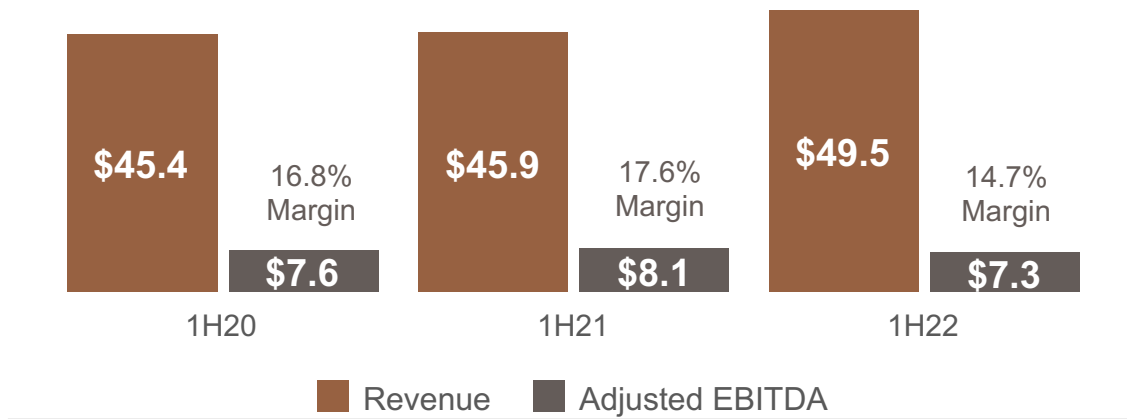
- Segment Revenue **increased 88.6%** to **\$213.6MM**, primarily driven by:
 - Inorganic growth from TRUaire of \$68.8MM
 - Organic growth of \$31.5MM, or **27.9%**, driven by increased sales volumes and pricing initiatives that began in 4Q21
- Segment adjusted EBITDA increased **77.7%**
 - TRUaire inorganic revenue growth and strong organic revenue growth
- Segment adjusted EBITDA margin was **33.6%**
 - Incremental expenses outpaced revenue growth
- Strong underlying end market demand fundamentals
 - Work from home increases investing in comfort at home
 - HVAC/R regulation expected to increase pace of HVAC replacement

Engineered Building Solutions: 1H22 Segment Summary

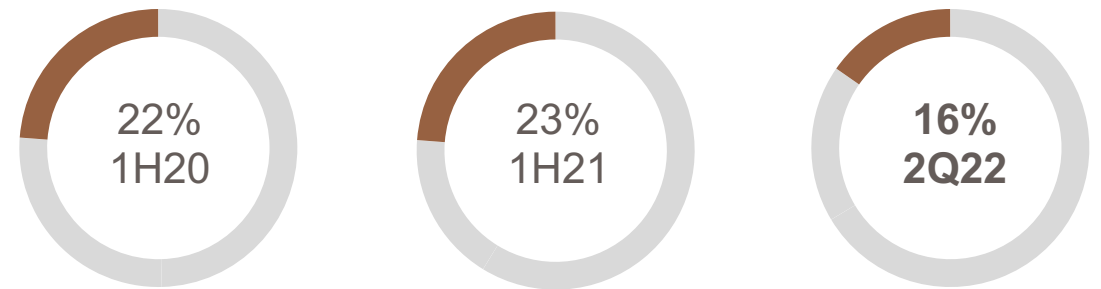
Segment Financials (1H22 vs 1H21):

- Segment Revenue increased **7.9% (all organic)** to \$49.5MM, primarily driven by:
 - Enhanced marketing efforts to promote existing and newly developed products, market share gains due to competitive leads times in the market place, and improved specification levels
- Segment adjusted EBITDA and margin decreased
 - Shift in sales to shorter-cycle, lower margin projects
 - Incremental expenses for investments in future growth with additional sales team members and new product development
- T8Q¹ book to bill ratio at 1
 - Bidding and booking activity provides optimism for FY23
 - New construction activity regains pre-pandemic momentum
 - Architectural Billing Index (9/21) at 56.6%, higher than 55.6% in 8/21
 - Dodge reports double-digit improvements in bidding and construction starts

Summary 1H22 Segment Results (\$ in millions)

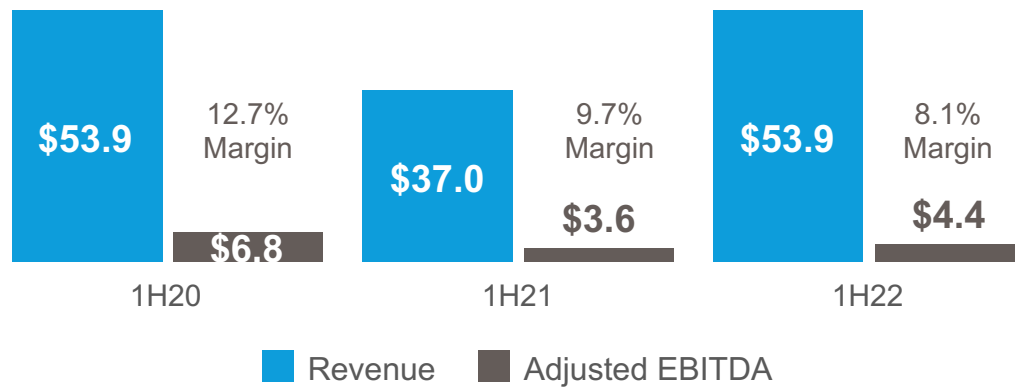


Segment as a % of Consolidated CSWI Revenue:

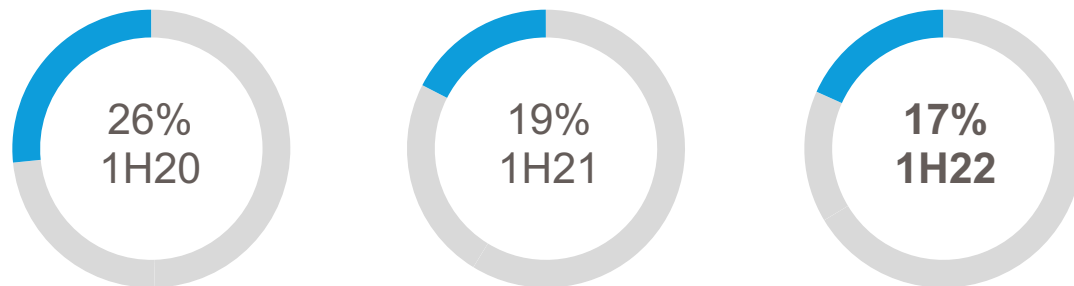


Specialized Reliability Solutions: 1H22 Segment Summary

Summary 1H22 Segment Results (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



Segment Financials (1H22 vs 1H21):

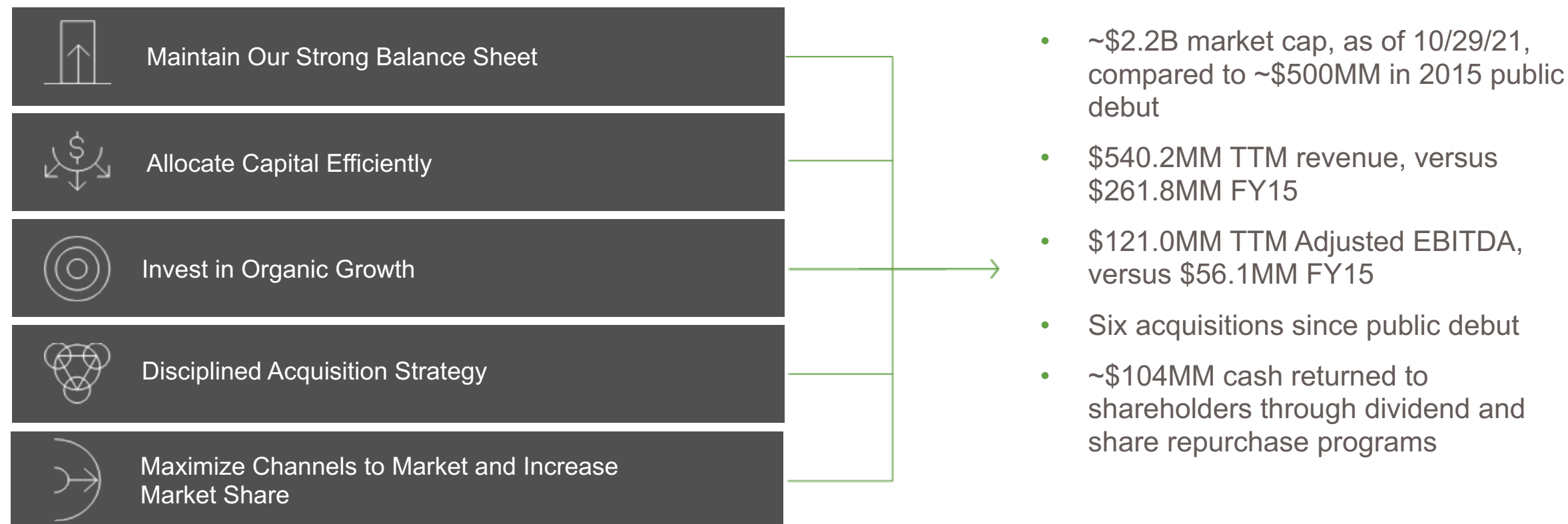
- Segment Revenue increased **45.6% (all organic)**, to \$53.9MM, primarily driven by:
 - Increased sales volumes into all end markets served
 - Successfully implemented our fourth price increase this fiscal year, with latest announced last week
- Segment adjusted EBITDA increased with increased sales
- Segment adjusted EBITDA margin decreased
 - Accelerating material and freight expenses outpaced implemented pricing initiatives
- Expect 2H22 improved profitability due to
 - Improving end market conditions, accelerating growth of the JV, and cumulative pricing action benefits
 - Evaluating adjacent markets for organic market expansion
 - Current-month production run-rate utilization over 80%
 - JV spending capital to expand manufacturing capacity

A photograph of an industrial manufacturing process. In the foreground, a row of dark grey plastic buckets is being filled by a robotic arm. The robotic arm is complex, with various hydraulic cylinders and hoses. Labels on the machinery include "DRIBBLE #2", "1042537-1", and "DUNCAN CO.". The background is a blurred industrial setting with yellow safety railings. The entire image has a semi-transparent grey overlay.

Driving Long-Term Shareholder Value

Seeking Sustainable Growth in Shareholder Value

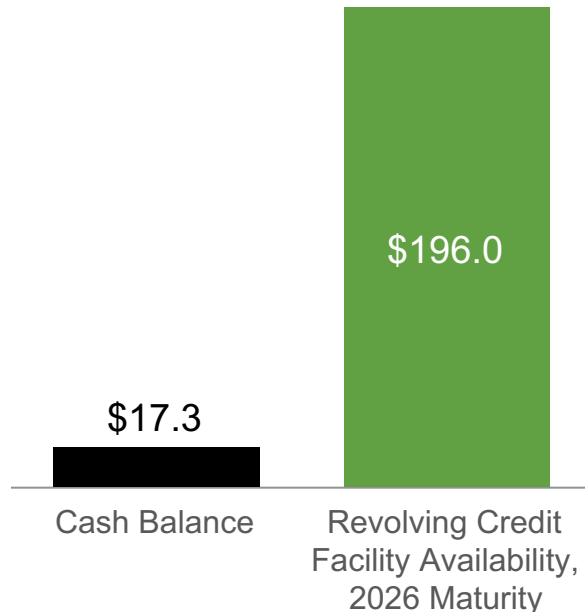
Our demonstrated track record of growth and enhancing long-term shareholder value.



Maintaining Our Strong Balance Sheet

CSWI is committed to maintaining a strong balance sheet, with ample liquidity through cash and available credit to maximize growth opportunities, both organically and inorganically.

Liquidity Position as of 9/30/21 (\$ in millions)



Strong liquidity position to support organic & inorganic investments

- Cash balance of \$17.3MM as of 9/30/21
- ~\$200.0MM available under existing \$400.0MM revolving credit facility as of 9/30/21
- Strong operating cash generation of \$42.8MM during the fiscal 2022 first half
- Debt to EBITDA of ~1.5x after funding the cash portion of the TRUaire acquisition¹
 - Operating leverage of 1.0x – 3.0x would be appropriate through cycles

Allocating Capital Efficiently

Capital allocation decisions will continue to be prioritized on a risk-adjusted returns basis, with the goal of driving long-term shareholder value.

Organic Growth

- Invest in enhancing innovative, value-adding products and efficiency initiatives
- Increase sales footprint domestically and internationally

Inorganic Growth

- Prioritize accretive, synergistic acquisitions within existing end markets
- Consider broader strategic opportunities as appropriate

Dividends

- Dividend program initiated in April 2019
- 11 consecutive quarters of dividends declared, for cumulative return of cash of \$23.3MM

Share Repurchases

- As appropriate, return cash through opportunistic share repurchases
- Cumulative share repurchases of \$81.0MM and 1.4MM shares since program inception in 3Q FY18

TTM Capital Allocation¹
(\$ in millions)

\$304.1MM

Dividends \$8.8

Capital Expenditures \$9.4

Acquisitions \$285.9

Investing in Innovative Products

Our product innovation strategy is focused on commercially attractive products and solutions, while maintaining a flexible manufacturing strategy.

Key Innovation Attributes Include:

Serving Niche Applications

- Attractive in our target end markets, especially where we have the solution for specific applications or needs
- Ensuring reliability for our customers' mission-critical equipment, with specialty lubricants and greases that perform under environments

Providing Incremental Market Access

- Products that are in constrained distribution channels benefit from our numerous market channel options
- Cross-selling end markets, such as HVAC/R and plumbing, or various directional drilling applications, enabling greater market access

Value-Selling Through Differentiation

- Acknowledge and proactively respond to cost increases for specific raw materials and logistics impacting the industry
- Utilize balance sheet strength to strategically anticipate supply chain disruptions and raw material dislocations

Resulting in Labor Savings

- Well-positioned to deliver another year of compelling growth
- Focused on delivering long-term shareholder value via our current products and services, as well as evaluating opportunities for inorganic growth in the end markets that we currently serve

Strategic, Disciplined Approach to M&A

As a diversified industrial growth company, our goal is to increase free cash flow through sustainable organic growth, accretive inorganic growth, and operational efficiencies.

CSW Industrials Target Criteria:

- Seek long-term growth well in excess of GDP
- Expect strong margin contribution in-line with existing operations, and margin resiliency through-cycles
- Leverage our go to market strategy and channels to market, including our extensive distribution network
- Commit to capital allocation strategy investing in opportunities with the highest risk adjusted rate of return
- Expand in existing markets with product introductions and meaningful acquisitions
- Maintain strong balance sheet, with maximum leverage of 3.75x Debt / EBITDA¹ for any acquisition
- Drive enhanced returns by leveraging market knowledge, and existing systems and processes



Accessing Distribution Channels to Accelerate Growth

We have focused on growing our distribution network in recent years, enhancing revenue growth from new product introductions and acquisitions.

Without CSWI: Limited Distribution



Newly designed products, while innovative & helpful for contractors, are often challenged by limited distribution

With CSWI: Broad Distribution



The Power of Our Distribution Model

CSWI maintains robust access to distributors, including through buying groups and national account relationships

CSWI can acquire or master distribute products, resulting in sales at a faster and more cost-effective rate due to leverage in logistics, supply agreements, sales staff, credit and back-office support

Corporate Sustainability Update

Corporate Culture and Values

The Goal of Our Corporate Culture is to Maximize Performance

CSWI's corporate culture will shape and guide our Company by helping each team member understand how to make his/her contribution to the Company we serve. Our culture manifests the observed behaviors, norms, and dominant values of the Company. Our culture should be effective in reinforcing certain behaviors and eradicating others. Everything we do is accomplished with a focus on environmental stewardship, and the health and safety of our team members.

Core Values Support Our Culture:



Accountability



Citizenship



Teamwork



Respect



Integrity



Stewardship



Excellence

Corporate Culture and Values

Our Commitment to Diversity, Inclusion, and Respect:

We seek to create, nurture, and sustain an inclusive and diverse environment that attracts and retains the highest caliber team members, leveraging their skills and expertise to serve our customers. We are dedicated to attracting, developing, and retaining high-quality individuals of all backgrounds, and to making CSWI a place where everyone can contribute and grow. We at CSWI believe that diversity not only inspires our internal team, but also informs customer insight and service.

Key Highlights:

1.3

Total Recordable Incident Rate¹

~5%

Insider ownership, including ESOP²

86%

Independent Directors on our Board

29%

Women Directors on our Board

Business Segment Overview



Segment Summary

Contractor Solutions

- **\$345.9MM** TTM Revenue, **\$113.0MM** adjusted EBITDA, and **32.7%** adjusted EBITDA margin
- Manufactures and supplies products for residential and commercial HVAC/R and plumbing applications, designed primarily for professional tradespeople



Engineered Building Solutions

- **\$99.3MM** TTM Revenue, **\$14.1MM** adjusted EBITDA, and **14.2%** adjusted EBITDA margin
- Provides primarily code-driven products focused on life safety that are engineered to provide aesthetically-pleasing solutions for the construction, refurbishment and modernization of commercial, institutional, and multi-family residential buildings



Specialized Reliability Solutions

- **\$95.3MM** TTM Revenue, **\$9.8MM** adjusted EBITDA, and **10.3%** adjusted EBITDA margin
- Provides long-established products for increasing the reliability, performance and lifespan of industrial assets and solving equipment maintenance challenges



Shell & Whitmore
Reliability Solutions, LLC

Contractor Solutions Segment – Overview

Summary:

- Highly diversified product portfolio providing industry leading products in both direct-to-customer and distributor models
- Focus on adding value by innovating new and existing products to accelerate organic growth
- Future growth focus on new product introductions through organic innovation and inorganic additions
- Strong reputation for providing high quality products to long-standing customer base

~\$345.9MM

TTM Revenue

~32.7%

TTM Adjusted EBITDA Margin

End Markets Served:



HVAC/R



Plumbing



Electrical



Industrial

Contractor Solutions Segment – Overview

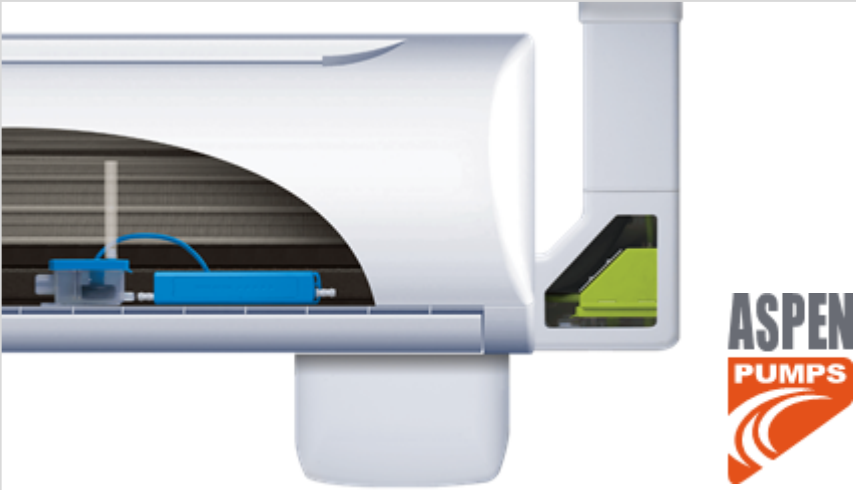
Strategic Growth that Outpaces End Markets:

- Continue to develop and market innovative products providing low cost and high value, while supporting additional revenue growth for distributors and efficiencies for professional contractors
- Acquire, develop, and introduce innovative products in specific new markets that can be owned. Successful examples include condensate cutoff switches and component accessories for the thriving market of mini-split HVAC systems

Contractor Solutions Brands:



Contractor Solutions: Products



Products Serving Niche HVAC/R Mini-Splits

Slimduct & Fortress

Lineset duct and fitting systems, 5 sizes, 4 colors

Nokink

Flexible, easy flare line connector

Aspen Pumps

Univolt or Silent+. 4 discrete condensate pump models. White, Aqua, Orange, Lime.



Coil-Cure

EPA registered coil cleaner and disinfectant.



Coil-Cure AM

Spray-applied antimicrobial coil coating



Mighty Bracket

Support tool - allows single person evaporator installation or repair



Desolv

Cleaning Kit and Aerosol protect walls and floors



Safe-T-Switch

Primary drain pan overflow protection.

PRO-Fit Quick Connect

Push-to-connect refrigerant fittings. Quick-release removal



Surge Protection

Protects equipment from electrical surges and other voltage disturbances



AC Leak Freeze with UV

Leak stop sealant, non clogging, non reactive polymer-free nano formula

Slimduct & Fortress

Lineset duct and fitting systems, 5 sizes, 4 colors

Condenser brackets

Powdercoat and stainless



EZ Trap

Waterless in-line condensate trap



Flaretite

Flare gasket against leaks for common fittings, 45° copper stamping with coating



PRO-Fit Flaring & Swaging Tool Bit Kits

Create precise and fast standard 45° flare or swage

Engineered Building Solutions Segment – Overview

Summary:

- Decades of experience creating products that protect lives
- Endless use cases for construction, refurbishments, and modernization of buildings
- Multiple manufacturing locations provides efficiency to meet the needs of general contractors and architects
- Continuous engineering improvement to produce best in class products

~\$99.3MM

TTM Revenue

~14.2%

TTM Adjusted EBITDA Margin

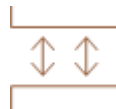
End Markets Served:



Smoke & Fire Protection



Safety Railings



Expansion Joints



Safety Egress

Engineered Building Solutions Segment – Overview

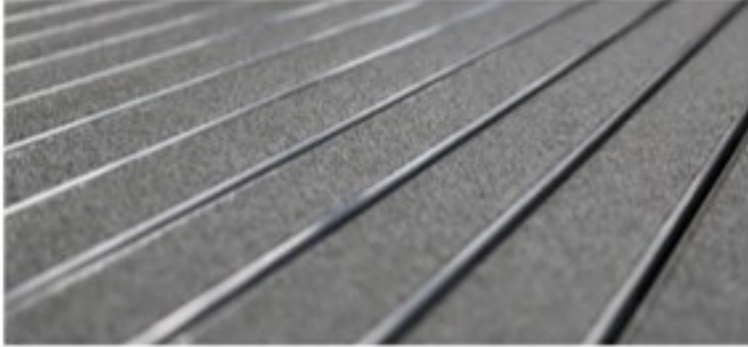
Where Form Meets Function:

- Market leader in providing unique solutions to architects and contractors that meet code requirements, while adding functionality, performance, and aesthetically-pleasing designs
- Whether for new construction or renovation, safety and code compliance are top of mind for commercial builders, our products provide fire-rated and smoke-rated protection
- Design, manufacture and install stainless steel and other architectural metal products railings for interior and exterior end uses

Engineered Building Solutions Brands:



Engineered Building Solutions: Products



Specialized Reliability Solutions Segment – Overview

Summary:

- Our product portfolio allows us to effectively compete and capture enhanced margins relative to larger Specialty Chemical peers
- Focus on end markets with sustainable growth trends, offering products that serve niche solutions to our customers
- Focus on adding value by innovating new and existing products to accelerate organic growth
- Future growth focus on new product introductions through organic innovation and inorganic additions

~\$95.3MM

TTM Revenue

~10.3%

TTM Adjusted EBITDA Margin

End Markets Served:



Rail/Transport



Energy



Mining



Industrial

Specialized Reliability Solutions Segment – Overview

Mission Critical Meets Mission Accomplished:

- Established reputation for solving equipment maintenance challenges and increasing the reliability, performance, and lifespan of industrial assets utilized in the most demanding environments and extreme conditions
- Two centuries of combined operations manufacturing and supplying our trusted specialty lubricants, compounds, sealants, coatings, desiccant breather filtration, and lubrication management systems

Specialized Reliability Solutions Brands:



Specialized Reliability Solutions: Products



Specialized Reliability Solutions: Shell Whitmore JV Products



Appendix

CSWI Executive Team

Veteran leadership with broad industry experience, dedicated to enhancing shareholder value.



Joe Armes

Chairman, CEO
& President

Joe has served as the Company's Chairman of the Board of Directors & CEO since September 2015, & President since February 2018. Prior to the Company's September 2015 spin-off from Capital Southwest Corporation, a capital provider to middle market companies, Mr. Armes served as the Chairman, CEO & President of Capital Southwest Corporation from June 2013 to September 2015.



James Perry

Executive VP
& CFO

James has been EVP and CFO since May 2020. From 2004 to 2019, he served in financial roles with Trinity Industries, a publicly held, diversified industrial company, and served as its CFO from 2010 to 2019. From 2001 to 2004, Mr. Perry was a senior financial executive at RMH Teleservices, including as CFO. He previously held positions at JP Morgan Chase & Co. and Ernst & Young LLP.



Donal Sullivan

Executive VP
& General Manager

Donal has served as EVP & General Manager, Contractor Solutions since May 2020, and previously served as SVP & General Manager, Industrial Products from January 2016, and was appointed as an executive officer of the Company in March 2019. He has previously held roles at Goodman Global and Carrier Corporation.



Luke Alverson

Senior VP, General
Counsel & Secretary

Luke has served as SVP, General Counsel & Secretary since February 2016. From May 2008 to February 2016, Mr. Alverson held roles of increasing responsibility with Flowserve Corporation, a leading global manufacturer of fluid motion control products and provider of related services, serving most recently as VP, Corporate Legal Services & Assistant Secretary.

Reconciliation of Fiscal Second Quarter Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

(Amounts in thousands)	(Unaudited)					(Unaudited)					(Unaudited)				
	Three Months Ended September 30, 2021					Three Months Ended September 30, 2020					Three Months Ended September 30, 2019				
	Engineered		Specialized			Engineered		Specialized			Engineered		Specialized		
Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	
Revenue, net	\$ 103,346	\$ 23,835	\$ 28,458	\$ (54)	\$ 155,585	\$ 63,372	\$ 23,696	\$ 18,016	\$ (143)	\$ 104,941	\$ 50,311	\$ 24,141	\$ 26,974	\$ (102)	\$ 101,324
GAAP Operating Income	\$ 26,753	\$ 2,334	\$ 1,008	\$ (4,203)	\$ 25,892	\$ 21,651	\$ 3,531	\$ 360	\$ (3,362)	\$ 22,180	\$ 16,867	\$ 4,217	\$ 2,472	\$ (3,434)	\$ 20,122
Adjusting Items:															
Gain on sale of property & other	—	—	—	—	—	—	—	—	—	—	—	—	(776)	—	(776)
Adjusted Operating Income	\$ 26,753	\$ 2,334	\$ 1,008	\$ (4,203)	\$ 25,892	\$ 21,651	\$ 3,531	\$ 360	\$ (3,362)	\$ 22,180	\$ 16,867	\$ 4,217	\$ 1,696	\$ (3,434)	\$ 19,346
% Revenue	25.9 %	9.8 %	3.5 %		16.6 %	34.2 %	14.9 %	2.0 %		21.1 %	33.5 %	17.5 %	6.3 %		19.1 %
Adjusting Items:															
Other Income (Expense)	(246)	179	(25)	(42)	(134)	(26)	(199)	(52)	(82)	(359)	(178)	9	(43)	(7,155)	(7,367)
Depreciation & Amortization	5,874	502	1,543	132	8,051	1,455	525	1,427	134	3,541	1,450	534	1,432	119	3,535
Adjusted EBITDA	\$ 32,381	\$ 3,015	\$ 2,526	\$ (4,113)	\$ 33,809	\$ 23,080	\$ 3,857	\$ 1,735	\$ (3,310)	\$ 25,362	\$ 18,139	\$ 4,760	\$ 3,085	\$ (3,451)	\$ 22,533
% Revenue	31.3 %	12.6 %	8.9 %		21.7 %	36.4 %	16.3 %	9.6 %		24.2 %	36.1 %	19.7 %	11.4 %		22.2 %

Reconciliation of YTD Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

(Amounts in thousands)	(Unaudited)					(Unaudited)					(Unaudited)				
	Six Months Ended September 30, 2021					Six Months Ended September 30, 2020					Six Months Ended September 30, 2019				
	Engineered		Specialized			Engineered		Specialized			Engineered		Specialized		
Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Building Solutions	Reliability Solutions	Corporate and Other	Consolidated Operations	
Revenue, net	\$ 213,588	\$ 49,485	\$ 53,905	\$ (127)	\$ 316,851	\$ 113,256	\$ 45,850	\$ 37,014	\$ (215)	\$ 195,905	\$ 104,566	\$ 45,434	\$ 53,855	\$ (198)	\$ 203,657
GAAP Operating Income	\$ 56,265	\$ 6,188	\$ 1,277	\$ (9,364)	\$ 54,366	\$ 37,559	\$ 7,569	\$ 667	\$ (7,362)	\$ 38,433	\$ 36,335	\$ 6,730	\$ 4,155	\$ (6,776)	\$ 40,444
Adjusting Items:															
Purchase Accounting Effect	3,919	—	—	—	3,919	—	—	—	—	—	—	—	—	—	—
Gain on sale of property & other	—	—	—	—	—	—	—	—	—	—	—	—	(776)	—	(776)
Adjusted Operating Income	\$ 60,184	\$ 6,188	\$ 1,277	\$ (9,364)	\$ 58,285	\$ 37,559	\$ 7,569	\$ 667	\$ (7,362)	\$ 38,433	\$ 36,335	\$ 6,730	\$ 3,379	\$ (6,776)	\$ 39,668
% Revenue	28.2 %	12.5 %	2.4 %		18.4 %	33.2 %	16.5 %	1.8 %		19.6 %	34.7 %	14.8 %	6.3 %		19.5 %
Adjusting Items:															
Other Income (Expense)	(255)	22	6	(79)	(306)	(51)	(519)	68	(164)	(666)	(353)	(172)	157	(7,086)	(7,454)
Depreciation & Amortization	15,804	1,068	3,091	266	20,229	2,899	1,038	2,864	268	7,069	2,944	1,062	3,305	240	7,551
Purchase Accounting Effect	(3,919)	—	—	—	(3,919)	—	—	—	—	—	—	—	—	—	—
Pension Termination	—	—	—	—	—	—	—	—	—	—	—	—	—	7,019	7,019
Adjusted EBITDA	\$ 71,814	\$ 7,278	\$ 4,374	\$ (9,177)	\$ 74,289	\$ 40,407	\$ 8,088	\$ 3,599	\$ (7,258)	\$ 44,836	\$ 38,926	\$ 7,620	\$ 6,841	\$ (6,603)	\$ 46,784
% Revenue	33.6 %	14.7 %	8.1 %		23.4 %	35.7 %	17.6 %	9.7 %		22.9 %	37.2 %	16.8 %	12.7 %		23.0 %

Reconciliation of TTM Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

(Amounts in thousands)	(Unaudited)				
	Trailing Twelve Months Ended September 30, 2021				
	Contractor Solutions	Specialized Reliability Solutions	Engineered Building Solutions	Corporate and Other	Consolidated Operations
Revenue, net	\$ 345,861	\$ 99,308	\$ 95,257	\$ (273)	\$ 540,153
GAAP Operating Income	\$ 77,835	\$ 12,685	\$ 1,318	\$ (16,437)	\$ 75,401
Adjusting Items:					
Transaction costs & other professional fees	7,763	—	2,597	—	10,360
Purchase Accounting Effect	6,882	—	—	—	6,882
Adjusted Operating Income	\$ 92,480	\$ 12,685	\$ 3,915	\$ (16,437)	\$ 92,643
% Revenue	26.7 %	12.8 %	4.1 %		17.2 %
Adjusting Items:					
Other Income (Expense)	(4,941)	(603)	(83)	19	(5,608)
Depreciation & Amortization	27,320	2,043	5,972	543	35,878
Purchase Accounting Effect	(6,882)	—	—	—	(6,882)
Reversal of Indemnification Receivable	5,000	—	—	—	5,000
Adjusted EBITDA	\$ 112,977	\$ 14,125	\$ 9,804	\$ (15,875)	\$ 121,031
% Revenue	32.7 %	14.2 %	10.3 %		22.4 %



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