
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): February 13, 2018

CSW INDUSTRIALS, INC.
(Exact Name Of Registrant As Specified In Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37454
(Commission
File Number)

47-2266942
(IRS Employer
Identification No.)

**5420 Lyndon B. Johnson Freeway, Suite 500
Dallas, Texas 75240**
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (214) 884-3777

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On February 8, 2018, CSW Industrials, Inc., a Delaware corporation (the “Company”), announced that it has engaged in a process to evaluate strategic alternatives for its coatings business and, effective December 31, 2017, has classified the assets, liabilities, and results of operations for the Strathmore Products business (the “Coatings business”) as “discontinued operations”. Additionally, the Company consolidated its operations into two segments, Industrial Products and Specialty Chemicals. The Company’s sealants and adhesives business, which was included with the former Coatings, Sealants & Adhesives segment, was combined with Specialty Chemicals, as a result of the Coatings business being classified as discontinued operations.

To assist investors in comparing the Company’s historical financial information and results for the Company’s continuing and discontinued operations, Exhibit 99.1 filed with this Current Report on Form 8-K includes retrospectively adjusted supplemental unaudited historical financial information for the Company and its reporting segments for each of the fiscal quarters ended September 30, 2017, June 30, 2017, March 31, 2017, December 31, 2016, September 30, 2016 and June 30, 2016. The information included in Exhibit 99.1 to this Current Report on Form 8-K presents historical unaudited financial results of the Company and the revised reporting segments as if the Coatings business were a discontinued operation for all periods shown, on both a U.S. GAAP and as adjusted basis.

The supplemental historical unaudited financial information presented on a U.S. GAAP basis is consistent with the Company’s reporting segments and presentation of continuing and discontinued operations included in the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2017, filed with the Securities and Exchange Commission on February 8, 2018 (the 3Q 10-Q”). The information included in Exhibit 99.1 should be read in conjunction with the 3Q 10-Q as well as our Annual Report on Form 10-K for the fiscal year ended March 31, 2017.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
<u>99.1</u>	<u>Supplemental Unaudited Historical Financial Information of CSW Industrials, Inc.</u>

(Unaudited)

(in thousands, except per share amounts)

	June 30, 2016	September 30, 2016	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017
ASSETS						
Current assets:						
Cash and cash equivalents.....	\$ 21,710	\$ 24,624	\$ 20,414	\$ 23,146	\$ 25,926	\$ 26,483
Bank time deposits.....	13,183	10,373	1,753	1,776	1,829	1,909
Accounts receivable, net.....	55,333	54,953	46,453	59,831	67,427	62,997
Inventories, net.....	42,646	42,126	45,050	43,665	44,056	43,627
Prepaid expenses and other current assets.....	8,903	8,292	9,252	3,084	2,388	3,030
Current assets, discontinued operations.....	14,013	14,836	15,216	14,781	15,771	17,544
Total current assets.....	155,788	155,204	138,138	146,283	157,397	155,590
Property, plant and equipment, net.....	58,752	58,673	57,434	56,812	56,447	55,924
Goodwill.....	67,440	67,375	67,147	80,863	81,286	81,766
Intangible assets, net.....	51,571	50,273	48,712	59,312	58,004	56,757
Other assets.....	15,872	15,888	16,078	16,010	16,165	16,298
Noncurrent assets, discontinued operations.....	40,157	37,032	37,957	38,809	38,935	39,024
Total assets.....	<u>\$ 389,580</u>	<u>\$ 384,445</u>	<u>\$ 365,466</u>	<u>\$ 398,089</u>	<u>\$ 408,234</u>	<u>\$ 405,359</u>
LIABILITIES AND EQUITY						
Current liabilities:						
Accounts payable.....	\$ 8,263	\$ 7,567	\$ 8,708	\$ 10,372	\$ 13,860	\$ 13,892
Accrued and other current liabilities.....	17,029	19,590	22,574	21,619	30,257	32,653
Current portion of long-term debt.....	561	561	561	561	561	561
Current liabilities, discontinued operations.....	2,704	3,304	4,999	5,184	4,515	4,042
Total current liabilities.....	28,557	31,022	36,842	37,736	49,193	51,148
Long-term debt.....	83,981	71,841	46,286	72,646	66,630	52,615
Retirement benefits payable.....	1,605	1,505	1,300	1,464	1,252	1,027
Other long-term liabilities.....	12,694	13,702	12,394	13,805	7,574	6,400
Total liabilities.....	126,837	118,070	96,822	125,651	124,649	111,190
Equity:						
Common shares, \$0.01 par value.....	156	156	157	157	157	157
Additional paid-in capital.....	34,327	34,585	37,603	38,701	39,212	40,559
Treasury shares, at cost	(556)	(569)	(972)	(1,011)	(1,021)	(1,037)
Retained earnings.....	238,051	241,892	242,298	245,026	254,046	261,348
Accumulated other comprehensive loss.....	(9,235)	(9,689)	(10,442)	(10,435)	(8,809)	(6,858)
Total equity.....	262,743	266,375	268,644	272,438	283,585	294,169
Total liabilities and equity.....	<u>\$ 389,580</u>	<u>\$ 384,445</u>	<u>\$ 365,466</u>	<u>\$ 398,089</u>	<u>\$ 408,234</u>	<u>\$ 405,359</u>

CSW Industrials, Inc.
Condensed Consolidated Income Statements

(Unaudited)

	Quarter Ended June 30, 2016	Quarter Ended September 30, 2016	Quarter Ended December 31, 2016	Quarter Ended March 31, 2017	Quarter Ended June 30, 2017	Quarter Ended September 30, 2017
(in thousands, except per share amounts)						
Revenues, net.....	\$ 74,864	\$ 70,914	\$ 65,257	\$ 76,425	\$ 89,299	\$ 84,422
Cost of revenues.....	(38,646)	(36,053)	(37,888)	(45,942)	(47,432)	(44,765)
Gross profit.....	36,218	34,861	27,369	30,483	41,867	39,657
Selling, general and administrative expenses.....	(26,053)	(22,341)	(22,230)	(23,866)	(24,864)	(24,758)
Impairment expenses.....	(1,082)	-	(13)	(220)	-	-
Operating income.....	9,083	12,520	5,126	6,397	17,003	14,899
Interest expense, net.....	(748)	(742)	(673)	(532)	(631)	(671)
Other income (expense), net.....	530	747	587	(135)	(314)	254
Income before income taxes.....	8,865	12,525	5,040	5,730	16,058	14,482
Provision for income taxes.....	(3,599)	(5,171)	(3,182)	(2,408)	(5,771)	(5,332)
Income from continuing operations.....	5,266	7,354	1,858	3,322	10,287	9,150
Loss from discontinued operations, net of tax.....	(1,170)	(3,512)	(1,453)	(594)	(1,773)	(1,848)
Net income.....	\$ 4,096	\$ 3,842	\$ 405	\$ 2,728	\$ 8,514	\$ 7,302
Basic earnings (loss) per common share:						
Continuing operations.....	\$ 0.34	\$ 0.47	\$ 0.12	\$ 0.21	\$ 0.65	\$ 0.58
Discontinued operations.....	(0.08)	(0.23)	(0.09)	(0.04)	(0.12)	(0.12)
Net income.....	\$ 0.26	\$ 0.24	\$ 0.03	\$ 0.17	\$ 0.53	\$ 0.46
Diluted earnings (loss) per common share:						
Continuing operations.....	\$ 0.33	\$ 0.47	\$ 0.12	\$ 0.21	\$ 0.65	\$ 0.57
Discontinued operations.....	(0.07)	(0.23)	(0.09)	(0.04)	(0.12)	(0.11)
Net income.....	\$ 0.26	\$ 0.24	\$ 0.03	\$ 0.17	\$ 0.53	\$ 0.46

CSW Industrials, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)

	Year Ended March 31, 2017
(in thousands)	
Cash flows from operating activities:	
Net income (loss).....	\$ 11,071
Income (loss) from discontinued operations.....	(6,729)
Net income from continuing operations.....	\$ 17,800
Adjustments to reconcile net income from continuing operations to net cash provided by operating activities:	
Depreciation and amortization.....	13,754
Share-based and other executive compensation.....	4,642
Net pension benefit.....	(1,092)
Impairment of assets.....	1,318
Net deferred taxes.....	464
Other non-cash items, net.....	143
Changes in operating assets and liabilities:	
Accounts receivable, net.....	(5,028)
Inventories, net.....	214
Prepaid expenses and other current assets.....	(793)
Other assets.....	(115)
Accounts payable and other current liabilities.....	5,669
Retirement benefits payable and other liabilities.....	2,385
Net cash provided by operating activities from continuing operations.....	39,361
Net cash used by operating activities from discontinued operations.....	(325)
Net cash provided by operating activities.....	39,036
Cash flows from investing activities:	
Capital expenditures.....	(6,869)
Proceeds from sale of assets	605
Net change in bank time deposits.....	10,968
Cash paid for acquisitions.....	(28,179)
Net cash (used) provided by investing activities from continuing operations.....	(23,475)
Net cash used by investing activities from discontinued operations.....	(2,493)
Net cash (used) provided by investing activities.....	(25,968)
Cash flows from financing activities:	
Net repayments on lines of credit.....	(16,476)
Payment of deferred loan costs.....	-
Purchase of treasury shares.....	(1,011)
Proceeds from stock option activity.....	2,169
Net cash used by financing activities.....	(15,318)
Effect of exchange rate changes on cash and cash equivalents.....	(591)
Net (decrease) increase in cash and cash equivalents	(2,841)
Cash and cash equivalents, beginning of period	25,987
Cash and cash equivalents, end of period	\$ 23,146

CSW Industrials, Inc.
Segment Financial Information
(unaudited)

(in thousands)	Industrial Products	Specialty Chemicals	Subtotal - Reportable Segments	Eliminations and Other	Total
Quarter Ended June 30, 2016					
Revenues, net.....	\$ 43,475	\$ 31,368	\$ 74,843	\$ 21	\$ 74,864
Operating income.....	10,607	4,443	15,050	(5,967)	9,083
Quarter Ended September 30, 2016					
Revenues, net.....	\$ 41,858	\$ 29,034	\$ 70,892	\$ 22	\$ 70,914
Operating income.....	9,897	5,167	15,064	(2,544)	12,520
Quarter Ended December 31, 2016					
Revenues, net.....	\$ 31,715	\$ 33,498	\$ 65,213	\$ 44	\$ 65,257
Operating income.....	3,978	3,099	7,077	(1,951)	5,126
Quarter Ended March 31, 2017					
Revenues, net.....	\$ 41,605	\$ 34,817	\$ 76,422	\$ 3	\$ 76,425
Operating income.....	8,411	799	9,210	(2,813)	6,397
Quarter Ended June 30, 2017					
Revenues, net.....	\$ 53,261	\$ 36,036	\$ 89,297	\$ 2	\$ 89,299
Operating income.....	13,633	5,641	19,274	(2,271)	17,003
Quarter Ended September 30, 2017					
Revenues, net.....	\$ 48,487	\$ 35,936	\$ 84,423	\$ (1)	\$ 84,422
Operating income.....	12,280	5,428	17,708	(2,809)	14,899

CSW Industrials, Inc.

Reconciliation of Operating Income to Adjusted Operating Income---Continuing Operations

(Unaudited)

(in thousands)	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
	June 30, 2016	September 30, 2016	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017
Operating income	9,083	12,520	5,126	6,397	17,003	14,899
Adjusting items:						
Asset Impairment	-	-	124	220	-	-
CFO Transition	2,841	31	-	-	-	-
Consulting projects	494	303	391	459	-	-
Transaction and integration costs	-	-	-	431	-	110
Discrete Tax Provision & Other	-	-	-	-	-	-
Estimated Reserve for Excess Inventory	-	404	-	-	-	-
Restructuring & realignment	1,082	-	2,063	3,454	1,108	135
Adjusted Operating Income	<u>\$ 13,500</u>	<u>\$ 13,258</u>	<u>\$ 7,704</u>	<u>\$ 10,961</u>	<u>\$ 18,111</u>	<u>\$ 15,144</u>

CSW Industrials

Reconciliation of Net Income to Adjusted Net Income—Continuing Operations

(Unaudited)

(in thousands, except share data)	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
	June 30,	September 30,	December 31,	March 31,	June 30,	September 30,
	2016	2016	2016	2017	2017	2017
GAAP Net Income from Continuing Operations	\$ 5,266	\$ 7,354	\$ 1,859	\$ 3,322	\$ 10,287	\$ 9,150
Adjusting items:						
Asset Impairment	-	-	80	142	-	-
CFO Transition	1,847	20	-	-	-	-
Consulting projects	321	196	253	297	-	-
Transaction and integration costs	-	-	-	279	-	71
Discrete Tax Provision & Other	538	368	1,402	477	-	265
Estimated Reserve for Excess Inventory	-	261	-	-	-	-
Restructuring & realignment	782	-	1,335	2,235	720	88
Adjusted Net Income from Continuing Operations	\$ 8,754	\$ 8,199	\$ 4,929	\$ 6,752	\$ 11,007	\$ 9,574
GAAP Diluted income per common share from Continuing operations	\$ 0.33	\$ 0.47	\$ 0.12	\$ 0.21	\$ 0.65	\$ 0.57
Adjusting items:						
Asset Impairment	-	-	0.01	0.01	-	-
CFO Transition	0.12	0.00	-	-	-	-
Consulting projects	0.02	0.01	0.02	0.02	-	-
Transaction and integration costs	-	-	-	0.01	-	0.00
Discrete Tax Provision & Other	0.03	0.02	0.09	0.03	-	0.02
Estimated Reserve for Excess Inventory	-	0.02	-	-	-	-
Restructuring & realignment	0.05	-	0.08	0.14	0.05	0.01
Adjusted Earnings per diluted common share from Continuing Operations	\$ 0.55	\$ 0.52	\$ 0.31	\$ 0.42	\$ 0.70	\$ 0.60

CSW Industrials, Inc.
Reconciliation of Segment Operating Income to Adjusted Segment Operating Income
(Unaudited)

For the Quarter Ended June 30, 2016				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 43,475</u>	<u>\$ 31,368</u>	<u>\$ 21</u>	<u>\$ 74,864</u>
Operating Income	<u>\$ 10,607</u>	<u>\$ 4,443</u>	<u>\$ (5,967)</u>	<u>\$ 9,083</u>
Adjusting items:				
CFO Transition	-	-	2,841	2,841
Consulting projects	61	89	344	494
Restructuring & realignment	90	992	-	1,082
Adjusted Operating Income	<u>\$ 10,758</u>	<u>\$ 5,524</u>	<u>\$ (2,782)</u>	<u>\$ 13,500</u>
For the Quarter Ended September 30, 2016				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 41,858</u>	<u>\$ 29,034</u>	<u>\$ 22</u>	<u>\$ 70,914</u>
Operating Income	<u>\$ 9,897</u>	<u>\$ 5,167</u>	<u>\$ (2,544)</u>	<u>\$ 12,520</u>
Adjusting items:				
CFO Transition	-	-	31	31
Consulting projects	23	23	257	303
Estimated Reserve for Excess Inventory	17	387	-	404
Adjusted Operating Income	<u>\$ 9,937</u>	<u>\$ 5,577</u>	<u>\$ (2,256)</u>	<u>\$ 13,258</u>
For the Quarter Ended December 31, 2016				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 31,715</u>	<u>\$ 33,498</u>	<u>\$ 44</u>	<u>\$ 65,257</u>
Operating Income	<u>\$ 3,978</u>	<u>\$ 3,099</u>	<u>\$ (1,951)</u>	<u>\$ 5,126</u>
Adjusting items:				
Asset Impairment	124	-	-	124
Consulting projects	191	146	54	391
Restructuring & realignment	-	2,063	-	2,063
Adjusted Operating Income	<u>\$ 4,293</u>	<u>\$ 5,308</u>	<u>\$ (1,897)</u>	<u>\$ 7,704</u>

For the Quarter Ended March 31, 2017				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 41,605</u>	<u>\$ 34,817</u>	<u>\$ 3</u>	<u>\$ 76,425</u>
Operating Income	\$ 8,411	\$ 799	\$ (2,813)	\$ 6,397
Adjusting items:				
Asset Impairment	13	207	-	220
Consulting projects	96	336	27	459
Transaction and integration costs	431	-	-	431
Restructuring & realignment	624	2,830	-	3,454
Adjusted Operating Income	<u>\$ 9,575</u>	<u>\$ 4,172</u>	<u>\$ (2,786)</u>	<u>\$ 10,961</u>
For the Quarter Ended June 30, 2017				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 53,261</u>	<u>\$ 36,036</u>	<u>\$ 2</u>	<u>\$ 89,299</u>
Operating Income	\$ 13,633	\$ 5,641	\$ (2,271)	\$ 17,003
Adjusting items:				
Restructuring & realignment	232	876	-	1,108
Adjusted Operating Income	<u>\$ 13,865</u>	<u>\$ 6,517</u>	<u>\$ (2,271)</u>	<u>\$ 18,111</u>
For the Quarter Ended September 30, 2017				
(in thousands)	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
Revenues, net	<u>\$ 48,487</u>	<u>\$ 35,936</u>	<u>\$ (1)</u>	<u>\$ 84,422</u>
Operating Income	\$ 12,280	\$ 5,428	\$ (2,809)	\$ 14,899
Adjusting items:				
Discrete Tax Provision & Other	110	-	-	110
Restructuring & realignment	135	-	-	135
Adjusted Operating Income	<u>\$ 12,525</u>	<u>\$ 5,428</u>	<u>\$ (2,809)</u>	<u>\$ 15,144</u>

