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

July 30, 2018
Date of Report (Date of earliest event reported)

CASTLIGHT HEALTH, INC.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**001-36330** **(Commission File Number)**	**26-1989091** **(I.R.S. Employer Identification Number)**

150 Spear Street, Suite 400
San Francisco, CA 94105
(Address of principal executive offices)

(415) 829-1400
(Registrant's telephone number, including area code)

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:

[ ] 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 [x]

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. [x]

Item 2.02 Results of Operations and Financial Condition.

On July 30, 2018 , Castlight Health, Inc. ("the Company") issued a press release announcing its results for the three and six months ended June 30, 2018 . The press release is attached to this current report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02, including Exhibit 99.1 to this Current Report on Form 8-K, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 2.02 and in the accompanying Exhibit 99.1 shall not be incorporated by reference into any registration statement or other document filed by the Company with the Securities and Exchange Commission, whether made before or after the date of this Current Report on Form 8-K, regardless of any general incorporation language in such filing (or any reference to this Current Report on Form 8-K generally), except as shall be expressly set forth by specific reference in such filing.

Item 2.05 Costs Associated with Exit or Disposal Activities.

On July 30, 2018 , the Company announced its intent to undertake a program to reduce its workforce in order to reduce expenses, align its operations with evolving business needs and improve efficiencies. This was in part due to the unexpected churn of a large customer. Under this program, the Company intends to reduce total expenses by 10-15% including a reduction of its workforce.The actions associated with this program are expected to be largely completed by September 30, 2018.

The Company is unable at this time to make a good faith estimate of the major costs associated with this program, including charges it will incur or related cash expenditures. Once the Company is able to estimate these costs, the Company will provide its estimates in an amendment to this Current Report on Form 8-K or another of the Company's filings with the Securities and Exchange Commission.

Forward-Looking Statements

This report contains forward-looking statements. All statements other than statements of historical facts contained herein are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding the impact of the Company's restructuring program and expectations for future business and financial performance. Statements including words such as "anticipate," "believe," "estimate," "will," "continue," "expect," or "future," and statements in the future tense are forward-looking statements. These forward-looking statements involve risks and uncertainties, as well as assumptions, which, if they do not fully materialize or prove incorrect, could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. The risks and uncertainties include those described in the Company's documents filed with or furnished to the Securities and Exchange Commission. All forward-looking statements in this report are based on information available to the Company as of the date hereof. The Company assumes no obligation to update these forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit	**Description**
99.1	Press Release, dated July 30, 2018, entitled "Castlight Health Announces Second Quarter 2018 Results"

SIGNATURE

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 hereunto duly authorized.

		CASTLIGHT HEALTH, INC.	
Date:	July 30, 2018	By:	/s/ Siobhan Nolan Mangini
			Siobhan Nolan Mangini
			Chief Financial Officer *(Principal Financial Officer)*

Castlight Health Announces Second Quarter 2018 Results

Total Revenue of $37.8 million , Up 16% Year-over-Year

SAN FRANCISCO - **July 30, 2018 -** Castlight Health, Inc. (NYSE:CSLT), a leading health benefits platform provider, today announced results for its second quarter ended June 30, 2018 .

“We’ve seen strong validation over the last two quarters that our health navigation solution is penetrating the market efficiently, which demonstrates the strategic value to us of our platform and channel collaborations,” said John Doyle, chief executive officer of Castlight Health. “Based on these results, we will increase our focus on adding new channel partners and align our costs accordingly. We will reduce operating expenses by 10 to 15 percent, which will position us to break even beginning in Q4, while continuing to make the critical platform investments needed to lead the health navigation market.”

Financial performance for the three months ended June 30, 2018 compared to the three months ended June 30, 2017 includes:

- GAAP total revenue of $37.8 million , representing an increase of 16%
- GAAP gross margin of 58.4% , compared to 62.2%
- Non-GAAP gross margin of 62.2% compared to 67.4%
- GAAP operating loss of $14.1 million , compared to a loss of $17.6 million
- Non-GAAP operating loss of $6.9 million , compared to a loss of $8.7 million
- GAAP net loss per basic and diluted share of $0.10 , compared to a net loss per basic and diluted share of $0.09

- Non-GAAP net loss per basic and diluted share of $0.05 , compared to a net loss per basic and diluted share of $0.07
- Cash used in operations of $1.1 million , compared to $4.1 million

Total cash, cash equivalents and marketable securities was $74.5 million as of June 30, 2018 .

A reconciliation of GAAP to non-GAAP results has been provided in this press release in the accompanying tables. An explanation of these measures is also included below under the heading “Non-GAAP Financial Measures.”

Restructuring Program

Today, the Company is announcing a restructuring program to align its operations with its evolving business needs. This is also due, in part, to the recent unexpected churn of a large customer. Under this program, the Company intends to reduce operating expenses by 10 to 15 percent. The actions associated with this program are expected to be largely completed by September 30, 2018. The Company expects to take a restructuring charge in the third quarter of 2018, which will be excluded from its full year 2018 non-GAAP operating loss and non-GAAP net loss per share calculation.

Business Outlook

The Company is reiterating its previously-issued 2018 outlook. For the full year 2018, the Company expects:

- GAAP revenue in the range of $150 million to $155 million
- Non-GAAP operating loss in the range of $15 million to $20 million
- Non-GAAP net loss per share of approximately $0.11 to $0.15 based on approximately 137 million to 138 million shares

Quarterly Conference Call

Castlight Health senior management will host a conference call to discuss its second quarter 2018 results and business outlook today at 2:00 p.m. Pacific Time (5:00 p.m. Eastern Time). A live audio webcast of the conference call, together with detailed financial information, can be accessed through the company's Investor Relations website at http://ir.castlighthealth.com. An archive of the webcast can also be accessed through the same link. The live conference call can be accessed by dialing (866) 393-4306 and the replay will be available for one week at (855) 859-2056 . The conference ID number for the live call and replay is 3899475.

About Castlight Health

Castlight is on a mission to make it as easy as humanly possible to navigate healthcare and live happier, healthier, more productive live s. Our health navigation platform connects with hundreds of health vendors, benefits resources, and plan designs, giving rise to the world's first comprehensive app for all health needs. We guide individuals - based on their unique profile - to the best resources available to them, whether they are healthy, chronically ill, or actively seeking medical care. In doing so, we help companies regain control over rising healthcare costs and get more value from their benefits investments. Castlight revolutionized the healthcare sector with the introduction of data-driven price transparency tools in 2008 and the first consumer-grade wellbeing platform in 2012. Today, Castlight serves as the health navigation platform for millions of people and is a trusted partner to many of the largest employers in the world.

For more information visit www.castlighthealth.com . Follow us on Twitter and LinkedIn and Like us on Facebook .

Non-GAAP Financial Measures

To supplement Castlight Health's financial statements presented in accordance with generally accepted accounting principles (GAAP), we also use and provide investors and others with non-

GAAP measures of certain components of financial performance, including non-GAAP gross profit and margin, non-GAAP operating expense, non-GAAP operating loss, non-GAAP other income, net, non-GAAP net loss and non-GAAP net loss per share. Non-GAAP gross profit and margin, non-GAAP operating expense, non-GAAP operating loss, non-GAAP other income, net and non-GAAP net loss exclude stock-based compensation, litigation settlement, amortization of intangibles, amortization of internal-use software, lease exit and related charges, changes in fair value of contingent consideration liability, restructuring charges and charges related to the acquisition of Jiff and the associated tax impact of these items, where applicable.

We believe that these non-GAAP financial measures provide useful supplemental information to investors and others, facilitate the analysis of the company's core operating results and comparison of operating results across reporting periods, and can help enhance overall understanding of the company's historical financial performance.

We have provided a reconciliation of each non-GAAP financial measure to the most directly comparable GAAP financial measure, except that we have not reconciled our non-GAAP operating loss and net loss per share guidance for the full year 2018 to comparable GAAP operating loss and net loss per share guidance because we do not provide guidance for stock-based compensation expense, and capitalization and amortization of internal-use software, which are reconciling items between GAAP and non-GAAP operating loss. The factors that may impact our future stock-based compensation expense, and capitalization and amortization of internal-use software are out of our control and/or cannot be reasonably predicted, and therefore we are unable to provide such guidance without unreasonable effort. Factors include our market capitalization and related volatility of our stock price and our inability to project the cost or scope of internally produced software.

These non-GAAP financial measures should be considered in addition to, not as a substitute for or in isolation from, measures prepared in accordance with GAAP.

Further, these non-GAAP measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore comparability may be limited. Castlight Health encourages investors and others to review the company's financial information in its entirety and not rely on a single financial measure.

Safe Harbor For Forward-Looking Statements

This press release contains forward-looking statements about Castlight Health's expectations, plans, intentions, and strategies, including, but not limited to, statements regarding Castlight Health's 2018 full year projections, success of our strategy, impact of the restructuring program and our expectations for our future business and financial performance. Statements including words such as "anticipate," "believe," "estimate," "will," "continue," "expect," or "future," and statements in the future tense are forward-looking statements. These forward-looking statements involve risks and uncertainties, as well as assumptions, which, if they do not fully materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. The risks and uncertainties include those described in Castlight Health's documents filed with or furnished to the Securities and Exchange Commission. All forward-looking statements in this press release are based on information available to Castlight Health as of the date hereof. Castlight Health assumes no obligation to update these forward-looking statements.

CASTLIGHT HEALTH, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(unaudited)

	As of	
	June 30, 2018	December 31, 2017
		(as adjusted) [(1)]
Assets		
Current assets:		
Cash and cash equivalents	$ 44,642	$ 61,319
Marketable securities	29,833	32,025
Accounts receivable and other, net	28,184	21,933
Prepaid expenses and other current assets	5,742	3,991
Total current assets	108,401	119,268
Property and equipment, net	5,247	5,263
Restricted cash, non-current	1,325	1,325
Deferred commissions	24,691	27,512
Deferred professional service costs	11,855	12,480
Intangible assets, net	18,144	20,253
Goodwill	91,785	91,785
Other assets	2,141	1,997
Total assets	$ 263,589	$ 279,883
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 4,619	$ 3,907
Accrued expenses and other current liabilities	17,829	13,178
Accrued compensation	9,530	13,941
Deferred revenue	26,509	25,985
Total current liabilities	58,487	57,011
Deferred revenue, non-current	2,723	4,457
Debt, non-current	4,183	4,958
Other liabilities, non-current	2,964	1,900
Total liabilities	68,357	68,326
Stockholders' equity	195,232	211,557
Total liabilities and stockholders' equity	$ 263,589	$ 279,883

(1) Prior-period information has been adjusted for the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (ASC 606), which we adopted in the first quarter of 2018.

CASTLIGHT HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
		(as adjusted) [1]		(as adjusted) [1]
Revenue:				
Subscription	$ 34,802	$ 30,382	$ 67,791	$ 56,279
Professional services and other	2,982	2,250	6,472	4,056
Total revenue, net	37,784	32,632	74,263	60,335
Cost of revenue:				
Cost of subscription [2]	9,140	7,706	18,314	11,952
Cost of professional services and other [2]	6,590	4,628	12,359	8,437
Total cost of revenue	15,730	12,334	30,673	20,389
Gross profit	22,054	20,298	43,590	39,946
Operating expenses:				
Sales and marketing [2]	13,306	15,935	27,218	30,081
Research and development [2]	16,425	15,194	31,796	26,265
General and administrative [2]	6,382	6,766	13,207	15,764
Total operating expenses	36,113	37,895	72,221	72,110
Operating loss	(14,059)	(17,597)	(28,631)	(32,164)
Other income, net	101	12	229	205
Income before income taxes	(13,958)	(17,585)	(28,402)	(31,959)
Income tax benefit	—	(5,206)	—	(5,206)
Net loss	$ (13,958)	$ (12,379)	$ (28,402)	$ (26,753)
Net loss per share, basic and diluted	$ (0.10)	$ (0.09)	$ (0.21)	$ (0.23)
Weighted-average shares used to compute basic and diluted net loss per share	136,682	130,537	135,843	117,807

(1) Prior-period information has been adjusted for the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (ASC 606), which we adopted in the first quarter of 2018.
(2) Includes stock-based compensation expense as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
		(as adjusted) [1]		(as adjusted) [1]
Cost of revenue:				
Cost of subscription	$ 231	$ 253	$ 473	$ 380
Cost of professional services and other	315	363	616	609
Sales and marketing	1,318	2,441	2,456	4,595
Research and development	1,908	2,254	3,562	4,044
General and administrative	1,375	1,169	2,632	2,464

(1) Prior-period information has been adjusted for the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (ASC 606), which we adopted in the first quarter of 2018.

CASTLIGHT HEALTH, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
		(as adjusted) [1]		(as adjusted) [1]
Operating activities:				
Net loss	$ (13,958)	$ (12,379)	$ (28,402)	$ (26,753)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	1,713	2,060	3,573	2,758
Stock-based compensation	5,147	6,480	9,739	12,092
Amortization of deferred commissions	2,947	2,356	5,800	4,289
Amortization of deferred professional service costs	1,151	1,071	2,097	1,958
Lease exit and related charges	901	—	1,817	
Release of deferred tax valuation allowance due to business combination	—	(5,206)	—	(5,206)
Change in fair value of contingent consideration liability	—	(643)	—	(643)
Accretion and amortization of marketable securities	(135)	20	(266)	84
Changes in operating assets and liabilities:				
Accounts receivable and other, net	4,944	(1,426)	(6,252)	(3,117)
Deferred commissions	(1,808)	(2,895)	(2,979)	(3,452)
Deferred professional service costs	(647)	(1,002)	(1,389)	(1,853)
Prepaid expenses and other assets	(2,102)	323	(1,896)	(859)
Accounts payable	(1,272)	(685)	511	(508)
Accrued expenses and other liabilities	6,398	4,230	(1,229)	(527)
Deferred revenue	(4,393)	3,582	(1,210)	6,711
Net cash used in operating activities	(1,114)	(4,114)	(20,086)	(15,026)
Investing activities:				
Purchase of property and equipment	(916)	(764)	(1,304)	(930)
Purchase of marketable securities	(13,954)	(15,768)	(23,979)	(31,775)
Maturities of marketable securities	10,700	28,938	26,450	63,737
Business combination, net of cash acquired	—	(2,264)	—	(2,264)
Net cash (used in) provided by investing activities	(4,170)	10,142	1,167	28,768
Financing activities:				
Proceeds from exercise of stock options	1,752	457	2,242	831
Payments of issuance costs related to equity	—	(119)	—	(731)
Net cash provided by financing activities	1,752	338	2,242	100
Net (decrease) increase in cash, cash equivalents and restricted cash	(3,532)	6,366	(16,677)	13,842
Cash, cash equivalents and restricted cash at beginning of period	49,499	57,342	62,644	49,866
Cash, cash equivalents and restricted cash at end of period	$ 45,967	$ 63,708	$ 45,967	$ 63,708
Reconciliation of cash, cash equivalents and restricted cash:				
Cash and cash equivalents	$ 44,642	$ 62,201	$ 44,642	$ 62,201
Restricted cash	1,325	1,507	1,325	1,507
Total cash, cash equivalents and restricted cash	$ 45,967	$ 63,708	$ 45,967	$ 63,708

(1) Prior-period information has been adjusted for the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (ASC 606), which we adopted in the first quarter of 2018, and ASU No. 2016-18, Statement of Cash Flows, Restricted Cash (ASC 230), which we adopted in the fourth quarter of 2017.

CASTLIGHT HEALTH, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In thousands, except per share data)
(unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
			(as adjusted) [1]		(as adjusted) [1]
Gross profit:					
GAAP gross profit subscription	$ 25,662	$ 23,815	$ 22,676	$ 49,477	$ 44,327
Stock-based compensation	231	242	253	473	380
Amortization of internal-use software	219	219	244	438	488
Amortization of intangibles	678	678	751	1,356	751
Acquisition related costs	—	—	52	—	52
Non-GAAP gross profit subscription	$ 26,790	$ 24,954	$ 23,976	$ 51,744	$ 45,998
GAAP gross margin subscription	73.7 %	72.2 %	74.6 %	73.0 %	78.8 %
Non-GAAP gross margin subscription	77.0 %	75.6 %	78.9 %	76.3 %	81.7 %
GAAP gross loss professional services	$ (3,608)	$ (2,279)	$ (2,378)	$ (5,887)	$ (4,381)
Stock-based compensation	315	301	363	616	609
Acquisition related costs	—	—	17	—	164
Non-GAAP gross loss professional services	$ (3,293)	$ (1,978)	$ (1,998)	$ (5,271)	$ (3,608)
GAAP gross margin professional services	(121)%	(65.3)%	(106)%	(91.0)%	(108)%
Non-GAAP gross margin professional services	(110)%	(56.7)%	(88.8)%	(81.4)%	(89.0)%
GAAP gross profit	$ 22,054	$ 21,536	$ 20,298	$ 43,590	$ 39,946
Impact of non-GAAP adjustments	1,443	1,440	1,680	2,883	2,444
Non-GAAP gross profit	$ 23,497	$ 22,976	$ 21,978	$ 46,473	$ 42,390
GAAP gross margin	58.4 %	59.0 %	62.2 %	58.7 %	66.2 %
Non-GAAP gross margin	62.2 %	63.0 %	67.4 %	62.6 %	70.3 %
Operating expense:					
GAAP sales and marketing	$ 13,306	$ 13,912	$ 15,935	$ 27,218	$ 30,081
Stock-based compensation	(1,318)	(1,138)	(2,441)	(2,456)	(4,595)
Amortization of intangibles	(273)	(448)	(448)	(721)	(448)
Acquisition related costs	—	—	(518)	—	(923)
Non-GAAP sales and marketing	$ 11,715	$ 12,326	$ 12,528	$ 24,041	$ 24,115
GAAP research and development	$ 16,425	$ 15,371	$ 15,194	$ 31,796	$ 26,265
Stock-based compensation	(1,908)	(1,654)	(2,254)	(3,562)	(4,044)
Acquisition related costs	—	—	(126)	—	(393)
Lease exit and related charges	(842)	(916)	—	(1,758)	—
Non-GAAP research and development	$ 13,675	$ 12,801	$ 12,814	$ 26,476	$ 21,828
GAAP general and administrative	$ 6,382	$ 6,825	$ 6,766	$ 13,207	$ 15,764
Stock-based compensation	(1,375)	(1,257)	(1,169)	(2,632)	(2,464)
Litigation settlement	—	—	—	—	(250)
Amortization of intangibles	(17)	(17)	(17)	(34)	(17)
Change in fair value of contingent consideration liability	—	—	643	—	643
Acquisition related costs	—	—	(899)	—	(3,239)
Non-GAAP general and administrative	$ 4,990	$ 5,551	$ 5,324	$ 10,541	$ 10,437
GAAP operating expense	$ 36,113	$ 36,108	$ 37,895	$ 72,221	$ 72,110
Impact of non-GAAP adjustments	(5,733)	(5,430)	(7,229)	(11,163)	(15,730)
Non-GAAP operating expense	$ 30,380	$ 30,678	$ 30,666	$ 61,058	$ 56,380

Operating loss:					
GAAP operating loss	$ (14,059)	$ (14,572)	$ (17,597)	$ (28,631)	$ (32,164)
Impact of non-GAAP adjustments	7,176	6,870	8,909	14,046	18,174
Non-GAAP operating loss	$ (6,883)	$ (7,702)	$ (8,688)	$ (14,585)	$ (13,990)

CASTLIGHT HEALTH, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In thousands, except per share data)
(unaudited)

Net loss and net loss per share:					
GAAP net loss	$ (13,958)	$ (14,444)	$ (12,379)	$ (28,402)	$ (26,753)
Total pre-tax impact of non-GAAP adjustments	7,176	6,870	8,909	14,046	18,174
Income tax impact of non-GAAP adjustments	—	—	(5,206)	—	(5,206)
Non-GAAP net loss	$ (6,782)	$ (7,574)	$ (8,676)	$ (14,356)	$ (13,785)
GAAP net loss per share, basic and diluted	$ (0.10)	$ (0.11)	$ (0.09)	$ (0.21)	$ (0.23)
Non-GAAP net loss per share, basic and diluted	$ (0.05)	$ (0.06)	$ (0.07)	$ (0.11)	$ (0.12)
Shares used in basic and diluted net loss per share computation	136,682	134,994	130,537	135,843	117,807

(1) Prior-period information has been adjusted for the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (ASC 606), which we adopted in the first quarter of 2018.

Castlight Media Contact:
Shannon Magill
press@castlighthealth.com
415-829-1500

Castlight Investor Contact:
Gary J. Fuges, CFA
ir@castlighthealth.com
415-829-1680