

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): August 4, 2020

POWELL INDUSTRIES, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-12488
(Commission
File Number)

88-0106100
(I.R.S. Employer
Identification Number)

8550 Mosley Road
Houston, Texas
(Address of Principal Executive Offices)

77075-1180
(Zip Code)

(713) 944-6900
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

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 (17CFR230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR240.14D-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	POWL	The Nasdaq Global Market

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 2.02 – Results of Operations and Financial Condition

On August 4, 2020, Powell Industries, Inc. (NASDAQ: POWL) issued a press release regarding the Company's results of operations for its fiscal 2020 third quarter ended June 30, 2020. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Current Report, including the exhibit, is being furnished pursuant to Item 2.02 of Form 8-K and General Instruction B.2 thereunder. The information in this Current Report shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be deemed incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 8.01 – Other Events

On August 4, 2020, Powell Industries, Inc. issued a press release announcing that its Board of Directors declared a quarterly cash dividend of \$0.26 per share payable to shareholders of record on August 19, 2020. This dividend will be paid on September 16, 2020. A copy of such press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits. The following exhibit is furnished as part of this Report.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated August 4, 2020
99.2	Press Release dated August 4, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POWELL INDUSTRIES, INC.

Date: August 4, 2020

/s/ Michael W. Metcalf
Michael W. Metcalf
Executive Vice President
Chief Financial Officer
(Principal Financial Officer)



FOR IMMEDIATE RELEASE

Contacts: Michael W. Metcalf, CFO
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**POWELL INDUSTRIES ANNOUNCES
FISCAL 2020 THIRD QUARTER RESULTS**

HOUSTON — AUGUST 4, 2020 — Powell Industries, Inc. (NASDAQ: POWL), a leading supplier of custom engineered solutions for the management, control and distribution of electrical energy, today announced results for the fiscal 2020 third quarter ended June 30, 2020.

Revenues for the third quarter of fiscal 2020 were \$118.1 million compared to revenues of \$151.6 million for the second quarter of fiscal 2020 and revenues of \$135.6 million for the third quarter of fiscal 2019. Net income for the third quarter of fiscal 2020 was \$3.5 million, or \$0.30 per diluted share, compared to net income of \$7.4 million, or \$0.64 per diluted share, for the second quarter of fiscal 2020 and net income of \$5.1 million, or \$0.44 per diluted share for the third quarter of fiscal 2019. During the fiscal third quarter, net income was reduced by \$1.2 million, or \$0.12 per share due to restructuring costs and was offset by \$1.7 million, or a \$0.14 per share gain resulting from tax benefits recognized. New orders placed during the third quarter of fiscal 2020 totaled \$81 million compared to \$145 million in the third quarter of fiscal 2019 and \$301 million in the second quarter of fiscal 2020 which included the largest order in Company history. The Company's backl

og as of June 30, 2020 was \$532 million, a decrease of 6% sequentially from \$566 million at March 31, 2020 and compared to \$407 million as of June 30, 2019.

Brett A. Cope, Powell's Chairman and Chief Executive Officer, stated, "As we continue to navigate through the global market uncertainty and challenges associated with the COVID-19 pandemic, our number one priority remains the safety of our employees, customers and suppliers. I am very proud of all of our employees globally for their continued efforts embracing safe work practices across all of our facilities."

Mr. Cope continued, "Our third quarter results reflected another quarter of solid operating performance resulting in strong margins and cash flow despite the lower sequential and year-over-year revenues. Third quarter gross profit as a percentage of revenue was 18.1%, up 60 basis points from 17.5% in the same period of last year as a result of strong project execution and cost management. Additionally, our focus on both operating costs and working capital throughout fiscal 2020 has enabled the business to further enhance our liquidity position, generating \$46 million of operating cash flow during the fiscal third quarter."

"We have entered an unprecedented cycle across our industrial end markets, with increased uncertainty across the geographies where we operate and compete. Considering this and in an effort to align operating costs with the current market activity, during the quarter we took the difficult, but necessary decision to reduce our workforce in order to align operating costs with the current market activity."

Mr. Cope concluded by stating, "Looking forward, our backlog is solid at \$532 million, up \$125 million from the prior year and our balance sheet is very strong, particularly our current liquidity position coupled with minimal leverage. We remain focused on the success of our customers, by continuing to deliver high performance electrical distribution products, solutions and service support."

OUTLOOK

Commenting on the company's outlook, Michael Metcalf, Powell's Chief Financial Officer said, "We continue to show solid operational momentum through the fiscal third quarter of 2020, with both orders and earnings per share at their highest levels through the first nine months of the year dating back to fiscal 2015. As we close out fiscal 2020, we anticipate a more challenging commercial environment with respect to our broader industrial end markets. However, given our robust backlog position, as well as our year-to-date earnings and operational cash flow, we are confident that fiscal 2020 will be a strong year financially for the company."

CONFERENCE CALL

Powell Industries has scheduled a conference call for Wednesday, August 5, 2020 at 11:00 a.m. Eastern time. To participate in the conference call, dial 412-902-0030 at least 10 minutes before the call begins and ask for the Powell Industries conference call. A replay of the call will be available approximately two hours after the live broadcast ends and will be accessible until August 12, 2020. To access the replay, dial 201-612-7415 using a passcode of 13706826#.

Investors, analysts and the general public will also have the opportunity to listen to the conference call over the Internet by visiting powellind.com. To listen to the live call on the web, please visit the website at least 15 minutes before the call begins to register, download and install any necessary audio software. For those who cannot listen to the live webcast, an archive will be available shortly after the call and will remain available for approximately 90 days at powellind.com.

Powell Industries, Inc., headquartered in Houston, designs, manufactures and services custom-engineered equipment and systems for the distribution, control and monitoring of electrical energy. Powell markets include large industrial customers such as utilities, oil and gas producers, refineries, petrochemical plants, pulp and paper producers, mining operations and commuter railways. For more information, please visit powellind.com.

Any forward-looking statements in the preceding paragraphs of this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties in that actual results may differ materially from those projected in the forward-looking statements. In the course of operations, we are subject to certain risk factors, competition and competitive pressures, sensitivity to general economic and industrial conditions, international political and economic risks, availability and price of raw materials and execution of business strategy. For further information, please refer to the Company's filings with the Securities and Exchange Commission, copies of which are available from the Company without charge.

POWELL INDUSTRIES, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2020	2019	2020	2019
(Unaudited)				
(In thousands, except per share data)				
Revenues	\$ 118,062	\$ 135,588	\$ 403,781	\$ 368,676
Cost of goods sold	96,718	111,873	330,926	310,255
Gross profit	21,344	23,715	72,855	58,421
Selling, general and administrative expenses	15,511	17,117	51,372	50,240
Research and development expenses	1,605	1,631	4,863	4,988
Amortization of intangible assets	44	44	132	132
Insurance proceeds	—	(950)	—	(950)
Restructuring and other, net	1,400	233	1,400	233
Operating income	2,784	5,640	15,088	3,778
Interest expense	52	59	179	170
Interest income	(190)	(305)	(901)	(707)
Income before income taxes	2,922	5,886	15,810	4,315
Income tax provision (benefit)	(559)	797	2,133	963
Net income	\$ 3,481	\$ 5,089	\$ 13,677	\$ 3,352
Earnings per share:				
Basic	\$ 0.30	\$ 0.44	\$ 1.18	\$ 0.29
Diluted	\$ 0.30	\$ 0.44	\$ 1.17	\$ 0.29
Weighted average shares:				
Basic	11,631	11,579	11,622	11,567
Diluted	11,698	11,603	11,686	11,589

SELECTED FINANCIAL DATA:

Depreciation and Amortization	\$ 2,637	\$ 2,948	\$ 7,878	\$ 9,408
Capital Expenditures	\$ 809	\$ 1,269	\$ 4,311	\$ 3,241
Dividends Paid	\$ 3,019	\$ 3,003	\$ 9,047	\$ 8,991

POWELL INDUSTRIES, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)	June 30, 2020	September 30, 2019
	(Unaudited)	
Assets:		
Cash, cash equivalents and short-term investments	\$ 163,356	\$ 124,681
Other current assets	186,795	203,887
Property, plant and equipment, net	114,826	120,812
Long-term assets	22,221	18,031
Total assets	\$ 487,198	\$ 467,411
Liabilities and equity:		
Current liabilities	\$ 170,499	\$ 157,896
Long-term debt, net of current maturities	400	800
Deferred and other long-term liabilities	12,728	9,562
Stockholders' equity	303,571	299,153
Total liabilities and stockholders' equity	\$ 487,198	\$ 467,411
SELECTED FINANCIAL DATA:		
Working capital	\$ 179,652	\$ 170,672

 **POWELL** ***PRESS RELEASE***

FOR IMMEDIATE RELEASE

Contact: Michael Metcalf, CFO
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Dennard Lascar Investor Relations
713-529-6600

POWELL INDUSTRIES DECLARES QUARTERLY CASH DIVIDEND

HOUSTON — August 4, 2020 — Powell Industries, Inc. (NASDAQ: POWL), a leading supplier of custom engineered solutions for the management, control and distribution of electrical energy, today announced that its Board of Directors has declared a quarterly cash dividend on the Company's common stock in the amount of \$0.26 per share. The dividend is payable on September 16, 2020 to shareholders of record at the close of business on August 19, 2020.

Powell Industries, Inc., headquartered in Houston, designs, manufactures and services custom-engineered equipment and systems for the distribution, control and monitoring of electrical energy. Powell markets include large industrial customers such as utilities, oil and gas producers, refineries, petrochemical plants, pulp and paper producers, mining operations and commuter railways. For more information, please visit powellind.com.