
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: December 3, 2013

(Date of earliest event reported)

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))
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Item 2.02 – Results of Operations and Financial Condition

On December 3, 2013, Powell Industries, Inc. (NASDAQ: POWL) issued a press release regarding the Company's results of operations for its year ended September 30, 2013. 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 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 December 3, 2013

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: December 5, 2013

By: /s/ Don R. Madison

Don R. Madison
Executive Vice President
Chief Financial and Administrative Officer
(Principal Financial Officer)



Press Release

FOR IMMEDIATE RELEASE

Contact: Don R. Madison, CFO
Powell Industries, Inc.
713-947-4422

POWELL INDUSTRIES ANNOUNCES FISCAL 2013 FOURTH QUARTER AND YEAR-END RESULTS

*Reports record annual orders of \$758 million
Reports second highest year-end backlog of \$517 million*

HOUSTON — DECEMBER 3, 2013 — Powell Industries, Inc. (NASDAQ: POWL), a leading supplier of custom engineered solutions for the management and control of electrical energy and other critical processes, today announced results for the fiscal 2013 fourth quarter and year ended September 30, 2013.

Revenues for the fourth quarter of fiscal 2013 were \$187.4 million compared to revenues of \$184.2 million for the fourth quarter of fiscal 2012. Net income for the fourth quarter of 2013 was \$18.6 million, or \$1.54 per diluted share, compared to net income of \$11.9 million, or \$0.99 per diluted share, in the fourth quarter of fiscal 2012. Fourth quarter fiscal 2013 results include the following items: \$2.9 million from the settlement of a Canadian project claim; restructuring and relocation expenses of \$1.7 million pertaining to the facilities expansion; and a \$7.1 million release of tax valuation allowance set up in prior years for losses in Canada. Excluding these items, net income for the fourth quarter of fiscal 2013 was \$10.3 million, or \$0.86 per diluted share. A reconciliation of this non-GAAP financial measure to net income is included in the financial tables below.

Michael A. Lucas, President and Chief Executive Officer, stated, “We are pleased to conclude this fiscal year with a solid fourth quarter, resulting in strong full year results. We generated annual revenues of \$675 million, second only to last year’s record revenues. Additionally, we ended the year with record bookings and the second largest year-end backlog of the Company.

“We have also completed the construction and relocation into new production facilities in Houston and Edmonton, both of which are now fully operational. With this expansion complete, we are well positioned to support our customers and their capital projects in the coming years.

“The strong finish to fiscal 2013 gives us excellent momentum going into 2014. We continue to see strength in the oil and gas market, particularly the growing petrochemical investment, LNG terminal facilities to

allow for the export of U.S. natural gas, and deep water production facilities in the Gulf of Mexico and around the world.”

New orders placed during the fourth quarter of fiscal 2013 totaled \$207 million compared to \$155 million in the third quarter of fiscal 2013 and compared to \$186 million in the fourth quarter of fiscal 2012. The Company’s backlog as of September 30, 2013 was \$517 million compared to \$496 million as of June 30, 2013 and compared to \$437 million at the end of last year’s fourth quarter.

FISCAL 2013 RESULTS

Revenues for fiscal 2013 were \$674.8 million compared to \$717.2 million in fiscal 2012. Net income for fiscal 2013 was \$42.1 million, or \$3.51 per diluted share, compared to net income of \$29.7 million, or \$2.49 per diluted share, last year. Excluding certain fourth quarter items discussed above and a settlement received in the second quarter, net income for fiscal 2013 was \$33.8 million, or \$2.82 per diluted share. A reconciliation of this non-GAAP financial measure to net income is included in the financial tables below.

OUTLOOK

The following statements are based on the current expectations of the Company. These statements are forward-looking, and actual results may differ materially as further elaborated in the last paragraph below.

Based on its backlog and current business conditions, Powell Industries currently expects full year fiscal 2014 revenues to range between \$700 million and \$750 million and full year fiscal 2014 earnings to range between \$2.75 and \$3.25 per diluted share.

CONFERENCE CALL

Powell Industries has scheduled a conference call for Wednesday, December 4, 2013 at 11:00 a.m. eastern time. To participate in the conference call, dial 480-629-9771 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 December 11, 2013. To access the replay, dial 303-590-3030 using a passcode of 4650589#.

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 fifteen 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, engineers packaged solutions and systems for the control, distribution and management of electrical energy and other dynamic processes. Powell markets include large industrial customers such as utilities, oil and gas producers, refineries, petrochemical plants, pulp and paper producers, mining operations, commuter railways and other vehicular transportation facilities. 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.

This press release contains references to certain non-GAAP financial measures discussed above. Please see the financial table below for more details on these non-GAAP financial measures, including a reconciliation of these non-GAAP financial measures to net income and the reasons management believes these measures are useful to investors.

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

	Three Months Ended		Years Ended	
	Sept 30, 2013	Sept 30, 2012	Sept 30, 2013	Sept 30, 2012
(In thousands, except per share data)	(Unaudited)			
Revenues	\$ 187,397	\$ 184,159	\$ 674,772	\$ 717,194
Cost of goods sold	<u>144,545</u>	<u>142,679</u>	<u>527,936</u>	<u>577,256</u>
Gross profit	42,852	41,480	146,836	139,938
Selling, general and administrative expenses	19,635	20,756	83,539	81,295
Research and development expenses	2,187	2,079	8,521	7,652
Amortization of intangible assets	416	488	1,659	2,599
Restructuring and relocation costs	<u>2,210</u>	<u>—</u>	<u>3,927</u>	<u>—</u>
Operating income	18,404	18,157	49,190	48,392
Gain on settlement	—	—	(1,709)	—
Interest expense	51	69	202	272
Interest income	<u>(7)</u>	<u>(26)</u>	<u>(35)</u>	<u>(114)</u>
Income before income taxes	<u>18,360</u>	<u>18,114</u>	<u>50,732</u>	<u>48,234</u>
Income tax provision (benefit)	<u>(208)</u>	<u>6,261</u>	<u>8,656</u>	<u>18,577</u>
Net income.	<u>\$ 18,568</u>	<u>\$ 11,853</u>	<u>\$ 42,076</u>	<u>\$ 29,657</u>
Earnings per share:				
Basic	<u>\$ 1.55</u>	<u>\$ 0.99</u>	<u>\$ 3.52</u>	<u>\$ 2.50</u>
Diluted	<u>\$ 1.54</u>	<u>\$ 0.99</u>	<u>\$ 3.51</u>	<u>\$ 2.49</u>
Weighted average shares:				
Basic	<u>11,970</u>	<u>11,916</u>	<u>11,948</u>	<u>11,850</u>
Diluted	<u>12,028</u>	<u>11,971</u>	<u>11,994</u>	<u>11,925</u>

SELECTED FINANCIAL DATA:

Capital expenditures	<u>\$ 20,641</u>	<u>\$ 3,517</u>	<u>\$ 74,369</u>	<u>\$ 29,063</u>
Depreciation and amortization	<u>\$ 2,415</u>	<u>\$ 3,253</u>	<u>\$ 10,190</u>	<u>\$ 13,077</u>

POWELL INDUSTRIES, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	(In thousands)	<u>September 30, 2013</u>	<u>September 30, 2012</u>
Assets:			
Current assets		\$ 357,341	\$ 346,410
Property, plant and equipment (net)		<u>144,589</u>	<u>78,652</u>
Other assets		<u>28,973</u>	<u>23,250</u>
Total Assets		<u>\$ 530,903</u>	<u>\$ 448,312</u>
Liabilities and Stockholders' Equity:			
Current liabilities		\$ 168,063	\$ 130,873
Long-term debt and capital lease obligations, net of current maturities		3,200	3,630
Deferred and other long-term liabilities		4,414	3,706
Stockholders' equity		<u>355,226</u>	<u>310,103</u>
Total Liabilities and Stockholders' Equity		<u>\$ 530,903</u>	<u>\$ 448,312</u>

POWELL INDUSTRIES, INC. & SUBSIDIARIES
BUSINESS SEGMENTS

	Three Months Ended		Years Ended	
	Sept 30, 2013	Sept 30, 2012	Sept 30, 2013	Sept 30, 2012
(In thousands)	(Unaudited)			
Revenues:				
Electrical Power Products	\$ 173,810	\$ 175,671	\$ 635,253	\$ 686,581
Process Control Systems	<u>13,587</u>	<u>8,488</u>	<u>39,519</u>	<u>30,613</u>
Total Revenues	<u>\$ 187,397</u>	<u>\$ 184,159</u>	<u>\$ 674,772</u>	<u>\$ 717,194</u>
Income Before Income Taxes:				
Electrical Power Products	\$ 17,288	\$ 17,989	\$ 49,421	\$ 48,055
Process Control Systems	<u>1,072</u>	<u>125</u>	<u>1,311</u>	<u>179</u>
Total Income Before Income Taxes	<u>\$ 18,360</u>	<u>\$ 18,114</u>	<u>\$ 50,732</u>	<u>\$ 48,234</u>
			<u>September 30,</u>	<u>September 30,</u>
			2013	2012
Segment Assets:				
Electrical Power Products			\$ 334,169	\$ 319,215
Process Control Systems			17,083	14,540
Corporate			<u>179,651</u>	<u>114,557</u>
Total Segment Assets			<u>\$ 530,903</u>	<u>\$ 448,312</u>
Backlog:				
Electrical Power Products			\$ 435,022	\$ 361,853
Process Control Systems			<u>81,574</u>	<u>74,838</u>
Total Backlog			<u>\$ 516,596</u>	<u>\$ 436,691</u>

POWELL INDUSTRIES, INC. & SUBSIDIARIES
NON-GAAP NET INCOME RECONCILIATION

(In thousands)	Three Months Ended		Years Ended	
	Sept 30, 2013	Sept 30, 2012	Sept 30, 2013	Sept 30, 2012
	(Unaudited)		(Unaudited)	
Net Income:				
Net income	\$ 18,568	\$ 11,853	\$ 42,076	\$ 29,657
Canadian project claim settlement, net of tax	(2,850)	—	(2,850)	—
Gain on settlement, net of tax	—	—	(1,328)	—
Restructuring and relocation expenses, net of tax	1,654	—	2,964	—
Release of Canadian tax valuation allowance	(7,079)	—	(7,079)	—
	<u>\$ 10,293</u>	<u>\$ 11,853</u>	<u>\$ 33,783</u>	<u>\$ 29,657</u>
Non-GAAP net income				
Diluted shares outstanding	12,028	11,971	11,994	11,925
Diluted Earnings Per Share:				
Earnings per share	\$ 1.54	\$ 0.99	\$ 3.51	\$ 2.49
Non-GAAP earnings per share	\$ 0.86	\$ 0.99	\$ 2.82	\$ 2.49

For all periods presented, the Company defines non-GAAP net income as net income which excludes: 1) Canadian project claim settlement, net of tax; 2) Gain on legal settlement, net of tax; 3) Restructuring and relocation expenses, net of tax; and 4) Release of Canadian tax valuation allowance. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. However, the Company believes by excluding these items, these non-GAAP financial measures are helpful in comparing the historical results to current results and measuring operating earnings trends. The Company also believes the disclosure of non-GAAP net income will help investors meaningfully evaluate and compare its cash flow generating capacity from quarter to quarter and year to year.

The non-GAAP adjustments, and the basis for excluding them from GAAP financial measures, are outlined below:

- **Canadian project claim settlement, net of tax** – In the fourth quarter, a project claim recovery was received on a large industrial project at Powell Canada. This project experienced significant delays and cost overruns in fiscal 2012.
- **Gain on settlement, net of tax** – In the second quarter, we settled a lawsuit filed against the previous owners of Powell Canada.
- **Restructuring and relocation expenses, net of tax** – Significant expenses were incurred related to relocation efforts in connection with the construction of two new manufacturing facilities in fiscal 2013. We also incurred expenses related to the restructuring of our operations in the United Kingdom.
- **Release of Canadian tax valuation allowance**—In the fourth quarter, we released a tax valuation allowance recorded as an offset to prior years' Canadian pre-tax losses because we believe it is more likely than not that market conditions and our operating results going forward will allow us to realize the deferred tax assets associated with prior year losses in Canada.

Due to the nature of these items, the Company does not believe that these items reflect its ongoing operations.

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