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

FORM 10-Q

(Mark one)
[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended January 31, 1997

or

[ ] Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ______________________ to ______________________

COMMISSION FILE NUMBER 0-6050

POWELL INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

NEVADA	88-0106100
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8550 Mosley Drive, Houston, Texas	77075-1180
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (713) 944-6900

Indicate by "X" whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

Common Stock, par value $.01 per share; 10,613,683 shares outstanding on March 5, 1997.

Powell Industries, Inc. and Subsidiaries

PART I - Financial Information

Powell Industries, Inc. and Subsidiaries
Consolidated Balance Sheets
(In Thousands, Except Share Data)

Assets	January 31, 1997 (unaudited)	October 31, 1996
Current Assets:		
Cash and cash equivalents	$ 10,098	$ 8,935
Accounts receivable, less allowance for doubtful accounts of $707 and $777, respectively	32,239	37,013
Costs and estimated earnings in excess of billings	16,877	13,934
Inventories	11,181	14,114
Deferred income taxes	2,181	2,572
Income taxes receivable	--	876
Prepaid expenses and other current assets	2,343	1,700
Total Current Assets	74,919	79,144
Property, plant and equipment, net	17,464	14,602
Deferred income taxes	1,267	1,164
Other assets	4,595	4,613
Total Assets	$ 98,245	$ 99,523

Liabilities and Stockholders' Equity	January 31, 1997 (unaudited)	October 31, 1996
Current Liabilities:		
Accounts and income taxes payable	$ 8,401	$ 8,543
Accrued salaries, bonuses and commissions	4,845	5,687
Accrued product warranty	1,681	1,614
Accrued legal expenses	3,719	3,903
Other accrued expenses	2,375	3,717
Billings in excess of costs and estimated earnings	4,991	5,425
Current maturities of debt	3,750	3,750
Total Current Liabilities	29,762	32,639
Deferred compensation expense	1,354	2,157
Postretirement benefits liability	1,458	1,502
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock, par value $.01; 5,000,000 shares authorized; none issued		
Common stock, par value $.01; 15,000,000 shares authorized, 10,609,504 and 10,604,644 shares issued and outstanding	106	106
Additional paid-in capital	5,603	5,601
Retained earnings	63,312	60,943
Deferred compensation-ESOP	(3,350)	(3,425)
Total Stockholders' Equity	65,671	63,225
Total Liabilities and Stockholders' Equity	$ 98,245	$ 99,523

The accompanying notes are an integral part of these consolidated financial statements.

Powell Industries, Inc. and Subsidiaries
Consolidated Statements of Operations (unaudited)
(In Thousands, Except Per Share Data)

	Three Months Ended January 31, 1997	Three Months Ended January 31, 1996
Revenues	$ 43,128	$ 39,861
Cost of goods sold	32,840	31,001
Gross profit	10,288	8,860
Selling, general and administrative expenses	6,888	5,924
Earnings from continuing operations before interest and income taxes	3,400	2,936
Interest expense (income), net	(138)	43
Earnings from continuing operations before income taxes	3,538	2,893
Income tax provision	1,169	1,031
Earnings from continuing operations	2,369	1,862
Loss from discontinued operations, net of income tax	--	(178)
Net earnings	$ 2,369	$ 1,684
Net earnings (loss) per common and common equivalent share:		
Continuing operations	$ 0.22	$ 0.18
Discontinued operations	--	(0.02)
Net earnings per common and common equivalent share	$ 0.22	$ 0.16
Weighted average number of common and common equivalent shares outstanding	10,771,622	10,695,776

The accompanying notes are an integral part of these
consolidated financial statements.

Powell Industries, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (unaudited)
(In Thousands)

	Three Months Ended January 31,	
	1997	1996
Operating Activities:		
Net earnings	$ 2,369	$ 1,684
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	830	798
Deferred income taxes (benefit)	288	(681)
Postretirement benefits liability	(44)	118
Changes in operating assets and liabilities:		
Accounts receivable	4,774	(8,204)
Costs and estimated earnings in excess of billings	(2,943)	876
Inventories	2,933	373
Prepaid expenses and other current assets	(643)	680
Other assets	(99)	(36)
Accounts payable and income taxes payable or receivable	734	1,757
Accrued liabilities	(2,301)	(2,105)
Billings in excess of costs and estimated earnings	(434)	1,423
Deferred compensation expense	(728)	209
Changes in net assets of discontinued activities	--	2,119
Net cash provided by (used in) operating activities	4,736	(989)
Investing Activities:		
Purchases of property, plant and equipment	(3,575)	(676)
Net cash used in investing activities	(3,575)	(676)
Financing activities:		
Exercise of stock options	2	--
Net cash provided by financing activities	2	--
Net increase (decrease) in cash and cash equivalents	1,163	(1,665)
Cash and cash equivalents at beginning of period	8,935	2,796
Cash and cash equivalents at end of period	$ 10,098	$ 1,131
Supplemental disclosure of cash flow information (in thousands):		
Cash paid during the quarter for:		
Interest	$ 195	$ 367
Income taxes	--	--

The accompanying notes are an integral part of these consolidated financial statements.

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of management, reflect all adjustments which are of a normal recurring nature necessary for a fair presentation of financial position, results of operations, and cash flows.

B. INVENTORY

	January 31, 1997 (unaudited)	October 31, 1996
The components of inventory are summarized below (in thousands):		
Raw materials and subassemblies	$ 7,764	$ 8,118
Work-in-process	3,417	5,996
Total inventories	$11,181	$14,114

C. PROPERTY, PLANT AND EQUIPMENT

	January 31, 1997 (unaudited)	October 31, 1996
Property, plant and equipment is summarized below (in thousands):		
Land	$ 2,362	$ 2,362
Buildings and improvements	13,361	13,255
Machinery and equipment	21,336	21,157
Furniture & fixtures	3,010	2,923
Construction in process	5,267	1,869
	45,336	41,566
Less-accumulated depreciation	27,872	26,964
Total property, plant and equipment, net	$17,464	$14,602

D. PRODUCTION CONTRACTS

For contracts in which the percentage-of-completion accounting method is used, costs and estimated earnings in excess of billings are shown as a current asset and billings in excess of costs and estimated earnings are shown as a current liability.

	1997 (unaudited)	October 31, 1996
The components of these contracts are as follows (in thousands):		
Costs and estimated earnings	$ 53,436	$ 45,559
Progress billings	(36,559)	(31,625)
Total costs and estimated earnings in excess of billings	$ 16,877	$ 13,934
Progress billings	$ 44,941	$ 50,667
Costs and estimated earnings	(39,950)	(45,242)
Total billings in excess of costs and estimated earnings	$ 4,991	$ 5,425

Part I
Item 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND QUARTERLY RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following table sets forth, as a percentage of revenues, certain items from the Consolidated Statements of Operations.

Quarters Ended January 31	1997	1996
Revenues	100.0%	100.0%
Gross Profit	23.9	22.2
Selling, general and administrative expenses	16.0	14.9
Earnings from continuing operations before income taxes	8.2	7.3
Income tax provision	2.7	2.6
Losses from discontinued operations	---	(.5)
Net earnings	5.5	4.2

Revenues for the quarter ended January 31, 1997 were up 8.2 percent to $43,128,000 from $39,861,000 in the first quarter of last year. This increase in volume was due primarily to higher electrical distribution equipment revenues. Export sales were $17,312,000 or 40.1 percent of sales, an increase of 4.3 percent from $16,600,000 in the first quarter of 1996.

Gross profit, as a percentage of revenues, was 23.9 percent and 22.2 percent for the quarters ended January 31, 1997 and 1996, respectively. This increase is due to improved prices and higher volumes in the electrical distribution operations partially offset by higher overhead expenses.

Selling, general and administrative expenses as a percentage of revenues were 16.0 percent and 14.9 percent for the quarters ended January 31, 1997 and 1996, respectively. The increase is primarily due to higher sales commissions and selling expenses.

Income tax provision effective tax rates were 33.0 percent and 35.6 percent for the quarters ended January 31, 1997 and 1996, respectively. The lower than statutory rate is due to foreign sales corporation credits.

Earnings from continuing operations increased to $2,369,000 or $.22 per share for the first quarter of fiscal 1997, an increase of 27.2 percent from $1,862,000 or $.18 per share for the same period last year. The increase is primarily due to the factors discussed above.

Net earnings were $2,369,000 or $.22 per share for the first quarter of fiscal 1997, an increase of 40.7 percent from $1,684,000 or $.16 per share for the same period last year.

Backlog

The order backlog at January 31, 1997 was $119,978,000 compared to $106,457,000 at October 31, 1996. The increase is the result of record bookings in electrical distribution and control equipment. The total bookings of $56,649,000 during the quarter was the largest total for a quarter in the Company's history.

LIQUIDITY AND CAPITAL RESOURCES

During 1990, the Company concluded a private placement of $15,000,000 in term notes, of which $3,750,000 was outstanding as of January 31, 1997. These notes are unsecured with a fixed interest rate of 10.4 percent. The notes mature with the final payment of $3,750,000 due in June 1997.

In October 1995, the Company entered into a $15,000,000 revolving line of credit agreement with a major domestic bank. As of January 31, 1997, the Company did not have borrowings outstanding under this line.

The Company's ability to satisfy its cash requirements is evaluated by analyzing key measures of liquidity applicable to the Company. The following table is a summary of the measures which are significant to management:

	January 31, 1997	October 31, 1996	January 31, 1996
Working Capital	$45,157,000	$46,505,000	$36,643,000
Current Ratio	2.5 to 1	2.4 to 1	2.4 to 1
Debt to Capitalization	.1 to 1	.1 to 1	.1 to 1

Management believes that the Company continues to maintain a strong liquidity position. The decrease in working capital at January 31, 1997, as compared to October 31, 1996 is due mainly to a decrease in accounts receivable partially offset by decreases in accrued liabilities.

Cash and cash equivalents increased approximately $1,163,000 during the three months ended January 31, 1997. The decrease in accounts receivable provided cash due to collection on extended progress and prebilling term receivables. The primary use of cash was for capital expenditures related to the plant expansion at three operating facilities.

The Company's fiscal 1997 asset management program will continue to focus on the collection of receivables and reduction in inventories. The Company plans to satisfy its fiscal 1997 capital requirements and operating needs primarily with funds available in cash and cash equivalents of $10,098,000, funds generated from operating activities and funds available under its existing revolving line of credit.

The previous discussion should be read in conjunction with the consolidated financial statements.

Any forward looking statements in the preceding paragraphs of this Form 10Q 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 uncertainty in that actual results may differ materially from those projected in the forward looking statements. These risks and uncertainties include, without limitation, difficulties which could arise in obtaining materials or components in sufficient quantities as needed for the Company's manufacturing and assembly operations, unforeseen political or economic problems in countries to which the Company exports its products in relation to the Company's principal competitors, any significant decrease in the Company's backlog of orders, any material employee relation problems, or any material litigation or claims made against the Company, as well as general market conditions, competition and pricing.

Part II

OTHER INFORMATION

ITEM 1. Legal Proceedings
No material developments in litigation previously reported.

ITEM 2. Changes in Securities
None

ITEM 3. Defaults Upon Senior Securities
Not applicable

ITEM 4. Submission of Matters to a Vote of Security Holders
None

ITEM 5. Other Information
None

ITEM 6. Exhibits and Reports on Form 8-K

a. Exhibits
27.0 Financial Data Schedule

b. Reports on Form 8K
None

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.
Registrant

March 10, 1997
- --------------   ------------------------------------
Date   Thomas W. Powell
President and Chief Executive Officer
(Principal Executive Officer)

March 10, 1997
- --------------   ------------------------------------
Date   J.F. Ahart
Vice President,
Secretary-Treasurer
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

Exhibit No.	Description
27	Financial Data Schedule

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S UNAUDITED PRO FORMA CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED JANUARY 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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3-MOS
JAN-01-1997
JAN-01-1997
10,098
0
32,946
707
11,181
74,919
45,336
27,872
98,245
29,762
0
0
0
106
65,564
98,245
43,128
43,128
32,840
32,840
6,888
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138
3,538
1,169
0
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0
2,369
0.22
0