

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): May 4, 2021

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

77075-1180

(Address of principal executive offices)

(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	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 May 4, 2021, Powell Industries, Inc. (NASDAQ: POWL) issued a press release regarding the Company's results of operations for its fiscal 2021 second quarter ended March 31, 2021. 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 May 4, 2021, 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 May 19, 2021. This dividend will be paid on June 16, 2021. A copy of the 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 May 4, 2021
99.2	Press Release dated May 4, 2021

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: May 4, 2021

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

 **POWELL** *PRESS RELEASE*

For immediate release

Contacts: Michael W. Metcalf, CFO
Powell Industries, Inc.

713-947-4422

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POWELL INDUSTRIES ANNOUNCES FISCAL 2021 SECOND QUARTER RESULTS

HOUSTON — May 4, 2021 — 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 2021 second quarter ended March 31, 2021.

Fiscal Second Quarter Key Highlights:

- Revenues totaled \$119 million;
- Backlog as of March 31, 2021 totaled \$437 million;
- Net Loss was \$0.2 million, or a \$0.02 loss per diluted share;
- Cash and short-term investments as of March 31, 2021 totaled \$154 million.

Brett A. Cope, Powell’s Chairman and Chief Executive Officer, stated, “Our consolidated revenues for the second quarter were in-line with our expectations and higher by 11% sequentially. Additionally, we were pleased with our cash performance, generating \$6 million of free cash flow during the quarter. New orders in the second quarter were \$89 million, consistent with the prior quarter, as macroeconomic conditions continue to create uncertainty across our Industrial end-markets. That was partially offset by the steady growth across our non-Industrial sectors, specifically, revenues from our Utility and Traction customers, which grew 17% and 9%, respectively, compared to last year. I want to acknowledge the hard work of our

team, as these results are in spite of the extraordinary winter storm that adversely affected our Houston based facilities for nearly a full week in February.”

Revenues for the second quarter of fiscal 2021 totaled \$118.7 million compared to \$106.6 million in the first fiscal quarter of 2021 and \$151.6 million in the second fiscal quarter of 2020.

New orders in the second quarter totaled \$89 million compared to \$91 million of new orders in the first quarter of 2021 and \$301 million of new orders in the second quarter of fiscal 2020. The \$301 million of new orders during the comparable period of the prior year was attributable to the Company’s largest ever Industrial award to support the design, manufacture, integration and testing of a custom-integrated electrical distribution solution for an industrial complex being constructed in the United States. Backlog as of March 31, 2021 totaled \$437 million which represents a sequential decline of 6% and compares to \$566 million as of March 31, 2020.

Net loss for the second fiscal quarter was \$0.2 million, or a \$0.02 loss per diluted share, compared to a first fiscal quarter net loss of \$0.4 million, or a loss of \$0.03 per diluted share. Net income in the second quarter of fiscal 2020 was \$7.4 million, or \$0.64 per diluted share.

Mr. Cope added, “I am pleased with the level of execution across the company despite the challenging conditions in our core Oil, Gas and Petrochemical markets. We have a strong focus on maximizing productivity while identifying accretive growth opportunities as we continue to work closely with our customers to adapt to the current environment.”

OUTLOOK

Commenting on the Company's outlook, Michael Metcalf, Powell’s Chief Financial Officer said, “Our expectation for a challenging environment across our core Industrial markets throughout the remainder of fiscal 2021 remains unchanged. However, we maintain our positive outlook across our Utility and Traction markets. Additionally, we are encouraged by the prospects of more nascent opportunities for Powell within the energy markets of hydrogen, biofuels and biodiesel, as well as select opportunities in the mining sector. From a cost perspective, we have most recently encountered modest inflationary cost pressure across key commodities such as copper and steel during the second quarter and expect this to continue

through the remainder of fiscal 2021. Nonetheless, our balance sheet remains essentially debt-free and we continue to maintain a strong cash position. We remain acutely focused on factors within our control as we navigate the remainder of the year.”

CONFERENCE CALL

Powell Industries has scheduled a conference call for Wednesday, May 5, 2021 at 11:00 a.m. Eastern time. To participate in the conference call, dial 877-270-2148 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 May 12, 2021. To access the replay, dial 877-344-7529 using a passcode of 10154642#.

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, liquefied natural gas facilities, 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 March 31,		Six Months Ended March 31,	
	2021	2020	2021	2020
(In thousands, except per share data)				
			(Unaudited)	
Revenues	\$ 118,716	\$ 151,570	\$ 225,291	\$ 285,720
Cost of goods sold	101,563	121,885	189,867	234,209
Gross profit	17,153	29,685	35,424	51,511
Selling, general and administrative expenses	16,675	18,573	33,549	35,861
Research and development expenses	1,601	1,783	3,274	3,258
Amortization of intangible assets	44	44	88	88
Operating income (loss)	(1,167)	9,285	(1,487)	12,304
Interest expense	51	60	101	127
Interest income	(47)	(330)	(158)	(711)
Income (loss) before income taxes	(1,171)	9,555	(1,430)	12,888
Income tax provision (benefit)	(946)	2,134	(841)	2,692
Net income (loss)	(225)	7,421	(589)	10,196
Earnings (loss) per share:				
Basic	\$ (0.02)	\$ 0.64	\$ (0.05)	\$ 0.88
Diluted	\$ (0.02)	\$ 0.64	\$ (0.05)	\$ 0.87
Weighted average shares:				
Basic	11,707	11,621	11,690	11,617
Diluted	11,707	11,681	11,690	11,673
SELECTED FINANCIAL DATA:				
Depreciation and Amortization	\$ 2,659	\$ 2,644	\$ 5,289	\$ 5,241
Capital Expenditures	\$ 662	\$ 1,080	\$ 1,623	\$ 3,502
Dividends Paid	\$ 3,035	\$ 3,015	\$ 6,063	\$ 6,028

POWELL INDUSTRIES, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)	March 31, 2021	September 30, 2020
	(Unaudited)	
Assets:		
Cash, cash equivalents and short-term investments	\$ 153,945	\$ 178,921
Other current assets	148,843	156,737
Property, plant and equipment, net	113,653	114,372
Long-term assets	24,307	22,248
Total assets	\$ 440,748	\$ 472,278
Liabilities and equity:		
Current liabilities	\$ 120,955	\$ 152,947
Long-term debt, net of current maturities	—	400
Deferred and other long-term liabilities	13,461	12,305
Stockholders' equity	306,332	306,626
Total liabilities and stockholders' equity	\$ 440,748	\$ 472,278
SELECTED FINANCIAL DATA:		
Working capital	\$ 181,833	\$ 182,711

Exhibit 99.2

 **POWELL** *PRESS RELEASE*

FOR IMMEDIATE RELEASE

Contact: Michael Metcalf, CFO

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713-947-4422

Robert Winters or Ryan Coleman
Alpha IR Group
POWL@alpha-ir.com
312-445-2870

POWELL INDUSTRIES DECLARES QUARTERLY CASH DIVIDEND

HOUSTON — May 4, 2021 — 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 June 16, 2021 to shareholders of record at the close of business on May 19, 2021.

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.