
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 6, 2006

(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 Drive
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))
-
-

TABLE OF CONTENTS

[Item 2.02 — Results of Operations and Financial Condition](#)

[Item 9.01 -Exhibits](#)

[SIGNATURES](#)

[Exhibit Index](#)

[Press Release](#)

[Table of Contents](#)

Item 2.02 – Results of Operations and Financial Condition

On December 6, 2006, Powell Industries, Inc. (NASDAQ: POWL) held a conference call to discuss the results of its fiscal 2006 fourth quarter ended September 30, 2006, as reflected in the attached press release dated December 6, 2006 released earlier that day. Such fiscal 2006 fourth quarter consisted of the two months ended September 30, 2006 as a result of the Company's change in fiscal year end from October 31 to September 30. A replay of the Company's audio webcast can be accessed through the "Investor Relations/Events" tab at www.powellind.com. The webcast and the press release contain forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers 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, the Company is subject to certain risk factors, including but not limited to 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. The information in this Current Report is being furnished pursuant to Item 2.02, Results of Operations and Financial Condition. Pursuant to general instruction B.2. of Form 8-K, the information in this Current Report shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement pursuant to the Securities Act of 1933.

Item 9.01 –Exhibits

On December 6, 2006, the Company announced results for its fiscal 2006 fourth quarter (two months) ended September 30, 2006. A copy of the press release announcing the results is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

(c) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated December 6, 2006

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.

Date: December 8, 2006

POWELL INDUSTRIES, INC.

By: /s/ DON R. MADISON

Don R. Madison

Vice President

Chief Financial Officer

(Principal Accounting and Financial Officer)

Exhibit Index

Exhibit Number	Description
99.1	Press Release dated December 6, 2006



FOR IMMEDIATE RELEASE

PRESS RELEASE

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

Ken Dennard / ksdennard@drg-e.com
Karen Roan / kcroan@drg-e.com
DRG&E / 713-529-6600

**POWELL INDUSTRIES ANNOUNCES FISCAL 2006
FOURTH QUARTER AND YEAR-END RESULTS**

Fiscal 2006 consists of a two month fourth quarter and an eleven month full year

HOUSTON — DECEMBER 6, 2006 — Powell Industries, Inc. (NASDAQ: POWL), a leading manufacturer of equipment and systems for the management and control of electrical energy and other critical processes, today announced results for the fiscal 2006 fourth quarter and year ended September 30, 2006. As previously announced, the Company changed its fiscal year-end to September 30 from October 31. Accordingly, the fiscal 2006 fourth quarter consists of only two months, and the full year consists of eleven months.

Revenues for the two-month fourth quarter of fiscal 2006 were \$88.3 million, of which \$30.0 million is attributable to business operations of the Company's July 2005 S&I and August 2006 PowerVac® product line acquisitions, compared to revenues of \$83.1 million for the three-month fourth quarter of fiscal 2005. Fourth quarter revenue growth is due primarily to continued broad-based strength in Powell's Electrical Power Products markets. Net income for the two-month fourth quarter of fiscal 2006 was \$2.8 million, or \$0.25 per diluted share, compared to \$1.8 million, or \$0.17 per diluted share, in the three-month fourth quarter of fiscal 2005.

Thomas W. Powell, chairman and chief executive officer, stated, "We are pleased with the improvement in our fourth quarter and full year results. With the success of recent acquisitions combined with the strength of our backlog, we achieved record revenues in 2006. We are continuing to see strength in all of our major markets, resulting in solid increases in

orders and backlog. Our S&I acquisition completed its first full year in 2006 and continues to meet our expectations. This past August we completed the acquisition of the PowerVac® product line from General Electric and entered into a long-term commercial alliance with GE. Given the strength of our markets combined with the benefits from new acquisitions, we expect the Company to continue its positive trends in growth and operational results.”

The Company’s order backlog as of September 30, 2006 was \$355 million compared to \$259 million in the fourth quarter ended October 31, 2005 and compared to \$287 million at the end of the third quarter of fiscal 2006. New orders placed during the two-month fourth quarter totaled \$156 million, which includes approximately \$49 million in initial orders from GE, compared to \$91 million in the three-month fourth quarter of fiscal 2005 and \$122 million in the three-month third quarter of fiscal 2006.

FOURTH QUARTER SEGMENT DATA

The Electrical Power Products segment recorded revenues of \$82.5 million in the two-month fourth quarter, which include revenues from business operations of the Company’s S&I and PowerVac® product line acquisitions, compared to \$73.8 million in the three-month fourth quarter of fiscal 2005. Income before income taxes for Electrical Power Products totaled \$2.7 million versus \$2.7 million in last year’s fourth quarter.

The Process Control Systems segment recorded revenues for the two-month fourth quarter of \$5.8 million compared to \$9.4 million for the three-month fourth quarter of fiscal 2005. Income before income taxes for Process Control Systems totaled \$849,000 versus \$1.0 million in last year’s fourth quarter.

FULL YEAR RESULTS

Revenues for fiscal 2006, an eleven month year, were a record \$374.5 million, compared to \$256.6 million for fiscal 2005. Revenues attributable to business operations of the Company’s S&I and PowerVac® product line acquisitions were \$70.7 million. Net income for fiscal 2006 was \$9.8 million, or \$0.89 per diluted share, compared to \$2.3 million, or \$0.21 per diluted share, for fiscal 2005.

The Electrical Power Products segment recorded revenues of \$347.9 million for fiscal 2006, which includes revenues from business operations of the Company’s S&I and PowerVac®

product line acquisitions, compared to \$220.1 million in fiscal 2005. Income before income taxes for Electrical Power Products totaled \$13.5 million in fiscal 2006 versus a loss before income taxes of \$438,000 in fiscal 2005.

The Process Control Systems segment recorded revenues for fiscal 2006 of \$26.6 million compared to \$36.5 million for fiscal 2005. Income before income taxes for Process Control Systems totaled \$1.7 million compared to \$3.9 million in fiscal 2005. Revenue and income before income taxes in fiscal 2005 were favorably impacted by \$1.7 million from the settlement of the Company's claim related to the Central Artery/Tunnel projects.

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. Powell Industries now expects full year fiscal 2007 revenues to range between \$475 million and \$500 million and full year fiscal 2007 earnings to range between \$1.20 and \$1.45 per diluted share, including all integration costs for the PowerVac® product line acquisition.

CONFERENCE CALL

Powell Industries has scheduled a conference call for Wednesday, December 6, 2006, at 11:00 a.m. eastern time. To participate in the conference call, dial 303-262-2143 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 13, 2006. To access the replay, dial 303-590-3000 using a passcode of 11077788.

Investors, analysts and the general public will also have the opportunity to listen to the conference call over the Internet by visiting <http://www.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 <http://www.powellind.com>.

Powell Industries, Inc., headquartered in Houston, TX, designs, manufactures and services equipment and systems for the management and control of electrical energy and other critical processes. Powell provides products and services to the transportation, environmental, industrial and utility industries. For more information, please visit www.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 uncertainty 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, including but not limited to 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.

Tables to follow

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

	Two Months Ended Sept 30, 2006	Three Months Ended October 31, 2005	Eleven Months Ended Sept 30, 2006	Twelve Months Ended October 31, 2005
(In thousands, except per share data)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	\$ 88,282	\$ 83,127	\$ 374,547	\$ 256,645
Cost of goods sold	<u>71,652</u>	<u>67,229</u>	<u>303,304</u>	<u>212,785</u>
Gross profit	16,630	15,898	71,243	43,860
Selling, general and administrative expenses	12,805	13,085	55,345	41,846
Gain on sale of land and building	<u>—</u>	<u>(1,052)</u>	<u>—</u>	<u>(1,052)</u>
Income before interest, income taxes and minority interest	3,825	3,865	15,898	3,066
Interest expense	488	375	1,625	721
Interest income	<u>(191)</u>	<u>(224)</u>	<u>(927)</u>	<u>(1,107)</u>
Income before income taxes and minority interest	3,528	3,714	15,200	3,452
Income tax provision	728	1,818	5,383	1,138
Minority interest in net income (loss)	<u>(25)</u>	<u>56</u>	<u>(3)</u>	<u>63</u>
Net income	<u>\$ 2,825</u>	<u>\$ 1,840</u>	<u>\$ 9,820</u>	<u>\$ 2,251</u>
Net earnings per common share:				
Basic	<u>\$ 0.26</u>	<u>\$ 0.17</u>	<u>\$ 0.90</u>	<u>\$ 0.21</u>
Diluted	<u>\$ 0.25</u>	<u>\$ 0.17</u>	<u>\$ 0.89</u>	<u>\$ 0.21</u>
Weighted average shares:				
Basic	<u>10,907</u>	<u>10,844</u>	<u>10,876</u>	<u>10,779</u>
Diluted	<u>11,102</u>	<u>11,065</u>	<u>11,089</u>	<u>10,928</u>
SELECTED FINANCIAL DATA:				
Depreciation and amortization	<u>\$ 1,592</u>	<u>\$ 2,022</u>	<u>\$ 6,498</u>	<u>\$ 5,266</u>
Capital expenditures	<u>\$ 3,632</u>	<u>\$ 2,882</u>	<u>\$ 8,435</u>	<u>\$ 6,108</u>

POWELL INDUSTRIES, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2006 (Unaudited)	October 31, 2005
(In thousands)		
Assets:		
Current assets	\$ 192,946	\$ 162,177
Property, plant and equipment (net)	60,336	55,678
Other assets	38,842	8,804
Total assets	<u>\$ 292,124</u>	<u>\$ 226,659</u>
Liabilities & stockholders' equity:		
Current liabilities	\$ 96,227	\$ 58,739
Long-term debt and capital lease obligations, net of current maturities	33,886	19,436
Deferred and other long-term liabilities	2,971	3,789
Stockholders' equity and minority interest	159,040	144,695
Total liabilities and stockholders' equity	<u>\$ 292,124</u>	<u>\$ 226,659</u>

POWELL INDUSTRIES, INC. & SUBSIDIARIES
BUSINESS SEGMENTS

(In thousands)	Two Months Ended Sept 30, 2006	Three Months Ended October 31, 2005	Eleven Months Ended Sept 30, 2006	Twelve Months Ended October 31, 2005
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues:				
Electrical Power Products	\$ 82,515	\$ 73,761	\$ 347,928	\$ 220,123
Process Control Systems	5,767	9,366	26,619	36,522
Total revenues	\$ 88,282	\$ 83,127	\$ 374,547	\$ 256,645
Income before income taxes:				
Electrical Power Products	\$ 2,679	\$ 2,702	\$ 13,458	\$ (438)
Process Control Systems	849	1,012	1,742	3,890
Total income before income taxes	\$ 3,528	\$ 3,714	\$ 15,200	\$ 3,452
			September 30, 2006	October 31, 2005
			(Unaudited)	(Unaudited)
Backlog:				
Electrical Power Products			\$ 324,688	\$ 212,884
Process Control Systems			30,440	46,129
Total backlog			\$ 355,128	\$ 259,013

###