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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 8, 2010

(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))
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**Item 2.02 — Results of Operations and Financial Condition**

On December 8, 2010, Powell Industries, Inc. (NASDAQ: POWL) issued a press release regarding the Company's results of operations for its fiscal 2010 fourth quarter ended September 30, 2010. 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.

<b>Exhibit Number</b>	<b>Description</b>
99.1	Press Release dated December 8, 2010

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**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 8, 2010

By: /s/ DON R. MADISON

Don R. Madison

Executive Vice President Chief Financial and  
Administrative Officer (Principal Accounting and  
Financial Officer)



## *PRESS RELEASE*

**FOR IMMEDIATE RELEASE**

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### **POWELL INDUSTRIES ANNOUNCES FISCAL 2010 FOURTH QUARTER AND YEAR-END RESULTS**

*Excluding non-cash charges, Company reports fiscal 2010 diluted EPS of \$2.93*

HOUSTON — DECEMBER 8, 2010 — 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 2010 fourth quarter and year ended September 30, 2010.

Revenues for the fourth quarter of fiscal 2010 were \$133.8 million compared to revenues of \$165.3 million for the fourth quarter of fiscal 2009. The Company recorded a net loss for the fourth quarter of \$(4.8) million, or \$(0.41) per share, compared to net income of \$9.9 million, or \$0.85 per diluted share, in the fourth quarter of fiscal 2009. Excluding certain non-cash charges, net income for the fourth quarter was \$4.5 million, or \$0.38 per diluted share, as set forth in the Non-GAAP Earnings Reconciliation table included below.

Patrick L. McDonald, President and Chief Executive Officer, stated, “Our fourth quarter results excluding certain non-cash charges were slightly below our expectations. Importantly, our fourth quarter order rate has continued at the pace of recent quarters, and we believe this indicates a stabilization of the market and expect modest improvement in orders in upcoming quarters.

“The Canadian business should demonstrate the growth we expected based on a tenfold increase in the backlog of equipment orders since we acquired the business nine months ago. This trend continues as the businesses are integrated and as we gain exposure of each of our product lines in the Canadian markets.

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“Late in the fourth quarter, we made a strategic decision to exit the Kazakhstan joint-venture associated with the Canadian acquisition. Contributing to our conclusion was the decision of the joint-venture’s single largest customer to exit the Kazakhstan market, and we do not believe the potential long-term results of this business warrant the financial and management commitment that would be required. We determined it is in the best interest of the Company to exit the joint-venture and have begun reviewing our alternatives.

“We acquired PowerComm for the strategic purpose of entering the Canadian market and growing our service business. We intend to be a long-term participant as a Canadian company in that market and remain confident in the future prospects,” concluded McDonald.

#### **FISCAL FOURTH QUARTER 2010 RESULTS**

Fourth quarter revenues decreased to \$133.8 million from \$165.3 million in the fourth quarter of fiscal 2009 as a result of lower demand and reduced service related activities. Net loss for the fourth quarter was \$(4.8) million, or \$(0.41) per share. Excluding certain non-cash charges, net income for the fourth quarter was \$4.5 million, or \$0.38 per diluted share, compared to \$9.9 million, or \$0.85 per diluted share, a year ago.

The primary drivers of this year’s fourth quarter decrease in net income were reduced business volumes, which are more closely aligned with current orders and backlog. Other contributing factors were transition costs related to the Canadian acquisition and an operating loss in Canada. The Company recorded a goodwill impairment charge of \$7.5 million, or \$0.46 per share, primarily related to the Company’s decision to exit the joint-venture in Kazakhstan. Additionally, the Company recorded a foreign deferred tax asset valuation allowance of \$3.9 million, or \$0.33 per share, related to the goodwill impairment charge and a first year operating loss at Powell Canada. This valuation allowance will be adjusted to offset income tax provisions on future foreign profits.

New orders placed during the fourth quarter of fiscal 2010 totaled \$106 million compared to \$136 million in the third quarter of fiscal 2010 and to \$100 million in the fourth quarter of fiscal 2009. The Company’s backlog as of September 30, 2010 was \$282 million compared to \$310 million at June 30, 2010 and to \$366 million at September 30, 2009.

#### **FISCAL 2010 RESULTS**

Revenues for fiscal 2010 were \$550.7 million compared to \$665.9 million in fiscal 2009. Net income was \$25.0 million, or \$2.14 per diluted share, compared to \$39.7 million, or \$3.43 per diluted share, in fiscal 2009. Excluding the previously mentioned non-cash items, fiscal 2010 net income was \$34.3 million, or \$2.93 per diluted share, compared to \$39.7 million, or \$3.43 per diluted share in fiscal 2009.

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## 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 expects full year fiscal 2011 revenues to range between \$475 million and \$525 million and full year fiscal 2011 earnings to range between \$1.25 and \$1.75 per diluted share.

## CONFERENCE CALL

Powell Industries has scheduled a conference call for Wednesday, December 8, 2010 at 11:00 a.m. eastern time. To participate in the conference call, dial 480-629-9643 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 15, 2010. To access the replay, dial 303-590-3030 using a passcode of 4386408#.

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, designs, manufactures and packages systems and equipment for the control, distribution and management of electrical energy and other dynamic processes. Powell provides products and services to 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 [www.powellind.com](http://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 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.*

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**POWELL INDUSTRIES, INC. & SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended September 30,		Years Ended September 30,	
	2010	2009	2010	2009
(In thousands, except per share data)	(Unaudited)		(Unaudited)	
Revenues	\$ 133,761	\$ 165,321	\$ 550,692	\$ 665,851
Cost of goods sold	<u>104,298</u>	<u>129,725</u>	<u>408,635</u>	<u>520,802</u>
Gross profit	29,463	35,596	142,057	145,049
Selling, general and administrative expenses	21,635	20,291	84,457	79,954
Amortization expense	1,285	861	4,477	3,460
Loss on impairment of goodwill	<u>7,452</u>	<u>—</u>	<u>7,452</u>	<u>—</u>
Operating income (loss)	(909)	14,444	45,671	61,635
Interest expense	232	177	870	1,107
Interest income	<u>(54)</u>	<u>(38)</u>	<u>(260)</u>	<u>(131)</u>
Income (loss) before income taxes	(1,087)	14,305	45,061	60,659
Income tax provision	<u>3,695</u>	<u>4,463</u>	<u>19,894</u>	<u>20,734</u>
Net income (loss)	(4,782)	9,842	25,167	39,925
Net (income) loss attributable to noncontrolling interest.	<u>—</u>	<u>32</u>	<u>(159)</u>	<u>(208)</u>
Net income (loss) attributable to Powell Industries, Inc.	<u>\$ (4,782)</u>	<u>\$ 9,874</u>	<u>\$ 25,008</u>	<u>\$ 39,717</u>
Earnings per share attributable to Powell Industries, Inc.				
Basic	<u>\$ (0.41)</u>	<u>\$ 0.86</u>	<u>\$ 2.17</u>	<u>\$ 3.48</u>
Diluted	<u>\$ (0.41)</u>	<u>\$ 0.85</u>	<u>\$ 2.14</u>	<u>\$ 3.43</u>
Weighted average shares:				
Basic	<u>11,626</u>	<u>11,448</u>	<u>11,545</u>	<u>11,424</u>
Diluted	<u>11,728</u>	<u>11,625</u>	<u>11,693</u>	<u>11,591</u>
SELECTED FINANCIAL DATA:				
Depreciation and amortization	<u>\$ 3,706</u>	<u>\$ 2,758</u>	<u>\$ 13,703</u>	<u>\$ 10,962</u>
Capital expenditures	<u>\$ 959</u>	<u>\$ 1,669</u>	<u>\$ 4,420</u>	<u>\$ 8,081</u>

**POWELL INDUSTRIES, INC. & SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

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(In thousands)	<u>September 30, 2010</u> (Unaudited)	<u>September 30, 2009</u>
<b>Assets:</b>		
Current assets	\$ 302,191	\$ 315,003
Property, plant and equipment (net)	63,676	61,036
Other assets	<u>34,845</u>	<u>28,801</u>
Total assets	<u>\$ 400,712</u>	<u>\$ 404,840</u>
<b>Liabilities &amp; stockholders' equity:</b>		
Current liabilities	\$ 114,746	\$ 149,142
Long-term debt and capital lease obligations, net of current maturities	5,202	4,800
Deferred and other long-term liabilities	3,461	3,681
Stockholders' equity and noncontrolling interest	<u>277,303</u>	<u>247,217</u>
Total liabilities and stockholders' equity	<u>\$ 400,712</u>	<u>\$ 404,840</u>

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**POWELL INDUSTRIES, INC. & SUBSIDIARIES**

**BUSINESS SEGMENTS**

	Three Months Ended September 30,		Years Ended September 30,	
	2010	2009	2010	2009
(In thousands)	(Unaudited)		(Unaudited)	
<b>Revenues:</b>				
Electrical Power Products	\$ 127,402	\$ 159,567	\$ 524,236	\$ 637,845
Process Control Systems	6,359	5,754	26,456	28,006
Total revenues	<u>\$ 133,761</u>	<u>\$ 165,321</u>	<u>\$ 550,692</u>	<u>\$ 665,851</u>
<b>Income before income taxes and minority interest:</b>				
Electrical Power Products	\$ (1,331)	\$ 13,707	\$ 44,557	\$ 56,700
Process Control Systems	244	598	504	3,959
Total income before income taxes and minority interest	<u>\$ (1,087)</u>	<u>\$ 14,305</u>	<u>\$ 45,061</u>	<u>\$ 60,659</u>
	(In thousands)		September 30, 2010	September 30, 2009
			(Unaudited)	
<b>Identifiable tangible assets:</b>				
Electrical Power Products			\$ 230,111	\$ 258,012
Process Control Systems			9,617	6,863
Corporate			133,635	117,398
Total identifiable tangible assets			<u>\$ 373,363</u>	<u>\$ 382,273</u>
<b>Backlog:</b>				
Electrical Power Products			\$ 245,433	\$ 329,558
Process Control Systems			36,870	36,198
Total backlog			<u>\$ 282,303</u>	<u>\$ 365,756</u>

**POWELL INDUSTRIES, INC. & SUBSIDIARIES**

**NON-GAAP EARNINGS RECONCILIATION**

(In thousands)	Three Months Ended September 30,		Years Ended September 30,	
	2010	2009	2010	2009
	(Unaudited)		(Unaudited)	
<b>Net Income:</b>				
Net income (loss) attributable to Powell Industries, Inc.	\$ (4,782)	\$ 9,874	\$ 25,008	\$ 39,717
Goodwill impairment, net of taxes	5,365	-0-	5,365	-0-
Deferred tax asset valuation allowance	3,892	-0-	3,892	-0-
Non-GAAP net income	<u>\$ 4,475</u>	<u>\$ 9,874</u>	<u>\$ 34,265</u>	<u>\$ 39,717</u>
Diluted shares outstanding	11,728	11,625	11,693	11,591
<b>Diluted Earnings Per Share:</b>				
Earnings per share	\$ (0.41)	\$ 0.85	\$ 2.14	\$ 3.43
Non-GAAP earnings per share	\$ 0.38	\$ 0.85	\$ 2.93	\$ 3.43

*The Company defines Non-GAAP net income as net income (loss) before goodwill impairment and deferred tax valuation allowance. Non-GAAP net income is presented to exclude the impact of the goodwill impairment and valuation allowance related to the tax benefit from net operating loss. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. The Company believes this non-GAAP financial measure is helpful, however, 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.*

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