

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1998

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 1-13783

INTEGRATED ELECTRICAL SERVICES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(State of other jurisdiction of
incorporation or organization)

76-0542208
(I.R.S. Employer
Identification No.)

515 POST OAK BOULEVARD
SUITE 450
HOUSTON, TEXAS
(Address of principal executive offices)

77027
(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (713) 860-1500

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Title of each class -----	Name of each exchange on which registered -----
Common Stock, par value \$.01 per share	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: NONE

Indicate by check mark 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 _____

Indicate by checkmark if disclosure of delinquent filings pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. _____

As of December 16, 1998, there were outstanding 28,879,089 shares of common stock of the Registrant. The aggregate market value on such date of the voting stock of the Registrant held by non-affiliates was an estimated \$483.3 million.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) Financial Statements and Supplementary Data, Financial Statement Schedules and Exhibits.

1. Consolidated Financial Statements.

See Index to Financial Statements under Item 8 of this report.

2. Consolidated Financial Statement Schedules

All consolidated financial statement schedules have been omitted because they are not required, are not applicable or the information required has been included elsewhere herein.

3. Exhibits and Financial Statement Schedules (except as otherwise designated below, all exhibits have been previously filed).

(b) Reports on Form 8-K.

A report on Form 8-K was filed on July 14, 1998 in connection with the acquisition of three businesses on June 30, 1998. The financial statements of the businesses acquired were incorporated by reference from Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-1 (No. 333-50031) in an amendment to Form 8-K filed by amendment on September 14, 1998.

A report on Form 8-K was filed on September 14, 1998 in connection with the acquisition of a business. The financial statements of the business acquired were incorporated by reference from Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-1 (No. 333-50031).

(c) Exhibits.

3.1 Amended and Restated Certificate of Incorporation as amended. (Incorporated by reference to 3.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)

3.2 Bylaws, as amended.

4.1 Specimen Common Stock Certificate. (Incorporated by reference to 4.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)

10.1 Form of Employment Agreement (Incorporated by reference to 10.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)

10.2 Form of Officer and Director Indemnification Agreement. (Incorporated by reference to 10.2 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)

- 10.3 Integrated Electrical Services, Inc. 1997 Stock Plan. (Incorporated by reference to 10.3 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
- 10.4 Integrated Electrical Services, Inc. 1997 Directors Stock Plan. (Incorporated by reference to 10.4 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
- 10.5 Credit Agreement dated July 30, 1998, among the Company, the Financial Institutions named therein and NationsBank of Texas, N.A., including Guaranty, Pledge Agreement, Security Agreement, form of promissory note, and form of swing line note. (Incorporated by reference to 10.5 to Post-Effective Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-50031) of the Company)
- *10.6 Amendment No. 1 dated September 30, 1998, to the Credit Agreement dated July 30, 1998, among the Company, the Financial Institutions named therein and NationsBank of Texas, N.A.
- 10.7 Form of Lock-up Agreement entered into by the Company and the stockholders set forth on Schedule A thereto. (Incorporated by reference to 10.6 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
- 21.1 List of Subsidiaries.
- 23.1 Consent of Arthur Andersen LLP.
- 27 Financial Data Schedule
- 99.1 Integrated Electrical Services, Inc. 401(k) Retirement Savings Plan

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) 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 on January 22, 1999.

INTEGRATED ELECTRICAL SERVICES, INC.

By: /s/ John F. Wombwell

John F. Wombwell
Senior Vice President, General
Counsel and Secretary

EXHIBIT INDEX

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation as amended. (Incorporated by reference to 3.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
3.2	Bylaws, as amended.
4.1	Specimen Common Stock Certificate. (Incorporated by reference to 4.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
10.1	Form of Employment Agreement (Incorporated by reference to 10.1 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
10.2	Form of Officer and Director Indemnification Agreement. (Incorporated by reference to 10.2 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
10.3	Integrated Electrical Services, Inc. 1997 Stock Plan. (Incorporated by reference to 10.3 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
10.4	Integrated Electrical Services, Inc. 1997 Directors Stock Plan. (Incorporated by reference to 10.4 to the Registration Statement on Form S-1 (File No. 333-38715) of the Company)
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21.1	List of Subsidiaries.
23.1	Consent of Arthur Andersen LLP.
27	Financial Data Schedule
99.1	Integrated Electrical Services, Inc. 401(k) Retirement Savings Plan

* Filed herewith.

AMENDMENT NO. 1

This Amendment No. 1 dated as of September 30, 1998 (this "Agreement"), is among Integrated Electrical Services, Inc., a Delaware corporation (the "Borrower"), the undersigned financial institutions parties to the Credit Agreement referred to below (the "Banks"), and NationsBank, N.A., as agent (the "Agent") for the financial institutions that are parties to the Credit Agreement.

INTRODUCTION

Reference is made to the Credit Agreement dated as of July 30, 1998 (as modified, the "Credit Agreement"), among the Borrower, the Banks, and the Agent, the defined terms of which are used herein unless otherwise defined herein. The Borrower, the Banks, and the Agent have agreed to increase the amount of the aggregate consideration which the Restricted Entities may pay in connection with any Acquisition without obtaining the prior consent of the Majority Banks and to make other amendments to the Credit Agreement as set forth herein in connection therewith.

THEREFORE, in connection with the foregoing and for other good and valuable consideration, the Borrower, the Banks, and the Agent hereby agree as follows:

Section 1. Amendment.

1.1 Section 5.9(ii)(B) of the Credit Agreement is amended by replacing such Section in its entirety with the following:

(B) the aggregate of all consideration (other than common stock of the Borrower) paid by the Restricted Entities in connection with any Acquisition does not exceed \$30,000,000 without the prior consent of the Majority Banks,

1.2 Section 5.9(ii)(C) of the Credit Agreement is amended by replacing such Section in its entirety with the following:

[intentionally deleted]

Section 2. Representations and Warranties. The Borrower represents and warrants that (a) the execution, delivery, and performance of this Agreement are within the corporate power and authority of the Borrower and have been duly authorized by appropriate proceedings, (b) this Agreement constitutes legal, valid, and binding obligations of the Borrower enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the rights of creditors generally and general principles of equity, and (c) upon the effectiveness of this Agreement and the amendment of the Credit

Documents as provided for herein, the representations and warranties contained in each Credit Document are true and correct in all material respects, no Event of Default exists under the Credit Documents, and there shall have occurred no event which with notice or lapse of time would become an Event of Default under the Credit Documents.

Section 3. Effect on Credit Documents. As amended herein, the Credit Documents remain in full force and effect. Except as specifically set forth herein, nothing herein shall act as a waiver of any of the Agent's or the Banks' rights under the Credit Documents as amended, including the waiver of any default or event of default, however denominated. The Borrower must continue to comply with the terms of the Credit Documents, as amended. This Agreement is a Credit Document for the purposes of the provisions of the other Credit Documents. Without limiting the foregoing, any breach of representations, warranties, and covenants under this Agreement may be a default or event of default under other Credit Documents.

Section 4. Effectiveness. This Agreement shall be effective as of the date hereof when the Agent shall have received duly executed counterparts hereof signed by the Borrower, the Agent, and the Majority Banks.

Section 5. Miscellaneous. The miscellaneous provisions of the Credit Agreement apply to this Agreement. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas. This Agreement may be signed in any number of counterparts, each of which shall be an original, and may be executed and delivered by telecopier.

THIS WRITTEN AGREEMENT AND THE CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

EXECUTED as of the date first above written.

BORROWER:

INTEGRATED ELECTRICAL SERVICES, INC.

By: /s/ JIM P. WISE

Jim P. Wise
Senior Vice President and
Chief Financial Officer

AGENT:

NATIONSBANK, N.A., as Agent

By: /s/ ALBERT L. WELCH

Albert L. Welch
Vice President

BANKS:

NATIONSBANK, N.A.

By: /s/ ALBERT L. WELCH

Albert L. Welch
Vice President

BANK OF SCOTLAND

By: /s/ JANET TAFFE

Janet Taffe
Assistant Vice President

COMERICA BANK - TEXAS

By: /s/ BART BEARDEN

Bart Bearden
Vice President

NATIONAL CITY BANK OF KENTUCKY

By: /s/ TOM GURBACH

Tom Gurbach
Vice President

PARIBAS

By: /s/ LARRY ROBINSON

Larry Robinson
Vice President

By: /s/ ROSINE K. MATTHEWS

Rosine K. Matthews
Vice President

THE BANK OF NOVA SCOTIA

By: /s/ E. C. W. ASHBY

E. C. W. Ashby
_____ Managaer Loan Operations

CENTURA BANK

By: /s/ LOWRY D. PERRY

Lowry D. Perry
Bank Officer

CREDIT LYONNAIS NEW YORK BRANCH

By: /s/ PASCAL POUPELLE

Pascal Poupelle
Executive Vice President

FIRST AMERICAN NATIONAL BANK

By: /s/ SETH BUTLER

Seth Butler
Corporate Bank Officer

SUN TRUST BANK

By: /s/ JOHN A. FIELDS, JR.

John A. Fields, Jr.
First Vice President

By: /s/ STEVEN J. NEWBY

Steven J. Newby
Corporate Banking Officer