SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): December 15, 2011

Integrated Electrical Services, Inc.

(Exact name of registrant as specified in Charter)

Delaware	**001-13783**	**76-0542208**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

4801 Woodway Drive, Suite 200-E
Houston, Texas 77056
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(713) 860-1500**

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 (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))

[ ] Pre-Commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Item 1.01. Entry into a Material Definitive Agreement.

Effective December 15, 2011, Integrated Electrical Services, Inc., a Delaware corporation (the "Company" or "we"), and its subsidiaries and Bank of America, N.A. ("Bank of America") and Wells Fargo Capital Finance, LLC ("Wells Fargo Capital") entered into an amendment (the "Amendment") to that certain Loan and Security Agreement, dated as of May 12, 2006 (as amended, the "Agreement"), between the Company and its subsidiaries and Bank of America, Wells Fargo and The Cit Group/Business Credit, Inc.

Pursuant to the Amendment, the size of the revolving credit facility was reduced from $60.0 million to $40.0 million and the maturity date of the Agreement was extended from May 12, 2012 to November 12, 2012. In connection with the Amendment, we were required to cash collateralize all of our letters of credit issued by the banks. The cash collateral is added to the borrowing base calculation at 100% throughout the term of the Agreement.

Under the Agreement, we continue to be required to maintain a fixed charge coverage ratio of not less than 1.0:1.0 at any time that our aggregate amount of unrestricted cash on hand plus availability is less than $25.0 million and, thereafter, until such time as our aggregate amount of unrestricted cash on hand plus availability has been at least $25.0 million for a period of 60 consecutive days. Pursuant to the Amendment, if there are any loans outstanding on or after the April 30, 2012, the Company's EBITDA for the period from October 2011 through March 2012, may not exceed negative $2.5 million, and we will be required to have a cumulative fixed charge coverage ratio of at least 1.0:1.0 at all times beginning April 1, 2012 to maintain any borrowings under the Agreement. The measurement period for this additional test for borrowings begins with the monthly operating results for April 2012 and adds the monthly operating results for each month thereafter to determine the cumulative test during such time as revolving loans are outstanding. Failure to meet this performance test will result in an immediate event of default under the Agreement. The Amendment also calls for cost of borrowings of 4.0% over LIBOR per annum. Cost for letters of credit are the same as borrowings and also include a 25 basis point "fronting fee." All other terms and conditions remain unchanged.

While we did not incur termination charges in connection with the Amendment, we did incur an amendment fee of $60,000 which, together with unamortized balance of the prior amendment is being amortized using the straight line method through November 12, 2012.

The Amendment is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Amendment.

Item 2.02. Results of Operations and Financial Condition.

On December 19, 2011, the Company issued a press release announcing its results of operations for the fiscal 2011 fourth quarter, a copy of which is furnished with this report as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Amendment, dated December 15, 2011, to Loan and Security Agreement, dated May 12, 2006, by and among the Company and its subsidiaries, Bank of America, N.A. and the lenders party thereto.
99.1	Press release dated December 19, 2011.

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.

INTEGRATED ELECTRICAL SERVICES, INC.

Date: December 20, 2011

/s/ William L. Fiedler
William L. Fiedler
Senior Vice President and General Counsel

EXHIBIT INDEX

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99.1	Press release dated December 19, 2011.

AMENDMENT TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "Amendment") is made and entered into on December 15, 2011, by and among **BANK OF AMERICA, N.A.**, a national banking association ("BA"), in its capacity as collateral and administrative agent for the Lenders under the Loan Agreement (as hereinafter defined) (BA, in such capacity, the "Agent"), BA, as Lender under the Loan Agreement (BA, together with the various financial institutions listed on the signature pages hereof, in such capacity, the "Lenders"), the Lenders, **INTEGRATED ELECTRICAL SERVICES, INC.**, a Delaware corporation ("Parent"), each of the Subsidiaries of Parent listed on Annex I attached hereto (Parent and such Subsidiaries of Parent being herein referred to collectively as the "Borrowers"), and the Subsidiaries of Parent listed on Annex II attached hereto (such Subsidiaries being referred to herein as the "Guarantors", and Borrowers and Guarantors being referred to herein as the "Credit Parties").

RECITALS

A. Agent, Lenders and Credit Parties have entered into that certain Loan and Security Agreement, dated as of May 12, 2006 (as amended to date and as it may be further amended, restated, extended, supplemented or otherwise modified from time to time, the "Loan Agreement").

B. Credit Parties, Agent and Lenders desire to amend the Loan Agreement as hereinafter set forth, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

AGREEMENT

ARTICLE I
Definitions

1.01 Capitalized terms used in this Amendment are defined in the Loan Agreement, as amended hereby, unless otherwise stated.

ARTICLE II
Amendments

Effective as of the Effective Date (as defined below), the Loan Agreement is hereby amended as follows:

2.01 Amendment to Section 1.1.1. Section 1.1 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

> "1.1.1 Revolver Loans. Each Lender agrees, severally and not jointly with the other Lenders, upon the terms and subject to the conditions set forth herein, to make Revolver Loans to Borrowers on any Business Day during the period from the date hereof through the Business Day before the last day of the Extended Period, not to exceed in aggregate principal amount outstanding at any time such Lender's Commitment at such time, which Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; provided, however, that Lenders shall have no obligation to Borrowers whatsoever to make any Revolver Loan on or after the Commitment Termination Date or if at the time of the proposed funding thereof the aggregate principal amount of all of the Revolver Loans and Pending Revolver Loans then outstanding exceeds, or would exceed after the funding of such Revolver Loan, the Borrowing Base; provided, further, that it shall be a condition precedent to the Lenders' obligation to make any Revolver Loan during the Extended Period, that Borrowers shall deliver to Agent at the times set forth below a Compliance Certificate demonstrating compliance with the financial covenants set forth in **Section 9.3.8**. The compliance certificates required in the immediately preceding sentence shall be delivered on the 22nd day after the end of the relevant period set forth in **Section 9.3.8**. Each Borrowing of Revolver Loans shall be funded by Lenders on a Pro Rata basis in accordance with their respective Commitments (except for Bank with respect to Settlement Loans). The Revolver Loans shall bear interest as set forth in **Section 2.1** hereof. Each Revolver Loan shall, at the option of Borrowers, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of Base Rate Loans or LIBOR Loans."

2.02 **Amendment to Section 1.2.7**. Section 1.2.7 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"1.2.7 Cash Collateral Account. If any LC Outstandings, whether or not then due or payable, shall for any reason be outstanding at any time, then Borrowers shall forthwith deposit with Agent, in cash, an amount equal to 100% of the aggregate amount of LC Outstandings. Borrowers' failure to make any such deposit on the first Business Day following the date on which such LC Outstandings arise shall constitute an immediate Event of Default. Such cash (together with any interest accrued thereon) shall be held by Agent in the Cash Collateral Account and may be invested, in Agent's discretion, in Cash Equivalents. Each Borrower hereby pledges to Agent and grants to Agent a security interest in, for the benefit of Agent in such capacity and for the Pro Rata benefit of Lenders, all Cash Collateral held in the Cash Collateral Account from time to time and all proceeds thereof, as security for the payment of all Obligations, whether or not then due or payable. At any time when (i) there has not occurred and is continuing an Event of Default and (ii) Cash Collateral in the Cash Collateral Account exceeds the LC Outstandings, Agent shall, within one (1) Business Day of the written request from Borrower, release such excess Cash Collateral form the liens granted in this Section 1.2.7 and return such excess Cash Collateral to the Borrower. From time to time after cash is deposited in the Cash Collateral Account, Agent may, after the occurrence and during the continuance of an Event of Default, apply Cash Collateral then held in the Cash Collateral Account to the payment of any amounts, in such order as Agent may elect, as shall be or shall become due and payable by Borrowers to Agent or any Lender with respect to the LC Outstandings that may be then outstanding. Neither any Borrower nor any other Person claiming by, through or under or on behalf of any Borrower shall have any right to withdraw any of the Cash Collateral held in the Cash Collateral Account, including any accrued interest, provided that upon termination or expiration of all Letters of Credit and the payment and satisfaction of all of the LC Outstandings, any Cash Collateral remaining in the Cash Collateral Account shall be returned to Borrowers unless an Event of Default then exists (in which event Agent may apply such Cash Collateral to the payment of any other Obligations outstanding, with any surplus to be turned over to Borrowers)."

2.03 **Amendment to Section 5.1**. Section 5.1 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"5.1 **Term of Commitments**. Subject to each Lender's right to cease making Loans and other extensions of credit to Borrowers when any Default or Event of Default exists or upon termination of the Commitments as provided in **Section 5.2** hereof, the Commitments shall be in effect through the close of business on November 12, 2012 (the "Termination Date")."

2.04 **Amendment to Section 5.2.1**. Section 5.2.1 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"5.2.1 Termination by Agent. The Commitments shall automatically terminate as of the Termination Date, unless extended in writing by Agent and all Lenders. In addition, Agent may (and upon the direction of the Required Lenders, shall) terminate the Commitments without notice upon or after the occurrence and during the continuation of an Event of Default; provided, however, that the Commitments shall automatically terminate as provided in **Section 11.2** hereof."

2.05 **Amendment to Section 5.2.3**. Section 5.2.3 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"5.2.3 [INTENTIONALLY OMITTED]".

2.06 **Amendment to Section 9.2.7**. Section 9.2.7 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"9.2.7 Distributions. Declare or make any Distributions on or after the December Amendment Date."

2.07 **Amendment to Section 9.2.20**. Section 9.2.20 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"9.2.20 Payments on Subordinated Debt. Make any payment of principal, interest or premiums on any Subordinated Debt on or after the December Amendment Date; provided, however, that the Credit Parties may make scheduled payments of interest on the Tontine Subordinated Debt so long as no Default or Event of Default has occurred and is continuing."

2.08 **Amendment to Section 9.3.8**. Section 9.3.8 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"9.3.8 Extended Period Financial Covenants. During the Extended Period, if there are any Loans then outstanding, maintain (a) a Consolidated EBITDA of more than negative $2,500,000 for the period beginning October 1, 2011, and ending March 31, 2012, and (b) a Fixed Charge Coverage Ratio, on a Consolidated basis, of not less than 1.00:1.00 (i) for the fiscal month ending April 30, 2012, with respect to the one-month period then ending, (ii) for the fiscal month ending May 31, 2012, with respect to the two-month period then ending, (iii) for the fiscal month ending June 30, 2012, with respect to the three-month period then ending, (iv) for the fiscal month ending July 31, 2012, with respect to the four-month period then ending, (v) for the fiscal month ending August 31, 2012, with respect to the five-month period then ending, (vi) for the fiscal month ending September 30, 2012, with respect to the six-month period then ending, and (vii) for the fiscal month ending October 31, 2012, with respect to the seven-month period then ending."

2.09 Amendment to Section 11.1.3. Section 11.1.3 of the Loan Agreement is hereby amended and restated in its entirety to provide as follows:

"11.1.3 Breach of Specific Covenants. Any Credit Party or any other Obligor shall fail or neglect to perform, keep or observe any covenant contained in ***Sections 1.2.7, 6.5, 7.1.1, 7.2.4, 7.2.5, 7.2.6, 7.5, 9.1.1, 9.1.3, 9.2*** *or* ***9.3*** hereof on the date that such Credit Party or any other Obligor is required to perform, keep or observe such covenant."

2.10 Amendment to Appendix A - Amended Definitions. Effective as of the date hereof, Appendix A of the Loan Agreement is hereby amended by amending and restating the following definitions in their respective entireties:

"Applicable Margin – from the December Amendment Date going forward, the Applicable Margin for LIBOR Loans shall be equal to 4.00% and the Applicable Margin for Base Rate Loans shall be equal to 2.00%."

"Availability Reserve – on any date of determination thereof, an amount equal to the sum of the following (without duplication): (i) a reserve for general inventory shrinkage, whether as a result of theft or otherwise, that is determined by Agent from time to time in its reasonable credit judgment based upon Borrower's historical losses due to such shrinkage; (ii) all amounts of past due rent, fees or other charges owing at such time by any Obligor to any landlord of any premises where any of the Collateral is located or to any processor, repairman, mechanic or other Person who is in possession of any Collateral or has asserted any Lien or claim thereto; (iii) an amount equal to three months rent as to any location where any tangible Collateral (in excess of $50,000 for each such location), any Eligible Collateral other than motor vehicles (without regard to amount), and/or any books and records is located if Agent does not have in its possession a duly executed Landlord's Waiver in form and substance satisfactory to Agent; (iv) any amounts which any Obligor is obligated to pay pursuant to the provisions of any of the Loan Documents that Agent or any Lender elects to pay for the account of such Obligor in accordance with authority contained in any of the Loan Documents; (v) aggregate amount of Bank Product Reserves; (vi) all customer deposits or other prepayments held by a Borrower; (vii) a general reserve of $5,000,000; (viii) a reserve for sales taxes; and (ix) such additional reserves as Agent in its sole and absolute discretion may elect to impose from time to time."

"Commitment – at any date for any Lender, the obligation of such Lender to make Revolver Loans and to purchase participations in LC Outstandings pursuant to the terms and conditions of the Agreement, which shall not exceed the principal amount set forth opposite such Lender's name under the heading "Commitment" on the signature pages of the Agreement or the signature page of the Assignment and Acceptance by which it became a Lender, as modified from time to time pursuant to the terms of the Agreement or to give effect to any applicable Assignment and Acceptance; and "Commitments" means the aggregate principal amount of the Commitments of all Lenders, the maximum amount of which shall be $40,000,000."

"Commitment Termination Date – the date that is the earliest to occur of (i) the Termination Date, unless extended in writing by Agent and Lenders; (ii) the date on which either a Borrower or Agent terminates the Commitments pursuant to Section 5.2 of the Agreement; or (iii) the date on which the Commitments are automatically terminated pursuant to Section 11.2 of the Agreement."

"Original Term – the period beginning on the Closing Date and ending at the close of business on May 12, 2012."

2.11 Amendment to Appendix A – New Definition. Appendix A of the Loan Agreement is hereby amended by adding the following defined term in appropriate alphabetical order:

"December Amendment Date – December __, 2011."

"Extended Period – the period beginning at the expiration of the Original Term and ending at the close of business on the Termination Date."

"Termination Date – as defined in **Section 5.1** of the Agreement."

ARTICLE III
No Waiver

3.01 No Waiver. Nothing in this Amendment shall directly or indirectly whatsoever either: (i) be construed as a waiver of any covenant or provision of the Loan Agreement, any other Loan Document or any other contract or instrument or (ii) impair, prejudice or otherwise adversely affect any right of Agent or Lender at any time to exercise any right, privilege or remedy in connection with the Loan Agreement, any other Loan Document or any other contract or instrument, or (iii) constitute any course of dealing or other basis for altering any obligation of Credit Parties or any right, privilege or remedy of Agent or Lenders under the Loan Agreement, any other Loan Document or any other contract or instrument or constitute any consent by Agent or Lenders to any prior, existing or future violations of the Loan Agreement or any other Loan Document. Credit Parties hereby agree and acknowledge that the Credit Parties are expected to strictly comply with their duties, obligations and agreements under the Loan Agreement and the other Loan Documents.

ARTICLE IV
Conditions Precedent

4.01 Conditions to Effectiveness. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent (the date on which the conditions have been satisfied or waived in writing by Agent being the "**Effective Date**") in a manner satisfactory to Agent:

(a) Agent shall have received this Amendment, duly executed by each of the Credit Parties.

(b) The representations and warranties contained herein and in the Loan Agreement and the other Loan Documents, as each is amended hereby, shall be true and correct in all material respects as of the date hereof, as if made on the date hereof, except for those representations and warranties specifically made as of an earlier date, which shall be true and correct in all material respects as of such earlier date.

(c) No Default or Event of Default shall have occurred and be continuing, unless such Default or Event of Default has been otherwise specifically waived in writing by Agent.

(d) All organizational proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be reasonably satisfactory to Agent and its legal counsel.

(e) Agent shall have received an amendment fee of $60,000. Such amendment fee shall be (i) deemed fully earned and non-refundable as of the date of execution of this Amendment and (ii) due and payable in full on the date of execution of this Amendment.

ARTICLE V
Ratifications, Representations and Warranties

5.01 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Loan Agreement and the other Loan Documents, and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Loan Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Each Credit Party and Lenders and Agent agree that the Loan Agreement and the other Loan Documents, as amended hereby, shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

5.02 Representations and Warranties. Each Credit Party hereby represents and warrants to Lenders and Agent that (a) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite organizational action on the part of such Credit Party and will not violate the organizational or governing documents of such Credit Party; (b) the representations and warranties contained in the Loan Agreement, as amended hereby, and any other Loan Document are true and correct in all material respects on and as of the date hereof and on and as of the date of execution hereof as though made on and as of each such date, except for those representations and warranties specifically made as of an earlier date, which shall be true and correct in all material respects as of such earlier date; (c) no Default or Event of Default under the Loan Agreement, as amended hereby, has occurred and is continuing, unless such Default or Event of Default has been specifically waived in writing by Agent; (d) each Credit Party is in material compliance with all covenants and agreements contained in the Loan Agreement and the other Loan Documents, as amended hereby; and (e) no Credit Party has amended its organizational or governing documents since the date of execution of the Loan Agreement other than as has been previously disclosed and delivered to the Agent.

ARTICLE VI
Miscellaneous Provisions

6.01 Survival of Representations and Warranties. All representations and warranties made in the Loan Agreement or any other Loan Document, including, without limitation, any document furnished in connection with this Amendment, shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by Lender or Agent or any closing shall affect the representations and warranties or the right of Lender or Agent to rely upon them.

6.02 Reference to Loan Agreement. Each of the Loan Agreement and the other Loan Documents, and any and all other Loan Documents, documents or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Loan Agreement, as amended hereby, are hereby amended so that any reference in the Loan Agreement and such other Loan Documents to the Loan Agreement shall mean a reference to the Loan Agreement, as amended hereby, and any reference in the Loan Agreement and such other Loan Documents to any other Loan Document amended by the provisions of this Amendment shall mean a reference to such other Loan Documents, as amended hereby.

6.03 Expenses of Agent. As provided in the Loan Agreement, each Credit Party agrees to pay on demand all costs and out-of-pocket expenses incurred by Agent in connection with the preparation, negotiation, and execution of this Amendment and the other Loan Documents executed pursuant hereto and any and all amendments, modifications, and supplements thereto, including, without limitation, the costs and fees of Agent's legal counsel, and all costs and out-of-pocket expenses incurred by Agent in connection with the enforcement or preservation of any rights under the Loan Agreement, as amended hereby, or any other Loan Documents, including, without, limitation, the costs and fees of Agent's legal counsel and consultants retained by Agent or retained by Agent's legal counsel.

6.04 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

6.05 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of Lenders and Agent and each Credit Party and their respective successors and assigns, except that no Credit Party may assign or transfer any of its rights or obligations hereunder without the prior written consent of Lender and Agent.

6.06 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

6.07 Effect of Waiver. No consent or waiver, express or implied, by Lenders or Agent to or for any breach of or deviation from any covenant or condition by any Credit Party shall be deemed a consent to or waiver of any other breach of the same or any other covenant, condition or duty.

6.08 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

6.09 Applicable Law. This Agreement and all other Loan Documents executed pursuant hereto shall be deemed to have been made and to be performable in and shall be governed by and construed in accordance with the laws of the State of Texas.

6.10 Final Agreement. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED HEREBY, REPRESENT THE ENTIRE EXPRESSION OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF ON THE DATE THIS AMENDMENT IS EXECUTED. THE LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS AMENDED HEREBY, MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. NO MODIFICATION, RESCISSION, WAIVER, RELEASE OR AMENDMENT OF ANY PROVISION OF THIS AMENDMENT SHALL BE MADE, EXCEPT BY A WRITTEN AGREEMENT SIGNED BY EACH CREDIT PARTY AND LENDERS AND AGENT.

6.11 Release. EACH CREDIT PARTY HEREBY ACKNOWLEDGES THAT IT HAS NO DEFENSE, COUNTERCLAIM, OFFSET, CROSS-COMPLAINT, CLAIM OR DEMAND OF ANY KIND OR NATURE WHATSOEVER THAT CAN BE ASSERTED TO REDUCE OR ELIMINATE ALL OR ANY PART OF ITS LIABILITY TO REPAY THE "OBLIGATIONS" OR TO SEEK AFFIRMATIVE RELIEF OR DAMAGES OF ANY KIND OR NATURE FROM LENDER OR AGENT. EACH CREDIT PARTY HEREBY VOLUNTARILY AND

KNOWINGLY RELEASES AND FOREVER DISCHARGES LENDERS AND AGENT AND ITS RESPECTIVE PREDECESSORS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS, FROM ALL POSSIBLE CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES, AND LIABILITIES (INCLUDING ALL STRICT LIABILITIES) WHATSOEVER, KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT, OR CONDITIONAL, AT LAW OR IN EQUITY, ORIGINATING IN WHOLE OR IN PART ON OR BEFORE THE DATE THIS AMENDMENT IS EXECUTED, WHICH ANY CREDIT PARTY MAY NOW OR HEREAFTER HAVE AGAINST LENDERS OR AGENT OR ITS RESPECTIVE PREDECESSORS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS, IF ANY, AND IRRESPECTIVE OF WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS, OR OTHERWISE, AND ARISING FROM ANY "LOANS," INCLUDING, WITHOUT LIMITATION, ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE, THE EXERCISE OF ANY RIGHTS AND REMEDIES UNDER THE LOAN AGREEMENT OR OTHER LOAN DOCUMENTS, AND NEGOTIATION FOR AND EXECUTION OF THIS AMENDMENT.

[Signature pages follow.]

IN WITNESS WHEREOF, this Amendment has been executed on the date first written above, to be effective as the respective date set forth above.

AGENT:

BANK OF AMERICA, N.A., as Agent

By: *_/s/ H. Michael Wills_*
H. Michael Wills
Senior Vice President

LENDERS:

BANK OF AMERICA, N.A.

By: *_/s/ H. Michael Wills_*
H. Michael Wills
Senior Vice President

Commitment: $20,000,000

WELLS FARGO CAPITAL FINANCE, LLC

By: *_/s/ David Hill_*
David Hill
Vice President

Commitment: $20,000,000

CREDIT PARTIES:

INTEGRATED ELECTRICAL SERVICES, INC.

By: *_/s/ Terry L. Freeman_*
Terry L. Freeman
Senior Vice President

ICS HOLDINGS, LLC
IES COMMERCIAL, INC.
IES CONSOLIDATION, LLC
IES OPERATIONS GROUP, INC.
IES PROPERTIES, INC.
IES PURCHASING & MATERIALS, INC.
IES REINSURANCE, LTD
IES RESIDENTIAL, INC.
IES SHARED SERVICES, INC
IES TANGIBLE PROPERTIES, INC
INTEGRATED ELECTRICAL FINANCE, INC.
KEY ELECTRICAL SUPPLY, INC.
THOMAS POPP & COMPANY

By: *_/s/ Terry L. Freeman_*
Terry L. Freeman

Senior Vice President

IES MANAGEMENT ROO, LP

By: ICS Holdings, LLC
Its General Partner

By: ____*/s/ Terry L. Freeman* ____________
Terry L. Freeman
Senior Vice President

IES MANAGEMENT , LP

By: Integrated Electrical Services, Inc.
Its General Partner

By: ____*/s/ Terry L. Freeman* ____________
Terry L. Freeman
Senior Vice President

Exhibit 99.1

NEWS RELEASE

Contacts: Terry Freeman, CFO
Integrated Electrical Services, Inc.
713-860-1500

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

FOR IMMEDIATE RELEASE

INTEGRATED ELECTRICAL SERVICES REPORTS FISCAL 2011 FOURTH QUARTER AND YEAR-END RESULTS

HOUSTON — DECEMBER 19, 2011 — Integrated Electrical Services, Inc. (NASDAQ: IESC) today announced financial results for its fiscal 2011 fourth quarter and year ended September 30, 2011. The following highlights include results based upon the Company's 'go forward' operations. The Company uses the term 'go forward' to refer to the results disclosed in its annual report on Form 10-K for the fiscal year ended September 30, 2011, excluding the revenues and expenses attributable to the Company's 2011 Restructuring Plan, which is described in detail below. On a year-over-year basis, highlights for the fourth quarter of fiscal 2011 and the full year of fiscal 2011 include:

Fourth Quarter of Fiscal 2011 as Compared to Fourth Quarter of Fiscal 2010

- Net loss of $12.0 million, or $(0.82) per share; adjusted net loss of $2.3 million, or $(0.16) per share, an improvement of $5.9 million
- Revenue of $126.9 million; 'go forward' revenue of $119.5 million, an increase of 20.7%
- Adjusted EBITDA (earnings (loss) before interest, taxes, depreciation and amortization) of $(1.1) million, an improvement of $5.3 million
- Consolidated Cash Flow from Operations of $11.8 million
- The Commercial & Industrial segment's fiscal 2011 fourth quarter included approximately $1.0 million of expense primarily due to increased material exposure on a long-term contract and a recently implemented warranty reserve

Fourth Quarter of Fiscal 2011 as Compared to Fourth Quarter of Fiscal 2010

- Net loss of $37.7 million, or $(2.60) per share; adjusted net loss of $17.5 million, or $(1.21) per share
- Revenue of $481.6 million; 'go forward' revenue of $437.5 million, an increase of 10.0%
- Adjusted EBITDA (earnings (loss) before interest, taxes, depreciation and amortization) of $(11.6) million, a decrease of $0.7 million
- Year-end net working capital (excluding cash and cash equivalents) was reduced to 5.6% of revenues in fiscal 2011, from 10.9% of revenues in fiscal 2010
- Revenue per employee of $177,000, an increase of 12%

James Lindstrom, Chairman and Chief Executive Officer, stated, "We made significant progress during the quarter due to our intense focus on returning to profitability. Cost reductions, working capital management and revenue growth in our 'go forward' operations led to positive cash generation from consolidated operations; thereby, solidifying our financial profile to weather the ongoing economic uncertainty. While we continue to benefit from favorable trends in certain markets, including data center and mission critical infrastructure and transmission and distribution, we are well aware of the difficult commercial construction environment and will continue to focus on cost control, returns on risk adjusted capital and project execution, particularly in our Commercial &

Industrial segment."

BACKLOG

As of September 30, 2011, backlog was approximately $175 million compared to $219 million as of September 30, 2010. The year-over-year decline in backlog is primarily due to actions taken to close certain unprofitable operations in the Company's Commercial & Industrial division.

NON-GAAP FINANCIAL MEASURES AND OTHER ADJUSTMENTS

The Company has disclosed in this press release 'Go Forward' results, Adjusted Net Income, Adjusted Net Income Per Share, EBITDA (earnings before interest, taxes, depreciation and amortization) and Adjusted EBITDA, which are not financial measures calculated in accordance with generally accepted accounting principles in the U.S. ("GAAP"). Management believes that these measures provide useful information to investors by reflecting additional ways of viewing aspects of the Company's operations that, when reconciled to the corresponding GAAP measures, help our investors to better identify underlying trends in our business and facilitate easier comparisons of our financial performance with prior and future periods and to our peers. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of non-GAAP financial measures presented above to GAAP results has been provided in the financial tables included in this press release.

2011 RESTRUCTURING PLAN

During the second quarter of fiscal 2011, the Company determined that certain underperforming facilities within its Commercial & Industrial division would be either sold or closed over a six to twelve month period. This restructuring is a key element of management's overall plan to return the Company to profitability. The operations directly affected by this restructuring are located in Arizona, Florida, Iowa, Louisiana, Massachusetts, Nevada and Texas. These locations were selected based upon current business prospects and the extended time frame needed to return the operations to profitability. The Company is in the process of winding down these operations and projects that closure costs associated with the restructuring could range from $4.5 million to $5.5 million in the aggregate, which would include equipment and lease termination expenses, consulting expenses and severance costs. As of September 30, 2011, the Company has concluded the majority of its wind-down facilities and incurred restructuring expenses of $3.8 million.

For the fourth quarter of fiscal 2011, these wind-down operations represent $7.4 million in revenues and a net loss of $7.3 million. At September 30, 2011, the wind-down facilities had approximately $9.0 million of contracts to complete, and of that total, the Company has entered into subcontracts with other contractors for $8.0 million, leaving approximately $1.0 million of work to be completed by the Company. The Company expects the remainder of the wind-down work will be completed over the next six to nine months.

ADDITIONAL INFORMATION

For further details on the Company's financial results, please refer to the Company's annual report on Form 10-K for the fiscal year ended September 30, 2011.

Integrated Electrical Services, Inc. is a leading national provider of electrical infrastructure services to the communications, commercial, industrial and residential markets. Our 2,700 employees serve clients throughout the United States. For more information about IES, please visit www.ies-co.com.

Certain statements in this release, including statements regarding the restructuring plan and total estimated charges and cost reductions associated with this plan, are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, all of which are based upon various estimates and assumptions that the Company believes to be reasonable as of the date hereof. These statements involve risks and uncertainties that could cause the Company's actual future outcomes to differ materially from those set forth in such statements. Such risks and uncertainties include, but *are not limited to, the inherent uncertainties relating to estimating future operating results and the Company's ability to generate sales and operating income; potential defaults under credit facility and term loan; cross defaults under surety agreements; potential depression of stock price triggered by the potential sale of controlling interest or the entire company as a result of controlling stockholder's decision to pursue a disposition of its interest in the company; potential disposition of a substantial portion of the company's Commercial & Industrial segment for realized values substantially less than current book values, likely resulting in a material adverse impact on our financial results; fluctuations in operating results because of downturns in levels of construction; delayed project start dates and project cancellations resulting from adverse credit and capital market conditions that affect the cost and availability of construction financing; delayed payments resulting from financial and credit difficulties affecting customers and owners; inability to collect moneys owed because of the depressed value of projects and the ineffectiveness of liens; inaccurate estimates used in entering into contracts; inaccuracies in estimating revenue and percentage of completion on projects; the high level of competition in the construction industry, both from third parties and former employees; weather related delays; accidents resulting from the physical hazards associated with the Company's work; difficulty in reducing SG&A to match lowered revenues; loss of key personnel; litigation risks and uncertainties; difficulties incorporating new accounting, control and operating procedures; and failure to recognize revenue from work that is yet to be performed on uncompleted contracts and/or from work that has been contracted but not started due to changes in contractual commitments.*

You should understand that the foregoing, as well as other risk factors discussed in this document and in the Company's annual report on Form 10-K for the year ended September 30, 2011, could cause future outcomes to differ materially from those expressed in such forward-looking statements. The Company undertakes no obligation to publicly update or revise information concerning its restructuring efforts, borrowing availability, or cash position or any forward-looking statements to reflect events or circumstances that may arise after the date of this release.

Forward-looking statements are provided in this press release pursuant to the safe harbor established under the private Securities Litigation Reform Act of 1995 and should be evaluated in the context of the estimates, assumptions, uncertainties, and risks described herein.

General information about Integrated Electrical Services, Inc. can be found at http://www.ies-co.com under "Investor Relations." The Company's annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, as well as any amendments to those reports, are available free of charge through the Company's website as soon as reasonably practicable after they are filed with, or furnished to, the SEC.

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended		Year Ended	
	Sept 30, 2011	Sept 30, 2010	Sept 30, 2011	Sept 30, 2010
Revenues	$ 126.9	$ 111.4	$ 481.6	$ 460.6
Cost of services	116.5	103.5	445.6	404.1
Gross profit	10.4	7.9	36.0	56.5
Selling, general and administrative expenses	18.4	18.9	69.3	84.9
(Gain) loss on asset sales	0.1	-	(6.6)	(0.2)
Asset Impairment	1.3	-	4.8	-
Restructuring charges	2.1	-	3.8	0.8
Loss from operations	(11.5)	(11.0)	(35.3)	(29.0)
Interest and other expense, net	0.5	0.7	2.3	3.1
Loss from operations before income taxes	(12.0)	(11.7)	(37.6)	(32.1)
Provision (benefit) for income taxes	-	(0.1)	0.1	-
Net loss	$ (12.0)	$ (11.6)	$ (37.7)	$ (32.1)
Loss per share:				
Basic	$ (0.82)	$ (0.80)	$ (2.60)	$ (2.23)
Diluted	$ (0.82)	$ (0.80)	$ (2.60)	$ (2.23)
Shares used in the computation of loss per share:				
Basic (in thousands)	14,558	14,426	14,494	14,409
Diluted (in thousands)	14,558	14,426	14,494	14,409

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
NON-GAAP RECONCILIATION OF ADJUSTED EBITDA
(DOLLARS IN MILLIONS)
(UNAUDITED)

	Three Months Ended		Year Ended	
	Sept 30, 2011	Sept 30, 2010	Sept 30, 2011	Sept 30, 2010
Net Income (Loss)	$ (12.0)	$ (11.6)	$ (37.7)	$ (32.1)
Interest Expense, net	0.5	0.7	2.3	3.1
Provision (Benefit) for Income Taxes	-	(0.1)	0.1	-
Depreciation and Amortization	1.4	1.2	6.4	5.3
EBITDA	(10.1)	(9.8)	(28.9)	(23.7)
Asset Impairment	1.3	-	4.8	-
Loss (gain) on asset sales	0.1	-	(6.6)	(0.2)
Non-cash equity compensation expense	0.2	0.3	0.8	1.4
Severance	0.1	-	2.2	1.2
2009 Restructuring expense	-	-	-	0.8
Wind-down Costs:				
2011 Restructuring Plan	2.1	-	3.8	-
Centerpoint reserve (recovery)	-	-	(2.9)	3.7
C&I Wind-down operations	5.2	3.1	15.2	5.9
Subtotal wind-down costs	7.3	3.1	16.1	9.6
Adjusted EBITDA	$ (1.1)	$ (6.4)	$ (11.6)	$ (10.9)

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
NON-GAAP RECONCILIATION OF ADJUSTED NET LOSS
(DOLLARS IN MILLIONS)
(UNAUDITED)

	Three Months Ended		Year Ended	
	Sept 30, 2011	Sept 30, 2010	Sept 30, 2011	Sept 30, 2010
Net Loss	$ (12.0)	$ (11.6)	$ (37.7)	$ (32.1)
(Gain) loss on asset sales	0.1	-	(6.6)	(0.2)
Asset impairments	1.3	-	4.8	-
2011 Restructuring Plan	2.1	-	3.8	-
Accelerated amortization	0.7	-	2.9	-
Centerpoint reserve (recovery)	-	-	(2.9)	3.7
C&I Wind-down operations	5.2	3.1	15.2	5.9
2009 Restructuring Plan	-	-	-	0.8
Non-cash equity compensation	0.2	0.3	0.8	1.4
Severance	0.1	-	2.2	1.2
Adjusted Net Loss	$ (2.3)	$ (8.2)	$ (17.5)	$ (19.3)
Loss per share:				
Basic	$ (0.16)	$ (0.57)	$ (1.21)	$ (1.34)
Diluted	$ (0.16)	$ (0.57)	$ (1.21)	$ (1.34)
Shares used in the computation of loss per share:				
Basic (in thousands)	14,558	14,426	14,494	14,409
Diluted (in thousands)	14,558	14,426	14,494	14,409

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
SELECTED BALANCE SHEET AND CASH FLOW INFORMATION
(DOLLARS IN MILLIONS)
(UNAUDITED)

Selected Balance Sheet Data:

	September 30, 2011	September 30, 2010
Cash and Cash Equivalents	$ 35.6	$ 32.9
Working Capital (including cash and cash equivalents)	62.8	83.2
Total Assets	180.3	205.1
Total Debt	10.5	11.3
Total Stockholders' Equity	64.8	101.6
Liquidity:		
Cash and Cash Equivalents plus Borrowing Availability	$ 54.7	$ 45.6

Selected Cash Flow Data:

	Year Ended	
	September 30, 2011	September 30, 2010
Cash provided (used) in operating activities	$ (11.9)	$ (13.2)
Cash provided (used) in investing activities	15.3	(0.2)
Cash provided (used) in financing activities	(0.8)	(17.9)

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
OPERATING SEGMENTS - CURRENT QUARTER AND PRIOR QUARTER RESULTS
(DOLLARS IN MILLIONS)
(UNAUDITED)

	Three Months Ended September 30, 2011				
	Commun-ications	Residential	Commercial & Industrial	Corporate	Total
Revenues	$ 26.8	$ 32.2	$ 67.9	$ -	$ 126.9
Cost of services	22.6	26.6	67.3	-	116.5
Gross profit	4.2	5.6	0.6	-	10.4
Selling, general and administrative expenses (1)	3.5	4.6	7.6	2.7	18.4
(Gain) loss on asset sales	-	0.1	-	-	0.1
Asset Impairment	-	-	0.1	1.2	1.3
Restructuring charges	-	-	2.1	-	2.1
Income (loss) from operations	$ 0.7	$ 0.9	$ (9.2)	$ (3.9)	$ (11.5)
Other data:					
Depreciation & amortization expense	$ 0.1	$ 0.1	$ 0.4	$ 0.8	$ 1.4
Capital expenditures	$ 0.6	$ 0.1	$ -	$ 0.1	$ 0.8
Total assets	$ 23.1	$ 23.6	$ 80.1	$ 53.5	$ 180.3

	Three Months Ended September 30, 2010				
	Commun-ications	Residential	Commercial & Industrial	Corporate	Total
Revenues	$ 22.2	$ 27.5	$ 61.7	$ -	$ 111.4
Cost of services	18.9	23.4	61.2	-	103.5
Gross profit	3.3	4.1	0.5	-	7.9
Selling, general and administrative expenses (1)	2.5	5.1	8.5	2.8	18.9
Income (loss) from operations	$ 0.8	$ (1.0)	$ (8.0)	$ (2.8)	$ (11.0)
Other data:					
Depreciation & amortization expense	$ 0.1	$ 0.2	$ 0.5	$ 0.4	$ 1.2
Capital expenditures	$ -	$ 0.1	$ 0.1	$ 0.1	$ 0.3
Total assets	$ 23.1	$ 31.4	$ 78.3	$ 68.4	$ 201.2

(1) Selling, general and administrative expenses includes Corporate allocations

INTEGRATED ELECTRICAL SERVICES INC., AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF GO FORWARD OPERATIONS
(DOLLARS IN MILLIONS)
(UNAUDITED)

	Three Months Ended September 30, 2011						
	Commun- ications	Residential	C&I - Go Forward	Corporate	Go Forward Operations	C&I- Wind- down	Consolidated
Revenue	$ 26.8	$ 32.2	$ 60.5	$ -	$ 119.5	$ 7.4	$ 126.9
Cost of Revenue	22.6	26.6	56.6	-	105.8	10.7	116.5
Gross Profit	4.2	5.6	3.9	-	13.7	(3.3)	10.4
SG&A (1)	3.5	4.6	5.7	2.7	16.5	1.9	18.4
(Gain)/Loss on Dispositions	-	0.1	-	-	0.1	-	0.1
Impairment	-	-	0.1	1.2	1.3	-	1.3
Restructuring	-	-	-	-	-	2.1	2.1
Income (loss) from operations	$ 0.7	$ 0.9	$ (1.9)	$ (3.9)	$ (4.2)	$ (7.3)	$ (11.5)

	Year Ended September 30, 2011						
	Commun- ications	Residential	C&I - Go Forward	Corporate	Go Forward Operations	C&I- Wind- down	Consolidated
Revenue	$ 93.6	$ 114.7	$ 229.2	$ -	$ 437.5	$ 44.1	$ 481.6
Cost of Revenue	81.0	96.0	215.6	-	392.6	53.0	445.6
Gross Profit	12.6	18.7	13.6	-	44.9	(8.9)	36.0
SG&A (1)	10.5	18.4	23.4	11.4	63.7	6.3	70.0
Centerpoint recovery	-	-	-	-	-	(2.9)	(2.9)
Severance	-	-	-	2.2	2.2	-	2.2
(Gain)/Loss on Dispositions	-	0.1	(0.1)	(6.6)	(6.6)	-	(6.6)
Impairment	0.1	-	0.1	4.6	4.8	-	4.8
Restructuring	-	-	-	-	-	3.8	3.8
Income (loss) from operations	$ 2.0	$ 0.2	$ (9.8)	$ (11.6)	$ (19.2)	$ (16.1)	$ (35.3)

	Three Months Ended September 30, 2010						
	Commun- ications	Residential	C&I - Go Forward	Corporate	Go Forward Operations	C&I- Wind- down	Consolidated
Revenue	$ 22.2	$ 27.5	$ 49.3	$ -	$ 99.0	$ 12.4	$ 111.4
Cost of Revenue	18.9	23.4	46.9	-	89.2	14.3	103.5
Gross Profit	3.3	4.1	2.4	-	9.8	(1.9)	7.9
SG&A (1)	2.5	5.1	7.3	2.8	17.7	1.2	18.9
Income (loss) from operations	$ 0.8	$ (1.0)	$ (4.9)	$ (2.8)	$ (7.9)	$ (3.1)	$ (11.0)

	Year Ended September 30, 2010						
	Commun- ications	Residential	C&I - Go Forward	Corporate	Go Forward Operations	C&I- Wind- down	Consolidated
Revenue	$ 79.3	$ 116.0	$ 202.3	$ -	$ 397.6	$ 63.0	$ 460.6
Cost of Revenue	65.5	92.4	183.2	-	341.1	63.0	404.1
Gross Profit	13.8	23.6	19.1	-	56.5	-	56.5
SG&A (1)	8.0	23.7	29.5	14.1	75.3	5.9	81.2
(Gain)/Loss on dispositions	-	-	(0.1)	(0.1)	(0.2)	-	(0.2)
Centerpoint reserve	-	-	-	-	-	3.7	3.7
Restructuring	-	-	0.7	0.1	0.8	-	0.8
Income (loss) from operations	$ 5.8	$ (0.1)	$ (11.0)	$ (14.1)	$ (19.4)	$ (9.6)	$ (29.0)

(1) SG&A includes Corporate allocations.

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