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08th February, 2012

To,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Rotunda Building, Dalal Street,
Mumbai-400 001

Fax-022-22722039

BSE Code-533292

Sub: Press Release

Dear Sir

Please find enclosed herewith Press Release dated 08th February, 2012 regarding announcement of Unaudited Financial Results for the quarter and Nine Months period ended 31st December, 2011 and updates on business operation.

This is for your information and records.

Thanking you,

Yours Truly

For A2Z Maintenance & Engineering Services Limited


(Atul Kumar Agarwal)
Company Secretary cum Compliance Officer
FCS-6453



✓ To,
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor
Plot No. C/1 G Block, Bandra Kurla Complex,
Bandra (E), Mumbai-400051
Fax- 022-26598237/38

NSE Code-A2ZMES

A2Z Maintenance & Engineering Services Limited

Regd. Office : 0-116, First Floor, Shopping Mall, Arjun Marg, DLF City, Phase-1, Gurgaon-122002, Haryana (INDIA)

Corporate Office : Plot No. 44, Sector-32, Institutional Area, Gurgaon-122001, Haryana (INDIA),
Tel. : 0124-4517600, Fax : 0124-4380014, Website : www.a2zgroup.co.in

February 08, 2012

A2Z Maintenance and Engineering Services Limited

Press Release: Q3 FY 12 Results and update on business operations

The company has released its standalone results today which primarily comprise its Engineering Services (ES)/Engineering, Procurement and Construction (EPC) business.

Please visit investor section on the company website, www.a2zgroup.co.in, for the corporate presentation that explains in more detail the company's strategy and its various business units.

Standalone results for quarter ended December 31, 2011

Amounts in Rs Cr

Particulars	Q3 FY12	Q2 FY12	Change (%)
Total Income (including Other Income)	254.79	217.50	17.14%
EBITDA	24.24	21.44	13.08%
Interest	16.59	11.37	45.90%
PBT	5.62	8.22	-31.64%
Tax	1.16	-0.23	-599.57%
PAT	4.46	8.45	-47.20%

On a standalone basis, total income for quarter ended December 31, 2011 is Rs 254.79 Cr, up 17.14% from Rs 217.50 Cr in Q2 FY 12. Profit before tax for quarter ended December 31, 2011 stood at Rs 5.62 Cr, down 31.64% from Rs 8.22 Cr in Q2 FY 12 while Profit after tax for the quarter is Rs. 4.46 Cr, down 47.20% from Rs 8.45 Cr in Q2 FY 12.

Commenting on the results, Amit Mittal, Managing Director, said "A2Z is in the midst of transforming itself from an EPC company to an Infrastructure company focused around energy conservation and clean energy generation. In a very tough environment we have increased our Revenues & EBITDA as compared to last quarter. We expect to do much better going forward as we will shortly start commercial generation of Power from our power plants and hope to speed up execution in our projects. We are confident of demonstrating significant improvement in the quarters ahead".



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Highlights of various business units

The progress of each business unit is discussed below:

Parent Entity: A2Z Maintenance & Engineering Services Limited (A2ZMES)

The standalone parent legal entity comprises of 3 segments: Engineering Services (ES/EPC), Renewable power generation and others. Summary of the quarterly results is given below -

Total income from operations for quarter ended December 31, 2011 is Rs 249.80 Cr, an increase of 15.84% from Rs 215.64 Cr in Q2 FY 12. ES/EPC contributed Rs 246.06 Cr to the income from operations this quarter, up 22.96% from Rs 200.11 Cr in Q2 FY 12. EBITDA for this quarter stood at Rs 24.24 Cr, up 13.08% from Rs 21.44 Cr in Q2 FY 12. Others mainly comprise trading of materials used by our suppliers and O&M services provided to some clients.

Sundry Debtors as on December 31, 2011 are Rs 761.50 Cr, down 0.85% as compared to Rs 768.04 Cr as on September 30, 2011. Retention Money, out of total debtors, was Rs 367.54 Cr as on December 31, 2011 as compared Rs 360 Cr as on September 30, 2011.

Order-book Position

Particulars	Amount in Rs Cr
Opening order book as of 1 April, 2011	1,397
New firm orders between 1 April, 2011 and 31 January, 2012	585
Orders executed and recognized as revenue (1 April, 2011 to 31 December, 2011)	635
Reduction in Value of Orders due to revision	62
Unexecuted Order Book as on 31 January, 2012 after excluding revenues recognized till 31 December 2011	1,285

The Company executed orders worth Rs 246 Cr while it received new orders worth Rs 129 Cr for the period between 01 October 2011 & 31 January 2012.

The industry continues to be competitively intensive resulting in a slow order intake. The company continues to stay away from any irrational bidding due to increase in competition and it continues to keep focus on getting fair margin orders with moderate capital working requirements.

The execution of orders increased in the quarter as compared to last two quarters of the financial year. Certain orders continue to experience delays in receiving corresponding work order revisions.



Business Outlook

Power T&D

Power Transmission & Distribution space continues to present a great business opportunity for A2Z. The Company continues to be on the lookout for fair margin orders and is confident of improved order inflow in the coming quarters based on geographic diversification.

Renewable Energy Generation

We are building a renewable energy portfolio which will be almost entirely self-sufficient for its fuel needs as they will be fed from the bagasse contracted from sugar mills, long term agreement with a captive harvesting and farming company and value added output (Refuse Derived Fuel) from our MSW business. Hence, the fuel supply risk, a core issue for many biomass based renewable energy players, will be mitigated to a very large extent.

The three renewable energy projects (2x15 MW biomass based co generation projects at Fazilka & Nakodar in Punjab, housed in A2ZMES, and 15 MW biomass based project in Kanpur, housed in A2Z Infrastructure Limited) aggregating to 45 MW have been synchronized to the grid and under trial runs. These power plants are currently been stabilized and are expected to be start commercial production in March 2012. The Power plant at Morinda in Punjab is likely to be synchronized to grid in the beginning of next financial year.

Further, we have started work on setting up of 30 MW of power projects which will be set up in cities where we have Integrated MSW contracts.

The Municipal Solid Waste Management (MSW) Business - A2Z Infrastructure Limited & its subsidiaries

A2Z Infrastructure and its subsidiaries collectively have won Contracts (Integrated, Collection & Transport and Processing & Disposal combined) of capacity 8,788 MT/day from 27 urban local bodies (ULB) through competitive bidding under the JNNURM and UIDSSMT schemes. These are typically 25 – 30 year annuity projects with price escalation clauses.

The current list of contracted cities and their status is as under:

S. No.	City	Contract	Capacity MT/day	C&T Start date	P&D start date
1	Kanpur	Integrated	1,500	Operational	Operational
2	Indore	Integrated	600	Operational	Operational
3	Aligarh	Integrated	220	Operational	Operational
4	Muzaffarnagar	Integrated	120	Operational	Operational
5	Moradabad	Integrated	280	Operational	Q4 FY 12
6	Varanasi	Integrated	600	Operational	Q1 FY 13
7	Ranchi	Integrated	500	Operational	Q3 FY 13



8	Meerut	Integrated	600	Operational	Land allotted, Q3 FY 13
9	Ghaziabad	Integrated	275	Operational	Land allotted, Q3 FY 13
10	Bihar Sharif	C&T	120	Operational	NA
11	Darbhanga	C&T	120	Operational	NA
12	Patna	C&T	800	Operations temporarily suspended	NA
13	Fatehpur	P&D	55	NA	Q4 FY 12
14	Mirzapur	P&D	100	NA	Q1 FY 13
15	Jaunpur	P&D	80	NA	Q1 FY 13
16	Sambhal	P&D	75	NA	Q1 FY 13
17	Badaun	P&D	55	NA	Q1 FY 13
18	Ballia	P&D	40	NA	Q1 FY 13
19	Nanded	P&D	250	NA	Q3 FY 13
20	Amravati	P&D	300	NA	Land allotted, Q3 FY 13
21	Firozabad	P&D	130	NA	Land allotment awaited
22	Loni	P&D	120	NA	Land allotment awaited
23	Basti	P&D	40	NA	Land allotment awaited
24	Ludhiana	Integrated	1,068	Secondary Collection started in 1 zone	Q3FY13
25	Haridwar	Integrated	250	Yet to Start	Land allotment awaited
26	Nainital	Integrated	40	Started in 1 ward	Land allotment awaited

Apart from the list above, the Company has also won C&T project in Nanded (250 TPD) and integrated project in Dhanbad (450 TPD) where formal agreements are awaited for the same.

Operational Performance of the MSW Business

We continue to be very excited by prospects we see in the MSW business. This business is currently in gestation phase and we continue to ramp the business aggressively. The growth of waste collection across all our contracts is shown below:

Aggregate Waste Collected in average MT/day

Month	Apr'11	May'11	Jun'11	Jul'11	Aug'11	Sep'11	Oct'11	Nov'11	Dec'11	Jan'12
Waste Collection	2,230	2,826	3,310	3,853	3,704	3,936	3,904	4,088	4,155	4,305

The aggressive ramp up in the projects will continue as we ramp both within each city as well as start operations in new cities.



The Kanpur project, our first Integrated MSW project, is ramping well. Average daily collection of waste for Q3 FY 12 is 1,247 MT/day (up from 1,159 MT/day in Q2 FY 12)

Kanpur City	Q3 FY 11	Q4 FY 11	Q1 FY 12	Q2 FY 12	Q3 FY 12
Waste Collection: MT/day	419	777	1,030	1,159	1,247
User charges collected & deposited in Escrow: Rs in Lakhs	5.26	35.16	94.28	155.16	197.53

The technology and experience for Integrated Waste processing to maximize recovery of value added products from Waste does not exist in India. Waste is typically collected and dumped untreated in a land fill. We believe we are the pioneers in the Municipal Solid Waste processing in India.

The results of our hard work in Kanpur city have been so exhilarating that our Kanpur Project has been bestowed with the "Best City - National award for Improvement in Solid Waste" by the Honorable Prime Minister of India. We continue to be extremely committed towards our social responsibility in this area and adding to shareholder value through such efforts. A2Z Infrastructure Ltd. has also been awarded "JCB Clean Earth Award for Excellence in Management of Solid Waste" by CII-APTDC for 2nd year in the running.

The Facilities Management Services (FMS) Business - A2Z Infraserivices Limited & its subsidiary; Imatek Solutions Private Limited & its subsidiary

A2Zs consolidated FMS business is one of the largest facilities management companies in India with a PAN-India footprint. For the nine months ended December 31, 2011, the consolidated Revenue is Rs 206.88 Cr and EBITDA is Rs 7.90 Cr. The revenue run rate for the month of December 2011 was ~ Rs 23.50 Cr.

The A2Z Group has recently consolidated its holding in the FMS Business with Imatek Solutions Private Limited increasing its shareholding in CNCS Facility Solutions Ltd. to 100%. A2Z MESL now holds 92.22% in A2Z Infraserivices Ltd. which in turn holds 100% in A2Z Infra Management & Services Ltd. A2Z MESL holds 98% in Imatek Solutions Pvt. Ltd. which in turn holds 100% in CNCS Facility Solutions Ltd. The company has also started the process to consolidate its FMS business into one legal entity in order to benefit from economies of scale. For this, A2Z Infraserivices Ltd. has filed a scheme of amalgamation with the High Court of Punjab & Haryana for amalgamation of Imatek Solutions Private Limited, A2Z Infra Management & Services Ltd. and CNCS Facility Solutions Ltd. with itself. This is expected to result in significant synergies going forward.

In parallel, customer segmentation is being done on differential service levels separately for Onsite bucket and processes and for Off-site bucket of processes. Furthermore, the company is continuing to focus on Pioneering Innovation led Business models by deploying process excellence, service-add-on's and technology.



For further information, please contact:

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Forward Looking Statements: Certain statements in this release may refer to our future growth and profitability prospects and hence are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ significantly from directional indications stated above. Important factors that could make a difference to the Company's operations include general economic conditions, changes in Government Regulations and Tax Regime, competition etc. The company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

