Over the past three years, Instuform’s leadership team has made important shifts in our company’s strategic direction. Our intent has been to drive higher earnings, cash flow and return on invested capital.

As a result, today we are a more global company, with approximately 34% of our revenues generated outside of the United States. We have diversified our product mix to address a more complete spectrum of pipeline protection needs. Moving beyond sewers, we have made significant inroads into the water and energy and mining pipeline industries.

How are we doing?

In 2010, we will let the numbers speak for themselves. Since we came under new leadership in 2008, you will see that from top-line revenues to bottom-line results, the numbers are virtually all aiming higher. There is STRENGTH in these numbers – financial strength we will use to pursue further profitable growth.

2010 FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th>(IN THOUSANDS, EXCEPT PER SHARE DATA)</th>
<th>FOR THE YEARS ENDED DECEMBER 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$914,975</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>229,580</td>
</tr>
<tr>
<td>Operating Income</td>
<td>207,035</td>
</tr>
<tr>
<td>Income from Continuing Operations</td>
<td>87,035</td>
</tr>
<tr>
<td>Income from Continuing Operations, excluding restructuring charges and acquisition-related expenses (Non-GAAP)¹</td>
<td>60,562</td>
</tr>
<tr>
<td>Net Income</td>
<td>60,462</td>
</tr>
<tr>
<td>Diluted Earnings Per Share:</td>
<td></td>
</tr>
<tr>
<td>Income from Continuing Operations</td>
<td>$1.54</td>
</tr>
<tr>
<td>Income from Continuing Operations, excluding restructuring charges and acquisition-related expenses (Non-GAAP)¹</td>
<td>1.54</td>
</tr>
<tr>
<td>Net Income</td>
<td>1.53</td>
</tr>
</tbody>
</table>

¹ For the 2009 Financial Reconciliation (Non-GAAP), see Page A-1
DEAR FELLOW STOCKHOLDERS,

In my letter last year, I softly complained about the difficulty of getting operating managers to focus on color palettes and report themes while producing an annual report that captured the essence of the Insituform message. I can lodge no such complaint this year as, candidly, we selected this year’s report theme last year.

How can that be?

Going into 2010, we felt we had an opportunity to greatly improve performance in all business segments and this report (my third) would be an excellent opportunity to talk about our strengthening numbers. I believe we translated that opportunity into results as we dramatically improved our performance in many areas including, most notably, achieving the highest revenues and earnings in Insituform’s 40-year history.

This report is literally stuffed with information about our strengthening performance — earnings, balance sheet strength, cost control and production efficiencies across our manufacturing and contracting platforms, for example. You name it, and in almost every case, we have a better number to show you than last year and a dramatically better number than several years ago. But, as we moved closer to the report release date, it seemed to me that we also need to take stock of where we are and look at a number that we have not yet achieved.

That number is 15, which represents our twin goals of achieving a 15% operating margin and a 15% return on invested capital (ROIC) by 2012. To be sure, we have made considerable progress towards these goals, as highlighted by the charts below.

But, for as much progress as we have made, we still have a significant way to go. From 2007 to 2010, we improved our operating margin by 680 basis points, or 252%. While we are proud of this improvement, we must improve an additional 58% to reach our operating margin goal.

Likewise, since 2007, we improved ROIC by 670 basis points, or 291%. Another 80% improvement is required to reach our ROIC goal.

So, while there has been tremendous improvement in our business performance towards our twin goals of 15%, we have challenging work ahead. However, I believe that we have strategies in place to continue to push our returns higher:

- Our North American Sewer Rehabilitation business continues to upgrade its execution capability and expand higher margin manufacturing profitability. We will continue to evaluate our contracting markets for appropriate risk/reward relationships as we drive toward higher returns.
- Our disciplined approach to international markets will produce risk-adjusted premium returns. We will constantly evaluate our business models in key markets to ensure they create efficient returns.
- Whether driving toward the higher margin value engineering and inspection services of Corpro, or pushing the insulation service mix in our Canadian coating business, we will invest in expanding higher-margin product and service offerings.
- Leverage, leverage, leverage. We are dedicated to dropping growth margin improvements to our bottom line by optimizing our current operating expenses over our growing revenue base. We will also constantly evaluate our selling, general and administrative investments to make sure they are efficient for today’s Insituform.

Of course, the devil is always in the details so let’s take a look at the individual business segments, starting with Energy & Mining.

ENERGY & MINING

At a macro level, oil and gas pricing remains strong, so we anticipate a continued flow of capital spending dollars. Insituform is well placed in key North American markets, including the shale plays in the Southeastern and Southwestern United States, the Oil Sands in Alberta, Canada and, of course, the Gulf of Mexico.

Because of the project nature of United Pipeline Systems’ (UPS) business and the service profile of Corpro, we can project these businesses into most markets around the globe. This will be an area of emphasis in 2011, as we look to establish these business units more globally, particularly in Asia and the Middle East.
$70 MILLION

UPS reached $70 million in revenues in 2010 (a record) and expects solid growth in 2011.

UPS continues to be the biggest and most pleasant surprise of my tenure at Insiutiform. Of course, that has more to do with my relative lack of knowledge about Tite Liner® and its markets when I first joined Insiutiform than anything else. I’m not sure Insiutiform understood the potential of this product either. Part of our emerging company lore is a meeting I had with the UPS team in the summer of 2008. At this meeting, it was declared that UPS had captured 80% of the $35 million to $40 million global lining market. With UPS reaching $70 million in revenues in 2010, and expecting solid growth in 2011, their earlier market assessment looks uninfomed. Ever agile, the UPS team now tells me that they have simply managed to acquire 200% of the market. Look for additional ‘market share’ growth for UPS in 2011.

UPS enters the year with record backlog across almost every market geography. North America – record backlog. South America – record backlog on the back of capturing $15 million of work in Chile in the second half of 2010. Mexico is expected to improve as we get deeper into the Poza Rica project mentioned in last year’s annual report. Additionally, we have gained approval from PEMEX, the Mexican national oil company, for Tite Liner®, which creates accelerated growth potential in this market. In Australia, we continue to progress on our initial mining contracts and to see substantial opportunities. We have also achieved initial project awards in the Middle East, which we believe will be a substantial market for Tite Liner®.

Whether or not we truly appreciated the market opportunity for UPS in 2008, we do know that Tite Liner® continues to win converts across the globe – and we will continue to invest in pushing the product into new markets, particularly the Middle East and Asia.

We expect Corrpro to continue to build on its improved performance in 2010 and deliver solid growth in 2011. While growth is important, Corrpro also needs to drive margin improvement. This should be achieved by focusing on three strategic initiatives. First, Corrpro must continue to transition to higher value engineering, design, inspection and asset management services. As the market leader in North America, we must work with our clients earlier in the asset management cycle to create lower cost structures for them. Second, we must learn how to utilize our scale as the largest North American cathodic protection services company. While there is a high level of fragmentation and localized competition in the marketplace, we can better utilize our brand and reputation with key customers to achieve a more cost-effective operating structure. Third, we must create vehicles to expand Corrpro into select international markets. Again, the Middle East and Asia are areas where we will seek to develop partnerships that can accelerate our growth.

The Bayou Companies enjoyed a solid bounce back year in 2010, buoyed by new investments in its Canadian coating facility and by internalizing double joint welding operations in New Iberia. These investments generated over $8 million in additional operating income in 2010, and more is expected in 2011.

We remain excited about growth opportunities in Canada as the tremendous investment in the Alberta Oil Sands plays out. Our Canadian operation provides a high-end mix of protective coating and thermal insulation products and is positioned for further growth as this region’s capital spending continues to expand.

In Louisiana, we enjoyed a solid year at our New Iberia facility and a record year at our Baton Rouge coating facility, strengthening our market position in the Southeastern and Southwestern United States. While pipeline development remains strong, project timing could make for a challenging back half of 2011 for our Louisiana facilities.

Of course, the largest long-term swing item for Bayou is the anticipated resumption of deepwater drilling in the Gulf of Mexico. Historically, offshore work has represented 40% to 45% of Bayou’s revenues as well as the higher margin mix work in the Bayou portfolio. As we are all aware, there have been no deepwater permits issued since the BP Macondo oil spill in 2010, and we do not expect to see any significant project opportunities in 2011. However, with oil prices rising and demand increasing because of the global recovery, the economics of the deepwater markets remain strong, pending resolution of environmental liability issues following the BP Macondo oil spill. We believe that will happen and we will take the necessary steps to complete Bayou’s deepwater insulation product offering during 2011. This investment will dramatically increase the size, scope and margin potential of Bayou’s offshore work when the market returns.

Overall, we expect 10% to 15% revenue growth from our Energy & Mining platform in 2011 which, when combined with cost control, should drive nicely improved margins.
NORTH AMERICAN SEWER REHABILITATION (NAR)

NAR produced a record year for revenues and operating income in 2010, yet the write-down of several legacy projects in Hawaii early in the year and several large-diameter execution issues during the summer led to the perception that NAR had a down year. While these projects hurt gross margins and reduced earnings by more than $5 million, NAR still made tremendous progress in 2010.

- NAR produced record operating earnings in 2010, despite the aforementioned project execution challenges.
- Our strategy of emphasizing our vertical manufacturing platform is clearly working. In 2010, we derived nearly 50% of NAR profits from manufacturing (up from 18% in 2007). This lessens the volatility of the NAR profit stream.
- Overall, 2010 manufacturing margins were at 43%.
- Sales of manufactured products to third-party contract installers topped $15 million in 2010.
- We installed record footage of our cured-in-place pipe (CIPP) tube in 2010. Crew efficiency of 1,700 feet per crew per week was also a record.

All of this suggests to me that NAR will continue to make progress towards its margin targets, particularly as it continues to strengthen its project management and scheduling capabilities. But, while this progress is being made, it is a market with potential headwinds.

Municipal budgets continue to be constrained and there is the potential of lower spending on infrastructure over the medium- and long-term. While 70% of our work is funded from water system user fees, municipal budget issues can eventually impact all departments. In the last half of 2010, we experienced a market contraction in the Western United States, reflecting a more cautious approach to capital spending by some system operators.

Shrinking order size is also closely monitored here at Insituform. We strive to bundle work into larger projects not only to increase our competitive advantage, but also to allow us to accomplish more with the same level of operating expenses. In 2010, we experienced a 23% reduction in average order size. This reduction has the potential to strain our operating cost structures.

All of these challenges increase the importance of consolidating and growing our position in the third-party tube sales market. That position gives us the ability to be more selective about the contracting markets in which we choose to participate. We continue to believe NAR will grow in 2011, but have trimmed that expectation to 5% based on current market conditions.

WATER

For our water business, 2010 was very much a year of demonstration.

- Demonstrating that the InsituMain® System could meet NSF/ANSI Standard 61 for drinking water.
- Demonstrating that we could certify the InsituMain® System in Canada.
- Demonstrating that the InsituMain® System can perform in pipelines up to 36-inches in diameter (with 54-inch diameter capability on the way).
- Demonstrating that we can work in a variety of operating conditions, as evidenced by 115 water installations in 14 U.S. states and four Canadian provinces during 2010.
- Demonstrating that we can grow economically, as evidenced by the segment cutting its operating losses in half despite continued heavy technical and start-up expenses.

The challenge remains how quickly we can translate this engineering and regulatory acceptance to a growing and sustainable bid table. In 2011, we feel good about our position. We have line of sight to more than $50 million of bid opportunities in our sales funnel. This includes substantial bids in Quebec, where the largest water pipeline rehabilitation program in North America is currently being implemented. After a long absence, in 2010 we opened an office in Montreal and have since captured over $3 million of water/sewer work.

We believe that we have positioned the InsituMain® System for explosive growth in 2011. However, the upcoming bid season and continued growth in Quebec are critical to our success. Customer feedback suggests that we should also evaluate a further broadening of our product offerings to include spot repair and reinforcing technologies, as well as analytical capabilities to assist our clients with targeting their rehabilitation dollars. Our corporate development team continues to evaluate opportunities for expansion in this area.

$50M

We have line of sight on over $50 million in bid opportunities in our sales funnel for the InsituMain® System.
In Europe, manufacturing profits increased by 173% since 2007.

EUROPEAN SEWER REHABILITATION

I would describe our progress in Europe by simply saying this: We are finally running this business in a disciplined, return-focused way. We can see that in almost every aspect:

• Our 2009 restructuring initiative is saving more than $3 million annually, helping to drive improved operating leverage.

• Gross profit margins have improved significantly since 2007 levels despite miserable market conditions in the United Kingdom and France – two of our primary contracting markets.

• Manufacturing operating profits increased by 173% since 2007, as we continue to push towards market pricing for internal sales and grow third-party tube sales. We added a glass fiber CIPP product that is close to final approval in the German market and will allow us to become a player in this emerging market.

These measures allowed us to grow profitability in Europe despite the dismal market conditions. For 2011, we anticipate improved markets in the United Kingdom and France, as well as some project activity in Eastern Europe. Combined with continued progress from our manufacturing initiatives, the market uptick should produce substantial profit improvements in 2011.

ASIA-PACIFIC SEWER REHABILITATION

Asia-Pacific remains very much a tale of two markets. Or, expressed differently, there is India and then there is everything else. “Everything else” went fine. Our operations in Australia, Hong Kong and Singapore all performed very well, producing premium margins and growing total backlog by nearly 40% despite a decrease in backlog in India. That was a very strong performance.

Our Australian operation continued to deepen its relationship with Sydney Water, expanding on its original contracts. We also increased our footprint in Queensland, Victoria, Brisbane and Melbourne.

In Singapore, we continue to expand our involvement with the Public Utility Board’s $295 million sewer rehabilitation program. On various aspects of the project, we are working as either a prime contractor, subcontractor or third-party product provider. Our Hong Kong operation continues to grow while we evaluate new opportunities in mainland China and Taiwan.

And then there is India. 2010 turned into a litany of project write-downs due to technical issues, work release delays and bidding delays generated by government funding challenges. The result for Insituform was lower profitability and lower growth than we had anticipated.

Funding appears to be back on track since the conclusion of the Commonwealth Games. The clearest signal is the recent release of several large-scale bidding opportunities. We believe the earlier technical issues have been resolved in that this latest round of tenders are specific to our trenchless CIPP offering.

Still, at the end of the day, it is fair to wonder why we are so patient with India. Market potential is the simple answer. We continue to believe that the need is enormous and that the funding will become increasingly consistent as India strives to meet its health and environmental goals. We believe India can be the bedrock growth market to fuel Insituform’s growth in Asia for the foreseeable future.

CONCLUSION

We produced record results in 2010 across almost all of our performance metrics. As pleased as we are to report these numbers since they reflect Insituform’s strengthening capabilities, they also draw our attention to the fact that we still have work to do to reach our 15% targets.

Our 2010 results, along with our prospects for 2011 and beyond, clearly indicate that our strategies are working. They show we are a company that is driving to higher returns based on operating improvements and targeted investments in higher margin services and products. We are also targeting growth in high-spend international markets and accelerating growth in global energy and mining markets through the expansion of our UPS, Bayou and Corpro offerings. We find strength in our current performance, but we also have strength of purpose in knowing that our strategy is driving us toward the premium return company we strive to be.

I appreciate your continued interest in Insituform and look forward to updating you on our progress.

J. Joseph Burgess
President and Chief Executive Officer
CORPORATE OFFICERS OF INSITUFORM TECHNOLOGIES, INC.

Shown above (left to right):
J. Joseph Burgess, President and Chief Executive Officer; David F. Morris, Senior Vice President, General Counsel and Chief Administrative Officer; David A. Martin, Senior Vice President and Chief Financial Officer.

Shown below (left to right):
Brian J. Clarke, Senior Vice President, Business Integration; Holly S. Snap, Vice President, Human Resources and Environmental Health and Safety; John D. Huhn, Vice President, Strategy and Corporate Development; Kenneth L. Young, Vice President and Treasurer.
ASIA-PACIFIC LEADERSHIP

Our Asia-Pacific operations in Australia, Hong Kong and Singapore performed very well in 2010, producing premium margins and growing backlog. We continue to believe the market potential in India is enormous and can be the bedrock growth market that fuels Instiuniform's growth in Asia for the foreseeable future.

1. Daniel E. Cowan, Vice President
2. Lucy Che, Chief Financial Officer
3. Ravi Iseko, General Counsel

$79.8 MILLION

Backlog in our Asia-Pacific segment has experienced dramatic growth over the last four years – with 127% growth from 2007 to 2010.

IMPROVED PERFORMANCE

NORTH AMERICAN SEWER REHABILITATION LEADERSHIP

North American Sewer Rehabilitation (NAR) made significant improvements in performance during 2010, including improved manufacturing and crew efficiencies, reduced labor costs, lower operating expenses and increased third-party-tube sales.

1. Charles E. Volz, Senior Vice President
2. Kenneth W. Foster, Vice President and General Manager, Canada and Pacific Region
3. Joel Gay, Chief Financial Officer
4. Jeffrey J. Kowal, General Manager, East Region
5. Bobby C. O'Dell, General Manager, Central Region
6. Tod O'Donohue, General Counsel
7. Ralph E. Western, General Manager, Manufacturing
8. Mark Wetzel, General Manager, Mississippi Textiles Corporation

$42 MILLION

Operating income in NAR increased to $42 million in 2010 primarily due to increased revenues and lower operating expenses.
COMPETITIVE ADVANTAGE

ENERGY & MINING LEADERSHIP

Our Energy & Mining segment experienced record earnings and profits in 2010. institufirm has a distinct competitive advantage in the energy and mining industry, in part because of its comprehensive platform of solutions and global reach.

1. Darwin E. Haynes, Senior Vice President
2. Marcus Alexander, Chief Financial Officer
3. Randy Egner, General Manager, United Pipeline Systems, International
4. April Greek, General Counsel
5. David H. Koson, President, Corpro Companies
6. Rob Machin, General Manager, United Pipeline Systems, U.S. and Canada
7. Jeffrey Ray, Vice President and General Manager, Corpro-U.S. Operations
8. Jama E. Shea, Jr., President, Bayou
9. Bruce J. Weikel, President, Corpro-Canada

LEADERSHIP AND FOCUS

$382 M

Energy & Mining reported $382 million in revenues in 2010, due in part to record revenues from Corpro and United Pipeline Systems and Bayou’s expanded service offering in Canada.

EUROPE LEADERSHIP

In 2010, our European leadership was focused on driving improved operating productivity, maintaining strong gross margins despite market volatility and increasing manufacturing profits through internal transfer pricing and external tube sales.

1. Alexander J. Boehler, Vice President
2. Bob Kellay, General Counsel
3. Philippe Morgen, Finance Director
$1.54

2010 EARNINGS PER SHARE FROM CONTINUING OPERATIONS

COMPARE TO

2007 | $0.47 (EPS)

Institut's earnings per share from continuing operations reached a new high in 2010 when it rose to $1.54, up 48% from last year, and 228% from 2007. This increase can be attributed to improvements in three primary areas:

- **Growth in our Energy & Mining Business** – In 2010, our Energy & Mining business grew both in size and contribution to our corporate earnings. This includes organic growth as we expanded our existing operations and accretive earnings associated with recent acquisitions.

  2010 Contribution to EPS: $0.72

- **Increase in North American Sewer Rehabilitation’s Profitability** – The main drivers of our increased profitability in this core business have been manufacturing optimization and third-party tube sales. Crew productivity also improved in 2010.

  2010 Contribution to EPS: $0.68

- **Expansion in Asia-Pacific and Improvements in Europe** – We continue to push into new markets in the Asia-Pacific region and are expanding our existing footprint in Australia and India. In Europe, we now operate under four business models to optimize our profits.

  2010 Contribution to EPS: $0.16

* For the 2009 financial reconciliation (Non-GAAP), see page A-1
25.1% GROSS PROFIT MARGIN

While Insituform's gross profit margin improved in 2010 compared to previous years, we are focused on offering higher-margin products and services to drive greater returns to our stockholders. Insituform's overall gross profit margin was 25.1% in 2010, a 26% increase over 2007.

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal - Sewer and Water Contracting</td>
<td>17.7%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Industrial Contracting</td>
<td>38.3%</td>
<td>27.2%</td>
</tr>
<tr>
<td>Coatings and Related Services</td>
<td>N/A</td>
<td>21.6%</td>
</tr>
<tr>
<td>Engineering Services</td>
<td>N/A</td>
<td>27.8%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>25.4%</td>
<td>44.8%</td>
</tr>
<tr>
<td>Licensing (Royalties)</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total Gross Profit Margin</strong></td>
<td>20.0%</td>
<td>25.1%</td>
</tr>
</tbody>
</table>

$0.37 Recent Acquisitions' Accretion

Our Energy & Mining operation increased its contribution to Insituform's EPS to $0.72 in 2010, up from $0.32 in 2007. Of the total contribution to EPS, $0.37 (or 51%) are the accretive earnings associated with Insituform's 2009 acquisitions of The Bayou Companies and Corpro Companies.

EQUITY MARKET CAPITALIZATION

$1 BILLION

Insituform's Equity Market Capitalization at December 31, 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Capitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$406,565,220</td>
</tr>
<tr>
<td>2008</td>
<td>$660,882,567</td>
</tr>
<tr>
<td>2009</td>
<td>$884,579,208</td>
</tr>
<tr>
<td>2010</td>
<td>$1,040,411,858</td>
</tr>
</tbody>
</table>

Operating expenses as a percentage of revenues dropped from 18.2% in 2007 to 15.8% in 2010, due primarily to growth and expense control.

1 For the 2009 financial reconciliation (Non-GAAP), see page A-1
15%

TARGET RETURN ON INVESTED CAPITAL
BY 2012

COMPARE TO

2010 | 9.0% 2007 | 2.3%

In terms of return on invested capital (ROIC), 15% is our magic number. It means that our company is investing money in ways that produce premium returns for our investors. That is Insituform’s target.

Four years ago, Insituform’s ROIC hovered at 2.3%, making an ROIC of 15% seem out of reach. Since then, we have increased ROIC more than four-fold, reaching 9.0% in 2010. This dramatic increase is a result of broad improvements across almost all of our company’s business segments. We achieved these gains while maintaining the conservative balance sheet needed to fund future growth.

Our conservative balance sheet gives us flexibility through difficult economic times and will allow us to take advantage of strategic growth opportunities.

As we enter 2011, our target of 15% ROIC is much more attainable. We believe we are on a path to reach it in 2012.
**RETURN ON INVESTED CAPITAL**

Insituform has shown significant improvements in ROIC since 2007, due primarily to a combination of increasing revenues, operating expense controls, the strategic diversification of our business segments and our expanding geographic footprint.

**ROIC**

- **2007**: 2.3%
- **2008**: 6.4%
- **2009**: 6.7%
- **2010**: 9.0%

**BACKLOG**

(Due to geographic footprint expansion)

Diversifying our revenue streams, product offerings and geographies has led to a 68% increase in backlog compared to 2007.

**2010**: $408.7 million

**INSITUFORM'S 2010 DEBT-TO-EQUITY**

- **17% DEBT**
- **83% EQUITY**

The quality of Insituform's debt-to-equity ratio is a sign of the company's financial strength. It also indicates we have the flexibility to generate additional growth.

**OPERATING CASH FLOW**

**$53.5 MILLION**

Total operating cash flow in 2010

Insituform has historically produced strong operating cash flows, and has increased it from $9.8 million in 2007 to $53.5 million in 2010. Operating cash flow decreased slightly in 2010 compared to 2009 due to an increase in our collection cycle as a result of the global economic downturn. In 2010, many of our customers, primarily municipalities, increased their payment cycle.

**UNRESTRICTED CASH**

**$114.8 MILLION**

Total unrestricted cash at December 31, 2010

Unrestricted cash represents a company’s instant monetary reserves. We increased Insituform's unrestricted cash to $114.8 million at year-end 2010, up from $79.0 million at year-end 2007. This 45.3% increase in cash, together with our low debt, provides us flexibility to pursue organic and inorganic growth opportunities.
The primary reason Instuform’s top-line revenues have grown by 85% over the past four years can be boiled down to a single word: **diversification.**

As our 2010 results attest, we have made significant progress in stretching beyond our North American and Western European sewer rehabilitation roots to leverage higher-margin opportunities and expand our business platform. Our new outlook freed us to pursue acquisitions that broadened our scope of services and to take a more meaningful role in growing market segments, particularly in the energy and mining industry. It has led us to grow our industrial contracting business, to increase sales of our cured-in-place pipe (CIPP) tubes to third parties worldwide and to expand our geographic reach in Asia, India and Australia. It is also why we have added pipe coating and engineering services, and invested in a more versatile product line for water pipeline rehabilitation.

**The end result:** While CIPP contracting services are still important to our business success, today we are constructing, replacing, protecting and rehabilitating large-scale pipelines throughout the world – projects that just four years ago might have seemed unimaginable for Instuform. We have the balance sheet and cash flow to continue down this path into the future.
$60.6 MILLION

Consolidated net income from continuing operations was $60.6 million in 2010, an increase of 371% over 2007.

DIVERSIFICATION

By diversifying Insiteuform’s revenue streams and products, we have bolstered our foundation, enhancing our ability to weather individual market volatility that may occur from year to year.

85%

Insiteuform’s top line revenue has grown by 85% since 2007 — in large part due to diversification.
5 THE NUMBER OF BUSINESS UNITS IN THE INSITUFORM FAMILY OF COMPANIES

The strength of Insituform’s 2010 performance is a direct reflection of the contributions made by each of the five business units we operate.

Individually, these businesses apply their specialized expertise to solving pipeline challenges for the sewer, water, oil, gas and mining industries. Collectively, they give Insituform the comprehensive capabilities and experience needed to serve the world’s pipeline infrastructure. Given the synergies that exist among them, they create a whole that is greater than the sum of their parts.

The enclosed cards detail the accomplishments of each of our business units:

- North American Sewer Rehabilitation
- Energy & Mining
- European Sewer Rehabilitation
- Asia-Pacific Sewer Rehabilitation
- Water
CORPORATE INFORMATION

EXECUTIVE OFFICERS OF
INSITUFORM TECHNOLOGIES, INC.

J. Joseph Burgess
President and Chief Executive Officer

David F. Morris
Senior Vice President, General Counsel,
Chief Administrative Officer and Secretary

David A. Martin
Senior Vice President and Chief Financial Officer

Brian J. Clarke
Senior Vice President – Business Integration

Holly S. Sharp
Vice President – Human Resources and
Environmental, Health and Safety

Kenneth L. Young
Vice President and Treasurer

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
800 Market Street
St. Louis, Missouri 63101

TRANSFER AGENT & REGISTRAR

American Stock Transfer & Trust Company
59 Maiden Lane
New York, New York 10038

PRICE RANGE OF SECURITIES

The Company's common shares, $0.01 par value, are traded on The Nasdaq Global Select Market under the symbol "INSU." The following table sets forth the range of quarterly high and low sales prices for the years ended December 31, 2010 and 2009, as reported on The Nasdaq Global Select Market. Quotations represent prices between dealers and do not include retail mark-ups, mark-downs or commissions.

<table>
<thead>
<tr>
<th>Period</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010: First Quarter</td>
<td>$28.87</td>
<td>$19.94</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>29.99</td>
<td>19.10</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>26.51</td>
<td>18.52</td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>23.62</td>
<td>21.06</td>
</tr>
</tbody>
</table>

| 2009: First Quarter | $21.99 | $11.42 |
| Second Quarter     | 17.06  | 10.06 |
| Third Quarter      | 20.60  | 18.10 |
| Fourth Quarter     | 24.22  | 18.81 |

FORM 10-K

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2010, as filed with the Securities and Exchange Commission, is available, free of charge, on our website, www.insituform.com. It is also available without charge upon request by writing to the Company's investor relations department at 17888 Edison Avenue, St. Louis, Missouri 63005.