

<b>Form 5500</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b>  This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).  <b>► Complete all entries in accordance with the instructions to the Form 5500.</b>	OMB Nos. 1210-0110 1210-0089  <b>2009</b>  <b>This Form is Open to Public Inspection</b>
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<b>Part I</b>	<b>Annual Report Identification Information</b>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
<b>A</b> This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a multiple-employer plan; or <input type="checkbox"/> a DFE (specify) ____
<b>B</b> This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
<b>C</b> If the plan is a collectively-bargained plan, check here. . . . .	<input type="checkbox"/>
<b>D</b> Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

<b>Part II</b>	<b>Basic Plan Information</b> —enter all requested information								
<b>1a</b> Name of plan ITRON, INC. INCENTIVE SAVINGS PLAN	<table border="1"> <tr> <td><b>1b</b> Three-digit plan number (PN) ►</td> <td>001</td> </tr> <tr> <td><b>1c</b> Effective date of plan</td> <td>03/31/1985</td> </tr> </table>	<b>1b</b> Three-digit plan number (PN) ►	001	<b>1c</b> Effective date of plan	03/31/1985				
<b>1b</b> Three-digit plan number (PN) ►	001								
<b>1c</b> Effective date of plan	03/31/1985								
<b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)  ITRON, INC.   2111 N. MOLTER ROAD LIBERTY LAKE, WA 99019	<table border="1"> <tr> <td><b>2b</b> Employer Identification Number (EIN)</td> <td>91-1011792</td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number</td> <td>509-891-3071</td> </tr> <tr> <td><b>2d</b> Business code (see instructions)</td> <td>334500</td> </tr> <tr> <td colspan="2"></td> </tr> </table>	<b>2b</b> Employer Identification Number (EIN)	91-1011792	<b>2c</b> Sponsor's telephone number	509-891-3071	<b>2d</b> Business code (see instructions)	334500		
<b>2b</b> Employer Identification Number (EIN)	91-1011792								
<b>2c</b> Sponsor's telephone number	509-891-3071								
<b>2d</b> Business code (see instructions)	334500								

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	09/01/2010	DARREN RIEGER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

<b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same") ITRON, INC.  2111 N. MOLTER ROAD LIBERTY LAKE, WA 99019	<b>3b</b> Administrator's EIN 91-1011792  <b>3c</b> Administrator's telephone number 509-891-3071
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<b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:  <b>a</b> Sponsor's name	<b>4b</b> EIN  <b>4c</b> PN
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<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	2906
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<b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).		
<b>a</b> Active participants.....	<b>6a</b>	2287
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b>	5
<b>c</b> Other retired or separated participants entitled to future benefits.....	<b>6c</b>	632
<b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....	<b>6d</b>	2924
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	<b>6e</b>	13
<b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....	<b>6f</b>	2937
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g</b>	2682
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6h</b>	95

  

<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	
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**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:  
 2E 2F 2H 2I 2K 2S 2T 2R 3I

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

<b>9a</b> Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary  (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
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<b>SCHEDULE C</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110
		<b>2009</b>
		<b>This Form is Open to Public Inspection.</b>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
<b>A</b> Name of plan ITRON, INC. INCENTIVE SAVINGS PLAN	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 ITRON, INC.	<b>D</b> Employer Identification Number (EIN) 91-1011792	

<b>Part I</b>	<b>Service Provider Information (see instructions)</b>
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

<b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INV. INST. OPS. CO.
04-2647786

<b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
SEI STABLE ASSET FUND
23-1707341

<b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 71 60	RECORDKEEPER	19617	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

**(a)** Enter name and EIN or address (see instructions)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**(a)** Enter name and EIN or address (see instructions)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**(a)** Enter name and EIN or address (see instructions)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**(a)** Enter name and EIN or address (see instructions)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**(a)** Enter name and EIN or address (see instructions)

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AF GROWTH OF AMER R5 - AMERICAN FUN  95-2566717	0.05%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AM CENT REAL EST IS - AMERICAN CENT  44-0619208	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ARTISAN INTL - BOSTON FINANCIAL DAT  04-2526037	0.40%	

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ARTISAN MID CAP VAL - BOSTON FINANC  04-2526037	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ARTISAN SM CAP VALUE - BOSTON FINAN  04-2526037	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BARON GROWTH - DST SYSTEMS, INC.  43-1581814	0.40%	



**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DAVIS NY VENTURE A - BOSTON FINANCI  04-2526037	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DODGE & COX INTL STK - BOSTON FINAN  04-2526037	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JH RAINIER GRTH INST - JOHN HANCOCK  01-0233346	0.10%	

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO HIGH YIELD ADM - BOSTON FINAN  04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO TOT RETURN ADM - BOSTON FINAN  04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
SEI STABLE ASSET  23-1707341	0.10%	

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TIMESSQ MID CP GTH P - PNC GLOBAL I  04-2871943	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP PERS STR BALANCE - T ROWE PRICE  52-1184650	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ALPINE INTERNATIONAL REAL ESTATE EQ 2500 WESTCHESTER AVENUE PURCHASE, NY 10577	12.00	

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY INTERNATIONAL BOND	4400 MAIN ST KANSAS CITY, MO 64111	0.30%
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DREYFUS SMALL COMPANY VALUE FUND	144 GLENN CURTISS BLVD UNIONDALE, NY 11556	0.15%
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FEDERATED PRUDENT BEAR FUND CLASS A	4000 ERICSSON DRIVE WARRENDALE, PA 15086	0.05% + 12.00

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS ORION FUND CLASS J SHARES	151 DETROIT ST. DENVER, CO 80206	0.33%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS OVERSEAS FUND CLASS J	151 DETROIT ST. DENVER, CO 80206	0.33%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MATTHEWS CHINA FUND	4 EMBARCADERO CENTER SAN FRANCISCO, CA 94111	0.40%

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OAKMARK INTERNATL SMALL CAP I	399 BOYLSTON STREET, 6TH FLOOR BOSTON, MA 02116	0.35%
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPENHEIMER COMMOD STRA TOT RETURN	6801 SOUTH TUCSON WAY ENGLEWOOD, CO 80112	0.25% + 10.00
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
SOUND MIND INVESTING MNGD VOLATIL F	9700 PARK PLAZA AVE LOUISVILLE, KY 40241	16.00

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
T ROWE PRICE MEDIA TELECOMMUNICATI 4515 PAINTERS MILL RD OWINGS MILLS, MD 21117	0.02%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TCW SMALL CAP GROWTH CLASS N 865 SOUTH FIGUERA STREET LOS ANGELES, CA 90017	0.40%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
THOMPSON PLUMB BOND FUND 440 SOUTH LASALLE STREET STE. 3900 MILWAUKEE, WI 53201	0.25%

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
US GOLD AND PRECIOUS METALS 7900 CALLAGHAN SAN ANTONIO, TX 78229	16.00

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
WILLIAM BLAIR SMALL CAP GROWTH CLAS 222 WEST ADAMS STREET, 12TH FLOOR CHICAGO, IL 60606	0.40%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
YACKTMAN FUND 6300 BRIDGEPOINT PARKWAY AUSTIN, TX 78730	0.40%



**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN;
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN;
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:



**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).  <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2009</b>  <b>This Form is Open to Public Inspection</b>
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
<b>A</b> Name of plan <u>ITRON, INC. INCENTIVE SAVINGS PLAN</u>	<b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>ITRON, INC.</u>	<b>D</b> Employer Identification Number (EIN)  <u>91-1011792</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
<b>1</b>	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	<b>Assets</b>			
<b>a</b>	Total noninterest-bearing cash .....	<b>1a</b>	76249	101151
<b>b</b>	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions .....	<b>1b(1)</b>		
	(2) Participant contributions .....	<b>1b(2)</b>		
	(3) Other.....	<b>1b(3)</b>	69780	40847
<b>c</b>	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	780129	772830
	(2) U.S. Government securities.....	<b>1c(2)</b>	6745	6358
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred .....	<b>1c(3)(A)</b>		
	(B) All other.....	<b>1c(3)(B)</b>		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred .....	<b>1c(4)(A)</b>	0	8835
	(B) Common .....	<b>1c(4)(B)</b>	404834	892408
	(5) Partnership/joint venture interests .....	<b>1c(5)</b>		
	(6) Real estate (other than employer real property) .....	<b>1c(6)</b>		
	(7) Loans (other than to participants) .....	<b>1c(7)</b>		
	(8) Participant loans .....	<b>1c(8)</b>	3198363	3067292
	(9) Value of interest in common/collective trusts.....	<b>1c(9)</b>	25741787	24208689
	(10) Value of interest in pooled separate accounts.....	<b>1c(10)</b>		
	(11) Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
	(12) Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	<b>1c(13)</b>	88969108	124379830
	(14) Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
	(15) Other .....	<b>1c(15)</b>	148971	24519

**1d** Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	<b>1d(1)</b>	8711072	8549384
(2) Employer real property .....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation .....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e) .....	<b>1f</b>	128107038	162052143

**Liabilities**

<b>g</b> Benefit claims payable .....	<b>1g</b>	0	5565
<b>h</b> Operating payables .....	<b>1h</b>	5675	5677
<b>i</b> Acquisition indebtedness .....	<b>1i</b>		
<b>j</b> Other liabilities .....	<b>1j</b>	0	6
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j) .....	<b>1k</b>	5675	11248

**Net Assets**

<b>l</b> Net assets (subtract line 1k from line 1f) .....	<b>1l</b>	128101363	162040895
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**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income****a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: <b>(A)</b> Employers .....	<b>2a(1)(A)</b>	1941551	
<b>(B)</b> Participants .....	<b>2a(1)(B)</b>	10365234	
<b>(C)</b> Others (including rollovers) .....	<b>2a(1)(C)</b>	382082	
(2) Noncash contributions .....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		12688867

**b Earnings on investments:****(1) Interest:**

<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....	<b>2b(1)(A)</b>	4387	
<b>(B)</b> U.S. Government securities .....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments .....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants) .....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans .....	<b>2b(1)(E)</b>	217599	
<b>(F)</b> Other .....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		221986

(2) Dividends: <b>(A)</b> Preferred stock .....	<b>2b(2)(A)</b>	187	
<b>(B)</b> Common stock .....	<b>2b(2)(B)</b>	12258	
<b>(C)</b> Registered investment company shares (e.g. mutual funds) .....	<b>2b(2)(C)</b>	2605493	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		2617938

(3) Rents .....	<b>2b(3)</b>		
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(4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....	<b>2b(4)(A)</b>	2180368	
<b>(B)</b> Aggregate carrying amount (see instructions) .....	<b>2b(4)(B)</b>	2192600	
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....	<b>2b(4)(C)</b>		-12232

		(a) Amount	(b) Total
<b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	<b>2b(5)(A)</b>		
(B) Other .....	<b>2b(5)(B)</b>	553044	
(C) Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		553044
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		379573
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	<b>2b(10)</b>		25296679
<b>c</b> Other income.....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		41745855

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	7392203	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		7392203
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		369883
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		7830
<b>h</b> Interest expense.....	<b>2h</b>		
<b>i</b> Administrative expenses: (1) Professional fees .....	<b>2i(1)</b>	2	
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Investment advisory and management fees .....	<b>2i(3)</b>		
(4) Other .....	<b>2i(4)</b>	36405	
(5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....	<b>2i(5)</b>		36407
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		7806323

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		33939532
<b>l</b> Transfers of assets:			
(1) To this plan.....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MOSS ADAMS LLP

(2) EIN: 91-0189318

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.



**Part IV Compliance Questions**

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
<b>e</b> Was this plan covered by a fidelity bond?.....	X		500000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan? .....		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
If yes, enter the amount of any plan assets that reverted to the employer this year ..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

**5b(1)** Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

<b>SCHEDULE R</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Retirement Plan Information</b>  This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110
		<b>2009</b>
		<b>This Form is Open to Public Inspection.</b>

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<b>A</b> Name of plan <u>ITRON, INC. INCENTIVE SAVINGS PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>ITRON, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>91-1011792</u>

<b>Part I</b>	<b>Distributions</b>
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	

<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

<b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If the plan is a defined benefit plan, go to line 8.			
<b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
<b>6 a</b> Enter the minimum required contribution for this plan year .....	<b>6a</b>		
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>		
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<b>6c</b>		
If you completed line 6c, skip lines 8 and 9.			
<b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

<b>Part III</b>	<b>Amendments</b>
-----------------	-------------------

<b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

<b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>11 a</b> Does the ESOP hold any preferred stock? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009  
v.092308.1

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

<b>a</b> The current year .....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year .....	<b>14b</b>	
<b>c</b> The second preceding plan year .....	<b>14c</b>	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</b> If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers .....	<b>16b</b>	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ..... ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:  
 Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%
- b** Provide the average duration of the combined investment-grade and high-yield debt:  
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate item 19(b)?  
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE  
AND INTERNAL CONTROL RELATED MATTERS**

To the Administrative Committee  
Itron, Inc. Incentive Savings Plan  
Liberty Lake, Washington

We have audited the financial statements and supplemental schedule of Itron, Inc. Incentive Savings Plan (the Plan) as of and for the year ended December 31, 2009, and have issued our report thereon dated August 30, 2010. Professional standards require that we provide you with the following information related to our audit.

Matters required to be communicated include the following:

- ♦ Auditor's responsibility under auditing standards generally accepted in the United States of America
- ♦ Other information in documents containing audited financial statements
- ♦ Planned scope and timing of the audit
- ♦ Qualitative aspects of accounting practices
- ♦ Significant accounting estimates
- ♦ Financial statement disclosures
- ♦ Significant difficulties encountered in performing the audit
- ♦ Corrected and uncorrected misstatements
- ♦ Disagreements with management
- ♦ Management representations
- ♦ Management consultation with other independent accountants
- ♦ Major issues discussed with management prior to retention of the auditor
- ♦ Communication of internal control related matters

***Our Responsibility under Auditing Standards Generally Accepted in  
the United States of America***

As stated in our engagement letter dated March 1, 2010, our responsibility, as prescribed by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

### ***Our Responsibility under Auditing Standards Generally Accepted in the United States of America, Cont.***

Our responsibility is to plan and perform the audit in accordance with auditing standards generally accepted in the United States of America and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we considered the Plan's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

You should understand that our audit is not specifically designed for and should not be relied upon to disclose matters affecting Plan qualifications or compliance with the ERISA and Internal Revenue Code requirements. If, during the audit, we become aware of any instances of any such matters or ways in which management practices can be improved, we will communicate them to you.

### ***Other Information in Documents Containing Audited Financial Statements***

The AICPA's Audit and Accounting Guide for Employee Benefit Plans requires that, before an auditor's report on the Plan's financial statements can be included with a filed Form 5500 (including any related schedules), the auditor must review the Form 5500 and consider whether there are any material inconsistencies between the other information in the form and the audited financial statements (including the required supplemental schedules) or any material misstatement of fact.

Our responsibility for other information in the Form 5500 does not extend beyond the financial information identified in our report. We do not have an obligation to perform any procedures to corroborate other information contained in the form, except as described above. However, we have read the information contained in the Schedule H and nothing came to our attention that caused us to believe such information or its manner of presentation is materially inconsistent with the information as it is presented in the financial statements.

### ***Planned Scope and Timing of the Audit***

We performed the audit according to the planned scope and timing previously communicated to you in the engagement letter dated March 1, 2010, and through planning discussions.

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. There were no changes in the application of existing accounting policies during the year. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

### ***Significant Accounting Estimates***

Accounting estimates may be an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates may be particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

We did not note any significant accounting estimates in the financial statements.

### ***Financial Statement Disclosures***

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures may be particularly sensitive because of their significance to financial statement users.

We did not note any disclosures in the financial statements, which we consider sensitive to potential users.

### ***Significant Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

We did not note any known or likely misstatements in the course of the engagement.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated August 30, 2010.

### ***Management Consultation with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" in certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### ***Major Issues Discussed with Management Prior to Retention of the Auditor***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



### ***Communication of Internal Control Related Matters***

In planning and performing our audit of the financial statements of the Plan, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.



This communication is intended solely for the use of the Administrative Committee and management of the Plan and is not intended to be, and should not be used by anyone other than these specified parties.

We were pleased to serve and be associated with the Plan as the independent auditors for 2009. We provide the above information to assist you in performing your oversight responsibilities.

*Moss Adams LLP*

Spokane, Washington

**ITRON, INC.  
INCENTIVE SAVINGS PLAN**

**INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS**

**DECEMBER 31, 2009 AND 2008**

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**INDEPENDENT AUDITOR'S REPORT**

To the Administrative Committee  
Itron, Inc. Incentive Savings Plan  
Liberty Lake, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of Itron, Inc. Incentive Savings Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental Schedule H, Line 4i - Schedule of assets (held at end of year) referred to as "supplemental information" as of December 31, 2009. These financial statements and schedule are the responsibility of the Plan's management.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Itron, Inc. Incentive Savings Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis, and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Spokane, Washington  
August 30, 2010

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**

---

**ASSETS**

	December 31,	
	<b>2009</b>	2008
Investments, at fair value	<b>\$160,407,936</b>	\$125,125,403
Cash	<b>101,151</b>	-
Receivables:		
Employer profit sharing contribution	-	167,935
Employer matching contributions	-	860,673
Other	<b>40,847</b>	-
	<b>40,847</b>	1,028,608
Total assets	<b>160,549,934</b>	126,154,011
<b>LIABILITIES</b>		
Benefit claims payable	<b>5,565</b>	-
Accrued expenses	<b>5,683</b>	-
Total liabilities	<b>11,248</b>	-
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	<b>160,538,686</b>	126,154,011
Adjustment from fair value to contract value for fully benefit-responsive investment contract	<b>1,502,209</b>	3,001,113
NET ASSETS AVAILABLE FOR BENEFITS	<b>\$162,040,895</b>	\$129,155,124

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

---

	Year Ended December 31, 2009
<b>ADDITIONS TO NET ASSETS ATTRIBUTED TO:</b>	
Net appreciation in fair value of investments:	
Registered investment company funds	\$ 26,368,779
Stock funds	502,954
Individually directed accounts	<u>116,468</u>
	26,988,201
Investment income	
Interest and dividends	<u>2,017,006</u>
Net investment income	<u>29,005,207</u>
Contributions	
Participants	10,365,234
Employer matching	912,944
Rollovers	<u>382,082</u>
	<u>11,660,260</u>
Total additions	<u>40,665,467</u>
<b>DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:</b>	
Benefits paid to participants	7,766,124
Administrative expenses	<u>13,572</u>
Total deductions	<u>7,779,696</u>
NET INCREASE	32,885,771
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>	
Beginning of year	<u>129,155,124</u>
End of year	<u>\$ 162,040,895</u>

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

---

#### **Note 1 - Description of Plan**

Itron, Inc. (the Company or Employer) established Itron, Inc. Incentive Savings Plan (the Plan) effective March 1, 1985 (amended and restated January 1, 2008), including subsequent amendments. The Plan is a defined contribution plan and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is administered by the internal Administrative Committee and is participant directed. The trustee of the Plan is Fidelity Management Trust Company. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

#### ***Eligibility:***

Full-time and part-time employees of the Company shall become participants under the Plan as soon as administratively possible following their employment dates.

Effective October 1, 2007, the Plan implemented an automatic enrollment provision wherein participants are automatically enrolled at a deferral percentage of 3%. Participants must choose to opt out of Plan participation within 30 days following date of hire if they wish not to participate.

The employee qualifies to receive Company match contributions if employed on the last day of the period for which the Company matching contribution is made to the Plan.

#### ***Merging plans:***

The Company merged the Actaris Liquid Measurement, LLC 401(k) Profit Sharing Plan and the Actaris US Gas, Inc. 401(k) Profit Sharing Plan into the Itron, Inc. Incentive Savings Plan on November 7, 2008.

#### ***Contributions:***

Each year, participants may contribute up to 50% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may contribute to the Plan, on behalf of each employee eligible, a discretionary matching contribution equal to a percentage (as determined by the Company's Board of Directors) of the elective deferrals made by each such employee. The Company's Board of Directors may also determine to suspend or reduce its contribution for any Plan year or any portion thereof. In 2008, the Company matched 50% of participant contributions up to 6% of the participants' pretax annual compensation, as defined in the Plan. Contributions are subject to regulatory limitations. In 2009, the Company suspended its matching contributions effective April 1, 2009, through December 31, 2009.

## ITRON, INC. INCENTIVE SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

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### **Note 1 - Description of Plan (Continued)**

#### ***Participant accounts:***

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings (losses) and charged with an allocation of certain administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested amount.

#### ***Vesting:***

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

An Actaris participant under Actaris US Gas, Inc. 401(k) Profit Sharing Plan and the Actaris Liquid Measurement, LLC 401(k) Profit Sharing Plan is 100% vested after four years of credited service.

#### ***Participant loans:***

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, or 50%, of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates determined by the Administrative Committee based on the yield rates of appropriate U.S. Treasury securities. Principal and interest are paid ratably through bi-weekly payroll deductions.

As of December 31, 2009, interest rates ranged from 4.00% to 9.25%.

#### ***Payment of benefits:***

Upon termination of service due to death, disability, or age 59½ or later, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or periodic installments over a period not exceeding 20 years, if the participant's vested account exceeds \$5,000. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. A single payment distribution may also be made in the form of whole shares of Company stock to the extent the participant's account is invested in Company stock.

#### ***Forfeitures:***

The Plan may treat forfeitures as a reduction of Company contributions for the Plan year in which the forfeiture occurs or pay Plan expenses. Forfeitures used by the Company to reduce contributions in the Plan year ended December 31, 2009, amounted to \$12,731. Unallocated forfeitures were \$51,922 and \$63,848 as of December 31, 2009 and 2008, respectively.

#### ***Hardship withdrawals:***

Hardship withdrawals are permitted by the Plan in accordance with Internal Revenue Code Section 401(k).



## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

---

#### **Note 1 - Description of Plan (Continued)**

##### ***Investment management and administrative expenses:***

The Plan pays certain record keeping and investment management fees. Also, certain expenses for administration of the Plan (record keeping, trustee services, and consulting services) are paid directly by the Company at its election.

##### ***Plan termination:***

Although the Company has not expressed any intent to do so, the Company, by resolution of its Board of Directors, reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund shall become fully vested and nonforfeitable.

#### **Note 2 - Summary of Significant Accounting Policies**

##### ***Basis of accounting:***

The financial statements of the Plan are prepared under the accrual method of accounting.

##### ***Financial Accounting Standards Board (FASB) Codification***

On July 1, 2009, the FASB Accounting Standards Codification (ASC) became the single authoritative source for nongovernmental accounting principles generally accepted in the United States of America (GAAP). The ASC supersedes all previous authoritative GAAP applicable to the Plan and is effective for interim and annual periods ended after September 15, 2009.

##### ***Investment valuation:***

Fair value is the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Authoritative guidance requires the statement of net assets available for benefits present the fair value of the investments, as well as the adjustment from fair value to contract value for fully benefit-responsive investment contracts. The statement of changes in net assets available for benefits is prepared on a contract value basis.

##### ***Income recognition:***

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The net appreciation in fair value of investments consists of both the realized gains or losses and unrealized appreciation and depreciation of those investments.

## ITRON, INC. INCENTIVE SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

---

### Note 2 - Summary of Significant Accounting Policies (Continued)

#### ***Payments of benefits:***

Benefits are recorded when paid.

#### ***Subsequent events:***

Subsequent events are events or transactions that occur after the statement of net assets available for benefits date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net assets available for benefits, including the estimates inherent in the process of preparing the financial statements. The Plan's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net assets available for benefits but arose after the statement of net assets available for benefits date and before the financial statements are issued.

The Plan has evaluated subsequent events through August 30, 2010, which is the date the financial statements were available to be issued.

#### ***Risks and uncertainties:***

The Plan provides for various investment options in any combination of registered investment company funds, a stable value fund, common stock funds, and individually directed accounts. Investment securities of these types are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term, and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

#### ***Use of estimates:***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net assets available for benefits during the reporting period. Actual results could differ from those estimates.

#### ***Allowance for loss on receivables:***

An allowance for loss on loans to participants has not been recorded as all receivables are deemed to be 100% collectible or adequately secured as of the date of this report.

#### ***Reclassifications:***

Certain items in the 2008 report have been reclassified to conform to the 2009 presentation. These reclassifications had no effect on net assets available for benefits as previously reported.

## ITRON, INC. INCENTIVE SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

---

#### Note 3 - Investments

The following presents investments at fair value at December 31, which represent 5% or more of the Plan's net assets:

	December 31,	
	2009	2008
Registered investment company funds:		
PIMCO Total Return Fund	\$17,047,649	\$ 15,402,564
Artisan Small-Cap Value Fund	8,061,802	*
Artisan International Fund	12,555,823	8,148,952
American Century Real Estate Fund	6,234,202	*
AF Growth of America R5	7,374,644	*
Davis New York Venture Fund	9,531,627	6,461,974
Times Square Mid Cap Growth Prem	8,888,013	*
Vanguard Institutional Index	14,791,174	10,992,065
Stable value fund:		
SEI Stable Asset**	32,442,988	33,550,517
Common stock:		
Itron, Inc. Company Stock	8,403,749	9,155,767

\* Did not exceed 5% of net assets

\*\* Contract value has been presented as it is the relevant measurement for financial statement purposes

## ITRON, INC. INCENTIVE SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

---

#### Note 4 - Fair Value Measurements

In accordance with authoritative guidance, the Plan classifies its investments based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- |                |  |
|----------------|--|
| <b>Level 1</b> | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;  |
| <b>Level 2</b> | Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly; |
| <b>Level 3</b> | Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.   |

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 or 2008.

Shares of registered investment company funds are valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and is classified within Level 1 of the valuation hierarchy.

The SEI Stable Value Fund (the Fund) is designed to provide preservation of capital and returns that are consistent regardless of stock and bond market volatility. The Fund seeks to earn a high level of income consistent with those objectives. The Fund holds guaranteed investment contracts, which typically have a fixed maturity. Each contract contains a provision the issuer will, if required, repay principal at the stated contract value for the purpose of paying benefit payments (fully benefit-responsive). In accordance with authoritative guidance, the Fund is presented at fair value on the statement of net assets available for benefits. The adjustment from fair value to contract value is based on the contract value as reported by the Fund's audited financial statements.

Participant loans are not actively traded and significant other observable inputs are not available. Participant loans are stated at amortized cost, which approximates fair value and are classified within Level 3 of the valuation hierarchy. Loans are secured by each respective participant's account balance.

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 4 - Fair Value Measurements**

Common stocks are valued at the closing price reported on the major market in which the individual securities are traded. Common stocks are generally classified within Level 1 of the valuation hierarchy.

The money market fund is a public investment vehicle valued using \$1 for the NAV. The money market fund is classified within Level 2 of the valuation hierarchy.

The Plan invests in Itron Inc Stock Fund, a unitized fund. Units held in a unitized stock fund are valued using the NAV of the Fund. The NAV is based on the fair value of the underlying assets owned by the Fund, plus its receivables, and then divided by the number of units outstanding. The Fund consists of Itron Inc. common stock, Fidelity Institutional Money Market Fund, and a small balance of receivables. The money market fund and common stock are valued as described in the paragraphs above. As the stock and money market fund are separate investments to the Plan, the components of the unitized fund are listed separately in the fair value table above. The receivable is not a financial instrument and therefore not recorded as an investment or included in the fair value table above.

The valuation methods used by the Plan may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Fair Value Measurements (Continued)**

The following table discloses by level, the fair value hierarchy, of the Plan's assets at fair value as of December 31:

<b>Investment Assets at Fair Value as of December 31, 2009</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Registered investment company funds:				
Equity funds	\$ 8,064,925	\$ -	\$ -	\$ 8,064,925
Income funds	94,006	-	-	94,006
Index funds	20,033,067	-	-	20,033,067
Balanced funds	25,983,284	-	-	25,983,284
Growth funds	43,871,765	-	-	43,871,765
International funds	18,002,852	-	-	18,002,852
Exchange traded funds	248,452	-	-	248,452
Other funds	39,748	-	-	39,748
Common stocks:				
Industrials	101,918	-	-	101,918
Financial	119,568	-	-	119,568
Utilities	57,295	-	-	57,295
Technology	8,599,505	-	-	8,599,505
Services	29,816	-	-	29,816
Consumer	96,273	-	-	96,273
Basic Material	240,580	-	-	240,580
Healthcare	43,981	-	-	43,981
Stable value fund	-	30,940,779	-	30,940,779
Money market account	-	772,830	-	772,830
Participant loans	-	-	3,067,292	3,067,292
<b>TOTAL ASSETS AT FAIR VALUE</b>	<b>\$ 125,627,035</b>	<b>\$ 31,713,609</b>	<b>\$ 3,067,292</b>	<b>\$ 160,407,936</b>

# ITRON, INC. INCENTIVE SAVINGS PLAN

## NOTES TO FINANCIAL STATEMENTS

### Note 4 - Fair Value Measurements (Continued)

	Investment Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	\$ 79,988,558	\$ -	\$ -	\$ 79,988,558
Common/collective trust funds	-	31,490,849	-	31,490,849
Stock funds	9,253,398	-	-	9,253,398
Individually directed accounts	1,117,986	-	-	1,117,986
Participant loans	-	-	3,198,363	3,198,363
<b>TOTAL ASSETS AT FAIR VALUE</b>	<b>\$ 90,359,942</b>	<b>\$ 31,490,849</b>	<b>\$ 3,198,363</b>	<b>\$ 125,049,154</b>

The following table discloses the summary of changes in the fair value of the Plan's Level 3 investment assets for the year ended December 31, 2009:

	Loans to Participants
Balance, beginning of year	\$ 3,198,363
Realized gains	-
Interest income	-
Unrealized gains	-
Purchases, settlements and dispositions	(131,071)
Transfers in/out of Level 3	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 3,067,292</b>

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the statement of changes in net assets available for benefits.

### Note 5 - Tax Status

The Plan obtained its latest determination letter dated February 18, 2009, in which the Internal Revenue Service stated the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Administrative Committee believes the Plan is currently designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

# ITRON, INC. INCENTIVE SAVINGS PLAN

## NOTES TO FINANCIAL STATEMENTS

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### Note 6 - Party in Interest Transactions

Certain Plan assets are managed by Fidelity Management Trust Company, the trustee of the assets. Certain Plan investments are shares in Itron, Inc. common stock, shares of Schlumberger Ltd common stock, and shares of Transocean Inc. common stock. The investments in stock represent shares of the Company's common stock held by the Plan and shares of other companies' common stock transferred into the Plan in connection with mergers of plans acquired from business transactions; therefore, these transactions qualify as party in interest transactions. The Plan also allows for participant loans, which are party in interest transactions.

### Note 7 - Reconciliation to Federal Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 129,155,124
Miscellaneous adjustment	(25,153)
Employer profit sharing contribution	(167,935)
Employer contributions receivable	<u>(860,673)</u>
 NET ASSETS AVAILABLE FOR BENEFITS PER FORM 5500	 <u>\$ 128,101,363</u>

The following is a reconciliation of investments per the financial statements for the years ended December 31 to the Form 5500:

	<u>2009</u>	<u>2008</u>
Investments, at fair value, per the financial statements	<b>\$ 160,407,936</b>	\$ 125,125,403
Add adjustment from fair value to contract value for fully benefit-responsive investment contract	<u><b>1,502,209</b></u>	<u>3,001,113</u>
 INVESTMENTS AT CONTRACT VALUE PER THE FORM 5500	 <u><b>\$ 161,910,145</b></u>	 <u>\$ 128,126,516</u>



## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 7 - Reconciliation to Federal Form 5500 (Continued)**

The following is a reconciliation of employer contributions per the financial statements for the year ended December 31, 2009, to the Form 5500:

Employer contributions per the financial statements	\$ 912,944
Employer profit sharing contribution receivable at December 31, 2008	167,935
Employer contributions receivable at December 31, 2008	<u>860,673</u>

EMPLOYER CONTRIBUTIONS PER THE FORM 5500	<u>\$ 1,941,552</u>
--	---------------------

Net increase in net assets available for benefits per the financial statements	\$32,885,771
Employer contributions receivable at December 31, 2008	860,673
Employer profit sharing contribution receivable at December 31, 2008	167,935
Prior year miscellaneous adjustment	<u>25,153</u>

NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS PER THE FORM 5500	<u>\$33,939,532</u>
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#### **Note 8 - Subsequent Event**

Effective July 1, 2010, the Plan was amended to include a de minimus distribution provision. The amendment requires that if a participant's vested account balance is less than \$1,000 at the time the participant becomes entitled to a distribution, the participant's account balance will be distributed to the participant.

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

Plan Sponsor's EIN: 91-1011792  
Plan Number: 001

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description, Including Maturity Date, Rate of Interest, Par, Maturity Value, Number of Shares	Year Ended	
			December 31, 2009	
			(d) Cost	(e) Current Value
	Registered investment company funds:			
	PIMCO High Yield Fund	540,607.99 shares	**	\$ 4,757,350
	PIMCO Total Return Fund	1,578,486.01 shares	**	17,047,649
	Artisan Small-Cap Value Fund	562,582.13 shares	**	8,061,802
	Artisan International Fund	607,735.86 shares	**	12,555,823
	American Century Real Estate Fund	431,432.66 shares	**	6,234,202
	AF Growth of America R5	270,331.51 shares	**	7,374,644
	Davis New York Venture Fund	307,670.34 shares	**	9,531,627
	Artisan Mid-Cap Value Fund	325,076.05 shares	**	5,844,867
	Baron Growth Fund	142,766.54 shares	**	5,897,686
	Times Square Mid Cap Growth Prem	753,221.44 shares	**	8,888,013
	Vanguard Institutional Index	145,039.95 shares	**	14,791,174
	Vanguard Total International Stock Index	363,767.74 shares	**	5,241,893
	T. Rowe Price Personal Strategy Balanced	63,604.600 shares	**	1,089,547
	Dodge & Cox International Stock	170,501.88 shares	**	5,430,485
	Fidelity Freedom Income	4,361.092 shares	**	46,838
	Fidelity Freedom 2000	197.501 shares	**	2,242
	Fidelity Freedom 2005	177.240 shares	**	1,778
	Fidelity Freedom 2010	10,935.133 shares	**	136,799
	Fidelity Freedom 2015	121,666.426 shares	**	1,267,764
	Fidelity Freedom 2020	43,166.278 shares	**	541,737
	Fidelity Freedom 2025	43,658.371 shares	**	453,610
	Fidelity Freedom 2030	12,005.386 shares	**	148,747
	Fidelity Freedom 2035	33,285.912 shares	**	341,513
	Fidelity Freedom 2040	13,304.387 shares	**	95,259
	Fidelity Freedom 2045	6,714.737 shares	**	56,874
	Fidelity Freedom 2050	1,370.314 shares	**	11,442
	Money market account:			
	Fidelity Institutional Money Market Fund	389,656.380 shares	**	389,656
	Stable value fund:			
	SEI Stable Asset	32,442,988.040 units	**	32,442,988
	Common stocks:			
*	Itron, Inc. common stock	124,371.000 shares	**	8,403,749
*	Schlumberger Ltd. common stock	2,010.942 shares	**	131,389
*	Transocean Inc. common stock	165.176 shares	**	14,246
	Individually directed accounts		**	1,609,460
		4.0%-9.25%, secured by		
*	Loans to participants	participant accounts		3,067,292
	TOTAL			\$ 161,910,145

\* Party in interest transaction as defined by ERISA.

\*\*The cost of participant directed investments is not required to be disclosed.

**ITRON, INC.  
INCENTIVE SAVINGS PLAN**

**INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS**

**DECEMBER 31, 2009 AND 2008**

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**INDEPENDENT AUDITOR'S REPORT**

To the Administrative Committee  
Itron, Inc. Incentive Savings Plan  
Liberty Lake, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of Itron, Inc. Incentive Savings Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental Schedule H, Line 4i - Schedule of assets (held at end of year) referred to as "supplemental information" as of December 31, 2009. These financial statements and schedule are the responsibility of the Plan's management.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Itron, Inc. Incentive Savings Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis, and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Spokane, Washington  
August 30, 2010

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**

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**ASSETS**

	December 31,	
	<b>2009</b>	2008
Investments, at fair value	<b>\$160,407,936</b>	\$125,125,403
Cash	<b>101,151</b>	-
Receivables:		
Employer profit sharing contribution	-	167,935
Employer matching contributions	-	860,673
Other	<b>40,847</b>	-
	<b>40,847</b>	1,028,608
Total assets	<b>160,549,934</b>	126,154,011
<b>LIABILITIES</b>		
Benefit claims payable	<b>5,565</b>	-
Accrued expenses	<b>5,683</b>	-
Total liabilities	<b>11,248</b>	-
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	<b>160,538,686</b>	126,154,011
Adjustment from fair value to contract value for fully benefit-responsive investment contract	<b>1,502,209</b>	3,001,113
NET ASSETS AVAILABLE FOR BENEFITS	<b>\$162,040,895</b>	\$129,155,124

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

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	Year Ended December 31, 2009
<b>ADDITIONS TO NET ASSETS ATTRIBUTED TO:</b>	
Net appreciation in fair value of investments:	
Registered investment company funds	\$ 26,368,779
Stock funds	502,954
Individually directed accounts	<u>116,468</u>
	26,988,201
Investment income	
Interest and dividends	<u>2,017,006</u>
Net investment income	<u>29,005,207</u>
Contributions	
Participants	10,365,234
Employer matching	912,944
Rollovers	<u>382,082</u>
	<u>11,660,260</u>
Total additions	<u>40,665,467</u>
<b>DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:</b>	
Benefits paid to participants	7,766,124
Administrative expenses	<u>13,572</u>
Total deductions	<u>7,779,696</u>
NET INCREASE	32,885,771
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>	
Beginning of year	<u>129,155,124</u>
End of year	<u>\$ 162,040,895</u>

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 1 - Description of Plan**

Itron, Inc. (the Company or Employer) established Itron, Inc. Incentive Savings Plan (the Plan) effective March 1, 1985 (amended and restated January 1, 2008), including subsequent amendments. The Plan is a defined contribution plan and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is administered by the internal Administrative Committee and is participant directed. The trustee of the Plan is Fidelity Management Trust Company. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

#### ***Eligibility:***

Full-time and part-time employees of the Company shall become participants under the Plan as soon as administratively possible following their employment dates.

Effective October 1, 2007, the Plan implemented an automatic enrollment provision wherein participants are automatically enrolled at a deferral percentage of 3%. Participants must choose to opt out of Plan participation within 30 days following date of hire if they wish not to participate.

The employee qualifies to receive Company match contributions if employed on the last day of the period for which the Company matching contribution is made to the Plan.

#### ***Merging plans:***

The Company merged the Actaris Liquid Measurement, LLC 401(k) Profit Sharing Plan and the Actaris US Gas, Inc. 401(k) Profit Sharing Plan into the Itron, Inc. Incentive Savings Plan on November 7, 2008.

#### ***Contributions:***

Each year, participants may contribute up to 50% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may contribute to the Plan, on behalf of each employee eligible, a discretionary matching contribution equal to a percentage (as determined by the Company's Board of Directors) of the elective deferrals made by each such employee. The Company's Board of Directors may also determine to suspend or reduce its contribution for any Plan year or any portion thereof. In 2008, the Company matched 50% of participant contributions up to 6% of the participants' pretax annual compensation, as defined in the Plan. Contributions are subject to regulatory limitations. In 2009, the Company suspended its matching contributions effective April 1, 2009, through December 31, 2009.



## ITRON, INC. INCENTIVE SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

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### **Note 1 - Description of Plan (Continued)**

#### ***Participant accounts:***

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings (losses) and charged with an allocation of certain administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested amount.

#### ***Vesting:***

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

An Actaris participant under Actaris US Gas, Inc. 401(k) Profit Sharing Plan and the Actaris Liquid Measurement, LLC 401(k) Profit Sharing Plan is 100% vested after four years of credited service.

#### ***Participant loans:***

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, or 50%, of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates determined by the Administrative Committee based on the yield rates of appropriate U.S. Treasury securities. Principal and interest are paid ratably through bi-weekly payroll deductions.

As of December 31, 2009, interest rates ranged from 4.00% to 9.25%.

#### ***Payment of benefits:***

Upon termination of service due to death, disability, or age 59½ or later, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or periodic installments over a period not exceeding 20 years, if the participant's vested account exceeds \$5,000. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. A single payment distribution may also be made in the form of whole shares of Company stock to the extent the participant's account is invested in Company stock.

#### ***Forfeitures:***

The Plan may treat forfeitures as a reduction of Company contributions for the Plan year in which the forfeiture occurs or pay Plan expenses. Forfeitures used by the Company to reduce contributions in the Plan year ended December 31, 2009, amounted to \$12,731. Unallocated forfeitures were \$51,922 and \$63,848 as of December 31, 2009 and 2008, respectively.

#### ***Hardship withdrawals:***

Hardship withdrawals are permitted by the Plan in accordance with Internal Revenue Code Section 401(k).

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 1 - Description of Plan (Continued)**

##### ***Investment management and administrative expenses:***

The Plan pays certain record keeping and investment management fees. Also, certain expenses for administration of the Plan (record keeping, trustee services, and consulting services) are paid directly by the Company at its election.

##### ***Plan termination:***

Although the Company has not expressed any intent to do so, the Company, by resolution of its Board of Directors, reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund shall become fully vested and nonforfeitable.

#### **Note 2 - Summary of Significant Accounting Policies**

##### ***Basis of accounting:***

The financial statements of the Plan are prepared under the accrual method of accounting.

##### ***Financial Accounting Standards Board (FASB) Codification***

On July 1, 2009, the FASB Accounting Standards Codification (ASC) became the single authoritative source for nongovernmental accounting principles generally accepted in the United States of America (GAAP). The ASC supersedes all previous authoritative GAAP applicable to the Plan and is effective for interim and annual periods ended after September 15, 2009.

##### ***Investment valuation:***

Fair value is the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Authoritative guidance requires the statement of net assets available for benefits present the fair value of the investments, as well as the adjustment from fair value to contract value for fully benefit-responsive investment contracts. The statement of changes in net assets available for benefits is prepared on a contract value basis.

##### ***Income recognition:***

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The net appreciation in fair value of investments consists of both the realized gains or losses and unrealized appreciation and depreciation of those investments.

## ITRON, INC. INCENTIVE SAVINGS PLAN NOTES TO FINANCIAL STATEMENTS

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### Note 2 - Summary of Significant Accounting Policies (Continued)

***Payments of benefits:***

Benefits are recorded when paid.

***Subsequent events:***

Subsequent events are events or transactions that occur after the statement of net assets available for benefits date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net assets available for benefits, including the estimates inherent in the process of preparing the financial statements. The Plan's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net assets available for benefits but arose after the statement of net assets available for benefits date and before the financial statements are issued.

The Plan has evaluated subsequent events through August 30, 2010, which is the date the financial statements were available to be issued.

***Risks and uncertainties:***

The Plan provides for various investment options in any combination of registered investment company funds, a stable value fund, common stock funds, and individually directed accounts. Investment securities of these types are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term, and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

***Use of estimates:***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net assets available for benefits during the reporting period. Actual results could differ from those estimates.

***Allowance for loss on receivables:***

An allowance for loss on loans to participants has not been recorded as all receivables are deemed to be 100% collectible or adequately secured as of the date of this report.

***Reclassifications:***

Certain items in the 2008 report have been reclassified to conform to the 2009 presentation. These reclassifications had no effect on net assets available for benefits as previously reported.

## ITRON, INC. INCENTIVE SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

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#### Note 3 - Investments

The following presents investments at fair value at December 31, which represent 5% or more of the Plan's net assets:

	December 31,	
	2009	2008
Registered investment company funds:		
PIMCO Total Return Fund	\$17,047,649	\$ 15,402,564
Artisan Small-Cap Value Fund	8,061,802	*
Artisan International Fund	12,555,823	8,148,952
American Century Real Estate Fund	6,234,202	*
AF Growth of America R5	7,374,644	*
Davis New York Venture Fund	9,531,627	6,461,974
Times Square Mid Cap Growth Prem	8,888,013	*
Vanguard Institutional Index	14,791,174	10,992,065
Stable value fund:		
SEI Stable Asset**	32,442,988	33,550,517
Common stock:		
Itron, Inc. Company Stock	8,403,749	9,155,767

\* Did not exceed 5% of net assets

\*\* Contract value has been presented as it is the relevant measurement for financial statement purposes

## ITRON, INC. INCENTIVE SAVINGS PLAN

### NOTES TO FINANCIAL STATEMENTS

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#### Note 4 - Fair Value Measurements

In accordance with authoritative guidance, the Plan classifies its investments based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- |                |  |
|----------------|--|
| <b>Level 1</b> | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;  |
| <b>Level 2</b> | Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly; |
| <b>Level 3</b> | Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.   |

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 or 2008.

Shares of registered investment company funds are valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and is classified within Level 1 of the valuation hierarchy.

The SEI Stable Value Fund (the Fund) is designed to provide preservation of capital and returns that are consistent regardless of stock and bond market volatility. The Fund seeks to earn a high level of income consistent with those objectives. The Fund holds guaranteed investment contracts, which typically have a fixed maturity. Each contract contains a provision the issuer will, if required, repay principal at the stated contract value for the purpose of paying benefit payments (fully benefit-responsive). In accordance with authoritative guidance, the Fund is presented at fair value on the statement of net assets available for benefits. The adjustment from fair value to contract value is based on the contract value as reported by the Fund's audited financial statements.

Participant loans are not actively traded and significant other observable inputs are not available. Participant loans are stated at amortized cost, which approximates fair value and are classified within Level 3 of the valuation hierarchy. Loans are secured by each respective participant's account balance.

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 4 - Fair Value Measurements**

Common stocks are valued at the closing price reported on the major market in which the individual securities are traded. Common stocks are generally classified within Level 1 of the valuation hierarchy.

The money market fund is a public investment vehicle valued using \$1 for the NAV. The money market fund is classified within Level 2 of the valuation hierarchy.

The Plan invests in Itron Inc Stock Fund, a unitized fund. Units held in a unitized stock fund are valued using the NAV of the Fund. The NAV is based on the fair value of the underlying assets owned by the Fund, plus its receivables, and then divided by the number of units outstanding. The Fund consists of Itron Inc. common stock, Fidelity Institutional Money Market Fund, and a small balance of receivables. The money market fund and common stock are valued as described in the paragraphs above. As the stock and money market fund are separate investments to the Plan, the components of the unitized fund are listed separately in the fair value table above. The receivable is not a financial instrument and therefore not recorded as an investment or included in the fair value table above.

The valuation methods used by the Plan may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Fair Value Measurements (Continued)**

The following table discloses by level, the fair value hierarchy, of the Plan's assets at fair value as of December 31:

<b>Investment Assets at Fair Value as of December 31, 2009</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Registered investment company funds:				
Equity funds	\$ 8,064,925	\$ -	\$ -	\$ 8,064,925
Income funds	94,006	-	-	94,006
Index funds	20,033,067	-	-	20,033,067
Balanced funds	25,983,284	-	-	25,983,284
Growth funds	43,871,765	-	-	43,871,765
International funds	18,002,852	-	-	18,002,852
Exchange traded funds	248,452	-	-	248,452
Other funds	39,748	-	-	39,748
Common stocks:				
Industrials	101,918	-	-	101,918
Financial	119,568	-	-	119,568
Utilities	57,295	-	-	57,295
Technology	8,599,505	-	-	8,599,505
Services	29,816	-	-	29,816
Consumer	96,273	-	-	96,273
Basic Material	240,580	-	-	240,580
Healthcare	43,981	-	-	43,981
Stable value fund	-	30,940,779	-	30,940,779
Money market account	-	772,830	-	772,830
Participant loans	-	-	3,067,292	3,067,292
<b>TOTAL ASSETS AT FAIR VALUE</b>	<b>\$ 125,627,035</b>	<b>\$ 31,713,609</b>	<b>\$ 3,067,292</b>	<b>\$ 160,407,936</b>

# ITRON, INC. INCENTIVE SAVINGS PLAN

## NOTES TO FINANCIAL STATEMENTS

### Note 4 - Fair Value Measurements (Continued)

	Investment Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Registered investment				
company funds	\$ 79,988,558	\$ -	\$ -	\$ 79,988,558
Common/collective trust funds	-	31,490,849	-	31,490,849
Stock funds	9,253,398	-	-	9,253,398
Individually directed accounts	1,117,986	-	-	1,117,986
Participant loans	-	-	3,198,363	3,198,363
<b>TOTAL ASSETS AT FAIR VALUE</b>	<b>\$ 90,359,942</b>	<b>\$ 31,490,849</b>	<b>\$ 3,198,363</b>	<b>\$ 125,049,154</b>

The following table discloses the summary of changes in the fair value of the Plan's Level 3 investment assets for the year ended December 31, 2009:

	Loans to Participants
Balance, beginning of year	\$ 3,198,363
Realized gains	-
Interest income	-
Unrealized gains	-
Purchases, settlements and dispositions	(131,071)
Transfers in/out of Level 3	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 3,067,292</b>

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the statement of changes in net assets available for benefits.

### Note 5 - Tax Status

The Plan obtained its latest determination letter dated February 18, 2009, in which the Internal Revenue Service stated the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Administrative Committee believes the Plan is currently designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.



# ITRON, INC. INCENTIVE SAVINGS PLAN

## NOTES TO FINANCIAL STATEMENTS

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### Note 6 - Party in Interest Transactions

Certain Plan assets are managed by Fidelity Management Trust Company, the trustee of the assets. Certain Plan investments are shares in Itron, Inc. common stock, shares of Schlumberger Ltd common stock, and shares of Transocean Inc. common stock. The investments in stock represent shares of the Company's common stock held by the Plan and shares of other companies' common stock transferred into the Plan in connection with mergers of plans acquired from business transactions; therefore, these transactions qualify as party in interest transactions. The Plan also allows for participant loans, which are party in interest transactions.

### Note 7 - Reconciliation to Federal Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 129,155,124
Miscellaneous adjustment	(25,153)
Employer profit sharing contribution	(167,935)
Employer contributions receivable	<u>(860,673)</u>
 NET ASSETS AVAILABLE FOR BENEFITS PER FORM 5500	 <u>\$ 128,101,363</u>

The following is a reconciliation of investments per the financial statements for the years ended December 31 to the Form 5500:

	<u>2009</u>	<u>2008</u>
Investments, at fair value, per the financial statements	<b>\$ 160,407,936</b>	\$ 125,125,403
Add adjustment from fair value to contract value for fully benefit-responsive investment contract	<u><b>1,502,209</b></u>	<u>3,001,113</u>
 INVESTMENTS AT CONTRACT VALUE PER THE FORM 5500	 <u><b>\$ 161,910,145</b></u>	 <u>\$ 128,126,516</u>

## **ITRON, INC. INCENTIVE SAVINGS PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **Note 7 - Reconciliation to Federal Form 5500 (Continued)**

The following is a reconciliation of employer contributions per the financial statements for the year ended December 31, 2009, to the Form 5500:

Employer contributions per the financial statements	\$ 912,944
Employer profit sharing contribution receivable at December 31, 2008	167,935
Employer contributions receivable at December 31, 2008	<u>860,673</u>

EMPLOYER CONTRIBUTIONS PER THE FORM 5500	<u>\$ 1,941,552</u>
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Net increase in net assets available for benefits per the financial statements	\$32,885,771
Employer contributions receivable at December 31, 2008	860,673
Employer profit sharing contribution receivable at December 31, 2008	167,935
Prior year miscellaneous adjustment	<u>25,153</u>

NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS PER THE FORM 5500	<u>\$33,939,532</u>
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#### **Note 8 - Subsequent Event**

Effective July 1, 2010, the Plan was amended to include a de minimus distribution provision. The amendment requires that if a participant's vested account balance is less than \$1,000 at the time the participant becomes entitled to a distribution, the participant's account balance will be distributed to the participant.

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

Plan Sponsor's EIN: 91-1011792  
Plan Number: 001

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description, Including Maturity Date, Rate of Interest, Par, Maturity Value, Number of Shares	Year Ended	
			December 31, 2009	
			(d) Cost	(e) Current Value
	Registered investment company funds:			
	PIMCO High Yield Fund	540,607.99 shares	**	\$ 4,757,350
	PIMCO Total Return Fund	1,578,486.01 shares	**	17,047,649
	Artisan Small-Cap Value Fund	562,582.13 shares	**	8,061,802
	Artisan International Fund	607,735.86 shares	**	12,555,823
	American Century Real Estate Fund	431,432.66 shares	**	6,234,202
	AF Growth of America R5	270,331.51 shares	**	7,374,644
	Davis New York Venture Fund	307,670.34 shares	**	9,531,627
	Artisan Mid-Cap Value Fund	325,076.05 shares	**	5,844,867
	Baron Growth Fund	142,766.54 shares	**	5,897,686
	Times Square Mid Cap Growth Prem	753,221.44 shares	**	8,888,013
	Vanguard Institutional Index	145,039.95 shares	**	14,791,174
	Vanguard Total International Stock Index	363,767.74 shares	**	5,241,893
	T. Rowe Price Personal Strategy Balanced	63,604.600 shares	**	1,089,547
	Dodge & Cox International Stock	170,501.88 shares	**	5,430,485
	Fidelity Freedom Income	4,361.092 shares	**	46,838
	Fidelity Freedom 2000	197.501 shares	**	2,242
	Fidelity Freedom 2005	177.240 shares	**	1,778
	Fidelity Freedom 2010	10,935.133 shares	**	136,799
	Fidelity Freedom 2015	121,666.426 shares	**	1,267,764
	Fidelity Freedom 2020	43,166.278 shares	**	541,737
	Fidelity Freedom 2025	43,658.371 shares	**	453,610
	Fidelity Freedom 2030	12,005.386 shares	**	148,747
	Fidelity Freedom 2035	33,285.912 shares	**	341,513
	Fidelity Freedom 2040	13,304.387 shares	**	95,259
	Fidelity Freedom 2045	6,714.737 shares	**	56,874
	Fidelity Freedom 2050	1,370.314 shares	**	11,442
	Money market account:			
	Fidelity Institutional Money Market Fund	389,656.380 shares	**	389,656
	Stable value fund:			
	SEI Stable Asset	32,442,988.040 units	**	32,442,988
	Common stocks:			
*	Itron, Inc. common stock	124,371.000 shares	**	8,403,749
*	Schlumberger Ltd. common stock	2,010.942 shares	**	131,389
*	Transocean Inc. common stock	165.176 shares	**	14,246
	Individually directed accounts		**	1,609,460
		4.0%-9.25%, secured by		
*	Loans to participants	participant accounts		3,067,292
	TOTAL			\$ 161,910,145

\* Party in interest transaction as defined by ERISA.

\*\*The cost of participant directed investments is not required to be disclosed.

**ITRON, INC. INCENTIVE SAVINGS PLAN**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

Plan Sponsor's EIN: 91-1011792  
Plan Number: 001

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description, Including Maturity Date, Rate of Interest, Par, Maturity Value, Number of Shares	Year Ended December 31, 2009	
			(d) Cost	(e) Current Value
	Registered investment company funds:			
	PIMCO High Yield Fund	540,607.99 shares	**	\$ 4,757,350
	PIMCO Total Return Fund	1,578,486.01 shares	**	17,047,649
	Artisan Small-Cap Value Fund	562,582.13 shares	**	8,061,802
	Artisan International Fund	607,735.86 shares	**	12,555,823
	American Century Real Estate Fund	431,432.66 shares	**	6,234,202
	AF Growth of America R5	270,331.51 shares	**	7,374,644
	Davis New York Venture Fund	307,670.34 shares	**	9,531,627
	Artisan Mid-Cap Value Fund	325,076.05 shares	**	5,844,867
	Baron Growth Fund	142,766.54 shares	**	5,897,686
	Times Square Mid Cap Growth Prem	753,221.44 shares	**	8,888,013
	Vanguard Institutional Index	145,039.95 shares	**	14,791,174
	Vanguard Total International Stock Index	363,767.74 shares	**	5,241,893
	T. Rowe Price Personal Strategy Balanced	63,604.600 shares	**	1,089,547
	Dodge & Cox International Stock	170,501.88 shares	**	5,430,485
	Fidelity Freedom Income	4,361.092 shares	**	46,838
	Fidelity Freedom 2000	197.501 shares	**	2,242
	Fidelity Freedom 2005	177.240 shares	**	1,778
	Fidelity Freedom 2010	10,935.133 shares	**	136,799
	Fidelity Freedom 2015	121,666.426 shares	**	1,267,764
	Fidelity Freedom 2020	43,166.278 shares	**	541,737
	Fidelity Freedom 2025	43,658.371 shares	**	453,610
	Fidelity Freedom 2030	12,005.386 shares	**	148,747
	Fidelity Freedom 2035	33,285.912 shares	**	341,513
	Fidelity Freedom 2040	13,304.387 shares	**	95,259
	Fidelity Freedom 2045	6,714.737 shares	**	56,874
	Fidelity Freedom 2050	1,370.314 shares	**	11,442
	Money market account:			
	Fidelity Institutional Money Market Fund	389,656.380 shares	**	389,656
	Stable value fund:			
	SEI Stable Asset	32,442,988.040 units	**	32,442,988
	Common stocks:			
*	Itron, Inc. common stock	124,371.000 shares	**	8,403,749
*	Schlumberger Ltd. common stock	2,010.942 shares	**	131,389
*	Transocean Inc. common stock	165.176 shares	**	14,246
	Individually directed accounts		**	1,609,460
		4.0%-9.25%, secured by		
*	Loans to participants	participant accounts		3,067,292
	TOTAL			\$ 161,910,145

\* Party in interest transaction as defined by ERISA.

\*\*The cost of participant directed investments is not required to be disclosed.