

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**February 7, 2014**

**Date of Report (Date of Earliest Event Reported)**

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**ITRON, INC.**

**(Exact Name of Registrant as Specified in its Charter)**

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**Washington**

(State or Other Jurisdiction  
of Incorporation)

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**000-22418**

(Commission File No.)

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**91-1011792**

(IRS Employer  
Identification No.)

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**2111 N. Molter Road, Liberty Lake, WA 99019**

(Address of Principal Executive Offices, Zip Code)

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**(509) 924-9900**

(Registrant's Telephone Number, Including Area Code)

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(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.06 Material Impairments.**

On February 7, 2014, Itron, Inc. (Itron or the Company) concluded it would take a pre-tax, non-cash charge of \$173.2 million for impairment of goodwill in its Electricity segment and reporting unit in the fourth quarter of 2013. The Company tests goodwill for impairment each year as of October 1<sup>st</sup>, or more frequently should a significant impairment indicator occur. This impairment, in connection with the annual testing, was driven primarily by delays in global smart grid projects and lower volumes and pricing pressures in certain regions in Europe and Asia/Pacific. The revised forecast reduced the estimated fair value of the Electricity reporting unit, which was less than the carrying value.

The balance of goodwill in the Electricity segment before and after the impairment was, as follows:

<b>Beginning Balance at October 1, 2013</b>	<b>Estimated Impairment</b>	<b>Ending Balance at October 1, 2013</b>
\$ 230,941	\$ 173,249	\$ 57,692

This \$173.2 million impairment charge does not affect the debt covenants under the Company's existing credit facility and does not directly affect the Company's liquidity. A portion of the impairment charge was deductible for income tax purposes, and we recognized a deferred tax benefit of \$11.8 million.

The Gas and Water segments did not incur any impairment as a result of the annual impairment testing.

Changes in market demand, fluctuations in the economies in which we operate, volatility and decline in the worldwide equity markets, or a significant decline in our market capitalization could negatively impact the carrying value of our goodwill, which could have a significant effect on our current and future results of operations and financial condition.

In addition, in conjunction with the lower forecast in the Electricity business, we recognized a valuation allowance of \$19.1 million against deferred tax assets in France. A valuation allowance is required by U.S. generally accepted accounting principles if it is more likely than not that all or a part of a deferred tax asset cannot be realized in the future.

**Item 8.01 Other Events.**

On February 7, 2014, Itron's Board of Directors authorized a new repurchase program of up to \$50 million of Itron's common stock over a twelve-month period, which will take effect upon the completion of the current repurchase program on March 7, 2014. Repurchases will be made in the open market or in privately negotiated transactions and in accordance with applicable securities laws. Depending on market conditions and other factors, these repurchases may be commenced or suspended from time to time without prior notice.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
99.1	Share repurchase program press release dated February 12, 2014

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

ITRON, INC.

By:

/s/ STEVEN M. HELMBRECHT

Steven M. Helmbrecht

Executive Vice President and Chief Financial Officer

Dated: February 12, 2014

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated February 12, 2014.



**FOR IMMEDIATE RELEASE**

**Itron Authorizes \$50 Million Share Repurchase Program**

LIBERTY LAKE, Wash. - Feb. 12, 2014 - Itron, Inc. (NASDAQ: ITRI) announced today that its board of directors has authorized a new repurchase program of up to \$50 million of Itron common stock over a 12-month period to commence upon the expiration of the current share repurchase program on March 7, 2014.

"This new repurchase program reaffirms our commitment to returning value to shareholders," said Philip Mezey, Itron president and chief executive officer. "We have repurchased over 2.6 million shares since the fourth quarter of 2011, representing nearly seven percent of the outstanding shares. The strength of our balance sheet provides us with the flexibility to continue repurchasing shares while investing in growth opportunities for the business."

Repurchases under the program will be made in accordance with applicable securities laws in the open market or in privately negotiated transactions. Depending on market conditions and other factors, these repurchases may be commenced or suspended from time to time without prior notice.

**Forward Looking Statements:**

This release contains forward-looking statements concerning our expectations about operations, financial performance, sales, earnings and cash flows. These statements reflect our current plans and expectations and are based on information currently available. The statements rely on a number of assumptions and estimates, which could be inaccurate, and which are subject to risks and uncertainties that could cause our actual results to vary materially from those anticipated. Risks and uncertainties include the rate and timing of customer demand for our products, rescheduling of current customer orders, changes in estimated liabilities for product warranties, changes in laws and regulations, our dependence on new product development and intellectual property, future acquisitions, changes in estimates for stock-based and bonus compensation, increasing volatility in foreign exchange rates, international business risks and other factors which are more fully described in our Annual Report on Form 10-K for the year ended December 31, 2012 and other reports on file with the Securities and Exchange Commission. Itron undertakes no obligation to update publicly or revise any forward-looking statements, including our business outlook.

2111 North Molter Road  
Liberty Lake, WA 99019

1.800.635.5461

[www.itron.com](http://www.itron.com)



## **About Itron**

Itron is a world-leading technology and services company dedicated to the resourceful use of energy and water. We provide comprehensive solutions that measure, manage and analyze energy and water. Our broad product portfolio includes electricity, gas, water and thermal energy measurement devices and control technology; communications systems; software; as well as managed and consulting services. With thousands of employees supporting nearly 8,000 customers in more than 100 countries, Itron applies knowledge and technology to better manage energy and water resources. Together, we can create a more resourceful world. Join us: [www.itron.com](http://www.itron.com).

For additional information, contact:

### **Itron, Inc.**

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