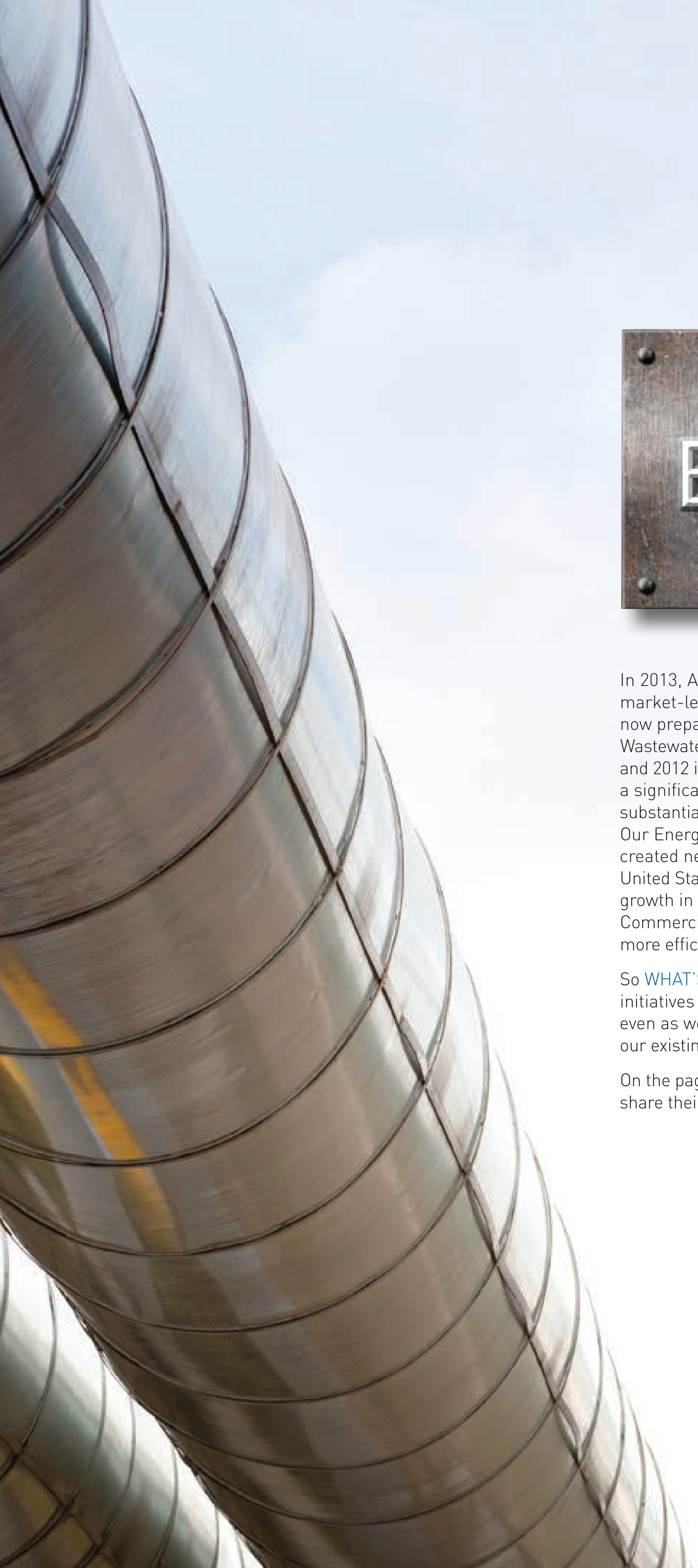
WHAT'S NEXT?

AEGION CORPORATION ANNUAL REPORT 2013

AEGION®



In 2013, Aegion took multiple steps toward becoming a market-leading infrastructure protection company and is now prepared to EXECUTE its plan for growth. Our Water & Wastewater platform benefited from investments made in 2011 and 2012 in our project management capabilities and achieved a significant recovery in our North American segment, while substantially improving execution in key international markets. Our Energy & Mining platform completed an acquisition that created new upstream and downstream opportunities in the United States, as it continued to lay the groundwork for organic growth in the Middle East. Operational changes made in our Commercial & Structural platform are positioning us to operate more efficiently and to reach more prospective customers.

So WHAT'S NEXT? Our challenge now is to EXECUTE these initiatives successfully. We must EXCEL in our performance, even as we EXPAND our reach, both geographically and within our existing customer base. EXPECT us to get this done in 2014.

On the pages ahead, members of our leadership team will share their insights as we report WHAT'S NEXT for Aegion.

(IN THOUSANDS, EXCEPT PER SHARE DATA)	2013	2012	2011	2010	2009
	FOR THE YEARS ENDED DECEMBER 31				
Revenue	**$1,091,420**	$1,016,831	$925,766	$905,259	$720,405
Gross Profit	**247,021**	243,754	202,679	227,537	188,445
Operating Income	**66,882**	81,803	45,707	87,525	50,799
Income from Continuing Operations	**50,812**	54,374	27,134	60,973	31,977
Income from Continuing Operations, excluding restructuring charges, acquisition-related expenses, credit facility financing fees and joint venture/divestiture activity (non-GAAP)[1]	**49,451**	57,064	37,460	60,973	40,662
Net Income	**44,351**	52,661	26,547	60,462	26,171
Diluted Earnings Per Share:					
→ Income per share from Continuing Operations	**$1.30**	$1.37	$0.68	$1.55	$0.85
→ Income from Continuing Operations, excluding restructuring charges, acquisition-related expenses, credit facility financing fees and joint venture/divestiture activity (non-GAAP)[1]	**1.27**	1.44	0.94	1.55	1.08
Net Income Per Share	**1.13**	1.33	0.67	1.53	0.70
Cash Flow from Continuing Operations	**$88,065**	$110,951	$22,149	$53,475	$60,032

[1] For the 2013, 2012, 2011 and 2009 Financial Reconciliations (Non-GAAP), see Page A-1

DEAR FELLOW STOCKHOLDERS

2013 was a year of progress at Aegion. A year in which we continued to grow and advance on critical strategic initiatives that will deliver the company we have promised:

A diversified, market leading infrastructure protection company able to produce sustained earnings growth and improving return on invested capital.

I will detail these advances later. But first, I want to review the issues in 2013 that affected our ability to forecast the business in a timely and accurate manner. These issues resulted in our need to downgrade our guidance for the year. So, while we believe we produced many operational and strategic successes in 2013, we did not maximize our potential, which distracted our stockholders and other investors from Aegion's longer term growth opportunities. Because of this, I will defer discussing "WHAT'S NEXT" for our Company for a bit and instead talk about what's NOT next.

What's not next is a repeat of forecasting issues in our coatings businesses and forecasting and performance issues in our Fyfe segment. As we moved through 2013, we spent considerable time reviewing the root causes of these shortfalls and, as important in my view, whether we had an Aegion systemic problem or a specific issue related to our project businesses. I do not believe it is systemic. Our internal data shows that over the last two years, we have been fairly accurate with our projections for Corrpro, North American Water & Wastewater (NAR) and the North American and Middle Eastern segments of United Pipeline Systems (United) — businesses that represented over 60 percent of our revenues in 2013. Admittedly, our forecasting performance on the project businesses — Bayou, CRTS and certain aspects of United — has been poor, leading to the shortfall to guidance.

We must take two actions to address the project business forecasting issues. First, move closer to the end client or owner and their decision making and schedule setting processes. Too often we have relied on optimistic schedules from general contractors and have not understood the owners' real needs. Second, simply be more conservative when predicting project timing. Awarded projects must be more aggressively risk adjusted than what we have done in the past. Significant projects impacting the sales outlook must be properly managed in the forecast and in our guidance to you.

We have talked about the challenges with our Fyfe North America business throughout 2013. It was simply a disastrous year after a solid first full year of Aegion ownership in 2012. We lost several senior managers in this business in late 2012 as well as several significant project opportunities. Frankly, and with the benefit of hindsight, we were overly reliant on these former leaders and were late in implementing key systems that would have provided greater visibility into sales and operations. We completed much of this systems implementation work in 2013. These improvements and our current view of the market for Fibrwrap® will be discussed later, but I am confident we now have adequate visibility to accurately predict this business.

Back to the progress we made in 2013...

- We believe our acquisition of Brinderson, L.P. in July 2013 gives us a complete service profile in the energy services segment. It takes Aegion into the important downstream and upstream maintenance markets and rebalances our energy portfolio towards more predictable, recurring revenues. Brinderson has already added dramatically to its backlog and, based on macro-economic drivers, we believe they are just scratching the surface.
- Our Insituform business continued to benefit from improving market conditions in North America. More importantly, we continued to improve our operating performance globally. Because of investments in sales management, scheduling, estimating and project management systems over the last two years, our Water & Wastewater businesses are seeing growth and margin expansion. We expect continued improvement in 2014.
- Corrpro continued to grow while also improving its margin profile. Our focus on creating a product organization focused on higher value added services is bearing fruit. Fifteen percent operating margins are within our sights, up from eight percent when we acquired Corrpro in 2009.
- United completed the largest project in its history in Morocco, continued to grow its core North American business and accelerated growth in the Middle East. This business' revenues have nearly tripled since 2007 and we believe United has considerable growth opportunities as we expand into new markets.

The fact that our key business units are enjoying strong positions in their global or regional markets is even more important to me as a stockholder. I believe we are poised to deliver consistent growth over the long haul.

Before I talk about what this positioning means for 2014 and beyond, let me recount our strategic efforts. Over the last five years, our Company has made a dramatic transformation. The Insituform of 2007, a $450 million single product wastewater company focused primarily on North American markets, has transformed into Aegion, a $1.3 billion to $1.4 billion revenue company in 2014 focused on sustainable growth and increasing returns by being a global leader in infrastructure protection, rehabilitation and maintenance. Energy & Mining is now our largest business platform. Created from United, our profitable but underutilized industrial linings business, this platform's portfolio includes pipeline rehabilitation and protection technologies in the midstream market. With our acquisition of Brinderson, we expanded to become a facility maintenance, engineering and capital program execution provider for both downstream and upstream markets in key United States energy growth markets as well. Our Fyfe acquisition is primarily a result of our recognition of the complementary nature between Fibrwrap® fiber-reinforced polymer (FRP) and the Insituform® cured-in-place pipe technologies. There are considerable uses for the Fyfe® technology in the global structural rehabilitation market and there remains significant promise for this business on a global scale. Of course, Insituform continues to maintain and improve its vital role in our portfolio and our go forward strategy.

The positioning of these businesses is very strong for 2014 and beyond.

Let's start with the Energy & Mining platform.

The drivers for Brinderson's maintenance service profile could not be stronger. Refining capacity utilization will continue at very high levels for many years to come. Natural gas production outputs should continue to keep pricing stable, which is a catalyst for the United States petrochemical industry. Investment and utilization continue to expand as well. These factors place a premium on safe, cost effective professional maintenance services. The Brinderson value proposition led to $70 million in incremental revenues in 2014 from new contract awards in late 2013, proving both the service need and the quality of Brinderson's model. It also means solid growth in 2014. We have a significant opportunity to expand Brinderson's maintenance footprint outside of the West Coast, particularly to the Permian Basin and the Texas and Louisiana coastal areas. Look for solid progress on these initiatives in 2014.

Corrpro has been a tremendous business for us since its acquisition in 2009 and we believe it will continue to expand through revenue growth and margin accretion. The simple fact is that more and more miles of pipeline will come under regulatory scrutiny as the United States migrates towards more stringent international standards. This will increase the market opportunities for Corrpro's corrosion engineering, cathodic protection and pipeline inspection services. Our organizational shift to a product based strategy will also drive faster, targeted growth in high margin services. Corrpro should also benefit from Brinderson's customer access, with an opportunity to take advantage of its daily on site presence, or nested positions, to move "inside the fence."

United continues to be a great story. The business topped $120 million in revenues for the third consecutive year and is poised to continue its streak in 2014. United completed its largest project ever in Morocco in 2013 and continues to target international growth opportunities. Our focus is clearly on accelerating growth in the Middle East. From its first multi-year award in Oman in 2008, United completed over $30 million of work in Oman and other Middle East markets in 2013. As we continue to gain Tite Liner® technology acceptance with the large national oil companies in the region, particularly Saudi Aramco, we expect growth to accelerate. Our North American markets remain steady. The only area of market softness continues to be the international mining markets, where mineral pricing continues to dampen capital investment.

Our coatings businesses are expected to provide mixed results in 2014, with challenges similar to 2013 for our Louisiana operations due to limited project opportunities in the offshore Gulf market. We do expect to execute on our first deepwater insulation project in 2014, which launches Bayou as a complete deepwater pipe coatings and insulation service provider. There is a tremendous amount of pipe coating projects under development for the Gulf, and although we could construct a scenario where activity returns by the end of the year, it is more likely to occur in 2015. Our facilities are now fully capable across the coatings and insulation service spectrum and still enjoy tremendous logistical advantages when it comes to supporting opportunities in the Gulf of Mexico.

Our Canadian coating operation should have another solid year based on activity in the Alberta region. We performed our first pipe insulation coating project in Canada during 2013, which adds to our future growth opportunities in this market. Lastly, in late December, we started to see meaningful production for the offshore internal pipe weld coating portion of the Saudi Aramco Wasit gas field project. We expect to complete the offshore and onshore Wasit work in 2014. This large scale key project for Saudi Aramco, which demonstrates the value and cost efficiencies of our robotics technology, should spur future growth on a global basis.

We expect a solid 2014, while we continue to build for long term growth in targeted energy markets.

The positioning of our businesses is very strong for 2014 and beyond.

Turning to our Water & Wastewater platform.

Combining our NAR and International Water & Wastewater operations in 2014 allows us to take advantage of global best practices. As we enter 2014, our market position remains strong in North America and we continue to refine our commercial positioning in Europe and Asia. We also are becoming much more efficient and profitable in all of these markets. NAR entered 2014 with record backlog, consistent and improving contracting margins and solid market conditions. We are optimistic our improvements in sales management, scheduling, estimating and project management will continue to drive higher margins. Our international operations, particularly in Asia, are expected to show further improvement in 2014. We almost erased our loss position in Asia in 2013 while establishing several new markets within Australia, profitably executing work in Kuala Lumpur, Malaysia and repositioning our operation in India for future opportunities.

Insituform is an amazing business in so many ways. After forty years, we are still a market leader in product technology, cost effective installation techniques and manufacturing innovation. We also maintain a market leading share in mature markets while creating markets in places where our products lack exposure. What's the secret? Quality people and products. But I also see Insituform like a championship sports team. The hard work is internal – meaning that if we relentlessly ensure our processes compete at the highest level, we will win more often than not.

Since the North America market contraction in 2011 following the phase out of stimulus dollars under the American Recovery and Reinvestment Act, Insituform has been rigorous in evaluating opportunities and improving its operations. Enhanced estimating tools, lower cost equipment packages and investments in lowering felt wastage have contributed to Insituform retaining its leading position in North America. This is driving the improved performance. I am always quick to say that this market has not changed. It is still determined by the level of top down regulatory enforcement and the availability of local government funding. We cannot know how that will turn out all of the time. We do know Insituform is well positioned and is executing as well as it ever has. We expect Insituform to continue to improve in 2014.

Let's turn to Commercial & Structural.

I spoke extensively about Fyfe earlier. There was a lot wrong with this business in 2013. What's right? Well, Fibrwrap® remains a great product supported by leading engineers in the FRP market. We continue to have a robust research and development effort. Fyfe has a leading position in emerging global markets. We are vertically integrated from engineering design to manufacturing to installation. We have intellectual property protection throughout the value chain. Our end markets are growing as FRP continues to make inroads compared to traditional concrete and steel rehabilitation solutions. We're making the necessary investments in sales, business development and operations to rebuild momentum in 2014. These changes are now largely in place for execution across all segments of our Fyfe North America business. We need to further improve our visibility into the pipeline, buildings, transportation and waterfront end markets. Things move quickly in this business requiring us to be nimble and to translate opportunities into well-executed projects. Although North America backlog entering 2014 was at a reasonable level relative to our 2014 plan, we want to be better positioned by the time the construction season begins this summer as we continue our efforts to increase the sales funnel.

Fyfe Asia has an opportunity this year to establish our Fibrwrap® technology in the Japanese seismic strengthening program for residential and commercial buildings. We've received national certification for our Tyfo® House Defender System for wooden structures and will pursue national certification for strengthening concrete structures this year. Fibrwrap® will have a strong competitive advantage once we complete the certification process. Plans are underway to open additional offices in Japan, build the sales staff and create a mass marketing effort to promote our unique structural strengthening solution. Our 2014 expectations in Japan are for modest revenue and profit contribution in a launch year.

Fyfe Asia has a solid pipeline business in water pressure main rehabilitation in Hong Kong, anchored by two large ongoing contracts awarded in the fall of 2012. In Singapore, there is a market for our Fibrwrap® technology in the rehabilitation of over 3,000 miles of varying diameter pipelines in need of rehabilitation in Singapore's water system. Finally, we are actively pursuing opportunities to rehabilitate and strengthen bridges and jetty waterways in Indonesia. There are significant growth opportunities for our business in Asia.

Longer term, we continue to have tremendous confidence in our Fyfe® product portfolio, our market position and the organization we have built in Asia to attack the FRP market and significantly grow this business.

Expect 2014 to be a year of execution, expansion and excellence.

So, from a $450 million sewer contracting business in 2007 to an organization on the march to $1.5 billion in near-term revenues, we truly have a robust outlook.

So let me answer the question "What's next?":

- More consistency in results due to increased recurring revenues and earnings;
- Sustainable growth across all of our platforms; and
- Improving returns as we execute on our strategies to become the market leading infrastructure protection and rehabilitation company.

Expect 2014 to be a year of execution, expansion and excellence along this path.

Thank you for your continued interest in Aegion.

J. Joseph Burgess
President and Chief Executive Officer

David A. Martin
Senior Vice President and Chief Financial Officer

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

J. Joseph Burgess
President and Chief Executive Officer

Brian J. Clarke
Senior Vice President, Business Integration

Each year, Aegion companies are awarded more than 8,000 separate contracts. They range from single projects to rehabilitate municipal wastewater pipelines or effluent lines in a nuclear power station to multi-year, multi-million dollar anti-corrosion systems or maintenance programs for vital energy pipelines and facilities. Each one deserves our best effort.

The work we do matters. Driven by environmental and safety regulatory requirements, the infrastructure protection we provide is essential to our customers' operations and our world's future. It is work that must be done, no matter what.

Aegion's imperative is not just to execute this work, but to execute it well. That means installing proven technologies with optimum efficiency and uncompromising attention to safety. It means complying with rigorous and technically demanding engineering codes and standards. It means delivering exceptional value to our customers.

Investments we have made in project and human capital management are improving our ability to do just that. They put us in a position to deliver the regulatory compliance, safety, performance and peace-of-mind our customers seek. They enable us to EXECUTE well.

What recurring revenues include

Master Service Agreements (MSA)

These are contracts we negotiate with oil, gas and mining companies, as well as some municipalities and commercial businesses, that spell out most, but not all of the terms for our work over a defined period of time, often three to five years. Remaining terms (specific project terms and price, for example), are set out in statements of work. An MSA speeds up and simplifies future contracts, enabling us to negotiate and execute projects that arise quickly.

Maintenance Contracts

Also known as term contracts or annual service contracts, these agreements provide a menu of services and set prices for routine maintenance needs that may arise over the term of the contract. By taking this approach, our customers eliminate the need to go through a bidding process every time a project arises, saving both time and money.

Demand Stable Markets

There are some products related to the basic needs of life that will always be in demand — for example, water, food and shelter. A certain base level of the work Aegion performs is also "demand stable," driven by market needs, and like these basic needs of life, remains constant regardless of pricing, seasonality or other influences.

In 2013, Corrpro's operating margin grew from approximately 8% in 2009 to more than

13%

Greta Senn

President, Corrpro and The Bayou Companies

Why 15% operating margins are in reach

"A number of things are happening at Corrpro that put our goal of 15% operating margins within our grasp. We are leveraging our new relationship with Brinderson to identify opportunities inside of refineries on the West Coast for our cathodic protection services. Our Houston office also provides us the physical presence we need to meet growing customer demand for all of our services in the important Gulf Coast region. We're also thinking bigger in Canada, and have a new general manager and a plan to grow our leading position in cathodic protection and corrosion services there. By adding sales professionals whose sole focus is on long-term customer satisfaction, we are creating the opportunity to develop deeper customer intimacy and stay on top of what they need next."

The future of Corrpro

"The AC interference mitigation project we completed for Lone Star Transmission in 2013 is a great example of where Corrpro excels and will continue to grow. For that project, we were involved in everything from design and procurement to installation and monitoring of an interference mitigation system for a 300-mile-long oil pipeline in Texas."

Looking ahead to 2014

"New, more stringent regulations governing oil and gas pipeline inspection are creating great targeted opportunities for Corrpro. No one has the A-to-Z service that we offer in pipeline inspection and AC interference mitigation. We already have a leading market position, but we now have the opportunity to get a bigger share of the pie by being aggressive in finding new customers and expanding our services to existing ones."

Recurring revenues drive consistency in results

The diversification strategy that expanded our presence in energy and commercial markets also increased our reliance on project-based activities, primarily in the upstream and midstream pipeline markets. While offering great financial rewards in growth markets, project work is, by its very nature, more volatile than work performed under long-term contracts, and the timing is often outside of our control.

We have long worked to balance these less predictable revenue streams. Since 2009, our plan to improve the consistency of our results has also been advanced by growth at **Corrpro**, which derives a significant amount of its revenues from pipeline maintenance contracts.

In 2013, Aegion reached a new tipping point. For the first year ever, a greater percentage of our revenues were earned from executing operating and maintenance service agreements (57 percent) than through project-based activities (43 percent.) This important shift is primarily due to **Corrpro** and the acquisition of **Brinderson** (see page 11). Both companies collect nearly 75 percent of their annual revenues from master service agreements and other recurring activities. In 2013, Brinderson had 50 master service agreements — up from just 7 five years earlier — involving everything from repair of mission critical systems and equipment, to project management of planned shutdown maintenance and replacement activities and more.

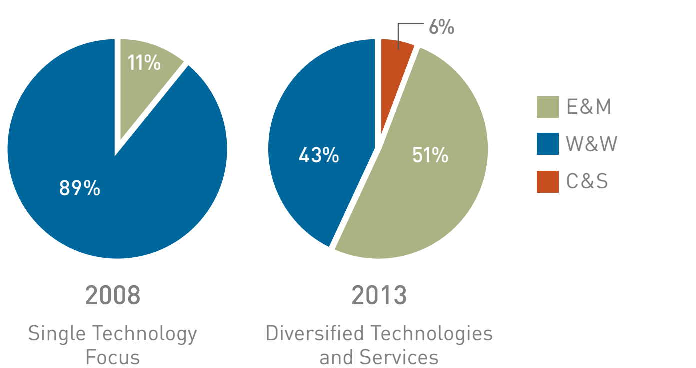
By continuing to identify opportunities for predictable recurring revenue streams, we expect the balance will shift even more. These efforts will add to our growth prospects and will not diminish our commitment to expanding the project-based portions of our business.

Our goal: more consistency in our workload and in our overall results.

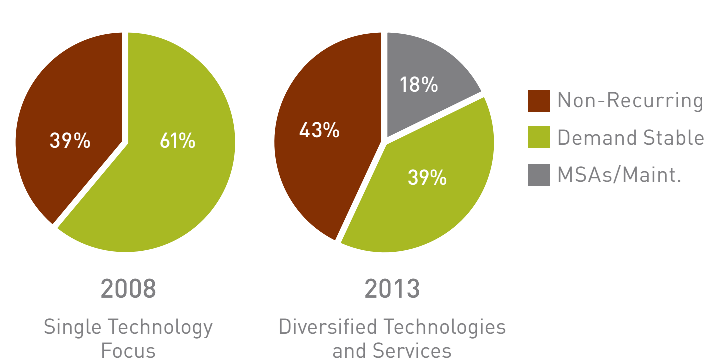
57%

of Aegion 2013 revenues were from recurring revenue streams.

Revenue by Segment



Revenue Sources



Our companies protect infrastructure. But to EXCEL at it takes something more. It demands unequivocal dedication to whatever task is before you. It requires outshining your competition and serving your customers in ways that are important to them. It means planning better and working smarter to reduce costs and expand margins. Excel at it all, and you gain more share of the markets you serve.

Water & Wastewater platforms post strong recovery

Perhaps nowhere did Aegion excel greater in 2013 than in our North American Water & Wastewater business.

Aided by the recovery of the United States cured-in-place pipe (CIPP) market and a more robust project management system, our North American Water & Wastewater business delivered approximately 13% top-line growth, nearly 50% operating income growth and achieved record backlog in 2013. Our visible share of this important market remains above 40 percent. Our disciplined bidding approach and enhanced project management capabilities enable us to better assess costs and risks, resulting in higher margins and a greater share of the industry's more profitable work.

Project management enhancements and increased bidding discipline paved the way for higher margins in 2013.

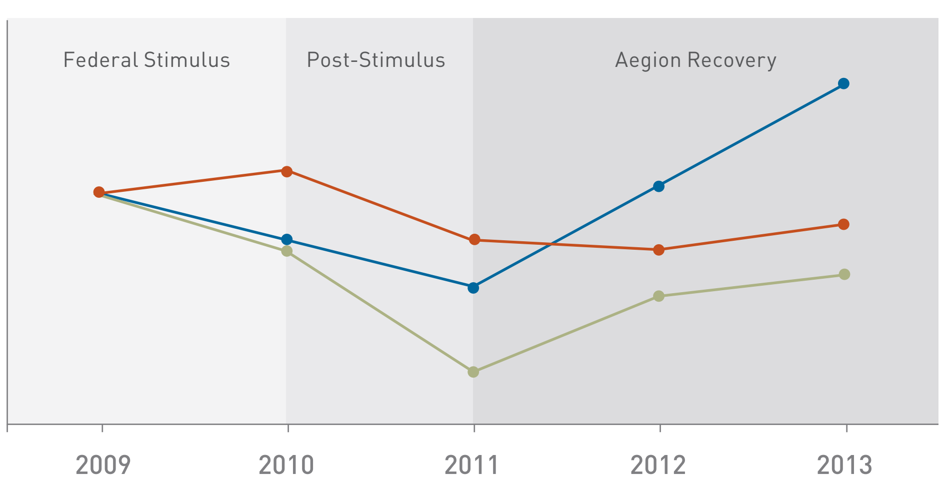
Our European business' performance also improved in 2013 amid a backdrop of challenging economic conditions. Our focus there is on increasing market penetration of our industry-leading CIPP product through third-party sales. To that end, we sold our stake in a German contracting joint venture in 2013, concentrating instead on building third-party sales in what is the largest CIPP market in Europe and the second-largest CIPP market in the world.

We also saw improvement in Asia through our successful execution of two projects in Malaysia, where we leveraged best practices from the United States. Our 2013 performance in Malaysia validates the wisdom of a project-by-project strategy, rather than a commitment to a long-term, country-specific investment. Australia continues to offer attractive contracting opportunities, and India, too, shows promise — if business conditions are right for us.

The North American Water & Wastewater business' top-line growth in 2013 was

13%

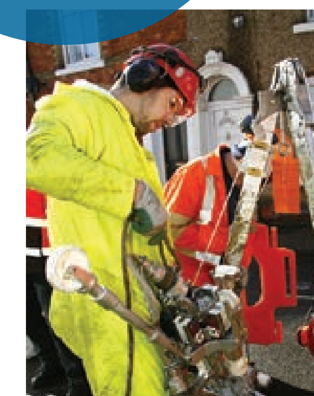
North American Insituform Trends 2009–2013



*Statistics are indexed using 2009 as the base year.

In 2013, North American Water & Wastewater operating margins increased 220 basis points to

9.2%



Tom Vossman

Tom Vossman

Senior Vice President, Global Water & Wastewater and President, Insituform Technologies

Improving visibility

"As a result of implementing a new project management system, we now have greater visibility into the future. We see granular details on our business each week that not only allow us to look at historical trends to validate our work pace and cost structure, but more importantly, to look forward. This allows us to be more proactive in our planning and to react faster when issues arise. We're seeing improved productivity as a result."

On the international front

"Internationally, we are working to reduce risks by diversifying our customer base in key markets. For example, in the opening days of 2014, we announced new multi-year term contracts in Australia totaling more than $30 million for Barwon Water in Victoria and Hunter Water Corporation in Newcastle. This strengthens our footprint in these important regions of Australia and helps us diversify our customer base, which is key to predictable performance."

What's next in technology

"We continue to research exciting new technologies we might roll out in the future to support a fuller range of water and wastewater needs around the world."

Driving operating margin improvement

One advantage Aegion has over many of our competitors is our ability to leverage our industry knowledge and experience over several businesses across multiple continents.

We have engineered some of our greatest improvements in recent years in the areas of project management, bidding discipline and cost reduction, which together contribute to greater crew productivity and improved operating margins. We are now exporting the lessons learned in the United States to our international operations, where we are focused aggressively on execution, cost reduction and building our product and technical services business.

By leveraging our experience, we are also building international capabilities in our North American organization, tapping professionals interested in both long- and short-term international Water & Wastewater assignments. A new human capital management system being implemented companywide in 2014 will also support our knowledge-sharing efforts.

A company that excels at what it does is likely to EXPAND. At Aegion, we are growing in a variety of ways. We are increasing our footprint — both in terms of where we work and the end markets we serve. It means expanding our reach within our existing markets and with our existing customers. It also means expanding in profitable ways that make good business sense.

Brinderson opens doors upstream and downstream

In the United States, crude oil production is on the rise. So when Aegion acquired California-based **Brinderson** in July 2013, we were purchasing more than its industry-leading safety record and refinery maintenance solutions.

We acquired a key that unlocks the gate to a growing segment of the United States energy market.

Brinderson provides critical maintenance, construction, engineering and small turnaround services in both upstream and downstream oil and gas facilities. While **Brinderson's** primary focus today is on maintenance contracts in California and other West Coast markets, we also have our eyes set on near-term opportunities in the Permian Basin.

Most of **Brinderson's** 2,400 employees are assigned to work full-time at major oil refineries and other sites, performing everything from the repair of mission-critical refinery systems and equipment, to project management of planned shutdown maintenance and replacement activities.

The **Brinderson** acquisition allows us entry into the downstream refining market, while dramatically increasing our presence in upstream exploration and production. It represents a major step forward in our plan to cross-sell our products and services and to create a more complete technology and service portfolio for our customers, while also increasing our sources of more predictable revenues.

Permian Basin is home to the largest onshore oil field in the United States.


Russell Conda

Russell Conda
President, Brinderson

What becoming part of Aegion means

"Joining Aegion allows us to accelerate our growth beyond what we could have achieved independently. The strength of our balance sheet has increased substantially. Aegion's ability to invest in capital equipment for construction turnaround and maintenance work improves our ability to increase our revenues. Similarly, Aegion's ability to venture into lump sum, fee at risk and other contracting models gives us opportunities that did not fit our former risk profile."

Outlook for 2014

"In our business, it's your safety program that unlocks the door. If you don't have extraordinary performance, you aren't able to grow. So safety remains our highest priority.

With that said, we have much to be excited about in 2014. Renewed drilling activity as well as midstream and downstream projects in the Permian Basin provide great growth opportunities for Aegion. We estimate the market for well construction, maintenance and abandonment was close to $17 billion in 2013 — and at least 30 percent of the existing well inventory lacks cathodic protection. The current pipeline and processing capacity in the Permian Basin today is also insufficient to handle the expected growth in production there. Brinderson has visibility to almost 100 major planned midstream and downstream projects totaling nearly $4.3 billion. In this sector, we can offer our suite of products and engineering services, including those of our sister companies, for the tanks, terminals, pipelines and other structures that are on tap to be built.

Brinderson has already gotten off to a strong start, receiving awards in late 2013 worth $70 million in incremental revenues for 2014 with plans to pursue additional maintenance contracts. In our experience, it takes about two years to enter a new geography and establish relationships there. We usually begin with a capital project to demonstrate our ability to add value to our clients. Over time, a long-term relationship develops, which leads to increased opportunities."

The Brinderson acquisition gives Aegion entry into the downstream refining market.

New, more stringent regulations drive demand in North America

All across the United States, many older cities have shared a common bond for years: they must invest in their sewer systems to comply with the United States Clean Water Act. The **Insituform®** cured-in-place-pipe process continues to be a preferred solution for restoring structural integrity to deteriorating pipes and is an affordable, non-disruptive solution to many overflow problems these cities must address.

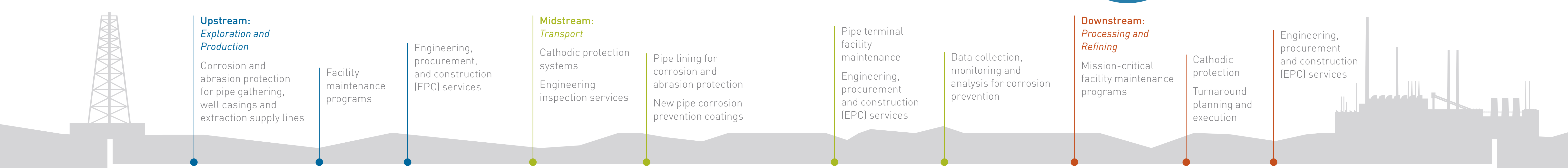
Because of our breadth of resources, we're well-positioned to enjoy a solid win rate on municipal contracts driven by regulatory mandates. Our scale and leadership position enable us to participate in large-scale municipal sewer rehabilitation programs, such as those mandated by United States Environmental Protection Agency consent decrees. We're already benefiting from major projects in Baltimore, St. Louis and other cities that are undertaking multi-billion dollar construction programs tied to these consent decrees.

Similar regulations, including the Pipeline Safety, Regulatory Certainty and Jobs Creation Act of 2011, are strengthening the laws and practices governing the safe operation of oil and gas pipelines in the United States. These changes have increased the requirements for pipeline assessment and tightened the window for remediating areas of concern – both of which translate into new opportunities for our **Corrpro** and **United Pipeline Systems** businesses. The construction of new oil, gas and mining pipelines and the rehabilitation of existing ones create further opportunities for **United Pipeline Systems**.

Demand for our services is driven by a growing need for safe, reliable operations in both upstream and downstream facilities. Longer-term offshore investment in the Gulf of Mexico is expected to also increase demand for **Bayou's** protective coatings, especially the insulation coatings we offer for deep water installations.

Fyfe, our Commercial & Structural business, also expects to benefit from building code changes in such places as San Francisco and Japan, which mandate increased structural support for earthquake protection.

Aegion's Energy & Mining capabilities



Dorwin Hawn

Dorwin Hawn

Senior Vice President, Energy & Mining and President, United Pipeline Systems, CRTS and CCSI

Collaboration, certification, open doors in the Middle East

Conducting business in the Middle East is different than it is in many other parts of the world. Among other things, it requires us to get our products certified by major oil companies such as Saudi Aramco, Saudi Arabia's national oil company.

Our **Corrpro** business completed this two-year process with Saudi Aramco in 2013, which now enables us to pursue meaningful cathodic protection work there.

That is just one step in our larger plan to establish a stand-alone Middle East platform for Aegion, allowing all of our Energy & Mining companies to work collaboratively and target customers as one organization.

This plan started to take shape in 2008 when our **United Pipeline Systems** business won a multi-year contract there. Since then, **United Pipeline Systems** has built a solid base of business in the Middle East. There, our Tite Liner® technology is used to protect water and enhanced oil recovery pipelines, both of which involve highly corrosive flows. Likewise, our **CRTS** coatings services business was awarded work on the large Wasit offshore gas field project after successfully completing smaller projects in Saudi Arabia.

Our new Middle East headquarters will open in Dubai in 2014 so we can take greater advantage of the many opportunities now emerging, driven both by aging infrastructure and new pipeline construction.

Opportunities in the Middle East

"The biggest growth opportunities for the Energy & Mining platform today are in the Middle East. More oil production takes place there than anywhere else in the world, which means there are also more pipelines.

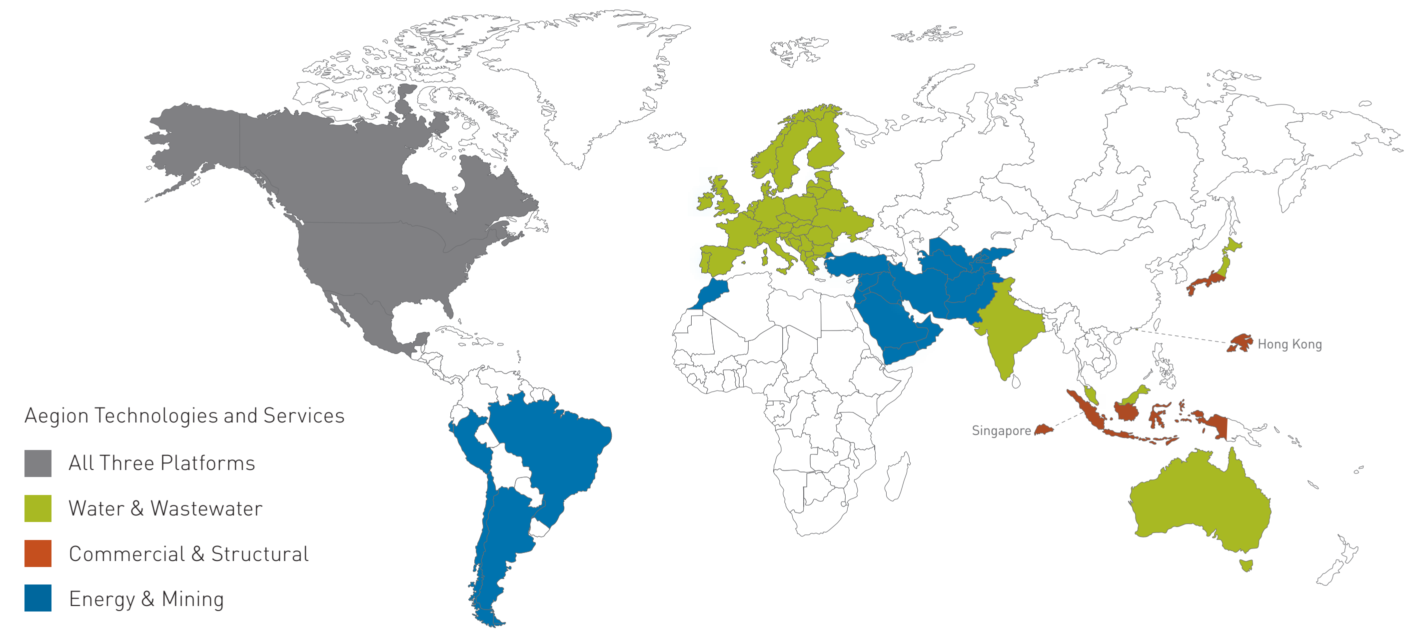
The market opportunity today is $50 million to $60 million per annum. In the longer-term, we believe the market opportunity in the Middle East can grow to more than $100 million a year. We also have the potential to expand our reach into parts of Africa and India.

We expect to see substantial pipeline work in the Middle East in the next three to five years as countries look to maintain or increase production. For example, the Sultanate of Oman wants to increase oil production and is implementing many enhanced oil recovery (EOR) methods. New infrastructure associated with these EOR projects will create opportunities for United, CRTS and Corrpro."

The significance of a Dubai headquarters

"We historically did our work in the Middle East from United's office in Durango, Colorado. By opening a Middle East headquarters in Dubai, we'll have a lower operating cost structure, not to mention time zones and travel times that are much easier to navigate. A Dubai headquarters also positions us to pursue work in North Africa and other nations in the future and gives us access to local information and opportunities that we couldn't see from our offices in the United States."

Aegion is geographically positioned towards strong end markets



The biggest growth opportunities for the Energy & Mining platform today are in the Middle East.

Aegion's products and services are utilized and performed in more than

80

countries.

New market-facing organization focuses on sales of complete end-to-end solutions

Due to space constraints, today's oil and gas pipelines often share a common right-of-way with high voltage power lines, creating electrical interference that is both dangerous to humans and detrimental to pipeline operation through an accelerated rate of corrosion. Our **Corrpro** business has a long history of helping companies reduce these risks with a full range of services including pipeline inspection and alternating current (AC) interference mitigation services.

Through the years, these customer relationships have been managed principally by **Corrpro's** operations and technical teams. Our commitment to excellence in delivering AC interference mitigation and pipeline inspection services has entrenched **Corrpro** within our customers' organizations and provides a stable revenue stream for the company. **Corrpro's** value to these customers goes beyond individual products and services. It includes engineering, design, equipment procurement and installation, as well as long-term monitoring of these solutions.

In 2013, **Corrpro** — along with other Aegion companies — invested significant time and money in improving the company's market-facing organization. That included strengthening our professional sales force in the United States and Canada to focus on our customers' complete life cycle. By tapping our improved customer relationship management tools, our organization is developing deeper knowledge across our customers' organizations. The new market-focused approach allows us to better understand their long-term needs, to think bigger and to foster the revenue growth this high return market can support.

TO EXPAND MEANS TO EXPECT

So what's next for Aegion? We would argue that we're on the verge of a new era. Our company's health and prospects have never been stronger. Our technologies and services address mandated needs and are in demand in the end markets we serve. We have streamlined processes, invested for growth and created systems to give us better understanding of our own talent and greater visibility to our future. We EXPECT good things to come.

Brinderson expands its presence in California

Among the 50 states, California ranks fourth in crude oil production and third in United States refining capacity, according to the latest research. **Brinderson**, which added more than 40 new master service agreements to its portfolio over the past five years, continues to expand its involvement in California's upstream and downstream facilities.

As 2013 closed, **Brinderson** was awarded a long-term extension to its maintenance and repair contract at the Los Angeles refinery operated by Tesoro Refining & Marketing Co., as well as a contract renewal at Tesoro's Golden Eagle refinery in Martinez, California. These two contracts, which cover routine maintenance and repair services as well as the performance of small capital construction projects at three Tesoro refinery locations, are expected to produce incremental 2014 revenues of $20 million.

Fyfe positions for recovery

After taking a significant step back in 2013, we expect our Commercial & Structural platform to wage a recovery in 2014. To rebuild momentum, we have invested in our North American **Fyfe** business' sales, business development and operations. With these changes now largely in place, we are focused on improving our visibility in the pipeline, buildings, transportation and waterfront end markets — all of which are growing in size and in acceptance of the Fibrwrap® system, our fiber-reinforced polymer product, an alternative to concrete and steel rehabilitation solutions.

There's fertile ground to grow our **Fyfe** business in Asia as well. Having received national certification for our Tyfo® House Defender System for wooden structures, for example, **Fyfe** Asia has an opportunity in 2014 to establish our Fibrwrap® technology in the Japanese seismic strengthening market for residential and commercial buildings. **Fyfe** Asia has a solid pipeline business in water pressure main rehabilitation in Hong Kong, with additional opportunities in Singapore and Indonesia as well.

Backed by strong engineering, a market-leading product and patent protection, we expect **Fyfe** to succeed by identifying and executing on opportunities with the nimbleness this business requires.

Brinderson is in a majority of the California and Washington refineries.

Chibby Alloway

Capitalizing on Brinderson's "Nested Positions"

Brinderson has invested years in developing trusted relationships inside the California refineries of blue chip energy companies, where our teams are responsible for everything from maintaining mission-critical equipment to hiring labor to perform maintenance and repairs during scheduled plant shutdowns. The ongoing nature of our work provides our professionals with both insight and access to these facilities that have a need for cathodic protection, industrial linings and fiber-reinforced polymer solutions offered by Aegion.

We intend to capitalize on these synergies to create longer-term opportunities for our **Corrpro, United Pipelines Systems** and **Fyfe** businesses to build relationships inside of these downstream facilities, both on the West Coast and in additional United States markets we pursue.

Chibby Alloway
Vice President, Commercial & Structural

On cross-selling prospects

"A master service agreement (MSA) is the best of all worlds. It allows a company like Brinderson to bring us in to utilize our Fibrwrap® fiber-reinforced polymer (FRP) technology on projects that can benefit from our structural repair solutions. In fact, it's already happening. We have a notice to proceed on work in a California refinery that is part of a Brinderson MSA."

Looking ahead to 2014

"The nuclear power industry continues to be an especially promising market for us now that we are nearing completion of a year-long process to validate our Tyfo® Fibrwrap® product's compliance with ASME B31.1, a design code for power piping systems. We expect the validation process to be completed in the first quarter of 2014, at which time our products will be the first and only ones to meet the new procurement specification requirements for large-diameter non-safety pipe rehabilitation in nuclear power stations.

On the sales front, meanwhile, we are making an important change in how we sell our FRP products in North America. Rather than employ a regional sales force, we are taking a vertical product management approach and developing market strategies for each of our product lines. Because FRP is a niche play, we'll be pursuing specific applications in targeted geographies. In San Francisco, for example, a new retrofit ordinance for seismic protection is opening doors of opportunity."

Fyfe's innovation has resulted in nearly **70** issued and pending patents.

Execute. Excel. Expand. Expect.

That, in a nutshell, is Aegion's plan for 2014 and beyond as we begin the next stage on our journey to reach our potential and deliver the results that we and our stockholders EXPECT. Having made significant progress in positioning Aegion in key markets, we are taking a balanced approach that acknowledges there are risks as well as opportunities in all we do.

So WHAT'S NEXT for the primary businesses in each platform?

Energy & Mining

Corrpro continues to grow and improve its margin profile. By strengthening **Corrpro's** sales force and focusing on expanding our footprint in AC mitigation, pipeline inspection services and other high growth, high margin markets, we believe we will EXCEL in 2014.

United Pipeline Systems has favorable market conditions in North America and the Middle East, where we EXPECT market opportunities to be strong for the next several years. We will continue to employ a regional strategy to jointly market our technologies and services for **Corrpro, United** and **CRTS** to the national oil and gas companies in the Middle East.

Brinderson is increasing its presence in its home West Coast market and has formulated a plan to EXPAND in the Permian Basin. By continuing along this path, we expect this business to drive significant growth in 2014.

Water & Wastewater

We EXPECT 2014 to be another good year for our global Water & Wastewater platform, with our North American business in particular continuing to benefit from improved market conditions and operating performance. This business remains committed to improving margins through optimizing crew utilization, maintaining bid estimation discipline and working to become a premier project management organization. The operative word for Europe, meanwhile, is stability, as we follow a strategy to EXPAND third-party sales opportunities across the continent.

The recovery we experienced in Asia-Pacific in 2013 is expected to continue as we EXECUTE new multi-year awards in Australia and pursue additional work there and in Malaysia.

Commercial & Structural

We are optimistic our **Fyfe** businesses can return to what we envisioned when we acquired them, beginning with a recovery in 2014. Our revenue and profit expectations for the year are modest, as we EXECUTE the changes we made in this business' sales, business development and operations functions.

In sum, we believe that we made great progress in 2013 to position Aegion in key markets that will drive increased value in the future. The balanced approach we are now taking acknowledges that there are risks as well as opportunities in all we do. We are better prepared to anticipate and react to both. These changes we have made over the past five years are now largely in place. The time to EXECUTE is now.

Aegion is on the march to $1.5 billion in near-term annual revenues.

Corporate Information

Executive Officers Of Aegion Corporation

1. **J. Joseph Burgess**
   President and Chief Executive Officer
2. **David F. Morris**
   Senior Vice President, General Counsel, Chief Administrative Officer and Secretary
3. **David A. Martin**
   Senior Vice President and Chief Financial Officer
4. **Brian J. Clarke**
   Senior Vice President – Business Integration
5. **Laura M. Villa**
   Vice President – Human Resources
6. **Kenneth L. Young**
   Vice President and Treasurer

Independent Accountants

PricewaterhouseCoopers LLP
800 Market Street | St. Louis, Missouri 63101

Transfer Agent & Registrar

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

Price Range Of Securities

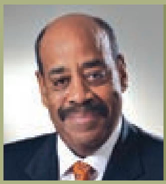
The Company's common shares, $.01 par value, are traded on The Nasdaq Global Select Market under the symbol "AEGN." The following table sets forth the range of quarterly high and low sales prices for the years ended December 31, 2013 and 2012, as reported on The Nasdaq Global Select Market. Quotations represent prices between dealers and do not include retail mark-ups, mark-downs or commissions.

Period	High	Low
2013:		
First Quarter	$ 26.10	$ 21.51
Second Quarter	24.03	19.72
Third Quarter	25.00	21.21
Fourth Quarter	24.09	19.67
2012:		
First Quarter	$ 20.25	$ 15.75
Second Quarter	18.50	14.49
Third Quarter	22.00	16.96
Fourth Quarter	22.39	17.32

FORM 10-K

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2013, as filed with the Securities and Exchange Commission, is available, free of charge, on our website, www.aegion.com. It also is available without charge upon request by writing to the Company's investor relations department at 17988 Edison Avenue, St. Louis, Missouri 63005.

Board of Directors



Alfred L. Woods

Chairman of the Board
Ex Officio Member
All Standing Board Committees
Retired President & CEO
Woods Group, LLC

J. Joseph Burgess

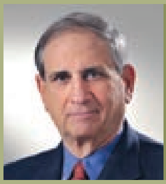
Strategic Planning & Finance Committee
President & CEO
Aegion Corporation

Stephen P. Cortinovis

Corporate Governance &
Nominating Committee (Chair)
Strategic Planning & Finance Committee
Former President, Europe
Emerson Electric Co.

Stephanie A. Cuskley

Audit Committee (Chair)
Compensation Committee
CEO
NPower

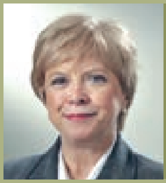


John P. Dubinsky

Strategic Planning & Finance Committee (Chair)
Compensation Committee
President & CEO
Westmoreland Associates, LLC

Charles R. Gordon

Audit Committee, Corporate Governance
& Nominating Committee
CEO
Natural Systems Utilities, LLC



Juanita H. Hinshaw

Compensation Committee (Chair)
Audit Committee
President & CEO
H & H Advisors

M. Richard Smith

Corporate Governance & Nominating Committee
Strategic Planning & Finance Committee
Board Member and Consultant
Sithe Global Power, LLC

Phillip D. Wright

Compensation Committee
Strategic Planning & Finance Committee
Retired President & CEO
Williams Energy Services, LLC

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