



Investor Presentation

Forward Looking Statements

Certain matters in this presentation that are not statements of historical fact, constitute forward-looking statements relating to current or future financial performance, management's plans and objectives for future operations, product plans and performance, management's assessment of market factors, expectations of market growth and statements regarding the strategy and plans of the Company. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of Itron's future performance. The Company undertakes no obligation to update or revise any forward-looking statements in this presentation after the date they are made. We caution that all forward-looking statements are subject to a number of risks and uncertainties that could cause the Company's actual results in the future to differ materially from these forward-looking statements. These risks and uncertainties are detailed in the Company's filings with the Securities and Exchange Commission, including its most recently filed 10-K, copies of which may be accessed through the SEC's website at <http://www.sec.gov>.

Current data and other statistical information used throughout this presentation are based on independent industry publications, government publications, and reports by market research firms or other published independent sources. Some data are also based on our good faith estimates, which are derived from our review of internal surveys as well as the independent sources listed above. We believe that these sources are reliable.

In an effort to provide additional information regarding the Company's financial results as determined by generally accepted accounting principles (GAAP), this presentation contains certain non-GAAP financial measures such as constant currency, non-GAAP operating income and margin, adjusted EBITDA and margin and free cash flow. The rationale for management's use of non-GAAP information and a reconciliation of the non-GAAP measures and the most directly comparable GAAP measures are included in the Appendix of this presentation. Non-GAAP performance measures should be considered in addition to, and not as a substitute for, results prepared in accordance with GAAP.

Ittron and Industry Overview

Itron At-A-Glance

Itron is a market leading Industrial IoT company that is innovating new ways for utilities and cities to manage energy and water.



8,000
CUSTOMERS IN
100 COUNTRIES



>200M
COMMUNICATING
ENDPOINTS



>98M
ENDPOINTS UNDER
MANAGEMENT



~9.2M
DISTRIBUTED
INTELLIGENCE ENABLED
ENDPOINTS

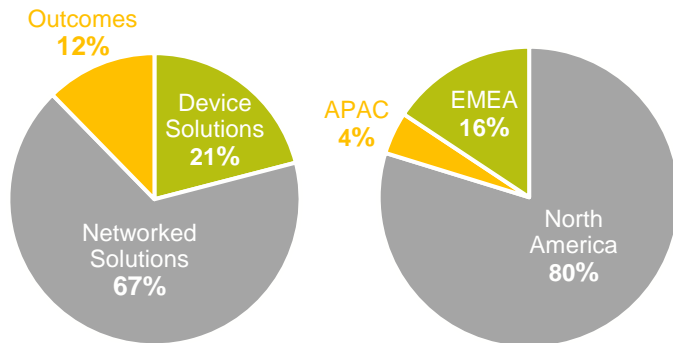


~5,000
PEOPLE
ACROSS THE GLOBE



+250
PARTNERS IN A BROAD
ECOSYSTEM OF SOLUTIONS

2023 Revenue Mix:



\$4.5B
Backlog
As of 12/31/2023

Note: Revenue, people, and backlog reported year ending December 31, 2023. All other data points rounded or estimated based on internal Itron source material at the time of publication.

Dynamic Forces Impacting Our Industry

INFRASTRUCTURE



- » Aging Infrastructure
- » Solar and Wind Generation
- » Battery/Energy Storage
- » Electric Vehicles

ENVIRONMENTAL



- » Extreme Weather
- » Resource Sustainability
- » Safety and Prevention
- » Monitoring and Management

SOCIAL



- » Global Urbanization
- » Engaged Consumers
- » Internet of Things
- » Generating “Big Data”

Balanced with Governmental Support, Rapidly Changing Regulatory Environment

Strategic Priorities

1 EXPANDING OUR FOOTPRINT

Increasing applications / coverage

2 EXPANDING OUR VALUE

Empowering our customers

3 EXPANDING OUR REACH

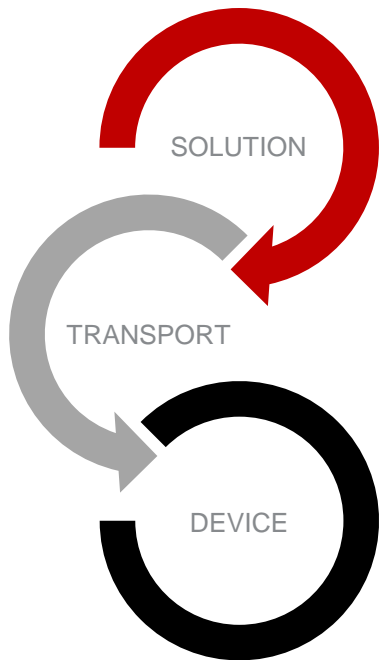
*Enabling new solutions with as many sensors
and endpoints on our platform as possible*

CREATING THE OPPORTUNITY TO ENHANCE VALUE WITH...

- » **Growing** value proposition
- » **Improving** operating leverage
- » **Increasing** free cash flow

Itron's Smart Platform Value Proposition

An intelligent industrial IoT platform that is **solution, device and transport agnostic**



INTELLIGENT CONNECTIVITY



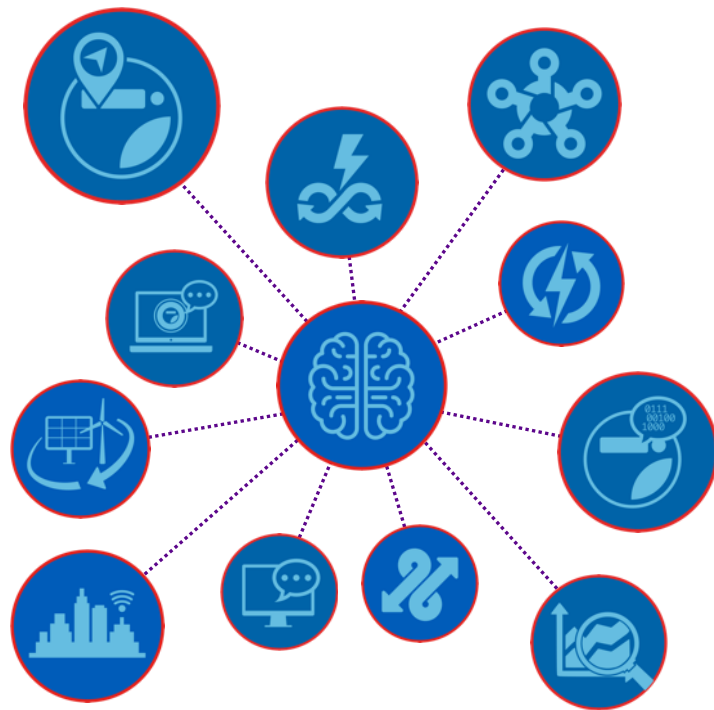
Intelligent Connectivity Enables Advanced Solutions

INDUSTRY-LEADING PORTFOLIO

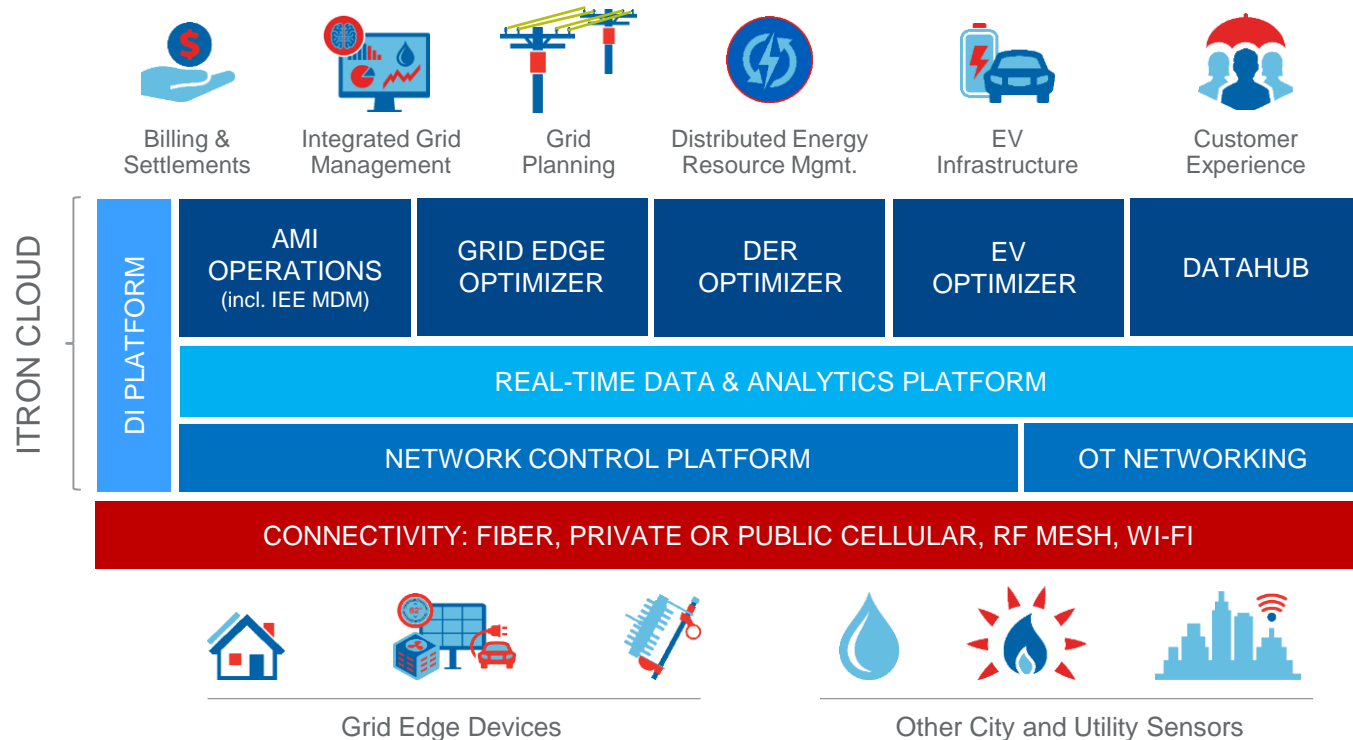
- » Intelligent networks
- » Software + analytics
- » Services
- » Meters
- » Sensors + other devices

HIGH-LEVEL SOLUTIONS

- » Advanced metering infrastructure
- » Automated meter reading
- » Analytics
- » Distributed energy management + consumer engagement
- » Distribution automation
- » Meter data management
- » Smart city applications
- » Industrial IoT solutions



Itron Grid Edge Intelligence Portfolio



CUSTOMER BENEFITS

- » Reduced Operating Costs
- » Consumer Access & Engagement
- » Resiliency & Reliability
- » Renewables Integration
- » Carbon Reduction

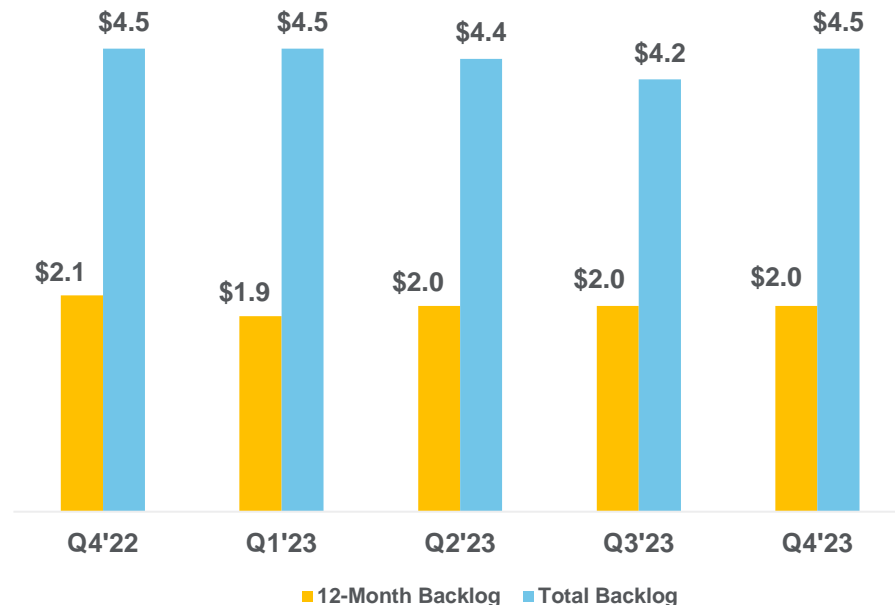
Business Perspectives

Q4 2023 and FY 2023 Performance Summary

- » Q4 revenue of \$577 million and FY revenue of \$2.17 billion
- » Q4 adjusted EBITDA of \$68 million and FY adjusted EBITDA of \$226 million
- » Q4 non-GAAP diluted EPS of \$1.23 and FY non-GAAP diluted EPS of \$3.36
- » Q4 free cash flow of \$39 million and FY free cash flow of \$98 million

Bookings and Backlog

- » Q4 2023 bookings of \$839M
 - » *Book to bill of 1.45*
- » FY 2023 bookings of \$2.16B
- » Ending backlog of \$4.5B



- Chart in US\$ billions, the revenue from Q4'23 12-month backlog may vary based on actual currency rates at time of shipment, supply constraints, and adjusted project schedules timing.
- The ending Total Backlog balances for Dec. 31, 2022, through Sept. 30, 2023, have been adjusted from previously reported amounts. A total of \$96 million related to a portion of one customer contract had been improperly included within our backlog balance during these periods.

Operational Insights

- » Customer demand and market trends support strong and stable market outlook
- » Component supply stable, more predictable
- » Inventory levels appropriate for a volatile world and to improve resiliency
- » ~70% of YE 2023 backlog repriced/indexed to address inflationary cost volatility

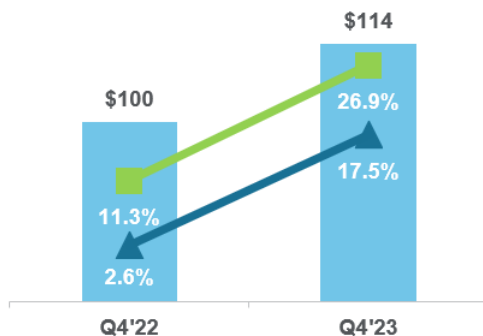
Business Segment Performance: Q4 2023

Revenue, Gross Margin, and Operating Margin

\$ in millions, actual currency

Revenue Gross Margin Operating Margin

Device Solutions



Revenue increased 13% (9% in constant currency)

- » Growth in EMEA smart water meter and communication module sales

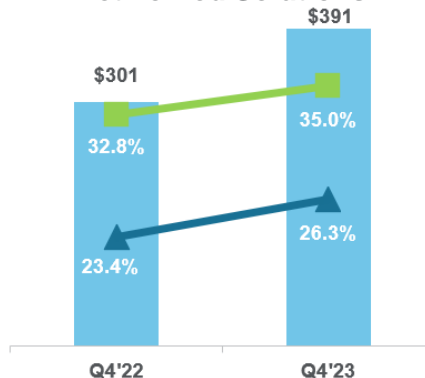
Gross margin increased 1,560 bps

- » Favorable product mix
- » Improved cost efficiencies

Operating margin increased 1,490 bps

- » Fall through of higher gross profit
- » Partially offset by higher opex

Networked Solutions



Revenue increased 30% (30% in constant currency)

- » Strong factory output enabled by improved component supply
- » Increase in new deployments

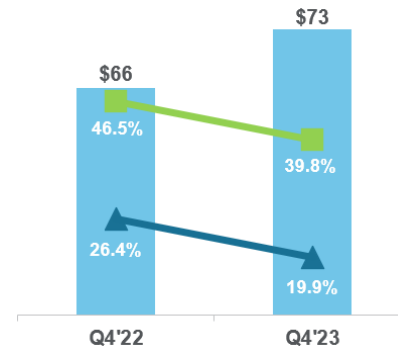
Gross margin increased 220 bps

- » Improved cost efficiencies
- » Higher margin product mix

Operating margin increased 290 bps

- » Fall through of higher gross profit
- » Increased operating leverage

Outcomes



Revenue increased 10% (9% in constant currency)

- » Increase in recurring and one-time services

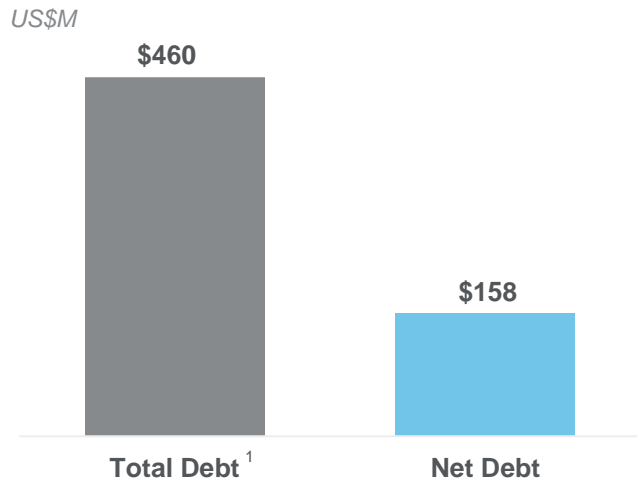
Gross margin decreased 670 bps

- » Decrease of software licensing activity

Operating margin decreased 650 bps

- » Fall through of lower gross margin

Debt and Liquidity Overview: December 31, 2023



Debt

- » Net leverage 0.7x at end of Q4 2023
- » Zero interest convertible notes

Free Cash Flow and Liquidity

- » Free cash flow of \$39M in Q4 2023
- » Cash and equivalents of \$302M
- » \$500M revolver; 2026 maturity

1. Excludes amortization of debt fees.

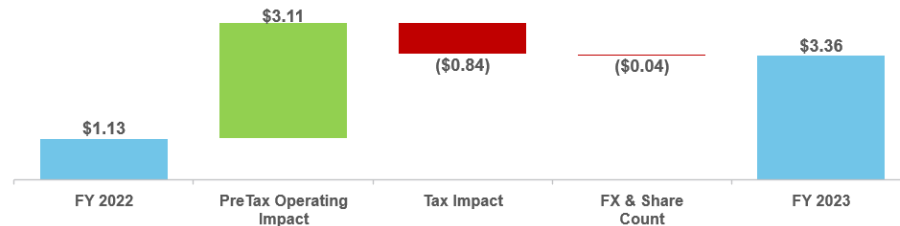
Full Year 2023 Summary

- » Revenue of \$2.17B up 21% from 2022
- » Bookings of \$2.16B
- » Gross margin of 32.8%
- » Adj EBITDA of \$226M
- » Non-GAAP EPS of \$3.36
- » Free cash flow of \$98M

Revenue Year-Over-Year Bridge¹



Non-GAAP EPS Year-Over-Year Bridge²



1. Chart in millions and includes rounding. Segment changes in constant currency.

2. Totals reflect actual currencies; all variances other than FX exclude currency impact. Chart includes rounding.

2024 Guidance

Revenue of \$2.275 - \$2.375 billion

- » *~7% absolute growth at the midpoint*
- » *~16% growth implied when normalized for supply constrained revenue conversion*

Non-GAAP diluted EPS of \$3.40 - \$3.80

- » *~14% growth at the midpoint (normalized @ 25% tax rate for both years)*

Assumptions:

- » Euro/USD of \$1.07
- » Effective Non-GAAP tax rate of 25%
- » Average diluted shares outstanding of ~46.3 million

Q1 2024 Outlook

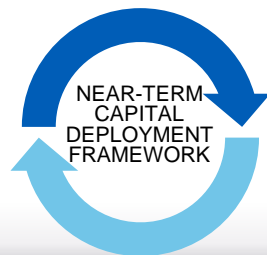
Revenue of \$575 - \$585 million

» *~17% growth at the midpoint*

Non-GAAP diluted EPS of \$0.80 - \$0.90

» *~68% growth at the midpoint (normalized @ 25% tax rate for both years)*

Capital Allocation Priorities



ORGANIC INVESTMENT

- » Complete shift to asset-light operating model
- » Technology innovation fueled by investment in R&D
- » R&D fully expensed and reflected in targets

STRATEGIC OPPORTUNITIES

- » Well-positioned for strategic M&A
- » Focus on expanding Outcomes
- » Targeting complimentary value-add solutions that will scale with our existing offerings

CREATING VALUE

- » Focus on long-term shareholder value creation
- » Maintain flexibility in capital structure to capture value

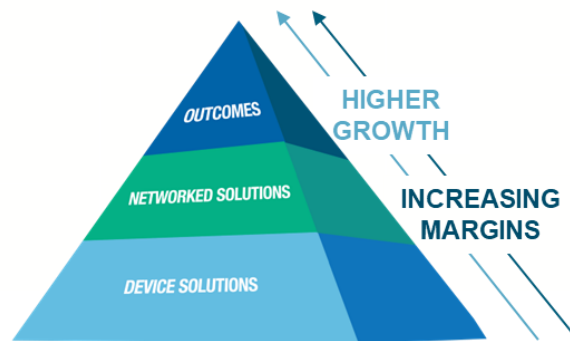
Itron Target Operating Model for 2027

Rotation to higher margin contribution and increased free cash flow

Target Operating Model



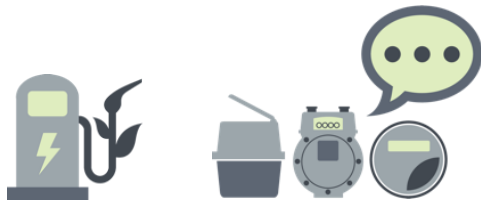
Revenue (CAGR)	5 to 7%	0 to 2%	4 to 6%	12 to 15%
Gross Margin	36 to 38%	24 to 26%	38 to 40%	43 to 45%
Non-GAAP OPEX	22 to 23% of Revenue			
Adjusted EBITDA	15 to 17% of Revenue			
Free Cash Flow	10 to 12% of Revenue			



Source: Based on Itron management estimates. Assumptions do not include M&A or additional restructuring savings beyond previously announced programs.

Itron Investment Thesis

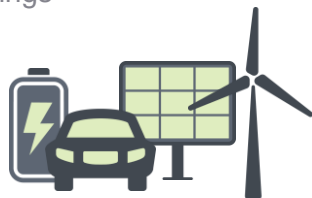
LARGE SCALE SOCIETAL TRENDS



Electrification of Everything and
Internet of Things



Resource Scarcity and
Climate Related Stress



Adoption of Distributed
Energy Resources

WHY ITRON?



Grid Edge Intelligence Portfolio



Increasing Profitability and
Financial Strength



> 9 Million Distributed
Intelligence Endpoints Deployed

Appendix

Consolidated GAAP Results: Q4 2023

\$ in millions (except per share amounts)	Q4 2023	Q4 2022	Change
Revenue	\$577.2	\$467.5	23%
<i>Change in constant currency</i>			22%
Gross margin	34.0%	30.1%	390 bps
Operating income	\$49.3	\$12.4	298%
Net income attributable to Itron, Inc.	\$44.4	\$22.2	100%
Earnings per share – diluted	\$0.96	\$0.49	96%

- » Revenue increased due to strong operational execution and improved supply chain conditions
- » Gross margin of 34.0% up 390 bps due to cost efficiencies and a higher margin product mix
- » GAAP operating income increased due primarily to higher gross profit
- » GAAP net income increased due to higher GAAP operating income, partially offset by increased taxes

Consolidated Non-GAAP & Cash Results: Q4 2023

\$ in millions (except per share amounts)	Q4 2023	Q4 2022	Change
Non-GAAP operating income	\$60.9	\$25.3	141%
Non-GAAP operating margin	10.6%	5.4%	520 bps
Non-GAAP net income attributable to Itron, Inc.	\$56.7	\$32.2	76%
Adjusted EBITDA	\$68.4	\$34.4	99%
Adjusted EBITDA margin	11.8%	7.4%	440 bps
Non-GAAP earnings per share - diluted	\$1.23	\$0.71	73%
Net cash provided by (used in) operating activities	\$47.9	(\$13.0)	468%
Free cash flow	\$39.3	(\$17.9)	320%

-
- » Increase in non-GAAP operating income due primarily to higher gross profit, partially offset by higher operating expenses
 - » Non-GAAP net income increased due to higher non-GAAP operating income, partially offset by increased taxes
 - » Free cash flow increased due to higher earnings, partially offset by higher cash taxes paid

Itron's Holistic Approach To ESG

- » At Itron, **we create a more resourceful world** to protect tomorrow's water and power, today.
- » **Our long-term view** is that by delivering products and services that support **sustainability, diversity and accountability of our key stakeholders**, we can create a more resourceful world.
- » To achieve this, Itron leverages **a holistic approach that integrates** our strategic, operational and risk management efforts with **our ESG initiatives**.



Improving Our
Environmental Impact



Providing Sustainable
Solutions



Supporting Our People
& Communities



Operating with
Integrity



2022 ESG Report Highlights



Operating with Integrity

- » Board of directors is **88% independent**
- » **38% female** representation on the board
- » Signatory to the **United Nations Global Compact**
- » “**Leader**” category by MSCI
- » “**Low Risk**” category by Sustainalytics



Supporting Our People & Communities

- » **>60,000 hours** of professional **development and training** logged by employees
- » **90% of employees** see a clear connection between **their work and Itron's purpose**
- » **\$1.1M donated** in community or education program investment



Improving Our Environmental Impact

- » Achieved **28% YOY reduction in emissions**
- » **88%** of facilities are **ISO 14001** certified
- » Reaffirmed targets to:
 - » Reduce GHG emissions by **50% by 2028**
 - » Make operations **carbon neutral by 2035**
 - » Achieve **net zero emissions by 2050**



Providing Sustainable Solutions

- » At least **4.9M metric tons** of customer **CO2 emissions avoided**

Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared in accordance with generally accepted accounting principles in the United States (GAAP), we use certain adjusted or non-GAAP financial measures, including non-GAAP operating expense, non-GAAP operating income, non-GAAP net income, non-GAAP diluted earnings per share (EPS), adjusted EBITDA, free cash flow, and constant currency. We provide these non-GAAP financial measures because we believe they provide greater transparency and represent supplemental information used by management in its financial and operational decision making. We exclude certain costs in our non-GAAP financial measures as we believe the net result is a measure of our core business. We believe these measures facilitate operating performance comparisons from period to period by eliminating potential differences caused by the existence and timing of certain expense items that would not otherwise be apparent on a GAAP basis. Non-GAAP performance measures should be considered in addition to, and not as a substitute for, results prepared in accordance with GAAP. We strongly encourage investors and shareholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. Our non-GAAP financial measures may be different from those reported by other companies. When providing future outlooks and/or earnings guidance, a reconciliation of forward-looking non-GAAP diluted EPS to the GAAP diluted EPS has not been provided because we are unable to predict with reasonable certainty the potential amount or timing of restructuring related expenses and their related tax effects without unreasonable effort. These costs are uncertain, depend on various factors and could have a material impact on GAAP results for the guidance period. A more detailed discussion of why we use non-GAAP financial measures, the limitations of using such measures, and reconciliations between non-GAAP and the nearest GAAP financial measures are included in this press release.

GAAP to Non-GAAP Reconciliations

ITRON, INC.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
NON-GAAP OPERATING EXPENSES				
GAAP operating expenses	\$ 147,120	\$ 128,417	\$ 585,041	\$ 529,628
Amortization of intangible assets	(4,485)	(6,266)	(18,918)	(25,717)
Restructuring	(7,121)	2,528	(43,989)	13,625
Loss on sale of businesses	8	(323)	(667)	(3,505)
Strategic initiative	—	—	5	(675)
Software project impairment	—	(8,719)	—	(8,719)
Russian currency translation write-off	—	—	—	(1,885)
Goodwill impairment	—	—	—	(38,480)
Acquisition and integration	(27)	(136)	(144)	(506)
Non-GAAP operating expenses	<u>\$ 135,495</u>	<u>\$ 115,501</u>	<u>\$ 521,328</u>	<u>\$ 463,766</u>
NON-GAAP OPERATING INCOME				
GAAP operating income (loss)	\$ 49,270	\$ 12,381	\$ 128,867	\$ (7,439)
Amortization of intangible assets	4,485	6,266	18,918	25,717
Restructuring	7,121	(2,528)	43,989	(13,625)
Loss on sale of businesses	(8)	323	667	3,505
Strategic initiative	—	—	(5)	675
Software project impairment	—	8,719	—	8,719
Russian currency translation write-off	—	—	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	27	136	144	506
Non-GAAP operating income	<u>\$ 60,895</u>	<u>\$ 25,297</u>	<u>\$ 192,580</u>	<u>\$ 58,423</u>

GAAP to Non-GAAP Reconciliations

ITRON, INC.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
NON-GAAP NET INCOME & DILUTED EPS				
GAAP net income (loss) attributable to Itron, Inc. \$	44,386	\$ 22,212	\$ 96,923	\$ (9,732)
Amortization of intangible assets	4,485	6,266	18,918	25,717
Amortization of debt placement fees	860	845	3,489	3,323
Restructuring	7,121	(2,528)	43,989	(13,625)
Loss on sale of businesses	(8)	323	667	3,505
Strategic initiative	—	—	(5)	675
Software project impairment	—	8,719	—	8,719
Russian currency translation write-off	—	—	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	27	136	144	506
Income tax effect of non-GAAP adjustments	(183)	(3,803)	(10,339)	(8,466)
Non-GAAP net income attributable to Itron, Inc. \$	56,688	\$ 32,170	\$ 153,786	\$ 50,987
Non-GAAP diluted EPS	\$ 1.23	\$ 0.71	\$ 3.36	\$ 1.13
Non-GAAP weighted average common shares outstanding - Diluted	46,039	45,419	45,836	45,305

GAAP to Non-GAAP Reconciliations

ITRON, INC.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
ADJUSTED EBITDA				
GAAP net income (loss) attributable to Itron, Inc.	\$ 44,386	\$ 22,212	\$ 96,923	\$ (9,732)
Interest income	(3,346)	(1,266)	(9,314)	(2,633)
Interest expense	1,870	1,793	8,349	6,724
Income tax (benefit) provision	4,555	(11,169)	29,068	(6,196)
Depreciation and amortization	13,750	16,151	55,763	66,763
Restructuring	7,121	(2,528)	43,989	(13,625)
Loss on sale of businesses	(8)	323	667	3,505
Strategic initiative	—	—	(5)	675
Software project impairment	—	8,719	—	8,719
Russian currency translation write-off	—	—	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	27	136	144	506
Adjusted EBITDA	<u>\$ 68,355</u>	<u>\$ 34,371</u>	<u>\$ 225,584</u>	<u>\$ 95,071</u>
FREE CASH FLOW				
Net cash (used in) provided by operating activities	\$ 47,895	\$ (13,030)	\$ 124,971	\$ 24,500
Acquisitions of property, plant, and equipment	(8,580)	(4,861)	(26,884)	(19,747)
Free Cash Flow	<u>\$ 39,315</u>	<u>\$ (17,891)</u>	<u>\$ 98,087</u>	<u>\$ 4,753</u>



Thank You

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