INVESTOR DAY

Nasdaq MarketSite

NEW YORK CITY

June 27, 2019

WELCOME

Kenneth Gianella | Vice President, Investor Relations

FORWARD LOOKING STATEMENTS

Certain matters in this presentation and being discussed today 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 does not intend and does not assume any obligation to update or revise any forward-looking statements in this presentation after the date they are made. Listeners are cautioned 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.

WELCOME TO ITRON INVESTOR DAY

- **Welcome and Strategy Review: 9:30** Philip Mezey, CEO
- **State of the Utility Industry:** Tom Kuhn, President of Edison Electric Institute
- **Break & Demos:** (15 min.)
- **Operational Review:** Tom Deitrich, COO
- **Technology Outlook:** Sharelynn Moore, SVP - Networked Solutions
- **New Segment Discussion:** Philip Mezey, CEO and Tom Deitrich, COO
- **Break/Lunch/Demos: 11:45** (1 hr.)
- **Financial Review:** Joan Hooper, CFO
- **Closing Remarks with Q&A:** Submit Q&A to: investors@itron.com or text: 509-319-1664
- **Demonstrations:** (1 hr.)

ITRON AT-A-GLANCE

Itron enables utilities and cities to safely, securely and reliably deliver critical infrastructure services that measure, manage, and provide data analytics that enable them to responsibly and efficiently manage resources in the communities they serve. With over 40 years of experience and over…

8,000
CUSTOMERS IN 100 COUNTRIES

>200M
COMMUNICATING ENDPOINTS

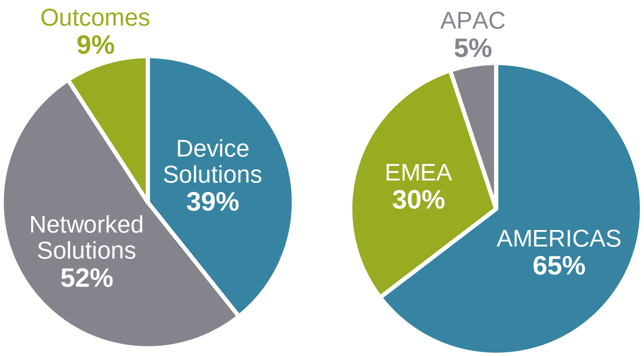
>64M
ENDPOINTS UNDER MANAGEMENT

~3M
STREETLIGHTS UNDER MANAGEMENT

8,000
PEOPLE ACROSS THE GLOBE

+220
PARTNERS IN A BROAD ECOSYSTEM OF SOLUTIONS

$2.4B 2018 REVENUE & REVENUE MIX OF:



With over:

>$3.0B
BACKLOG

>$1.3B
12-MONTH BACKLOG

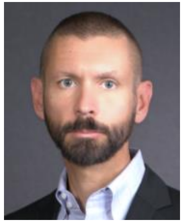
Note: Revenue and Backlog as reported year ending December 2018 and other data points rounded or estimated based on internal Itron source material

STRATEGY REVIEW

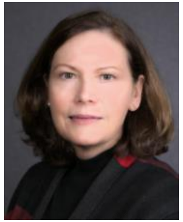
Philip Mezey | President and Chief Executive Officer

OUR EXECUTIVE AND BUSINESS UNIT LEADERSHIP

PHILIP MEZEY
President & Chief Executive Officer



TOM DEITRICH
Executive Vice President & Chief Operating Officer



JOAN HOOPER
Senior Vice President & Chief Financial Officer

SHARELYNN MOORE
Senior Vice President, Networked Solutions

MARK DE VERE WHITE
Senior Vice President, Commercial & Customer Enablement

ARAVIND YARLAGADDA
Senior Vice President, Outcomes

CARL PORTER
Senior Vice President, Device Solutions

DON REEVES
Senior Vice President, Services and Delivery

OUR PURPOSE AND VISION

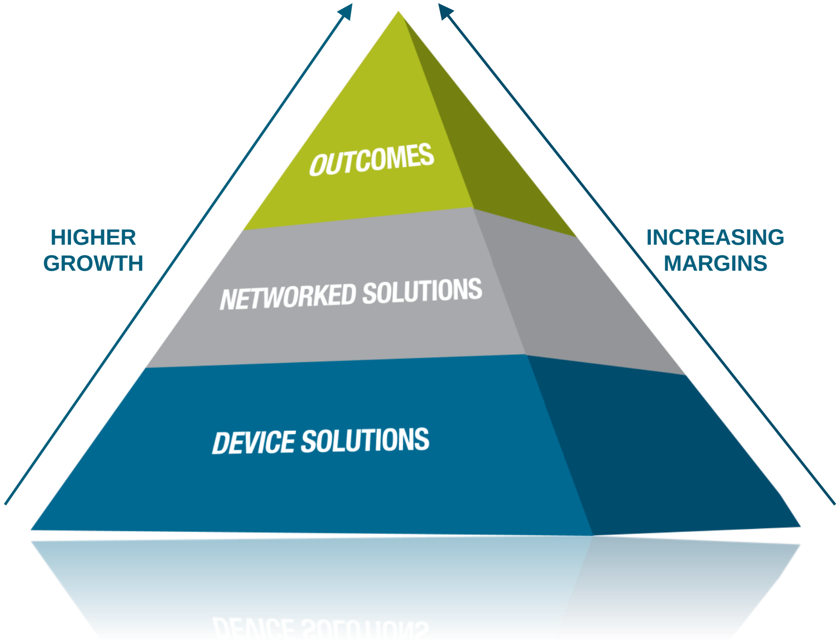
ITRON IS DEDICATED TO CREATING A MORE RESOURCEFUL WORLD

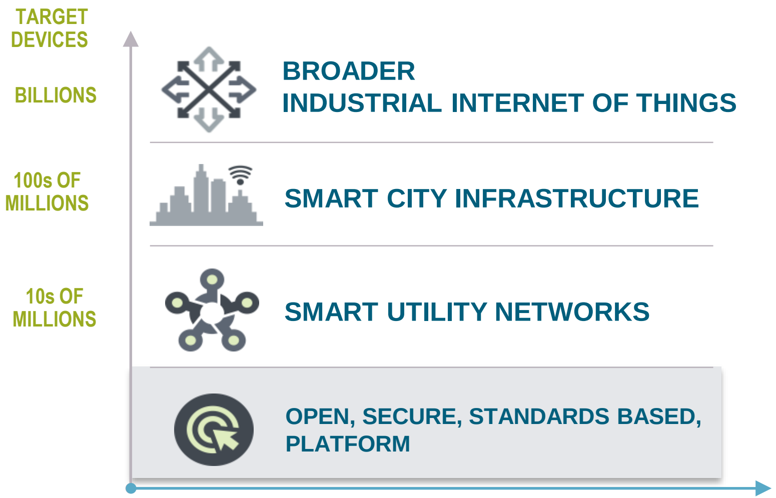
We believe that the way we manage energy and water will define this century.

By working with our customers to ensure their success, we can **improve the quality of life**, **ensure the safety** and **promote the well-being of people** around the globe.

OUR MODEL DELIVERS

Solutions via open standards-based technology that transcend multiple verticals





OUR PRIORITIES

1 **EXPANDING OUR FOOTPRINT**
Increasing coverage

2 **EXPANDING OUR VALUE**
Empowering our customers

3 **EXPANDING OUR REACH**
Enabling as many sensors & devices on our platform as possible

CREATING THE OPPORTUNITY TO ENHANCE VALUE WITH…..

OPERATIONAL LEVERAGE	→	IMPROVING
FREE CASH FLOW	→	INCREASING
TECHNOLOGY	→	LEADERSHIP

DYNAMIC FORCES IMPACTING OUR INDUSTRY

Transforming the utility and city operating models

INFRASTRUCTURE

- Aging Infrastructure
- Grid Security
- Clean Energy & Storage
- Electric Vehicles

ENVIRONMENTAL

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

SOCIAL

- Enhanced Customer Experience
- Global Urbanization
- Internet of Things
- Generating "Big Data"

Itron enables customers to leverage the power of a smart platform

Tom Kuhn
President
Edison Electric Institute

EEI

Edison Electric INSTITUTE

Delivering America's Energy Future

Creating Value in America's Economy

Contribute
$865 billion
annually to U.S. GDP or
5%
of total GDP

Support
7 million+
jobs across the United States

Invest
$100 billion+
per year to build smarter, cleaner, stronger, and more secure energy infrastructure

Our Industry Vision Is Customer-Driven

Value-Focused

More Dynamic, More Secure Energy Grid

Clean Energy

Innovative Energy Solutions

The Clean Energy Transformation

EEI

Changing U.S. Energy Mix

>1/3

CARBON-FREE

>1/2

Over the Past Five Years, More Than Half of New Electricity Generation Capacity Was

WIND AND SOLAR

Providing

69%

of the **SOLAR ENERGY** in the Country

Increasing Investments

$100 Billion+

PER YEAR IN SMARTER ENERGY INFRASTRUCTURE

Expanding Access to EVs

95,000+

CHARGING STATIONS NATIONWIDE

Using

90%+

OF ALL U.S. ENERGY STORAGE

Cutting Emissions

CO_2 ↓ 27%

BELOW 2005 LEVELS AS OF 2018

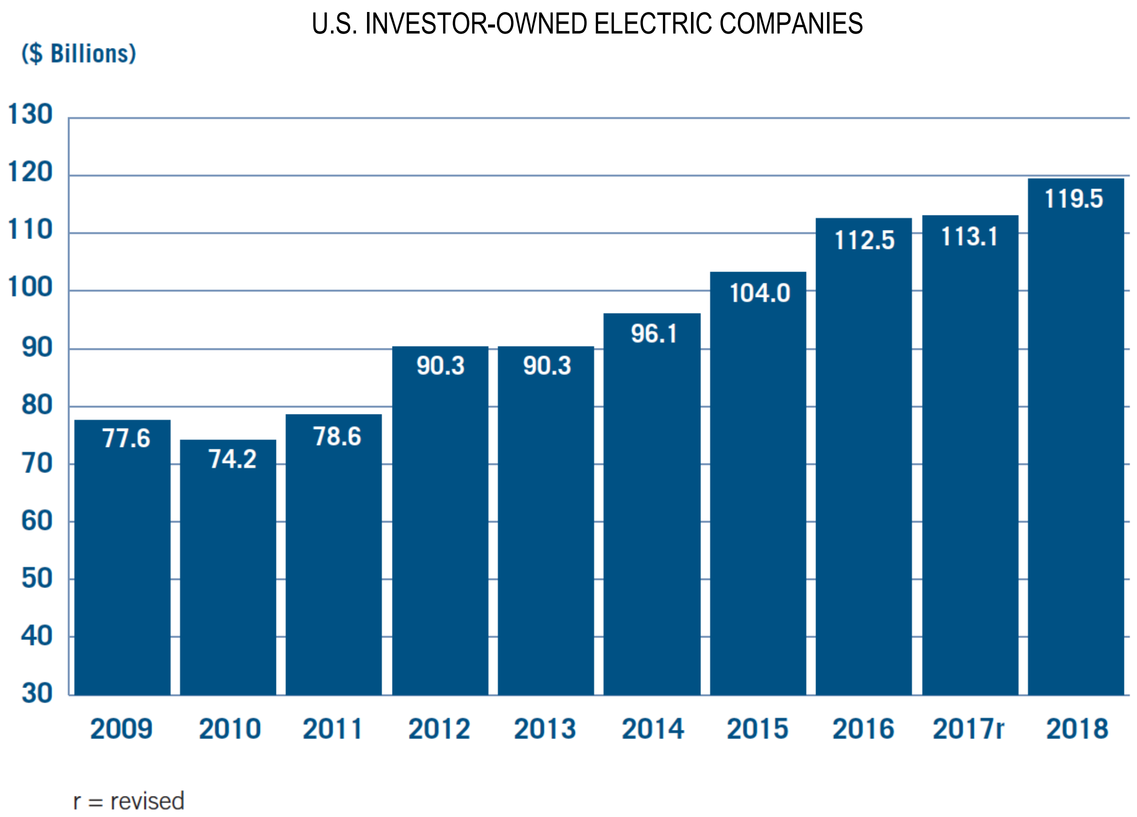
NO_x ↓ 84%

BETWEEN 1990–2018

SO_2 ↓ 92%

BETWEEN 1990–2018

Industry Capital Expenditures



Source: S&P Global Market Intelligence, company reports, and EEI Finance Department.

Smarter Energy Infrastructure Facts

$100 billion+ INVESTED EACH YEAR

TO

MAKE THE ENERGY GRID SMARTER, STRONGER, CLEANER, MORE DYNAMIC, AND MORE SECURE

DIVERSIFY THE NATION'S ENERGY MIX

&

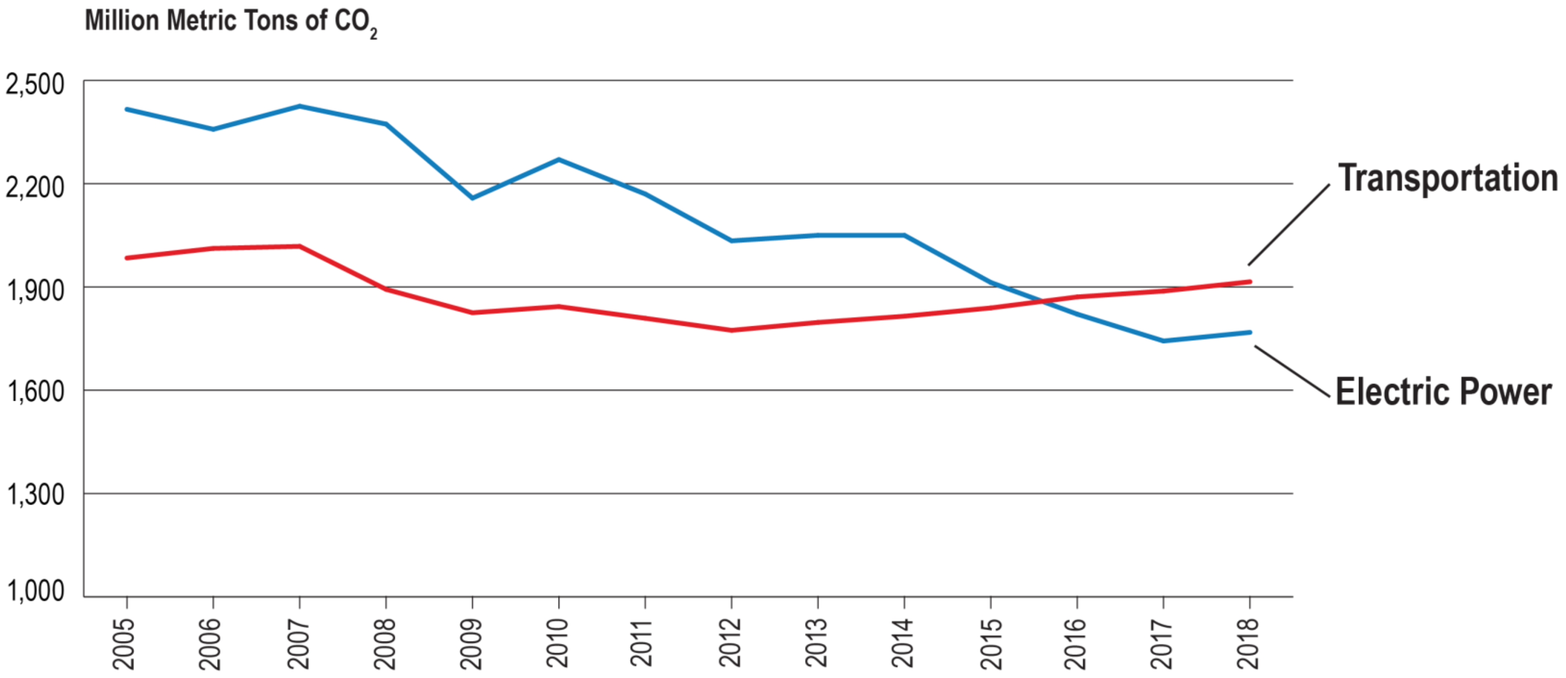
INTEGRATE NEW TECHNOLOGIES

Millions OF SMART METERS DEPLOYED ACROSS THE COUNTRY

IMPROVE RELIABILITY, RESILIENCY, AND SERVICES FOR CUSTOMERS.


CUSTOMER

CO_2 Emissions:
Electric Power and Transportation Sectors



Source: U.S. Energy Information Administration, *Monthly Energy Review*, March 2019.

Electric Transportation Trends

EEI

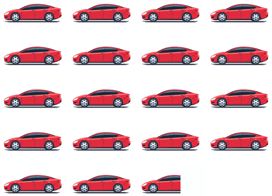
TODAY

There are more than

1.1 million

electric vehicles on U.S. roads.

BY 2030



The number of EVs on the road is projected to reach

18.7 million.

~9.6 million

charge ports will be needed to support this number.

Addressing Threats to the Energy Grid

The Electricity Subsector Coordinating Council (ESCC) is focused on improving the security of the energy grid:

- The ESCC plans and exercises coordinated responses to attacks or major disruptions to the energy grid.
- The ESCC makes sure information about threats is communicated quickly between government and industry.
- The ESCC deploys government technologies on electric company systems that improve situational awareness of threats to the energy grid.
- The ESCC coordinates closely with other critical infrastructure sectors.

ESCC
Electricity Subsector Coordinating Council

Storm and Wildfire Response

New EEI Wildfire Practice Focused On:

- Access issues to perform vegetation management
- Outstanding ROW renewals
- Legal/insurance challenges
- Sharing suggested practices among member companies

2019 Industry Priorities

Energy Infrastructure

Clean Energy

Wildfire Mitigation & Adaptation

Grid Security & Resilience

Electric Transportation

Enhanced Customer Experience

“What you are will show in what you do.”

Thomas Alva Edison

EEI

BREAK

MARKET AND OPERATIONAL REVIEW

Tom Deitrich | Executive Vice President and Chief Operating Officer

SEIZING THE OPPORTUNITY …

Extend Technology Leadership

Technology innovation to deliver critical customer outcomes

Drive Revenue and Margin Expansion

Commitment and execution to improve our performance and quality

Align Focus and Opportunity

Structural change to position Itron for the evolving and growing markets we serve

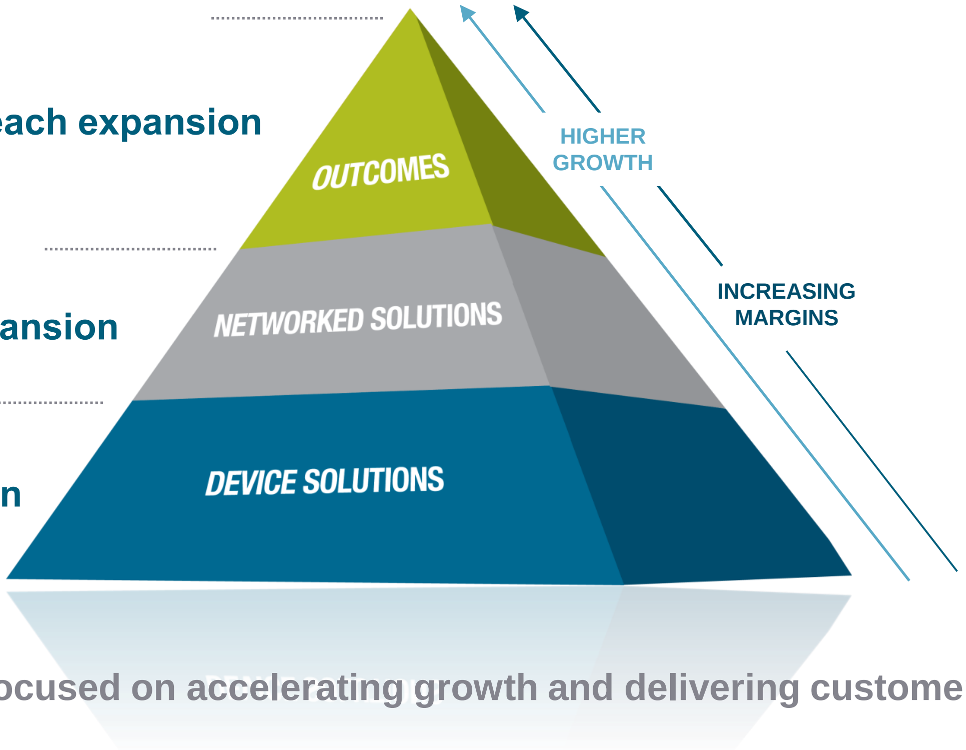
OUR NEW SEGMENT'S ROLE

Consistently increasing customer success

Rapid/profitable growth… Value & reach expansion

Network coverage … Footprint expansion

High quality… Margin expansion



Unified go-to-market organization, focused on accelerating growth and delivering customer success

DRIVING REVENUE AND MARGIN EXPANSION

GROWTH IN OUR HIGHER MARGIN SOLUTIONS

IMPROVED OPERATIONAL LEVERAGE

SUPPLY CHAIN OPTIMIZATION

STRONG INDUSTRY GROWTH POTENTIAL

+$20B Annually Growing at 6%, With >10% Growth in Outcomes

2018 Total Available Market (B$) / CAGR (2018-2021)	World Wide		AMERICAS		EMEA		APAC	
	TAM	CAGR	TAM	CAGR	TAM	CAGR	TAM	CAGR
Outcomes	2.0	11.2%	0.7	7.6%	0.7	13.3%	0.7	12.7%
Networked Solutions	8.2	7.9%	3.5	5.4%	2.0	10.0%	2.6	9.6%
Device Solutions	10.0	2.9%	1.0	0.7%	4.5	4.6%	4.6	1.6%
Total	**~20.3**	**5.8%**	**5.2**	**4.9%**	**7.2**	**7.0%**	**7.9**	**5.4%**

Source: Management Estimates using data from Navigant, IHS, Gartner, and Cognyst (Scott Report) as of October 2018, rounding to $US billions.

GLOBAL PRESENCE & PRIORITIZATION

AMERICAS

- Extend North American Leadership in Networked Solutions
- Value Added Networked Solutions, particularly Smart Cities & Distribution Automation
- Drive Outcomes offerings in existing Networked Solutions base
- Targeted participation in LatAm with focused Device oriented sales

EMEA

- Scale Device opportunities in targeted large markets
- Leverage Canopy Opportunities in Smart Spec Cities (i.e. London, Paris, Copenhagen, etc.)
- Value Added Networked Solutions, Particularly Smart Cities & Distribution Automation
- Targeted expansion of Outcomes outside of our Network Footprint

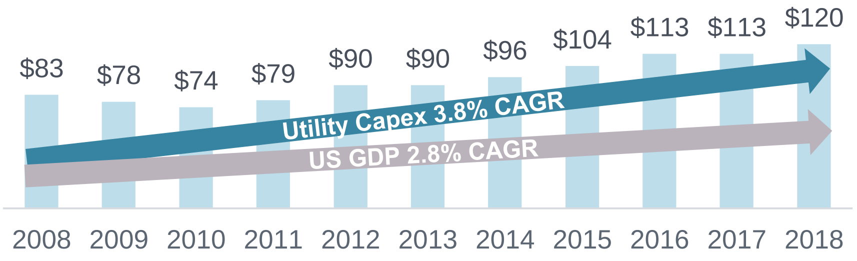
APAC

- Targeted Value Added Networked Solutions to Build Outcomes Base
- Targeted participation with focused Device oriented sales
- Targeted expansion of Outcomes outside of our Network Footprint

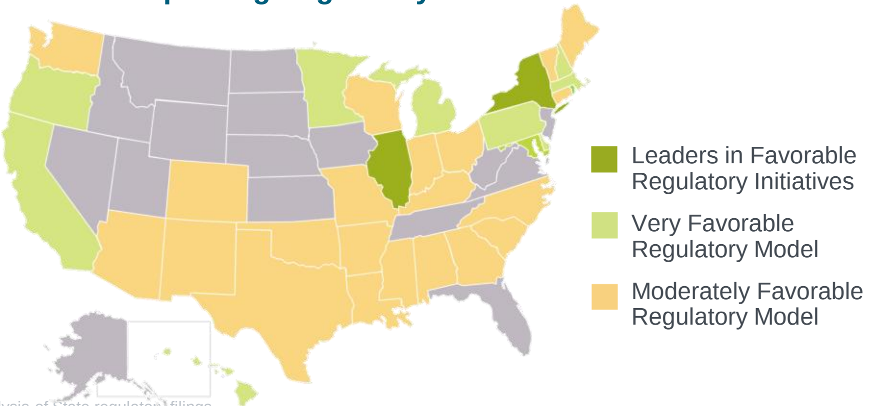
U.S. MARKET ENVIRONMENT IS STRONG

- » North American market remains strong
- » Market values advanced network solutions
- » Utilities operate on a different capital cycle
- » Regulatory agencies seeing network value
- » Mature market; Leveraging data for outcomes
- » Early AMI adaptors readying for refresh

U.S. Utility Capex Spend ($B)[1]



Improving Regulatory Environment for SaaS[2]



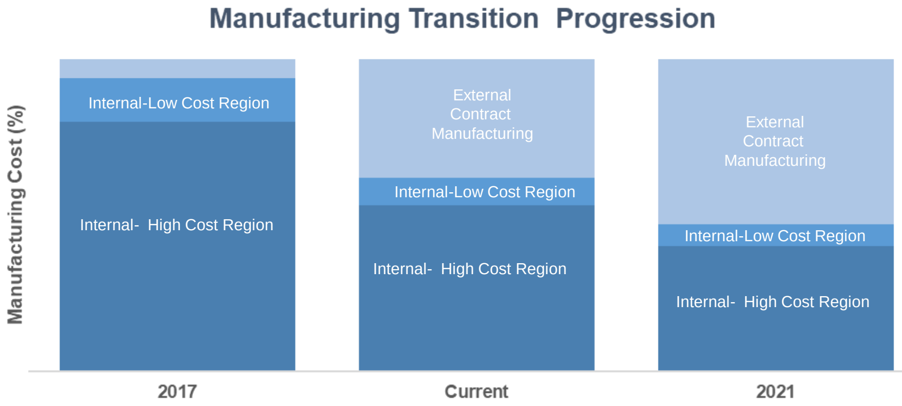
1. Source: EEI Finance Department, company reports, S&P Global Market Intelligence (October 2018). 2. EEI and Itron Analysis of State regulatory filings

Itron

IMPROVED OPERATIONAL LEVERAGE

Regional manufacturing approach will improve leverage

Current Manufacturing Footprint



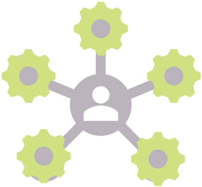
Itron AMR	Itron EMEA	Itron APAC
Internal Production Sites	Internal Production Sites	Internal Production Sites
2017: 6	2017: 13	2017: 4
2021*: 2	2021*: 9	2021*: 1

* Note: All part of previously announced restructuring programs .

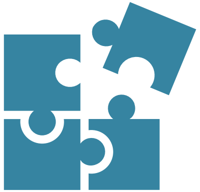
SUPPLY CHAIN OPTIMIZATION

Factory Automation & Outsourcing of Sub-Assemblies

Value Engineering Programs with Focused Sustaining Engineering



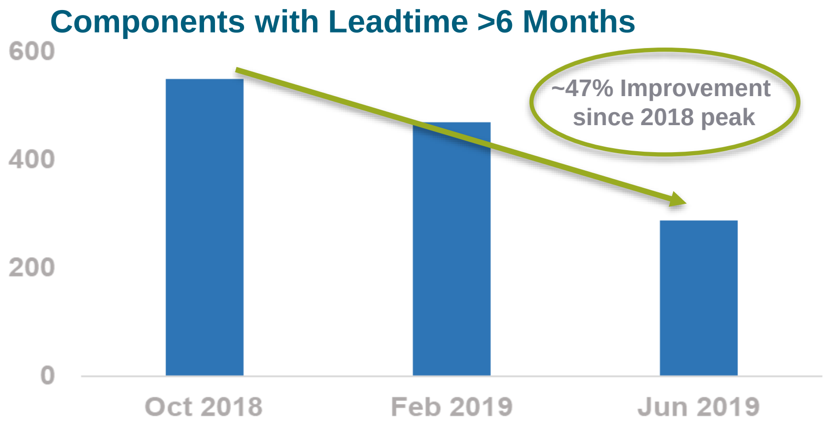
Centralized Procurement to Leverage Scale



Global Platform Investment

SUPPLY CHAIN HEALTH CHECK

Analysis as of June 2019



Component	Commodity Dynamics
Passive / Discrete Electronics	Selective Allocation
Digital Integrated Circuits / Memory	
Analog / Mixed Signal	
Connectors / Cables	Market Driven Realignment
Metals / Castings	Market Driven Realignment
Plastics / Molding	

- Lead times are improving and capacity coming on line
- Commodity dynamics still in play
- Tariffs still fluid; Actively working mitigation plans
- Cautiously optimistic on supply chain outlook

SEIZING THE OPPORTUNITY …

Extend Technology Leadership

Technology innovation to deliver critical customer outcomes

Drive Revenue and Margin Expansion

Commitment and execution to improve our performance and quality

Align Focus and Opportunity

Structural change to position Itron for the evolving markets we serve

TECHNOLOGY OUTLOOK

Sharelynn Moore | Senior Vice President, Networked Solutions

GLOBAL INDUSTRIAL IOT LEADER

- **#1 industrial IoT and smart city solution**—running on a single platform!
- Ranked #1 **market share** for deployed and announced smart lighting projects
- More than **200M connected devices globally**—running on Itron networks.
- **Itron networks installed** in 7 of the 10 largest metro areas in the U.S.
- **U.S. market leading distribution automation** solution.
- **#1 in Networked Endpoints** for deployments in the Americas
- **Largest cellular-only** deployment AMI solution.

Sources: Navigant, Northeast Group LLC, Itron analysis, Scott Report

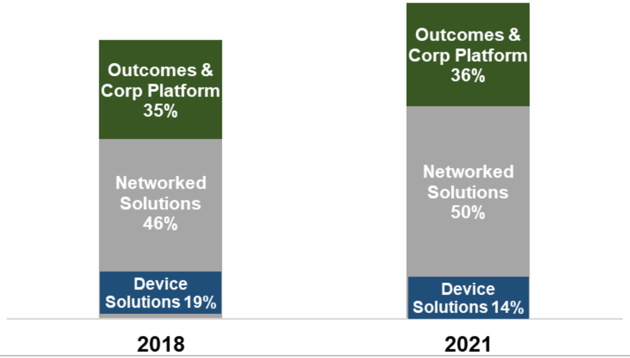
GLOBAL INNOVATION AND INVESTMENT

Continuing to drive market leading technologies and solutions

Global Design & Research Centers

Itron R&D Investment

~9% of Revenue



Investment Philosophy

- Centralized R&D group insuring efficient platform development
- Disciplined, product portfolio driven, prioritization of roadmap
- Global Centers of Excellence
- Global technology platforms that can be leveraged across verticals

Innovation Priorities

- Invest in solutions that increase customer outcomes success
- Grow Distributed Intelligence solutions and Itron apps store
- Invest in next generation network & robust partner ecosystem
- Global device sensor and control platform

SOLUTION CENTRIC – VALUE DRIVEN INVESTMENT

Market and customer focused development priorities

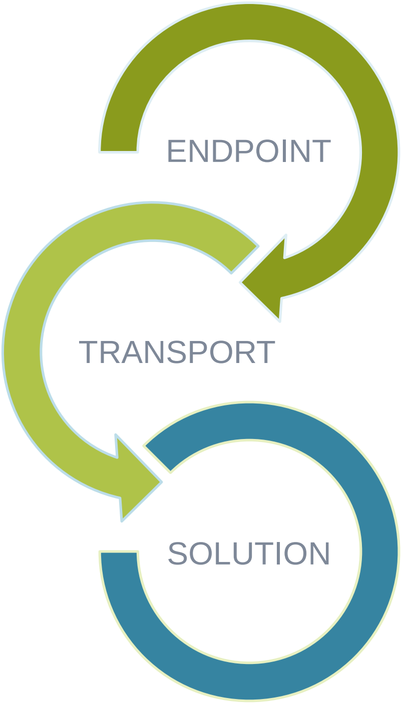
Multi-Commodity Networking + Distributed Intelligence

REVOLUTIONARY VALUE CREATION VIA DISTRIBUTED COMPUTING AND ECOSYSTEM ENGAGEMENT

Distribution Automation, Multi-Vendor Metering, Streetlights and Sensors

OUR NETWORK PLATFORM PROPOSITION

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



BEYOND SMART. **ACTIVE.**

- » Strong foundation with backwards compatibility
- » Multi-endpoint networking + distributed intelligence
- » One network with multi-solution capabilities
- » Highly-integrated, transport-agnostic platform
- » High-resolution data management; enabling near real-time decision making; integrating an ecosystem of over 220 partners

DISTRIBUTED INTELLIGENCE

Intelligence and action at the edge of the network

BEYOND SMART. **ACTIVE.**

» Edge computing: Every device is a computing and application platform

» High-resolution data at the edge making near real-time decision making and post-processing analytics

» Safety and control integrated into the sensor on the side of the house.

OUR TECHNOLOGY EXPANDING VALUE

DEVICE AGNOSTIC AUTOMATED METER READING
BILLING ACCURACY & EFFICIENCY

ADVANCED METERING INFRASTRUCTURE
NETWORKING & TWO-WAY COMMUNICATIONS

MULTI-APPLICATION NETWORK
READING ELECTRIC GAS & WATER UNDER ONE NETWORK

DISTRIBUTED INTELLIGENCE
THEFT & OUTAGE DETECTION, TRANSFORMER MANAGEMENT, DEMAND RESPONSE & MORE

DISTRIBUTION AUTOMATION
ADVANCED GRID CONTROL & MANAGEMENT

STREETLIGHT CANOPY
INTELLIGENT LIGHTING & INCREASED NETWORK COVERAGE AND RESILIENCY

SMART CITY SOLUTIONS
CONNECTING COMMUNITIES & CITIZENS TO OUTCOMES

SERVICES & ANALYTICS
SOLVING PROBLEMS & DELIVERING VALUABLE OUTCOMES

OVER +220 PARTNERS AND COUNTING

A key differentiator for Itron solutions

DISTRIBUTED ENERGY MANAGEMENT
Nearly
10 Partners

GRID MANAGEMENT
Over
50 Partners

METERING SOLUTIONS
Over
20 Partners

SMART CITIES
Over
30 Partners

UTILITY IOT SOLUTIONS
Over
10 Partners

NETWORKING & COMMUNICATIONS
Over 10 Partners
Including Global Carriers

DISTRIBUTED INTELLIGENCE APPLICATIONS
More coming soon!

PROUD OF OUR AWARD-WINNING INNOVATION

Demand Response: Leadership at the Edge

Field Area Network Leader: Navigant Research Leaderboard

Intelis Gas Meter: IoT Breakthrough Award

Visionary: Gartner Magic Quadrant for Managed M2M Services

AMI Solutions Company of the Year in Asia-Pacific Region

Smart Streetlights Leader: Navigant Research Leaderboard

#1 U.S. Smart Lighting Projects

Leader: Gartner Magic Quadrant for MDM

Winner: Global Award for Sustainability

Global 100 : Most Sustainable Corporations in the World (Corporate Knights)

American Public Works Association Project of the Year with Partner US3

ITRON BUSINESS SEGMENT DISCUSSION

Philip Mezey | President and Chief Executive Officer
Tom Deitrich | Executive Vice President and Chief Operating Officer

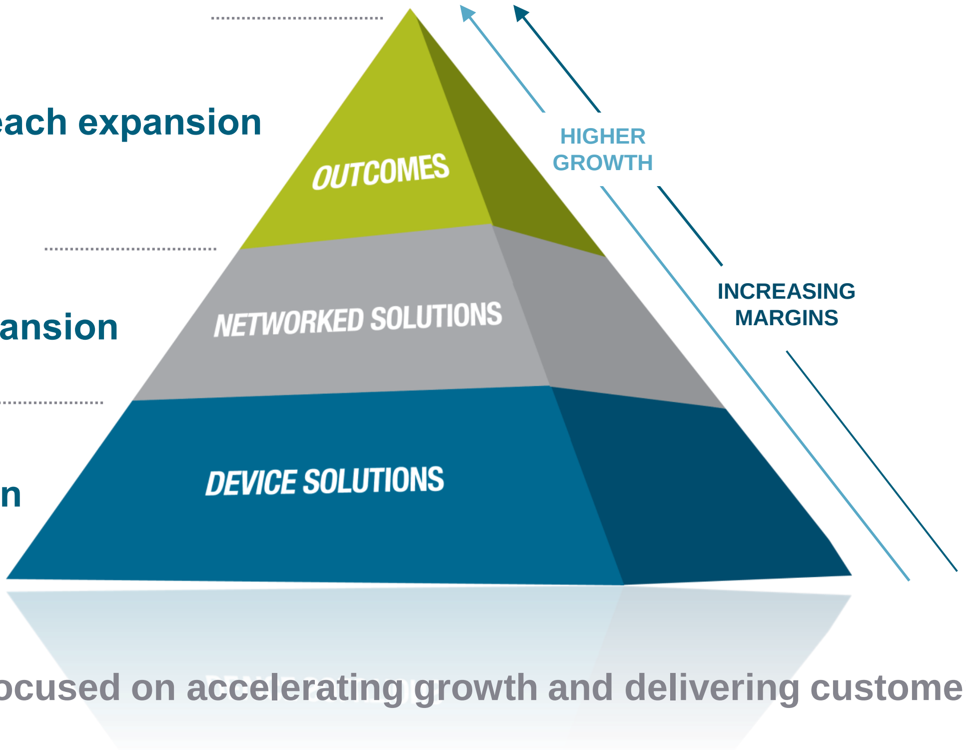
OUR SEGMENT’S FOCUS

Consistently increasing customer success

Rapid/profitable growth… Value & reach expansion

Network coverage … Footprint expansion

High quality… Margin expansion



Unified go-to-market organization, focused on accelerating growth and delivering customer success

EVOLUTION OF OUR GLOBAL DEVICE PLATFORM

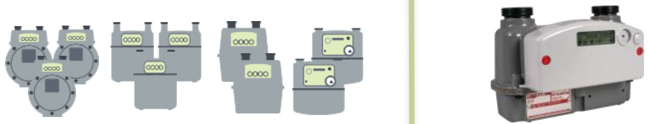
2000 — 2005 — 2010 — TODAY — 2020

Purchased US Electric business from Schlumberger in 2003

Purchased Int'l Electric, Gas, Water Meter Business from Actaris in 2007

Electric Meter Market

Entered US Market with numerous versions 100% Analog / Mechanical	Itron's last US Analog meter shipped in 2005; Solid State and Smart Spec large part of portfolio. 70% solid state and 30% mechanical	Global GenX Electric Platform 100% solid state



Gas Meter Market

Global Supplier of market and size specific versions 100% Mechanical	Intelis Gas Platform is100% Static Active in Int'l & NAM

Water Meter Market

Itron strong International Water Market & 100% Mechanical / Only Network models in NAM	Intelis Water Platform is 100% Static Active in Int'l / Pilot 2019 in US

Benefits of a Global Platform

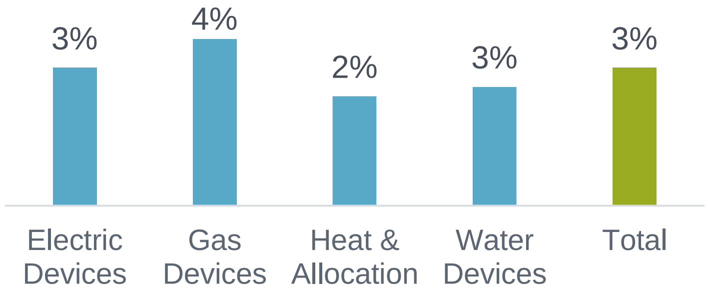
- Reduced factory and capital capacity needed
- Lower resources and expense needed to maintain the platform
- Easy to modify for market specific communications
- Smaller, more efficient compact design than current meter forms
- Streamlined supply chain, simpler variety of form factors

DEVICE SOLUTIONS SEGMENT

Increasing margins

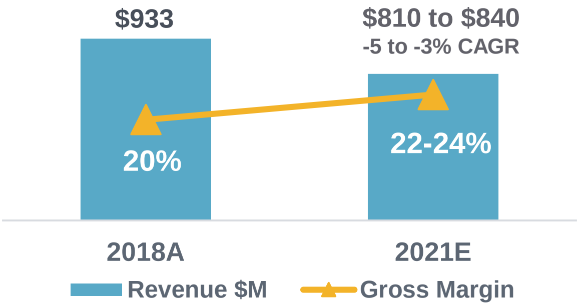
Global Market Environment

2018 to 2021 3yr Industry CAGR[1]



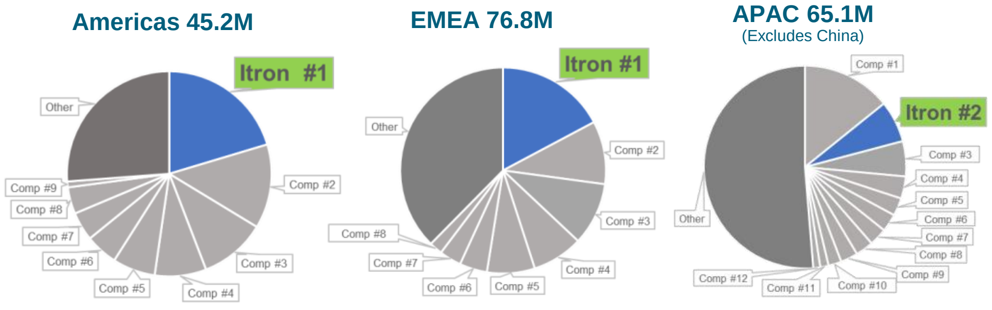
1-Source: Management Estimates using data from Navigant, IHS, Gartner, and Cognyst (Scott Report) as of October 2018,, rounding to nearest %

Itron Segment Estimate



Market Position

Standard Meter Shipments Endpoints Electric, Gas, Water*



*Source: In year 2017 reported in IHS Research - Global Electricity, Gas and Water Metering Reports, *2018 Editions (Excludes China)*

Segment Strategic & Product Focus

» Optimized product portfolio to drive improved margins

» Opportunistically leverage products across geographies

» Enter North American water meter market

» Selectively target markets margin enhancing opportunities

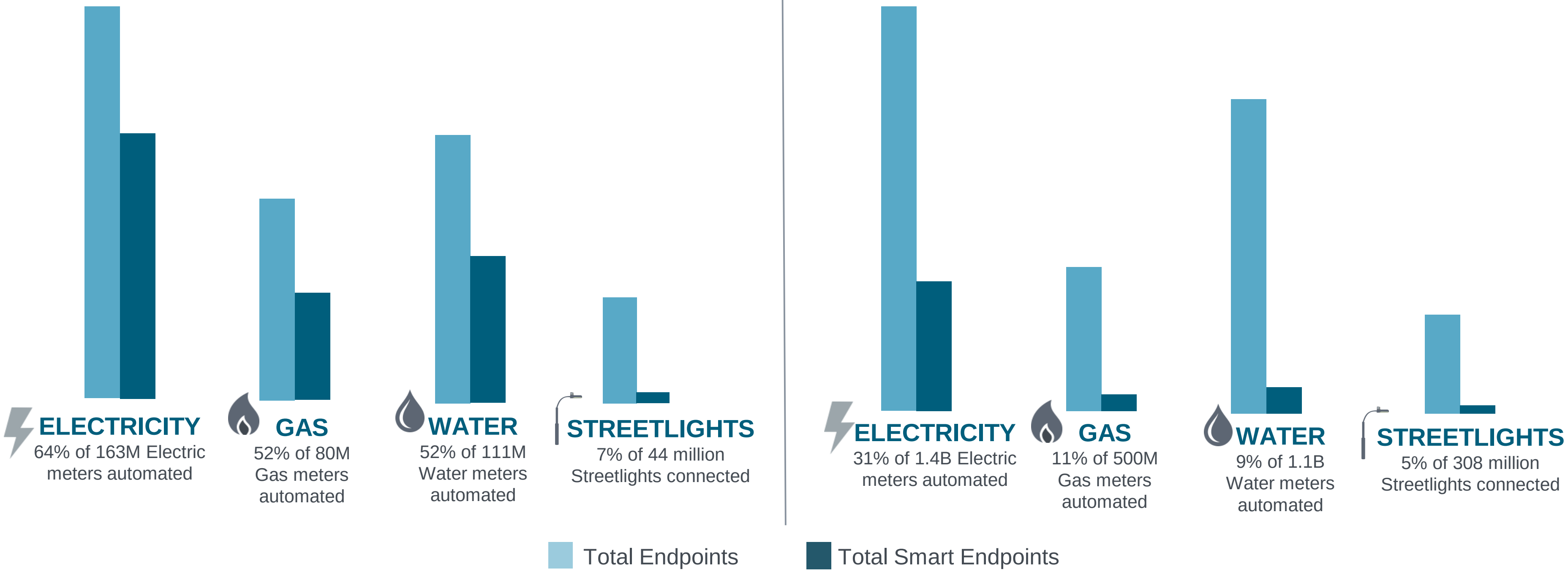
SMART PLATFORM ADOPTION CONTINUES

NORTH AMERICA

~ 52% of 400M endpoints smart

GLOBAL

<20% of 3.3B endpoints smart



Source: IHS Research - Global Electricity, Gas and Water Metering Reports, 2017 Editions (includes China); Northeast Group Smart Streetlighting and Smart Cities Market Forecast 2019-2028

DISTRIBUTION AUTOMATION EXTENDS VALUE

ITRON HAS 40% AMERICAS' DISTRIBUTION AUTOMATION ENDPOINTS

REFERENCE BASE + RECENT WINS

UPSELL EXISTING CUSTOMER BASE

ACCELERATES CUSTOMER VALUE

Addressable Market Potential 2018 to 2021

AMERICAS
Grid Management

SAM 2018: $427M
SAM 2021: $511M

EMEA
Grid Management

SAM 2018: $334M
SAM 2021: $574M

APAC
Grid Management

SAM 2018: $166M
SAM 2021: $548M

Sources for serviceable available market (SAM): Navigant, Gartner, Zpryme, and Itron Analysis

SMART CITIES EXPAND OUR REACH

Network canopy with streetlights is a foundation for other Smart City use cases

REGIONAL MARKET OUTLOOK:

Americas: 79M streetlights

- U.S. <10% connected; LAM <2% connected
- U.S. segmentation: 60% IOU owned, at 107 IOUs
- Itron has largest U.S. deployment of connected streetlights
- Itron U.S. market share >45%

EMEA: 103M streetlights

- ~5% connected with 2021 CAGR 19% for connected streetlights
- Itron deployments in London, Paris, Copenhagen

APAC: 126M streetlights

- <5% connected with 2021 CAGR 18% for connected streetlights
- Itron deployment in Singapore

SAMPLE OF ADDITIONAL AVAILABLE USE CASES

- Methane Detector
- Digital Signage
- Line Monitoring
- Radiation Detection
- Air Quality Monitoring
- Gunshot Detection: ShotPoint®
- Traffic Monitoring: Video Sensor
- Traffic Monitoring: Speed Monitoring

Source: Northeast Group Smart Streetlighting and Smart Cities Market Forecast 2019-2028

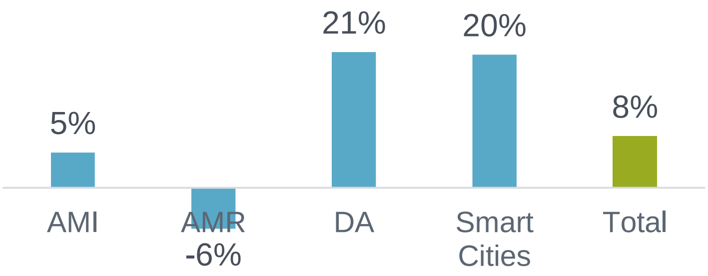
Itron

NETWORKED SOLUTIONS SEGMENT

Expanding Our Footprint

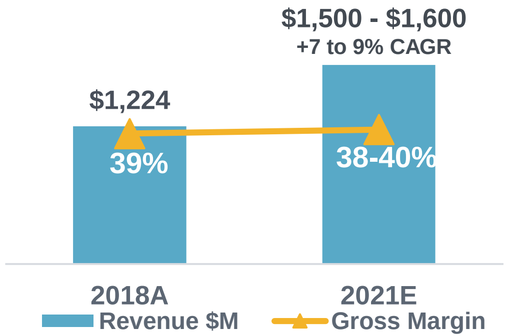
Global Market Environment

2018 to 2021 3yr Industry CAGR[1]



1-Source: Management Estimates using data from Navigant, IHS, Gartner, and Cognyst (Scott Report) as of October 2018,, rounding to nearest %

Itron Segment Estimate



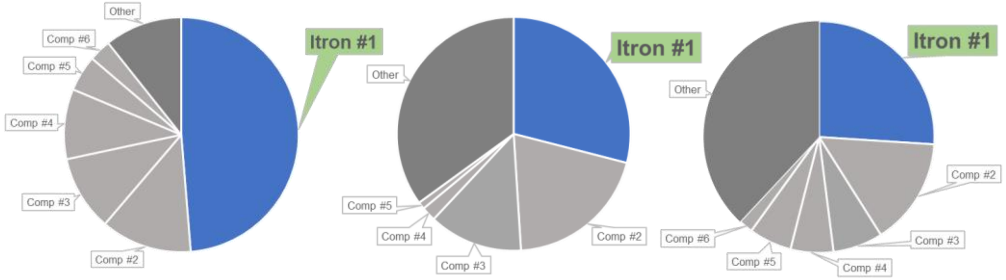
Market Position

NETWORKED SOLUTIONS CUMULATIVE SHARE AMERICAS*

Networked Endpoints
Electric / Gas / Water

Distribution Automation
(US Only)

Smart Streetlights



Segment Strategic & Product Focus

» Grow total share of connected communicating endpoints

» Expand solutions across utilities and smart cities

» Invest in next generation network & robust partner ecosystem

*Source: Scott Report (Networked Endpoints)- AMR-AMI Deployments in North America - Q4 2018
Northeast Group (DA) - US Smart Grid-Market Forecast 2017-2027
Northeast Group (Smart SL) - Global Smart Street Lighting & Smart Cities-Market Forecast 2019-2028

WHAT IS AN OUTCOME?

Outcomes are actions based on insights from data management and analysis

Customer “consumer” engagement

EXAMPLE: Engage consumers to reduce load by adjusting a smart thermostat

Operations management

EXAMPLE: Analyze data to detect and locate a leak

Information management

EXAMPLE: Organize AMI data to provide consumer billing

Rich set of data from the network

EXAMPLE: Meter consumption data set

Capitalizing on connected endpoint data

OUTCOMES IN ACTION

Driving customer results on top of their network

Subway Power Reliability

» NY's MTA wanted better visibility into power disruptions[1]

» ConEd accelerated its meter deployment for MTA's service by leveraging Itron's solution & software tools

» With the ability to monitor the grid of the subway system, outages were detected and resolved much quicker giving MTA crucial information to address service interruptions

Gas Customer Safety

» Since 2015, ConEd has received over 100k calls from the public concerning potential gas leaks[2].

» ConEd wanted better detection and shorter response times

» ConEd installed New Cosmos methane detectors with an integrated Itron Milli™ 5 battery-optimized communications module using the same AMI network

After an alarm is received, the Fire department is notified and ConEd dispatches a gas mechanic

Water Leak Detection

» North Miami Beach Water wanted a solution that helped a leak technician, pinpoint a leak quicker to limit the impact

» Itron deployed acoustic leak sensors supported by Itron's fixed network solution and cloud-based analytics to address safety and water conservation issues

» During hurricane Irma, several breaks occurred, some not visible. Itron's technology allowed NMB Water to pinpoint the problems and confirm that repairs were successful

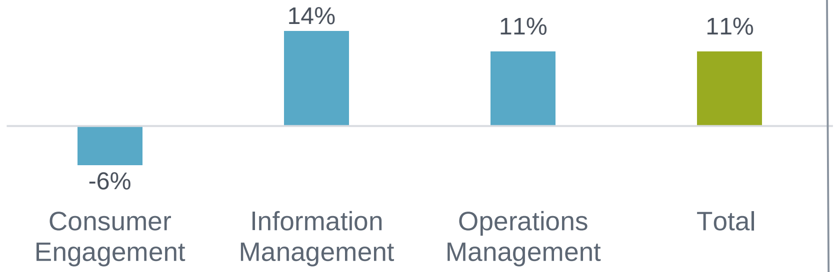
Source: [1] Kevin Wasserman IUW 2018 [2] Using Methane Sensing to enhance safety IUW 2019 [3] NMB Water

OUTCOMES SEGMENT

Expanding our value

Global Market Environment

2018 to 2021 3yr Industry CAGR [1]



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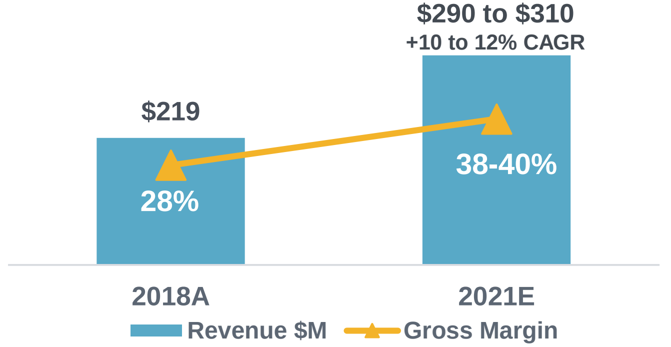
Itron Segment Estimate



Key Outcomes Data Points

Tracking Outcomes

- Itron's Meter Data Management (MDM) software for energy and water companies manages data from more than **39 million meters across six continents**[2]
- Itron maintains >**60M machine to machine daily connections**[2]
- Over **80%+ of electricity in NA is forecasted by Itron software**[3]

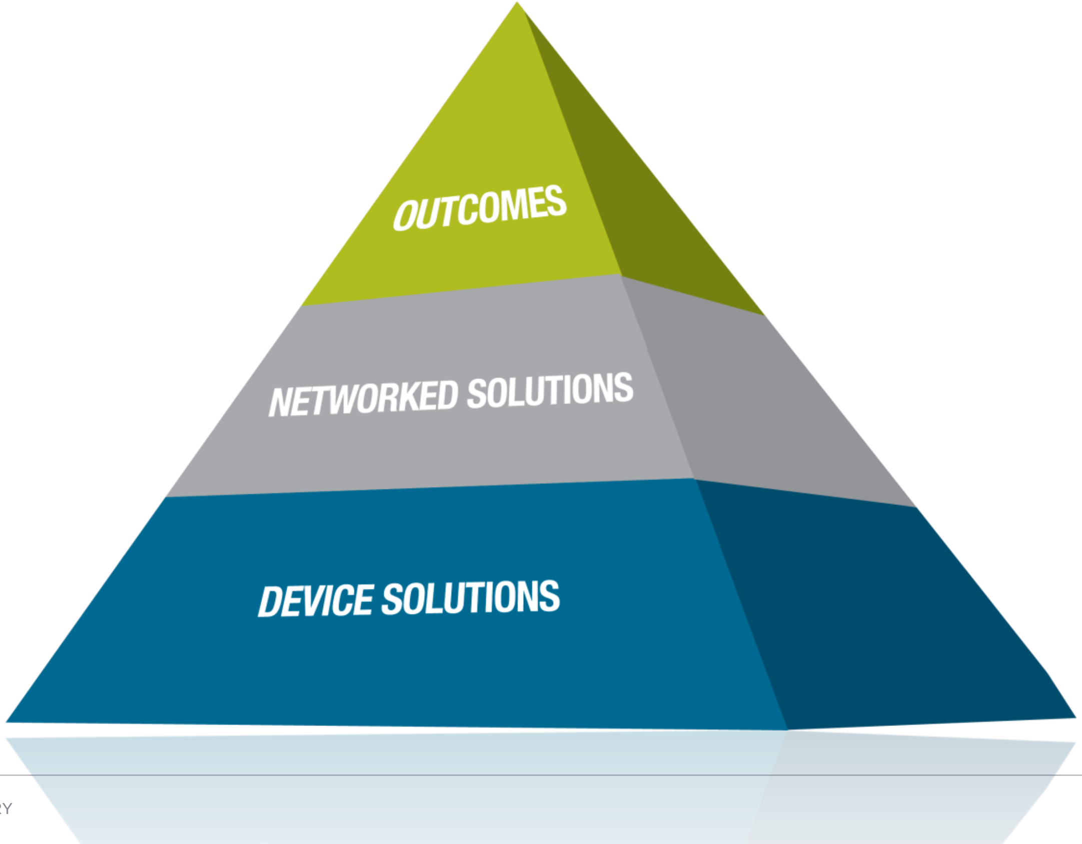
2 – Gartner Data 2018 Gartner MDM magic quadrant & 2018 Magic Quadrant for Managed M2M Services, worldwide, 3- Internal Itron data points

Segment Strategic & Product Focus

- Leverage networked footprint targeting recurring revenue >80%
- Invest in solutions that increase customer outcomes success
- Grow Distributed Intelligence solutions and Itron apps store

ITRON OPERATING SEGMENTS

Consistently increasing customer success



LUNCH

Reminder to submit your questions to:

investors@itron.com
or
Text: 509-319-1664

FINANCIAL OVERVIEW

Joan Hooper | Senior Vice President and Chief Financial Officer

WHAT YOU HEARD FROM US TODAY

Improved profitability and more strategic flexibility

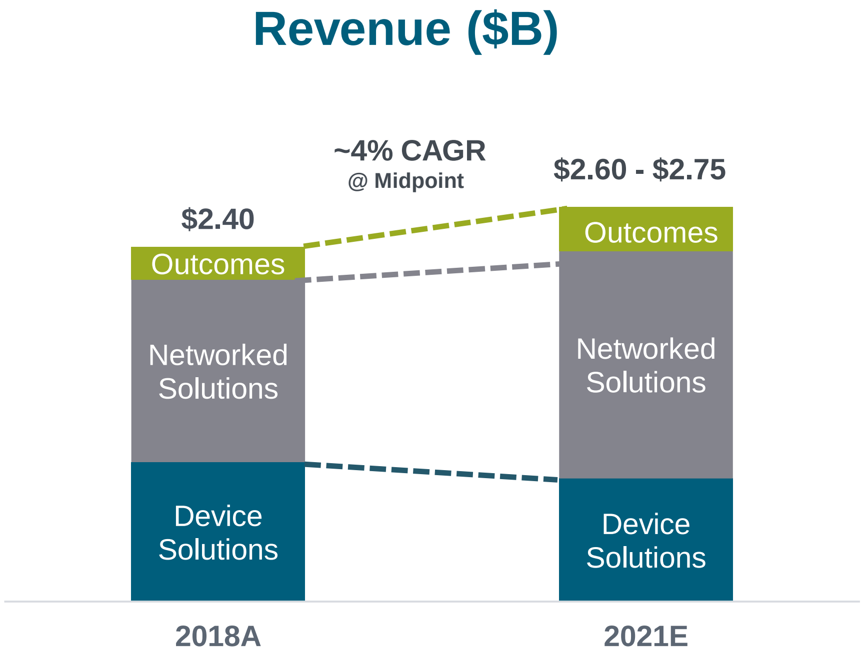
» **Increasing** value proposition and market reach

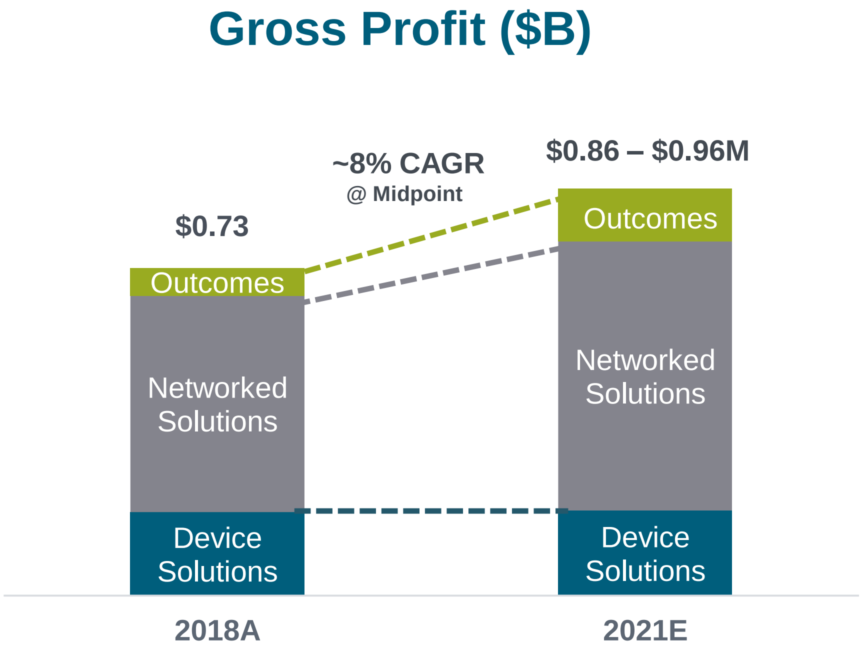
» **Improving** operating leverage leading to increased earnings power

» **Increasing** free cash flow resulting in stronger balance sheet

ROTATION TO HIGHER MARGIN CONTRIBUTION

3 Year Estimates





ITRON OPERATING MODEL

in $B	**2018** Actual	**2021** Estimate
Revenue *Growth (%)*	**$2.38**	**$2.60 to $2.75** 3 to 5% CAGR
Gross Margin	**30.7%**	**33 to 35%**
OPEX *% of Revenue*	**$0.54** *22.7%*	**22 to 23%** of Revenue
ADJUSTED EBITDA *% of Revenue*	**$0.24** *9.9%*	**13 to 15%** of Revenue
Free Cash Flow (M$) *% of Revenue*	**$50** *2.1%*	**6 to 8%** of Revenue

Other Key estimate Assumptions: No M&A or additional restructuring nor additional savings beyond $140M previously announced; No incremental Tariffs beyond current operating conditions.

RESTRUCTURING AND INTEGRATION PROGRESS

$140M
Total restructuring savings and integration synergies

- 2016 Restructuring = $40M
- 2018 Restructuring = $50M
- SSNI Synergies = $50M

~$70M
Of savings already realized
(as of year-end 2018)

- Remaining savings will be split ~ 50/50 between 2019 and 2020
- ~25% COGS and 75% Opex
- Expect full benefits by YE2020

$110M
Cash outflow impact
(as of year-end 2018)

- Total restructuring and integration cash outflows 2016 to 2021 at $250-$260M
- Remaining cash outflows assume additional $85-$90M in 2019, ~$35- $40M in 2020, ~$20M in 2021
- Cash outflows end by YE2021

IMPROVING FREE CASH FLOW AND LEVERAGE

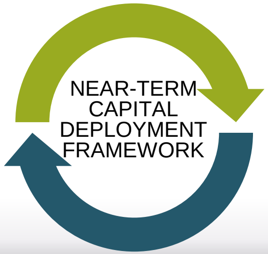
Operational leverage and lower restructuring driving improved free cash flow

	2018A	2021E
FCF as % Revenue	2.1%	~6 to 8%
FCF as % of Adj. EBITDA	21%	45 – 55%
Net Debt to Adj. EBITDA Ratio	3.9x	<2.0x

Other Key estimate Assumptions: No M&A or additional restructuring nor additional savings beyond $140M previously announced; No incremental Tariffs beyond current operating conditions.

CAPITAL ALLOCATION STRATEGY

Focus on de-leveraging



DE-LEVER

- ✓ Anticipate sufficient cash flow for de-levering
- ✓ Path to achieve net leverage of <2.0x by YE 2021

ORGANIC INVESTMENT

- ✓ Continuing shift to capital-light business model
- ✓ R&D fully expensed and reflected in existing margin profile

CAPITAL ALLOCATION

- ✓ No change in our capital allocation strategy anticipated in current estimates
- ✓ Authorized $50M share repurchase program over 12-months; completed $25M planned for 2019
- ✓ Potential small, opportunistic bolt-on M&A possible though nothing currently planned

2021 ESTIMATES INCREASING VALUE

Driving profitability and growth

OPERATIONAL LEVERAGE →	**IMPROVING**	» Revenue 2018-2021 CAGR 3 to 5% » Gross Profit 2018-2021 CAGR 6 to 10% » EBITDA Margin Mid-Teens
FREE CASH FLOW →	**INCREASING**	» Free Cash Flow ~$200M » De-lever to <2x Adj EBITDA » Enabling future stock repurchase & M&A
TECHNOLOGY →	**LEADERSHIP**	Leading the evolution of smart utilities, smart cities and industrial IoT

FINANCIAL OPERATING PERSPECTIVE BEYOND 2021

Multiple levers driving long-term financial benefits and increased earnings power

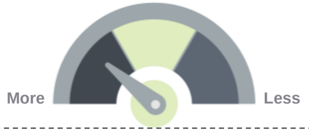
Opportunity Beyond 2021

REVENUE

- Higher value solutions driving growth
- Continue rotation to higher margin segments
- New product introductions in SaaS solutions

SUPPLY CHAIN

- Product rationalization and value engineering
- Manage component & commodity cycles
- Continue shifting towards more strategic outsourcing



OPERATIONAL LEVERAGE

- Rationalization of manufacturing and service delivery
- Optimizing our product portfolio
- Growth of recurring revenue in the Outcomes business

OPEX EFFICIENCIES

- Unified global sales organization
- Disciplined discretionary spending
- Restructuring benefits & integration synergies

OPERATING MARGIN

Initiatives will continue to drive significant margin improvement

ITRON INVESTMENT THESIS

EXPANDING OUR FOOTPRINT, VALUE PROPOSITION AND MARKET REACH

Only U.S.-based industrial IoT “pureplay” leading the evolution of smart utilities, smart cities

IMPROVING OPERATING LEVERAGE AND EARNINGS POWER

Multiple levers driving long-term benefits

INCREASING FREE CASH FLOW

Operational improvement and lower restructuring driving improved cash flow

STRENGTHENING BALANCE SHEET

Focus on de-levering to <2.0x by year-end 2021

CLOSING REMARKS

Philip Mezey | President and Chief Executive Officer

Question and Answers

Please submit your questions to:

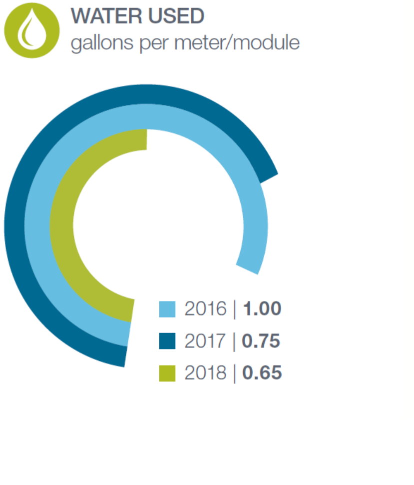
investors@itron.com
or
Text: 509-319-1664

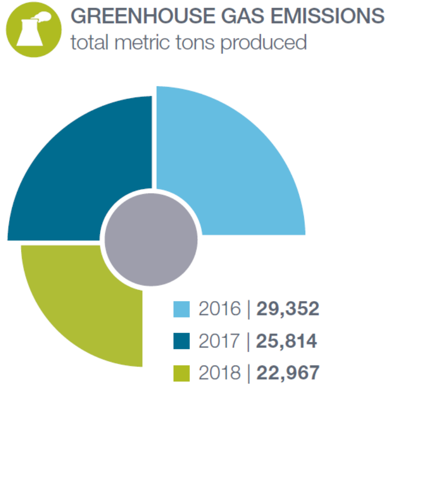
Thank You

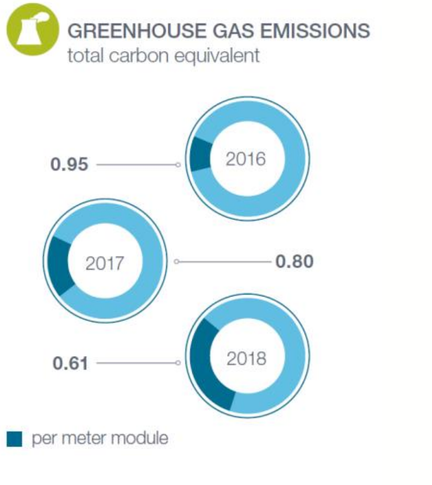
APPENDIX

CORPORATE SUSTAINABILITY REPORT HIGLIGHTS

2018 had Year-over-year reductions in resources used/emitted to manufacture products







For more please visit us at:

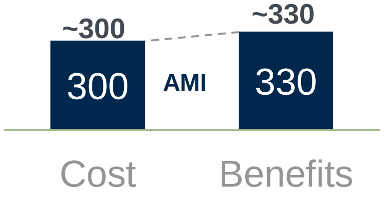
www.itron.com/CSR

EXPAND VALUE WITH NETWORKS & OUTCOMES

Average NA Smart Grid Business Case*

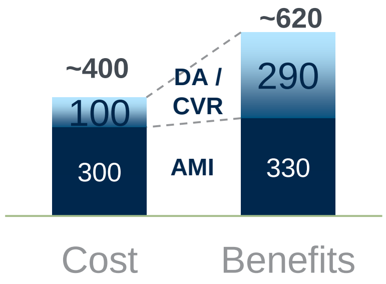
$/customer, electric only, PV over 20 years

Initial Network Footprint



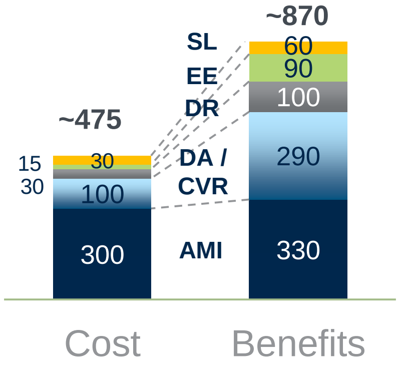
Networked solutions provide base benefits

Expand New Solutions



New solutions have higher return in benefits

Expand New Verticals



Smart city solutions and consumer engagement drive additional value

B/C ratio: >1

B/C ratio: ~1.6

B/C ratio: ~1.8

**Based on publicly available U.S. smart grid business/rate cases and includes Itron internal estimates. AMI – Advanced Metering Infrastructure, DA – Distribution Automation, CVR – Conservation Voltage Reduction, DR – Demand Response, EE – Energy Efficiency (Portal), SL – Streetlights*

NON-GAAP RECONCILIATION

$ in thousands

Total Company Reconciliations		**FY 2018**
Adjusted EBITDA		
GAAP net income (loss) attributable to Itron, Inc.	$	(99,250)
Interest income		(2,153)
Interest expense		58,203
Income tax (benefit) provision		(12,570)
Depreciation and amortization		122,497
Restructuring		77,183
Acquisition and integration related expense		91,916
Adjusted EBITDA	$	235,826
Free Cash Flow		
Net cash provided by operating activities	$	109,755
Acquisition of property, plant and equipment		(59,952)
Free Cash Flow	$	49,803

ITRON ACRONYM GLOSSARY

AMI = Advanced Metering Infrastructure
AMM = Advanced Metering Manager, SSNI Product Name
AMR = Automated Meter Reading
ASP = Average Selling Price
AP = Access Point
BOM = Bill of Material(s)
BYOD = Bring Your Own Device
BYOT = Bring Your Own Thermostat
C & I = Commercial and Industrial
CAGR = Compounded Annual Growth Rate
CCE = Commercial and Customer Enablement
CDMA = Code Division Multiple Access
CGR = Connected Grid Router
CM = Contract Manufacturer / Manufacturing
DA = Distribution Automation
DEM = Distributed Energy Management
DER = Distributed Energy Resources
DERMs = Distributed Energy Resource Management
DI = Distributed Intelligence
DNO = Device Solutions, Networked Solutions, Outcomes
EDI = Electronic Data Interchange
ERP = Enterprise Resource Planning
ERT = Encoder Receiver Transmitter
FAN = Field Area Network

GENX = Generation 2, 3, 4, and 5 of the Silver Spring Networks platform
GDPR = General Data Protection Regulation
IaaS = Infrastructure as a Service
IEC = International Electrotechnical Commission
IMP = Itron Mobile Platform
INS = Itron Networks Segment
IOU = Investor Owned Utility
IoT = Internet of Things
LoRa = “LOng RAnge” (Marketing Alliance)
LPWAN = Low Power Wide Area Network
LTE = Long Term Evolution
M2C = Meter to Cash
M2M = Machine to Machine
MDM = Meter Data Management
MV = Multi Vender
NaaS = Network as a Service
NB-IoT = Narrow Band Internet of Things
NEMA = National Electrical Manufacturers Association
NIC = Network Interface Card
NMS = Network Management System
OaaS = Outcome as a Service
OCOGS = Operating Cost of Goods Sold
OFDM = Orthogonal Frequency Division Multiplexing

O&M = Operation and Maintenance
OWR = OpenWay Riva
PaaS = Platform as a Service
PBU = Product Business Unit
PCBA = Printed Circuit Board Assembly
PLC = Power Line Carrier
RF = Radio Frequency
RPMA = Random Phase Multiple Access
S & OP = Sales and Operations Planning
S & OE = Sales and Operations Execution
SaaS = Software as a Service
SLV = Streetlight Vision
SS = Spread Spectrum
TAM = Total Available Market
TDMA = Time Division Multiple Access
TCO = Total Cost of Ownership
TMC = Total Manufacturing Cost
UIQ = Utility IQ, Product Name
Wi-Fi = Wireless Fidelity
WW = World Wide
VAVE = Value Analysis and Value Engineering
VVO = Voltage Var Optimization