



Investor Presentation

June 2022

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 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.

Iron Strategy and Industry Overview

ITRON AT-A-GLANCE

Itron is a market leading Industrial IoT company that 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



>83M
ENDPOINTS UNDER
MANAGEMENT



~4.2M
DISTRIBUTED
INTELLIGENCE ENABLED
ENDPOINTS

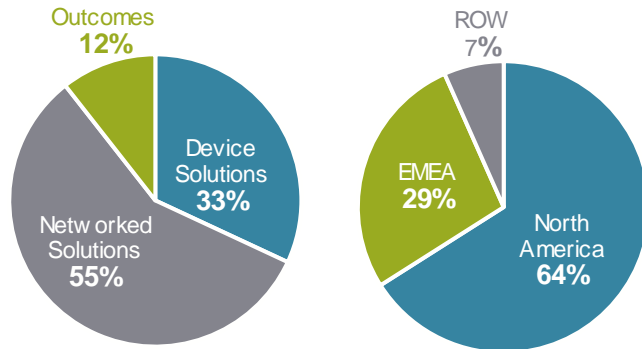


~6,100
PEOPLE
ACROSS THE GLOBE



+250
PARTNERS IN A BROAD
ECOSYSTEM OF SOLUTIONS

**\$2.0B 2021 REVENUE
& REVENUE MIX OF:**



WITH A Q1 2022:

\$3.9B
BACKLOG

\$1.6B
12-MONTH BACKLOG

Note: Revenue reported year ending December 31, 2021, and Backlog and People as of March 31, 2022. All other data points rounded or estimated based on internal Itron source material at the time of publication. ROW includes APAC and LATAM.

DYNAMIC FORCES IMPACTING OUR INDUSTRY

Mega-trends highlight the critical role Itron technology plays in utility ecosystem

INFRASTRUCTURE



- » Aging Infrastructure
- » Changing Demand Profile
- » Security & Safety
- » Clean Energy & Storage
- » Electric Vehicles

ENVIRONMENTAL



- » Remote Management
- » Climate Disruption
- » Sustainability
- » Asset Monitoring / Management
- » Extreme Weather

SOCIAL



- » Enhanced Consumer Experience
- » Privacy
- » Internet of Things
- » Critical Need Consumers
- » Demand for Sustainability

UTILITIES AND CITIES ARE FACING THESE ISSUES TODAY

OUR VISION AND COMMITMENT TO ESG

Itron is dedicated to creating a more resourceful world

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



ENVIRONMENTAL
AND OPERATIONAL
STEWARDSHIP



SOLUTION IMPACT
AND COMMUNITY
INVOLVEMENT



INCLUSION AND
OUR HUMAN CAPITAL
PLEDGE



EFFECTIVE
SHAREHOLDER
ADVOCACY



ITRON'S ESG TARGETS

New 2021 ESG Report Published June 6th

ITRON IS DEDICATED TO CREATING A MORE RESOURCEFUL WORLD



Committed to do our part to **limit global warming to 1.5°C**



Developing solutions that **enable our customers to improve sustainability & conservation**



Efforts aligned to the **U.N. SDG's** and a member of the **U.N. Global Compact**



Will achieve a **>50% reduction in Scope 1 and Scope 2 GHG emissions by 2028**



Operations will be **carbon neutral by 2035**



Will achieve **net zero emissions by 2050**

DELIVERING BENEFITS TO CUSTOMERS & OUR WORLD

Our solutions reduce risk, drive efficiencies, and assist in managing customer demand

Our Solutions Reduce Demand



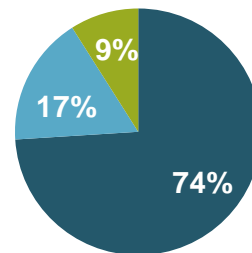
3.5M
metric tons =



Create Proven Benefits For Our Customers

In 2021 Itron's electricity AML solutions led to the avoidance of a total of **3.5 metric tons of GHG emissions**

3.5M Metric Tons Avoided: % by Category



■ Consumer Engagement ■ Operational Efficiency ■ Other

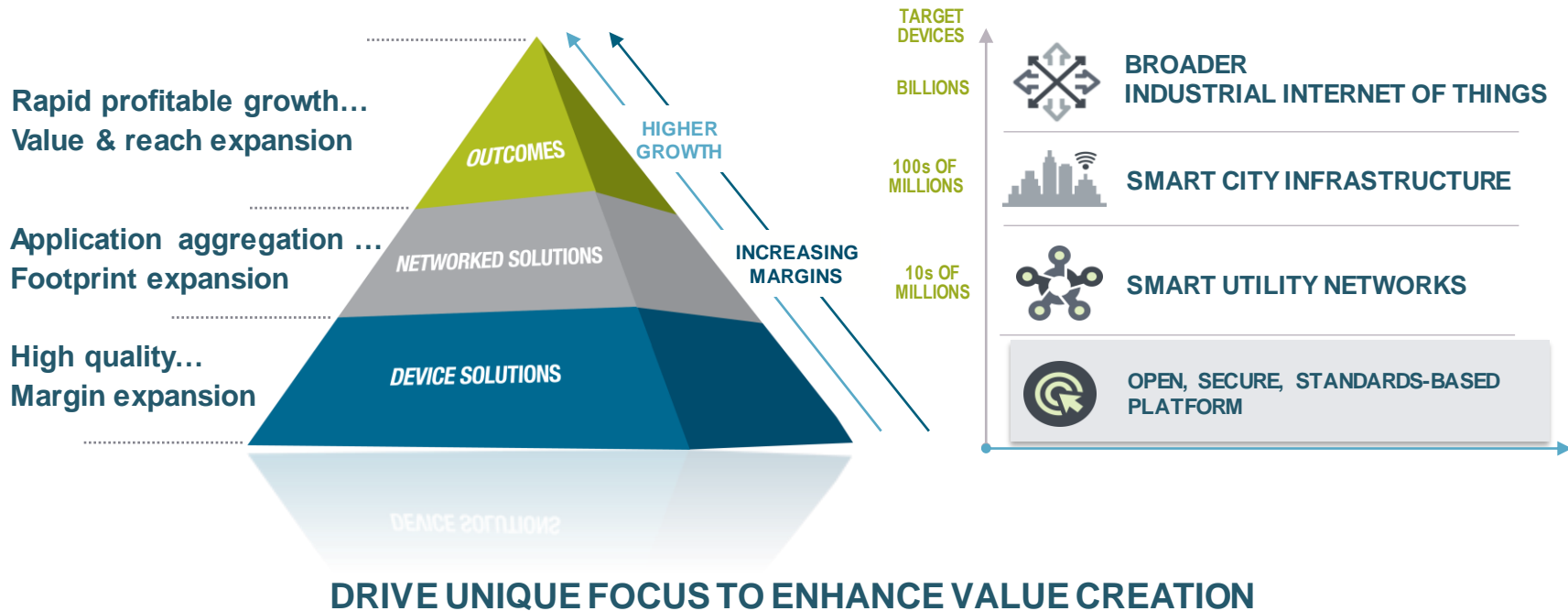
Note: These numbers represent Itron's analysis of calculated savings during 2021 for key customer accounts, encompassing over 64 million electric endpoints. Assumptions on average use include:

- 15.9 MWh annual electricity consumption per customer/per year (with a mix of 8% commercial and 92% residential consumers)
- Annual emissions per MWh of 884 lbs of CO₂ (source: <https://epa.gov/egrid>)

** Examples based on 3.5M metric tons and data generated here: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results>

OUR MODEL

Solutions via open standards-based technology that transcend multiple verticals



OUR 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

UNPARALLELED PLATFORM CAPABILITY

Itron's industry leading solutions expand our customers value proposition



Industry Leading Multi-Service Platform



Transport and Endpoint Agnostic



Distributed Intelligence With Grid Edge Solution

OUR SOLUTIONS MANAGE CRITICAL INFRASTRUCTURE

 Itron connects critical infrastructure and enables outcomes via our platform



ITRON ENABLES OUTCOMES:

- » Smart Energy
- » Smart Water
- » Smart Streetlighting
- » Distribution Automation
- » Renewable Energy Management
- » Electric Vehicle Management
- » Smart City Solutions



Multi-application, Multi-tenant Platform

Device Agnostic for Energy, Water & Smart City Management with Data Analytics on One Network



Advanced Metering Infrastructure

Two-way, Transport Agnostic, Communications



Distributed Intelligence

Delivering Intelligence and Applications to the Edge of the Network for Demand Response & More



Electric Vehicle Management

Enabling Insight and Control over EV Proliferation



Distribution Automation and Demand Response

Advanced Grid Control & Distributed Energy Management with Demand Response Capabilities



Streetlight Canopy

Intelligent Lighting & Increased Network Coverage & Resiliency



Smart City Solutions

Connecting Communities to Outcomes such as Safety, Traffic, Smart Parking, Intelligent Transport, Kiosks, and Environmental Sensors



Services & Analytics

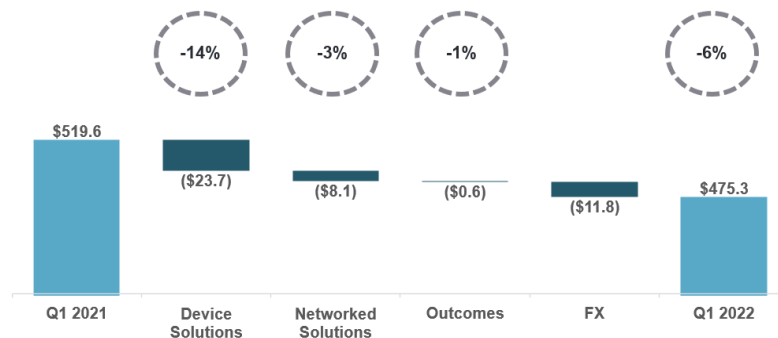
Solving Problems & Delivering Valuable Outcomes

Itron Business Performance

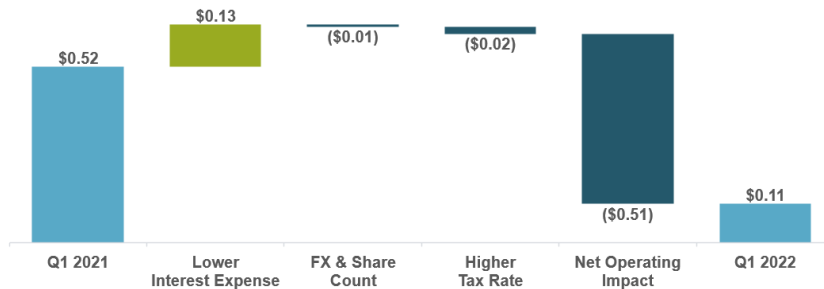
Q1'22 PERFORMANCE SUMMARY

- » Revenue of \$475 million
- » Adjusted EBITDA of \$19 million
- » Non-GAAP diluted EPS of \$0.11
- » Free cash flow of \$2 million

Revenue Year-Over-Year Bridge



Non-GAAP EPS Year-Over-Year Bridge



Note: Reconciliation of GAAP to non-GAAP results in Appendix and available on our website; Charts in millions and includes rounding; Quarterly totals reflect actual currencies; All variances other than FX exclude currency impact.

BOOKINGS AND BACKLOG

- » Q1'22 bookings of \$417M
- » Book to bill of ~0.9
- » Ending backlog of \$3.9B*
- » Record 12-month backlog of \$1.6B

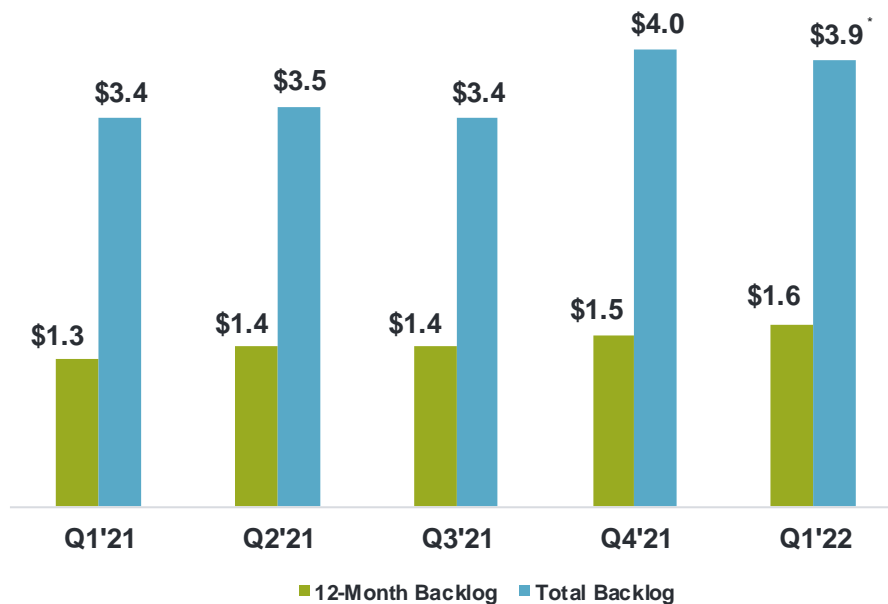


Chart in Billions, actual currency rates.

* Ending backlog excludes ~\$60M backlog deducted with sale of non-communicating mechanical C&I gas business completed on Feb 28, 2022.

OPERATIONAL INSIGHTS

- » **Completed divestiture of non-communicating mechanical C+I gas business**

- » Continued focus on moving to an asset light model and data driven outcomes

- » **Strong market demand continues for our solutions**

- » Distributed intelligence enabled endpoints growing to over 4.2 million units cumulatively

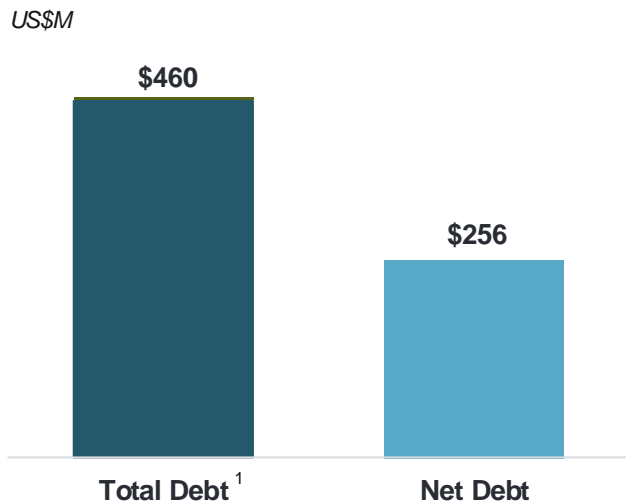
- » **Component constraints persist particularly within semiconductors**

- » Q1'22 revenue impact was estimated at over \$100M

- » **Managing in a supply constrained and inflationary environment**

- » Continuing to drive improved factory utilization and multiple price/cost actions

DEBT AND LIQUIDITY OVERVIEW: MARCH 31, 2022



Debt

- » Net leverage 3.1x at end of Q1'22
- » Zero interest convertible notes

Free Cash Flow and Liquidity

- » Q1 Free cash flow of \$2M
- » Cash and equivalents of \$204M
- » \$500M revolver

1. Excludes amortization of debt fees.

Financial Perspectives

FOCUSED ON GROWTH AND MARGIN EXPANSION



GROWTH IN OUR HIGHER
MARGIN SOLUTIONS







OPERATIONAL LEVERAGE
WITH MOVE TO AN ASSET
LIGHT MODEL

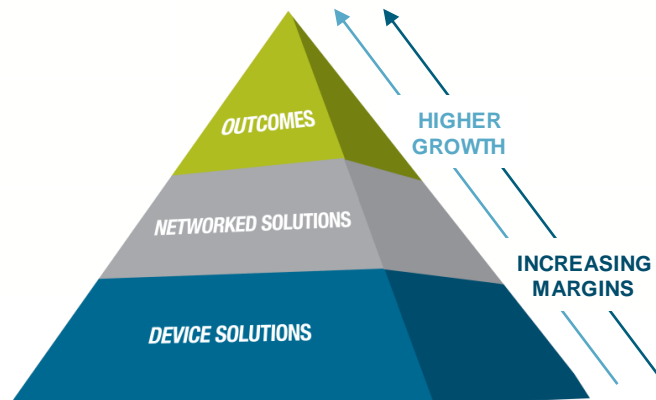


CASH FLOW
OPTIMIZATION

ITRON TARGET OPERATING MODEL

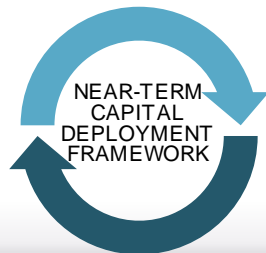
Targets presented at Itron Investor Day October 5, 2021

2024 Target Operating Model		 DEVICES	 NETWORKS	 OUTCOMES
Revenue (CAGR)	4 to 6%	-4 to -2%	5 to 7%	11 to 15%
Gross Margin	34 to 36%	23 to 25%	38 to 40%	40 to 42%
OPEX	22 to 23% of Revenue			
Adjusted EBITDA	14 to 16% of Revenue			
Free Cash Flow	8 to 10% of Revenue			



Note: Original model does not reflect any divestitures of business operations

CAPITAL ALLOCATION PRIORITIES



ORGANIC INVESTMENT

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

STRATEGIC OPPORTUNITIES

- » Disciplined approach to 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 INVESTMENT THESIS

POSITIONED TO NAVIGATE NEAR-TERM



Only U.S. Based
Industrial IoT “Pureplay”
In Our Industry



Expanding Our Footprint,
Value Proposition and
Market Reach



Strong
Balance Sheet for
Strategic Flexibility

BUILT FOR THE LONG-TERM



Improving Operating Leverage
and Earnings Power



Positioned for
Free Cash Flow Growth



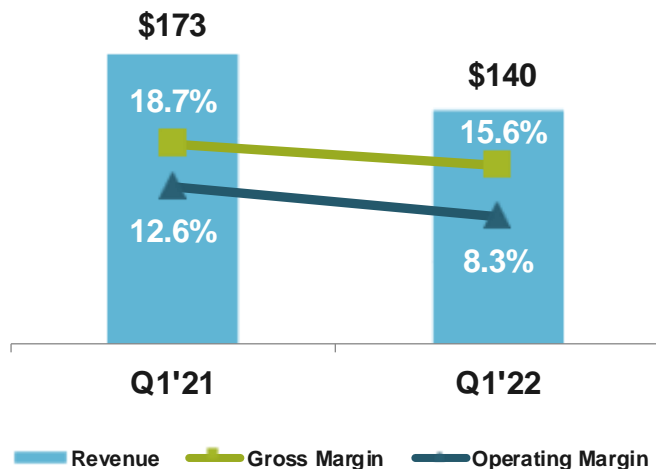
ESG Principles
Embedded in DNA

Segment Overview

DEVICE SOLUTIONS SEGMENT: Q1'22

Revenue, gross margin and operating margin

\$ in Millions, actual currency



Revenue down 19% and 14% in constant currency

- » Component shortages resulted in unfulfilled customer demand
- » Product pruning and sale of our C&I gas business

Gross margin down 310 bps

- » Inefficiencies driven by component shortages
- » Inflationary cost pressure

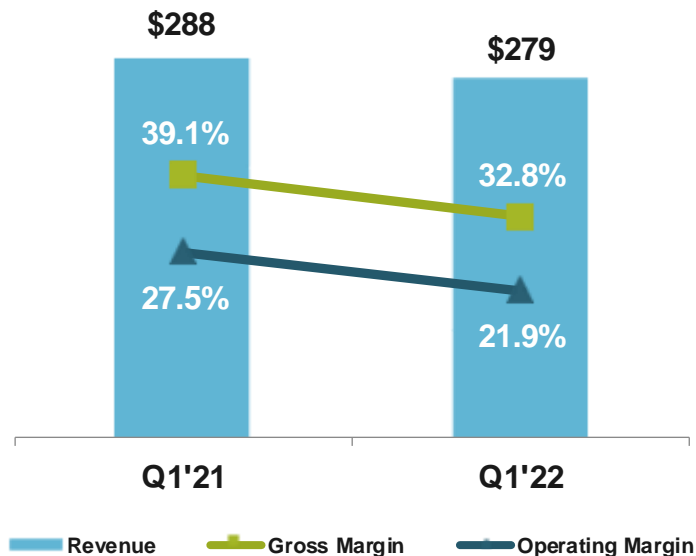
Operating margin down 430 bps

- » Fall through of lower gross profit

NETWORKED SOLUTIONS SEGMENT: Q1'22

Revenue, gross margin and operating margin

\$ in Millions, actual currency



Revenue down 3% as reported and in constant currency

- » Component shortages resulted in significant unfulfilled demand
- » Partially offset by ramp of new deployments

Gross margin down 630 bps

- » Inefficiencies related to component constraints
- » Inflationary cost pressure

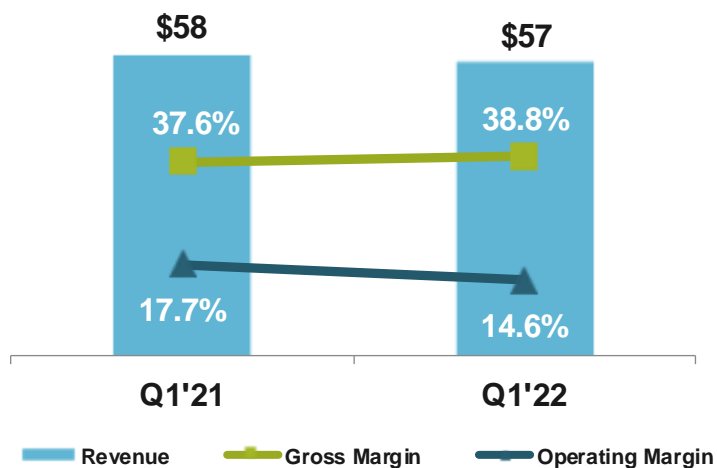
Operating margin down 560 bps

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

OUTCOMES SEGMENT: Q1'22

Revenue, gross margin and operating margin

\$ in Millions, actual currency



Revenue down 3% and 1% in constant currency

- » Decrease in product and software license sales
- » Growth in U.S. Networks as a Service

Gross margin up 120 bps

- » Increased operational efficiencies

Operating margin down 310 bps

- » Higher research & development investment

Appendix

CONSOLIDATED GAAP RESULTS: Q1'22

\$ in millions (except per share amounts)	Q1 2022	Q1 2021	Change
Revenue	\$475.3	\$519.6	-9%
<i>Change in constant currency</i>			-6%
Gross margin	28.4%	32.2%	-380 bps
Operating income	\$6.8	\$30.9	-78%
Net income attributable to Itron, Inc.	\$0.9	\$12.6	-93%
Earnings per share - diluted	\$0.02	\$0.30	-93%

- » Revenue down due to component constraints impacting our ability to meet customer demand
- » Gross margin of 28.4% down 380 bps due to higher component costs and manufacturing inefficiencies
- » GAAP operating income decreased due to lower gross profit
- » GAAP net income decreased due to the fall through of lower GAAP operating income, partially offset by lower interest expense

Reconciliation of GAAP to Non-GAAP results in Appendix and also available on our website.

CONSOLIDATED NON-GAAP & CASH RESULTS: Q1'22

\$ in millions (except per share amounts)	Q1 2022	Q1 2021	Change
Non-GAAP operating income	\$9.3	\$38.9	-76%
Non-GAAP operating margin	2.0%	7.5%	-550 bps
Non-GAAP net income attributable to Itron, Inc.	\$5.2	\$21.9	-76%
Adjusted EBITDA	\$18.9	\$49.7	-62%
Adjusted EBITDA margin	4.0%	9.6%	-560 bps
Non-GAAP earnings per share - diluted	\$0.11	\$0.52	-79%
Net cash provided by operating activities	\$7.6	\$50.0	-85%
Free cash flow	\$2.2	\$38.5	-94%

- » Decrease in non-GAAP operating income due to fall through of lower gross profit
- » Non-GAAP net income decreased primarily due to lower non-GAAP operating income
- » Cash flow decreased due to higher variable compensation payments in Q1'22

Reconciliation of GAAP to Non-GAAP results in Appendix and also available on our website.

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

NON-GAAP FINANCIAL MEASURES

To supplement our consolidated financial statements, which are prepared in accordance with accounting principles generally accepted 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, adjusted EBITDA margin, constant currency, and free cash flow. 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. 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 our quarterly press release.

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended March 31,	
	2022	2021
NON-GAAP OPERATING EXPENSES		
GAAP operating expenses	\$ 128,405	\$ 136,104
Amortization of intangible assets	(6,553)	(8,973)
Restructuring	6,366	1,980
Loss on sale of business	(2,221)	(1,392)
Acquisition and integration	(62)	377
Non-GAAP operating expenses	<u>\$ 125,935</u>	<u>\$ 128,096</u>
NON-GAAP OPERATING INCOME		
GAAP operating income	\$ 6,819	\$ 30,940
Amortization of intangible assets	6,553	8,973
Restructuring	(6,366)	(1,980)
Loss on sale of business	2,221	1,392
Acquisition and integration	62	(377)
Non-GAAP operating income	<u>\$ 9,289</u>	<u>\$ 38,948</u>
NON-GAAP NET INCOME & DILUTED EPS		
GAAP net income attributable to Itron, Inc.	\$ 906	\$ 12,603
Amortization of intangible assets	6,553	8,973
Amortization of debt placement fees	796	2,652
Debt extinguishment	—	1,681
Restructuring	(6,366)	(1,980)
Loss on sale of business	2,221	1,392
Acquisition and integration	62	(377)
Income tax effect of non-GAAP adjustments	999	(2,997)
Non-GAAP net income attributable to Itron, Inc.	<u>\$ 5,171</u>	<u>\$ 21,947</u>
Non-GAAP diluted EPS	<u>\$ 0.11</u>	<u>\$ 0.52</u>
Non-GAAP weighted average common shares outstanding - Diluted	<u>45,240</u>	<u>41,964</u>

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended March 31,	
	2022	2021
ADJUSTED EBITDA		
GAAP net income attributable to Itron, Inc.	\$ 906	\$ 12,603
Interest income	(217)	(542)
Interest expense	1,592	10,475
Income tax provision	3,859	4,661
Debt extinguishment	—	1,681
Depreciation and amortization	16,837	21,810
Restructuring	(6,366)	(1,980)
Loss on sale of business	2,221	1,392
Acquisition and integration	62	(377)
Adjusted EBITDA	<u>\$ 18,894</u>	<u>\$ 49,723</u>
FREE CASH FLOW		
Net cash provided by operating activities	\$ 7,591	\$ 49,955
Acquisitions of property, plant, and equipment	(5,369)	(11,412)
Free Cash Flow	<u>\$ 2,222</u>	<u>\$ 38,543</u>

Thank You



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