



Investor Presentation

November 2023

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 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 45 years of experience** and over...



8,000
CUSTOMERS IN
100 COUNTRIES



>200M
COMMUNICATING
ENDPOINTS



>96M
ENDPOINTS UNDER
MANAGEMENT



~8.1M
DISTRIBUTED
INTELLIGENCE ENABLED
ENDPOINTS

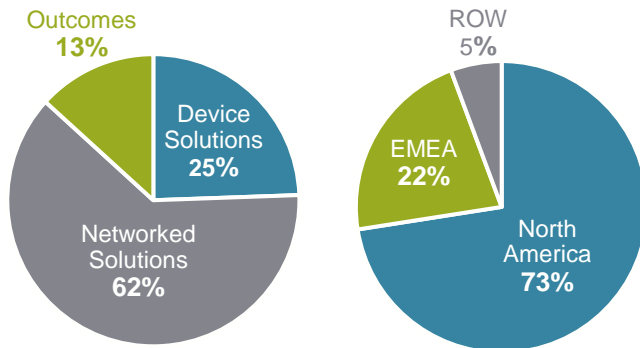


~5,500
PEOPLE
ACROSS THE GLOBE



+250
PARTNERS IN A BROAD
ECOSYSTEM OF SOLUTIONS

**\$1.8B 2022 REVENUE
& REVENUE MIX OF:**



WITH A Q3 2023:

\$4.3B
BACKLOG

Note: Revenue reported year ending December 31, 2022, and backlog and people as of September 30, 2023. All other data points rounded or estimated based on internal Itron source material at the time of publication. ROW includes APAC and LATAM.

CRITICAL ISSUES DRIVING INDUSTRY DYNAMICS

INFRASTRUCTURE



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

ENVIRONMENTAL



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

SOCIAL



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

Ittron Strategy Focused on Enabling Customer Success in Changing World

OUR STRATEGIC PRIORITIES

1 EXPANDING OUR FOOTPRINT

Increasing applications / coverage

2 EXPANDING OUR VALUE

Empowering our customers

3 EXPANDING OUR REACH

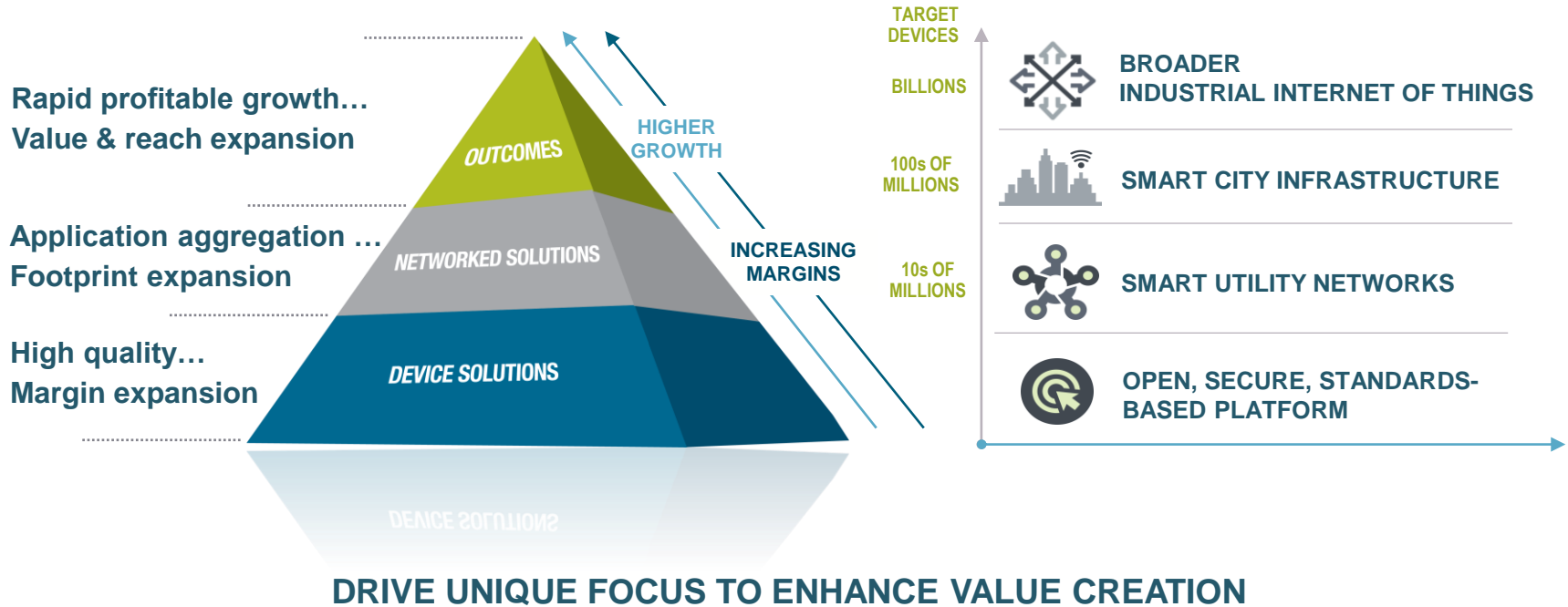
*Enabling new solutions with as many sensors
and endpoints on our platform as possible*

CREATING THE OPPORTUNITY TO ENHANCE VALUE WITH...

- » **GROWING** value proposition
- » **IMPROVING** operating leverage
- » **INCREASING** free cash flow

OUR MODEL

Solutions via open standards-based technology that transcend multiple verticals

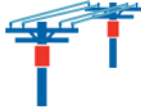


COMPLETE GRID EDGE SOLUTION



AMI
Operations

OPERATIONS
OPTIMIZER



Low & Med.
Voltage Grid

GRID EDGE
OPTIMIZER



Distributed Energy
Resource Mgmt.

DER
OPTIMIZER



EV
Infrastructure

EV CHARGING
OPTIMIZER



Customer
Experience

DATA HUB
& MDM

REAL-TIME DATA & ANALYTICS PLATFORM

HEAD-END SYSTEM

CONNECTIVITY: FIBER, PRIVATE OR PUBLIC CELLULAR, RF MESH, WI-FI



Electricity & Grid



Water & Gas



Smart Communities



Customer Benefits

Reduced Operating Costs

Consumer Access & Engagement

Resiliency / Reliability

Renewables Integration

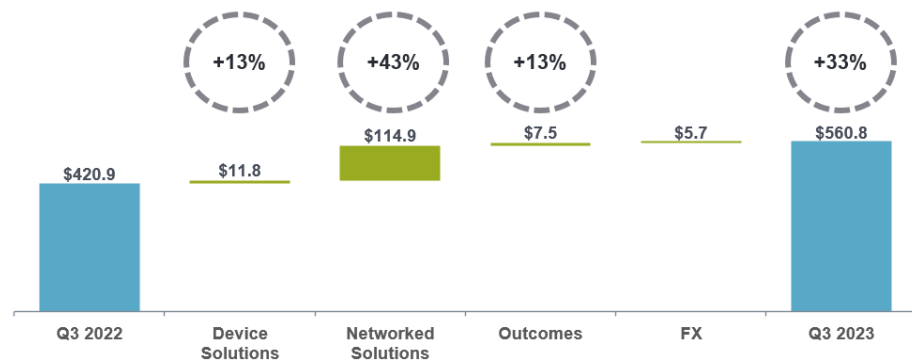
Carbon Reduction

Business Perspectives

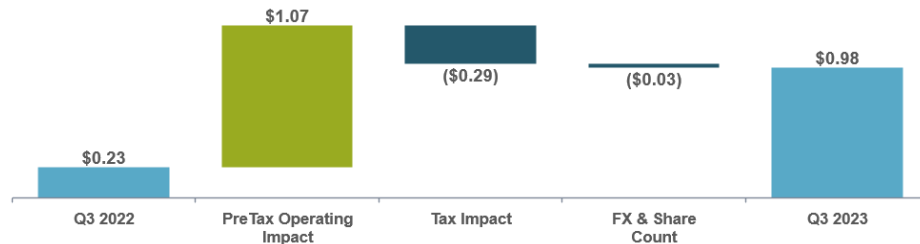
Q3'23 PERFORMANCE SUMMARY

- » Revenue of \$561 million
- » Adjusted EBITDA of \$68 million
- » Non-GAAP diluted EPS of \$0.98
- » Free Cash Flow of \$28 million

Revenue Year-Over-Year Bridge¹



Non-GAAP EPS Year-Over-Year Bridge²



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

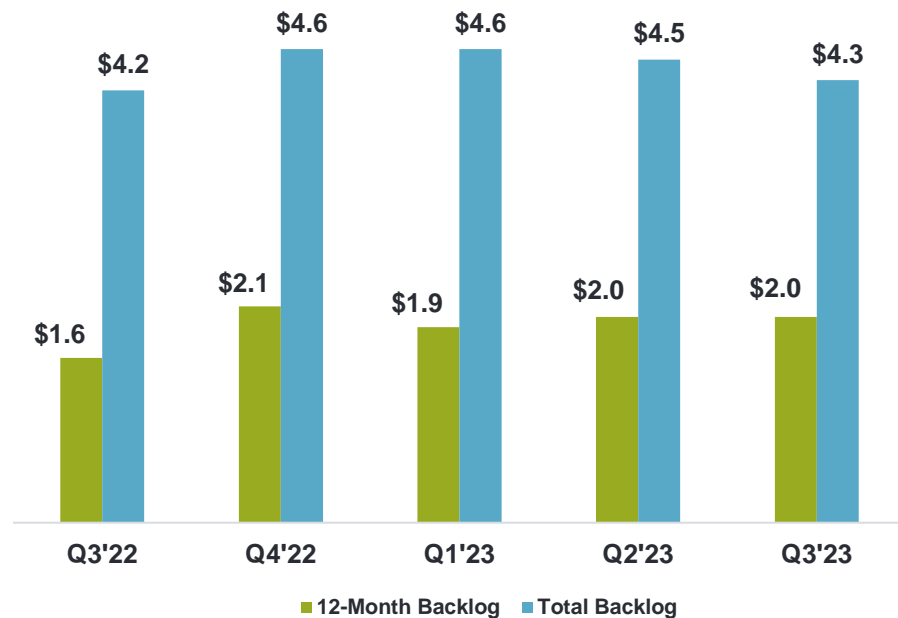
2. Quarterly totals reflect actual currencies; all variances other than FX exclude currency impact. Chart includes rounding.

BOOKINGS AND BACKLOG

» Q3'23 bookings of \$413M

» Q3'23 book to bill of 0.7

» Ending backlog of \$4.3B



Note: Chart in US\$ billions, the revenue from Q3'23 12-month backlog may vary based on actual currency rates at time of shipment, supply constraints, and adjusted project schedules timing.

OPERATIONAL INSIGHTS

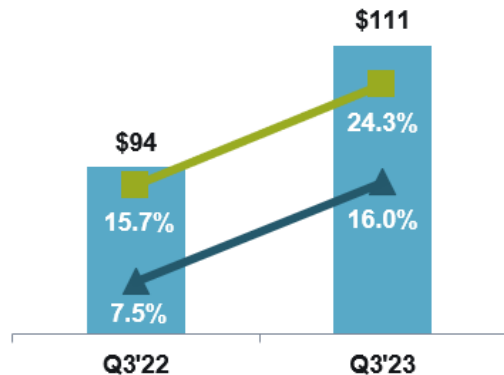
- » Operational discipline supporting margin expansion
- » Supply chain recovery occurring faster than expected
- » Multi-year backlog addresses critical utility needs, including electrification, safety, resilience, and sustainability.
- » Itron technology helps customers meet sustainability goals

BUSINESS SEGMENT PERFORMANCE: Q3'23

Revenue, Gross Margin, and Operating Margin

\$ in Millions, actual currency — Revenue — Gross Margin — Operating Margin

Device Solutions



Revenue increased 18% (13% in constant currency)

- » Growth in water meter sales

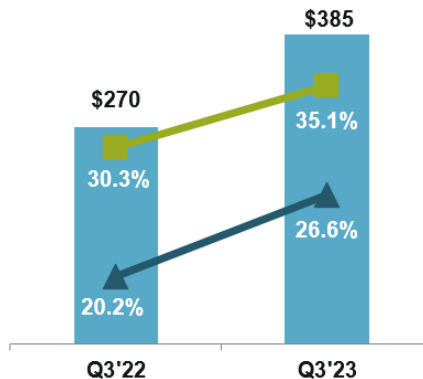
Gross margin increased 860 bps

- » Favorable product mix
- » Increased operational efficiencies

Operating margin increased 850 bps

- » Fall through of higher gross profit

Networked Solutions



Revenue increased 43% (43% in constant currency)

- » Improving supply chain conditions enabled higher customer deliveries

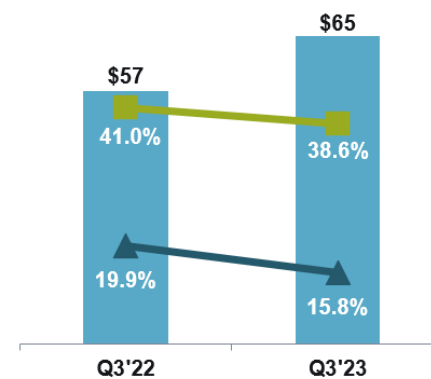
Gross margin increased 480 bps

- » Favorable product mix
- » Improved operational efficiencies

Operating margin increased 640 bps

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

Outcomes



Revenue increased 14% (13% in constant currency)

- » Increase in recurring services

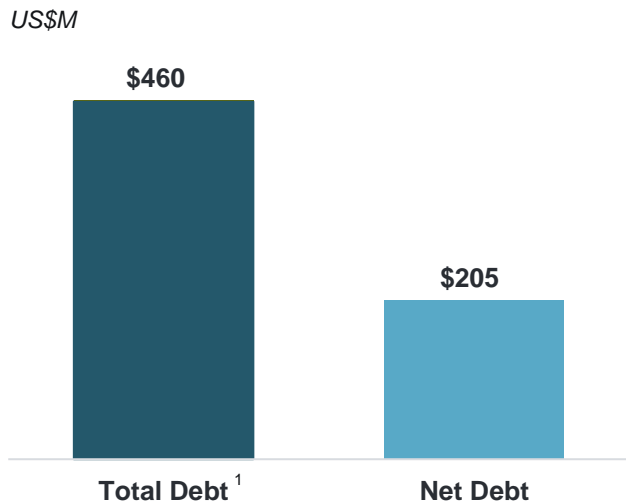
Gross margin decreased 240 bps

- » Lower software licenses activity, partially offset by increased recurring services

Operating margin decreased 410 bps

- » Fall through of lower gross margin
- » Higher operating expenses

DEBT AND LIQUIDITY OVERVIEW: SEPTEMBER 30, 2023



Debt

- » Net leverage 1.1x at end of Q3'23
- » Zero interest convertible notes

Free Cash Flow and Liquidity

- » Free cash flow of \$28M
- » Cash and equivalents of \$255M
- » \$500M revolver; recently extended to 2026

1. Excludes amortization of debt fees.

Q4'23 OUTLOOK

Revenue of \$565 - \$575 million

- *At the midpoint, up 22% vs. Q4 2022*

Non-GAAP diluted EPS of \$0.70 - \$0.80

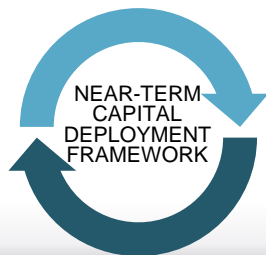
- *At the midpoint, up 6% vs. Q4 2022*
- *Q4 2022 ETR was -30%; normalized for 25% ETR, Y/Y growth is 80%+*

2023 FULL-YEAR GUIDANCE UPDATE

	Feb '23 Guidance	Aug '23 Guidance	Nov '23 Guidance
Revenue	\$1.85 - \$1.95B	\$2.11 - \$2.14B	\$2.16 - \$2.17B
Non-GAAP EPS	\$0.70 - \$1.10	\$2.03 - \$2.28	\$2.83 - \$2.93

- **Revenue, at the midpoint, up 21% vs. prior year**
 - Up \$265M from initial guidance (at the midpoint)
- **NG EPS, at the midpoint, up 155% vs. prior year**
 - Up \$1.98 per share from initial guidance (at the midpoint)

CAPITAL ALLOCATION PRIORITIES



ORGANIC INVESTMENT

- » Continuing shift to asset-light business model
- » Technology innovation fueled by investment in R&D
- » Investing in strategic component supply

STRATEGIC OPPORTUNITIES

- » Disciplined approach to M&A
- » Focus on expanding Outcomes
- » Targeting complementary 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

ESG

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



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**



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



Providing Sustainable Solutions

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

Appendix

CONSOLIDATED GAAP RESULTS: Q3'23

\$ in millions (except per share amounts)	Q3 2023	Q3 2022	Change
Revenue	\$560.8	\$420.9	33%
<i>Change in constant currency</i>			32%
Gross margin	33.4%	28.5%	490 bps
Operating income	\$54.9	\$6.9	697%
Net income attributable to Itron, Inc.	\$40.2	\$4.1	876%
Earnings per share – diluted	\$0.87	\$0.09	867%

- » Revenue increased due to improving supply chain conditions and strong operational execution
- » Gross margin of 33.4% up 490 bps due to favorable product mix and operational efficiencies
- » GAAP operating income increased due to higher gross profit, partially offset by higher operating expenses
- » GAAP net income increased due to higher GAAP operating income, partially offset by higher taxes

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

CONSOLIDATED NON-GAAP & CASH RESULTS: Q3'23





\$ in millions (except per share amounts)	Q3 2023	Q3 2022	Change
Non-GAAP operating income	\$59.0	\$14.8	299%
Non-GAAP operating margin	10.5%	3.5%	700 bps
Non-GAAP net income attributable to Itron, Inc.	\$44.9	\$10.5	327%
Adjusted EBITDA	\$68.5	\$24.3	181%
Adjusted EBITDA margin	12.2%	5.8%	640 bps
Non-GAAP earnings per share - diluted	\$0.98	\$0.23	326%
Net cash provided by operating activities	\$34.1	\$14.9	129%
Free cash flow	\$28.3	\$10.7	166%

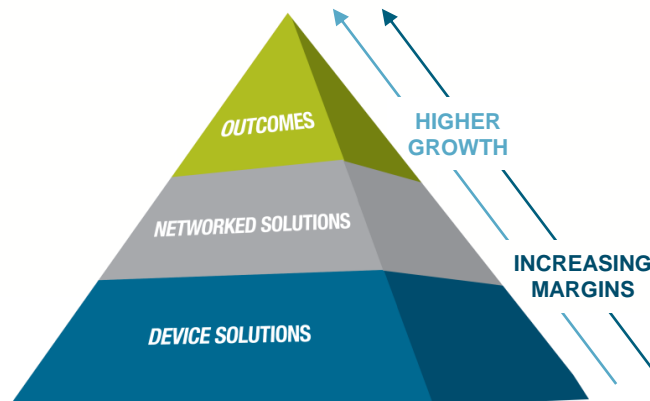
- » Increase in non-GAAP operating income due to fall through of higher gross profit, partially offset by higher operating expenses
- » Non-GAAP net income increased due to higher non-GAAP operating income, partially offset by increased taxes
- » Free cash flow increased due to higher earnings, partially offset by growth in working capital

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

ITRON TARGET OPERATING MODEL

Targets presented at Itron Investor Day October 5, 2021

Target Operating Model	 Itron Total Company	 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

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, 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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
NON-GAAP OPERATING EXPENSES				
GAAP operating expenses	\$ 132,313	\$ 113,174	\$ 437,921	\$ 401,211
Amortization of intangible assets	(4,663)	(6,413)	(14,433)	(19,451)
Restructuring	615	1,272	(36,868)	11,097
Loss on sale of business	(45)	(767)	(675)	(3,182)
Strategic initiative	5	35	5	(675)
Russian currency translation write-off	—	(1,885)	—	(1,885)
Goodwill impairment	—	—	—	(38,480)
Acquisition and integration	(28)	(154)	(117)	(370)
Non-GAAP operating expenses	<u>\$ 128,197</u>	<u>\$ 105,262</u>	<u>\$ 385,833</u>	<u>\$ 348,265</u>
NON-GAAP OPERATING INCOME				
GAAP operating income (loss)	\$ 54,890	\$ 6,888	\$ 79,597	\$ (19,820)
Amortization of intangible assets	4,663	6,413	14,433	19,451
Restructuring	(615)	(1,272)	36,868	(11,097)
Loss on sale of business	45	767	675	3,182
Strategic initiative	(5)	(35)	(5)	675
Russian currency translation write-off	—	1,885	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	28	154	117	370
Non-GAAP operating income	<u>\$ 59,006</u>	<u>\$ 14,800</u>	<u>\$ 131,685</u>	<u>\$ 33,126</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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
NON-GAAP NET INCOME & DILUTED EPS				
GAAP net income (loss) attributable to Itron, Inc.	\$ 40,172	\$ 4,117	\$ 52,537	\$ (31,944)
Amortization of intangible assets	4,663	6,413	14,433	19,451
Amortization of debt placement fees	897	846	2,629	2,478
Restructuring	(615)	(1,272)	36,868	(11,097)
Loss on sale of business	45	767	675	3,182
Strategic initiative	(5)	(35)	(5)	675
Russian currency translation write-off	—	1,885	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	28	154	117	370
Income tax effect of non-GAAP adjustments	(293)	(2,362)	(10,156)	(4,663)
Non-GAAP net income attributable to Itron, Inc.	<u>\$ 44,892</u>	<u>\$ 10,513</u>	<u>\$ 97,098</u>	<u>\$ 18,817</u>
Non-GAAP diluted EPS	<u>\$ 0.98</u>	<u>\$ 0.23</u>	<u>\$ 2.12</u>	<u>\$ 0.42</u>
Non-GAAP weighted average common shares outstanding - Diluted	<u>45,950</u>	<u>45,330</u>	<u>45,768</u>	<u>45,267</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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
ADJUSTED EBITDA				
GAAP net income (loss) attributable to Itron, Inc.	\$ 40,172	\$ 4,117	\$ 52,537	\$ (31,944)
Interest income	(2,642)	(801)	(5,968)	(1,367)
Interest expense	2,445	1,679	6,479	4,931
Income tax provision	15,388	473	24,513	4,973
Depreciation and amortization	13,645	17,361	42,013	50,612
Restructuring	(615)	(1,272)	36,868	(11,097)
Loss on sale of business	45	767	675	3,182
Strategic initiative	(5)	(35)	(5)	675
Russian currency translation write-off	—	1,885	—	1,885
Goodwill impairment	—	—	—	38,480
Acquisition and integration	28	154	117	370
Adjusted EBITDA	<u>\$ 68,461</u>	<u>\$ 24,328</u>	<u>\$ 157,229</u>	<u>\$ 60,700</u>
FREE CASH FLOW				
Net cash provided by operating activities	\$ 34,087	\$ 14,874	\$ 77,076	\$ 37,530
Acquisitions of property, plant, and equipment	(5,806)	(4,223)	(18,304)	(14,886)
Free Cash Flow	<u>\$ 28,281</u>	<u>\$ 10,651</u>	<u>\$ 58,772</u>	<u>\$ 22,644</u>

Thank You

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