



Investor Presentation

May 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.

Ittron 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



>92M
ENDPOINTS UNDER
MANAGEMENT



~6.4M
DISTRIBUTED
INTELLIGENCE ENABLED
ENDPOINTS

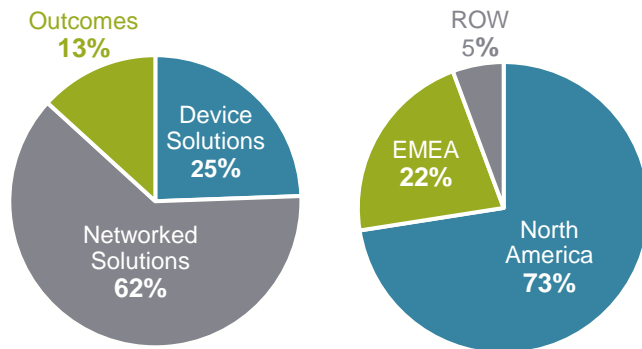


~5,500
PEOPLE
ACROSS THE GLOBE



+250
PARTNERS IN A BROAD
ECOSYSTEM OF SOLUTIONS

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



WITH A Q1 2023:

\$4.6B
BACKLOG

Note: Revenue reported year ending December 31, 2022, and backlog and people as of March 31, 2023. 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

Transforming the utility and city operating models

INFRASTRUCTURE



- » Aging Infrastructure
- » Grid Security
- » Clean Energy and Storage
- » Electric Vehicles
- » Safety and Loss Prevention
- » Asset Monitoring & Mgmt

ENVIRONMENTAL



- » Climate Disruption
- » Extreme Weather
- » Resource Scarcity
- » Demand for Sustainability
- » Decarbonization

SOCIAL



- » Enhanced Customer Experience
- » Critical Need Consumers
- » Urbanization and Population Increase
- » Big Data & Internet of Things
- » Privacy

UTILITIES AND CITIES ARE FACING THESE ISSUES TODAY

OUR STRATEGIC PRIORITIES

1 EXPANDING OUR FOOTPRINT

Increasing applications / coverage

2 EXPANDING OUR VALUE

Empowering our customers

3 EXPANDING OUR REACH

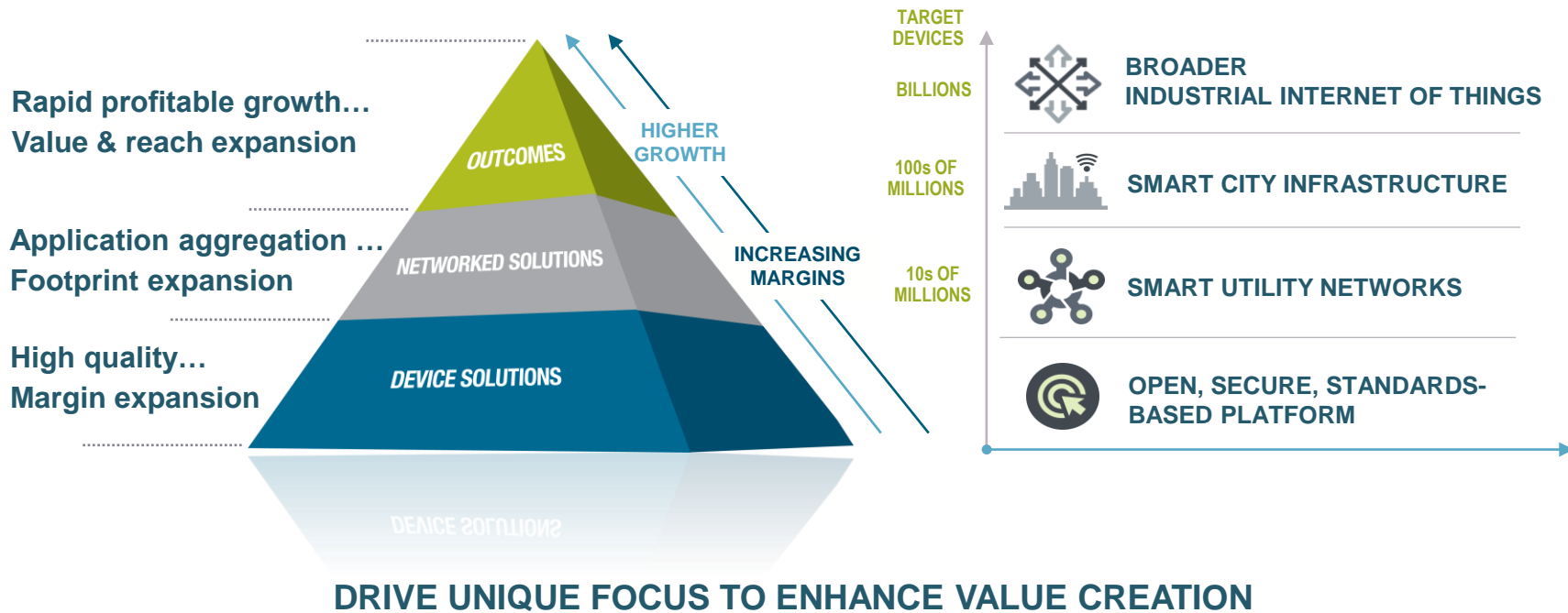
*Enabling new solutions with as many sensors
and endpoints on our platform as possible*

CREATING THE OPPORTUNITY TO ENHANCE VALUE WITH...

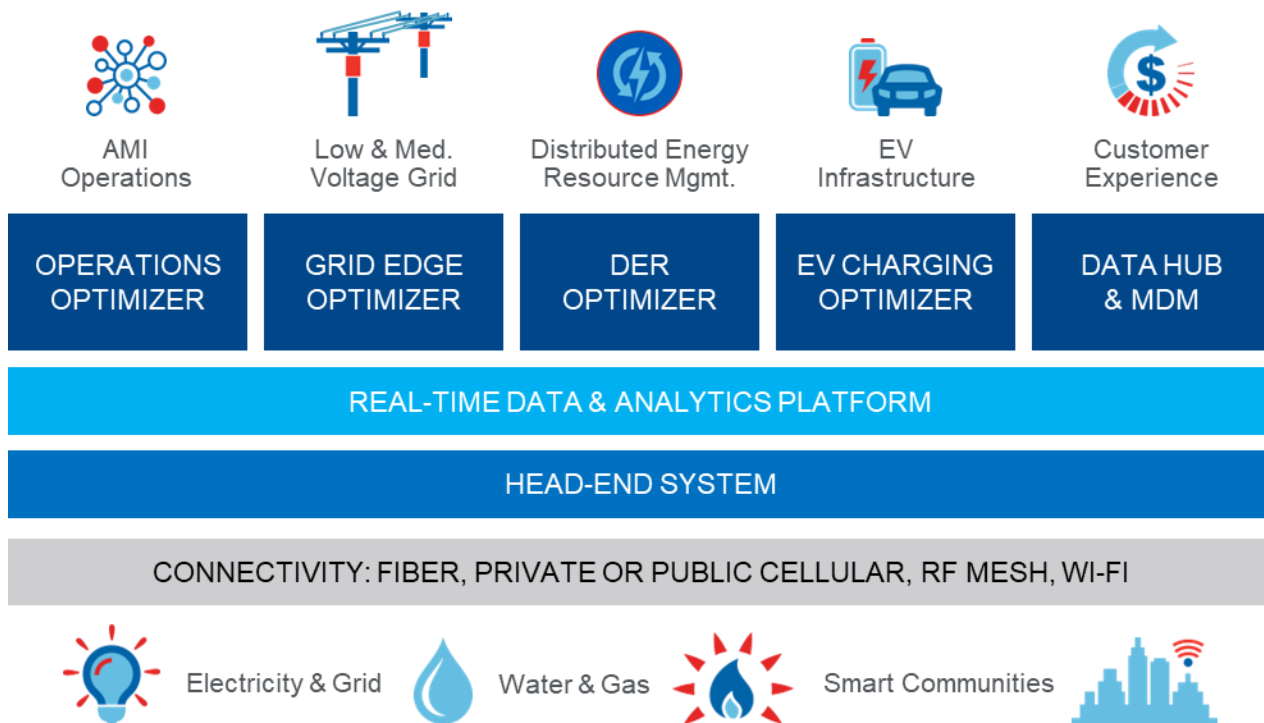
- » **GROWING** value proposition
- » **IMPROVING** operating leverage
- » **INCREASING** free cash flow

OUR MODEL

Solutions via open standards-based technology that transcend multiple verticals



COMPLETE LOW VOLTAGE GRID SOLUTION



Customer Benefits

Reduced Operating Costs

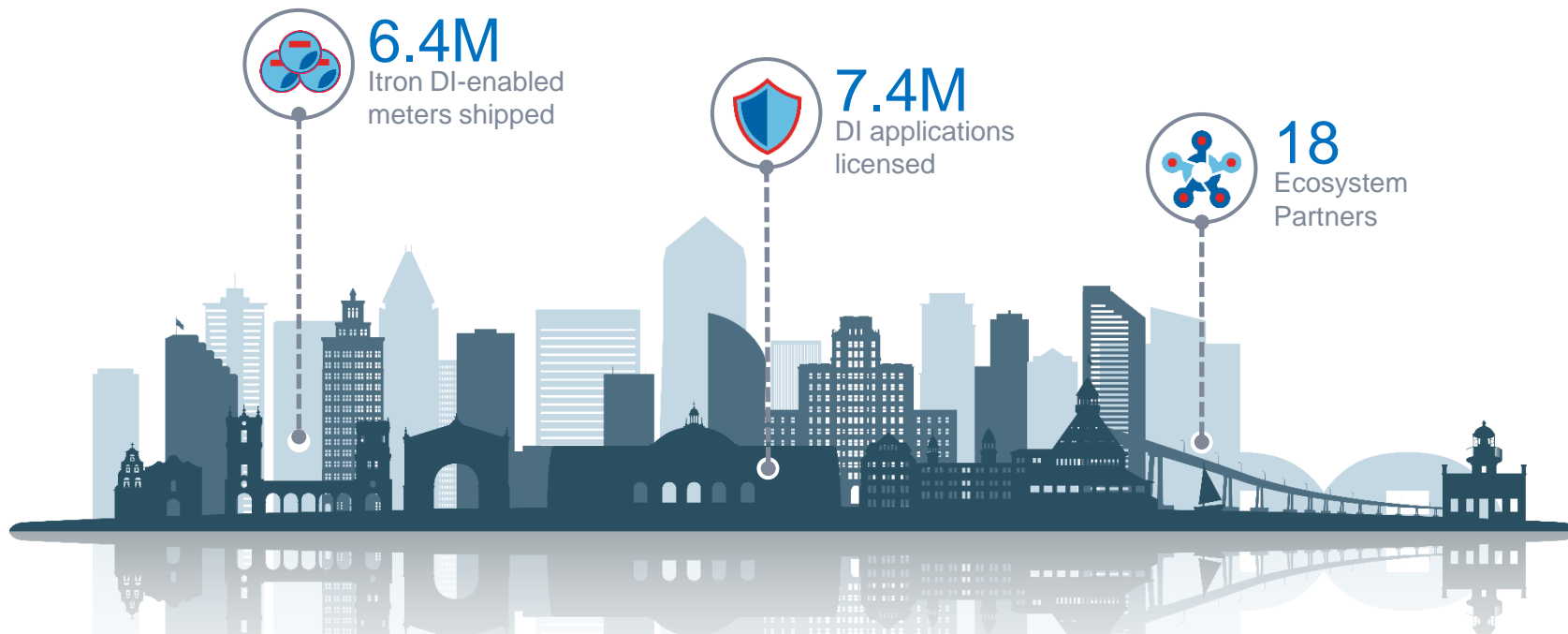
Consumer Access & Engagement

Resiliency / Reliability

Renewables Integration

Carbon Reduction

DISTRIBUTED INTELLIGENCE TAKING SHAPE



Note: Data points are rounded and estimated based on internal Itron source material at the time of publication.

Business Perspectives

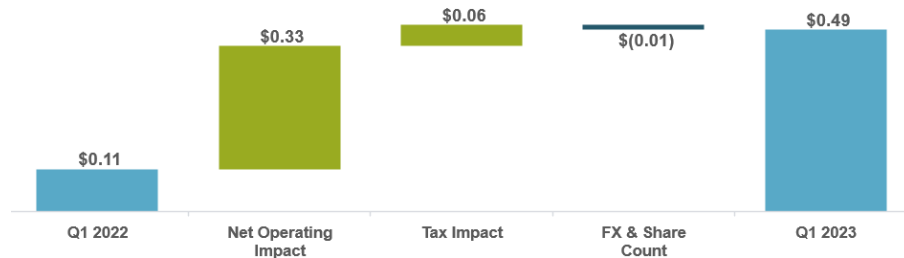
Q1'23 PERFORMANCE SUMMARY

- » Revenue of \$495 million
- » Adjusted EBITDA of \$39 million
- » Non-GAAP diluted EPS of \$0.49

Revenue Year-Over-Year Bridge¹
(in constant currency)



Non-GAAP EPS Year-Over-Year Bridge¹



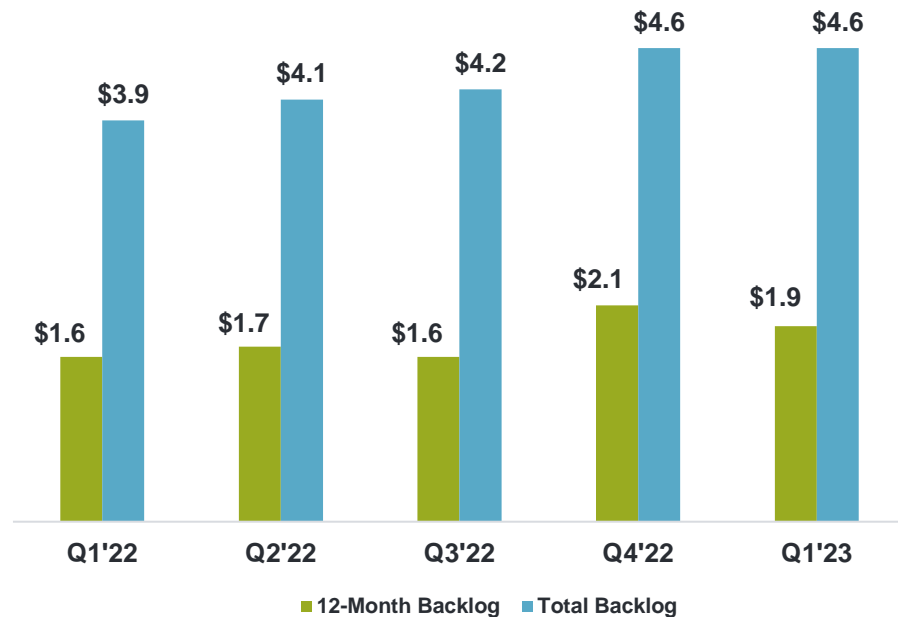
1. Totals reflect actual currencies; all variances other than FX exclude currency impact. Chart includes rounding.

BOOKINGS AND BACKLOG

» Q1'23 bookings of \$428M

» Book to bill of 0.9

» Ending backlog of \$4.6B



Note: Chart in US\$ billions, the revenue from Q1'23 12-month backlog may vary based on actual currency rates at time of shipment, supply constraints, and adjusted project schedules timing.

OPERATIONAL INSIGHTS

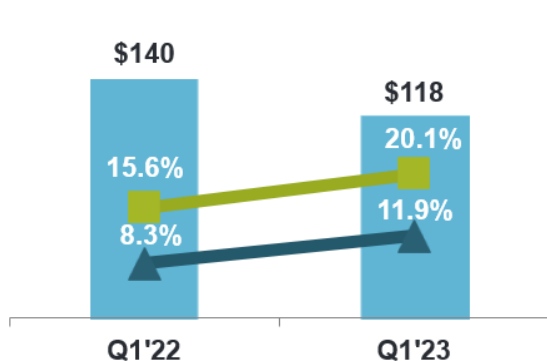
- » **Market environment remains robust**
- » **Supply chain improving**
- » **Strong operational execution and agility**
- » **Near term visibility improvement**

BUSINESS SEGMENT PERFORMANCE: Q1'23

Revenue, Gross Margin, and Operating Margin

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

Device Solutions



Revenue down 15% and 11% in constant currency

- » Sale of mechanical C&I gas business
- » Discontinued lines of business / purposeful product pruning

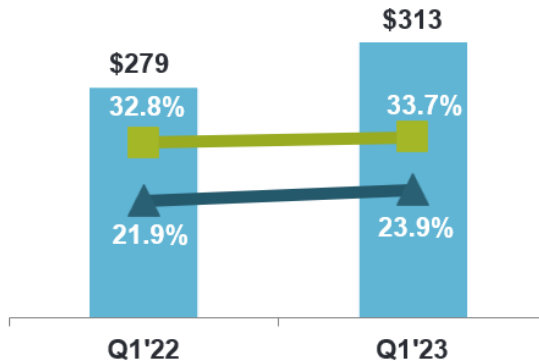
Gross margin up 450 bps

- » Favorable mix
- » Increased operational efficiencies

Operating margin up 360 bps

- » Fall through of higher gross margin
- » Partially offset by higher opex %

Networked Solutions



Revenue up 12% and 13% in constant currency

- » Largely due to improving component supply

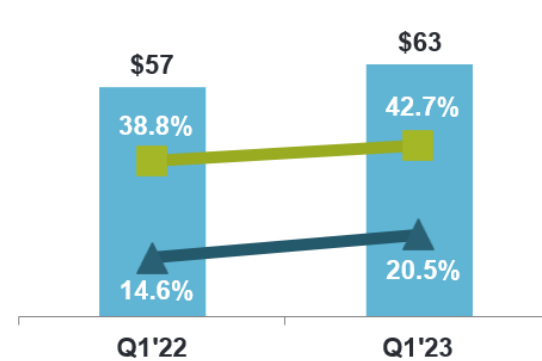
Gross margin up 90 bps

- » Favorable product and solutions mix
- » Improved operational efficiencies

Operating margin up 200 bps

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

Outcomes



Revenue up 10% and 12% in constant currency

- » Higher software license and managed services

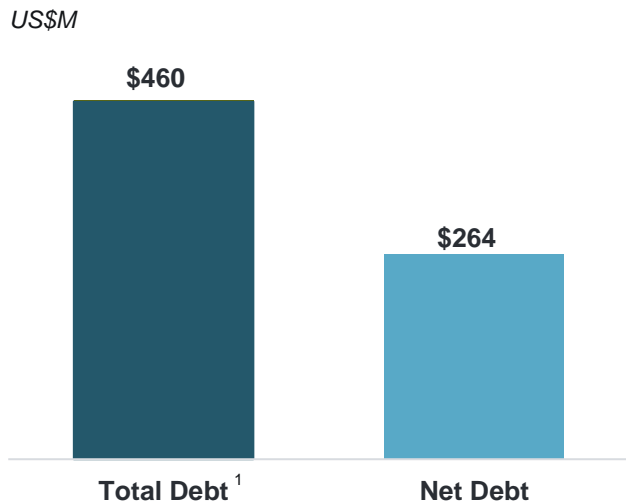
Gross margin up 390 bps

- » Favorable mix
- » Increased operational efficiencies

Operating margin up 590 bps

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

DEBT AND LIQUIDITY OVERVIEW: MARCH 31, 2023



Debt

- » Net leverage 2.3x at end of Q1'23
- » Zero interest convertible notes

Free Cash Flow and Liquidity

- » Free cash flow of (\$5M)
- » Cash and equivalents of \$196M
- » \$500M revolver

1. Excludes amortization of debt fees.

Q2'23 OUTLOOK

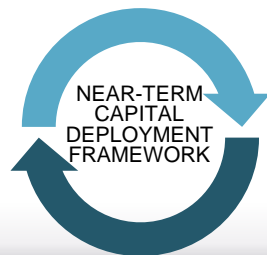
Revenue of \$510 - \$525 million

- *At the midpoint, up \$86M or 20% vs. Q2 2022*

Non-GAAP diluted EPS of \$0.25 - \$0.35

- *At the midpoint, up \$0.23 vs. Q2 2022*

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

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

2021 ESG Report Published June 2022

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

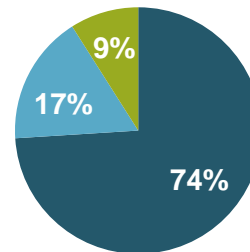
Our Solutions Reduce Demand



Create Proven Benefits For Our Customers

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

3.5M Metric Tons Avoided: % by Category



■ Consumer Engagement ■ Operational Efficiency ■ Other

3.5M
metric tons =

9 Gas-Fired
Electric Plants

~770K Gasoline Powered
Vehicles Driven for One Year

Carbon Trapped in 4.2M
Acres of Forest in 1 Year

~434 Billion Cell
Phones Charged

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>

Appendix

CONSOLIDATED GAAP RESULTS: Q1'23

\$ in millions (except per share amounts)	Q1 2023	Q1 2022	Change
Revenue	\$494.6	\$475.3	4%
<i>Change in constant currency</i>			6%
Gross margin	31.6%	28.4%	320 bps
Operating income (loss)	(\$10.4)	\$6.8	NM
Net income (loss) attributable to Itron, Inc.	(\$11.8)	\$0.9	NM
Earnings (loss) per share – diluted	(\$0.26)	\$0.02	NM

-
- » Revenue increased largely due to improving component supply, partially offset by foreign exchange rates
 - » Gross margin of 31.6% up 320 bps due to favorable mix and operational efficiencies
 - » GAAP operating income decreased due to a restructuring charge from the new plan announced in February, partially offset by higher gross profit
 - » GAAP net income decreased due to lower GAAP operating income

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

CONSOLIDATED NON-GAAP & CASH RESULTS: Q1'23





\$ in millions (except per share amounts)	Q1 2023	Q1 2022	Change
Non-GAAP operating income	\$31.3	\$9.3	237%
Non-GAAP operating margin	6.3%	2.0%	430 bps
Non-GAAP net income attributable to Itron, Inc.	\$22.4	\$5.2	333%
Adjusted EBITDA	\$39.5	\$18.9	109%
Adjusted EBITDA margin	8.0%	4.0%	400 bps
Non-GAAP earnings per share - diluted	\$0.49	\$0.11	345%
Net cash provided by operating activities	\$1.4	\$7.6	-81%
Free cash flow	(\$5.5)	\$2.2	-346%

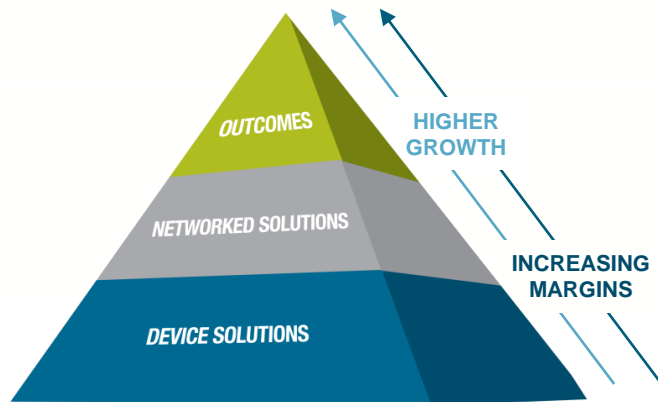
- » Increase in non-GAAP operating income due to fall through of higher gross profit
- » Non-GAAP net income increased due to higher non-GAAP operating income and lower taxes
- » Free cash flow decreased due to working capital outflow, partially offset by higher non-GAAP EBITDA

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	 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. 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

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 March 31,	
	2023	2022
NON-GAAP OPERATING EXPENSES		
GAAP operating expenses	\$ 166,761	\$ 128,405
Amortization of intangible assets	(5,048)	(6,553)
Restructuring	(36,609)	6,366
Loss on sale of business	(18)	(2,221)
Acquisition and integration	(45)	(62)
Non-GAAP operating expenses	\$ 125,041	\$ 125,935
NON-GAAP OPERATING INCOME		
GAAP operating income (loss)	\$ (10,393)	\$ 6,819
Amortization of intangible assets	5,048	6,553
Restructuring	36,609	(6,366)
Loss on sale of business	18	2,221
Acquisition and integration	45	62
Non-GAAP operating income	\$ 31,327	\$ 9,289
NON-GAAP NET INCOME & DILUTED EPS		
GAAP net income (loss) attributable to Itron, Inc.	\$ (11,836)	\$ 906
Amortization of intangible assets	5,048	6,553
Amortization of debt placement fees	845	796
Restructuring	36,609	(6,366)
Loss on sale of business	18	2,221
Acquisition and integration	45	62
Income tax effect of non-GAAP adjustments	(8,347)	999
Non-GAAP net income attributable to Itron, Inc.	\$ 22,382	\$ 5,171
Non-GAAP diluted EPS	\$ 0.49	\$ 0.11
Non-GAAP weighted average common shares outstanding - Diluted	45,572	45,240

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 March 31,	
	2023	2022
ADJUSTED EBITDA		
GAAP net income (loss) attributable to Itron, Inc.	\$ (11,836)	\$ 906
Interest income	(1,818)	(217)
Interest expense	2,057	1,592
Income tax provision (benefit)	(70)	3,859
Depreciation and amortization	14,463	16,837
Restructuring	36,609	(6,366)
Loss on sale of business	18	2,221
Acquisition and integration	45	62
Adjusted EBITDA	<u>\$ 39,468</u>	<u>\$ 18,894</u>
FREE CASH FLOW		
Net cash provided by operating activities	\$ 1,429	\$ 7,591
Acquisitions of property, plant, and equipment	(6,902)	(5,369)
Free Cash Flow	<u>\$ (5,473)</u>	<u>\$ 2,222</u>

Thank You



INVESTOR RELATIONS CONTACTS

Paul Vincent

Vice President, Investor Relations

512-560-1172

paul.vincent@itron.com

David Means

Director, Investor Relations

737-242-8448

david.means@itron.com

www.itron.com