Investor Update

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August 2018

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.

OUR VISION

The way we manage energy and water will define this century. By applying knowledge and technology, together we can create a more resourceful world.

ITRON AT-A-GLANCE*

200m
COMMUNICATION MODULES

8,000
CUSTOMERS IN 100 COUNTRIES

8,000
EMPLOYEES

2.0bn
2017 REVENUE USD

38 million meters globally are managed by Itron’s data management tools

>80% of electricity in North America is forecast by Itron software

75% of power in the US touches Itron technology

~3 million streetlights globally are managed with Itron technology

Over **1400 issued patents and pending applications**

Broad ecosystem with **125+ partners**

*Including module, customers, and employees from Itron’s recent acquisition of Silver Spring Networks, Inc. (completed Jan. 2018); Revenue is Itron 2017 Only

STATE OF THE BUSINESS – Q2 2018

Solid results and strong 2H18 outlook

» Q218 Revenue up 16% year-over-year

» Stabilization of supply chain and on track to improved operational efficiencies

» 2H18 strong revenue visibility and profitability improvement

Customer activity very healthy

» Winning in our core markets; book to bill of 1:1

» Total backlog of $3.1 billion

» 12-month backlog of $1.4 billion grew 5% quarter-on-quarter

Integration of Silver Spring Networks ahead of plan

» Ahead of schedule on targeted synergies in 2018

» Gross margin accretive in 2018

» Robust pipeline of cross selling opportunities

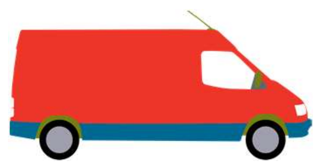
INDUSTRY OVERVIEW

EVOLUTION OF AN INDUSTRY

Itron's contributions to an evolving industry

FIRST TO BRING HANDHELDS

Removing paper, streamlining field work



INVENTED AMR

Remote reading and data collection for operational efficiency

SMART METERING LEADER

Continued commitment to utilities and cities, leveraging more data

SMART CITY & IOT LEADER

Market-leading smart lighting provider expanding to Industrial IoT networks, applications and cloud services

TODAY'S INDUSTRY DRIVERS

EVOLVING UTILITY AND CITY SERVICE MODELS

INTEGRATING DISTRIBUTED ENERGY RESOURCES

WATER EFFICIENCY

GAS SAFETY

GREATER CUSTOMER EXPECTATIONS

INTERNET OF THINGS

LEVERAGING THE POWER OF A SMART PLATFORM

SMART PLATFORM ADOPTION CONTINUES

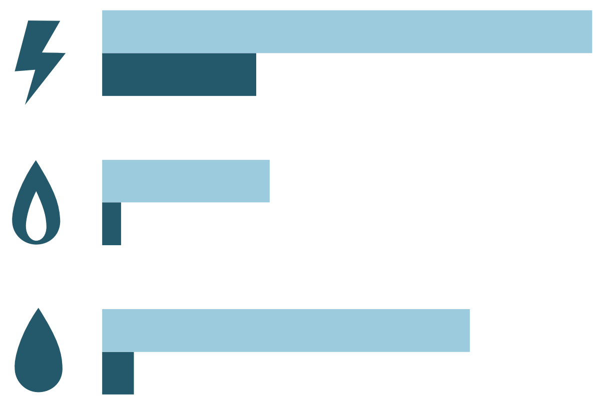
NORTH AMERICA

~ 60% of 356M meters automated

Electricity - 64% of 163 million Electric meters automated
Gas - 52% of 80 million Gas meters automated
Water - 52% of 111 million Water meters automated

GLOBAL

~20% of 3.0B meters automated



Electricity - 31% of 1.4 billion Electric meters automated
Gas - 11% of 500 million Gas meters automated
Water - 9% of 1.1 billion Water meters automated

Total Meters Total Automated

Source: IHS Research - Global Electricity, Gas and Water Metering Reports, *2017 Editions (includes China)*

GLOBAL INDUSTRY GROWTH POTENTIAL

	2017 World Wide TAM (MUSD)	2020 World Wide TAM (MUSD)	CAGR (%)
Outcomes & Analytics	2,183	3,613	18.3%
Networking & Communciations	7,656	10,421	10.8%
Metering & Sensing	7,619	8,504	3.7%
Total	17,459	22,538	8.9%

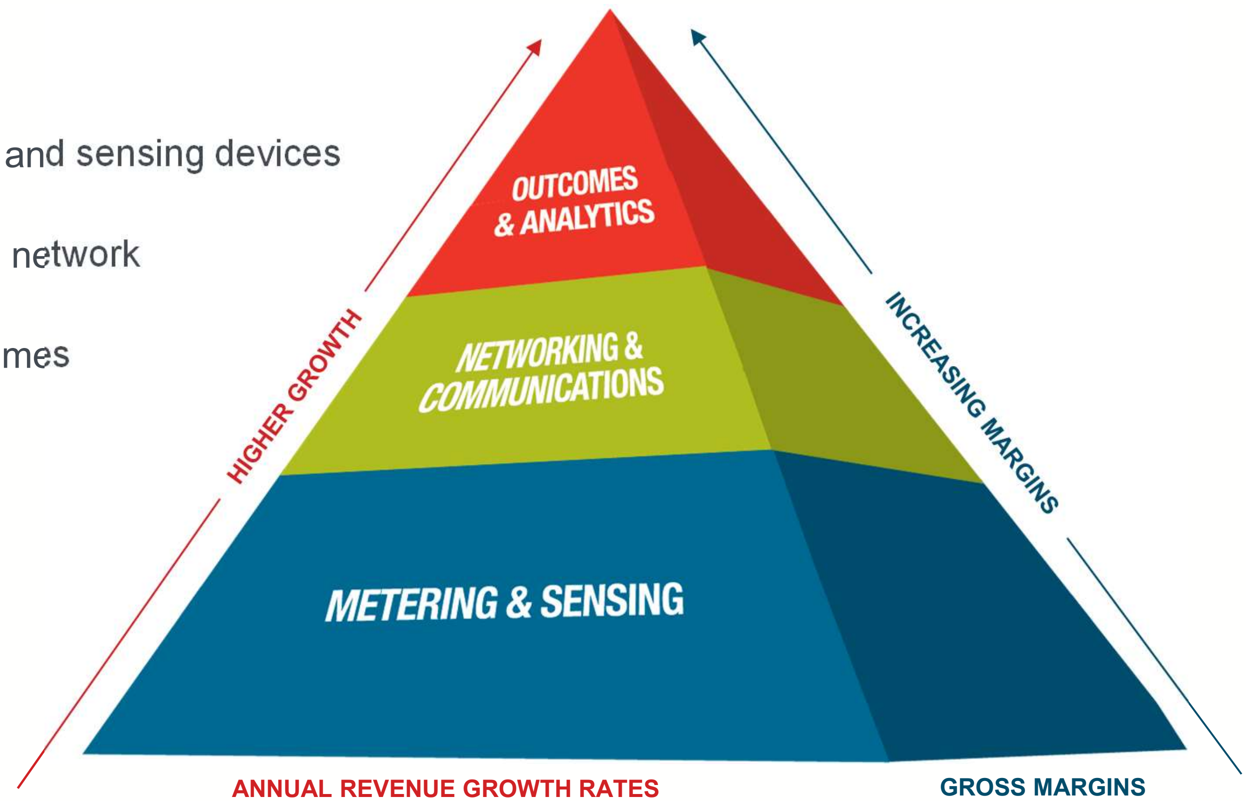
Source: Management Estimates using data from Navigant, IHS, Gartner, and Cognyst (Scott Report).

ITRON OVERVIEW

Helping customers create a more resourceful world.

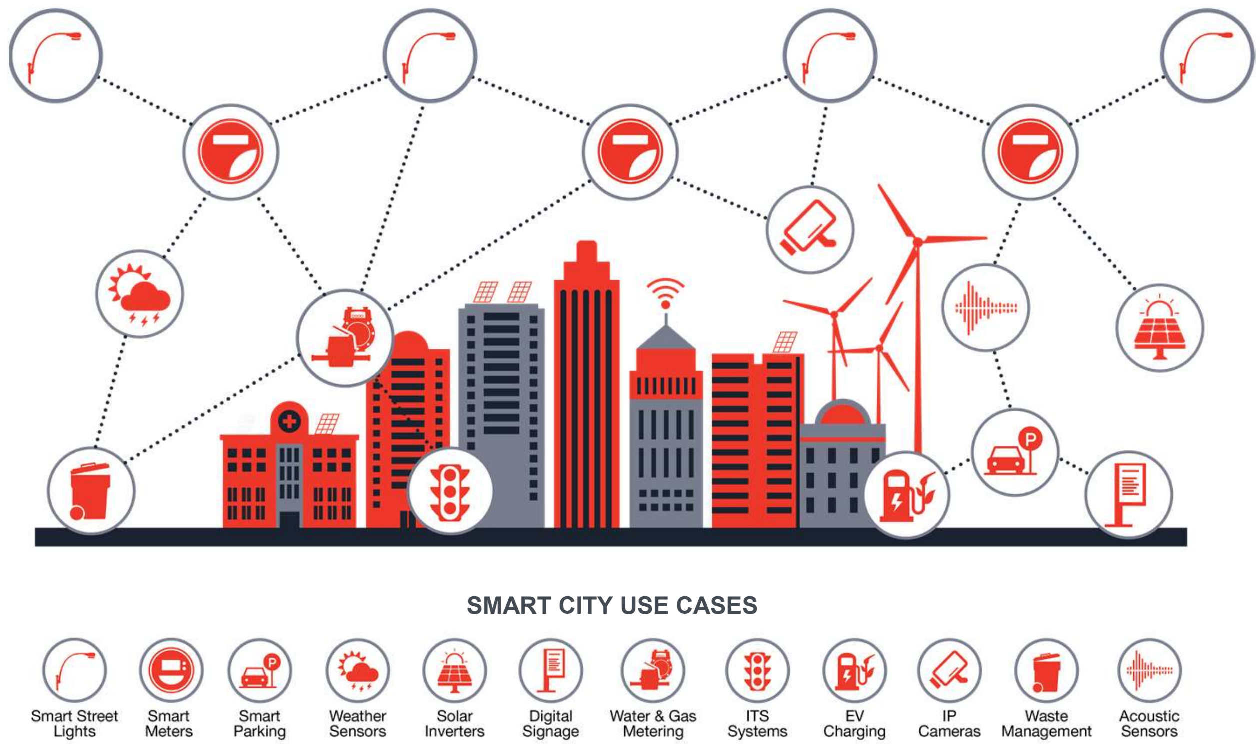
ITRON'S GROWING FROM A STRONG FOUNDATION

- Global footprint of metering and sensing devices
- Connected by a world class network
- Driving higher margin outcomes
- Creates a virtuous cycle



ITRON + SILVER
SPRING NETWORKS

CREATING A MORE RESOURCEFUL WORLD



ITRON CAPABILITIES

MEASURE

- » Sensors
- » Meters
- » Controls
- » Communications modules

COLLECT + CONNECT

- » Fixed, mobile and hybrid networks
- » Multi-protocol deployment (RF, Cellular, PLC)

MANAGE + ANALYZE

- » Enterprise meter data management
- » Forecasting
- » Analytics
  - Distributed intelligence
  - Centralized

DELIVER RESULTS

- » Outcome services
- » Managed services
- » Software as a service
- » Consulting
- » Efficiency and demand response program evaluation
- » System and solution integration

ITRON ADVANTAGE

INDUSTRY LEADER
Itron has deployed **190 million** smart, communicating devices

LEADING INNOVATOR
We began as a multi-vendor endpoint & collection communications company

DATA LEADER
Focused on outcomes with industry-leading software, consulting and forecasting

STRATEGIC PARTNER
Partner with Cisco to bring enterprise networking with FAN

BEST SERVICE & SUPPORT
Our service people are the most tenured and experienced in the industry

A LEGACY OF SUCCESS

Delivering successful customer outcomes

Proven multi-application platform enabling >27 million devices worldwide

Diverse partner ecosystem supported by widely adopted standards

Robust, reliable and secure connectivity for critical applications

Future-proof technology with full backward and forward compatibility

A trusted partner with expert professional services to maximize results

DELIVERING BENEFITS TO OUR CUSTOMERS

CenterPoint Energy

- Over 2.2 million electric and gas endpoints deployed
- Improved electric service reliability by 25%
- 17M reduced truck rolls
- 15.6 metric tons of CO_2 saved; 1.7M gallons fuel saved
- EEI Emergency Response Award 2018 for Harvey

ENVISION CHARLOTTE

- 19% reduction in energy usage
- $26M in savings
- 19% reduction in CO_2 emissions
- Equivalent to 11,000 cars

PG&E

- 61M annual meter reads avoided
- Time-of-Use pricing for EV customers
- 70K homes restored 24-hours after Napa earthquake
- 9.2 GWh energy savings from automated DR

FPL

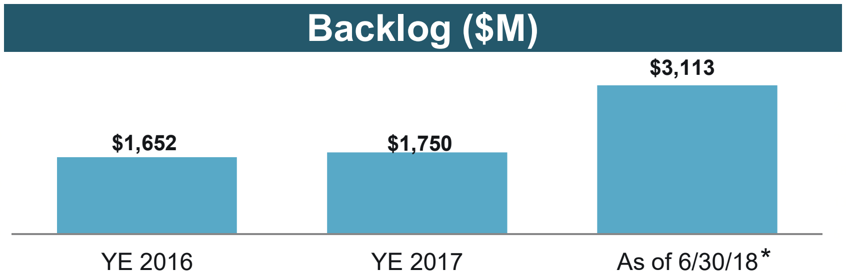
- DA performance had ~$46M in annual opex savings
  - 10k Customer outages avoided due to technology
  - >100k Avoided field visits
  - 25% improvement in service reliability since 2010
- AMI Hurricane Irma: Automated Feeder Switches rerouted electricity around faults, preventing outages.
  - 2.7M customer outages restore within 48 hours
  - 4.4 M customer outages restored within 1 week

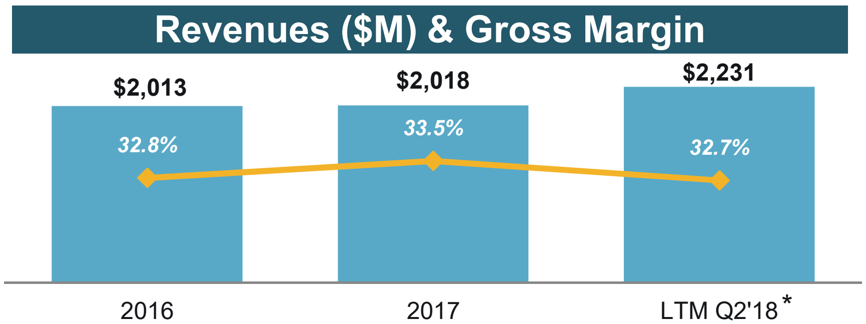
Source: Florida Power & Light 10/23/15 and 5/25/15 PR,; PG& E Q1 2015 earnings call,

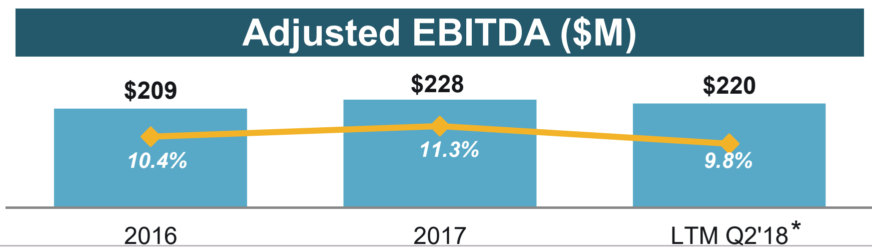
FINANCIAL AND OPERATIONS PERSPECTIVES

Business transformation becoming evident.

TRENDED FINANCIAL METRICS







» Robust backlog of multi-year projects

» Higher-value smart solutions growth, exit from lower-margin business, benefits from restructurings and operational initiatives to drive higher gross margin

» Temporal margin impacts from elevated costs due to supply chain and factory transitions and integration dilution

» Growth in strategic higher-margin businesses, acquisition synergies and operational restructuring programs supports higher EBITDA margin

* Figures include the acquired SSNI for only first 6 months of 2018 (Q118 & Q218).

FINANCIAL OPERATING PERSPECTIVE

Targeting mid-teens Non-GAAP EBITDA

OPERATING MARGIN	• Top-line growth driven by higher value solutions and services • Cost structure and flexibility benefits
PURCHASED MATERIAL	• Value engineering • Strategic outsourcing • Manage component & commodity cycles
MFG OPERATIONS & SERVICE DELIVERY	• Manufacturing rationalization • Strategic outsourcing • Consolidations & rebalancing
OPEX	• Centers of Excellence • Single ERP & Shared services • Integration synergies

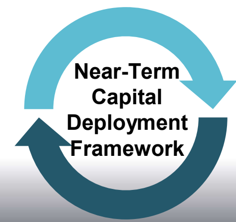
» Drive Operational Efficiencies

» Long-term financial benefits

» Multiple levers driving improvement

NEAR-TERM CAPITAL ALLOCATION STRATEGY

Focus on De-Leveraging



De-Lever

- ✓ Anticipate sufficient cash flow for de-leveraging
- ✓ Path to achieve net leverage of ~2.0x in 2020

Organic Investment

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

Capital Allocation

- ✓ No additional significant capital allocation until leverage returns to equilibrium levels
- ✓ Potential small, opportunistic bolt-on M&A possible though nothing currently planned

APPENDIX

- Summary of consolidated Q2'18 results
- Segment performance year-over-year
- Updated Guidance and EPS Bridge
- GAAP to Non-GAAP Reconciliations

NON-GAAP FINANCIAL MEASURES

» To supplement our consolidated financial statements presented in accordance with GAAP, we use certain non-GAAP financial measures, including non-GAAP operating expense, non-GAAP operating income, non-GAAP net income, non-GAAP diluted EPS, adjusted EBITDA, 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. The company believes 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. 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 the quarterly earnings press release.

CONSOLIDATED GAAP RESULTS – Q2'18

$ in millions (except per share amounts)	Q2 2018	Q2 2017	Change
Revenue	**$585.9**	$503.1	16.5%
Change in constant currency			*13.9%*
Gross margin	**30.1%**	35.4%	-530 bps
Operating income	**$20.6**	$37.6	-44%
Net income attributable to Itron	**$2.7**	$14.1	-81%
Earnings per share - diluted	**$0.07**	$0.36	-$0.29

» Revenue growth from strong smart solution deliveries and the addition of the Networks segment

» Gross margin decline due to product mix, supply chain inefficiencies, higher component and commodity costs and $8 million insurance recovery in prior year

» Lower operating income primarily driven by higher operating expenses from acquired operations

» GAAP net income includes higher year-over-year interest expense

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

CONSOLIDATED NON-GAAP & CASH RESULTS – Q2’18

$ in millions (except per share amounts)	**Q2 2018**	**Q2 2017**	**Change**
Non-GAAP operating income	**$44.1**	$54.1	-19%
Non-GAAP operating margin	**7.5%**	10.8%	-330 bps
Non-GAAP net income attributable to Itron	**$20.5**	$27.9	-27%
Adjusted EBITDA	**$56.9**	$60.2	-6%
Adjusted EBITDA margin	**9.7%**	11.9%	-220 bps
Non-GAAP earnings per share - diluted	**$0.51**	$0.71	-28%
Cash provided by operating activities	**$41.3**	$30.2	+37%
Free cash flow	**$29.5**	$17.4	+70%

» Lower Non-GAAP operating income includes operating expenses from acquired operations

» Excluding acquired operations, operating expenses were down driven by lower variable compensation costs

» Non-GAAP net income reflects lower operating income and increased interest expense, partially offset by a lower tax rate

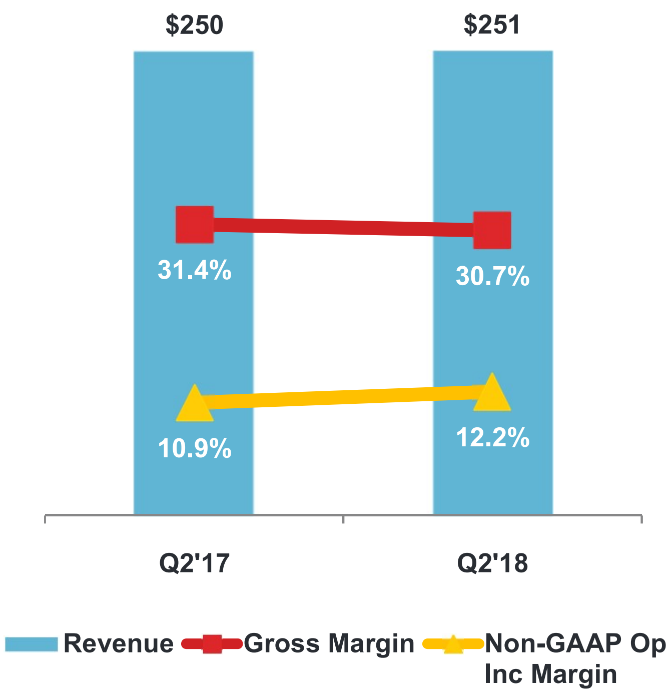
» Increase in cash flow primarily driven by improved working capital

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

ELECTRIC SEGMENT – Q2'18 VS. PRIOR YEAR

REVENUE, GROSS MARGIN AND NON-GAAP OPERATING MARGIN

$ in millions, actual currency



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

» **Revenue flat and down 2% in constant currency**
- Increased managed services revenue, including DEM
- Continued growth in Riva solutions
- Ramp up of Linky deliveries in France

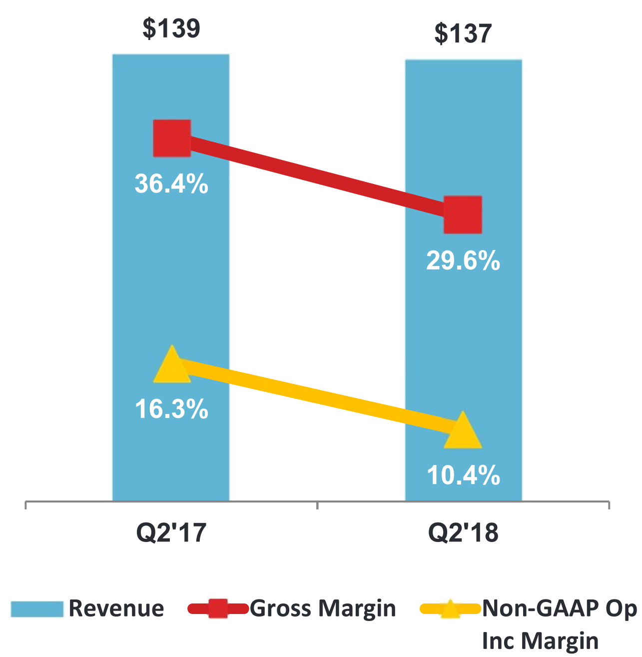
» **Gross margin down 70 bps**
- Higher volumes
- Offset by higher component pricing and product mix

» **Non-GAAP operating margin +130 bps**
- Benefits from restructuring initiatives
- Reduced OpEx

GAS SEGMENT – Q2’18 VS. PRIOR YEAR

REVENUE, GROSS MARGIN AND NON-GAAP OPERATING MARGIN

$ in millions, actual currency



» **Revenue down 1% and 3% in constant currency**
- Lower meter and regulator sales in North America
- Accelerating smart deployments in EMEA
- Continued ramp of Riva deployments in North America

» **Gross margin down 680 bps**
- Higher mix of meters vs. modules
- Supply chain inefficiencies
- Higher component and commodity pricing
- Increased warranty expense

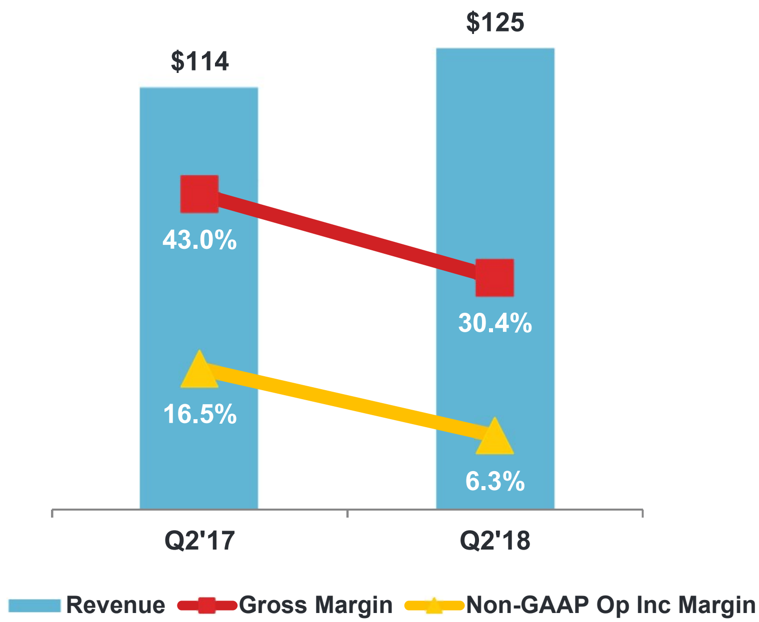
» **Non-GAAP operating margin down 590 bps**
- Lower gross margin partially offset by reduced OpEx

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

WATER SEGMENT – Q2'18 VS. PRIOR YEAR

REVENUE, GROSS MARGIN AND NON-GAAP MARGIN OPERATING

$ in millions, actual currency



» **Revenue +9% and +5% in constant currency**
- Primarily driven by North America Riva projects
- Continued growth in LAM and APAC

» **Gross margin down 12.7 pts (570 bps adj.)[1]**
- $8 million warranty recovery benefit in 2017
- Product mix
- Higher commodity and component costs

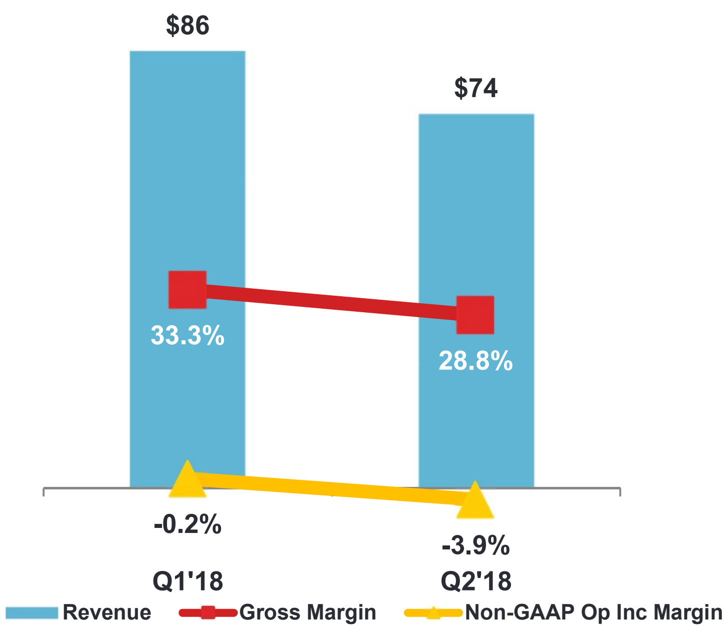
» **Non-GAAP op margin down 10.1 pts (310 bps adj.)[1]**
- Lower gross margin partially offset by reduced OpEx

[1]Q2'17 results include an $8 million warranty recovery. Excluding this benefit, Q2'17 gross margin and non-GAAP operating margin were 36.0% and 9.5%, respectively.
Reconciliation of GAAP to non-GAAP results in Appendix and also available on our website

NETWORKS SEGMENT – Q2’18 VS. Q1’18 SEQUENTIAL

REVENUE, GROSS MARGIN AND NON-GAAP MARGIN OPERATING

$ in millions, actual currency



» **Revenue of $74M**
- Decreased sequentially, as anticipated
- Driven by timing of customer deployments

» **Gross margin of 28.8%**
- Reflects product mix
- Mix impact will vary quarterly based on customer shipments

» **Non-GAAP operating margin of -$3.9%**

» **940k endpoints delivered in Q2’18**
- $31.5 million cumulative

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

FINANCIAL GUIDANCE UPDATE

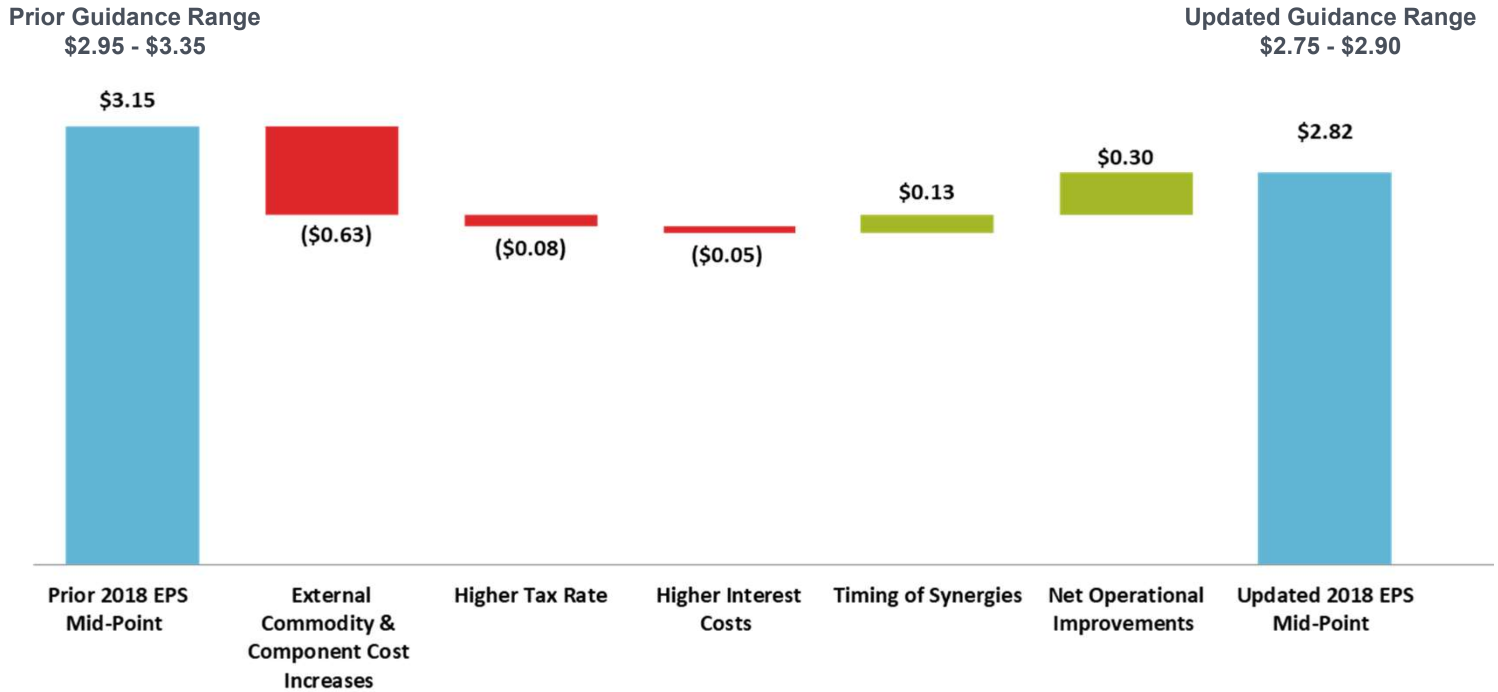
	Updated FY'18 Guidance (provided on 8/6/18)	***Original FY'18 Guidance (provided on 2/28/18)***
Revenue	**$2.425 - $2.475B**	*$2.33 – 2.43B*
Non-GAAP EPS	**$2.75 - $2.90**	*$2.95 - $3.35*

The revised guidance assumes a euro to US dollar foreign exchange rate of 1.18 on average in the second half of 2018, average fully diluted shares outstanding of approximately 40 million for the year, a non-GAAP effective tax rate for the year of approximately 30 percent and interest expense of approximately $52 million for the full year.

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 and acquisition-related expenses and their related tax effects without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP results for the guidance period.

2018 NON-GAAP EPS GUIDANCE BRIDGE ESTIMATES

Mid Point of Prior Guidance to Mid Point of Updated Guidance estimates on a per share basis



Note: Non-GAAP EPS guidance bridge is illustrative at the midpoint of guidance.

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
NON-GAAP NET INCOME & DILUTED EPS				
GAAP net income (loss) attributable to Itron, Inc.	$ 2,657	$ 14,097	$ (143,009)	$ 29,942
Amortization of intangible assets	17,999	4,970	35,739	9,519
Amortization of debt placement fees	1,172	242	4,515	483
Restructuring	(5,623)	5,043	82,242	8,095
Acquisition and integration related expense	11,148	6,468	73,795	6,801
Income tax effect of non-GAAP adjustments	(6,897)	(2,896)	(27,732)	(4,730)
Non-GAAP net income attributable to Itron, Inc.	$ 20,456	$ 27,924	$ 25,550	$ 50,110
Non-GAAP diluted EPS	$ 0.51	$ 0.71	$ 0.64	$ 1.28
Weighted average common shares outstanding - Diluted	39,789	39,332	39,782	39,274
ADJUSTED EBITDA				
GAAP net income (loss) attributable to Itron, Inc.	$ 2,657	$ 14,097	$ (143,009)	$ 29,942
Interest income	(633)	(470)	(1,294)	(739)
Interest expense	14,645	3,411	30,149	6,610
Income tax provision (benefit)	3,781	16,560	(7,407)	25,607
Depreciation and amortization	30,907	15,090	61,979	29,468
Restructuring	(5,623)	5,043	82,242	8,095
Acquisition and integration related expense	11,148	6,468	73,795	6,801
Adjusted EBITDA	$ 56,882	$ 60,199	$ 96,455	$ 105,784

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands, except per share data)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
FREE CASH FLOW				
Net cash provided by operating activities	$ 41,327	$ 30,187	$ 16,879	$ 93,444
Acquisitions of property, plant, and equipment	(11,876)	(12,776)	(29,309)	(21,898)
Free Cash Flow	$ 29,451	$ 17,411	$ (12,430)	$ 71,546
NON-GAAP OPERATING INCOME				
GAAP operating income (loss)	$ 20,563	$ 37,628	$ (119,885)	$ 68,455
Amortization of intangible assets	17,999	4,970	35,739	9,519
Restructuring	(5,623)	5,043	82,242	8,095
Acquisition and integration related expense	11,148	6,468	73,795	6,801
Non-GAAP operating income	$ 44,087	$ 54,109	$ 71,891	$ 92,870
NON-GAAP OPERATING EXPENSES				
GAAP operating expenses	$ 156,014	$ 140,649	$ 476,317	$ 267,459
Amortization of intangible assets	(17,999)	(4,970)	(35,739)	(9,519)
Restructuring	5,623	(5,043)	(82,242)	(8,095)
Acquisition and integration related expense	(11,148)	(6,468)	(73,795)	(6,801)
Non-GAAP operating expenses	$ 132,490	$ 124,168	$ 284,541	$ 243,044

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands)

SEGMENT RECONCILIATIONS	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
NON-GAAP OPERATING INCOME - ELECTRICITY				
Electricity - GAAP operating income	$ 28,997	$ 17,839	$ 26,229	$ 34,923
Amortization of intangible assets	2,842	2,728	5,722	5,090
Restructuring	(145)	506	19,455	330
Acquisition and integration related expense (recovery)	(1,244)	6,201	(921)	6,201
Electricity - Non-GAAP operating income	$ 30,450	$ 27,274	$ 50,485	$ 46,544
NON-GAAP OPERATING INCOME - GAS				
Gas - GAAP operating income (loss)	$ 15,245	$ 16,977	$ (13,103)	$ 38,708
Amortization of intangible assets	1,107	1,309	2,231	2,586
Restructuring	(2,086)	4,339	41,461	5,423
Gas - Non-GAAP operating income	$ 14,266	$ 22,625	$ 30,589	$ 46,717
NON-GAAP OPERATING INCOME - WATER				
Water - GAAP operating income (loss)	$ 8,824	$ 16,866	$ (2,886)	$ 25,670
Amortization of intangible assets	808	933	1,643	1,843
Restructuring	(1,721)	995	14,993	2,013
Water - Non-GAAP operating income	$ 7,911	$ 18,794	$ 13,750	$ 29,526

GAAP TO NON-GAAP RECONCILIATIONS

(Unaudited, in thousands)

SEGMENT RECONCILIATIONS	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
NON-GAAP OPERATING INCOME - NETWORKS				
Networks - GAAP operating loss	$ (28,219)	$ —	$ (103,729)	$ -
Amortization of intangible assets	13,242	—	26,143	—
Acquisition and integration related expense	12,111	—	74,559	—
Networks - Non-GAAP operating loss	$ (2,866)	$ —	$ (3,027)	$ —
NON-GAAP OPERATING INCOME - CORPORATE UNALLOCATED				
Corporate unallocated - GAAP operating loss	$ (4,284)	$ (14,054)	$ (26,396)	$ (30,846)
Restructuring	(1,671)	(797)	6,333	329
Acquisition and integration related expense	281	267	157	600
Corporate unallocated - Non-GAAP operating loss	$ (5,674)	$ (14,584)	$ (19,906)	$ (29,917)

THANK YOU

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