

ITRON, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited, in thousands, except per share data)

	Three Months Ended March 31.	
	2026	2025
Revenues		
Product revenues	\$ 477,801	\$ 523,141
Service revenues	109,181	84,010
Total revenues	586,982	607,151
Cost of revenues		
Product cost of revenues	300,209	346,442
Service cost of revenues	50,454	43,490
Total cost of revenues	350,663	389,932
Gross profit	236,319	217,219
Operating expenses		
Sales, general and administrative	105,357	86,911
Research and development	54,999	50,090
Amortization of intangible assets	8,172	4,479
Restructuring	214	(553)
Loss on sale of business	—	79
Total operating expenses	168,742	141,006
Operating income	67,577	76,213
Other income (expense)		
Interest income	5,660	11,710
Interest expense	(5,809)	(5,593)
Other income (expense), net	(233)	(51)
Total other income (expense)	(382)	6,066
Income before income taxes	67,195	82,279
Income tax provision	(13,609)	(16,929)
Net income	53,586	65,350
Net income (loss) attributable to noncontrolling interests	127	(124)
Net income attributable to Itron, Inc.	\$ 53,459	\$ 65,474
Net income per common share - Basic	\$ 1.20	\$ 1.44
Net income per common share - Diluted	\$ 1.18	\$ 1.42
Weighted average common shares outstanding - Basic	44,734	45,338
Weighted average common shares outstanding - Diluted	45,470	46,172

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ITRON, INC.
SEGMENT INFORMATION

(Unaudited, in thousands)

	Three Months Ended	
	March 31	
	2026	2025
Product revenues		
Device Solutions	\$ 123,728	\$ 125,387
Networked Solutions	321,147	374,522
Outcomes	31,872	23,232
Resiliency Solutions	1,054	—
Total Company	<u>\$ 477,801</u>	<u>\$ 523,141</u>
Service revenues		
Device Solutions	\$ 649	\$ 484
Networked Solutions	29,516	28,210
Outcomes	64,038	55,316
Resiliency Solutions	14,978	—
Total Company	<u>\$ 109,181</u>	<u>\$ 84,010</u>
Total revenues		
Device Solutions	\$ 124,377	\$ 125,871
Networked Solutions	350,663	402,732
Outcomes	95,910	78,548
Resiliency Solutions	16,032	—
Total Company	<u>\$ 586,982</u>	<u>\$ 607,151</u>
Adjusted gross profit		
Device Solutions	\$ 44,019	\$ 37,753
Networked Solutions	143,073	148,714
Outcomes	40,024	30,752
Resiliency Solutions	11,698	—
Total Company	<u>\$ 238,814</u>	<u>\$ 217,219</u>
Adjusted segment operating income		
Device Solutions	\$ 36,892	\$ 30,471
Networked Solutions	110,136	116,109
Outcomes	22,355	14,330
Resiliency Solutions	4,331	—
Total Company	<u>\$ 173,714</u>	<u>\$ 160,910</u>
Adjusted Gross Margin	40.7 %	35.8 %

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ITRON, INC.
CONSOLIDATED BALANCE SHEETS

(Unaudited, in thousands)

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 712,850	\$ 1,020,397
Accounts receivable, net	393,170	367,794
Inventories	239,892	242,886
Other current assets	178,769	191,241
Total current assets	<u>1,524,681</u>	<u>1,822,318</u>
Property, plant, and equipment, net	122,226	112,193
Deferred tax assets, net	257,627	265,183
Other long-term assets	64,928	63,352
Operating lease right-of-use assets, net	36,601	29,341
Intangible assets, net	277,138	83,337
Goodwill	1,695,003	1,344,983
Total assets	<u>\$ 3,978,204</u>	<u>\$ 3,720,707</u>
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 172,924	\$ 156,288
Other current liabilities	50,932	58,864
Wages and benefits payable	91,652	122,245
Taxes payable	22,173	16,618
Current portion of debt, net	—	459,522
Current portion of warranty	12,969	10,868
Unearned revenue	222,972	187,822
Total current liabilities	<u>573,622</u>	<u>1,012,227</u>
Long-term debt, net	1,573,835	788,805
Long-term warranty	7,342	7,350
Pension benefit obligation	60,163	61,998
Deferred tax liabilities, net	9,618	623
Operating lease liabilities	28,278	19,623
Other long-term obligations	96,398	91,885
Total liabilities	<u>2,349,256</u>	<u>1,982,511</u>
Equity		
Common stock	1,511,342	1,661,350
Accumulated other comprehensive loss, net	(69,331)	(56,505)
Retained earnings	165,210	111,751
Total Itron, Inc. shareholders' equity	<u>1,607,221</u>	<u>1,716,596</u>
Noncontrolling interests	21,727	21,600
Total equity	<u>1,628,948</u>	<u>1,738,196</u>
Total liabilities and equity	<u>\$ 3,978,204</u>	<u>\$ 3,720,707</u>

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ITRON, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited, in thousands)

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
Operating activities		
Net income	\$ 53.586	\$ 65.350
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	18.536	12.068
Non-cash operating lease expense	3.309	2.923
Stock-based compensation	20.070	16.558
Amortization of prepaid debt fees	1.849	1.781
Deferred taxes, net	3.470	(5.461)
Loss on sale of business	—	79
Restructuring, non-cash	462	(25)
Other adjustments, net	175	(338)
Changes in operating assets and liabilities, net of acquisition and sale of businesses:		
Accounts receivable	(17.623)	6.414
Inventories	2.364	(10.099)
Other current assets	11.699	(5.959)
Other long-term assets	(2.419)	(1.087)
Accounts payable, other current liabilities, and taxes payable	8.309	10.529
Wages and benefits payable	(33.472)	(48.692)
Unearned revenue	18.041	39.113
Warrants	2.076	241
Restructuring	(4.190)	(8.328)
Other operating, net	(741)	(2.950)
Net cash provided by operating activities	<u>85.501</u>	<u>72.117</u>
Investing activities		
Acquisitions of property, plant, and equipment	(6.527)	(4.639)
Business acquisitions, net of cash and cash equivalents acquired	(515.055)	—
Other investing, net	10	5
Net cash used in investing activities	<u>(521.572)</u>	<u>(4.634)</u>
Financing activities		
Proceeds from borrowings	805.000	—
Payments on debt	(460.000)	—
Issuance of common stock	677	2.195
Payments on call spread for convertible offering	(92.817)	—
Repurchase of common stock	(100.000)	—
Prepaid debt fees	(21.166)	(175)
Other financing, net	(274)	(259)
Net cash provided by financing activities	<u>131.420</u>	<u>1.761</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(2.896)</u>	<u>2.786</u>
Increase (decrease) in cash and cash equivalents	(307.547)	72.030
Cash and cash equivalents at beginning of period	<u>1,020,397</u>	<u>1,051,237</u>
Cash and cash equivalents at end of period	<u>\$ 712,850</u>	<u>\$ 1,123,267</u>

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About Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared 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, free cash flow, adjusted gross profit, adjusted operating income, and constant currency. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP, and other companies may define such measures differently. For a reconciliation of each non-GAAP measure to the most comparable financial measure prepared and presented in accordance with GAAP, please see the table captioned Reconciliations of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures.

We use these non-GAAP financial measures for financial and operational decision making and/or as a means for determining executive compensation. Management believes that these non-GAAP financial measures provide meaningful supplemental information regarding our performance and ability to service debt by excluding certain expenses that may not be indicative of our recurring core operating results. These non-GAAP financial measures facilitate management's internal comparisons to our historical performance, as well as comparisons to our competitors' operating results. Our executive compensation plans exclude non-cash charges related to amortization of intangibles and depreciation of property, plant, and equipment and certain discrete cash and non-cash charges, such as restructuring, loss on sale of business, strategic initiative expenses, or acquisition and integration related expenses. We believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting and analyzing future periods. We believe these non-GAAP financial measures are useful to investors because they provide greater transparency with respect to key metrics used by management in its financial and operational decision making and because they are used by our institutional investors and the analyst community to analyze the health of our business.

Non-GAAP operating expenses and non-GAAP operating income – We define non-GAAP operating expenses as operating expenses excluding certain expenses related to the amortization of intangible assets, restructuring, loss on sale of business, strategic initiative expenses, and acquisition and integration related expenses. We define non-GAAP operating income as operating income excluding the expenses related to the amortization of intangible assets, restructuring, loss on sale of business, strategic initiative expenses, and acquisition and integration related expenses. Acquisition and integration related expenses include costs, which are incurred to affect and integrate business combinations, such as professional fees; certain employee retention and salaries related to integration; employee severance; contract terminations; travel costs related to knowledge transfer; system conversion costs; and asset impairment charges. We consider these non-GAAP financial measures to be useful metrics for management and investors because they exclude the effect of expenses that are not related to our core operating results. By excluding these expenses, we believe that it is easier for management and investors to compare our financial results over multiple periods and analyze trends in our operations. For example, in certain periods, expenses related to amortization of intangible assets may decrease, which would improve GAAP operating margins, yet the improvement in GAAP operating margins due to this lower expense is not necessarily reflective of an improvement in our core business. There are some limitations related to the use of non-GAAP operating expenses and non-GAAP operating income versus operating expenses and operating income calculated in accordance with GAAP. We compensate for these limitations by providing specific information about the GAAP amounts excluded from non-GAAP operating expense and non-GAAP operating income and

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evaluating non-GAAP operating expense and non-GAAP operating income together with GAAP operating expense and operating income.

Non-GAAP net income and non-GAAP diluted EPS – We define non-GAAP net income as net income attributable to Itron, Inc. excluding the expenses associated with amortization of intangible assets, amortization of debt placement fees, restructuring, loss on sale of business, strategic initiative expenses, acquisition and integration related expenses, and the tax effect of excluding these expenses. We define non-GAAP diluted EPS as non-GAAP net income divided by diluted weighted-average shares outstanding during the period calculated on a GAAP basis and then reduced to reflect any anti-dilutive impact of the convertible notes hedge transactions. We consider these financial measures to be useful metrics for management and investors for the same reasons that we use non-GAAP operating income. The same limitations described above regarding our use of non-GAAP operating income apply to our use of non-GAAP net income and non-GAAP diluted EPS. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from these non-GAAP measures and evaluating non-GAAP net income and non-GAAP diluted EPS together with GAAP net income attributable to Itron, Inc. and GAAP diluted EPS.

For interim periods the budgeted annual effective tax rate (AETR) is used, adjusted for any discrete items, as defined in Accounting Standards Codification (ASC) 740 - Income Taxes. The budgeted AETR is determined at the beginning of the fiscal year. The AETR is revised throughout the year based on changes to our full-year forecast. If the revised AETR increases or decreases by 200 basis points or more from the budgeted AETR due to changes in the full-year forecast during the year, the revised AETR is used in place of the budgeted AETR beginning with the quarter the 200 basis point threshold is exceeded and going forward for all subsequent interim quarters in the year. We continue to assess the AETR based on latest forecast throughout the year and use the most recent AETR anytime it increases or decreases by 200 basis points or more from the prior interim period.

Adjusted EBITDA – We define adjusted EBITDA as net income (a) minus interest income, (b) plus interest expense, depreciation and amortization, restructuring, loss on sale of business, strategic initiative expenses, acquisition and integration related expenses, and (c) excluding income tax provision or benefit. Management uses adjusted EBITDA as a performance measure for executive compensation. A limitation to using adjusted EBITDA is that it does not represent the total increase or decrease in the cash balance for the period and the measure includes some non-cash items and excludes other non-cash items. Additionally, the items that we exclude in our calculation of adjusted EBITDA may differ from the items that our peer companies exclude when they report their results. We compensate for these limitations by providing a reconciliation of this measure to GAAP net income.

Free cash flow – We define free cash flow as net cash provided by operating activities less cash used for acquisitions of property, plant and equipment. We believe free cash flow provides investors with a relevant measure of liquidity and a useful basis for assessing our ability to fund our operations and repay our debt. The same limitations described above regarding our use of adjusted EBITDA apply to our use of free cash flow. We compensate for these limitations by providing specific information regarding the GAAP amounts in the reconciliation.

Adjusted gross profit – We define adjusted gross profit as gross profit excluding the amortization expense of core-developed technology intangible assets.

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Adjusted operating income – We define adjusted operating income as operating income excluding the amortization of core-developed technology intangible assets.

Constant currency – We refer to the impact of foreign currency exchange rate fluctuations in our discussions of financial results, which references the differences between the foreign currency exchange rates used to translate operating results from the entity's functional currency into U.S. dollars for financial reporting purposes. We also use the term "constant currency", which represents financial results adjusted to exclude changes in foreign currency exchange rates as compared with the rates in the comparable prior year period. We calculate the constant currency change as the difference between the current period results and the comparable prior period's results restated using current period foreign currency exchange rates.

The tables below reconcile the non-GAAP financial measures of operating expenses, operating income, net income, diluted EPS, adjusted EBITDA, and free cash flow with the most directly comparable GAAP financial measures.

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,	
	2026	2025
NON-GAAP OPERATING EXPENSES		
GAAP operating expenses	\$ 168,742	\$ 141,006
Amortization of intangible assets ⁽¹⁾	(8,172)	(4,479)
Restructuring	(214)	553
Loss on sale of business	—	(79)
Strategic initiative	(20)	—
Acquisition and integration	(5,977)	(51)
Non-GAAP operating expenses	<u>\$ 154,359</u>	<u>\$ 136,950</u>
NON-GAAP OPERATING INCOME		
GAAP operating income	\$ 67,577	\$ 76,213
Amortization of intangible assets	10,667	4,479
Restructuring	214	(553)
Loss on sale of business	—	79
Strategic initiative	20	—
Acquisition and integration	5,977	51
Non-GAAP operating income	<u>\$ 84,455</u>	<u>\$ 80,269</u>
NON-GAAP NET INCOME & DILUTED EPS		
GAAP net income attributable to Itron, Inc.	\$ 53,459	\$ 65,474
Amortization of intangible assets	10,667	4,479
Amortization of debt placement fees	1,830	1,737
Restructuring	214	(553)
Loss on sale of business	—	79
Strategic initiative	20	—
Acquisition and integration	5,977	51
Income tax effect of non-GAAP adjustments	(4,475)	(1,157)
Non-GAAP net income attributable to Itron, Inc.	<u>\$ 67,692</u>	<u>\$ 70,110</u>
Non-GAAP diluted EPS	<u>\$ 1.49</u>	<u>\$ 1.52</u>
Non-GAAP weighted average common shares outstanding - Diluted	<u>45,470</u>	<u>46,172</u>

(1) Excludes amortization of core-developed technology intangible assets.

ITRON. INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES
TO THE MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES

(Unaudited, in thousands)

TOTAL COMPANY RECONCILIATIONS	Three Months Ended March 31,	
	2026	2025
ADJUSTED EBITDA		
GAAP net income attributable to Itron, Inc.	\$ 53,459	\$ 65,474
Interest income	(5,660)	(11,710)
Interest expense	5,809	5,593
Income tax provision	13,609	16,929
Depreciation and amortization	18,536	12,068
Restructuring	214	(553)
Loss on sale of business	—	79
Strategic initiative	20	—
Acquisition and integration	5,977	51
Adjusted EBITDA	<u>\$ 91,964</u>	<u>\$ 87,931</u>
FREE CASH FLOW		
Net cash provided by operating activities	\$ 85,501	\$ 72,117
Acquisitions of property, plant, and equipment	(6,527)	(4,639)
Free Cash Flow	<u>\$ 78,974</u>	<u>\$ 67,478</u>

The tables below reconcile the non-GAAP financial measure of adjusted gross profit with the most directly comparable GAAP financial measure.

TOTAL COMPANY RECONCILIATIONS	Three Months Ended March 31, 2026				
	Device Solutions	Networked Solutions	Outcomes	Resiliency Solutions	Segments Subtotal
<i>(Unaudited, in thousands)</i>					
Total revenues	\$ 124,377	\$ 350,663	\$ 95,910	\$ 16,032	\$ 586,982
Total cost of revenues	80,358	207,590	56,511	6,204	350,663
Gross profit	44,019	143,073	39,399	9,828	236,319
Gross margin	35.4 %	40.8 %	41.1 %	61.3 %	40.3 %
Amortization of core-developed technology intangible assets	\$ —	\$ —	\$ 625	\$ 1,870	\$ 2,495
Adjusted gross profit	44,019	143,073	40,024	11,698	238,814
Adjusted gross margin	35.4 %	40.8 %	41.7 %	73.0 %	40.7 %
Three Months Ended March 31, 2025					
<i>(Unaudited, in thousands)</i>					
Total revenues	\$ 125,871	\$ 402,732	\$ 78,548	\$ 607,151	
Total cost of revenues	88,118	254,018	47,796	389,932	
Gross profit	37,753	148,714	30,752	217,219	
Gross margin	30.0 %	36.9 %	39.2 %	35.8 %	
Amortization of core-developed technology intangible assets	\$ —	\$ —	\$ —	\$ —	
Adjusted gross profit	37,753	148,714	30,752	217,219	
Adjusted gross margin	30.0 %	36.9 %	39.2 %	35.8 %	

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