



Investor Presentation

NASDAQ: ITI

January 2024

Safe Harbor Statement

This presentation may contain “forward-looking statements” within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Words such as “anticipates,” “expects,” “intends,” “goals,” “plans,” “believes,” “seeks,” “estimates,” “continues,” “may,” “will,” “would,” “should,” “could,” and variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements may include the potential or anticipated growth relating to the total addressable market (TAM) or market opportunity, the development status and planned availability of new products and features, and guidance provided on future revenue, gross margins, and certain operating expenses. All statements that we make or incorporate by reference in the presentation, other than statements or characterizations of historical fact, are forward-looking statements and involved many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. It should be clearly understood that these forward-looking statements, and our assumptions about the factors that influence them, are based on the limited information available to management at the date of this presentation (unless an earlier date is indicated). Such information is subject to change, and we may not inform you when changes occur. We undertake no obligation to revise or update publicly any forward-looking statement to reflect future events or circumstances.

Forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those described in the statements you hear today as a result of various factors. For further information on Iteris, Inc., including additional risk factors that may affect our forward-looking statements that could contribute to such differences or otherwise affect our business, results of operations and financial condition is contained in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, and our other SEC filings that are available through the SEC’s website (www.sec.gov).

For additional financial and statistical information, including the information disclosed in accordance with SEC Regulation G, please see the Investors section of our website (www.iteris.com).

Non-GAAP Financial Measures: This presentation includes certain non-GAAP financial measures, such as adjusted EBITDA. To supplement our assessment of results prepared in accordance with GAAP, we use non-GAAP measures as defined by the Securities and Exchange Commission. For a reconciliation of such non-GAAP financial measures to the closest GAAP measure as well as why management believes these measures are useful, see “Non-GAAP Financial Measures” in the Appendix of this presentation.

Iteris combines leading software, hardware, and services on a platform that's built to enable the future of connected transportation.

| | | |
|--|--|---|
| 10k+ public agency & commercial customers | 200k+ sensors installed | 2bn+ Detections per day |
| 1.5 Petabytes of data processed annually | 32 patents | 440 Industry, technical & domain experts |
| \$156.1M FY 2023 revenue | 17% Year-over-year revenue growth | 25% Current ARR as % of total revenue |

As of 09/30/2023





**We believe the world's
oldest infrastructure is also
its newest opportunity.**

But to unlock this opportunity, we must evolve.
From physical network,



A highly fragmented landscape

>\$60B legacy market with dozens of categories,
each comprised of multiple point solutions.

An outdated patchwork of technology

Local agencies often struggle to operate in complex, heterogeneous environments, with limited resources and expertise.

An impediment to shared goals

Despite increasing interdependencies, the existing infrastructure makes it difficult for agencies to collaborate with one another, let alone with industry stakeholders (e.g. auto OEMs, fleet operators, and insurers).

To data-driven, dynamic ecosystem.



Connected by the cloud

The adoption of new cloud architectures and process virtualization will enable greater interoperability.

Empowered by always-on insights

Virtualizing common challenges will enable agencies and businesses to rapidly shape solutions.

Transformed through partnership

Ecosystem collaboration will create a virtuous cycle that benefits all participants.

Only Iteris has what it takes to deliver on the promise of **smarter infrastructure** for a cloud-connected world.

Today

Disparate applications
Built on outmoded practices
Closed systems
Brittle legacy architecture
Fragmented resources & support

Tomorrow

Integrated platform
Multi-disciplinary best practices
Open, configurable & extensible software
Dynamic, intelligent ecosystem
Partnership at every step

How we collaborate is at the center of true connectivity—and lasting transformation.

Bridging public and private sectors.

Empowering local and global leaders.

Developing easily configurable, shared solutions.

Working with—not against—our current reality.

Designing for a world of constant change.

We are ushering in the next era of transportation: a virtuous cycle where everyone wins.

Smart sensors

Detect incoming pedestrian or bicyclist (i.e., vulnerable road users) and alert drivers at the intersection.



We are ushering in the next era of transportation: a virtuous cycle where everyone wins.

Smart vehicles

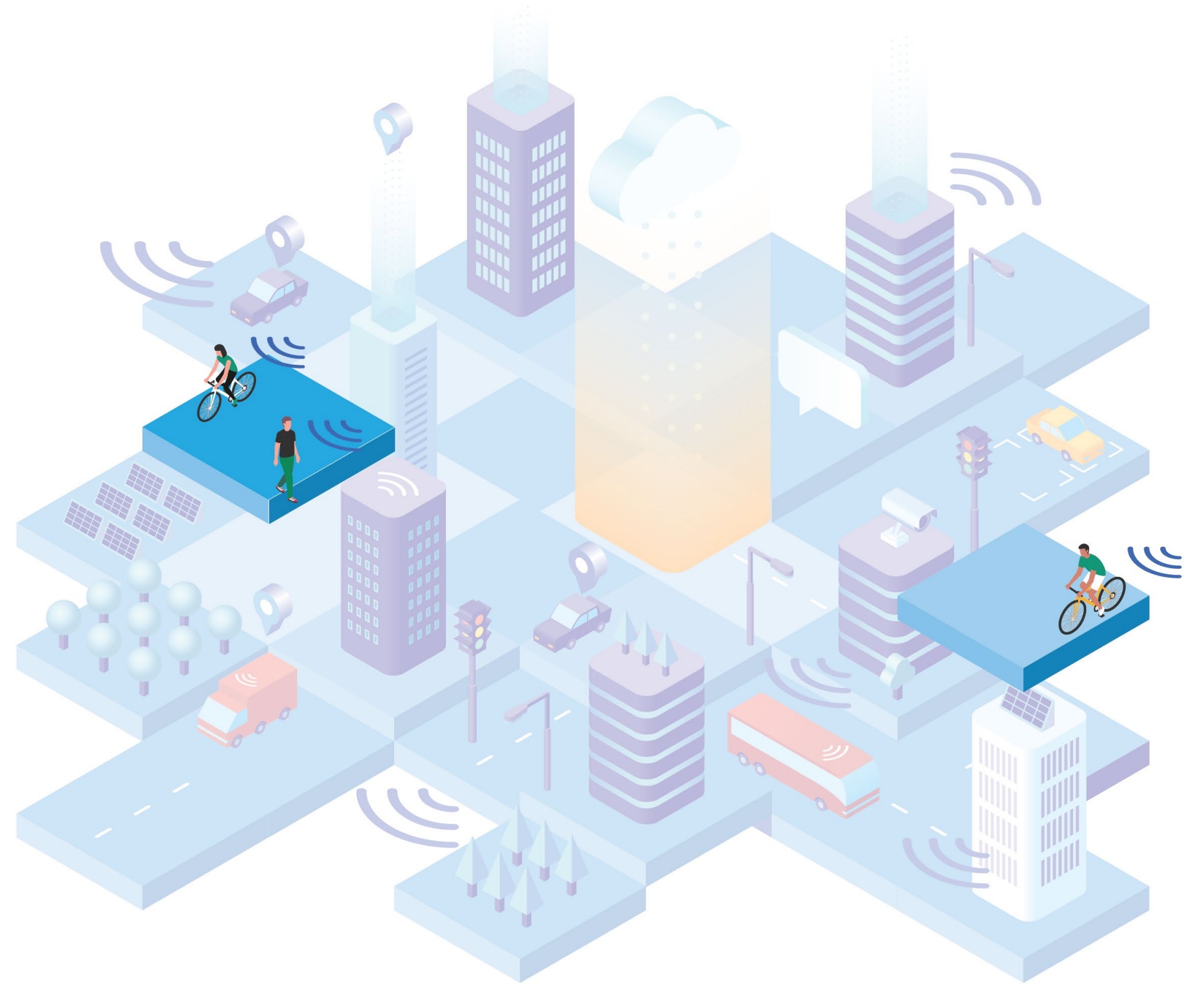
Connect to a cloud-based platform that can dynamically harmonize road infrastructure with real-time traffic.



We are ushering in the next era of transportation: a virtuous cycle where everyone wins.

Smart Apps

Push alerts and other critical information about incoming traffic and danger to vulnerable road users.



Smart Systems

[illegible]

**Where all stakeholders
within the infrastructure can
collaborate, so smart mobility
can thrive.**

**Multi-directional
data flow**

Among public agencies,
commercial entities, and
the travelling public.

**Curated and enriched
third-party data**

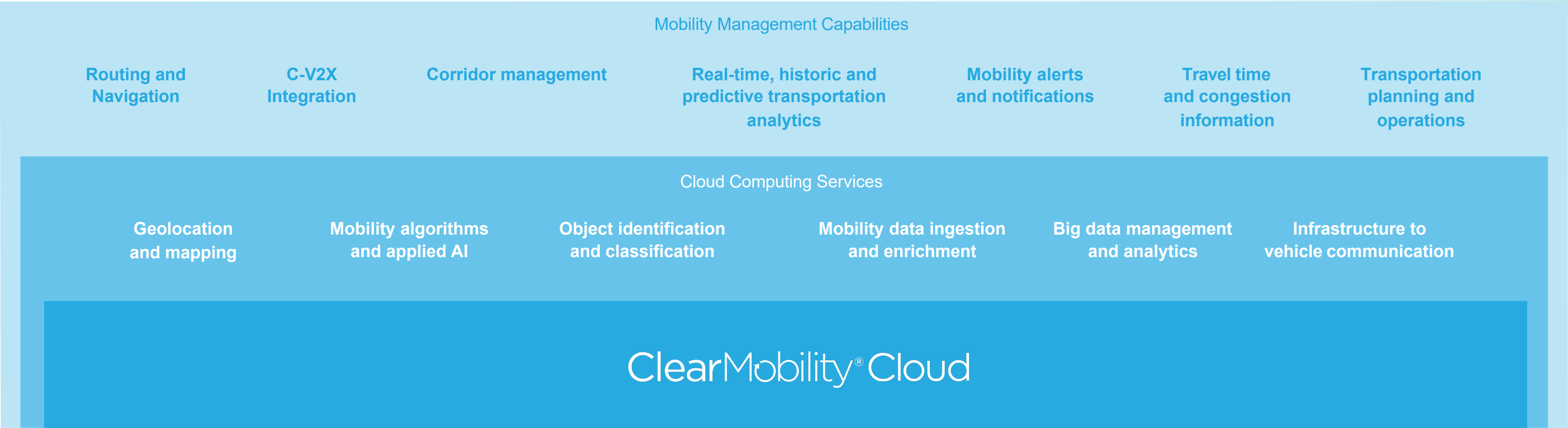
Contributes to continuous
enhancement in the ecosystem.

**Cloud-powered
ecosystem**

Connecting all elements
of the mobility infrastructure
and its users.



We do this by delivering the industry's first **end-to-end platform...**



that enables the flexible delivery of industry-leading solutions.



Smarter infrastructure means better outcomes.



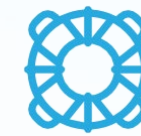
Collaboration

Seamless exchange of critical data enables stronger public and private partnerships, resulting in accelerated mobility innovation.



Efficiency

Cloud-based platform improves traffic throughput, enables cost sharing, and produces scale benefits.



Safety

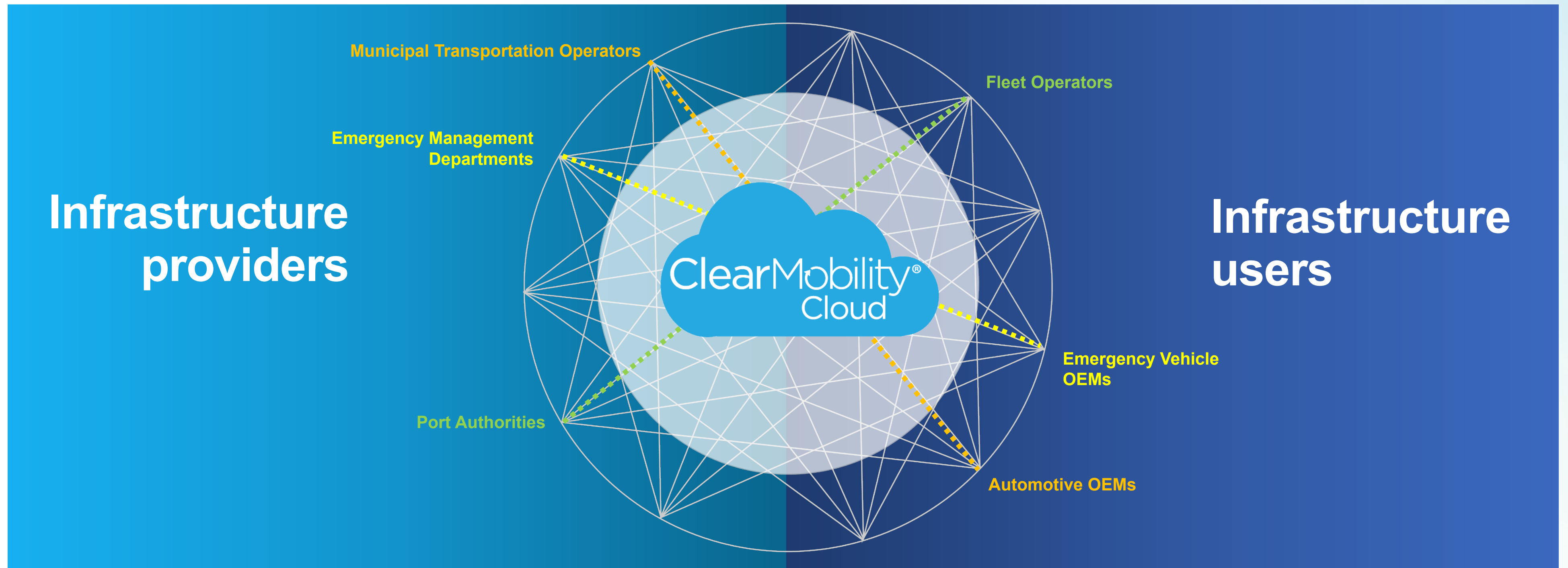
Fewer crashes and collisions, fewer injuries, and better data for further improvement.



Sustainability

Less congestion lowers carbon footprint; data-driven planning enables smarter, greener cities.

Smarter infrastructure means more possibilities for all stakeholders.

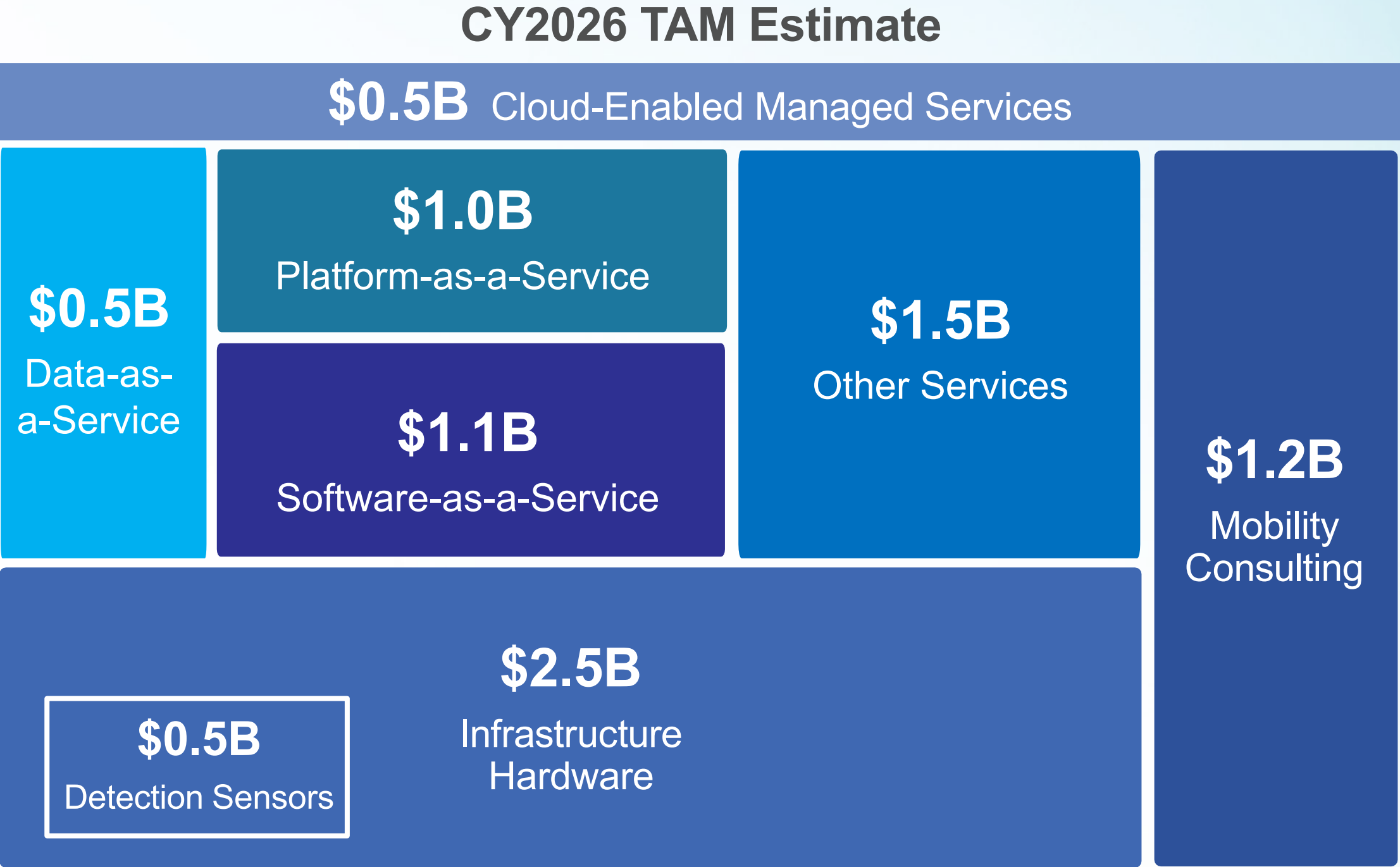


Smarter infrastructure means continuous value.

\$8.3B TAM (NA only) by CY26

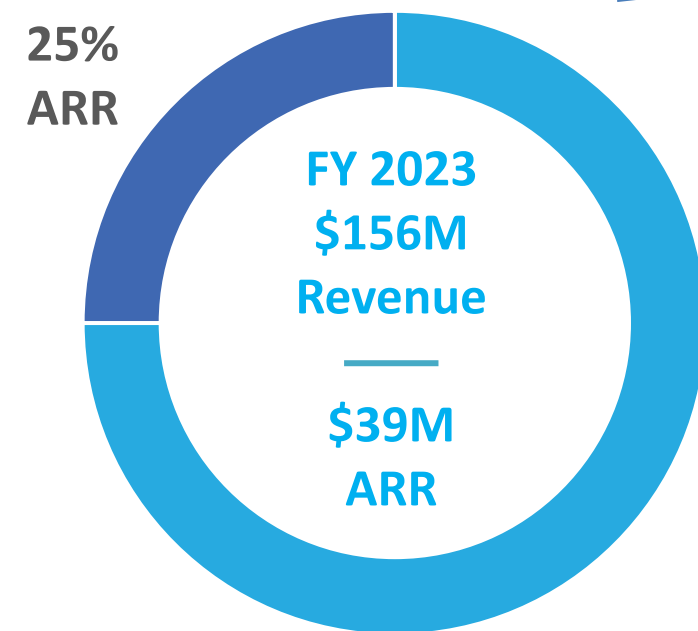
8% CY21-26 CAGR

>35% or \$3.2B of TAM convertible to SaaS or other recurring revenue



Vision 2027

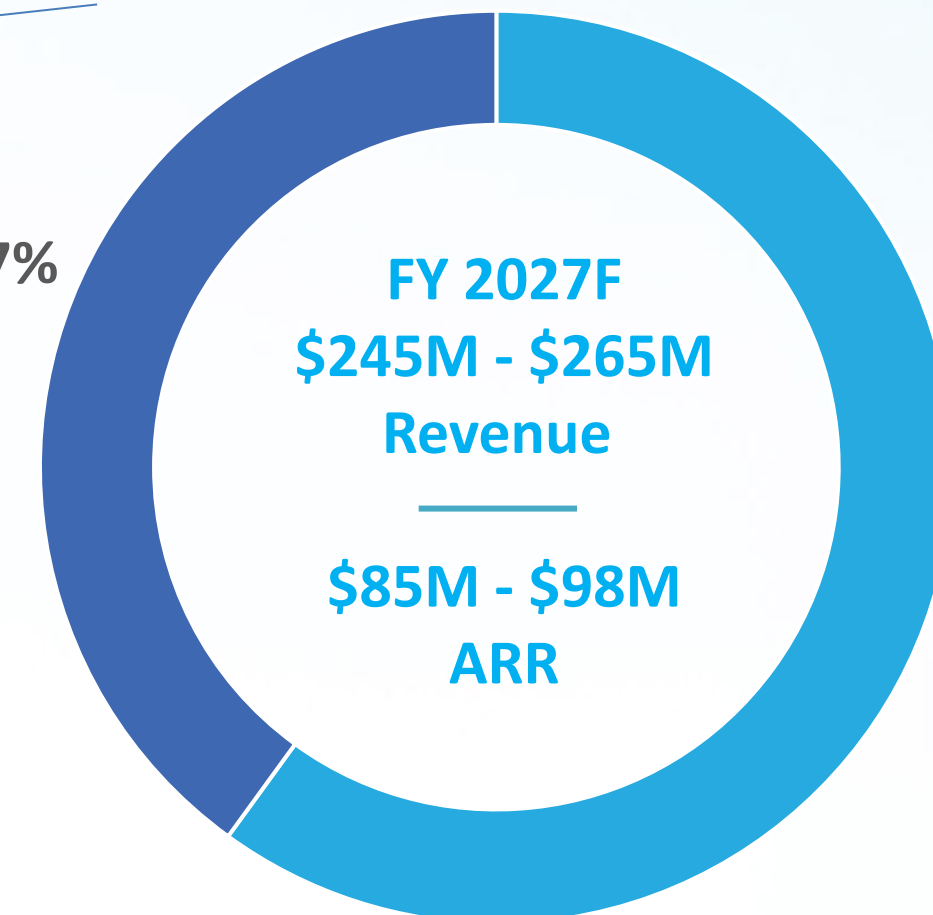
~\$245M - \$265M in revenue by fiscal 2027 (14-16% CAGR*)



25%
ARR

~76%+ increase in Net
Revenues from 2023
to 2027 (mid-point)

35%-37%
ARR

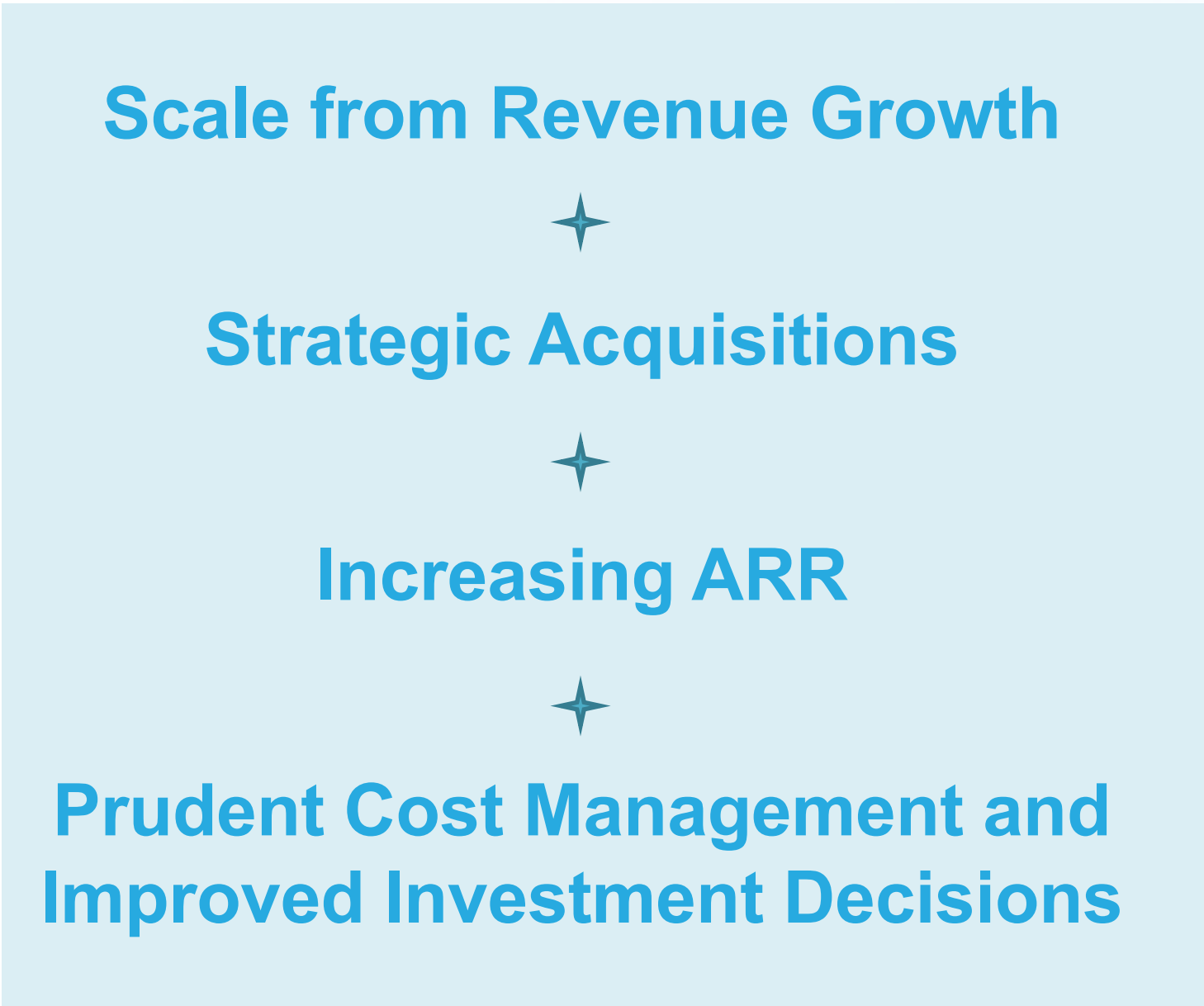
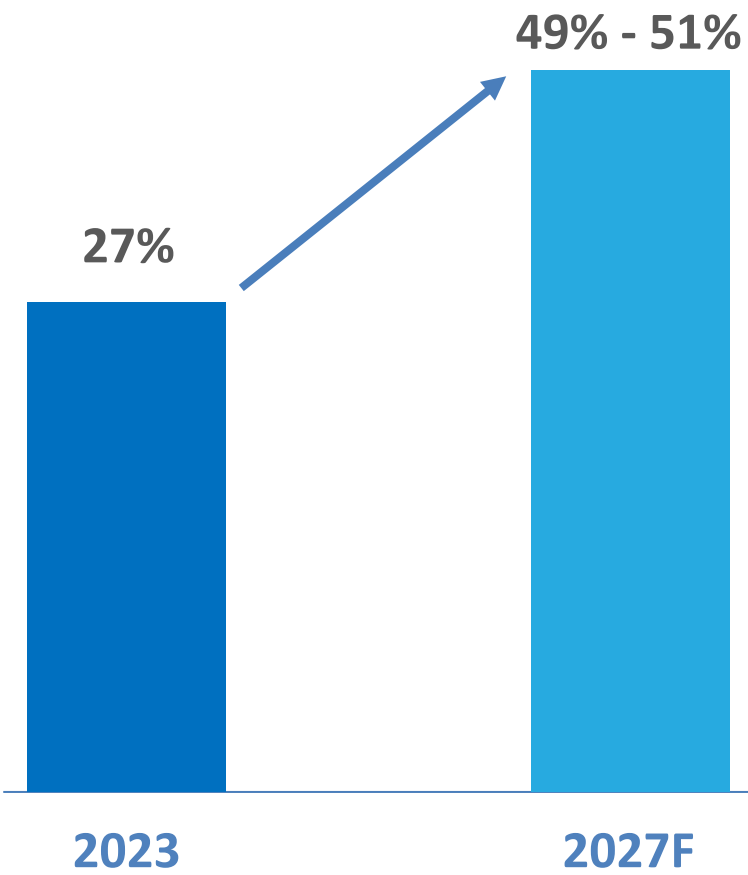


* Excludes any potential upside from the Infrastructure Investment and Jobs Act (IIJA), future new product introductions, and / or acquisitions

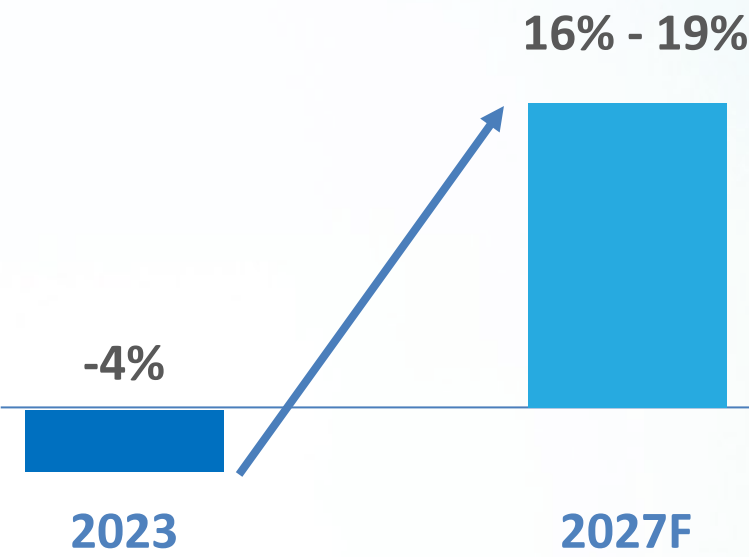
Vision 2027

Focus on supply chain improvement plan and operational excellence results in significant improvement in both gross margins and adjusted EBITDA margins

Gross Margins (%)

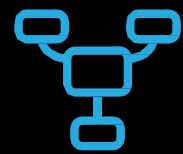


Adj. EBITDA Margin (%)



* Adjusted for one-time non-recurring items

A Smarter Future



Attractive business model

A scalable, platform-based model that addresses critical market requirements, by enabling essential insight and collaboration.



Ripe, dynamic market

The landscape is primed for Iteris adoption. Public- and private-sector stakeholders are highly vested in the evolution of smarter infrastructure.



Strategic optionality

ClearMobility Platform is designed to scale horizontally to address a wide spectrum of agency and enterprise customers.

Thank you

NASDAQ: ITI

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Key Statistics

| Trading Data <i>(at 12-29-23)</i> | |
|-----------------------------------|---------------|
| Stock Price | \$5.20 |
| 52 Week Low/High | \$2.93/\$5.49 |
| Avg. Daily Vol. <i>(3 mos.)</i> | 93,430 |
| Shares Outstanding | 42.73M |
| Public Float, est. | 97.99% |
| Institutional Holdings | 50.53% |
| Market Cap | \$222.63M |

| Financial Highlights <i>(at 09-30-23)</i> | |
|---|----------|
| Total Revenue <i>(ttm)</i> | \$170.2M |
| | |
| Cash | \$20.2M |
| Total Assets | \$116.6M |
| Total Debt | \$0.0M |
| Total Liabilities | \$49.0M |
| Total Backlog | \$124.0M |

Source: Yahoo Finance. ITI fiscal year ends Mar 31.

Non-GAAP Financial Measures Note

Regarding Non-GAAP Financial Information

This presentation contains non-GAAP financial measures, including Adjusted EBITDA (which excludes interest expense, income tax expense (benefit), depreciation, amortization, stock-based compensation expense, net gain on divestitures, project loss reserves and restructuring charges). The Company believes the presentation of these non-GAAP financial measures provide important supplemental information to management and investors regarding financial and business trends relating to its financial condition and results of operations. The Company's management uses these non-GAAP financial measures along with the most directly comparable GAAP financial measures in evaluating the Company's actual and forecasted operating performance, capital resources and cash flow. The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company discloses different non-GAAP financial measures in order to provide greater transparency and to help the Company's investors to more meaningfully evaluate and compare the Company's results to its previously reported results. The non-GAAP financial measures that the Company uses may not be comparable to similarly titled financial measures used by other companies. For more information on our non-GAAP financial measures and a reconciliation of such measures to the nearest GAAP measure, please see our latest 10-Q filing.