



Americas

Prasanna Venkatesan, EVP Americas



Regional footprint

- Serving North, Central and South America as well as other territories such as Japan where ANSI metering standards prevail
- 14 utility operation centers and a regional corporate headquarters
- Manufacturing facilities in Mexico and Brazil

Regional highlights

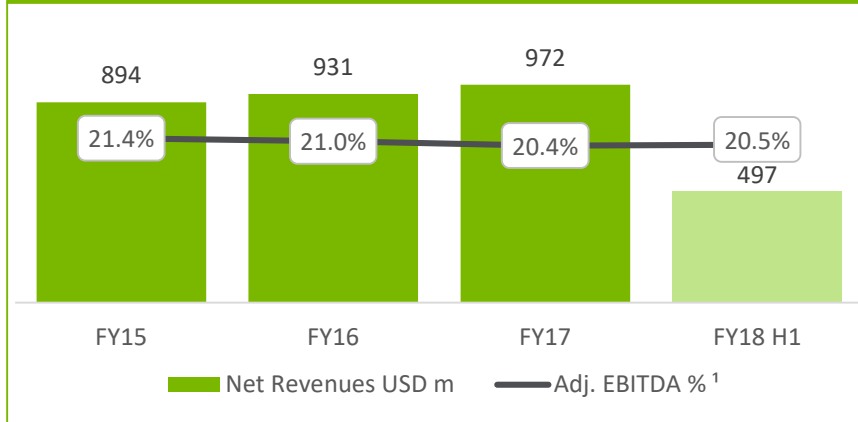
- **Leading supplier of smart metering solutions in the Americas** with over 55m connected intelligent devices deployed¹, offering a comprehensive Gridstream portfolio with complete communications flexibility (RF, PLC, cellular)
- **Biggest installed base of smart electric meters in North America**
- **Largest installed base of standalone and smart electric meters in South America**
- **Deploying the world's largest utility IoT network** in Tokyo with over 20m electric endpoints installed at present² (27m at completion)
- **Excellent brand recognition**

Americas delivers top line growth while maintaining margin

Performance

- Sales to external customers in the Americas region rose to a new record high of USD 972m in FY17
- Strong FY18 H1 performance, the market for smart metering solutions continues to be robust in North America
- Adj. EBITDA margin maintained above 20%
- USD 1'523m committed backlog at the end of FY18 H1

Revenues and profitability



Committed backlog



1. Following the adoption by the Company of ASU 2017-07 relating to defined benefit pension scheme costs, Adj. EBITDA has been revised down by USD 0.6m, up by USD 0.1m, and down by USD 0.7m in FY15, FY16 and FY17 respectively as all pension income and expenses other than service costs are now reported under "Other income (expense)"

Attractive addressable markets with trend for grid edge intelligence accelerating in North America

- North America
 - Resilient smart metering market
 - 2nd wave rollouts starting
 - Demand for grid edge intelligence

- Latin America
 - Impacted by economic situation
 - AMI pilots in Brazil

- Japan
 - 1st wave deployments winding down
 - Next generation refresh planned from 2023

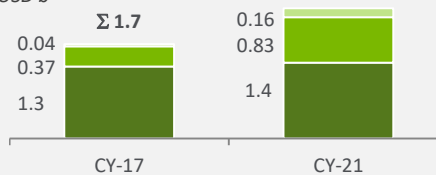
North America

- Smart metering
- Grid edge intelligence
- Smart infrastructure

Market evolution

Addressable market segments²

USD b

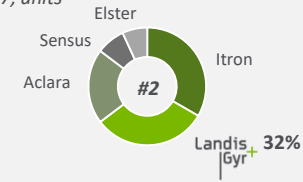


CAGR 17-21

+37%
+22%
+1%
+8%

Market position

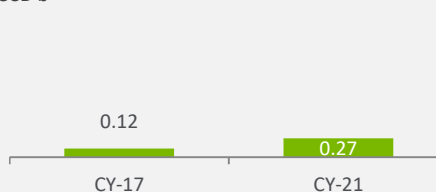
Smart electric meters market share, 2017, units¹



Latin America

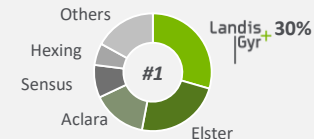
Smart electric meters

USD b¹



CAGR 17-21
+22%

Market share, 2017, units¹



Japan

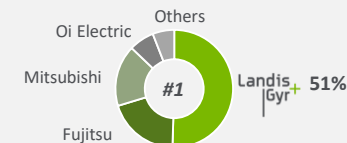
Smart electric meters

USD b¹



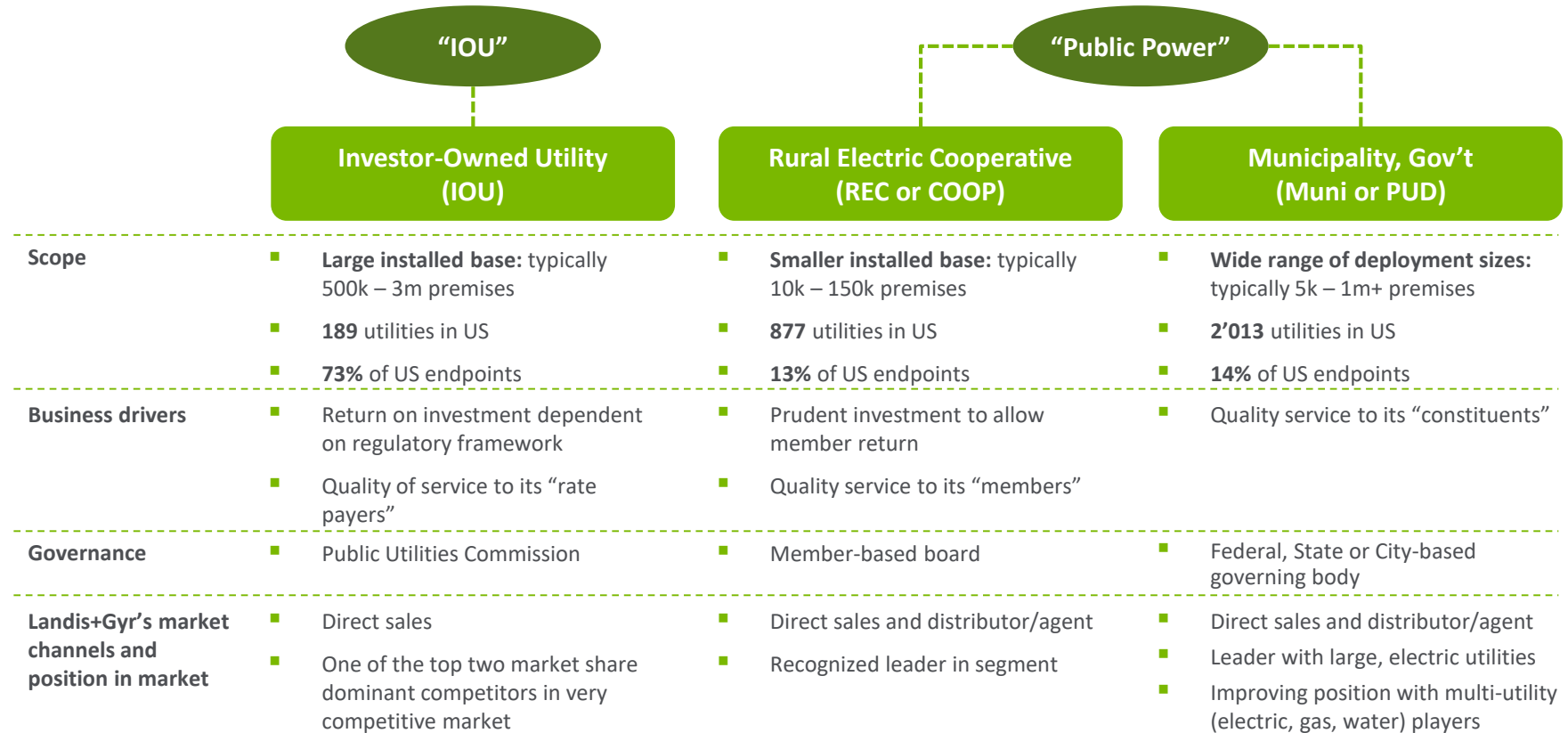
CAGR 17-21
-14%

Residential electricity AMI comms market share, 2017, units³

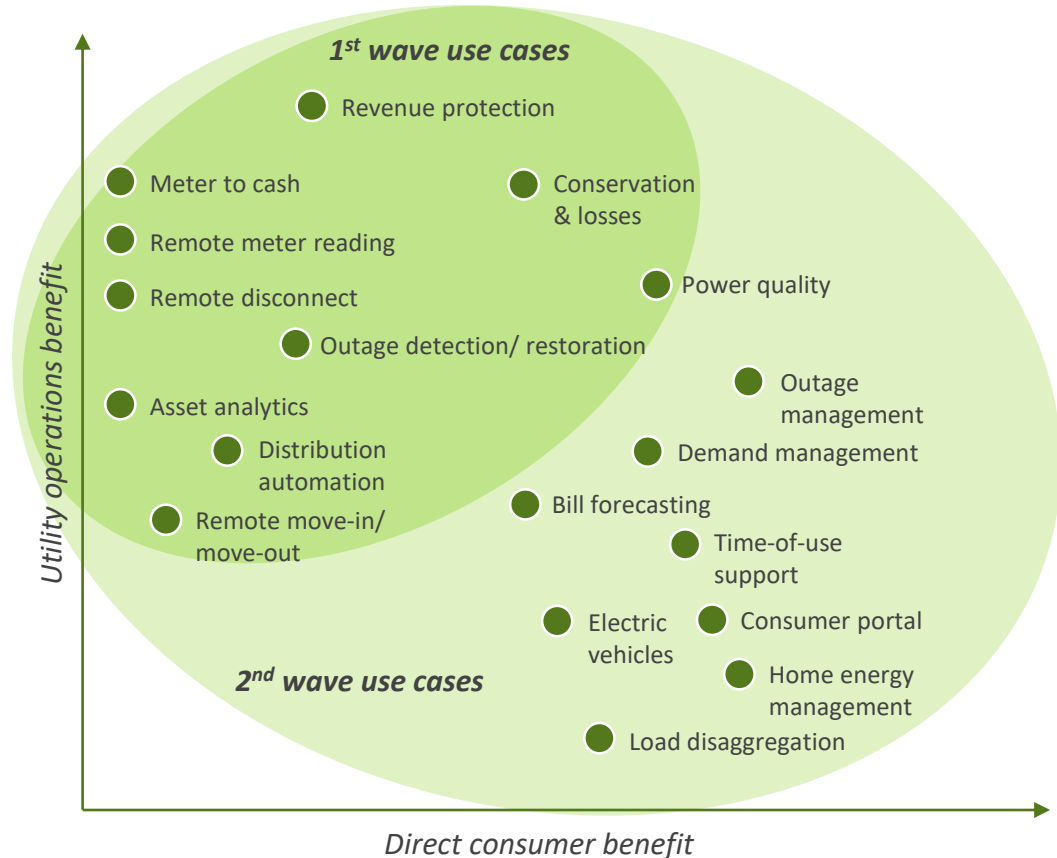


1. IHS Markit (2018)
2. IHS Markit (2018) and Landis+Gyr internal company estimates (2018)
3. Frost & Sullivan (2018)

North America utility segmentation is diverse and drives the need for flexible offerings



- Utilities seek increased benefits in 2nd wave deployments – use cases now include direct consumer benefits in addition to operational benefits from 1st wave
- Intelligence at the grid edge is fundamental to the enablement of these 2nd wave use cases



2nd wave use cases driven by real utility needs today

Regulated distribution utilities



2nd wave use cases

Enable distributed energy

Improve grid resilience

Retailers



Ensure consumer loyalty

Empower consumers

Utility “X” tender requirements (2018)

- Grid mapping
- Distributed ledgers
- Advance HEM interoperability
- Advance DER submetering
- Outage detection
- Fault detection
- Power quality
- Appliance health monitoring
- Standard load disaggregation
- Real-time load disaggregation
- Marketplace energy portals
- Flexible billing
- Demand manager
- TOU manager
- “Bill Buddy”

Clear need for grid edge intelligence opening up new market opportunities



Key data for Landis+Gyr North America¹

>35m

deployed
smart meters

>14m

meters under
managed services

800+

utilities served

Market development and utility needs

- 1st wave AMI rollout with remaining utilities
- Early adopters commence 2nd wave AMI rollout
- Increased investment in grid edge intelligence: distribution automation, new consumer programs, distributed energy resources, cyber security

How do we win

- Leading technology offering and roadmap
- Trusted partner with market leading delivery and quality
- Flexible business models
- Portfolio exceeding standards and interoperability
- Diverse suite of services offerings

Our priorities

- Continue to win high share of AMI deals in IOU segment with grid edge intelligence and our innovative technology roadmap
- Expand our leading position in Public Power segment
- Enable utility's evolution to broader IoT solutions with grid edge intelligence
- Grow software & services offerings for recurring revenue streams

Landis+Gyr is the North American market leader in smart metering software & managed services

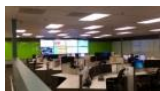
What we offer

Managed services

- Project management
- Field management
- Tech Engineering
- Meter Read
- Network management
- IT
- Security

Infrastructure services

NOC – Lenexa, KS



Sacramento, CA



Ashburn, VA



NOC – Rio de Janeiro



Redundant, secure data centers



High bandwidth

SaaS

- AMI
- Distribution automation
- Meter data management
- Street light control
- Analytics
- Distributed resource integration

Proven track record and sustainable business

- Market leadership going back over 25+ years
- 14 managed services utilities, with average contract length 22 years, average remaining contract lifetime of 6 years
- More than 14m meter points under managed service contracts, managing ~10% of the US metering population from measurement to bill
- 21m endpoints of data flowing through Landis+Gyr data centers, including 300+ utilities using SaaS

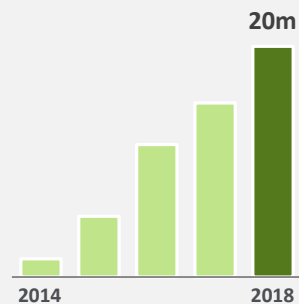
Trusted partner for technology leadership

- Scaled software & service offerings provide overall ease of deployment and quick benefit to smaller utilities (typically Public Power) with less resources to dedicate to technology
- Solutions and software platforms that are interoperable with utility systems already in place

Japan - Building value on the back of world's largest utility IoT project

TEPCO success story by the numbers¹

Landis+Gyr deployed endpoints



>500m

daily reads

1.3b

data packets per day

3

Multi-protocol IP networks
RF-Mesh, PLC, Cellular

Tepco is the largest utility in Japan serving millions of homes and businesses

TEPCO

Market development and utility needs

- Japan is in the midst of a energy transition as a result of the recent deregulation of the electric and gas markets
- Change in the energy mix, driven by national policy, is favoring grid edge intelligence: demand response, flexibility management, grid analytics
- Utilities with large AMI base are looking for smart infrastructure opportunities

How do we win

- Demonstrated expertise in managing large scale infrastructure deployments
- Leading technology to reach scalability and resilience of smart infrastructure demands
- Proven agility in meeting Japan's market specific regulatory needs
- Local sales force with expertise in Japanese market

Our priorities

- Increase "stickiness" with Tepco by expanding partnerships in IoT (vending machines, high voltage towers) and grid analytics
- Capitalize next wave of AMI opportunity in Japan, leverage existing experience
- Expand business scope and leverage experience to capture next refresh cycle

Americas well positioned to expand our growth platforms as markets and technology evolve

Americas well positioned for success

- Today's Landis+Gyr installed base: over 55m connected intelligent devices¹
- Ranking first or second for market share in all major markets served
- The Americas region is set for further growth in smart metering, grid edge intelligence and smart infrastructure markets; built on past success and innovation today and tomorrow

How we win

- Gridstream Connect architecture enhancing grid edge intelligence: next generation software, metrology and network platforms, enabling scalable and flexible deployments
- Diverse suite of services offerings including best-in-class managed services for utilities
- Our excellent reputation, recognized brand, and long standing relationships
- Leverage our excellent utility references from proven, deployed projects addressing smart metering and grid edge use cases to address the remaining significant 1st wave opportunities and the 2nd wave of AMI refresh
- Leverage the Tepco deployment to expand our presence in Japan for the next refresh cycle in 2023