

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 3, 2019

**ICF International, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**001-33045**

(Commission File Number)

**22-3661438**

(I.R.S. Employer  
Identification Number)

**9300 Lee Highway, Fairfax, Virginia**

(Address of principal executive offices)

**22031**

(Zip Code)

Registrant's telephone number, including area code: **(703) 934-3000**

**Not Applicable**

(Former name or former address, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
Common Stock	ICFI	NASDAQ

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company
- If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure**

ICF International, Inc. (the "Company") has prepared an investor presentation with information about the Company. The Company intends to deliver the presentation to investors, including on December 3, 2019 as part of a previously announced Investor Day event. A copy of the investor presentation is furnished herewith as Exhibit 99.1.

The information contained in this report, including Exhibit 99.1 attached hereto, is considered to be "furnished" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that Section. The information in this Current Report shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

**Item 9.01 Financial Statements and Exhibits**

(d) The following exhibit is being furnished with this Current Report on Form 8-K:

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	<a href="#">ICF International, Inc. Investor Presentation dated December 3, 2019</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ICF International, Inc.

Date: December 3, 2019

By: /s/ James E. Daniel  
James E. Daniel  
*Executive Vice President, General Counsel & Secretary*

# Welcome

Investor Day 2019



## Cautionary Statement

Certain statements made by us in this presentation that are not historical facts or that relate to future plans, events, or performances are forward-looking statements within the meaning of the federal securities laws. Our actual results may differ materially from those expressed in any forward-looking statements made by us. All statements made by us in this presentation are qualified in all respects by the information disclosed in our filings with the Securities and Exchange Commission and specifically, the risks described therein under the heading "Risk Factors". We are under no duty to update or revise any forward-looking statements pursuant to actual results or events, and do not intend to do so.




# Growth is in our DNA



# 50 years of impact

For 50 years we have partnered with hundreds of organizations on transformative projects, all while transforming ourselves.

EXPERIENCE OUR HISTORY



## ICF Strengths

—  
Revenue and earnings growth across U.S. presidential administrations

—  
Steady margin expansion over time

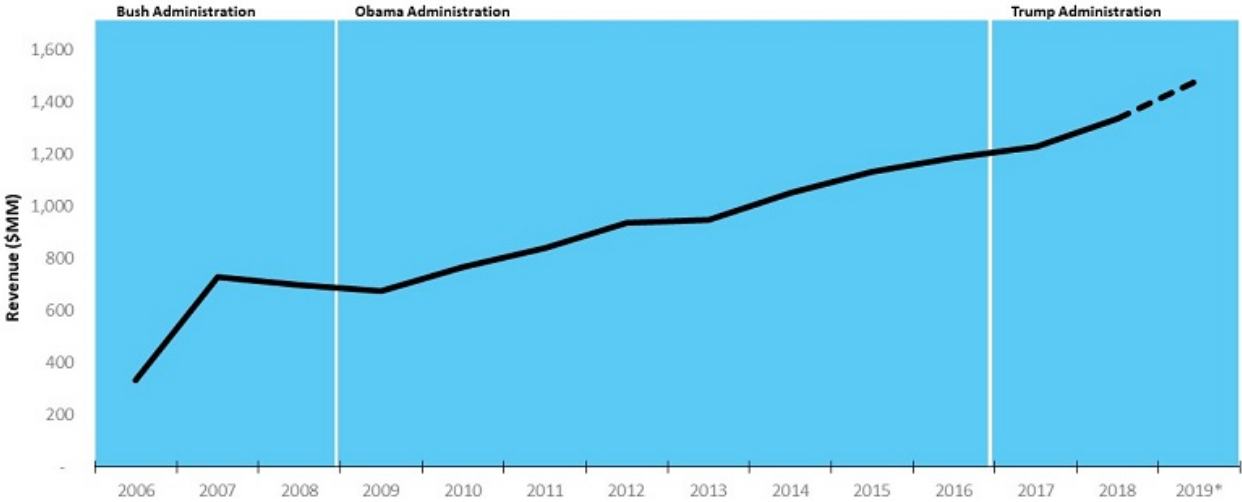
—  
80% of business with **stable long-term backlog** and **contracts**

—  
**Strong cash flow** translating into shareholder value creation

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# Strong performance across U.S. administrations



Source: 10-K Filings. \*Midpoint of 2019 guidance affirmed on November 6, 2019

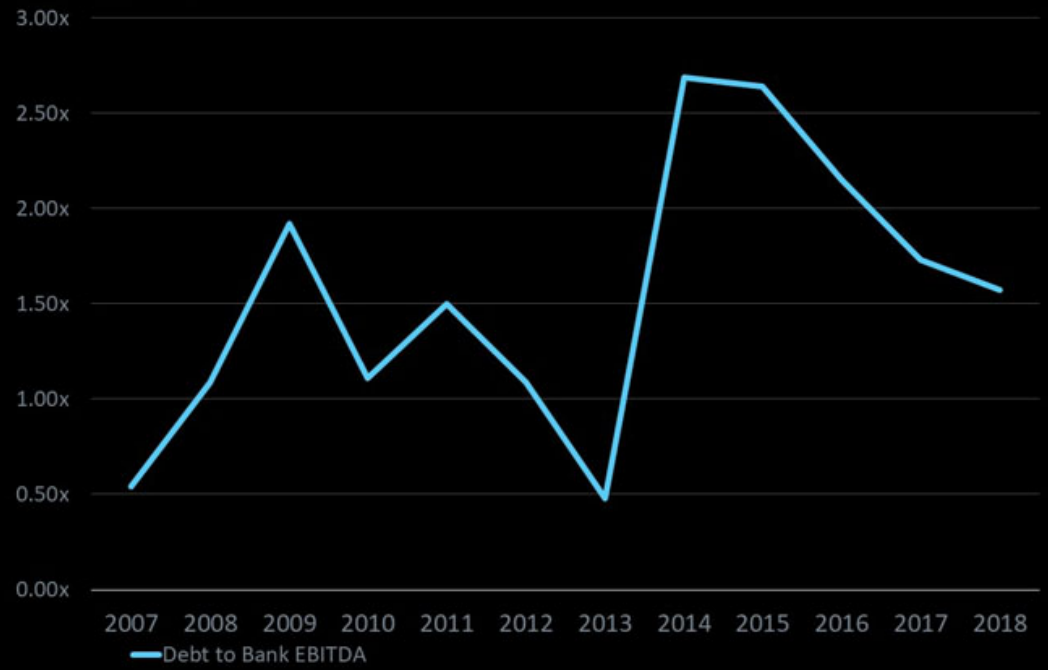
Sustained growth driven by:

- Support for broad array of government missions
- Professional agility
- Innovation

## Effective use of leverage

With strong financial market support, ICF has effectively levered up for opportunities and paid down debt

Bank Leverage Ratio



# Strong value creation since IPO

ICF has delivered above average total shareholder return compared with major indices as of Nov. 20, 2019



## ICF: a proven player with significant growth upside

—  
**Opportunity to  
grow**

—  
**Unique portfolio**  
combining deep  
domain expertise  
with IT +  
engagement  
capabilities

—  
**Demonstrated  
agility**

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# Business Overview

Presented by:

John Wasson, President and Chief Executive Officer

Investor Day 2019



# ICF's growth strategy

Sustaining and growing expertise in core vertical markets

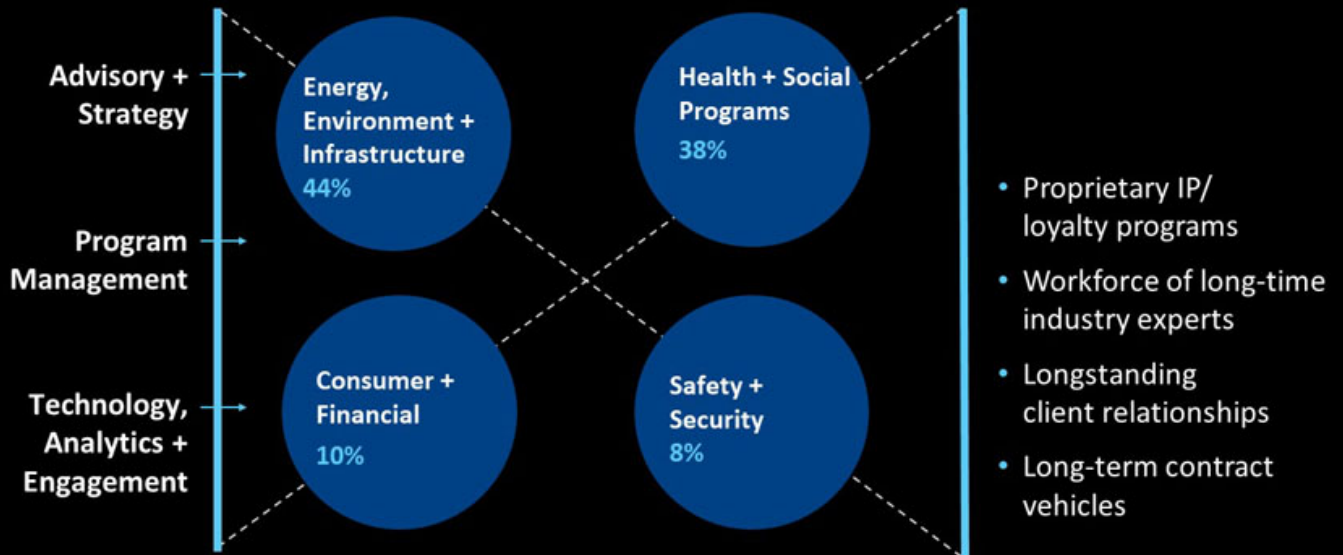
Increasing scale in implementation to win larger contracts

Building out service offerings at the intersections of markets and functional expertise

Increased emphasis on innovation and expanding strategic client relationships




# Synergy in markets and capabilities



Revenue percentages are based on Q3 2019 TTM financial performance released on November 6, 2019



# ICF culture: a source of competitive advantage



## Purpose

---

To build a more prosperous and resilient world for all.

## Values

---

Interact with Integrity  
Bring Your Passion  
Embrace Differences  
Challenge Assumptions  
Work Together  
Be Greater Than



# Performance since Investor Day 2016



Revenue:  
2016-2019\*  
CAGR  
**7.9%**



GAAP EPS:  
2016-2019\*  
CAGR **16.0%**



Employees:  
Number of full-  
and part-time  
employees  
**13.6%**

\*Midpoint of 2019 guidance affirmed on November 6, 2019

# Opportunity overview

## Large, growing markets

Federal services (non-DoD)  
\$70 - 80B  
per year\*

Federal services (DoD) \$90 - 100B  
per year\*

Commercial energy/  
environmental  
services  
\$7 - 10B per  
year\*\*

Commercial marketing  
services and  
technology \$50B per  
year\*\*

## Attractive margins

Government margins  
typically range 7 - 11%

Commercial specialty  
consulting margins  
(i.e., energy) typically  
low teens

Commercial  
marketing services  
margins  
typically mid- to high  
teens

\*ICF estimates based on analysis of non-set-aside contract actions from 2018 Federal Procurement Data Systems  
\*\* ICF estimates based on third-party analyst reports

# Keys to sustained growth

Demonstrated performance in 13 years since IPO

Roughly 50-50 split between organic and M&A growth

Similar split expected to continue

# Catalysts for continued organic growth

## Federal

- Civilian agency spending
- Public health
- Next gen IT
- Citizen engagement

## State + Local

- Disaster management: recovery and mitigation
- Infrastructure spending

## Marketing Services

- Personalization/loyalty
- Digital transformation
- Data convergence

## Commercial Energy

- Energy efficiency outsourcing in California
  - Distributed energy resources
  - Resilience planning
-

# M&A focus areas

## Government



**Next gen IT / digital transformation**



**Health & Human Services (HHS)**



**Citizen engagement**

## Commercial



**Energy**

Advisory services

Grid, asset + customer analytics

Distributed energy resource management



**Digital transformation**



# Investor Day 2019

Take a deeper  
dive into **growth  
catalysts**  
in key markets

Gain greater  
understanding of  
**ICF's unique  
positioning**

Meet a broader  
**cross-section of ICF  
leaders**



# Agenda

1. Federal Market
2. Disaster Management
3. ICF Next
4. Commercial Energy
5. Financials
6. Wrap-up
7. Q&A
8. Breakout Sessions

# The Federal Market

Presented by:

Mark Lee, Senior Vice President,  
Public Sector

Jen Welham, Senior Vice President,  
Health and Human Services

Investor Day 2019





# Market opportunity

**\$632B**

2019 federal civilian budget

**Mid-single digits**

Percentage of growth in 2019 budgets

**\$77B+**

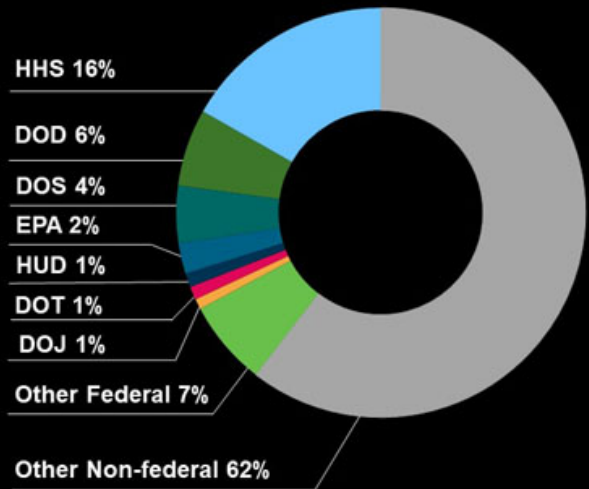
Addressable federal civilian market

**+4%**

2020 federal civilian topline spending agreement

## Strong partnerships with nearly every federal agency

% of ICF revenues by agency\*



\*ICF estimates based on analysis of non-set-aside contract actions from 2018 Federal Procurement Data Systems

\*Based on Q3 2019 TTM financial performance released on November 6, 2019

# Growth drivers

Increased budgets

Aging workforce

Need for IT modernization and enhanced cyber protection

Rising public health challenges



# Differentiators

## Deep subject-matter expertise

Health, energy, environment, education, social programs, international development, transportation

## Full-suite of capabilities

IT, cybersecurity, analytics, communications, engagement, workforce development, program implementation, training

## Diverse agency clients

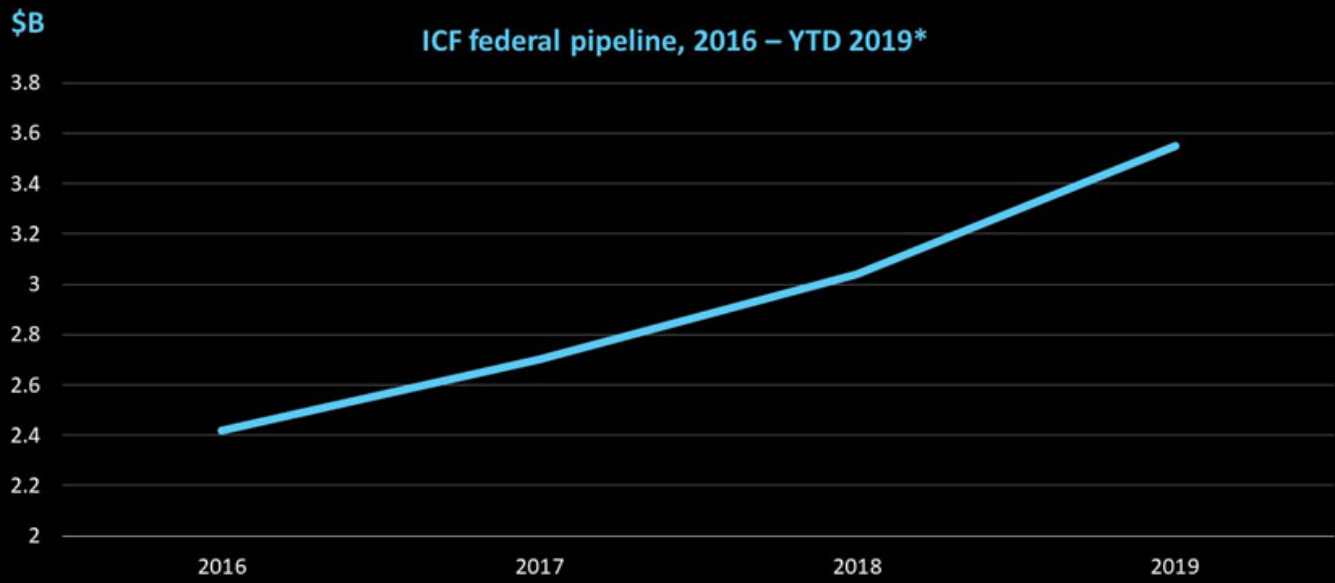
Work with numerous agencies corresponding to different parts of Federal mission

## Innovative approach

Named an “Industry Innovator”  
Received highest scores in innovation in government brand survey

# Record business development pipeline

Up ~50% over the last three years



\*Annual average over four quarters; average over 3 quarters for 2019

# Technology capabilities



**Data  
analytics**



**IT  
modernization**



**Cybersecurity  
operations,  
R&D**



**Engagement  
+ design**



**Workforce  
development**



# Health capabilities



## Deep subject matter expertise

- Substance abuse (vaping, opioids)
- Infectious disease (HIV, Malaria)
- Chronic disease (cancer, diabetes)
- Mental health (suicide prevention)



## Full suite of services

- Disease surveillance
- Research + evaluation
- Survey design + data collection
- Training + technical assistance
- Translation + dissemination



# OIG

Health and Human Services Office of Inspector General

## Predictive Analytics to Fight Fraud, Waste and Abuse

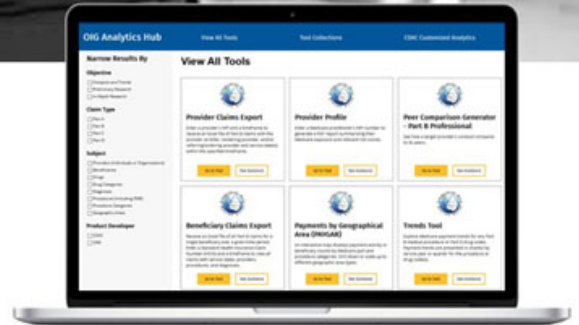
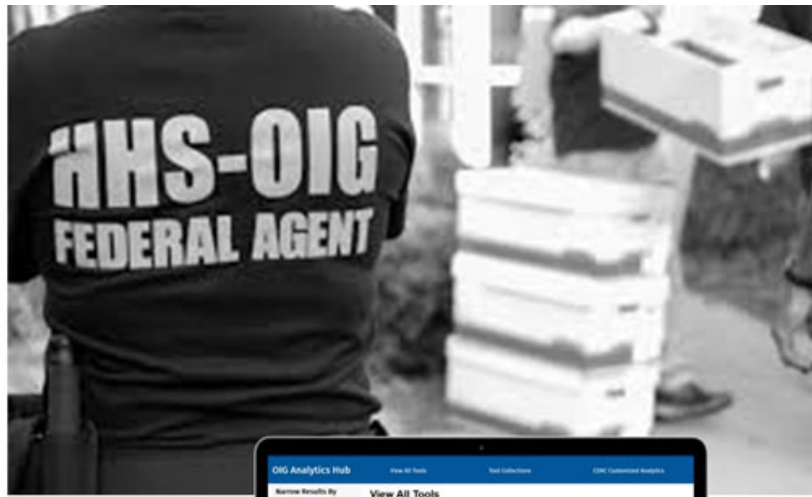
# \$60 – \$90B

## Potential prevented/recovered fraudulent Medicare funds

Leveraging advanced data analytics

Building tools that enable self-serve data queries

Incorporating user experience design elements



## BioSense

A platform for actionable public health insights

—  
**4,000**

hospitals and outpatient centers reporting

—  
**60%**

of emergency dept visits reported daily

—  
**2-4M**

messages processed daily





# Q&A



# Disaster Management

Presented by:

Andrew LaVanway, Senior Vice President,  
Division Lead

Brandy Bones, Senior Director,  
Recovery Program Expert

Investor Day 2019



# Market opportunity

## HUD CDBG-DR market

Total Funding **\$89.7 billion\***  
(1992 – 2019)

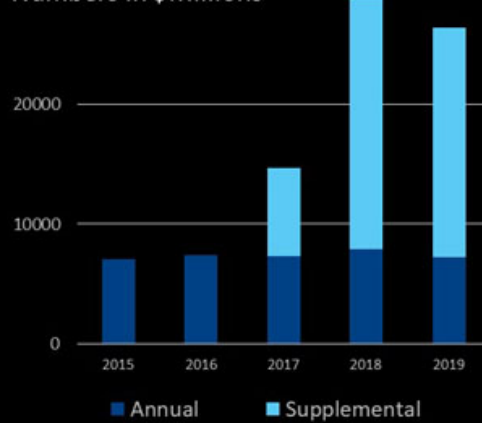
Active Funding **\$38.7 billion**  
(Addressable now)

Active Grants **137**

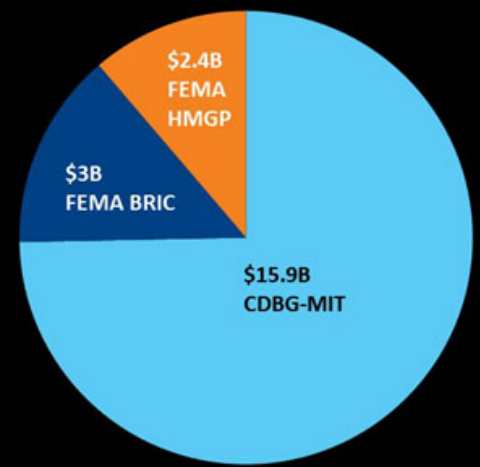
Active Grantees **58**

## FEMA market

Numbers in \$Millions



## Fed-funded mitigation market



**3%-10% of funding is addressable market**

\*Total funding for the Road Home was \$9.022 billion  
Source: HUD OCPD – HUDEXchange.info

Source: Congressional Research Service

FEMA mitigation estimates are for next 6 years and depend on disaster costs

# Key trends creating a more favorable market

Unprecedented need



Extreme weather events will continue

Lower peaks + fewer valleys



Consistent FEMA funding (>\$7 billion/year)

Fragmented competition



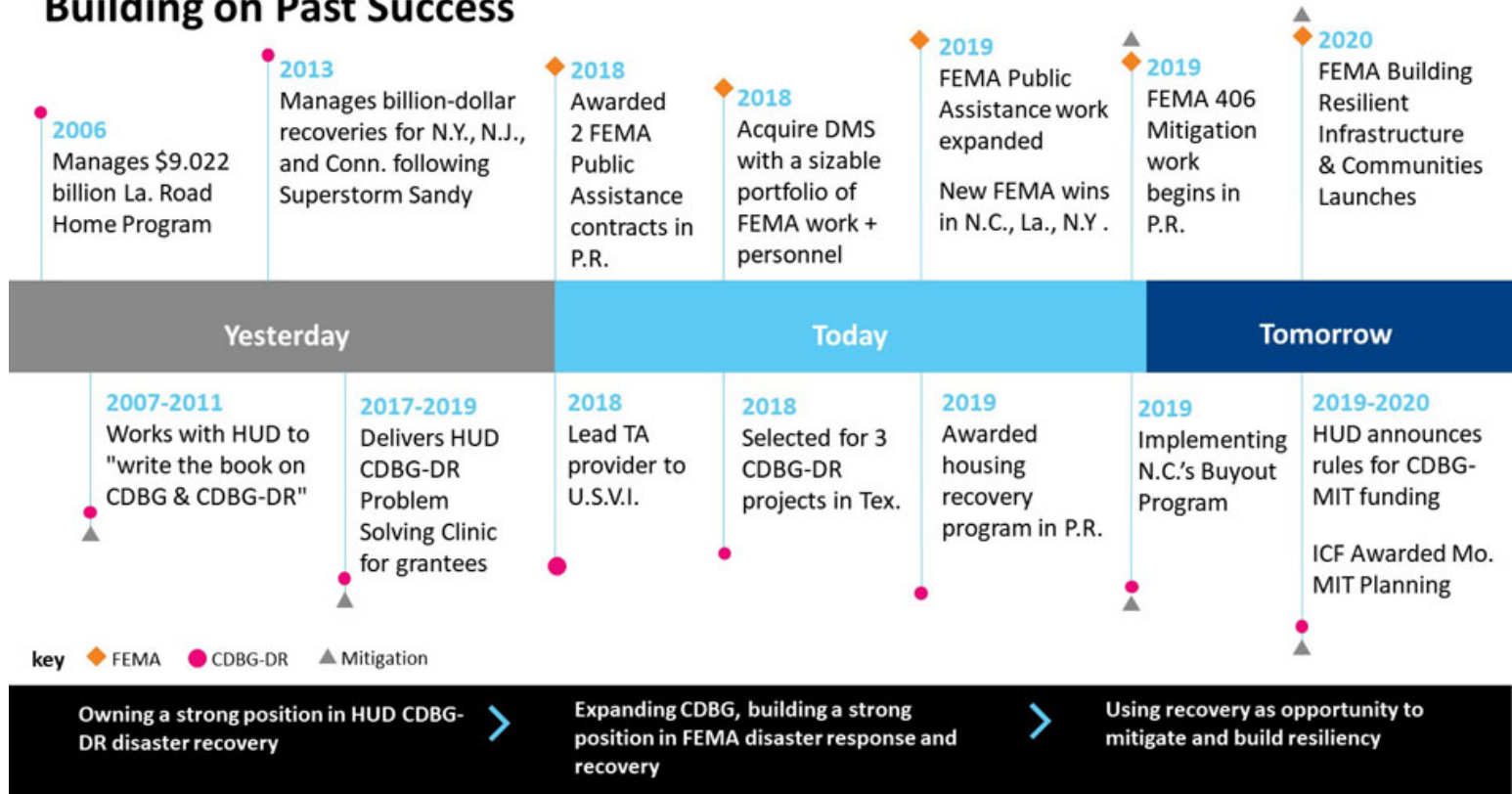
More emphasis on whole community recovery

Limited talent

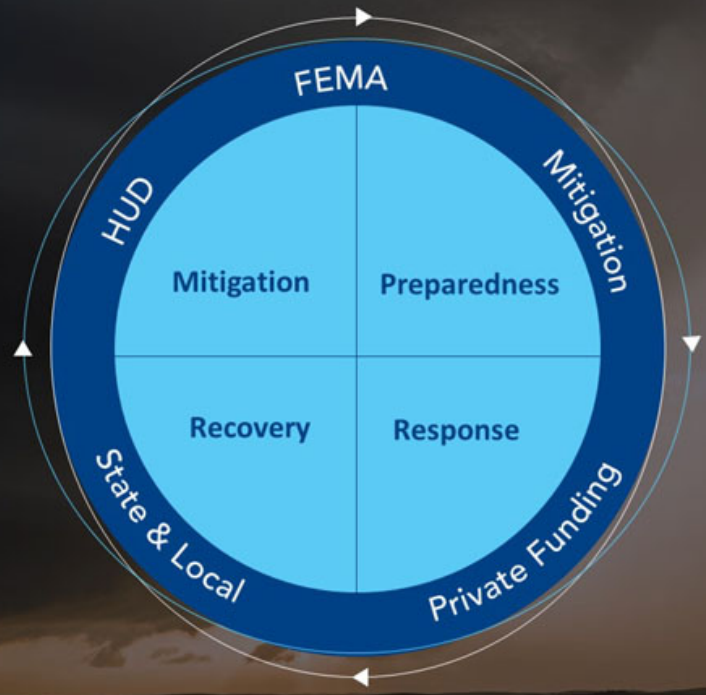


Ability to find and/or build talent is critical to success

# Building on Past Success



Supporting communities  
across the full disaster  
lifecycle and all funding  
sources



# Putting mitigation into practice

—  
**Supporting Columbia, South Carolina after historic flooding**

—  
**Improving stormwater resilience in the City of Miami Beach**

—  
**Building a climate-ready Philadelphia**

Photo credit: Cassie Bhat

# The ICF advantage

ICF has won **nearly a half-billion dollars** in contract awards across the disaster lifecycle since 2018

## Our people

Working 3 of the largest disaster recovery programs in U.S. history

20+ year Federal, state and local partnerships

Training to build internal talent and capacity

Work with unwavering passion and integrity

## Our approach

Operations span multiple ICF divisions

Offer capabilities across communications, energy, security, workforce development, economic analysis, data modeling and more

Breaking down barriers between recovery and resilience disciplines

## Our delivery

+14,000 FEMA PA projects formulated and in progress

~\$15 billion CDBG-DR funds managed and delivered to communities

Obligated \$1.9B in FEMA funding in the first year, more than any other disaster in U.S. history



# Q&A



# Coffee Break



# ICF next+

Presented by:

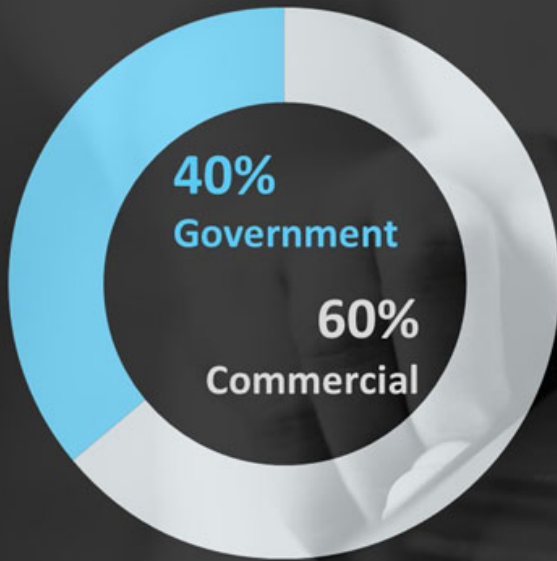
John Armstrong, President,  
ICF Next

Kris Tremaine, Managing Partner,  
ICF Next

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# ICF's go-to-market brand for integrated digital + engagement services

ICF  
**next+**



**\$350M+**

*Annual revenue across a balanced portfolio*

**Opportunity pipeline is +3X revenue**

# Capabilities and differentiators



Loyalty



Technology



Analytics



Engagement



Strategy

---

Combines creativity of an agency with deep domain expertise of a consultancy

---

Designs solutions that drive real participation with customers, citizens, colleagues

---

Built specifically to realize the benefits of an integrated model

—  
**Consumer**

—  
**Financial**

—  
**Government**

—  
**Health**

—  
**Travel**

—  
**Hospitality**

—  
**Energy**

—  
**Transportation**

---



**10x Gold and Silver Lions**

—  
**2018 Cannes Lions Festival of Creativity (in one year)**

**6x PR Agency of the Year**

—  
**PR Week and The Sabre Awards (since 2014)**

**Multi-time “Leader” in customer loyalty solutions and in digital experience**

—  
**The Forrester Wave™**

**Marketing Cloud Partner of the Year**

—  
**Adobe**

**Federal Experience Award**

—  
**The Center for Digital Government**



THE FUTURE OF AGENCIES

### **These 12 Agencies Have Masterfully Adapted in an Increasingly Digital Marketplace**

Adweek's Agencies 3.0 list showcases new ways to move forward  
By Adweek Staff | February 26, 2017



**“ICF Next is probably the most prolific producer of breakthrough creative work in the industry ... and it’s become clear that, in most cases, the creativity drives compelling business performance for its clients.”**

— *The Holmes Report, naming ICF Next its 2018 Specialist Agency of the Year*

# Growth drivers



## Marketing technology

- Market \$50B+
- Personalization at scale



## Customer loyalty

- Market \$3.5B
- Data convergence



## Healthcare

- Market \$10B+
- Disruption & transformation



## Large federal campaigns

- Market \$1.9B
- Citizen engagement



# Centers for Disease Control and Prevention

Real stories of the opioid epidemic

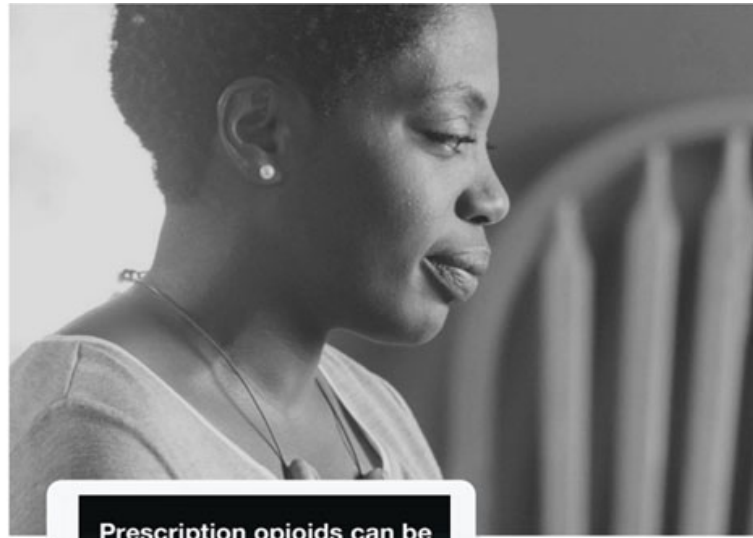
Supporting CDC in the fight against prescription drug overdose

80%

of intended audience saw a campaign video

27%

Intend to avoid using prescription opioids because of exposure to the campaign



next+

CASE STUDY

## Fortune 100 Healthcare Client

Transforming the health of the community,  
one person at a time

Delivering strategy, transformation,  
experience, marketing and engagement  
initiatives

### 2M

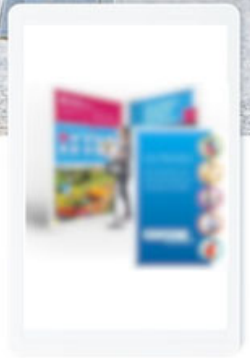
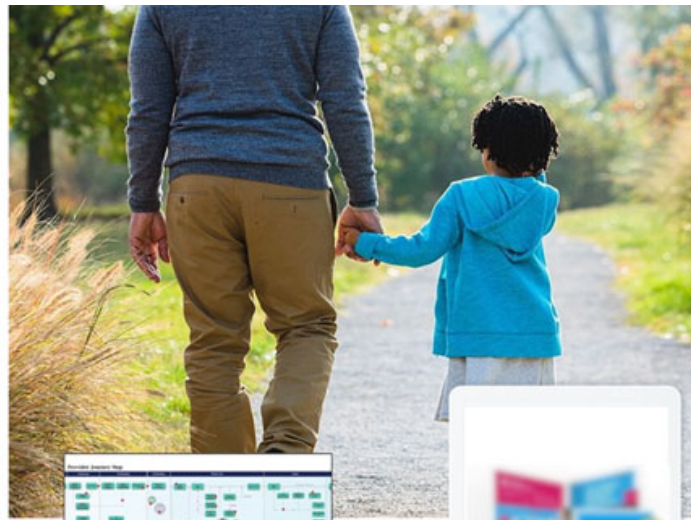
Enrollees from  
product launch to  
becoming a  
category leader

### 2X

Increase in leads  
from paid  
marketing  
campaign for  
open enrollment

### 10/10

Continuous client  
satisfaction rating from  
over 150 projects and  
campaigns across  
client's business



**next+**

CASE STUDY

# Hilton Honors

“...to be the most customer centric loyalty program.”

— Mark Weinstein SVP & Global Head of Customer Engagement, Loyalty and Partnerships

Hilton Honors continuous evolution, ensures the best member experience possible

100%

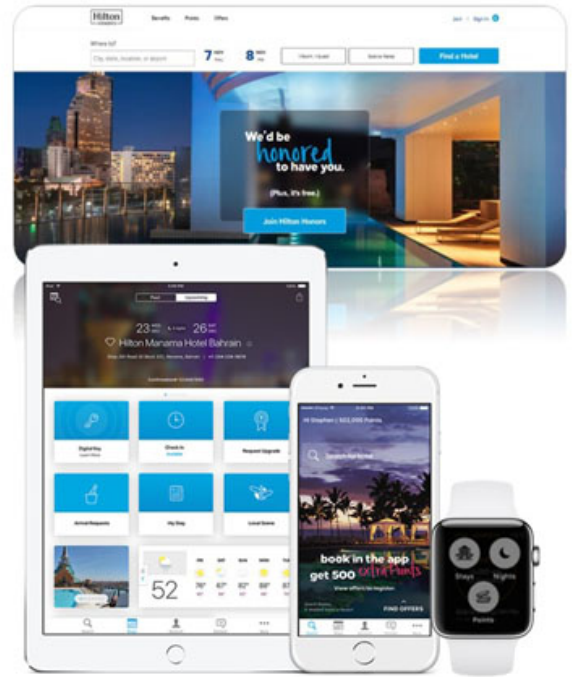
Improvement on annual member tier requalification

75%

Faster checkout process. Members see account activity within hours

30%

Increase in membership growth



# Q&A



# Commercial Energy

Presented by:

Sergio Ostria, Executive Vice President, Energy and Infrastructure

Phil Mihlmester, Executive Vice President, Energy Division Lead

Shanthi Muthiah, Senior Vice President, Power Markets Expert

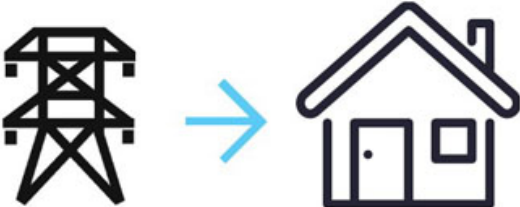
Anne Choate, Senior Vice President, Climate and Resiliency

Investor Day 2019

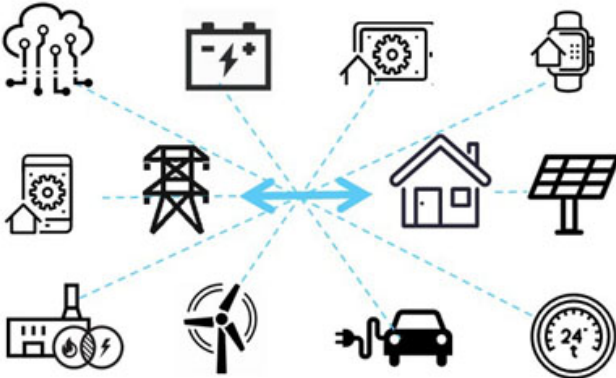


# Market transformation drives market opportunity

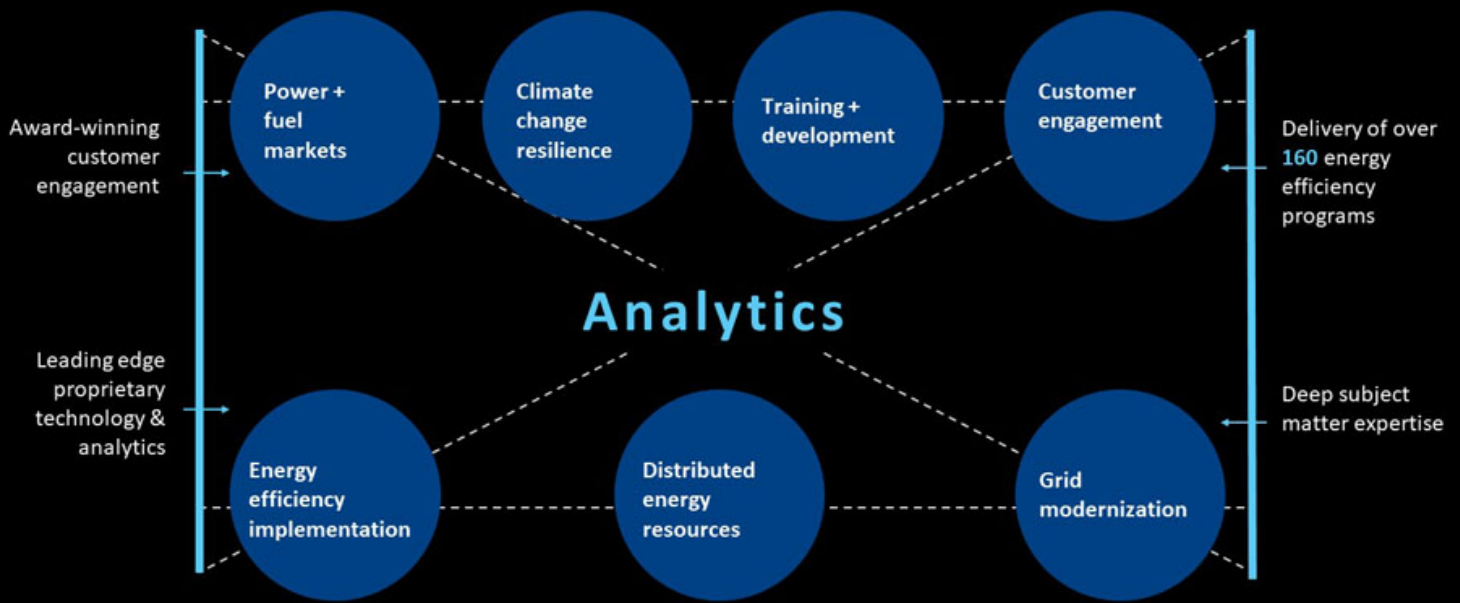
From central station power generation



To distributed power, 2-way grid



# Capabilities and differentiators



# Growth drivers

Energy  
efficiency

Distributed energy  
resources (DER)

Utility  
resilience





# Energy efficiency

Market expected to grow  
from \$2B to \$3.3B by 2030

—  
Numerous states  
have increased  
EE spending

—  
EE increasingly  
viewed as a  
grid resource

—  
EE program  
updates fueled  
by changes  
in climate

—  
California  
has tripled its  
EE outsourcing  
requirement

Sources: ACEEE, LBNL, ICF analysts



# Spotlight on California

IOUs are required to outsource 60% of EE programs by 2022 (20% today)



ICF's estimated addressable market: \$250M+/year

12 RFAs were issued in 2019 and 18 are expected in 2020



ICF has responded to most RFAs with excellent success on down-selection to RFP stage

The RFP stage expected to continue into 2020



ICF is awaiting selection decisions on numerous proposals

Procurement schedules indicate contract negotiations with winning bidders in 2020



# Distributed Energy Resources

## Estimated addressable market sizes

**\$1-2B**

EV market by 2030\*

**\$6-8B**

NWA market over 10 years for load constrained substations\*\*

**\$6-12B**

Storage market over 20 years\*\*\*

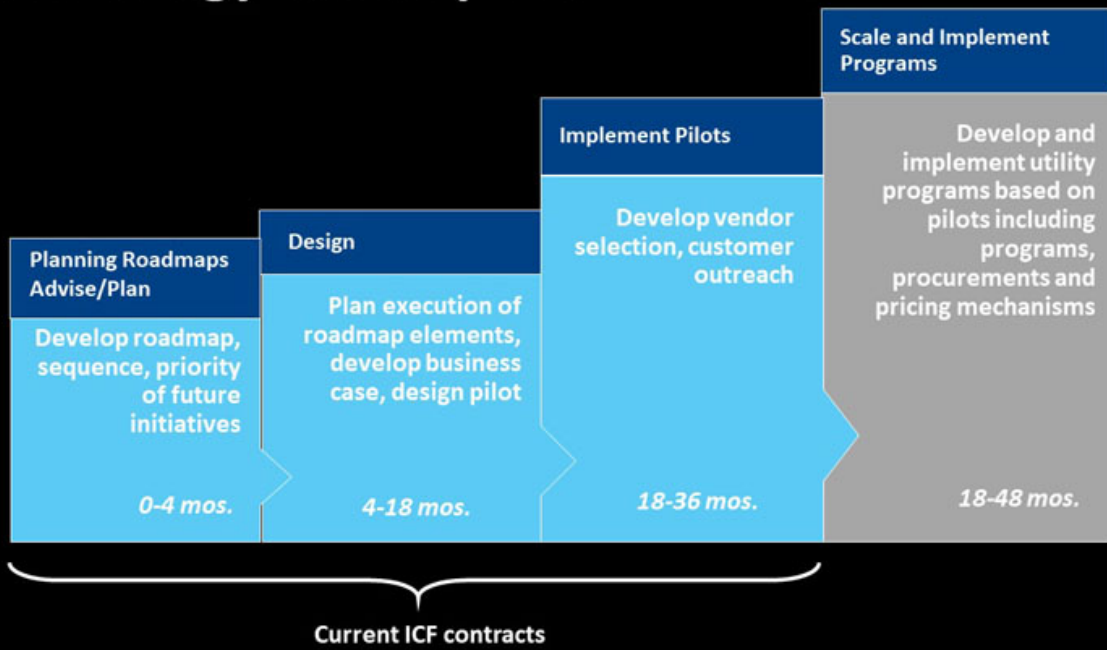
Utilities challenged to manage growth of DERs including solar, storage, and electric vehicles (EVs)

Initial utility pilot programs focusing on battery storage and EVs

Total DER market could be as large as current energy efficiency market in the next 5-10 years

\*EEL, ICF analysis  
\*\*EIA, NAE, NYPS, ICF analysis  
\*\*\*EDF, ICF analysis

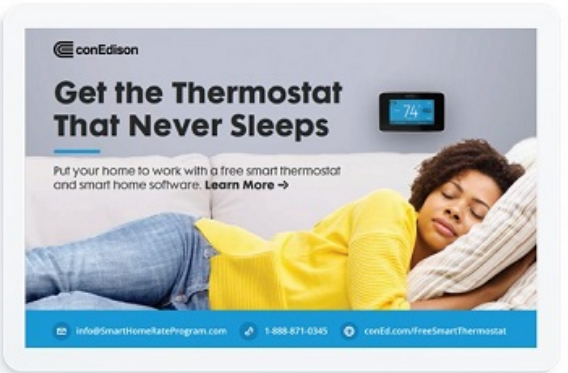
# DER technology-based pilots



Helping customers control energy usage through innovative technologies

Testing smart thermostats, residential solar, battery storage and dynamic rates

Evaluating how adoption and use of these technologies impacts the grid



Global energy storage market expected to grow to \$620B by 2040 \*

\*Source: EDF

## Incentivizing the EV market

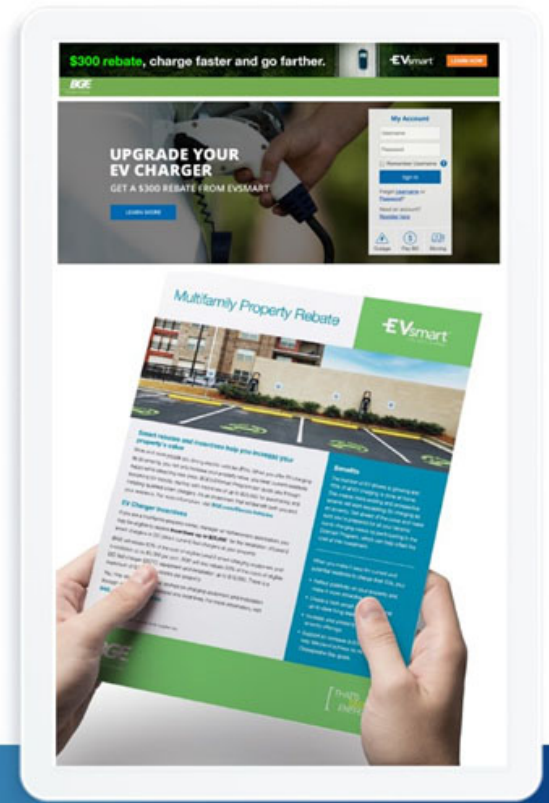
### BGE and PHI's EVsmart Pilots

- Residential EV charger rebates
- Multifamily EV charger rebates
- Public charging stations network

### ICF support includes:

- Program implementation
- Marketing and advertising
- Web and IT solutions
- Events and dealership outreach
- Customer care and rebate processing
- EV subject matter expert consultation

“EEl’s member companies have invested over \$1 billion on customer programs and projects to deploy charging infrastructure and to accelerate electric transportation, and we fully expect that number to rise.”



# Resilience to Climate/Weather Risks

More extreme weather events in last decade than prior 2 decades combined

Since 2003, the average annual # of weather-related power outages has doubled

**\$21B**

Resilience spending by electric and gas utilities in 2030 \*

80 cities have named Chief Resilience Officers

Regulatory activity is driving spending (e.g., CA, NY)

**\$100M**

Addressable market for ICF advisory + implementation resilience services to energy asset owners in 2030

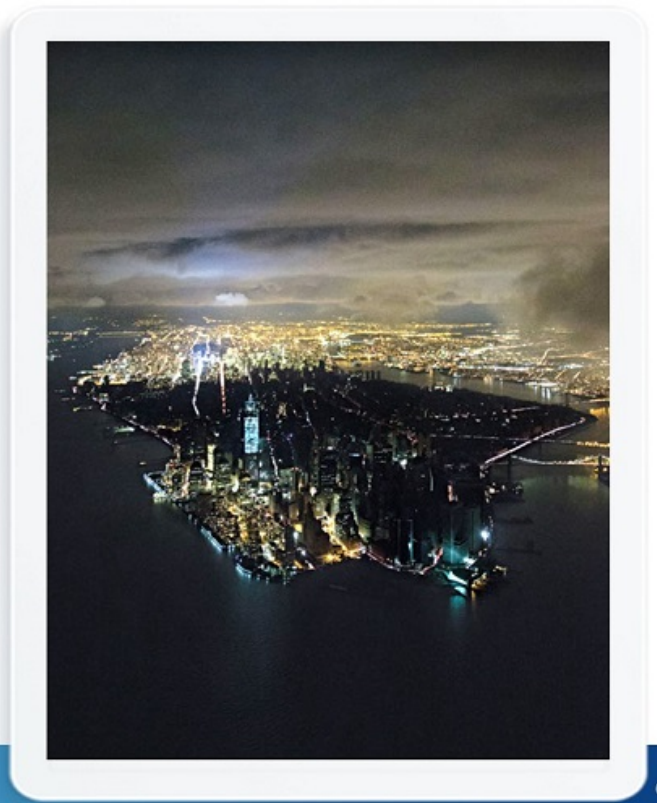
\*Source: EIA, EEL, Brattle, ICF analysis

## ICF-led landmark climate vulnerability study

Regulator-driven study provides risk  
analysis & recommendations for  
assets and operations

Regulators requiring implementation

- \$5.6B (~\$90M/yr) required to address  
rising temperatures alone





# Q&A



# Financial Strength

Presented by:

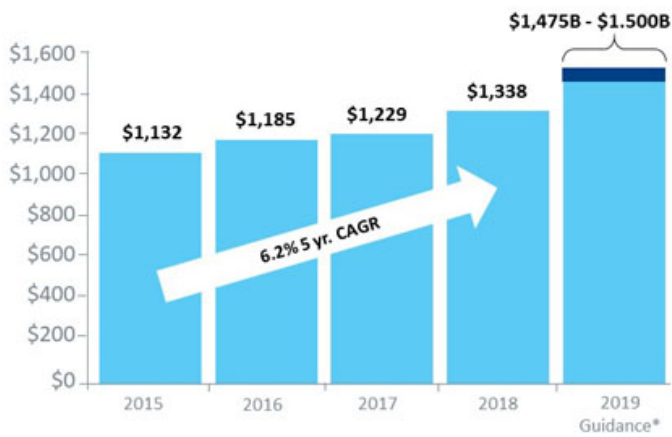
James Morgan, Chief Financial Officer

Investor Day 2019

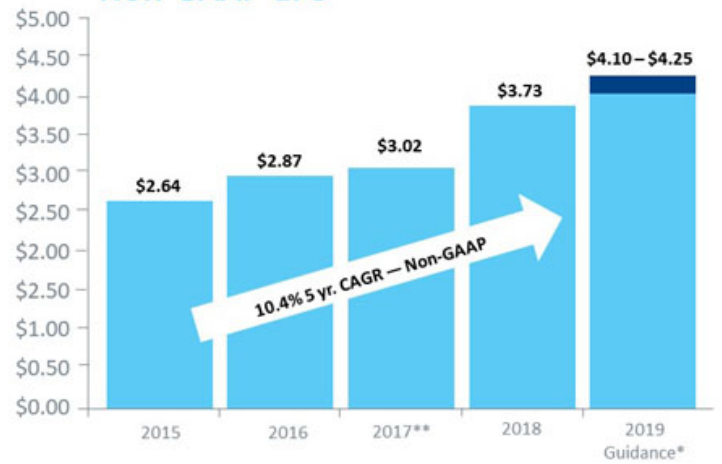


# Revenue and profit growth

## Revenue (\$ Millions)



## Non-GAAP EPS



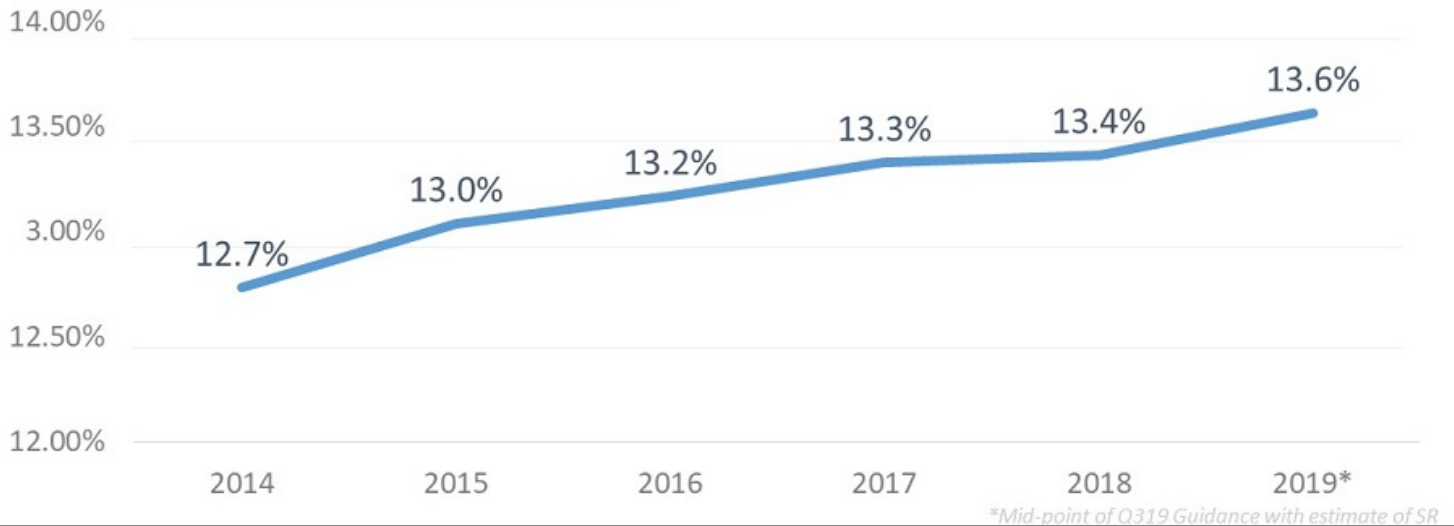
\*Based on 2019 management guidance as of November 6, 2019

\*\*2017 Non-GAAP EPS excludes the one-time benefit of a Deferred Tax Liability (DTL) revaluation for 2017, as a result of the 2017 Tax Reform Act



# Solid margin expansion

## Adjusted EBITDA to Service Revenue (SR)



- Growth over last 5 years largely organic
- Catalysts in our markets will drive continued growth

### Catalysts for continued profitability improvement

- Improved revenue mix (more higher margin work)
- Real estate / facilities consolidation
- Process improvement
- Larger contracts; driving efficiencies
- Economies of scale lowers ratio of overhead costs

# Balance sheet / cash flow metrics

- Strong balance sheet
- History of strong cash flow

## Balance sheet ratios (as of 9/30/19)

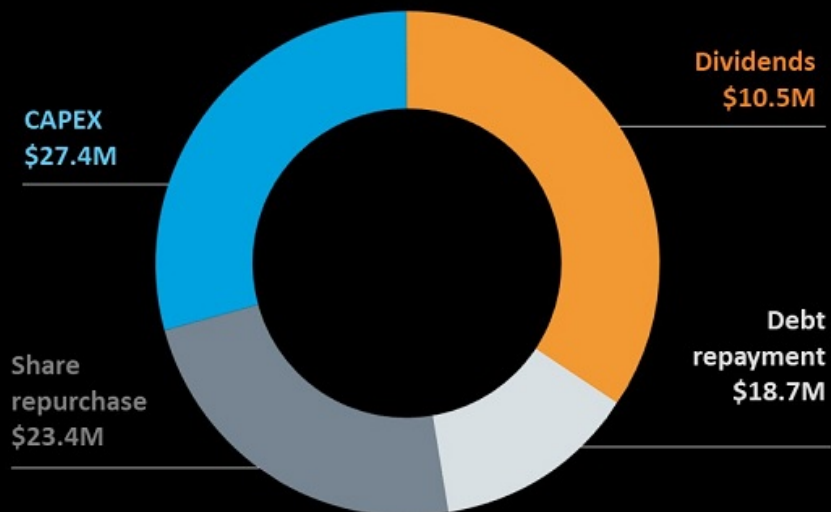
Current ratio	1.51x
Debt to total capital	0.26x
Leverage ratio (Debt to EBITDA)	1.86x
Bank leverage ratio* (Debt to Bank EBITDA)	1.72x

\* Bank EBITDA: EBITDA plus non-cash compensation

## Cash flow metrics

FCF as % of net income (1/1/15 – 9/30/19)	98%
DSO (9/30/19)	93.9
DSO excl. Puerto Rico (9/30/19)	76.0
2019 operating cash flow guidance	\$80M

# Capital allocation priorities (2019) \*



## Cash use priorities

- 1 Support continued growth of ICF's business through M&A and capital expenditures
- 2 Rebuild firepower (debt paydown)
- 3 Maintain dividend
- 4 Maintain stable share count

\*Expected allocation for 2019 based on achieving operating cash flow guidance

# M&A focus areas

## Government



**Next gen IT / digital transformation**



**Health & Human Services (HHS)**



**Citizen engagement**

## Commercial



**Energy**

Advisory services

Grid, asset + customer analytics

Distributed energy resource management

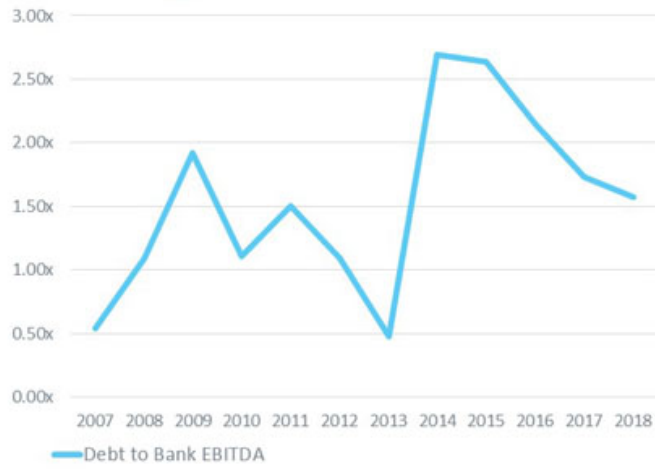


**Digital transformation**



# Demonstrated track record

## Bank Leverage Ratio



## Total Shareholder Return – TSR





## Summary

ICF has a history of **solid financial performance**

Our investor-friendly financial policy supports **ongoing value creation**

**Strong balance sheet**, reliable cash flow, and attractive financing enables future growth

Significant attention on **identifying appropriate acquisition targets** to support our focus areas of **growth**



# Investor Day 2019



## Key takeaways

—  
**Significant runway  
for organic growth  
across client set**

—  
**Continue complementary  
and accretive acquisitions**

—  
**Financial resources to  
support organic and  
acquisitive growth**

—  
**Unique culture that drives  
excellent innovation,  
execution and  
collaboration**

# Q&A



# Breakout Sessions

