



# Canaccord Adams 29<sup>th</sup> Annual Global Growth Conference

August 12, 2009

Boston, Massachusetts

# 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.

## ICF is the “Go-To” Firm for Domain-Driven Advisory and Implementation Work

- Leading provider of services on energy, environment, transportation, health, and national security issues
- Clients include major U.S. government agencies at all levels, foreign governments, energy companies and utilities, technology, and transportation companies
- Dominant service offerings on policy and economic analysis, program management, information technology solutions, and program evaluation in areas of expertise
- Uniquely positioned with reputation and credibility built over 40 years to advise government and industry clients
- More than 3,500 employees across North America, U.K., and the ‘BRIC’ countries
- Track record of sustained core business growth

# ICF is Aligned with Today's Front-Burner Issues



## ICF Press Coverage

### The New York Times



“U.S. Can Cut Half Its Carbon Emissions from Transportation by 2050”

### WALL STREET JOURNAL

“While processing heavy crude makes economic sense, breaking down thick, sticky crude into light fuels such as gasoline or diesel requires more energy, which means more greenhouse-gas emissions, says Thomas O'Connor, senior manager at ICF International, a consulting-services company.”

### AP Associated Press



“Obama pressures states to embrace schools overhaul”

### Washington Technology

“ICF will provide support to the Health and Human Services Department's Head Start program under multiple contracts.”

### The Charlotte Observer



“We're in an epidemic' of childhood obesity”

### Money

“Prevention through a holistic approach that incorporates healthy lifestyles and best practices during the first years of life is key to fighting childhood obesity, according to a new report issued today by leading early care and education experts at ICF International.”

# ICF is Aligned with Today's Front-Burner Issues



## ICF Press Coverage

### SCIENTIFIC AMERICAN



“Renewable Energy Could Solve Economic, Environmental and Social Problem”



“Greenpeace commissioned climate change consulting firm ICF International to analyze the environmental benefits from the energy and transportation portions of the bill. Overall, the report concludes that, from an environmental perspective, 'it's money well spent,' Greenpeace executives said.”

### nextgov



“Congress must do more to protect grid from cyber, nuclear attacks”



“The U.S. Department of Homeland Security contracts ICF Inc. to aid in National Infrastructure Protection.”

### THE DENVER POST



“Intense Combat Tied to Homicides”



“The team is currently working with the consulting firm ICF International to begin to establish a national database of what is most effective in reintegration programs to facilitate the readjustment of military personnel returning from war and their families.”

# Increased Government Role in Economy Will Generate Business for Years to Come



**8-10 Year Regulatory Cycle Beginning in 2009  
4 to 5 Years of Analysis + 4 to 5 Years of Implementation**

## Energy, Environment, and Infrastructure Market

- Waxman-Markey bill to regulate emissions
- Spending on renewable energy sources, alternative fuels, energy efficiency, etc.
- Spending to upgrade aging infrastructure
- \$50 billion of discretionary government spending

## Health, Human Services, and Social Programs Market

- Healthcare reform bill
- Spending on housing, education, and veterans programs
- \$200 billion of discretionary government spending

## Homeland Security and Defense

- Acknowledged need for better preparedness
- Increasing need for interdisciplinary solutions
- \$550 billion of discretionary government spending

# Increased Government Role in Economy Will Generate Business for Years to Come



## Secular Growth Drivers Across All Markets

- Growing regulatory role of government
- Emphasis on transparency and accountability
- Technical assistance and training required for increasingly complex programs
- Aging federal workforce drives demand for firms with institutional knowledge
- Increased demand for combined domain and IT solutions



# Our Strategy for Sustainable Growth



1

- Leverage excellent advisory track record and diversified client portfolio to win larger implementation contracts and offer clients full life cycle solutions
  - Advise the client
  - Implement the advice to achieve results
  - Improve the implementation through continuous monitoring and evaluation

2

- Build scale by expanding and deepening presence in all government agencies that need services consistent with our expertise
  - Broaden ICF's presence as a service provider in all components of major federal agencies
  - Expand ICF's geographic footprint for U.S. federal and state and local government work
  - Develop related offerings in areas of expertise to become a "one-stop shop"

3

- Develop our commercial business
  - Leverage our existing relationships with Fortune 500 clients

4

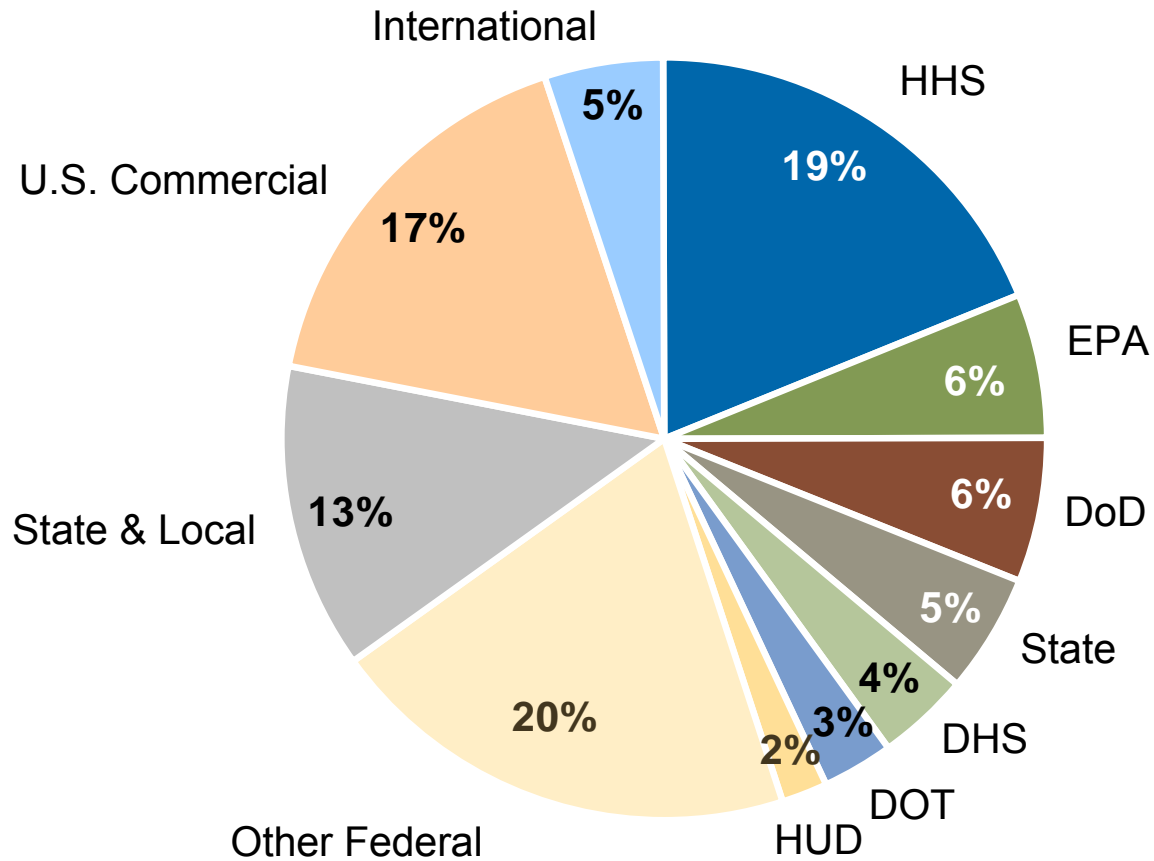
- Replicate our business model geographically so as to serve government and industry clients in major developed and developing countries
  - Tremendous opportunity to expand outside North America



# Strategy: Leverage Diversified Portfolio



## Revenue by Client H1 2009\*



\*Core business – without Road Home  
Proforma to include Macro International

# Strategy: Leverage Advisory Work to Win Implementation and Provide Life Cycle Solutions



Client Mission and Needs

Advise

Implement

Improve

Energy,  
Environment, and  
Infrastructure

- Needs and Market Assessments
- Policy Analysis
- Strategy
- Concept Development
- Planning
- Change Management
- Enterprise Architecture
- Program Design

Health, Human  
Services, and  
Social Programs

- IT Solutions
- Project Management
- Program Delivery
- Technical Assistance
- Outsourcing
- Clearinghouses
- Communications
- Training and Exercises

Homeland  
Security and  
Defense

- Program Evaluation
- Transformation
- Continuous Improvement
- Performance Management
- Benchmarking
- Customer Satisfaction
- Business Process Reengineering
- Return on Investment Analysis

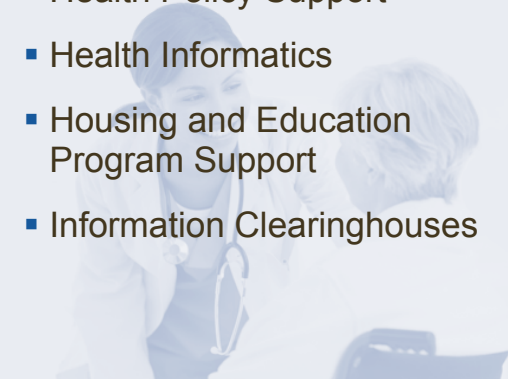
# Strategy: Build Scale Within Our Key Markets



Revenue by Market  
H1 2009\*

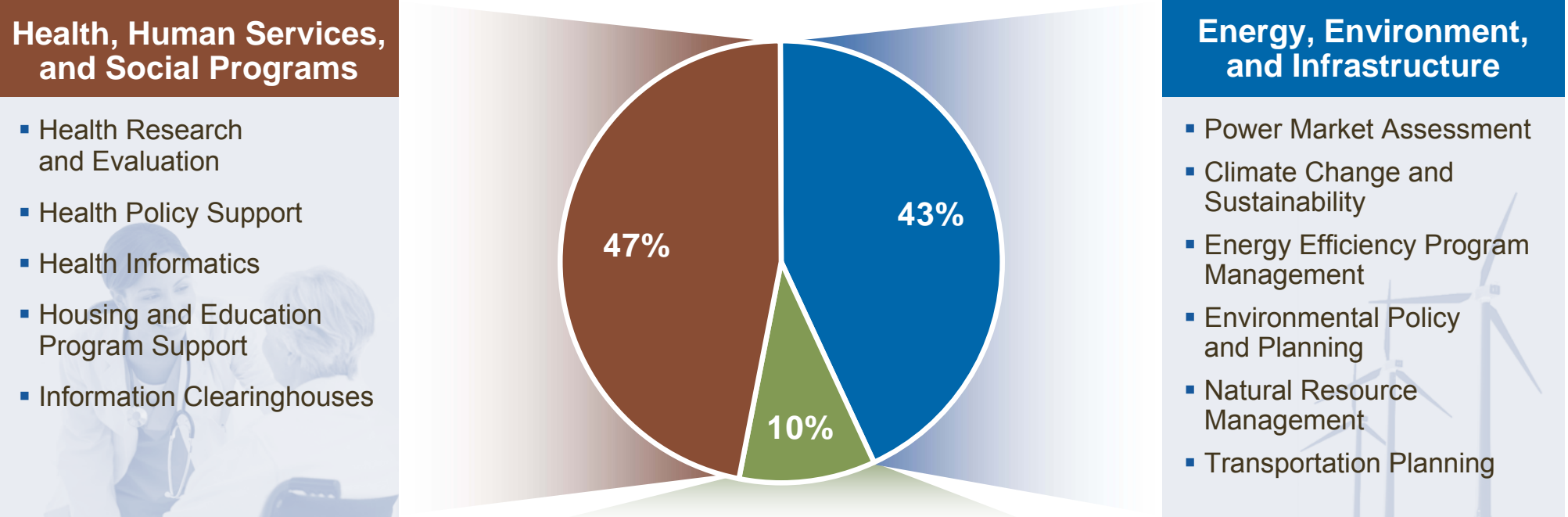
## Health, Human Services, and Social Programs

- Health Research and Evaluation
- Health Policy Support
- Health Informatics
- Housing and Education Program Support
- Information Clearinghouses



## Energy, Environment, and Infrastructure

- Power Market Assessment
- Climate Change and Sustainability
- Energy Efficiency Program Management
- Environmental Policy and Planning
- Natural Resource Management
- Transportation Planning



## Homeland Security and Defense

- Defense Logistics Program Support
- Modeling and Simulation Homeland Security Program Development Protection
- Enterprise IT systems
- Critical Infrastructure



\*Core business – without Road Home Proforma to include Macro International

# Strategy: Build Scale with Horizontal Expertise



## IT Solutions

- Enterprise Architecture
  - System Integration
  - Software Development
  - Web Portals
- 
- A background graphic for the IT Solutions section showing a central cloud icon with several arrows pointing outwards to various icons representing different IT services like laptops, tablets, and servers.

## Program Management

- Program Management Office Design and Support
  - Acquisition Management
  - Collaboration and Knowledge Management
  - Lean Six Sigma and Earned Value Management Expertise
- 
- A background graphic for the Program Management section showing a group of stylized human figures in various poses, some appearing to be running or moving forward, symbolizing progress and teamwork.

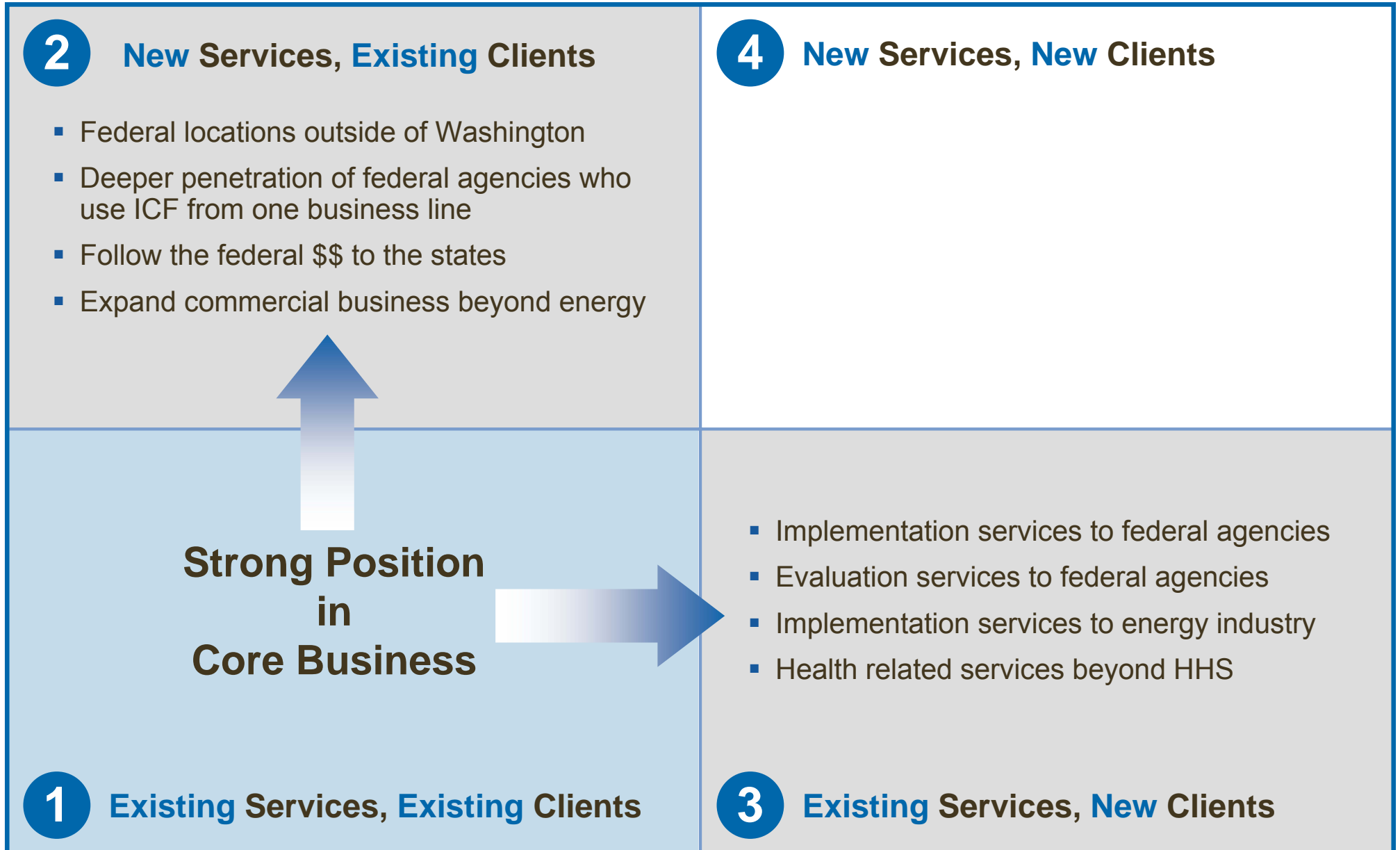
## Organizational Management

- Human Capital Planning and Implementation
  - Organizational Transformation
  - Leadership Development
  - Performance Assessment
- 
- A background graphic for the Organizational Management section showing a hierarchical organizational chart with several levels of boxes connected by lines, representing a structured management framework.

## Strategic Communications

- Social Marketing
  - Media Relations
  - Community Outreach
  - Public Awareness
- 
- A background graphic for the Strategic Communications section showing a network of stylized human figures connected by dashed lines, representing a community or communication network.

# Strategy: Build Scale by Broadening and Cross-Selling Services to Existing Government Clients



# Strategy: Develop Our Commercial Business



# Strategy: Replicate Our Business Model Globally



- Leverage existing international presence
  - More than 50 offices worldwide
  - 5% of 2008 revenue was from non-U.S. clients
  
- Domain expertise of critical importance to Europe and all major developing nations

# Strategy: Execution



- Hire, train, and retain the best and the brightest in our areas of expertise – finely tuned recruiting engine and HR programs
- Implement proven differentiated acquisition model
- Build brand awareness





# Execution: Highly Qualified Employees / High Retention Rates



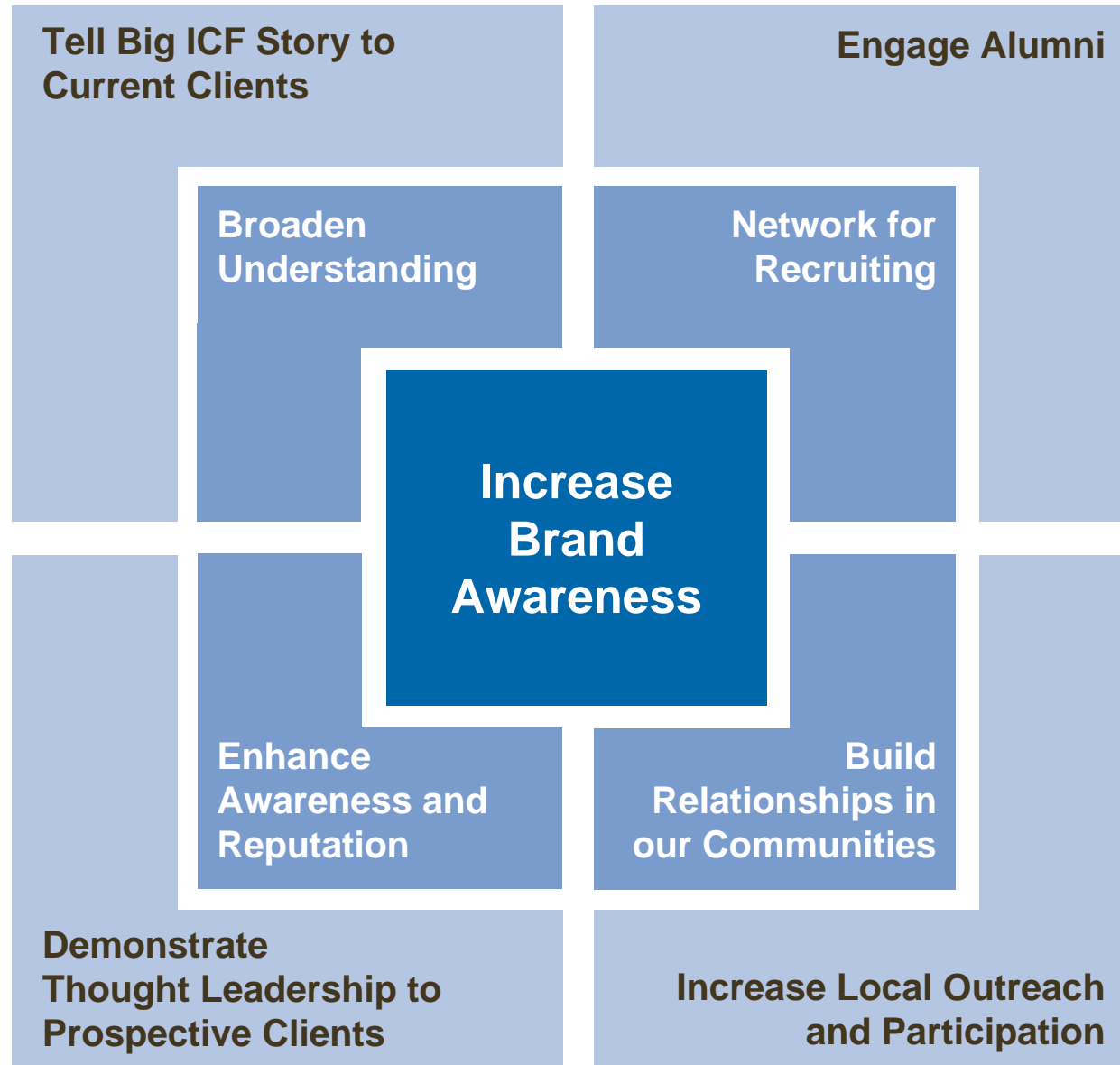
- Deep subject matter experts:  
45% of consulting staff hold post-graduate degrees
- Multi-disciplinary capabilities
- Relevant industry experience
- More than 400 employees hold a U.S. federal government security clearance
- Average years of service: 13 years among 209 senior staff
- Turnover of 8.7% in core business during first half of 2009

# Execution: Differentiated Acquisition Strategy



Date	Target	Key Market(s)	Advise	Implement	Improve
May 2002	Global Environment & Risk (Americas) and Public Sector Program Management consulting divisions of <b>Arthur D. Little</b>	<ul style="list-style-type: none"> <li>Energy, Environment, and Infrastructure</li> <li>Health, Human Services, and Social Programs</li> </ul>			
Jan 2005	<b>Synergy, Inc.</b>	<ul style="list-style-type: none"> <li>Homeland Security and Defense</li> </ul>			
Oct 2005	<b>Caliber Associates</b>	<ul style="list-style-type: none"> <li>Health, Human Services, and Social Programs</li> </ul>			
Jan 2007	<b>Advanced Performance Consulting Group</b>	<ul style="list-style-type: none"> <li>Homeland Security and Defense</li> </ul>			
Jan 2007	<b>Energy &amp; Environmental Analysis, Inc.</b>	<ul style="list-style-type: none"> <li>Energy, Environment, and Infrastructure</li> </ul>			
June 2007	<b>Z-Tech</b>	<ul style="list-style-type: none"> <li>Health, Human Services, and Social Programs</li> </ul>			
Dec 2007	<b>SH&amp;E</b>	<ul style="list-style-type: none"> <li>Energy, Environment, and Infrastructure</li> </ul>			
Feb 2008	<b>Jones &amp; Stokes</b>	<ul style="list-style-type: none"> <li>Energy, Environment, and Infrastructure</li> </ul>			
March 2009	<b>Macro International</b>	<ul style="list-style-type: none"> <li>Health, Human Services, and Social Programs</li> </ul>			

# Execution: Build Brand Recognition



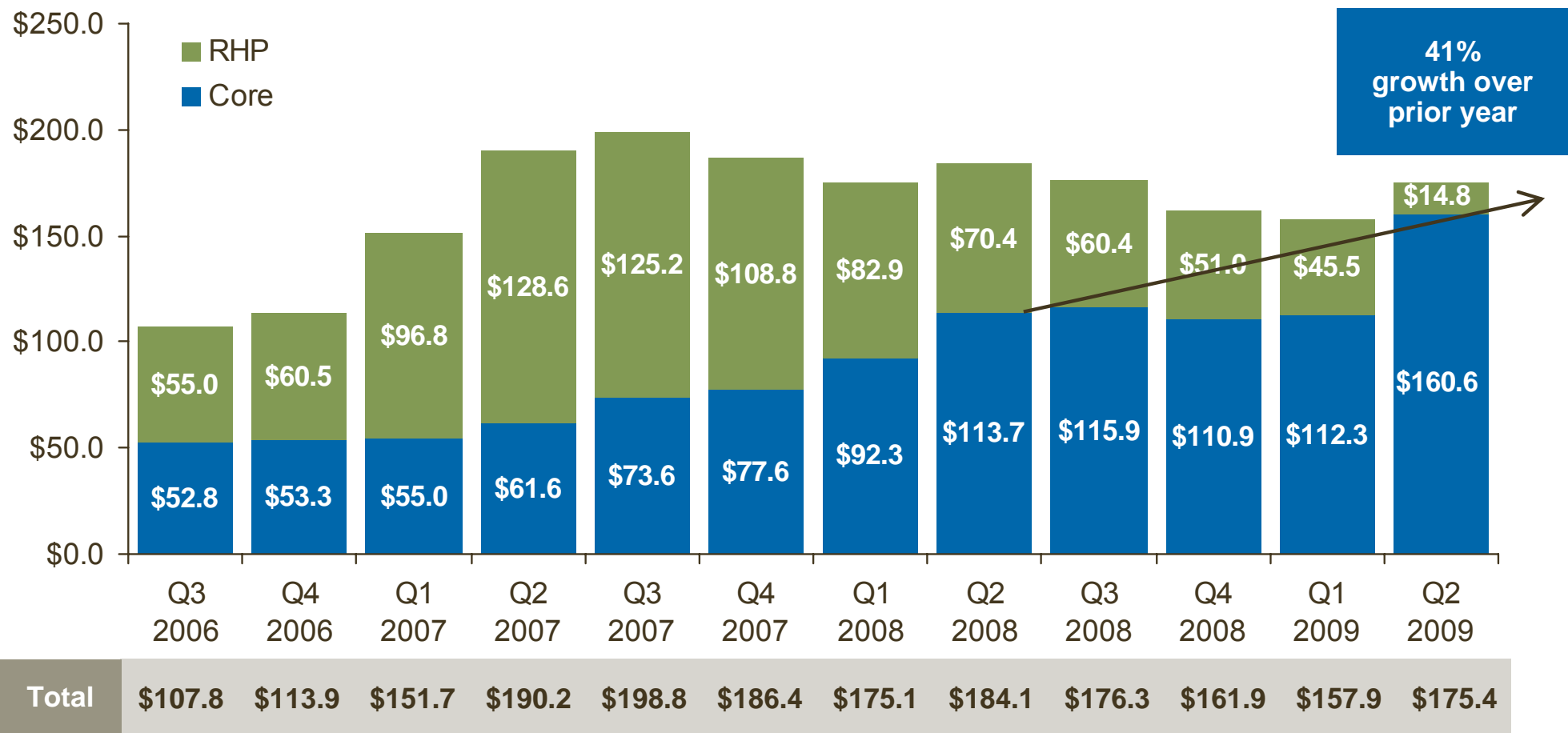


# Financial Performance

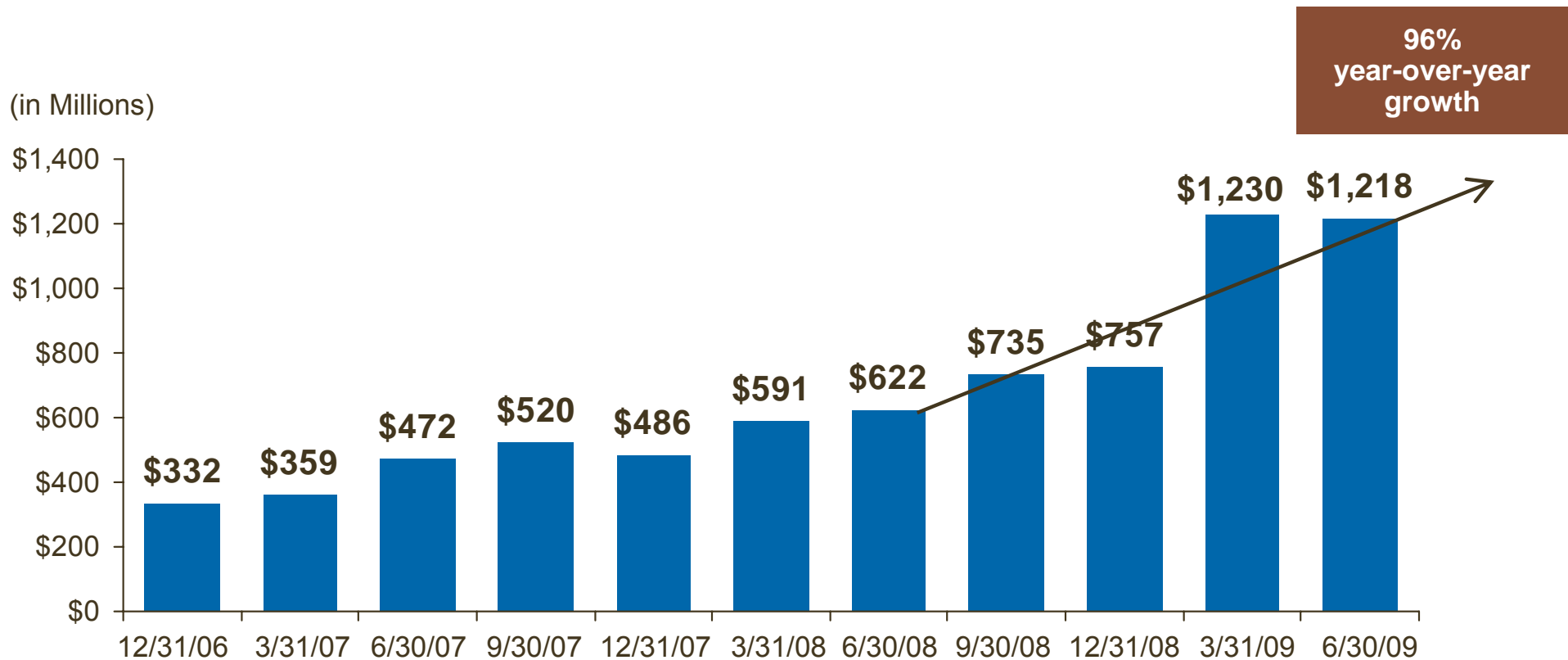
# Revenue Trends: Core Business Momentum



## Gross Revenue (in millions)



# Backlog Trends: Core Business Momentum



- Total backlog at 6/30/09: \$1.2 billion
- New business pipeline ≈\$2.4 billion

Note: Backlog in graph excludes Road Home

# P & L Highlights



	Q2 6/30/09	Q2 6/30/08	CYE 2008	CYE 2007	CYE 2006
<b>Revenues</b> (in millions)	\$175.4	\$184.1	\$697.4	\$727.1	\$331.3
<b>EBITDA</b> (in millions)	\$15.8	\$17.9	\$67.1	\$76.8	\$26.5
<b>EBITDA Margin</b>	9%	9.7%	9.6%	10.6%	8%
<b>Diluted EPS</b>	\$0.33	\$0.52	\$1.88	\$2.72	\$1.10
<b>Weighted average shares outstanding - diluted</b>	15.7	15.2	15.3	14.9	10.8

- Annualized core business revenue run rate ≈\$642 million as of 6/30/09
- Third quarter 2009 revenue expected to be \$165 million to \$170 million, and diluted EPS to range from \$0.28 to \$0.30 based on ≈15.8 million weighted average shares outstanding
- 2009 revenue expected to be \$660 million to \$680 million, and diluted EPS to range from \$1.30 to \$1.35 based on ≈15.8 million weighted average shares outstanding

# Balance Sheet Highlights



(000s)	6/30/2009	12/31/08
Cash and Equivalents	\$4,373	\$1,536
Working Capital	\$89,407	\$63,925
Total Assets	\$561,430	\$401,017
Long-term Debt	\$221,673	\$80,000
Stockholders' Equity	\$219,907	\$202,917



# Summary



<b>Unique Position</b>	Only professional services firm with large government client base that is focused on domain areas – not generic IT services
<b>Significant Growth Potential</b>	Major opportunities to leverage expertise within government agencies and to significantly expand commercial business
<b>Optimally Aligned with Federal Spending Priorities</b>	Key priorities: healthcare reform, climate change, and stimulus spending
<b>High Barriers to Entry</b>	Driven by significant intellectual property, long-standing relationships, and institutional memory
<b>Consolidation Platform</b>	Broader range of acquisition targets available with less competition
<b>Client Mix</b>	Large portion of government business (~80%) provides long-term backlog



Thank You