



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



ICF50
YEARS
1969 - 2019



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



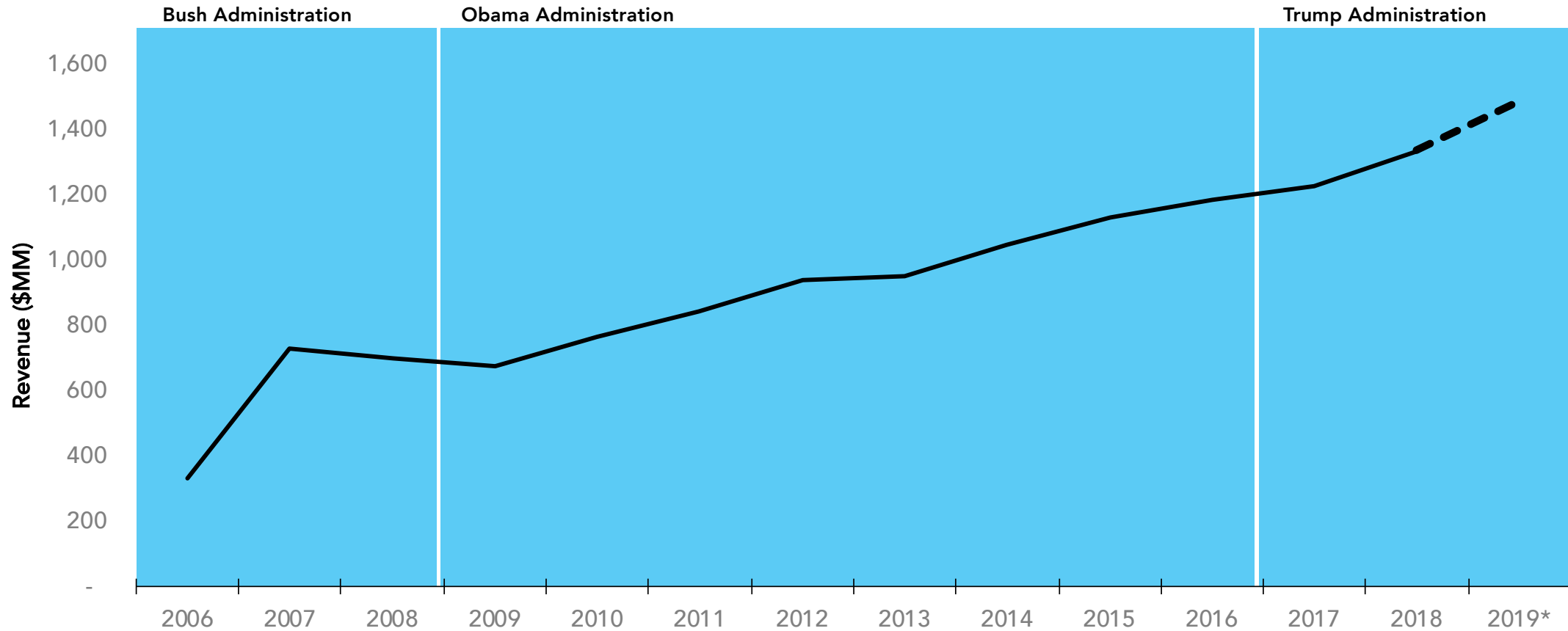
Revenue and earnings **growth** across U.S. presidential administrations

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

Steady margin expansion over time

Strong cash flow translating into shareholder value creation

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

Business Overview

Presented by:
John Wasson, President and Chief Executive Officer

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ICF's growth strategy

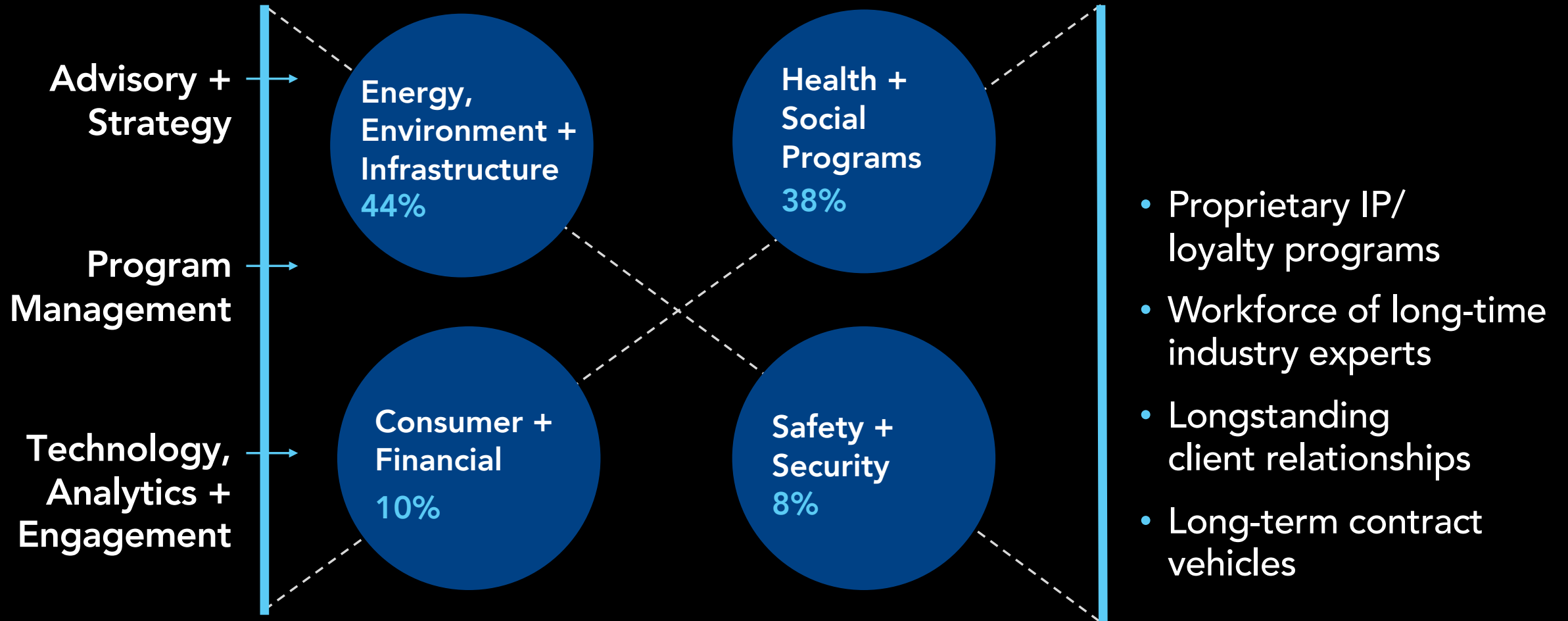
Sustaining and growing expertise in core vertical markets

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

Marketing Services

- Personalization/loyalty
- Digital transformation
- Data convergence

State + Local

- Disaster management: recovery and mitigation
- Infrastructure spending

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

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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

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Market opportunity

\$632B

2019 federal civilian budget

Mid-single digits

Percentage of growth in 2019 budgets

\$77B+

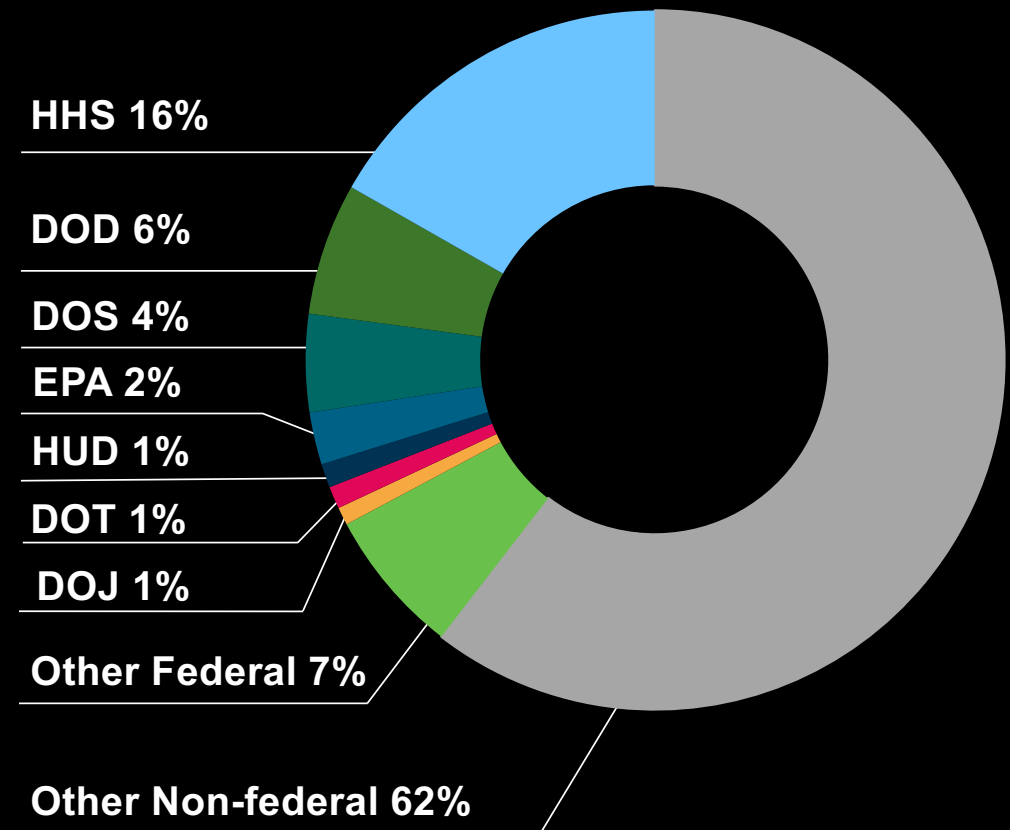
Addressable federal civilian market

+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

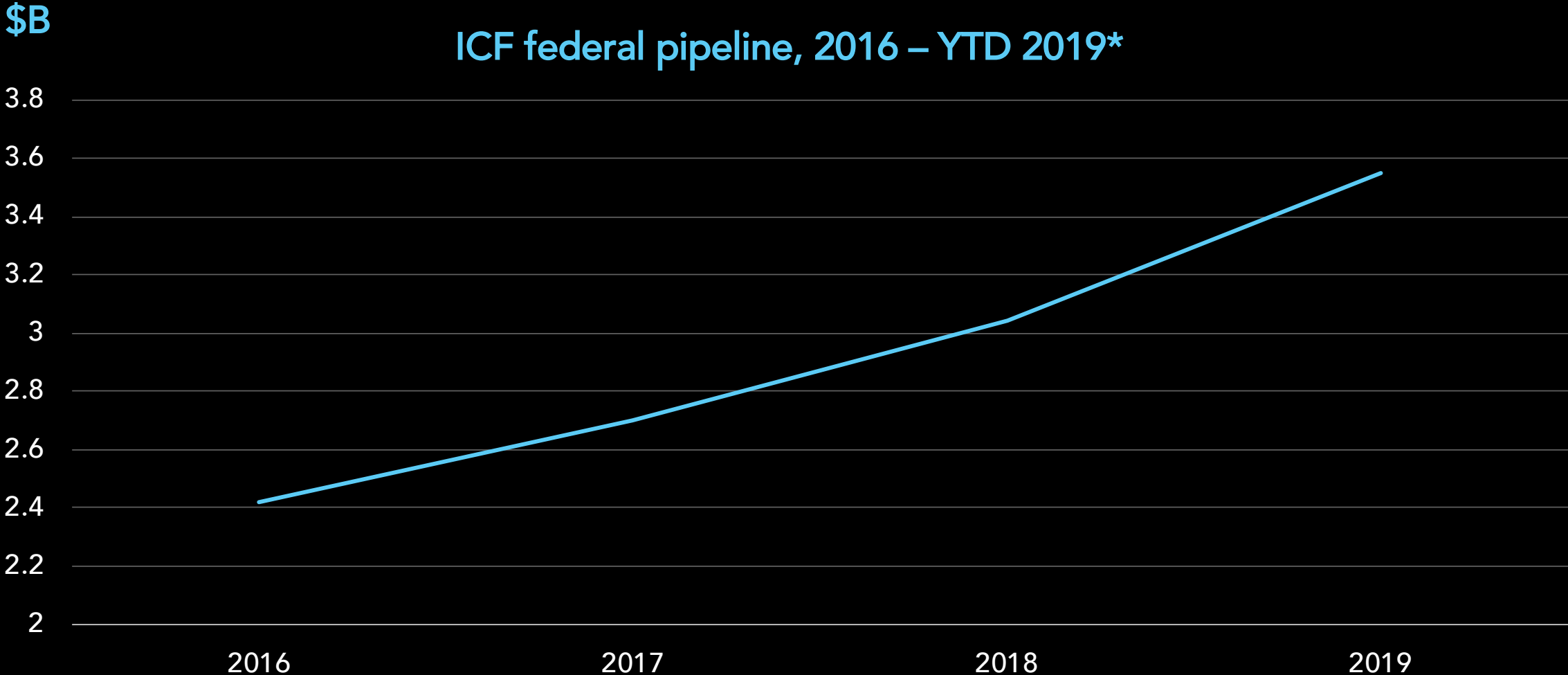
Work with numerous agencies corresponding to different parts of Federal mission

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



Health and Human Services Office of Inspector General

Predictive Analytics to Fight Fraud, Waste and Abuse

\$60 – \$90B

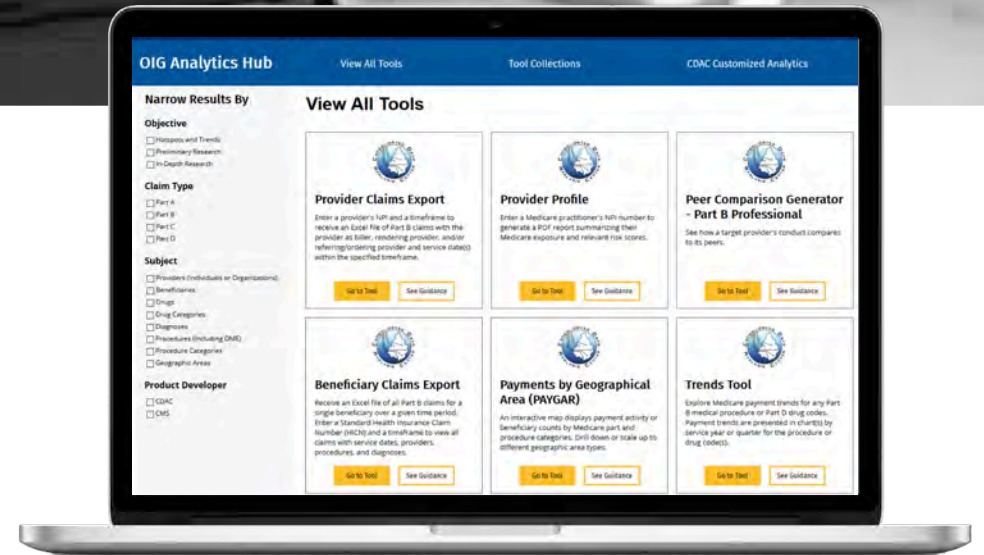
Potential prevented/recovered fraudulent Medicare funds



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



Disaster Management

Presented by:

Andrew LaVanway, Senior Vice President,
Division Lead

Brandy Bones, Senior Director,
Recovery Program Expert

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Market opportunity

HUD CDBG-DR market

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

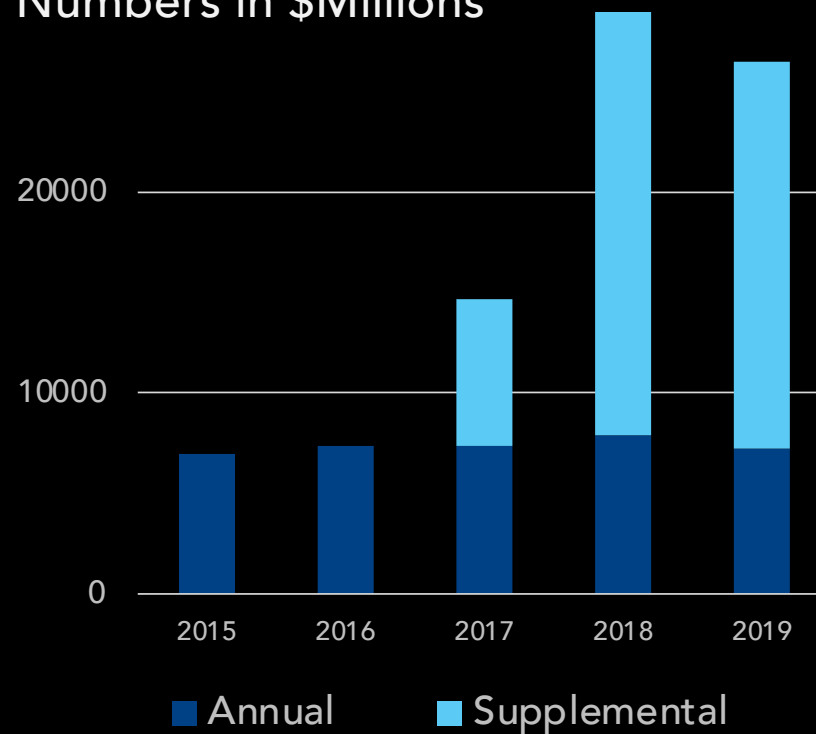
Active Funding **\$38.7** billion
(Addressable now)

Active Grants **137**

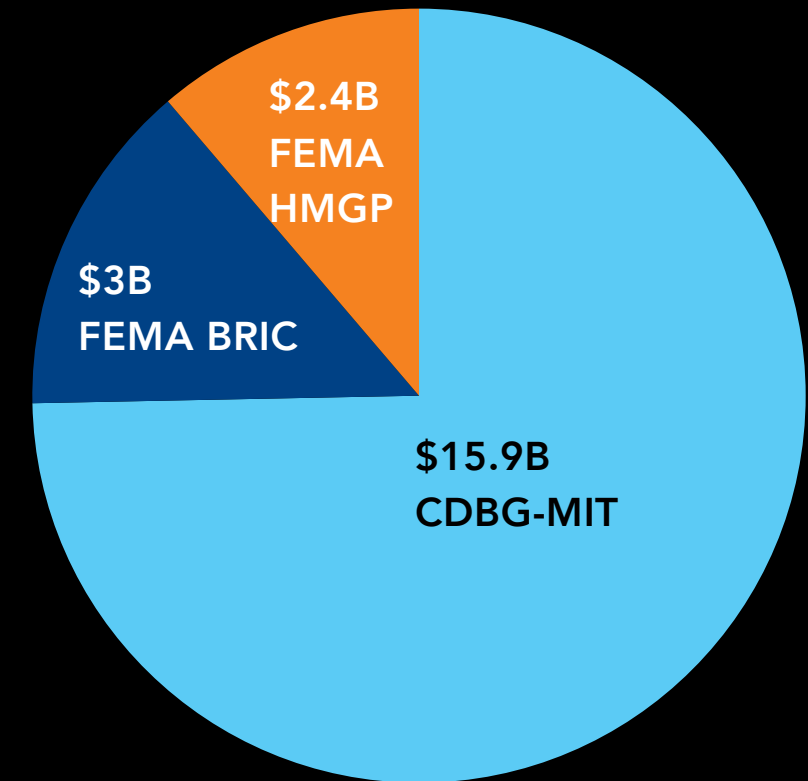
Active Grantees **58**

FEMA market

Numbers in \$Millions



Fed-funded mitigation market



3%-10% of funding is addressable market

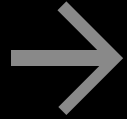
*Total funding for the Road Home was \$9.022 billion
Source: HUD OCPD – HUDEXchange.info

Source: Congressional Research Service

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

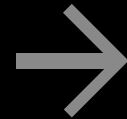
Key trends creating a more favorable market

Unprecedented
need



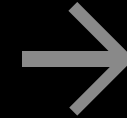
Extreme weather events
will continue

Lower peaks +
fewer valleys



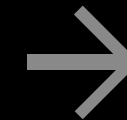
Consistent FEMA funding
(>\$7 billion/year)

Fragmented
competition



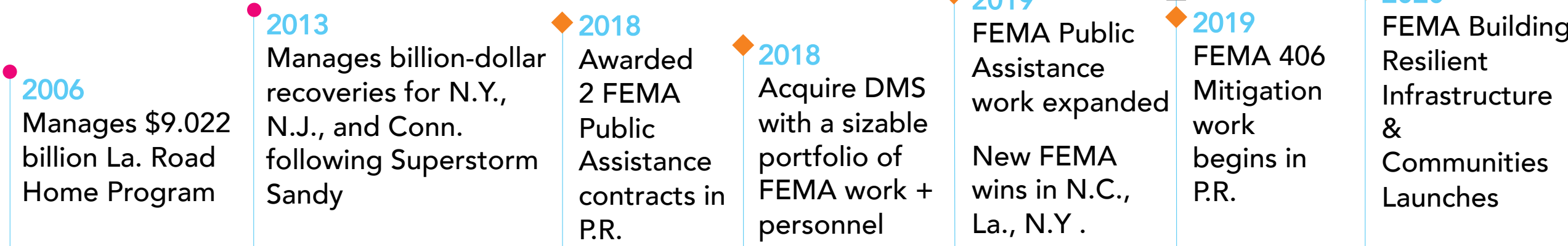
More emphasis on whole community
recovery

Limited talent



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

Building on Past Success



Yesterday

Today

Tomorrow

2007-2011
Works with HUD to "write the book on CDBG & CDBG-DR"

2017-2019
Delivers HUD CDBG-DR Problem Solving Clinic for grantees

2018
Lead TA provider to U.S.V.I.

2018
Selected for 3 CDBG-DR projects in Tex.

2019
Awarded housing recovery program in P.R.

2019
Implementing N.C.'s Buyout Program

2019-2020
HUD announces rules for CDBG-MIT funding

ICF Awarded Mo. MIT

key ◆ FEMA ● CDBG-DR ▲ Mitigation

Owning a strong position in HUD CDBG-DR disaster recovery

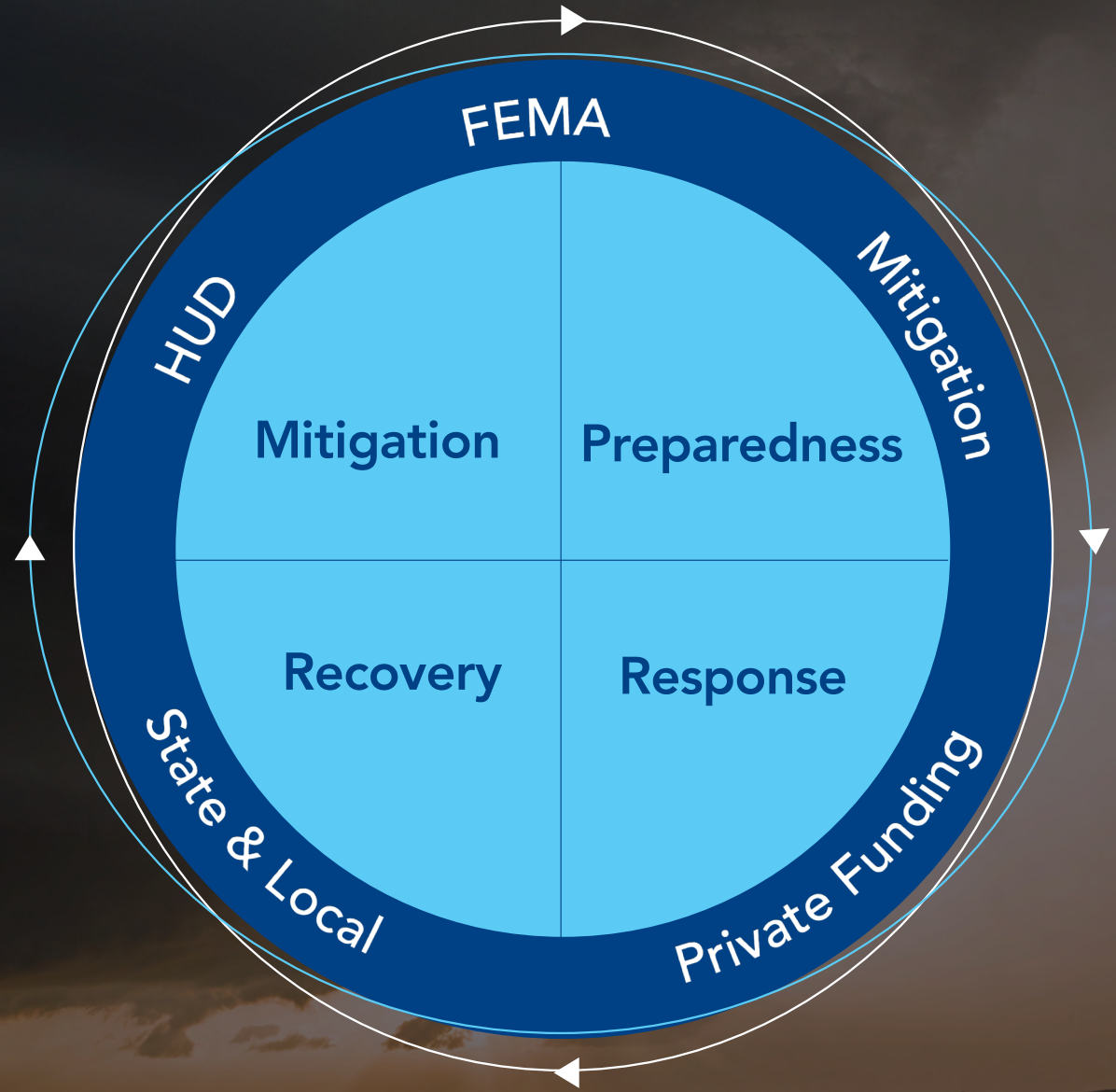


Expanding CDBG, building a strong position in FEMA disaster response and recovery



Using recovery as opportunity to mitigate and build resiliency

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

ICF next+

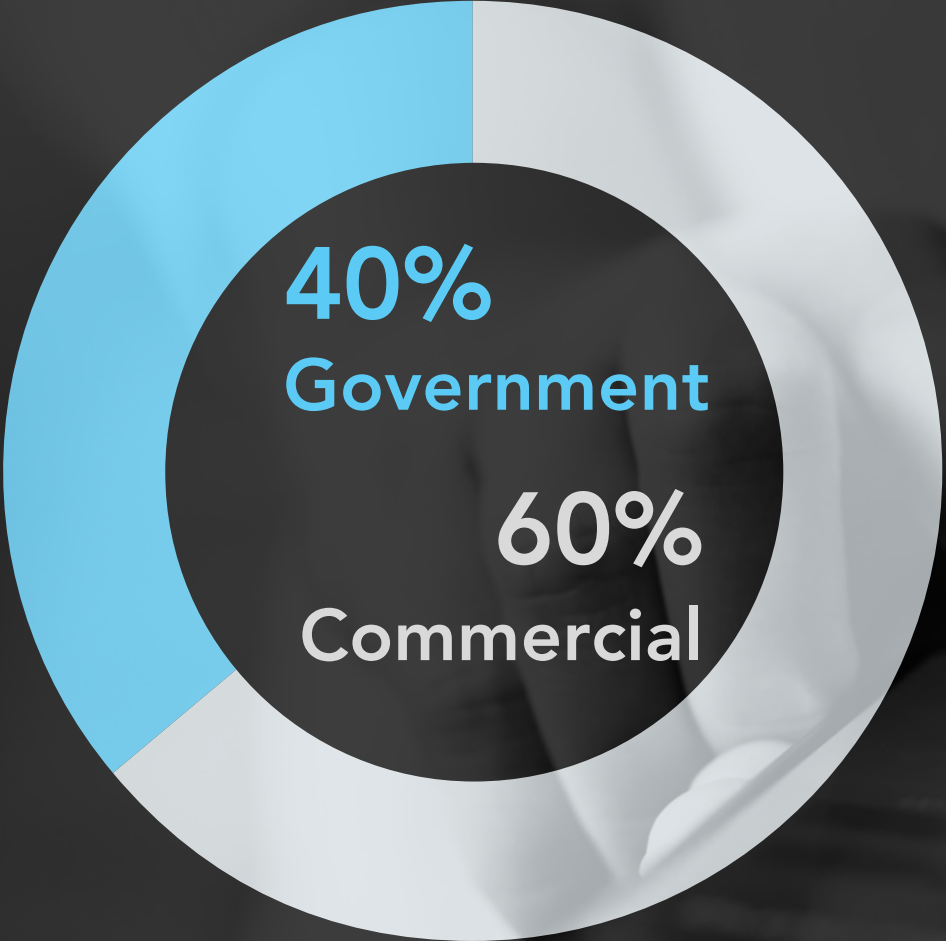
Presented by:

John Armstrong, President,
ICF Next

Kris Tremaine, Managing Partner,
ICF Next

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



U.S. Department of Transportation

UNITEDHEALTH GROUP*



Department of Transportation



Government

MARY KAY



WYNDHAM WORLDWIDE



Health

Kraft Heinz



Hilton



HYATT®



Travel

SPALDING



EXPRESS

Hospitality

BGE®

An Exelon Company

enterprise



DARDEN

The Economist

Energy



BELIZE TOURISM BOARD



CALIFORNIA RESOURCES CORPORATION



DELTA



A Sempra Energy utility



calottery

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

Sources:

1. Published NAICS codes; 2. WARC: 2019 and Beyond (US and UK MarTech Spend); 3. Maximize Market Research: 2019; 4. Private consulting report

Centers for Disease Control and Prevention

Real stories of the opioid epidemic

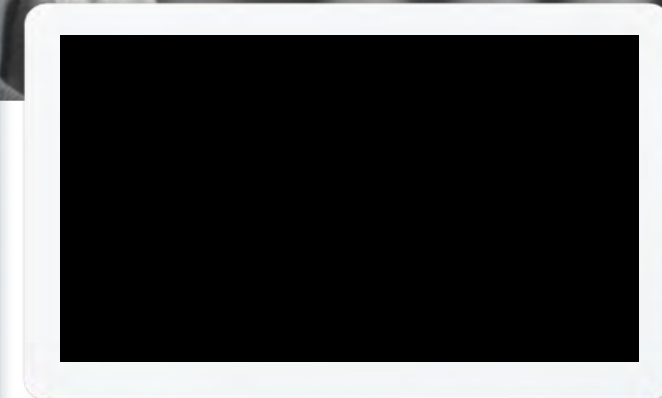
Supporting CDC in the fight against prescription drug overdose

80%

of intended audience saw a campaign video

27%

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



Fortune 100 Healthcare Client

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

Delivering strategy, transformation,
experience, marketing and
engagement initiatives

2M

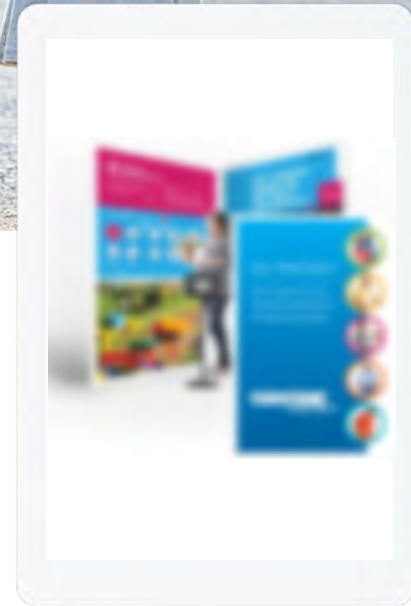
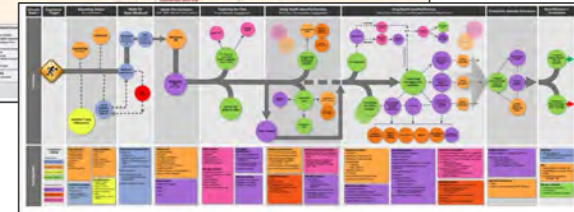
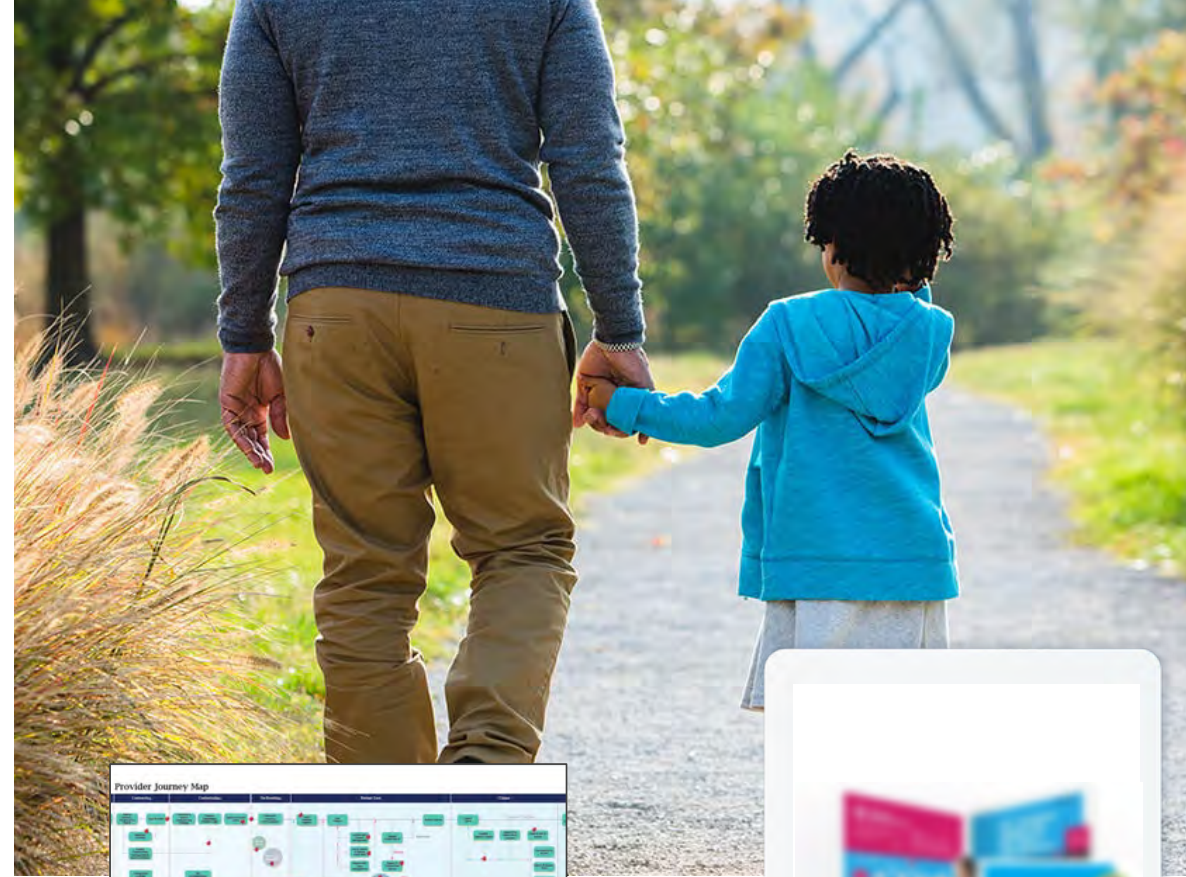
Enrollees from
product launch
to becoming a
category leader

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



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%

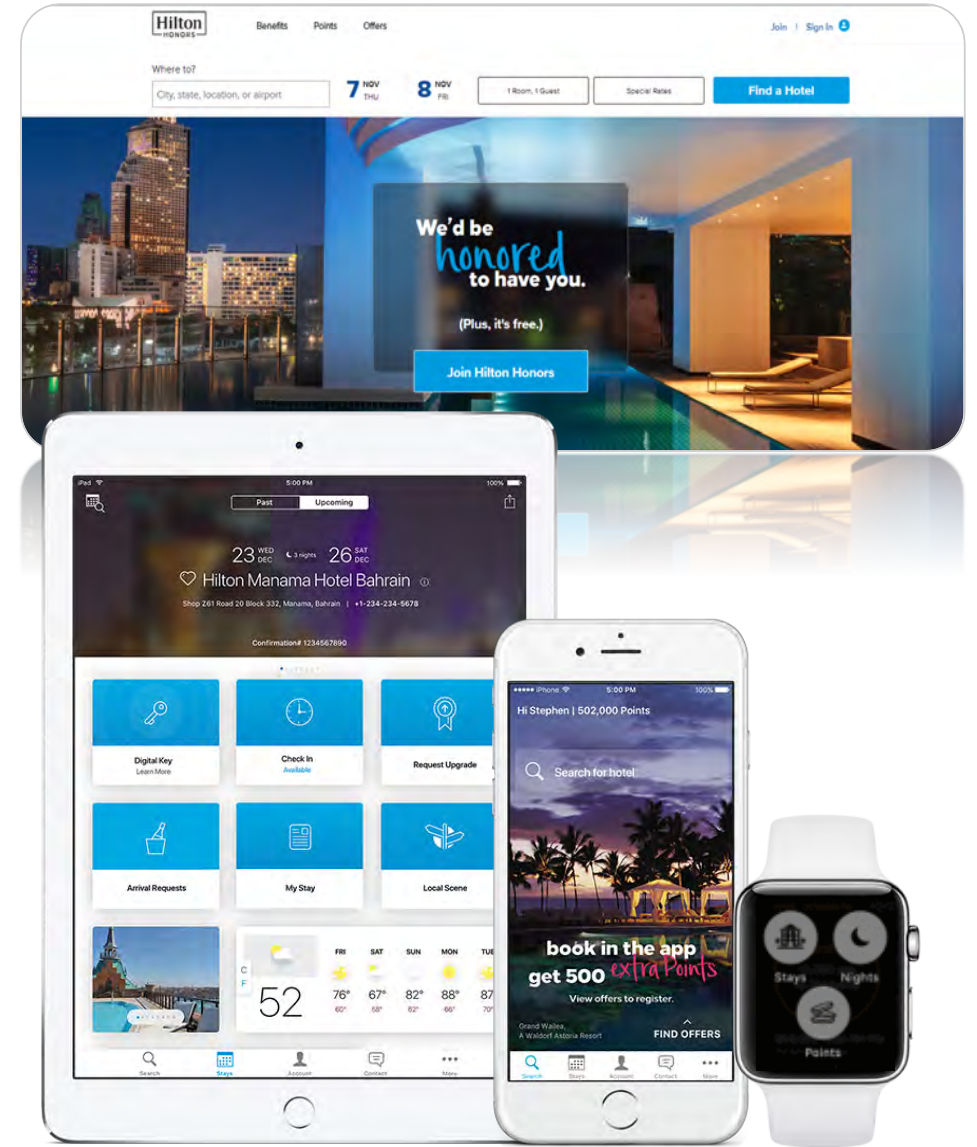
Improvement on annual member tier requalification

75%

Faster checkout process. Members see account activity within hours

30%

Increase in membership growth



Commercial Energy

Presented by:

Sergio Ostria, Executive Vice President, Energy and Infrastructure

Phil Mihlmeister, Executive Vice President, Energy Division Lead

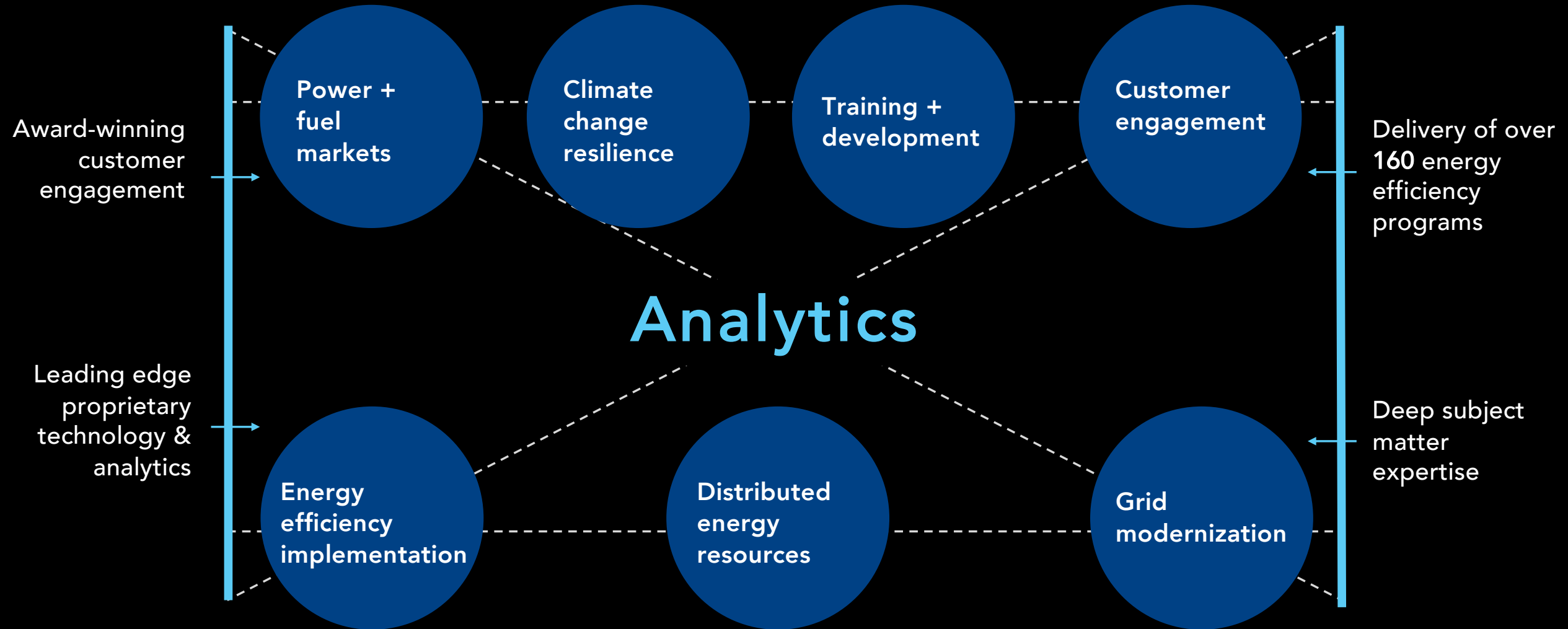
Shanthi Muthiah, Senior Vice President, Power Markets Expert

Anne Choate, Senior Vice President, Climate and Resiliency

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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 analysis

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)

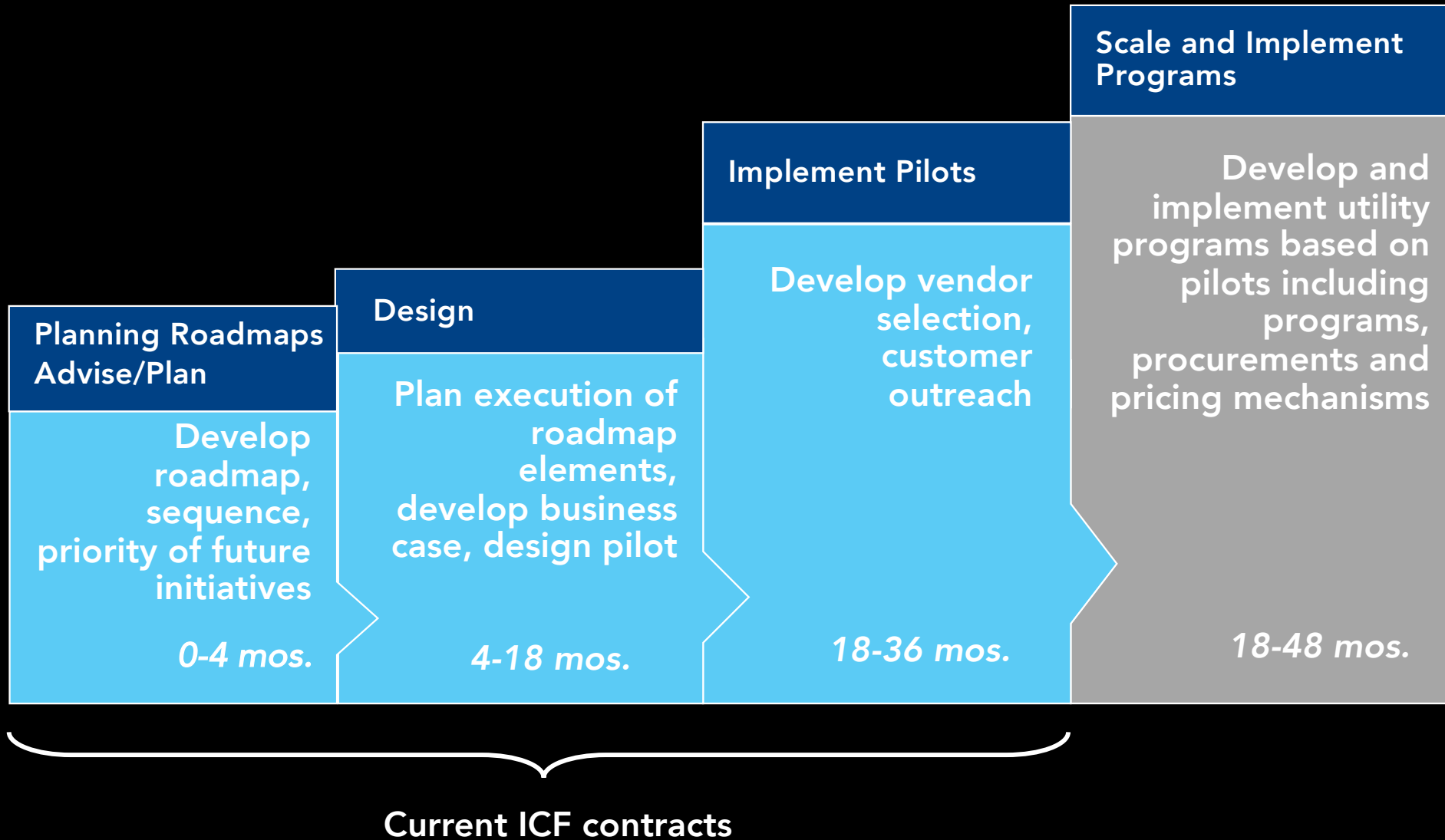
Total DER market could be as large as current energy efficiency market in the next 5-10 years

Growth Drivers

Initial utility pilot programs focusing on battery storage and EVs

*EEl, ICF analysis
**EIA, NAS, NYPSC, ICF analysis
***EDF, ICF analysis

DER technology-based pilots



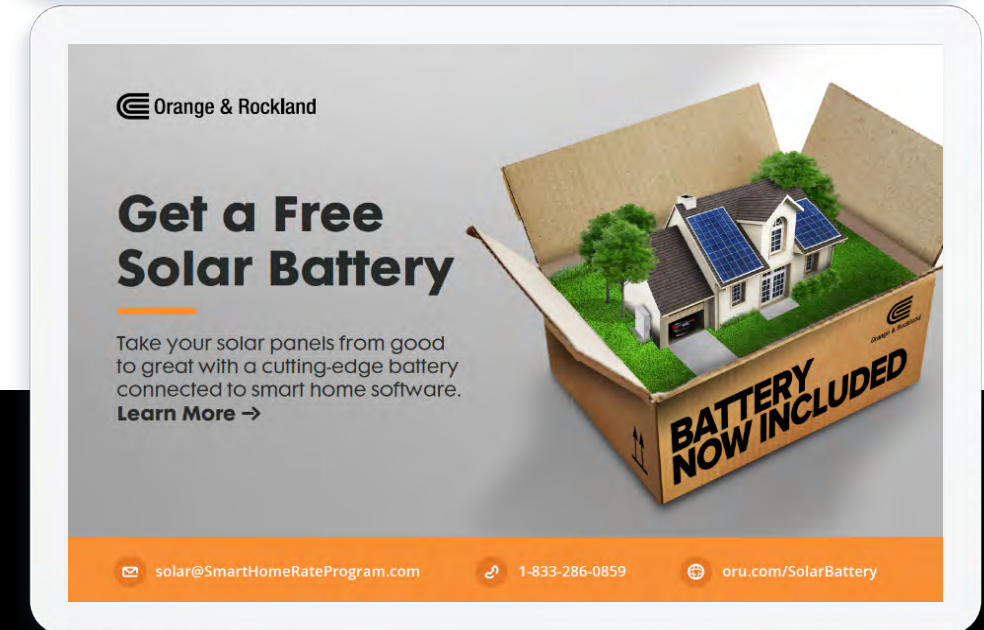
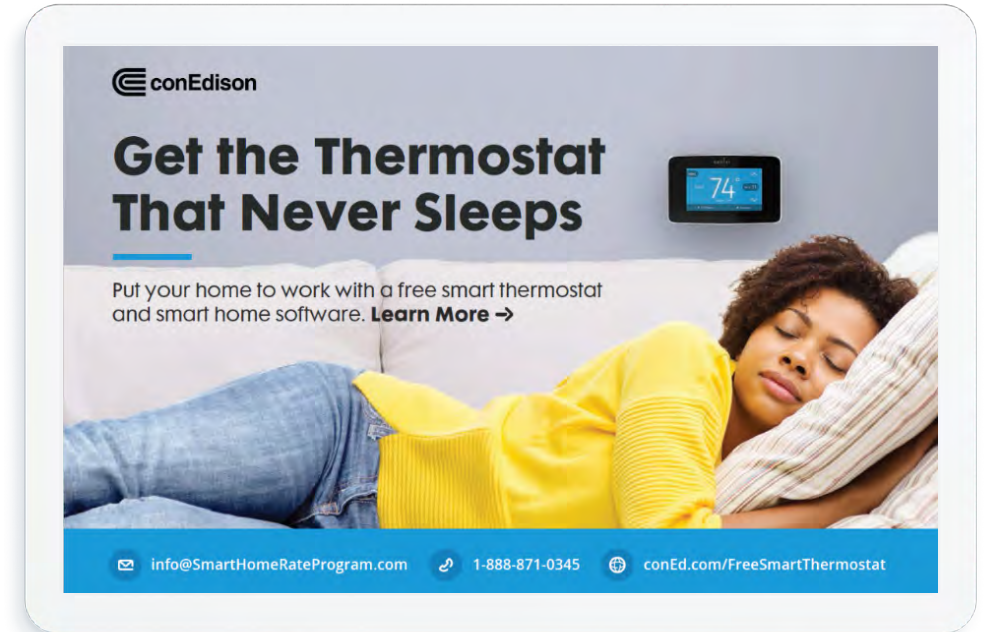
Helping customers control energy usage through innovative technologies

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: EIA



BGE and PHI

Incentivizing the EV market

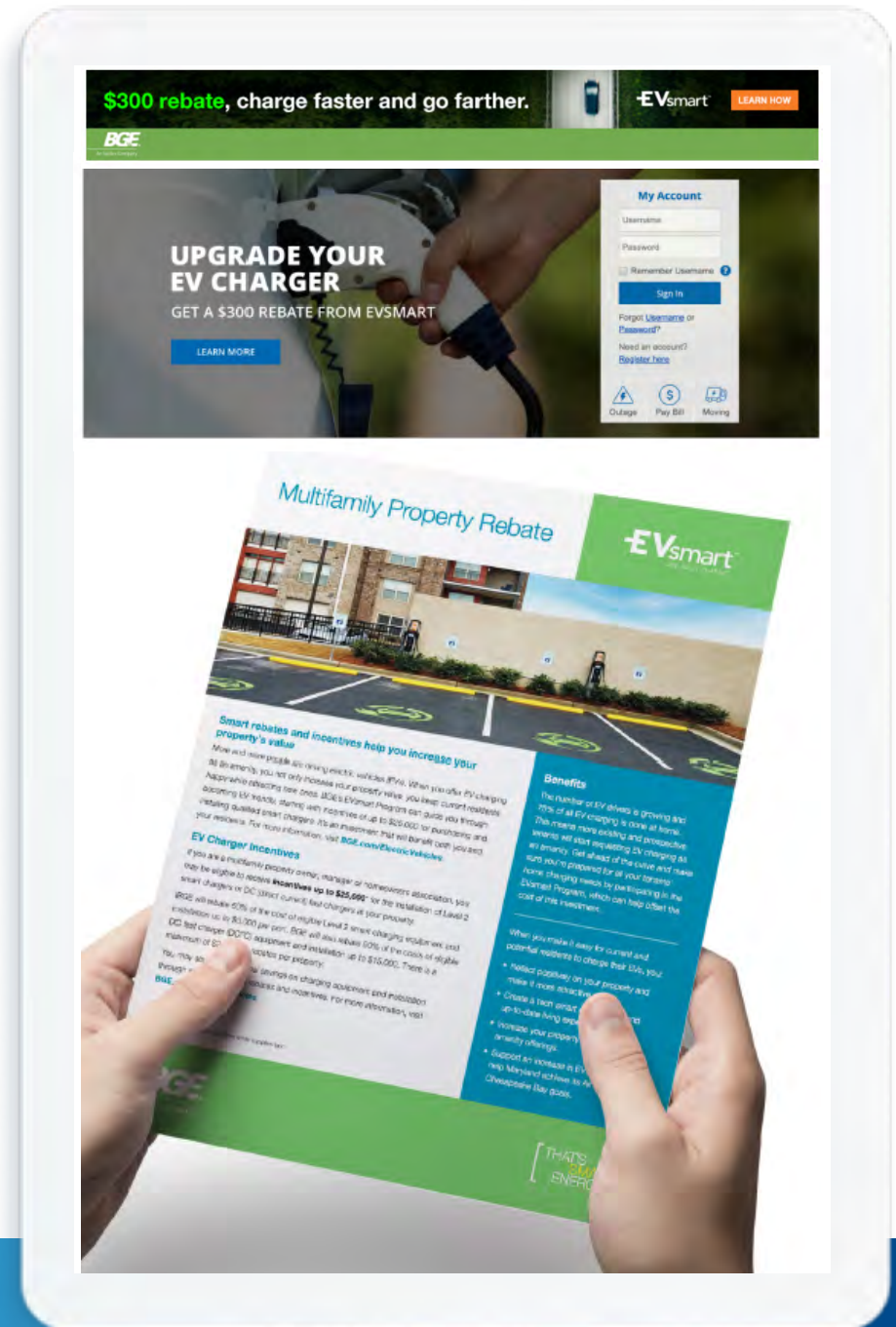
BGE and PHI's EVsmart Pilots

- 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

“EEI’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

80 cities have named Chief Resilience Officers

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

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

\$21 B

Resilience spending by electric and gas utilities in 2030*

\$100M

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

*Source: EIA, EEI, 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



Financial Strength

Presented by:

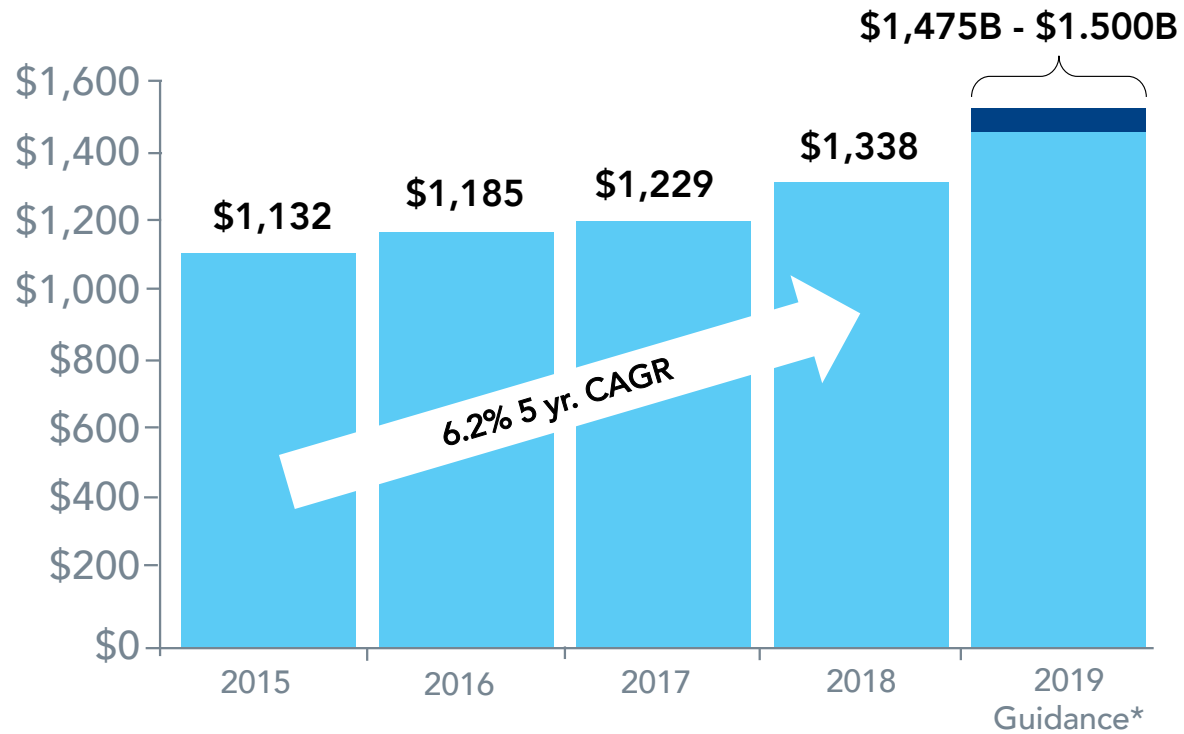
James Morgan, Chief Financial Officer

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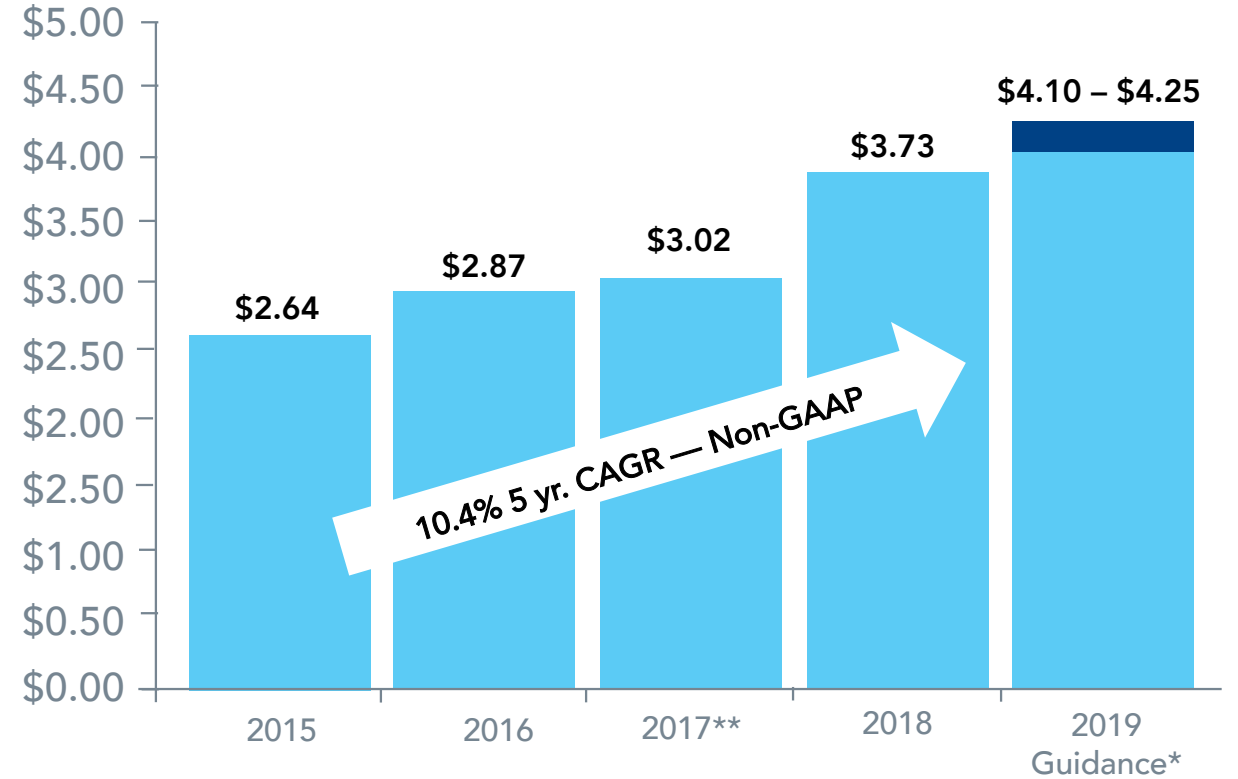


Revenue and profit growth

Revenue (\$ Millions)



Non-GAAP EPS

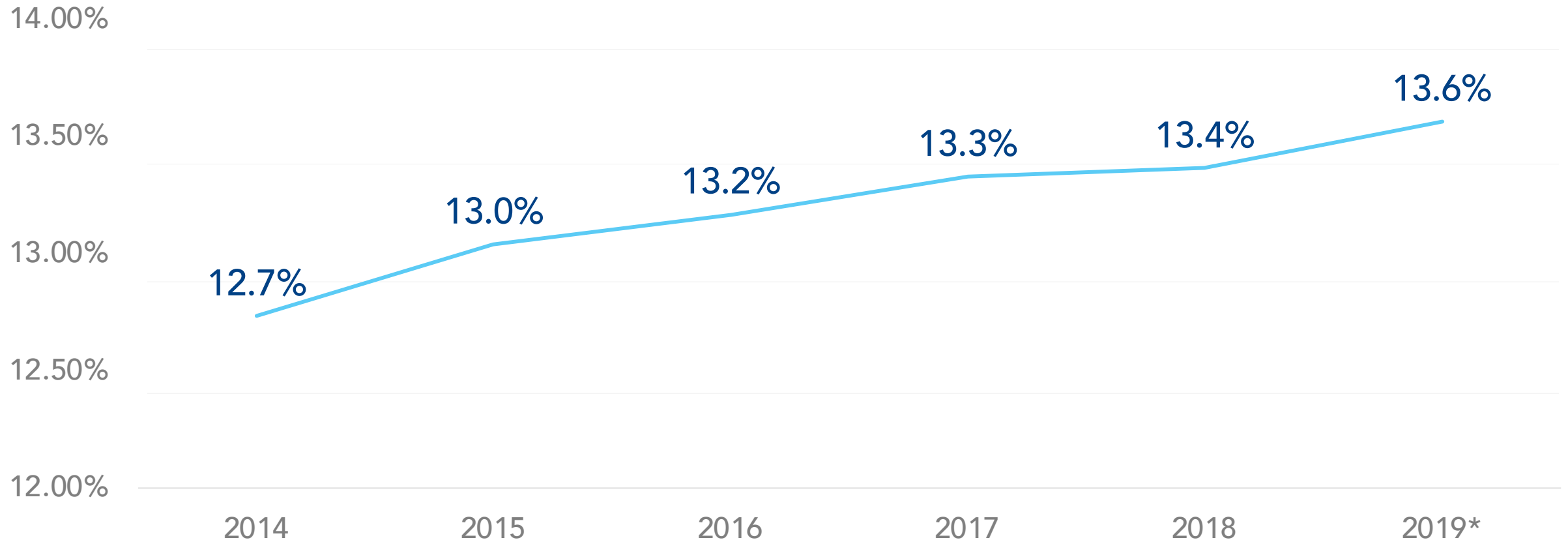


*Based on 2019 management guidance as of November 6, 2019

**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)



**Mid-point of Q319 Guidance with estimate of 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)

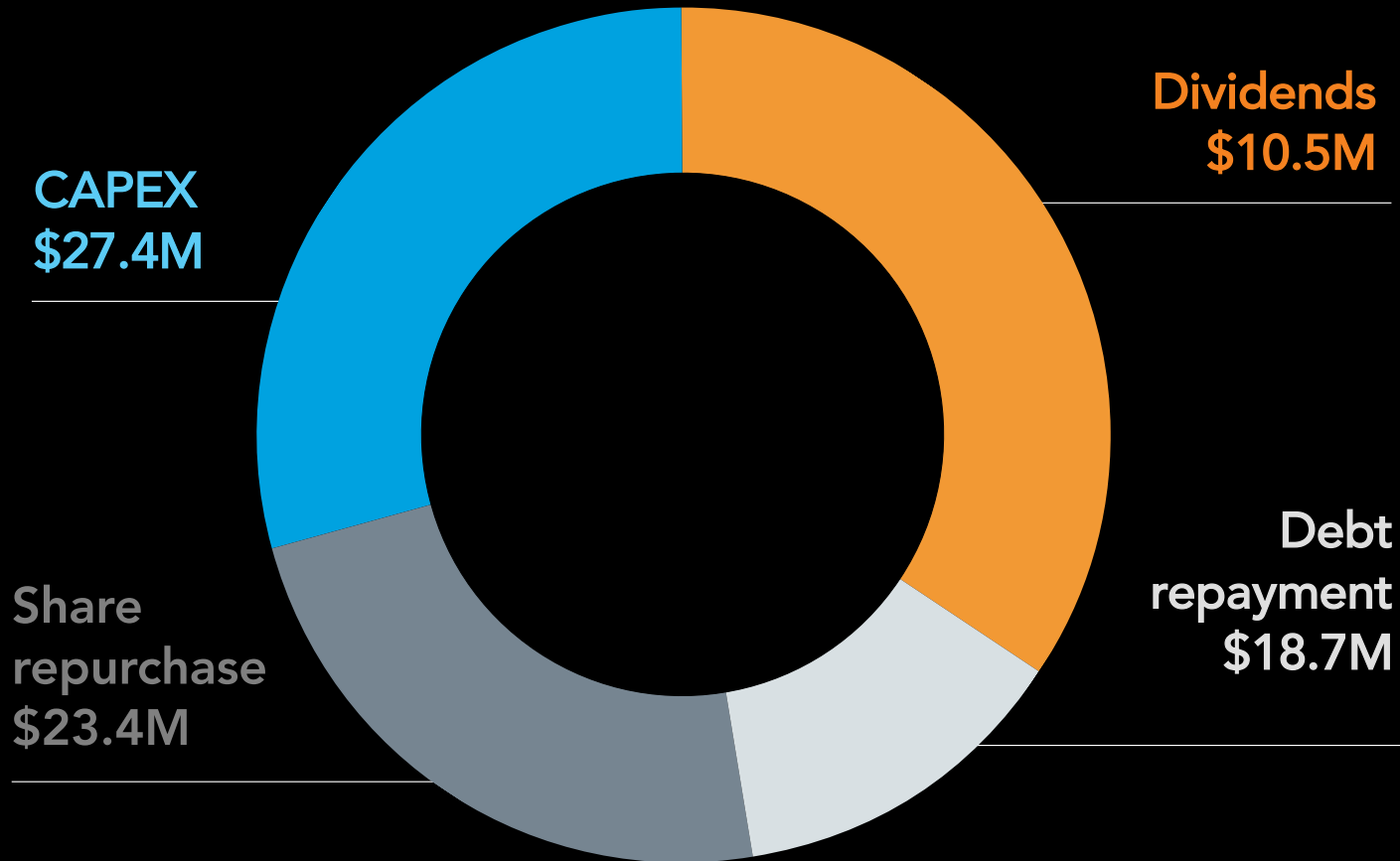
Current ratio	1.51x
Debt to total capital	0.26x
Leverage ratio (Debt to EBITDA)	1.86x
Bank leverage ratio* (Debt to Bank EBITDA)	1.72x

* 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

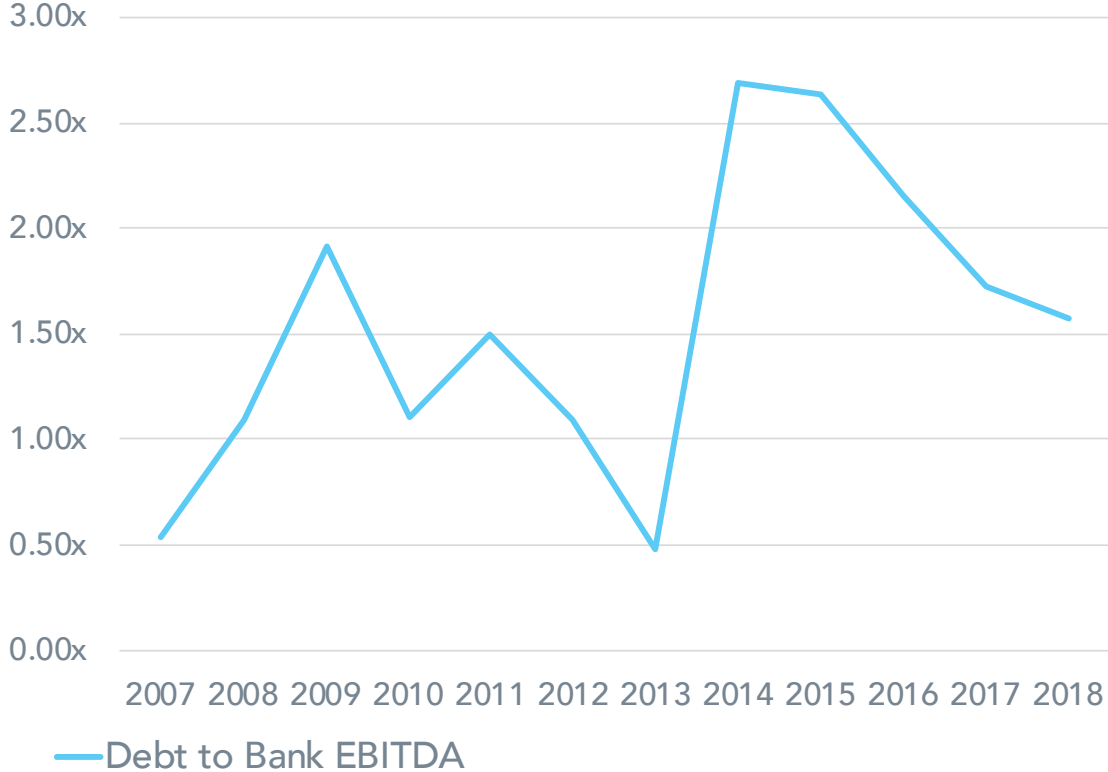
Grid, asset + customer analytics

Distributed energy resource management

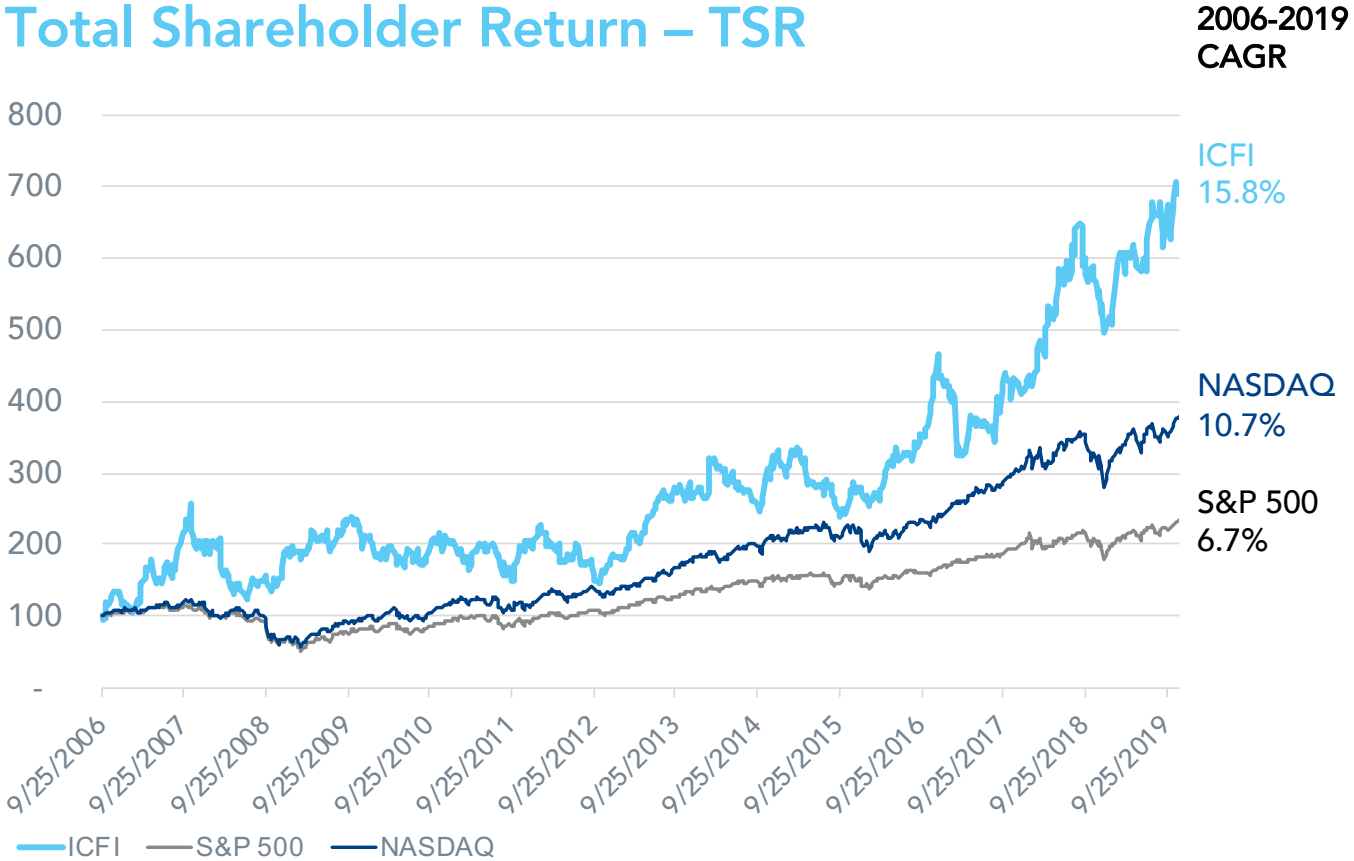
Digital transformation

Demonstrated track record

Bank Leverage Ratio



Total Shareholder Return – TSR



Summary

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

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

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

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

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Key takeaways

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

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

**Continue
complementary and
accretive acquisitions**

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