

# ICF Investor Presentation

March 2020





## 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: A professional + technology services firm

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Serve a balanced roster of government + commercial clients

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Leverage deep domain expertise to achieve superior results for clients

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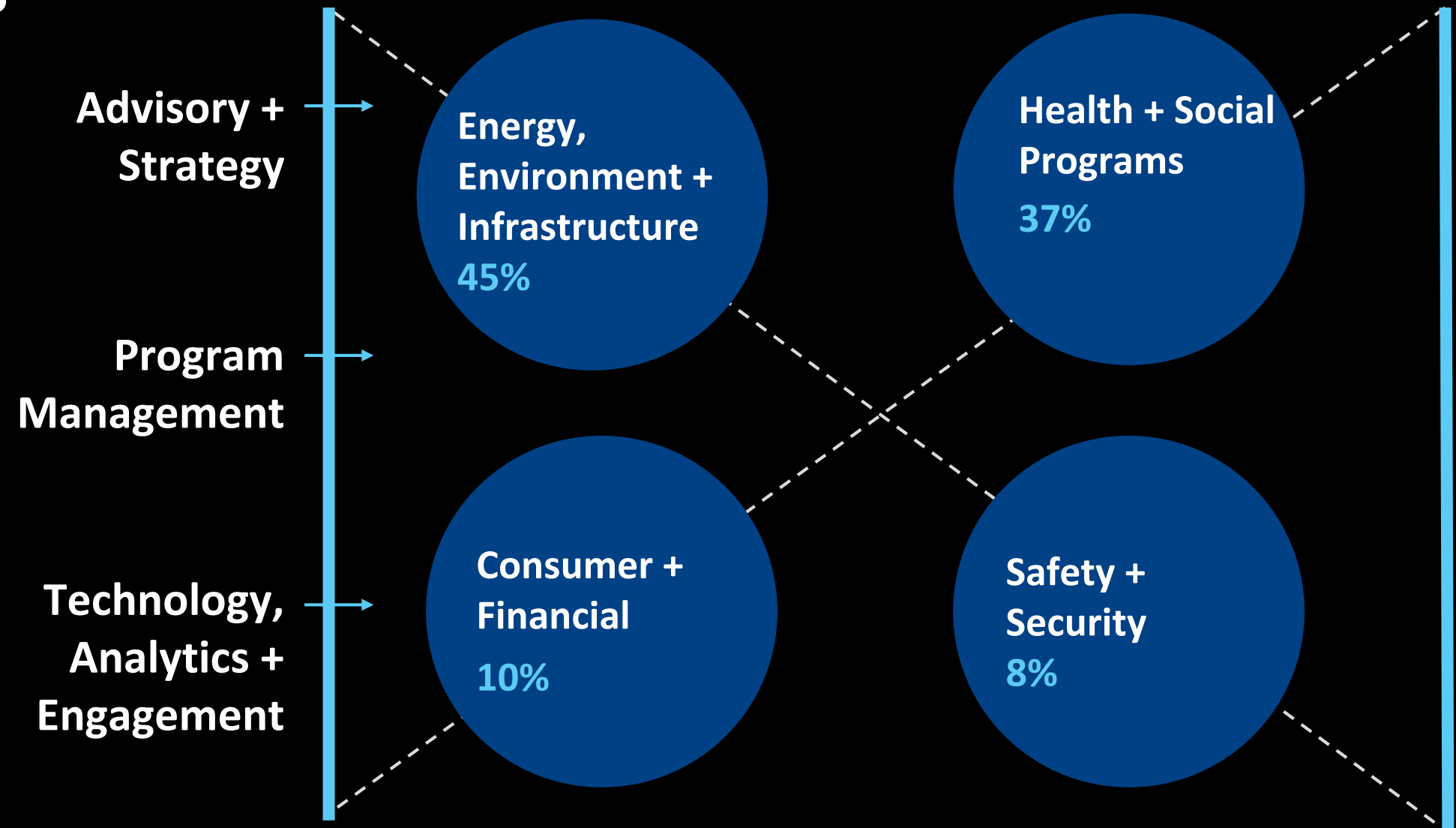
Deliver strong cross-cutting capabilities in technology + engagement

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Benefit from visibility of a substantial backlog + growth profile of commercial revenues

**A growth platform combining organic initiatives + acquisitions**

# Synergy in markets + capabilities



Revenue percentages are based on Q4 2019 TTM financial performance released on February 27, 2020

# Drivers of long-standing client relationships

—  
Proprietary IP/  
loyalty  
programs

—  
Workforce of  
long-time  
industry experts

—  
Proprietary  
analytics

—  
Long-term  
contract  
vehicles

# ICF culture: a source of competitive advantage

## Purpose

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To build a more  
prosperous and resilient  
world for all.

## Values

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Interact with integrity  
Bring your passion  
Embrace differences  
Challenge assumptions  
Work together  
Be greater than



# Track record of strong revenue + EPS growth



Revenue:  
5-year CAGR  
**7.1%**



GAAP EPS:  
5-year CAGR  
**12.4%**

# Catalysts for continued organic growth

## Federal

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

## State + Local

- Disaster management: recovery + mitigation
- Infrastructure spending

## Marketing Services

- Personalization/loyalty
- Digital transformation
- Data convergence

## Commercial Energy

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



# ITG acquisition

ITG is a unique IT consulting firm delivering application modernization and business transformation for U.S. federal government clients

## Key business statistics

**\$90M**

2019 Revenue

**+\$100M**

revenue run-rate

**92%**

prime contract  
revenue

**>**

**EBITDA**  
margin  
than ICF's

**350**

Digital transformation  
consultants

**65+**

CSM & SAFe  
certifications

## Key tech partners

**servicenow**

**aws**

**Appian**

**MuleSoft**

**salesforce**

## Representative systems ITG builds

—  
**Case  
Management**

—  
**Purchasing +  
Acquisitions**

—  
**Grants  
Management**

—  
**Asset  
Management**

—  
**Contract  
Writing**

—  
**Content  
Management**

—  
**Financial  
Management**

—  
**Audit  
Tracking**

—  
**Inspections**

—  
**Workforce  
Management**

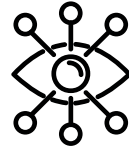
—  
**Healthcare  
Compliance**

—  
**Emergency Management**

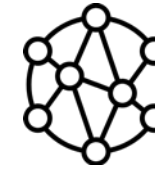
# Compelling strategic rationale



IT modernization and cloud is estimated to be a \$21B Federal market<sup>1</sup>, comprised of large projects



Sustaining ICF's future revenue growth requires a broader technology offering beyond existing engagement, cyber, and software development



Creates immediate revenue synergies due to the combination of ICF's domain expertise and client relationships with ITG's IT modernization capabilities

<sup>1</sup> Source: Bloomberg Government, Deltek GovWin Federal Priorities Spotlight



# Meaningful joint growth opportunities

ICF's Domain  
Expertise + Client  
Relationships

ICF's Robust Business  
Development Engine

ICF's Best-in-Class  
Contract Vehicles

Selective  
Insourcing

ITG's  
Qualifications

ITG brings a substantial business development pipeline and a backlog that provides visibility

ICF has a large number of net new opportunities in its pipeline for which ITG enhances our win potential

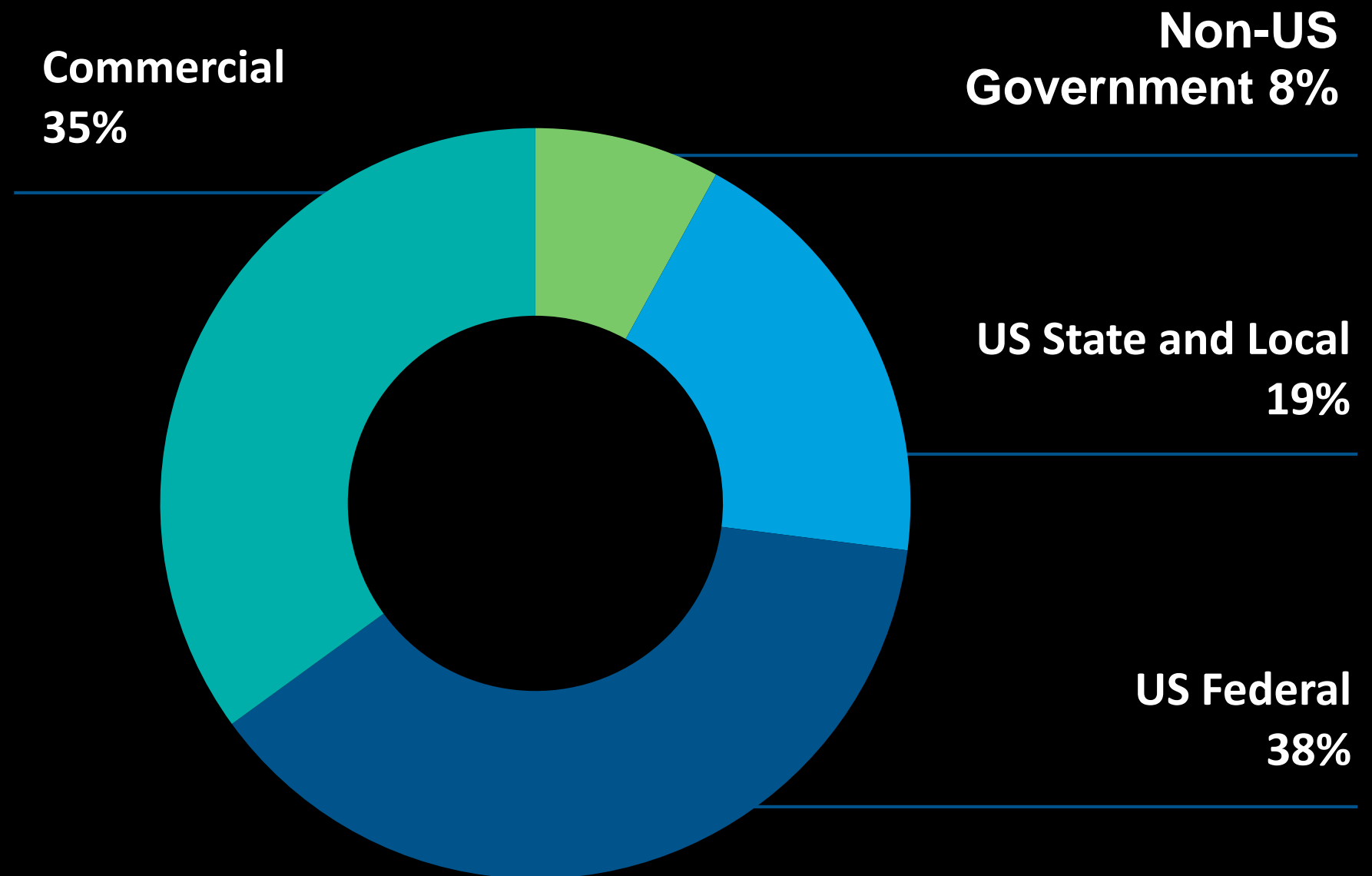
Combination of ICF's deep domain expertise and broad client base with ITG's IT modernization skills will allow us to identify "new-new" opportunities

Opportunity also exists to bring inhouse the revenues historically subcontracted out by ITG

**We serve a balanced  
roster of government  
+ commercial clients\***



**Provides significant  
opportunities for expansion**



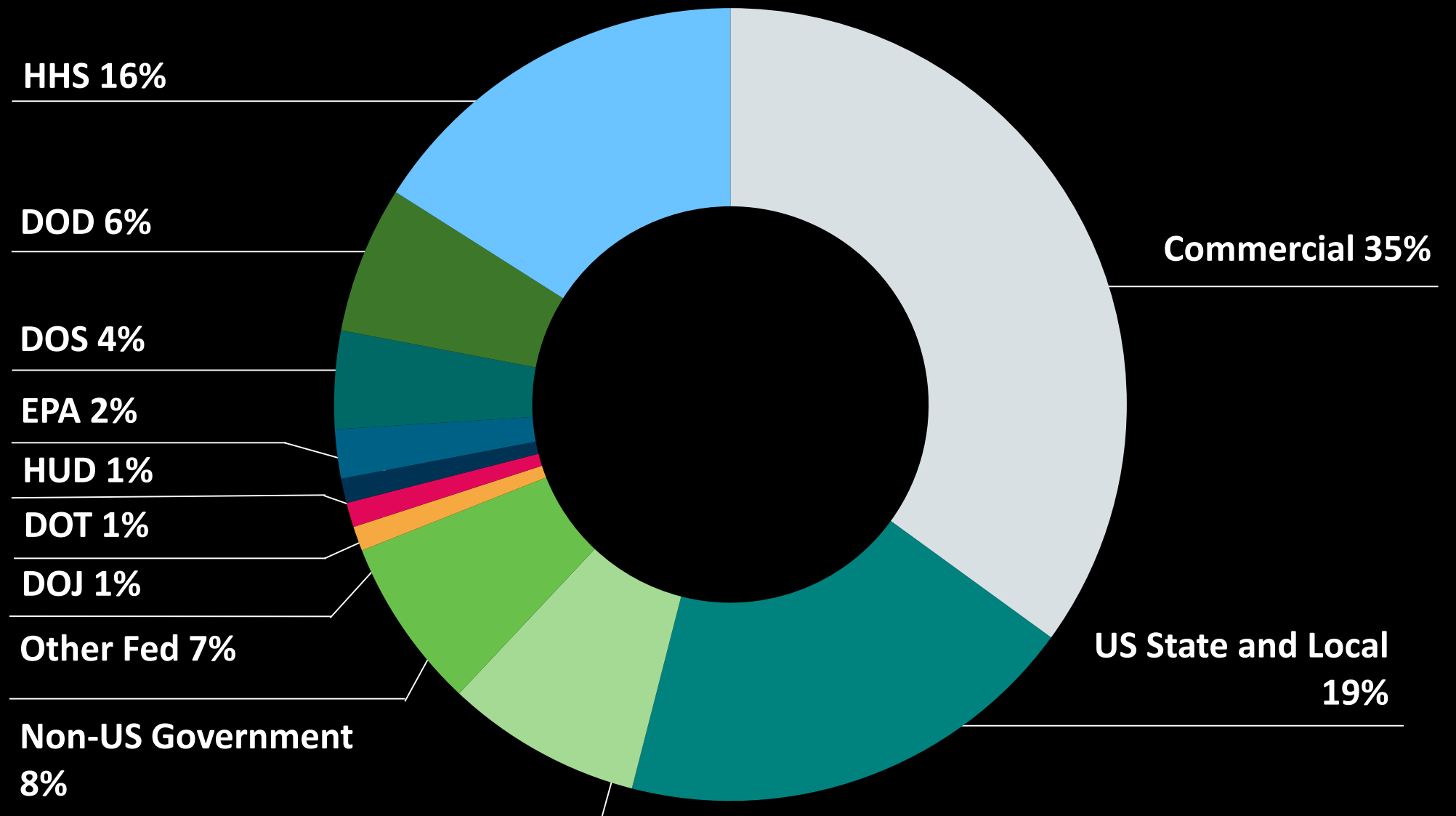
\*Based on Q4 2019 TTM financial performance released on February 27, 2020



# We work with a broad array of government clients

Government revenues 65% of total revenues\*

US federal revenues primarily from civilian agencies



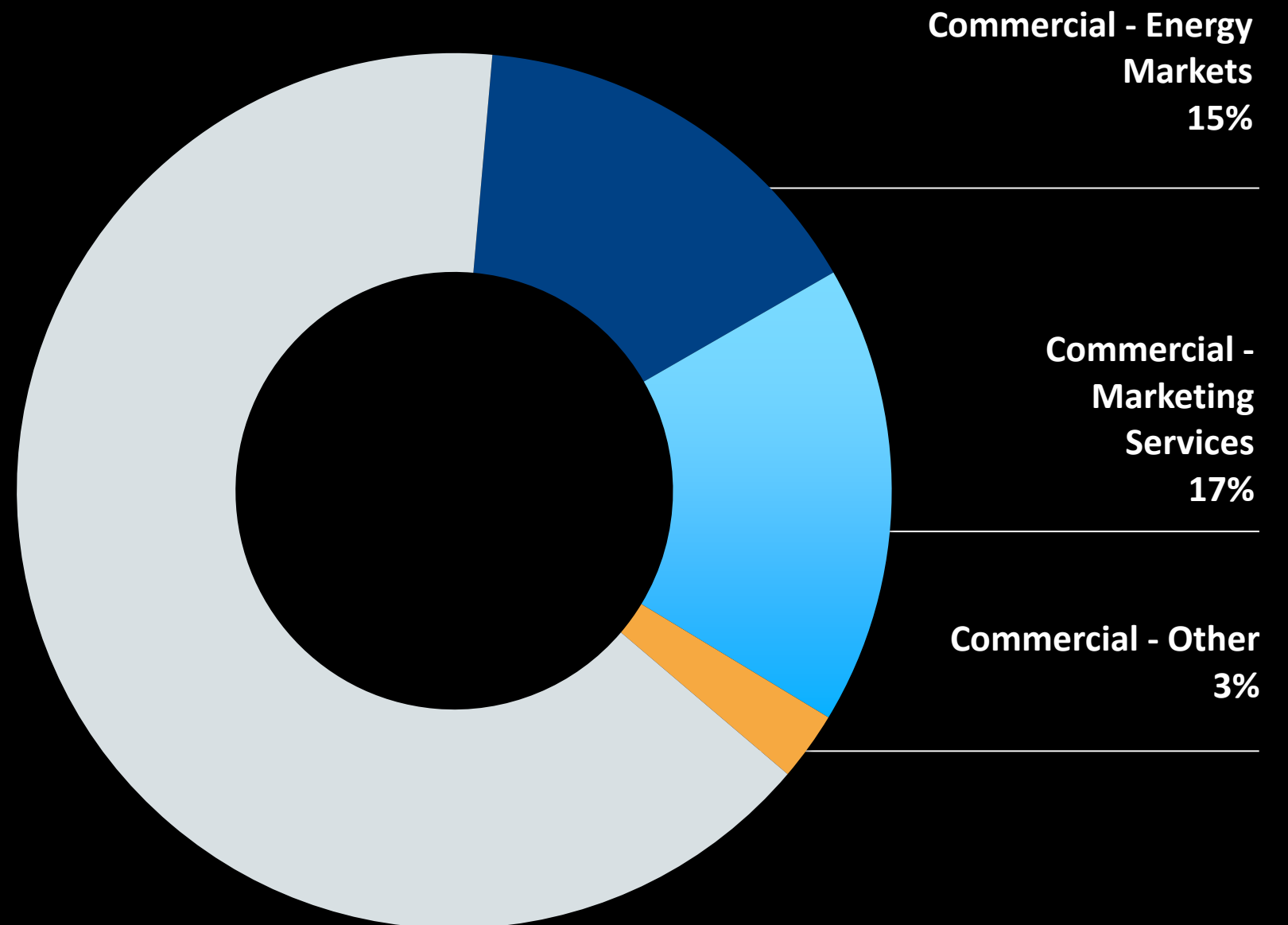
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# Our commercial clients are primarily in energy + marketing services\*

Commercial Energy Markets + Marketing Services account for majority of commercial revenues

Advisory + Implementation Services mutually reinforcing

Commercial revenues 35% of total revenues\*



\*Based on Q4 2019 TTM financial performance released on February 27, 2020



# Energy markets

Energy efficiency  
programs for utilities:  
State-mandated

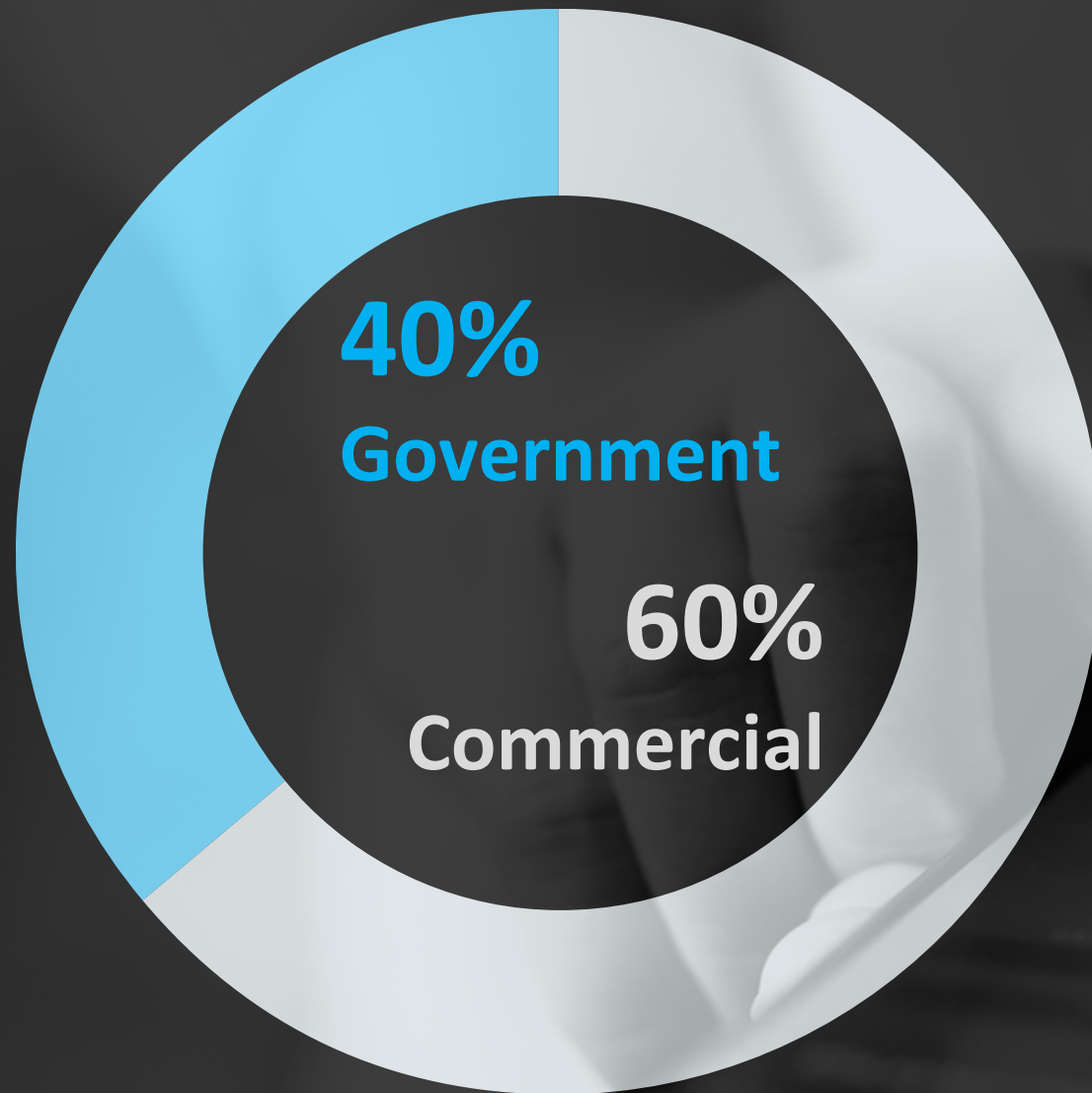
Utility transformation:  
distributed energy +  
grid modernization

Majority long-term  
contracts



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

ICF  
Next+



**\$400M<sup>+</sup>**

*Annual revenue across a  
balanced portfolio*

Opportunity  
pipeline is **+3X**  
revenue



# ICF Next capabilities + differentiators



Loyalty



Technology



Analytics



Engagement



Strategy

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

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

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Built specifically to realize the benefits of an integrated model

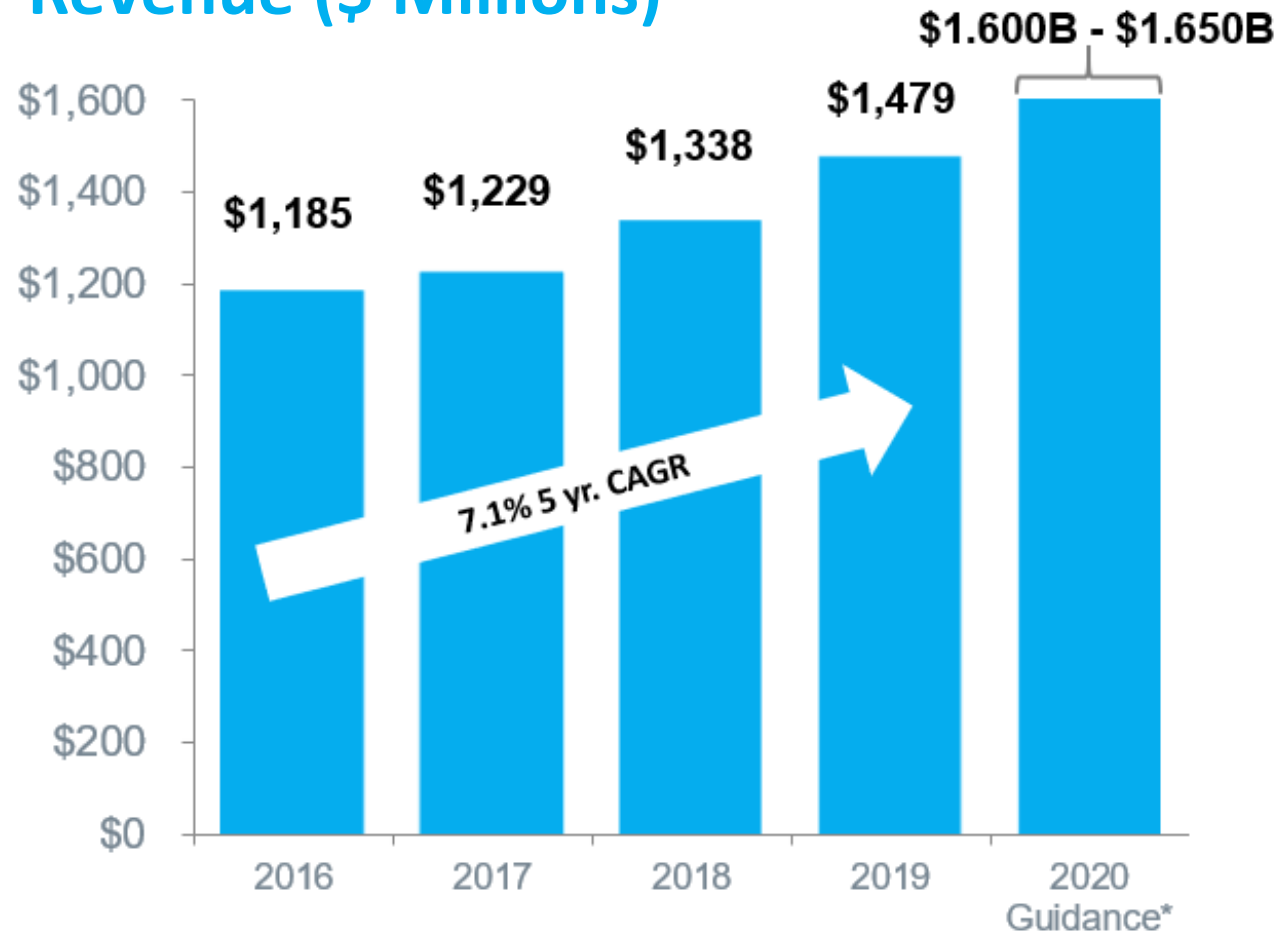


# Financial Performance



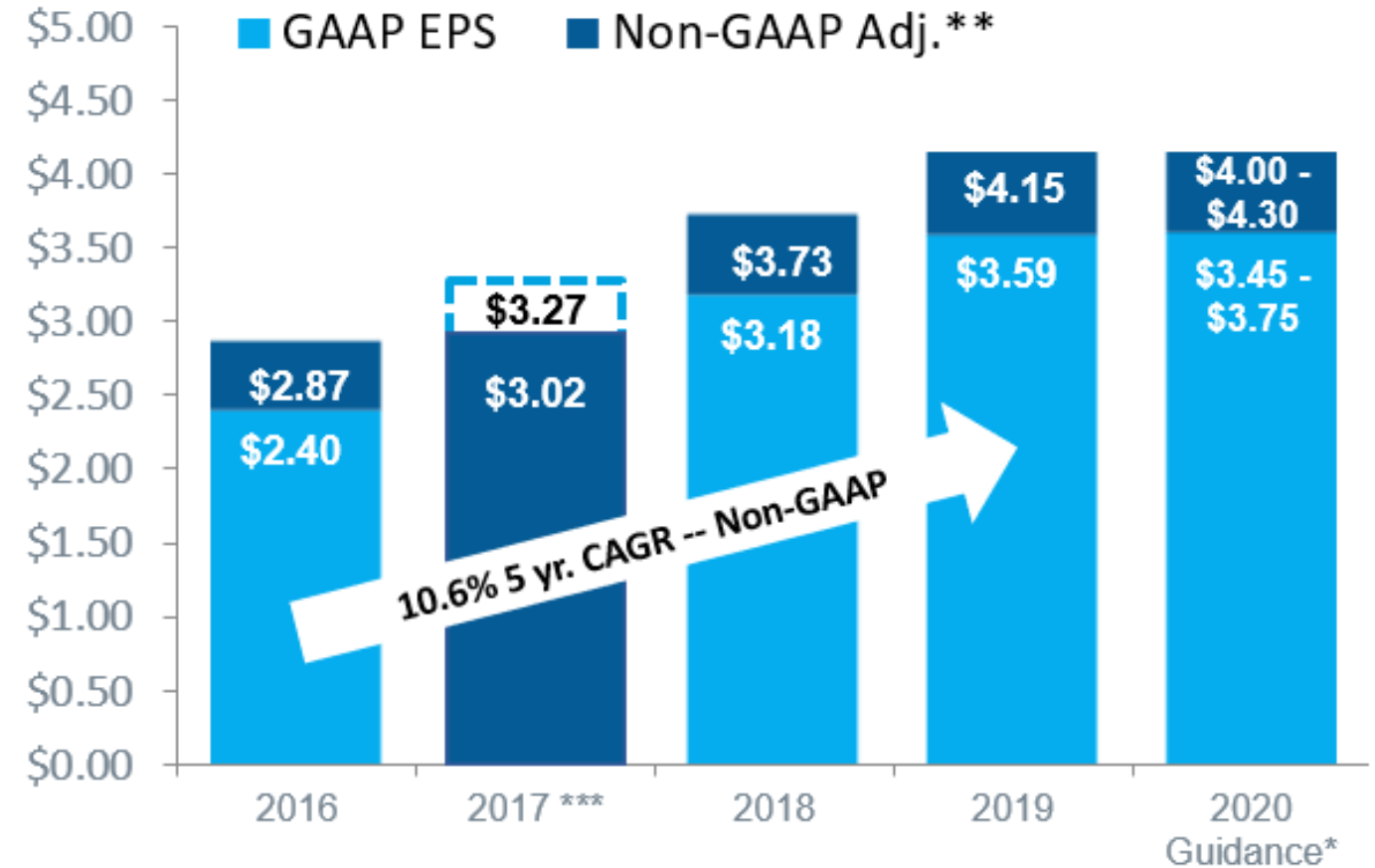
# Revenue + EPS, 2020 guidance

## Revenue (\$ Millions)



- Mid-point of 2020 Revenue Guidance (\$1.625B) represents 9.9% YoY growth
- Mid-point of 2020 GAAP EPS Guidance (\$3.60) represents 0.3% YoY growth

## EPS



\*Based on 2020 midpoint of management guidance as of February 27, 2020

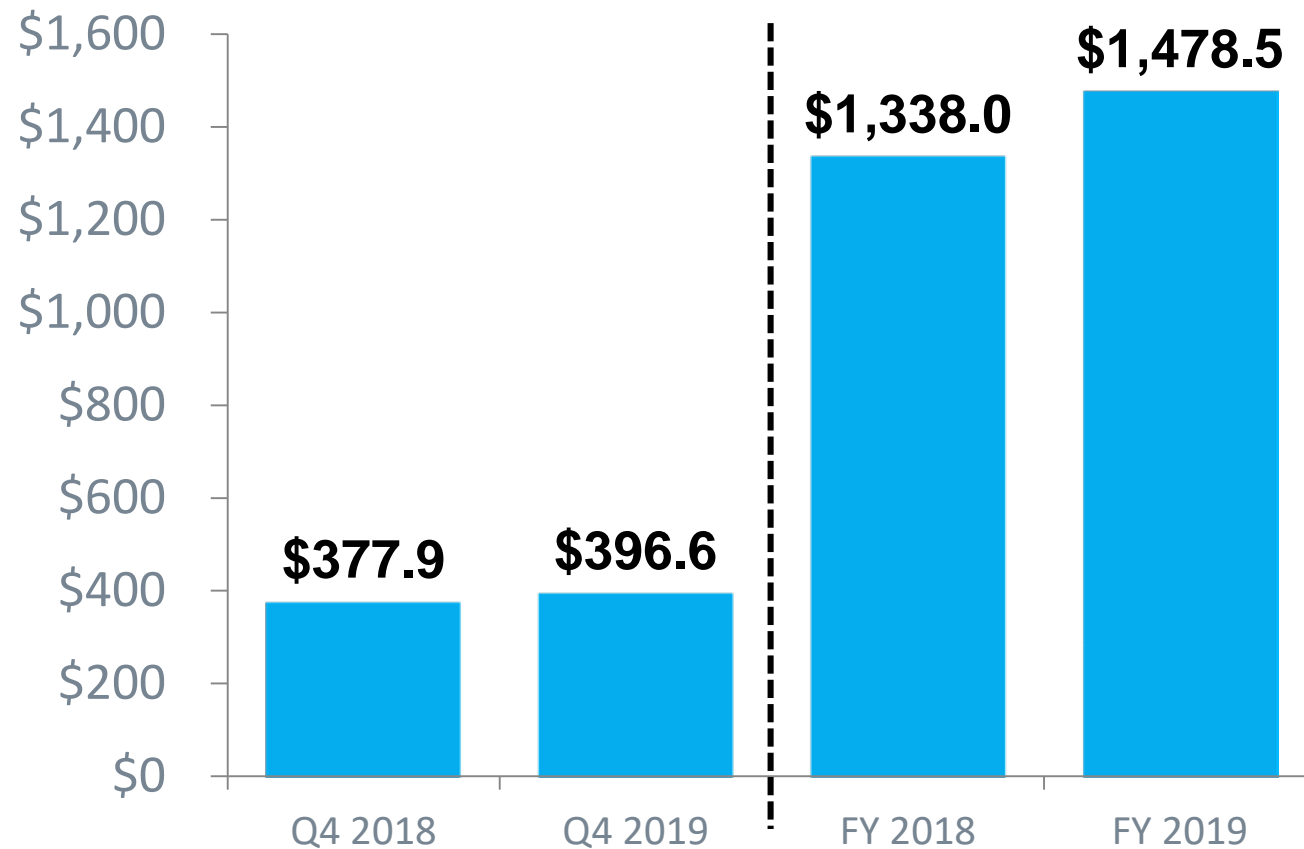
\*\*Non-GAAP EPS: GAAP EPS plus tax-affected impact of acquisition-related charges, special charges, and amortization of intangibles

\*\*\*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

# Revenue + EPS, Q4 2019

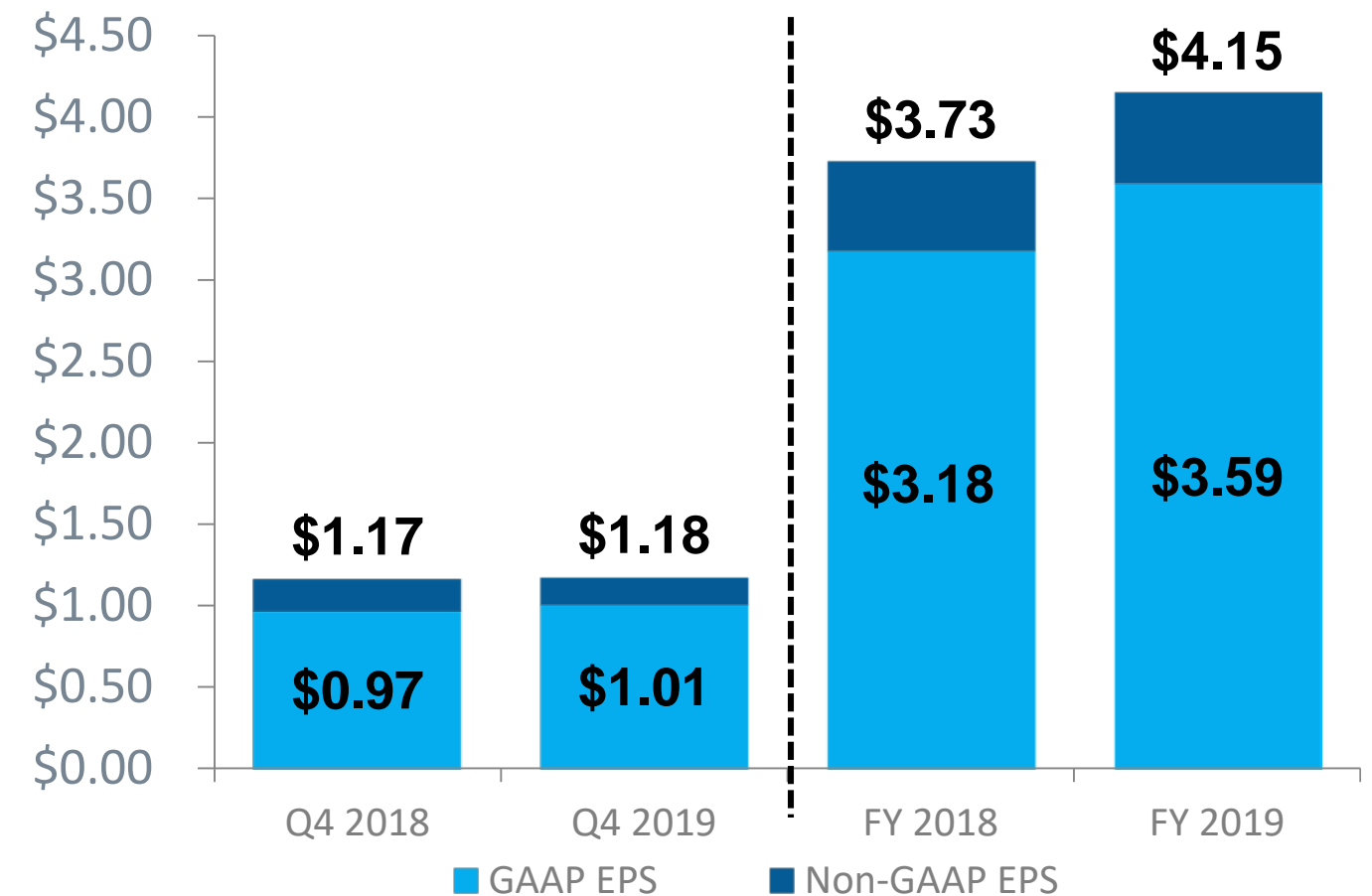
## Revenue (\$ Millions)\*

Q-o-Q Growth: **5.0%**  
Y-o-Y Growth: **10.5%**



## EPS\*

Non-GAAP EPS\*\* Q-o-Q Growth: **0.9%**  
Non-GAAP EPS\*\* Y-o-Y Growth: **11.3%**



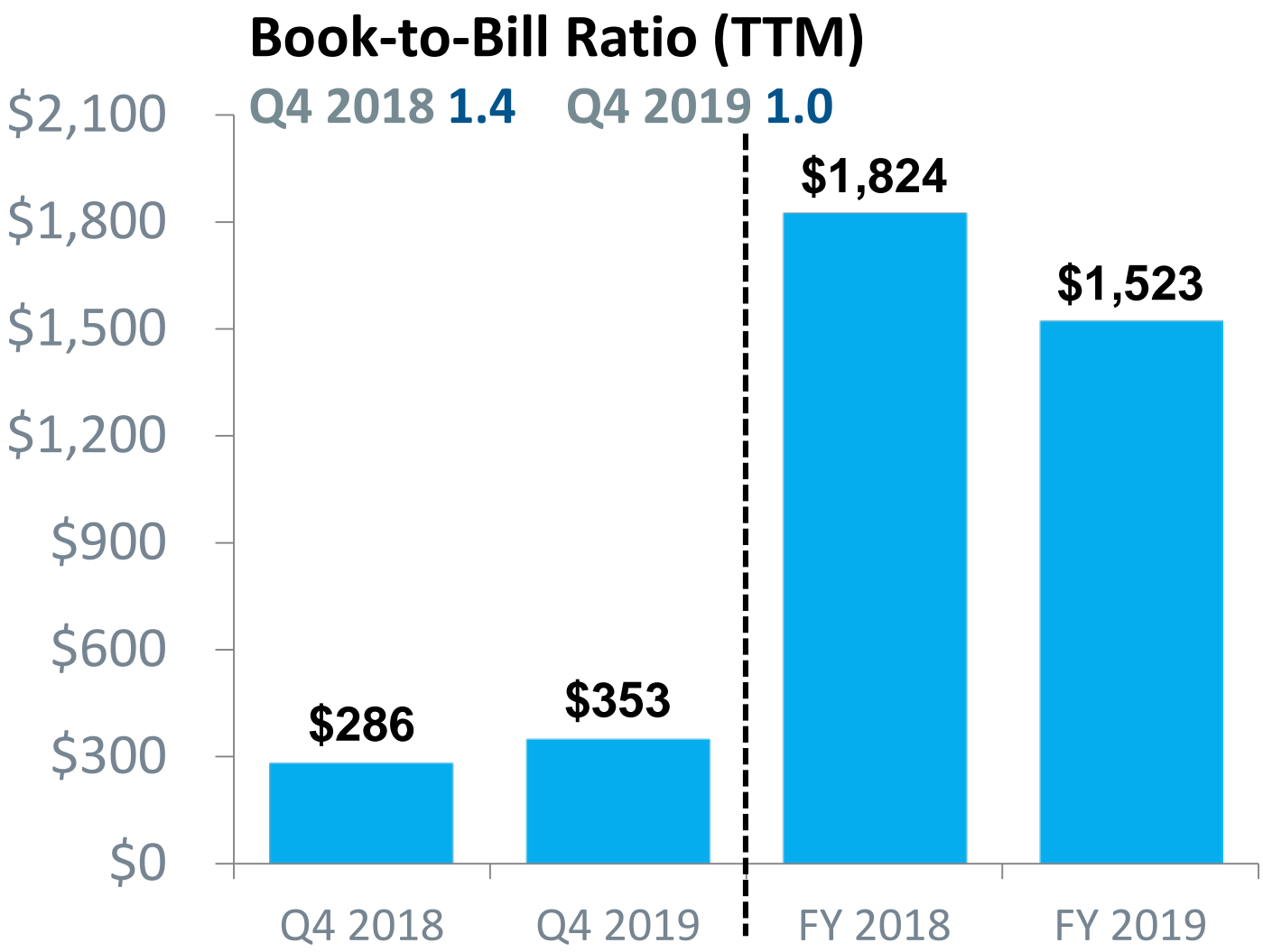
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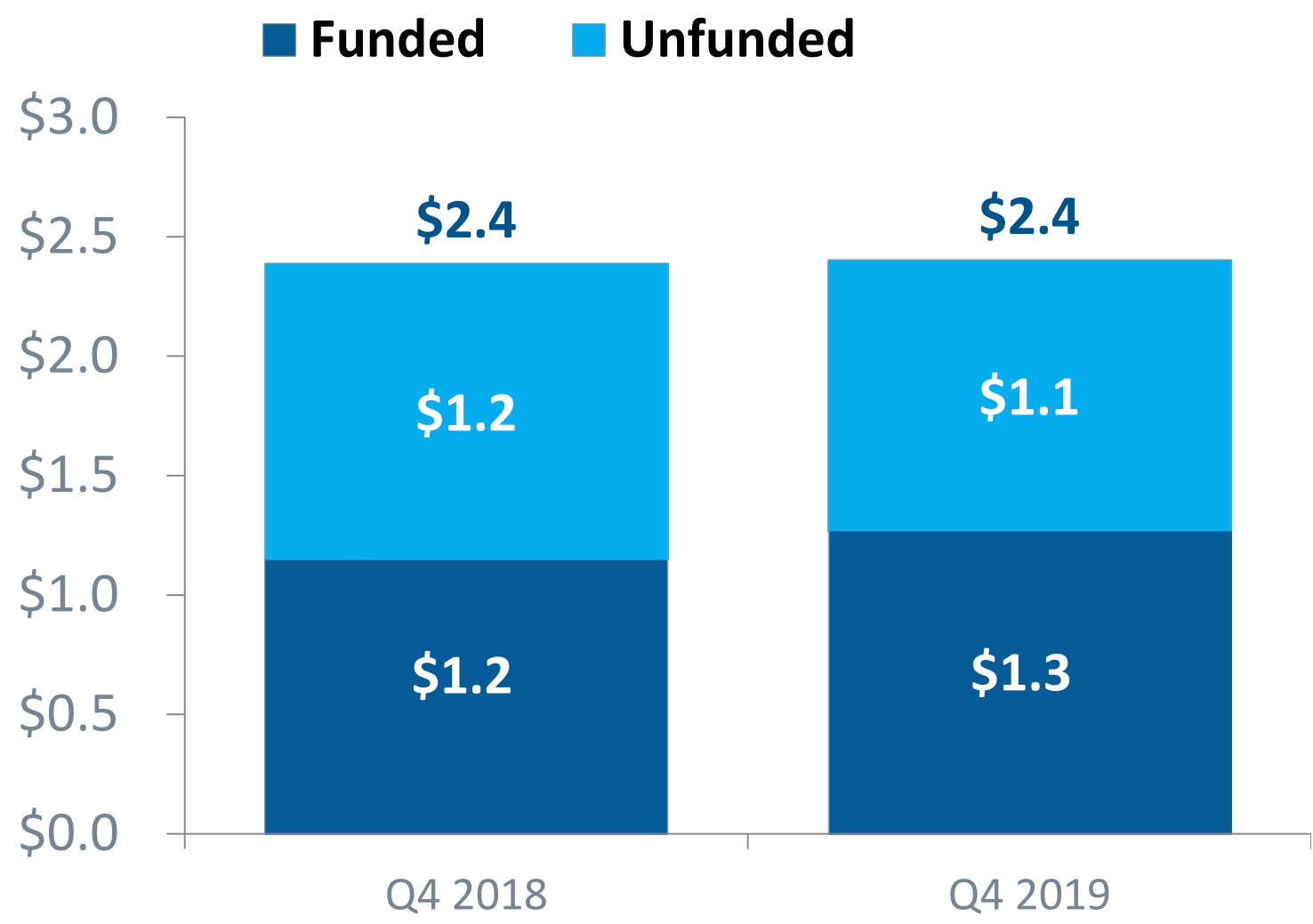


# Contract awards + backlog

Contract Awards (\$ Millions)\*

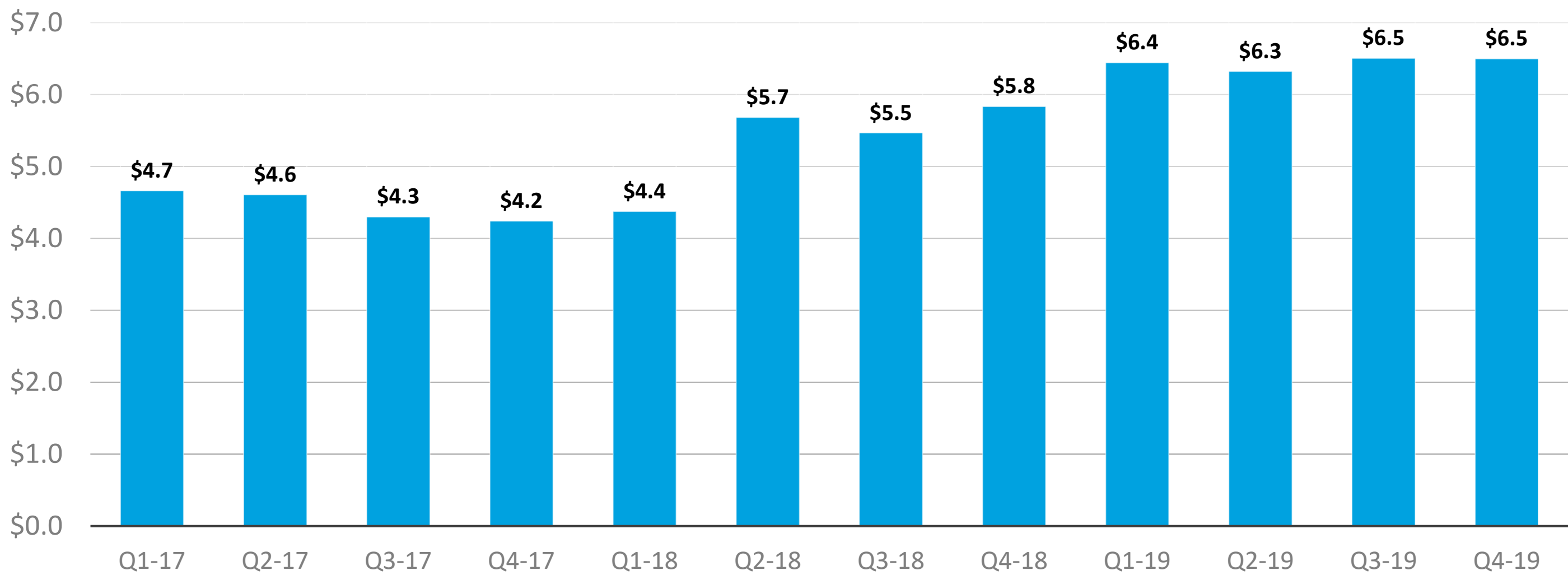


Backlog (\$ Billions)\*



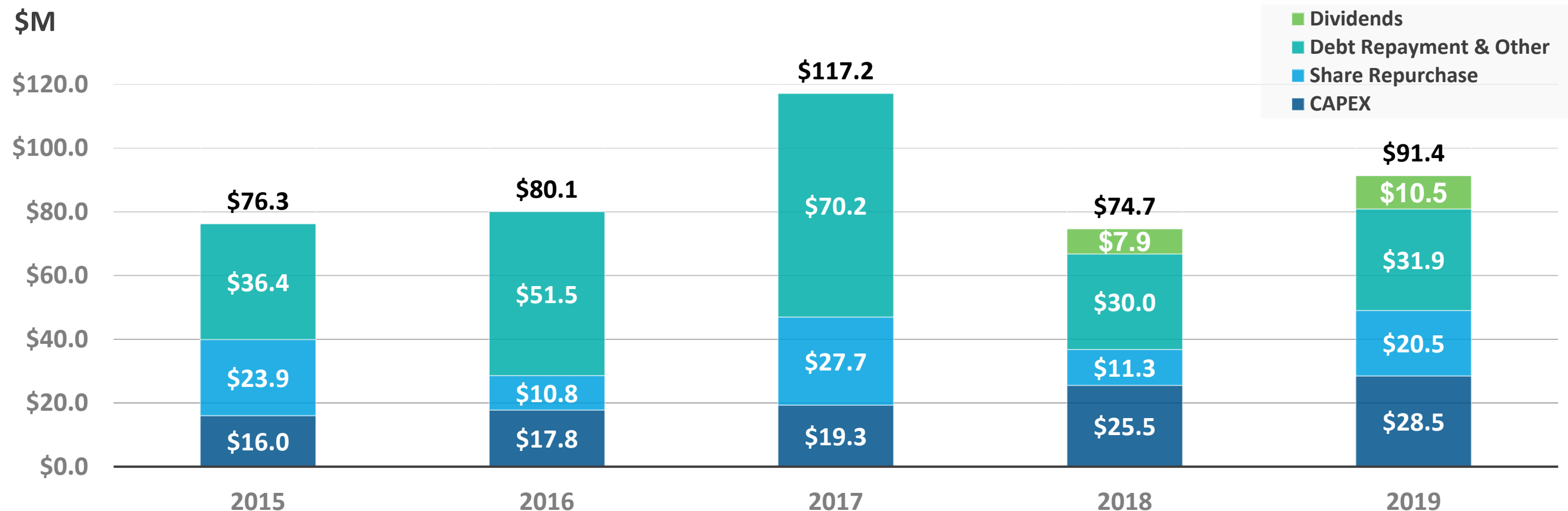
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# Pipeline (\$B)



Increasing pipeline of qualified opportunities, the majority of which relate to U.S. federal clients

# Operating cash flow, 2015 - 2019



Net Debt	\$303.8	\$253.3	\$194.4	\$188.7	\$159.0
Debt/ EBITDA*	2.64x	2.15x	1.73x	1.57x	1.17x

**2020 Operating Cash Flow Guidance\*\*: \$120M**

\*As defined by banking agreement

\*\*Based on Q4 2019 financial performance released on February 27, 2020

# Corporate citizenship – it matters

## Investing in Our People

Provided opportunities for all employees to develop + advance.

**56%**

female leaders

**29%**

female board members

## Gender Pay Equity

no meaningful disparity across genders in the same roles\*

## Lower Turnover

16.5% voluntary turnover rate, as compared to 18.6% benchmark

## Making a Sustainable Commitment

Made progress on our carbon reduction goal + remained carbon neutral.



**100%**

net renewable electricity for global operations—via renewable energy certificates



**31%**

reduction in greenhouse gas emissions per employee since baseline 2013



**Zero**

net zero carbon status since 2006 due to investments in high-quality carbon offsets

## Supporting Important Causes

Donated to causes important to our employees + communities.

**\$473,000**

corporate cash donations

**\$140,000**

employee donations through our giving program

**1 to 1**

ICF-matched employee donations

\*Annual audit concluded no statistically significant disparities across genders for comparable incumbents in the same roles.



# In summary — ICF

**Distinctive expertise in high-growth sectors of government + commercial markets**

**Established relationships with diversified portfolio of domestic + international clients**

**Substantial contract backlog – robust business development pipeline and track record of high win rates**

**All leading to substantial organic growth opportunities + the potential for accretive acquisitions**



The background is a solid blue color with a halftone dot pattern. There are several dotted lines and arrows. One arrow points up and to the right in the upper left. Another arrow points up and to the right in the upper right. A third arrow points up and to the right in the lower right. There are also several dotted lines of varying lengths and orientations scattered across the background.

**Thank you**



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