



# Investor Presentation



**COWEN** 35th Annual Aerospace/Defense  
AND COMPANY & Transportation Conference

**February 5, 2014**

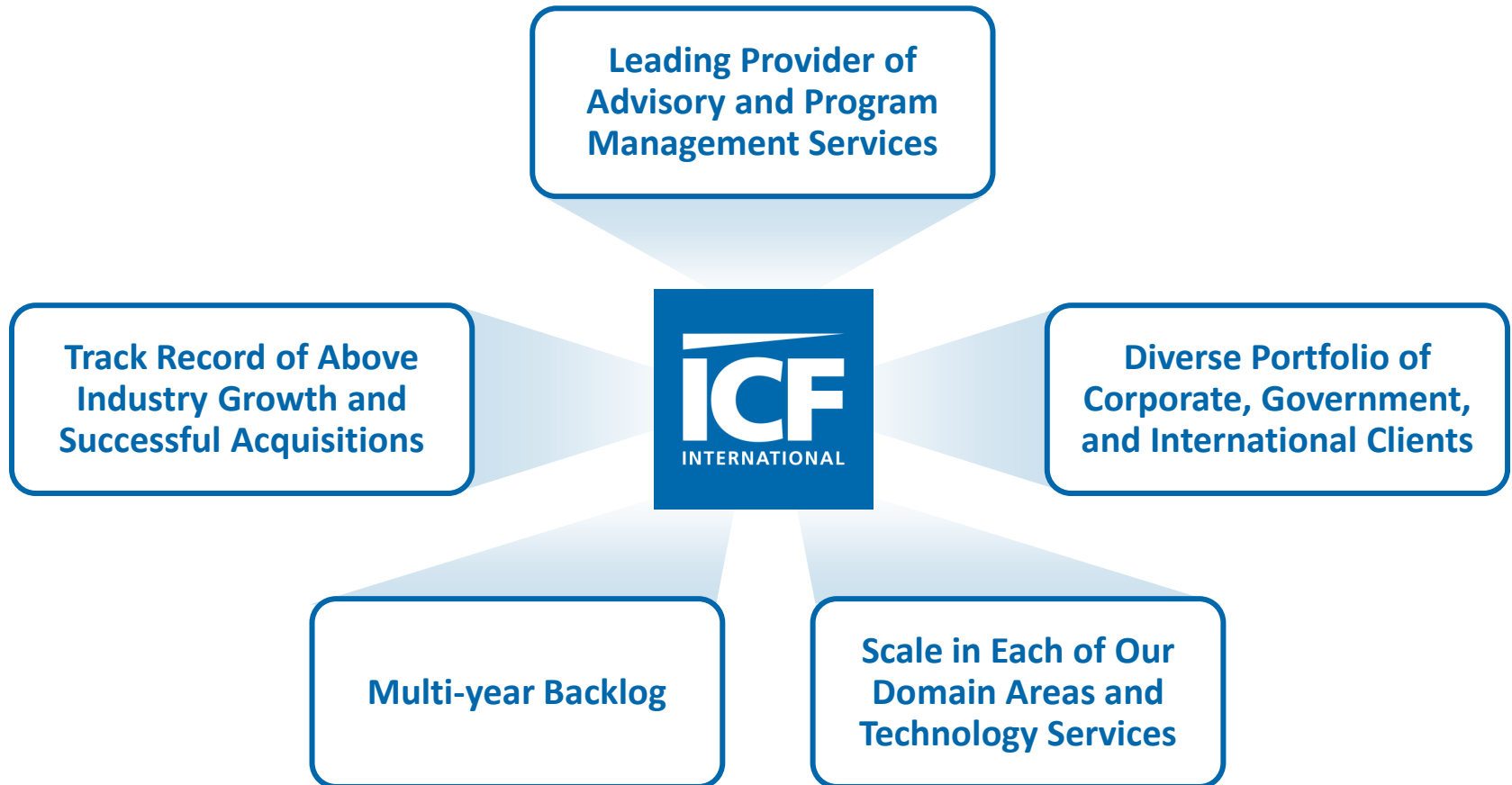
## Cautionary Statement

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**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.**

# Introducing ICF

The “Go-To” Firm for Domain-Driven Advisory and Implementation Work



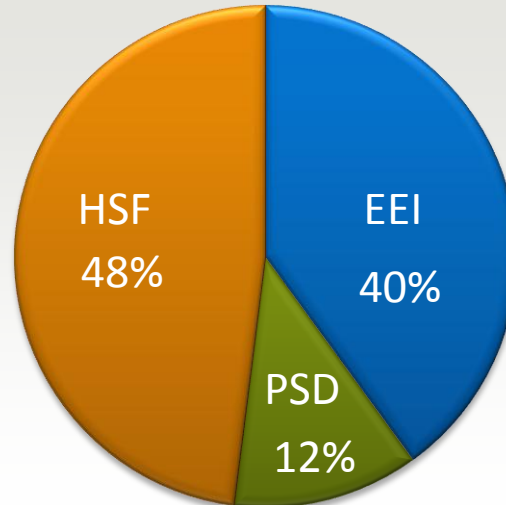
# Industry Leading Domain Knowledge

## Health, Social Programs, and Consumer/Financial

- Public health research and evaluation
- Health informatics
- Educational programs
- International development
- Customer engagement technologies

## Revenue Sources by Market

Quarter Ended 9/30/2013



## Energy, Environment, and Infrastructure

- Energy efficiency program management
- Energy infrastructure monitoring
- Energy markets strategy
- Environmental policy and management
- Aviation/aerospace/transportation planning

## Public Safety and Defense

- Critical infrastructure protection
- Homeland Security program development
- Crime and justice programs
- Military, veteran, and family support

# Key Issues Drive Demand for Our Services

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## Health, Social Programs, and Consumer/Financial

- Disease prevention, obesity, mental health
- Improvement of education
- Social and mental health issues at core of violence problems
- Immigration reform

## Energy, Environment, and Infrastructure

- Energy efficiency and clean energy development
- Trillions needed to revitalize energy and transportation infrastructure
- Changing portfolio of fuels for power generation
- Environmental issues, including climate and pollution

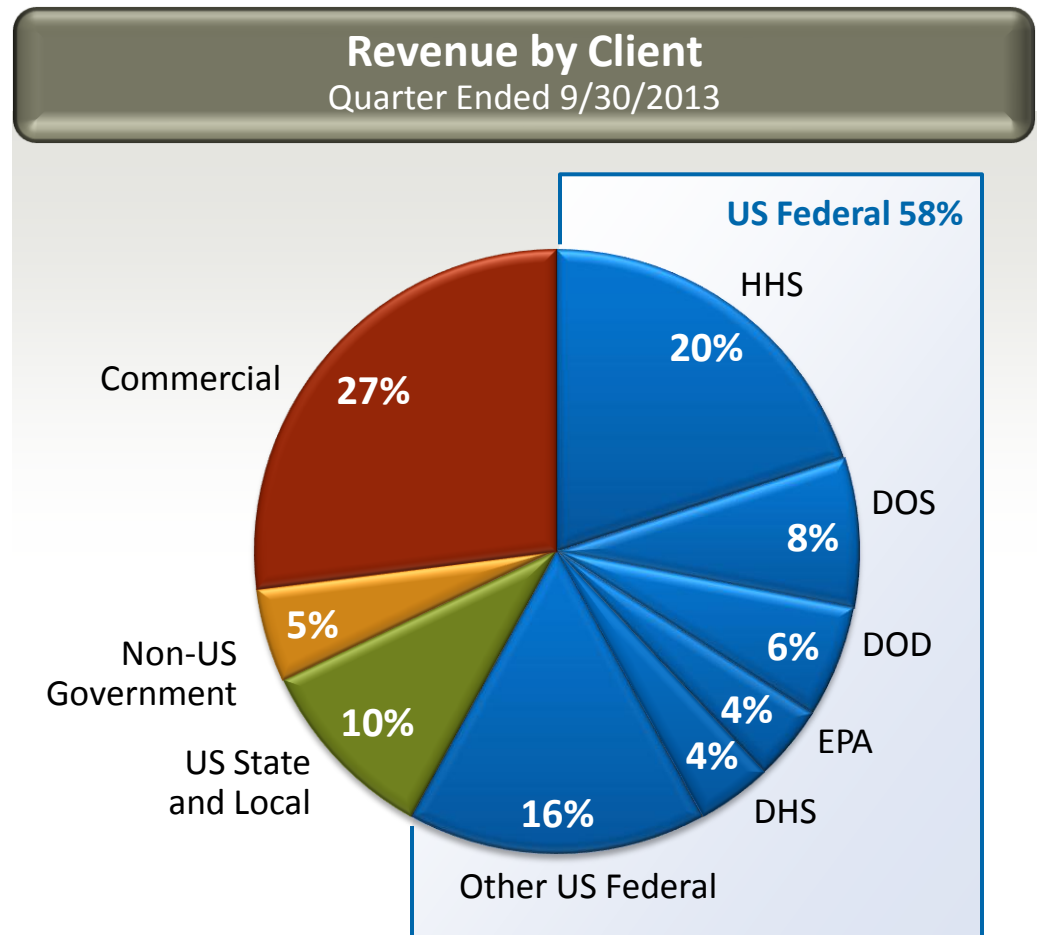
## Public Safety and Defense

- Protecting critical infrastructure
- Disaster relief
- Enhancing veterans' recovery and reentry into civilian life
- Social programs to help victims of crime

**Technology Requirements—Data Management/Analytics, Digital Interactive, Cybersecurity**

# ICF's Business Advantages

- Diversified portfolio includes corporate, government, and international clients
- Well positioned with domain expertise on critical long-term issues
- Minimal client concentration—largest contract accounted for 3.6% of September 2013 YTD revenue



# Our Strategy for Sustainable Growth

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**Leverage advisory work into full lifecycle solutions**



**Expand our commercial business**



**Replicate our business model geographically**



**Pursue strategic acquisitions**

# Leverage Advisory Work into Full Lifecycle Solutions





# Energy Efficiency Program Implementation

## Market Drivers

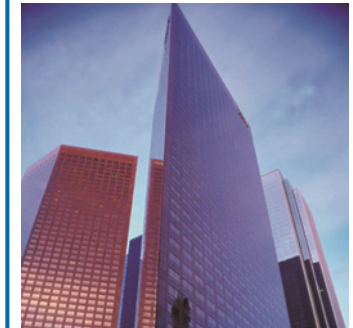
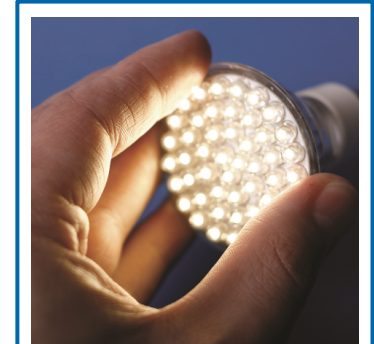
- Economics are compelling
- Ratepayer, not taxpayer, funded
- Utilities are adding new programs rapidly
- Generally strong political support from both parties

## ICF Solutions

- Program design and management
- Customer recruitment
- Building and technology energy analysis
- Software and tool development
- Incentive processing and customer service
- Measurement and evaluation

## Benefits

- Most experienced firm in the industry
- Track record of award winning and repeat clients
- BGE project saved CO<sub>2</sub> equal to getting 520,000 cars off the road
- BGE project saved 350,000 MWh during the first 19 months



# Aviation

## Market Drivers

- Industry global growth, consolidation, and M&A activity
- Need to reposition and drive efficiencies
- Changes to aerospace and improved aircraft performance
- Airport privatization and revenue enhancement

## ICF Solutions

- Airline planning, marketing, and development
- Optimizing routes, schedules, and hub operations
- Airport planning, marketing, and privatization
- Asset management and transactions support
- MRO strategy and operational development
- Aviation safety and security

## Benefits

- Objective, independent guidance
- 50-year track record of advising all phases of aviation industry
- Multidisciplinary teams with highly specialized skills
- Proprietary tools and in-depth regulatory experience



# Energy Infrastructure

## Market Drivers

- Underinvestment in this sector for decades
- US Energy infrastructure needs \$1.5 trillion in expansion/upgrades by 2030\*
- Nearly \$100 billion in gas infrastructure needed by 2025\*
- New sources of renewable energy mandated to be brought on line
- Environment regulations are complex and getting more strict

## ICF Solutions

- Requirements and market planning
- Cybersecurity and emergency planning for critical assets
- Natural resource management
- Regulatory compliance management
- Habitat restoration
- Construction monitoring

## Benefits

- No conflict of interest with construction objectives
- Unmatched institutional knowledge and experience
- In case of renewable projects—emissions reduction
- Preserves natural environment while supporting energy demands



\*Sources: ICF/Edison Electric Institute; ICF analysis for INGAA

# Digital Interactive

## Market Drivers

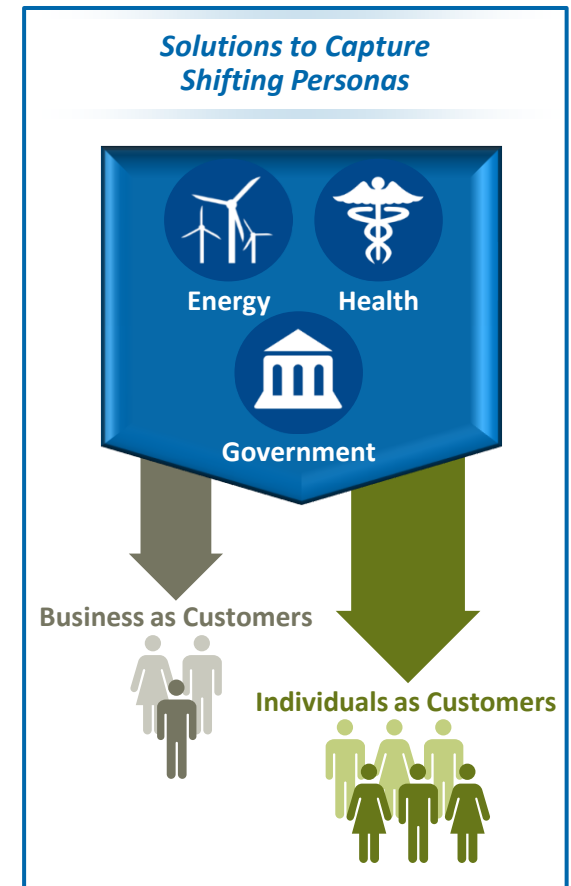
- Growing focus on customer/stakeholder engagement
- Fundamental shift to customers as individuals
- Greater reliance on brand awareness
- Need to leverage web, mobile, social media

## ICF Solutions

- Combines strategic, technical, and creative disciplines
- Harmonizes traditional and digital channels
- Builds on strong domain expertise
- Integrates measurement and analytics

## Benefits

- Meaningful customer/stakeholder engagement
- Enhanced brand awareness
- Solutions aligned with business and IT strategy
- Streamlined technology adoption
- Data driven implementation and improvement



# Commercial Health Care

## Market Drivers

- Health care reform and other regulations
- Public and private exchanges
- Managing cost of care while improving quality
- Shift from employer to consumer purchasing

## Solutions and Benefits



- Manage through reform
  - Reform planning and implementation
  - Regulatory compliance
- Technology as an enabler
  - Grow the business
  - Improve efficiencies
  - Drive organizational change

### Payors

 DELTA DENTAL

 HIGHMARK

  
BlueCross BlueShield  
of North Carolina

  
Blue Cross  
Blue Shield  
of Michigan

### Providers

  
Magellan  
Health Services

 Teladoc<sup>+</sup>  
 OrthoCarolina

### Nonprofit & Life Science

  
American  
Cancer  
Society

  
American Heart  
Association  
*Learn and Live...*

  
Owens & Minor

REPLICATE OUR BUSINESS MODEL GEOGRAPHICALLY

# ICF International: Office Locations



## Mostra Acquisition–Background

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- Founded in 1986 as a management-owned company
- Based in Brussels with 140 employees
- Leading strategic communications and public relations provider to European institutions
  - Fully integrated communications firm, with advisory and implementation services
  - Helps European institutions raise awareness about their policies and actions
  - Manages multi-lingual, multi-cultural content covering all 28 EU countries
- Clients include most of the 33 European Commission’s Directorate Generals, European Parliament and the Council of the EU
- Annual revenues of approximately \$40 million



## Mostra combined with ICF creates value:

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- Augments ICF's growth strategy in Europe, including implementation capabilities
- Adds breadth and depth to ICF's European-based services:
  - Complementary to ICF's existing policy and advisory work with the European Commission
  - Complementary to ICF's extensive strategic communications capabilities in the United States
  - Adds advisory capabilities to Mostra's services in key policy areas, such as energy and the environment, education and employment, and public health and economic development
  - Adds technology capabilities to Mostra's strategic communications offerings
- Creates opportunities for Mostra's expansion outside of European institutions





# Pursue Strategic Acquisitions



| Date     | Target   | Primary Markets | Strategic Rationale   |
|----------|--|-----------------|---|
| Jan 2007 | <b>Advanced Performance Consulting Group</b>     | PSD             | Increase capabilities in human capital and strategic communications                           |
| Jan 2007 | <b>Energy &amp; Environmental Analysis, Inc.</b> | EEI             | Expands energy industry offerings including the leading model for natural gas market analyses |
| Jun 2007 | <b>Z-Tech</b>                                    | HSF             | Expands health IT at federal health agencies  |
| Dec 2007 | <b>SH&amp;E</b>                                  | EEI             | Broadens global transportation consulting expertise in aviation and airline industry          |
| Feb 2008 | <b>Jones &amp; Stokes</b>                        | EEI             | Expands environmental and large project implementation capabilities in western US markets     |
| Mar 2009 | <b>Macro International</b>                       | HSF             | Expands health survey, research, and project implementation at federal health agencies        |
| Dec 2009 | <b>Jacob &amp; Sundstrom, Inc.</b>               | ALL             | Extends footprint in the cybersecurity and identity management markets                        |
| Jan 2011 | <b>Marbek</b>                                    | EEI             | Expands reach into Canadian energy, environment, and climate change markets                   |
| Dec 2011 | <b>Ironworks Consulting</b>                      | ALL             | Creates customer engagement solutions across web, mobile, and social media platforms          |
| Mar 2012 | <b>GHK Holdings Ltd.</b>                         | ALL             | Strengthens ICF's European and Asian presence with complementary services                     |
| Jul 2013 | <b>Ecommerce Accelerator, LLC</b>                | ALL             | Enhance ICF's multichannel e-commerce solutions   |
| Jan 2014 | <b>Mostra S.A.</b>                               | ALL             | Strengthen European presence with full service strategic communications                       |

**EEI** Energy, Environment, and Infrastructure

**HSF** Health, Social Programs, and Consumer/Financial

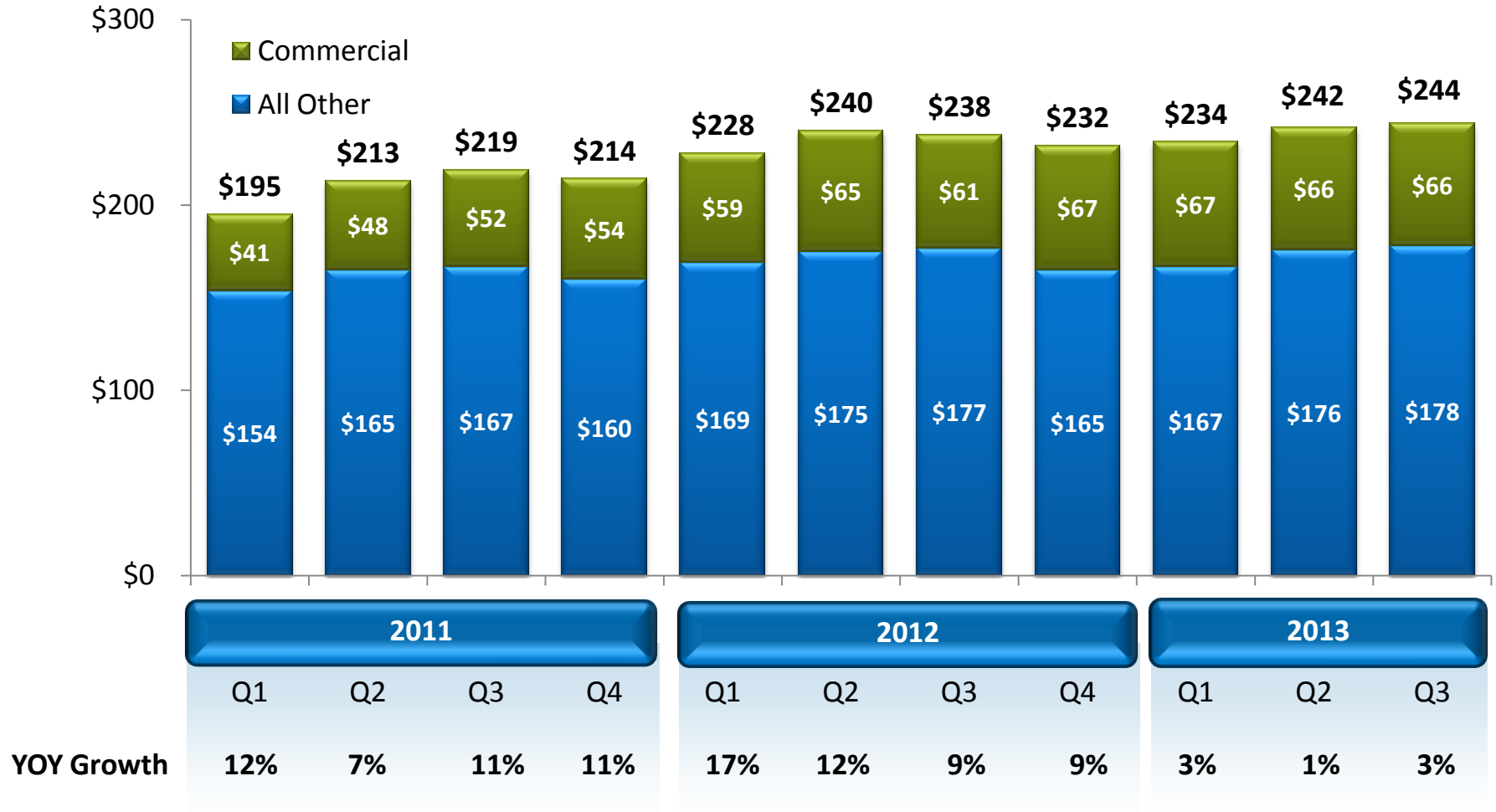
**PSD** Public Safety and Defense



# Financial Performance

# Revenue Trends Q1 2011 – Q3 2013

(\$ Millions)



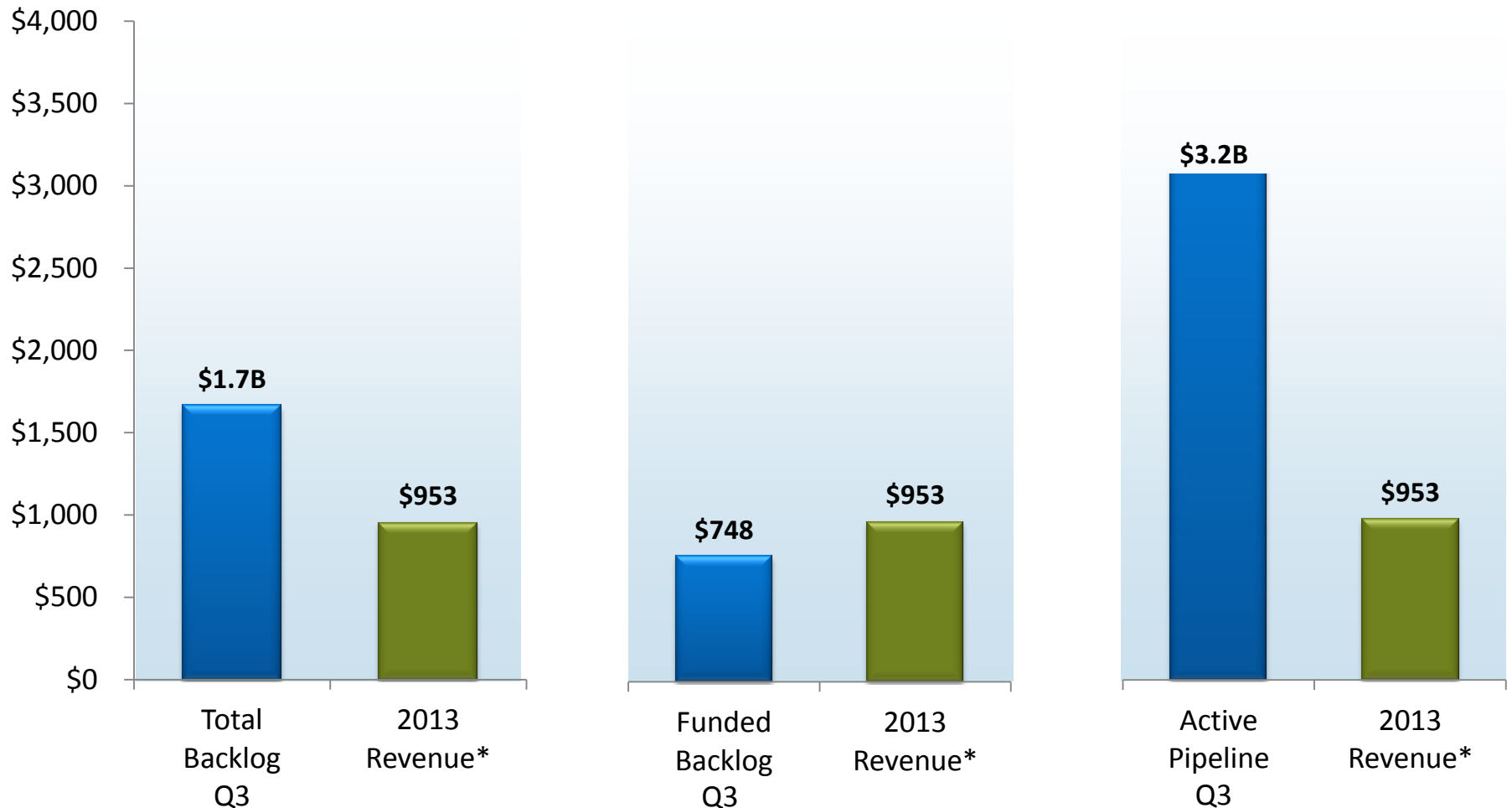
# Revenue vs. EPS Growth



\*Midpoint of guidance

# Backlog and Pipeline Visibility

(\$ Millions)



\*Midpoint of guidance

# Balance Sheet Highlights

(\$ Millions)

|                              | 09/30/2013<br>Actual | 12/31/2012<br>Actual | 12/31/2011<br>Actual |
|------------------------------|----------------------|----------------------|----------------------|
| Cash and Equivalents         | \$6.0                | \$14.7               | \$4.1                |
| Working Capital              | \$95.5               | \$91.7               | \$96.3               |
| Total Assets                 | \$712.3              | \$709.7              | \$694.6              |
| Long-Term Debt               | \$64.1               | \$105.0              | \$145.0              |
| Stockholders' Equity         | \$467.1              | \$428.8              | \$393.0              |
| Available Borrowing Capacity | \$295.6              | \$263.9              | \$200.2              |
| Operating Cash Flow          | \$65.0+*             | \$87.2               | \$59.5               |

\*CY 2013 guidance

## P & L Highlights

|                                   | 9/30/2013<br>Q3 | 9/30/2012<br>Q3 | 12/31/2012<br>YTD | 12/31/2011<br>YTD |
|-----------------------------------|-----------------|-----------------|-------------------|-------------------|
| <b>Revenues<br/>(\$ Millions)</b> | \$244.1         | \$237.9         | \$937.1           | \$840.8           |
| <b>EBITDA<br/>(\$ Millions)</b>   | \$22.4          | \$23.2          | \$90.1            | \$79.3            |
| <b>EBITDA Margin</b>              | 9.2%            | 9.8%            | 9.6%              | 9.4%              |
| <b>Diluted EPS</b>                | \$0.55          | \$0.48          | \$1.91            | \$1.75            |

- Full-year 2013 revenue expected to be \$945 million to \$960 million, and diluted EPS to range from \$1.95 to \$2.00
- 2013 operating cash flow estimate > \$65 million

# Summary

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## Unique Position

- Professional services firm with large government/commercial client base focused on domain areas and technology services—not just generic information technology services

## Balanced Portfolio

- Diversity of clients (public/private, all federal agencies, federal/state, domestic/international) increases opportunities and resiliency

## Solid Long-Term Track Record

- Revenue increased at a compound annual growth rate of 8% over three years
- Revenue visibility based on \$1.7 billion of contracted backlog

## High Barriers to Entry

- Driven by significant intellectual property, long-standing relationships, highly credentialed and loyal consultant base, and institutional knowledge

## Proven Consolidation Platform

- Record of successful integration and employee retention



**Thank You**

