

# F-Secure Corporation Annual General Meeting

March 24, 2010

Kimmo Alkio, President and CEO





# **F-Secure Corporation**

1988: F-Secure founded

1999: IPO Helsinki Stock Exchange

# 2009: Leader in providing value added services to consumers through operators



### F-Secure business

# Global presence

- Subsidiaries in 16 countries
- More than 200 operator partners in over 40 countries
- Strong presence in Europe, Asia and North America

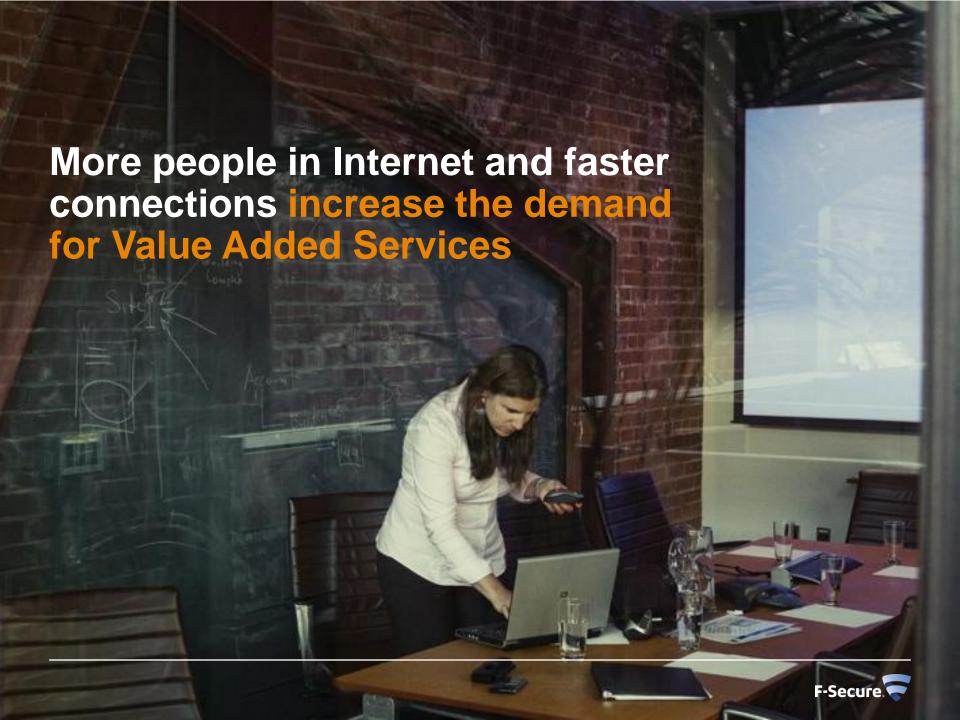
# Key figures in 2009

- Revenue EUR 125 million
- Operating profit EUR 24 million
- Personnel: 826



- 1. Market review
- 2. Financial performance of 2009
- 3. Long-term objectives

- 1. Market review
- 2. Financial performance of 2009
- 3. Long-term objectives





### Market trends



- The growth of Internet continues globally
- The number of malware significantly increasing
- Demand for new value added services
- Service-driven business model becomes more and more popular



- Broadens the subscription base
- New threats and needs
- Enables new innovations



© F-Secure Oyj

- The use of smart phones as PC's increases
- Mobile broadband a growth driver
- Broadband services not depending from the device become more common



- 1. Market review
- 2. Financial performance of 2009
- 3. Long-term objectives

# Highlights in 2009

# Strong growth continued in 2009 despite the challenging global economic environment





# Highlights in 2009

- Strong operator business the growth driver
- First major acquisition, Steek SA in France in July, expanded the product portfolio of Value Added Services
- Totally renewed Internet Security service F-Secure IS 2010 launched;
  "better in every way"





# Profitable growth continued

### Growth

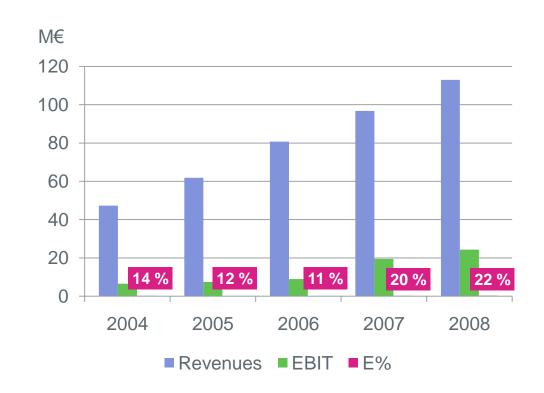
 2009: revenue EUR 125 million; growth of 11%

### Software as a Service

 Revenue by operator business EUR 60 million; growth of 24%

### Financial efficiency

- EBIT EUR 24 million; 19% of revenues
- Earnings per share EUR 0.12
- Positive cash flow





# **Development of EBIT margin**



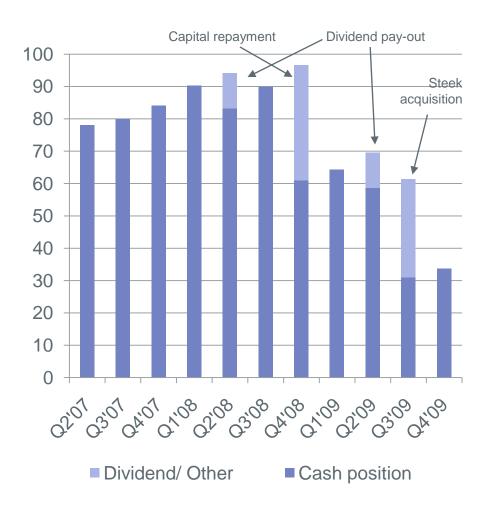
- Prioritising growth over short term profitability
- While seeking to improve the profitability sustainably towards EBIT of 25% over time; longer term profitability level driven by revenue growth and through systematic cost controls

The graph shows the EBIT excluding the nonrecurring impairment loss of Network Control in 4Q06 and the gain from the sale of Network control technology in 4Q08



# **Cash position**

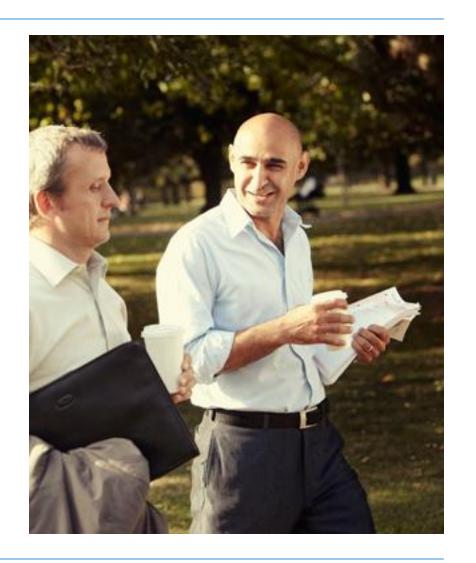
- Cash position has developed according to the longer term efficient capital management objectives
- Cash position continued strong despite a major acquisition in July
- Market value of liquid assets on Dec. 31, 2009: 33.7m
- Company's dividend policy is to distribute approximately half of the annual profits as dividend



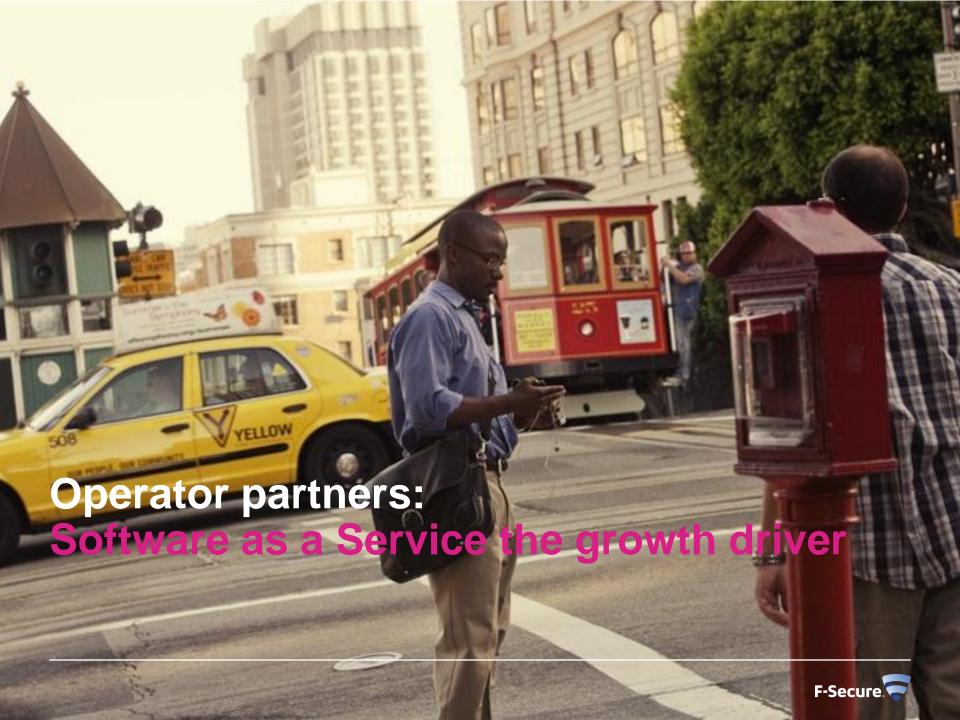


# Steek acquisition – storage and digital content as value added service

- Software provider for online storage and data management solutions to fixed line and mobile operators
- New value added services to consumers through operators
- Strengthens F-Secure's position in creating cooperation with large operator partners

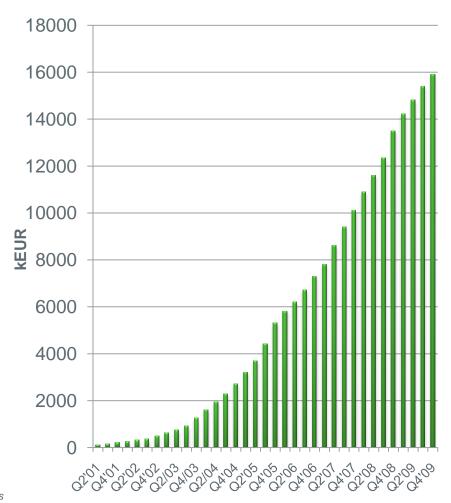






# Strong operator business – a growth driver

- 2009 revenue growth 24% to EUR 60 million
- At the end of 2009 over 200 partners in more than 40 countries
- Operator business has been and will be the growth driver



Operator business includes internet service providers, mobile operators and cable operators



# Over 200 operator partners globally



























































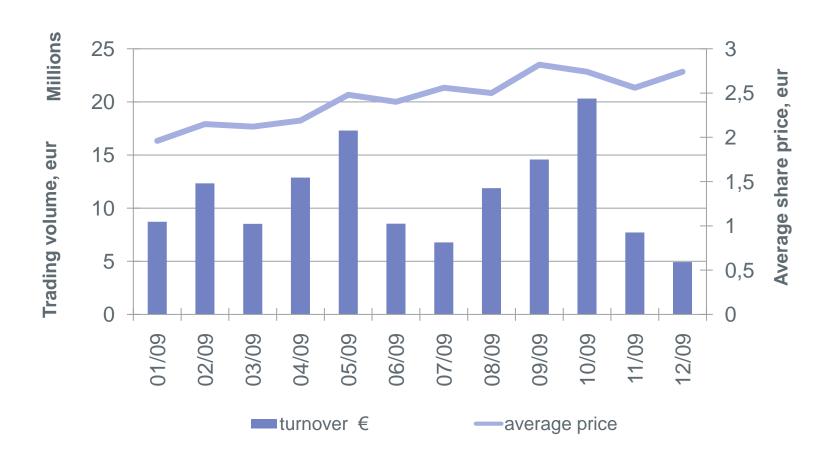






# Share price performance and trading volumes

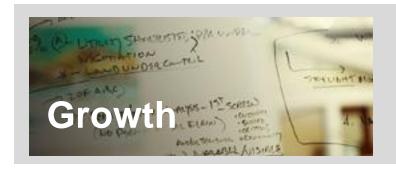
Jan.1 - Dec.31, 2009



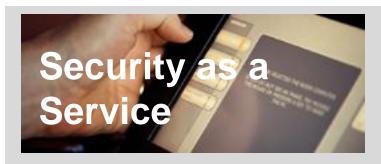


- 1. Market review
- 2. Financial performance of 2009
- 3. Long-term objectives

# Long-term objectives



- Continue to exceed average market growth
- Scalability through strong operator-network
- Geographic expansion



- Continue to increase Security as a Service penetration
- Extend the customer base with Storage as a Service
- New consumer centric user experiences
- Expansion possibility also through M&A



- Targeted investments for future growth
- Profitability, cash flow and cost management
- Efficient capital structure



# Protecting the irreplaceable

