

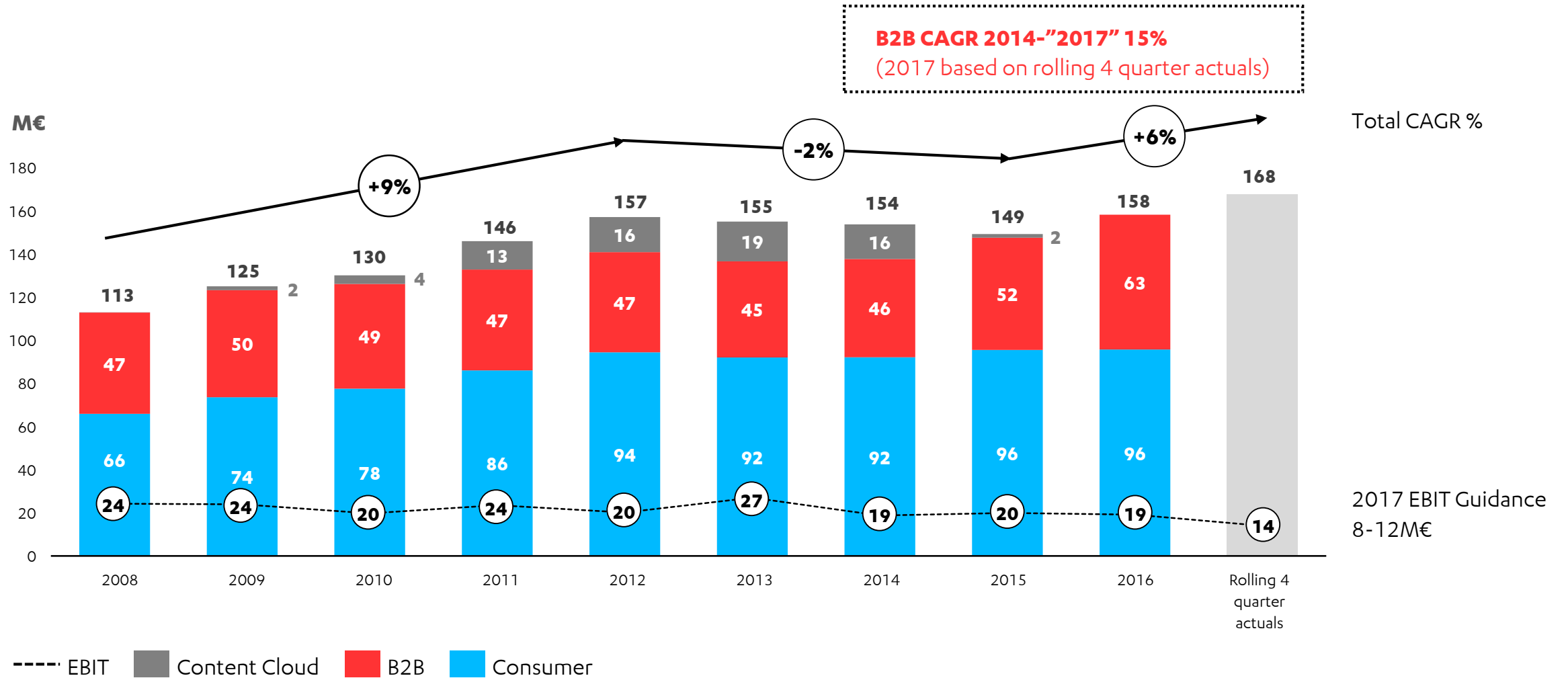
Eriikka Söderström, CFO

# FINANCIALS

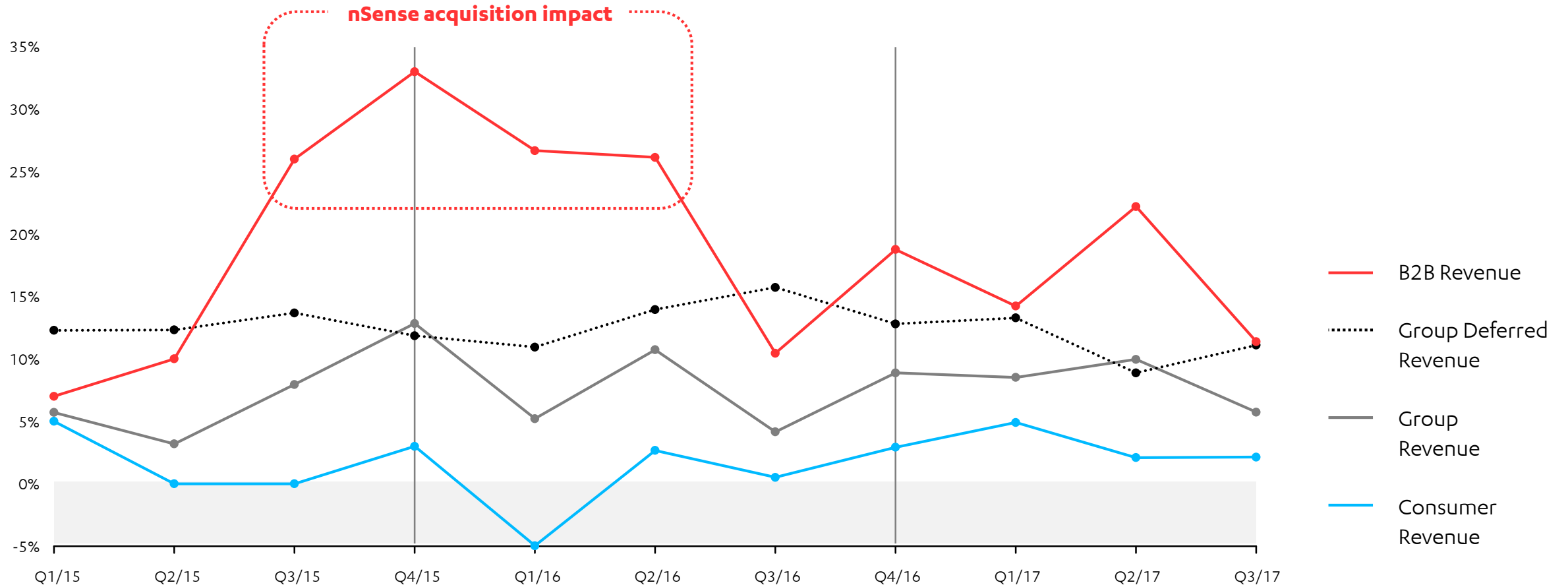
CONTINUED INVESTMENTS  
TO SUPPORT GROWTH



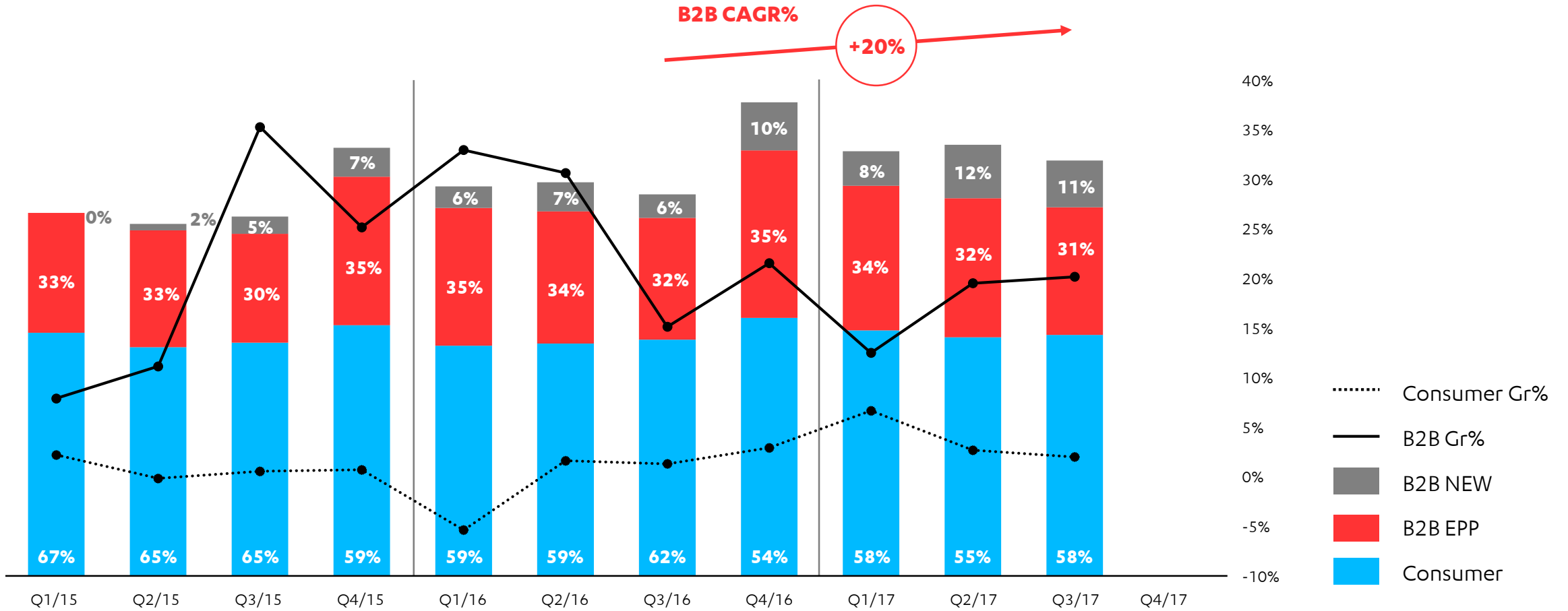
# REVENUE AND EBIT DEVELOPMENT



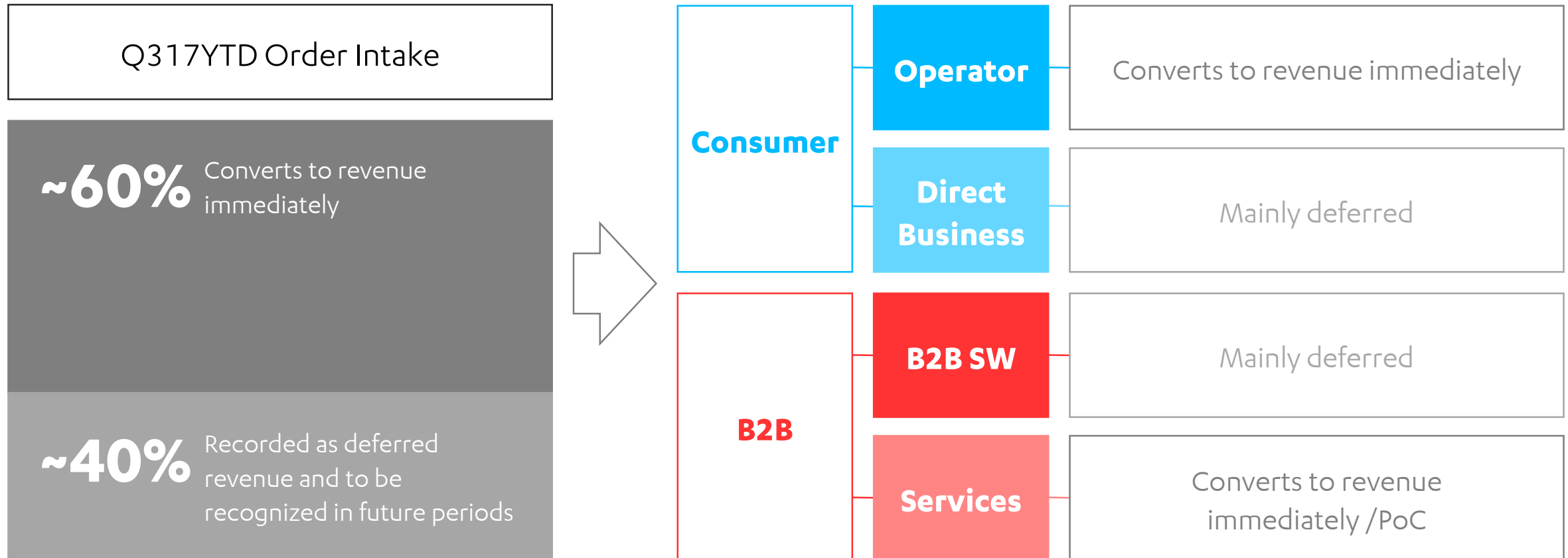
# QUARTERLY REVENUE GROWTH



# ORDER INTAKE DEVELOPMENT



# SIGNIFICANT SHARE OF REVENUE GETS RECOGNIZED LATER DURING THE CONTRACT PERIOD (=DEFERRED REVENUE)



# REVENUE RECOGNITION – IFRS 15

**New standard will be effective from 1 January 2018**

**Revenue from customer contracts shall mainly be recognized **over time****

**Change compared to current method:**

- A part of the corporate business and consumer direct business contracts delays revenue recognition compared to the current accounting policy
- A large portion of this delay for the new orders is expected to be off-set by delayed revenue recognition for the old orders
- The recognition of the incremental costs of obtaining contracts with customers (e.g. sales commissions) as expenses will be deferred in accordance with revenue

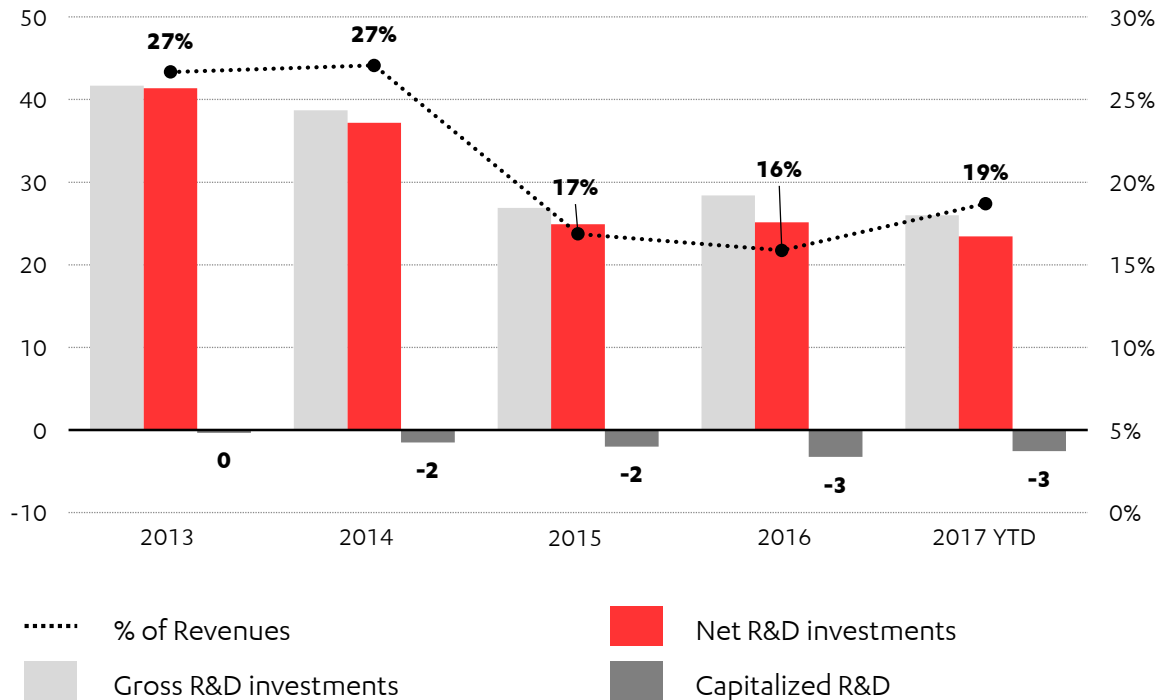
**Transition method will be **full retrospective**: 2017 will be restated when Q1 2018 reported**

**During Q4, F-Secure will finalize the necessary system changes and quantify the amount of the change.**

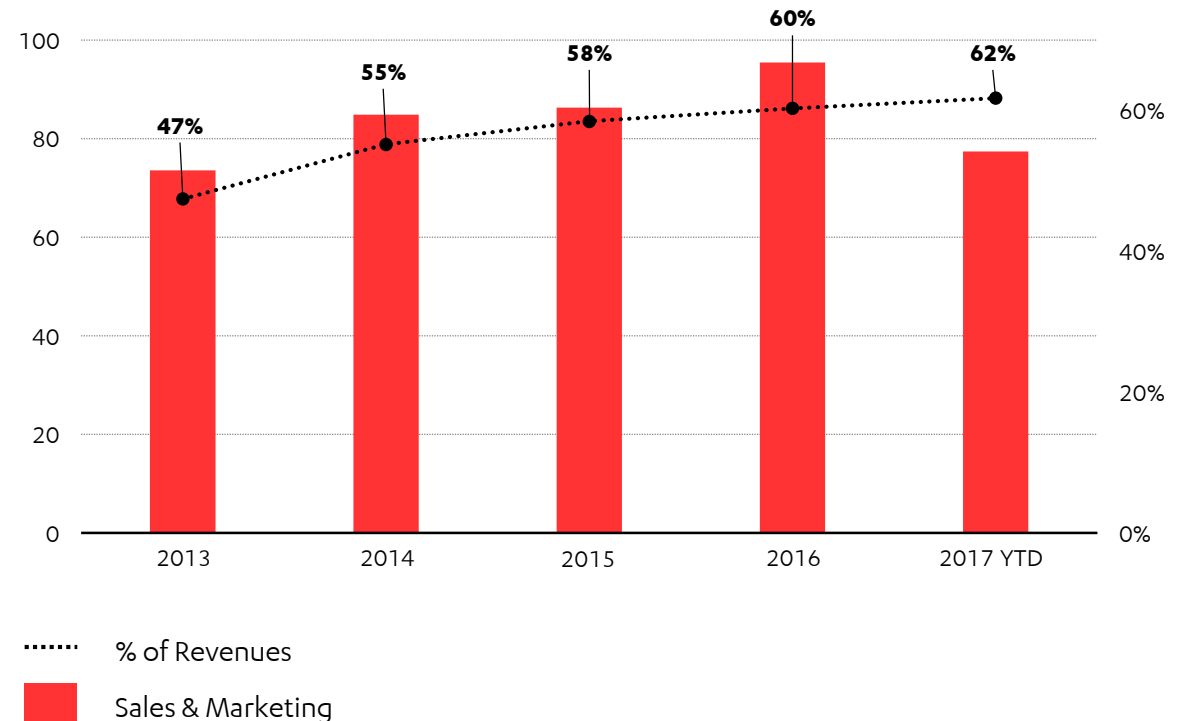


# INCREASE IN R&D AND S&M EXPENSES TO ENABLE B2B GROWTH

## R&D EXPENSES % OF REVENUE

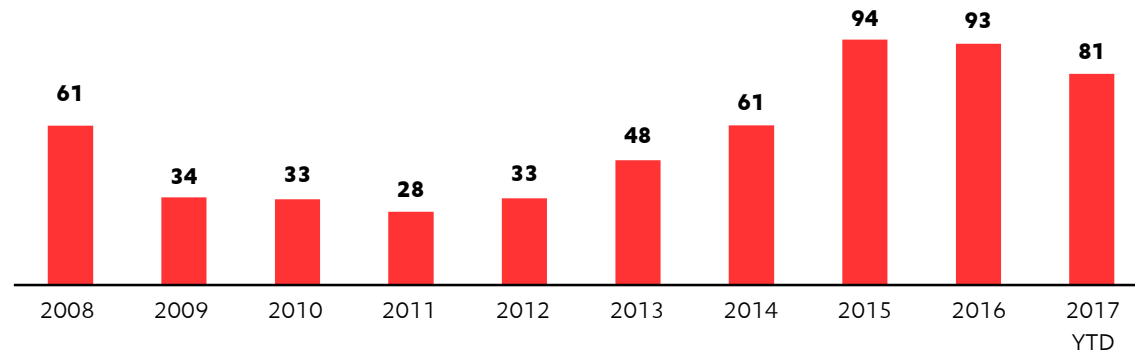


## S&M EXPENSES % OF REVENUE

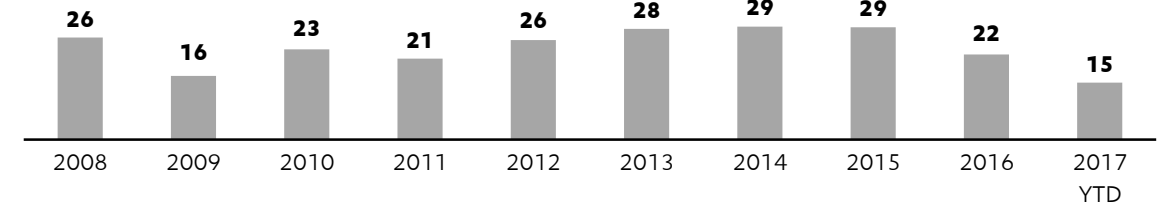


# STRONG BALANCE SHEET

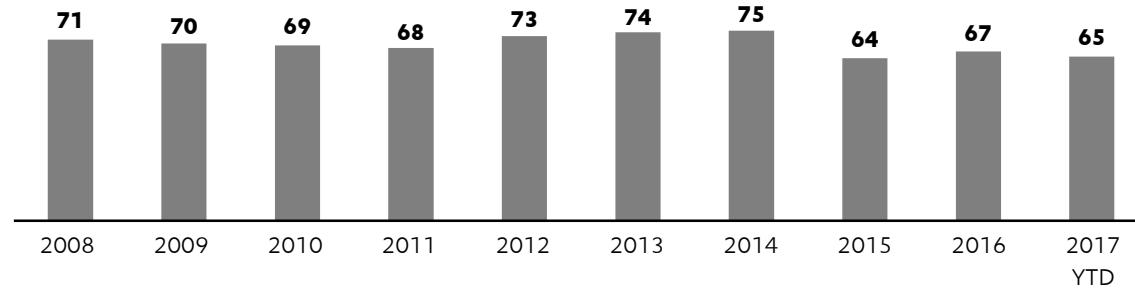
## Cash and available-for-sale financial assets



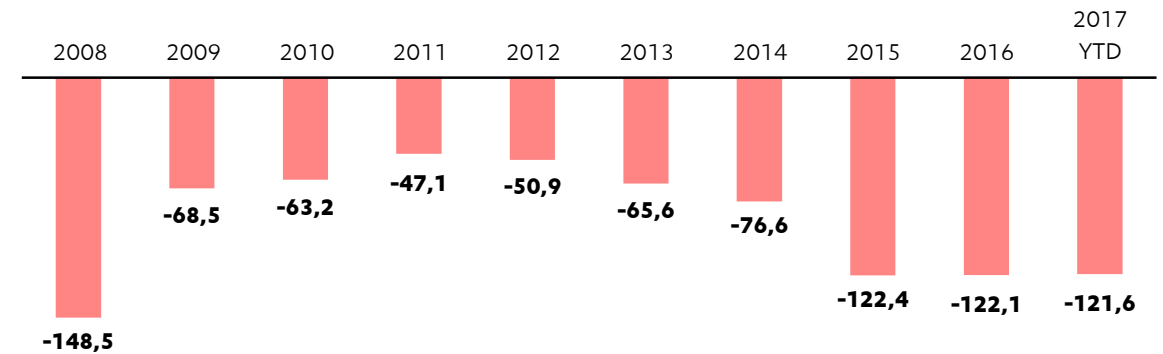
## CASH FLOW FROM OPERATIONS



## Equity ratio (%)



## GEARING (%)





# WHAT MAKES OUR BUSINESS ATTRACTIVE?

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- Demand for cyber security solutions continues to grow
- World-leading experts in the company
- Consulting adjacent to product business
- Software business model with high product margins
- Recurring revenues
- Cash generating business
- In investment mode now to capture growth
- Strong balance sheet enables M&A



**F-Secure®**