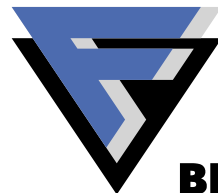


# F-Secure Corporation Interim report 1Q 2008

April 23rd, 2008

Kimmo Alkio, President and CEO

**F-SECURE®**



**BE SURE.**

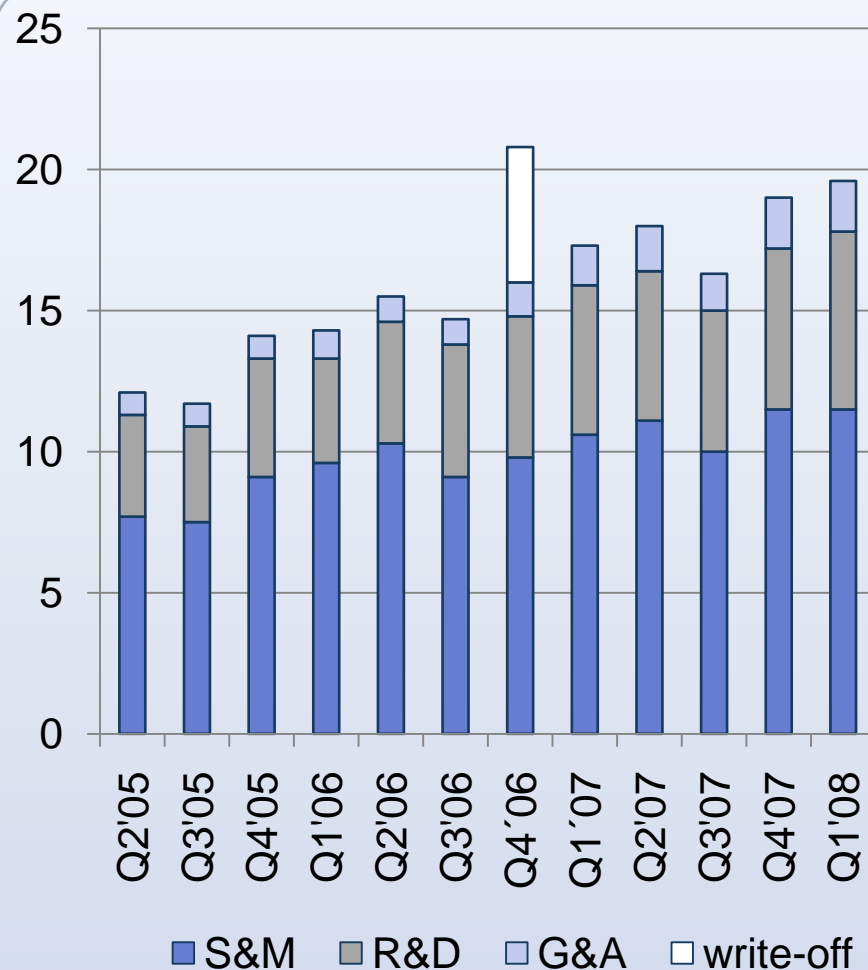
# Q1 Revenues

- Solid overall growth of 15% to 26.6m
- Strong ISP growth to 10.9m
  - +8% quarter over quarter
  - +41% from 1Q07 (YoY)
- Mobile security advances
  - New mobile operator and device manufacturer partnerships
- Traditional channel sales grew +2% to 15.7m



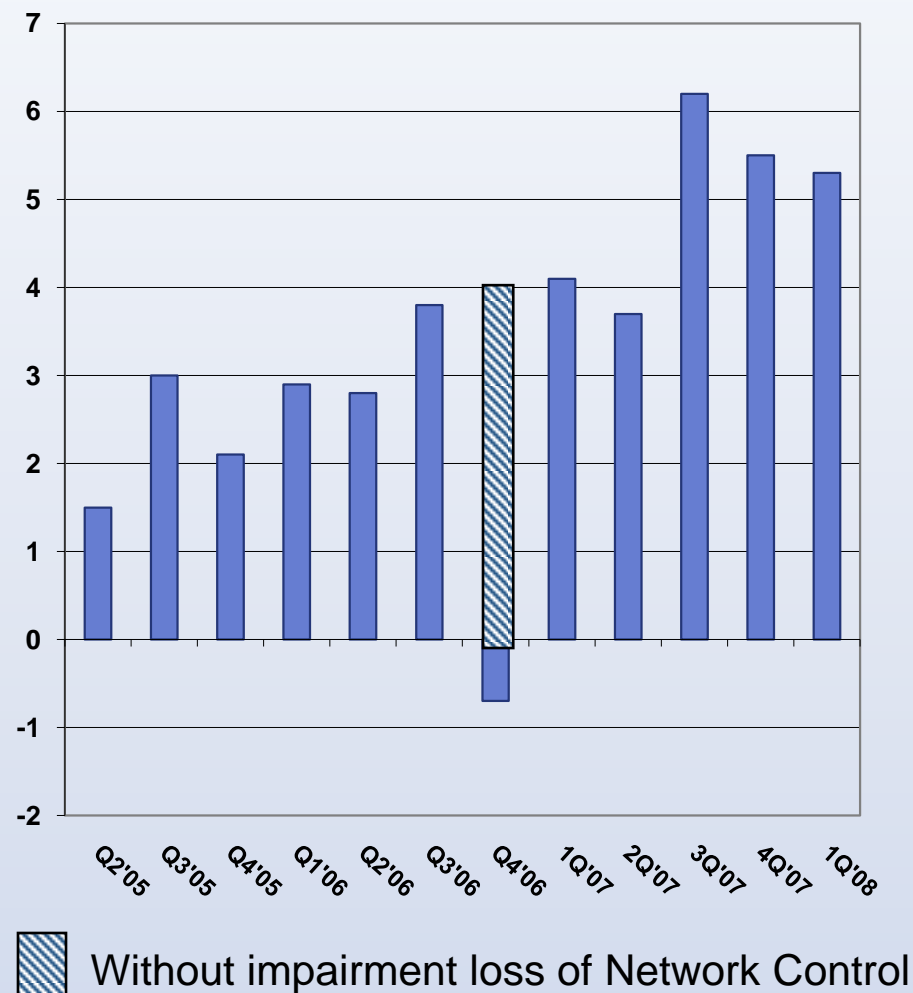
# Q1 Costs

- Q1 Costs ~19.5m
- Continuously investing into future growth
- Costs include
  - Capitalization of Development costs marginal
  - Granted stock options ~0.2m
- Gross margin 92% (92%)



# Q1 Operating Result

- EBIT 5.3m
  - 20% of revenues
  - +31% EBIT growth from 1Q07
- Equity ratio strong
  - Mar 31, 2008           71%\*
  - Dec 31, 2007           82%
  - Sep 30, 2007           81%

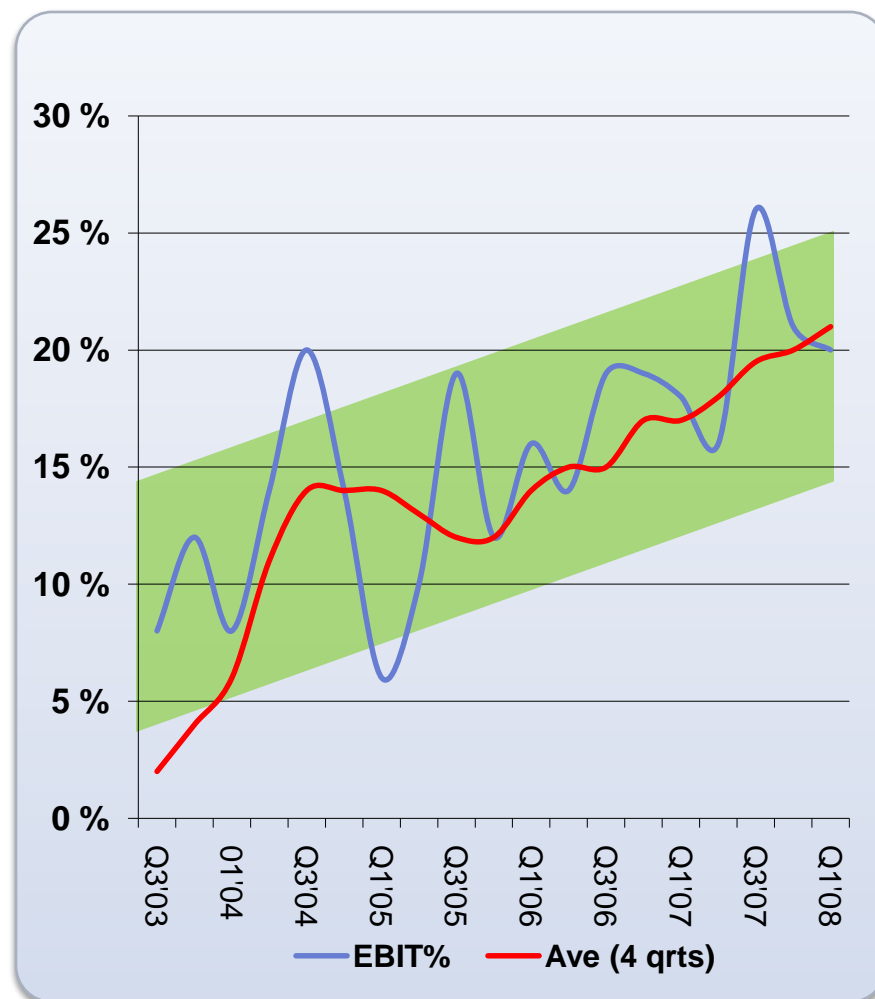


\* If dividends were paid in March equity ratio 81% - was paid in April

# Development of EBIT margin

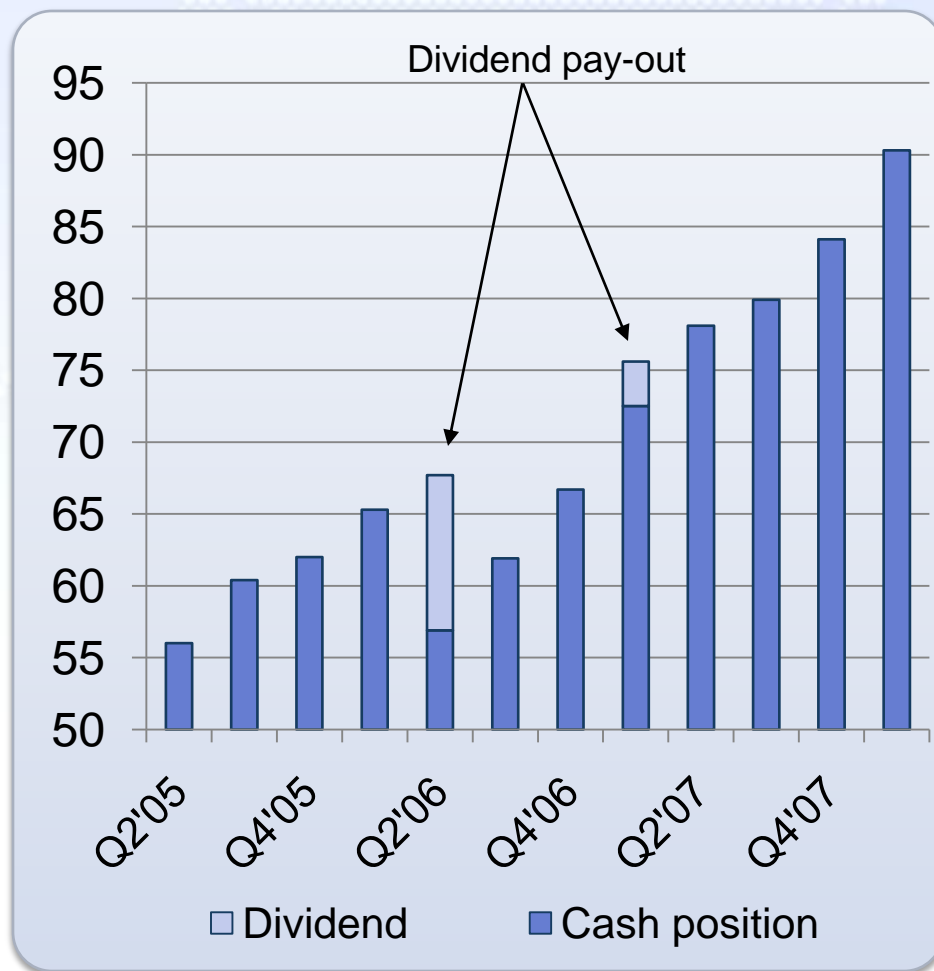
- Continue to prioritise growth over short term profitability
- Average EBIT has improved gradually
- The 2-4 year goal is to reach 25% EBIT level

Graph shows EBIT without the non-recurring impairment loss of Network Control in 4Q06



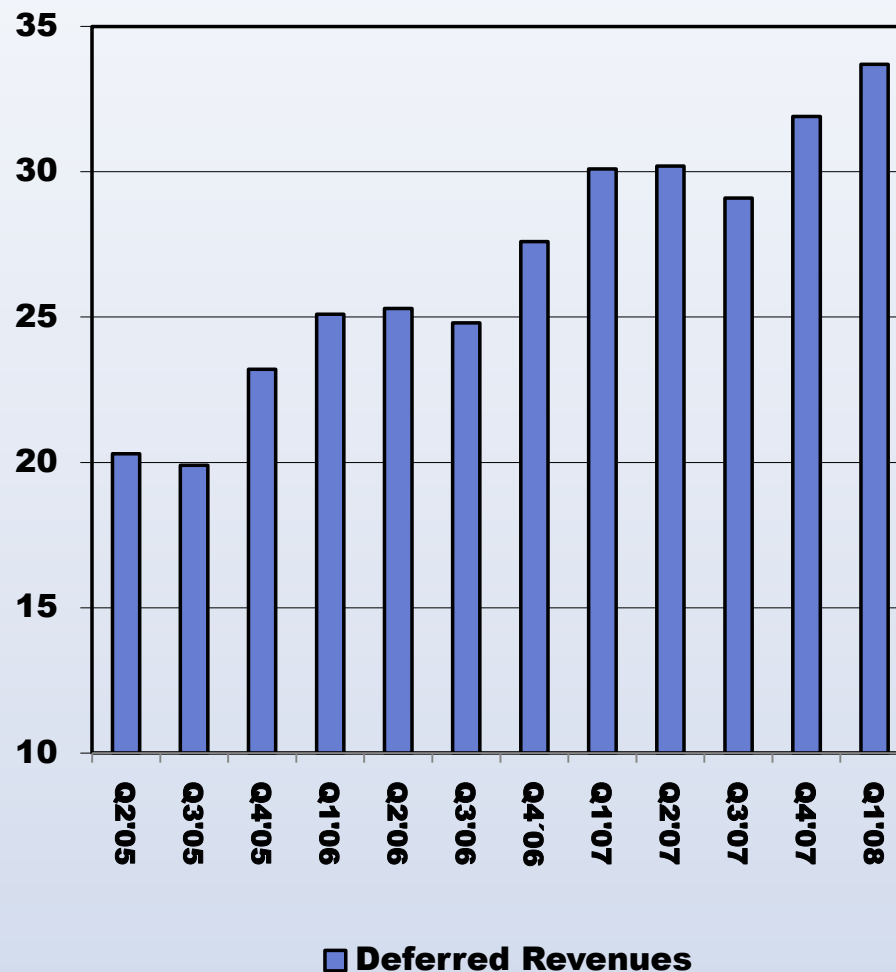
# Q1 Cash flow

- Positive cash flow 6.1m
- Cash flow includes:
  - SRV payment over 1m
  - Prepaid corporate taxes
- Liquid assets 90.3m (72.4m)
  - Market value on Mar 31st, 2008



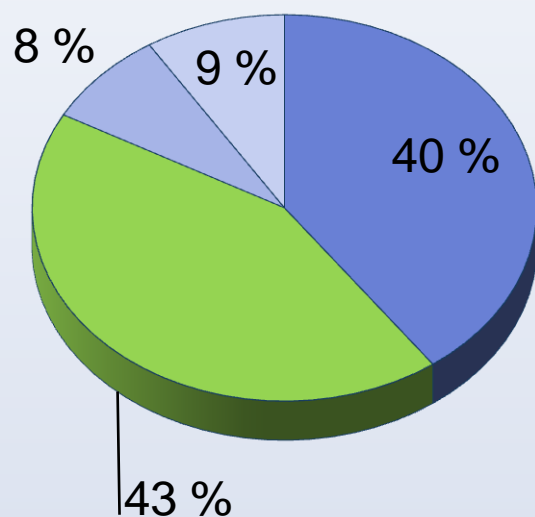
# Q1 Deferred Revenues

- Deferred revenues accrued in balance sheet
  - Mar 31, 2008 33.7m
  - Dec 31, 2007 31.9m
  - Sep 30, 2007 29.1m
- Development following an annual pattern

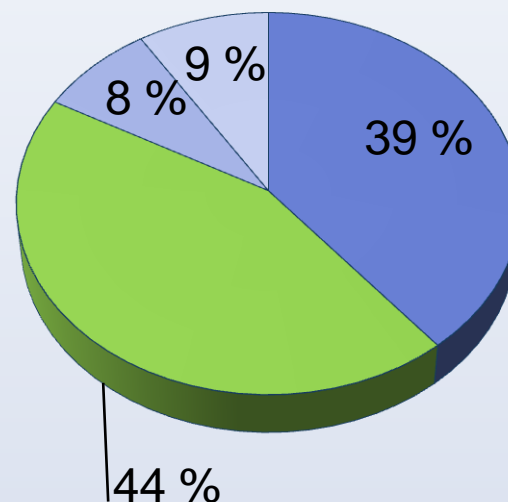


# Regional Revenue Split

2008Q1



2007Q1

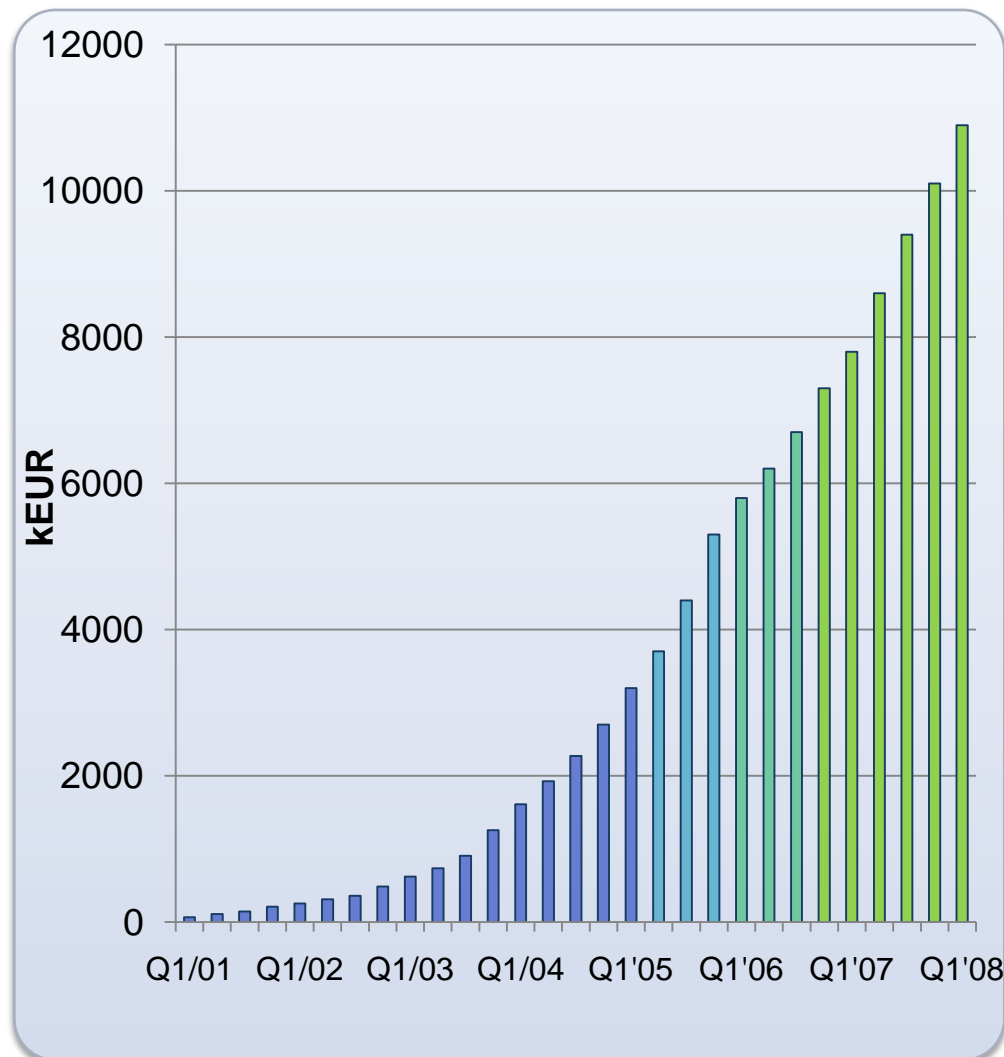


■ Nordic Countries    ■ RoE  
■ North America    ■ RoW



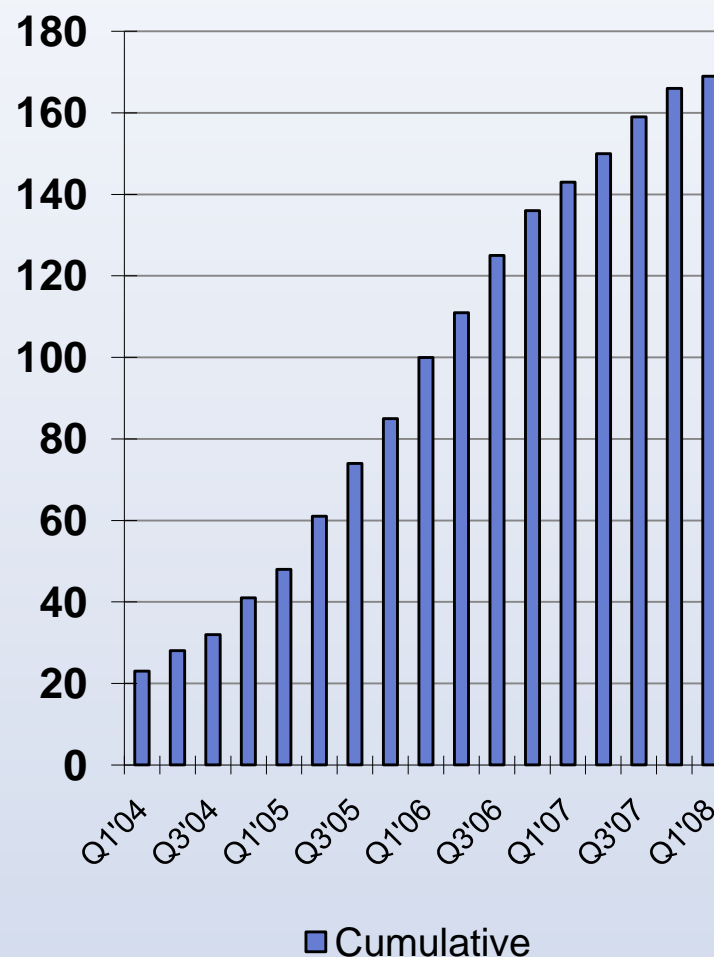
# ISP Business – continued strong growth

- 10.9m of revenues
  - +41% of total Q1 revenues
- Strong growth
  - +8% from 4Q07, +41% from 1Q07
- Growth accelerating activities continued

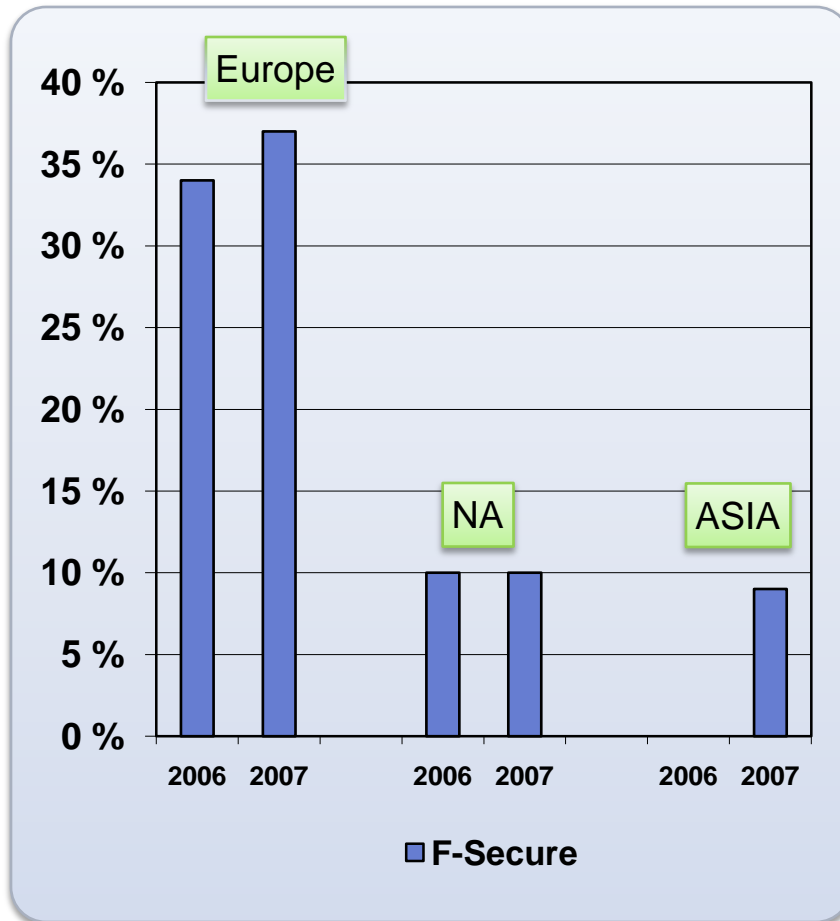


# Growing number of ISP partners

- 169 partners in 38 countries
  - 6 new partners in Q1
  - Strong competitiveness in signing new partners continues
  
- Q1 significant partner announcements
  - Cabovisao, Portugal
  - Comstar-Direct, Russia
  - Ziggo, the Netherlands



# F-Secure Partners' annual market share of residential broadband



Partners' market share of residential broadband

- 37% (34%) in Europe
- 10% (10%) in NA
- 9% (n/a) in Asia

(estimates by Dataxis & F-Secure)

# F-Secure Service Provider partners in the Americas



**20**  
YEARS OF  
RELIABILITY



# F-Secure Service Provider partners in EMEA part1



20  
YEARS OF  
RELIABILITY



# F-Secure Service Provider partners in EMEA part 2



20  
YEARS OF  
RELIABILITY

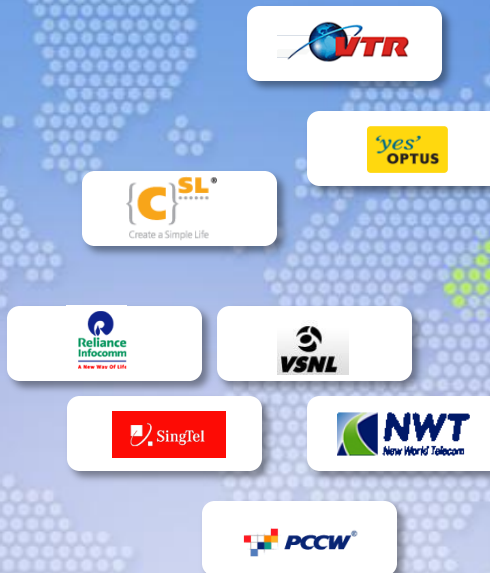




# F-Secure Service Provider partners in APAC



20  
YEARS OF  
RELIABILITY




# Q1 Mobile Security Business

- **Device manufacturers**
  - Partnership announcement (Q1) with Sony Ericsson and Toshiba Information Systems
  - Available for a majority of the currently shipping or upcoming Nokia S60 3rd edition devices
- **Continued strong growth in trial usage**
  - Slow steady growth in revenues
  - Ca 3% of total revenues (Q1)
  - Sony Ericsson integration project revenues affecting Q1
- **Operators key for awareness & availability**
  - T-Mobile UK & Germany
  - Orange UK & Switzerland
  - Swisscom
  - TeliaSonera
  - Elisa
  - CSL (Hong Kong)

20  
YEARS OF  
RELIABILITY



# Recent mobile partner in APAC



Touch me not.



Touch me safe.

24-hour Sales Hotline: 2988 1010 [www.CSL1010.com](http://www.CSL1010.com)

\*For detailed terms and conditions, please visit 1010 Centre.



HTC Touch Cruise   HTC Touch Dual   HTC TyTto II

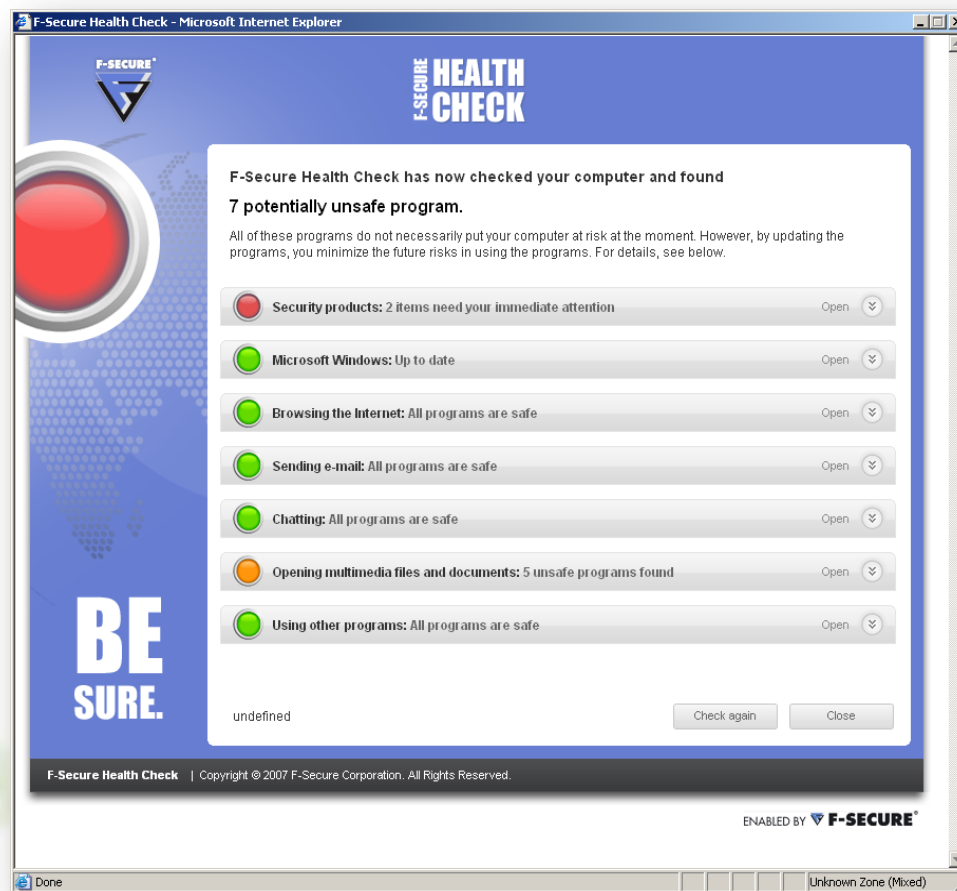
Central • Causeway Bay • Wanchai • Tsimshatsui • Mongkok • Shatin • Hong Kong International Airport



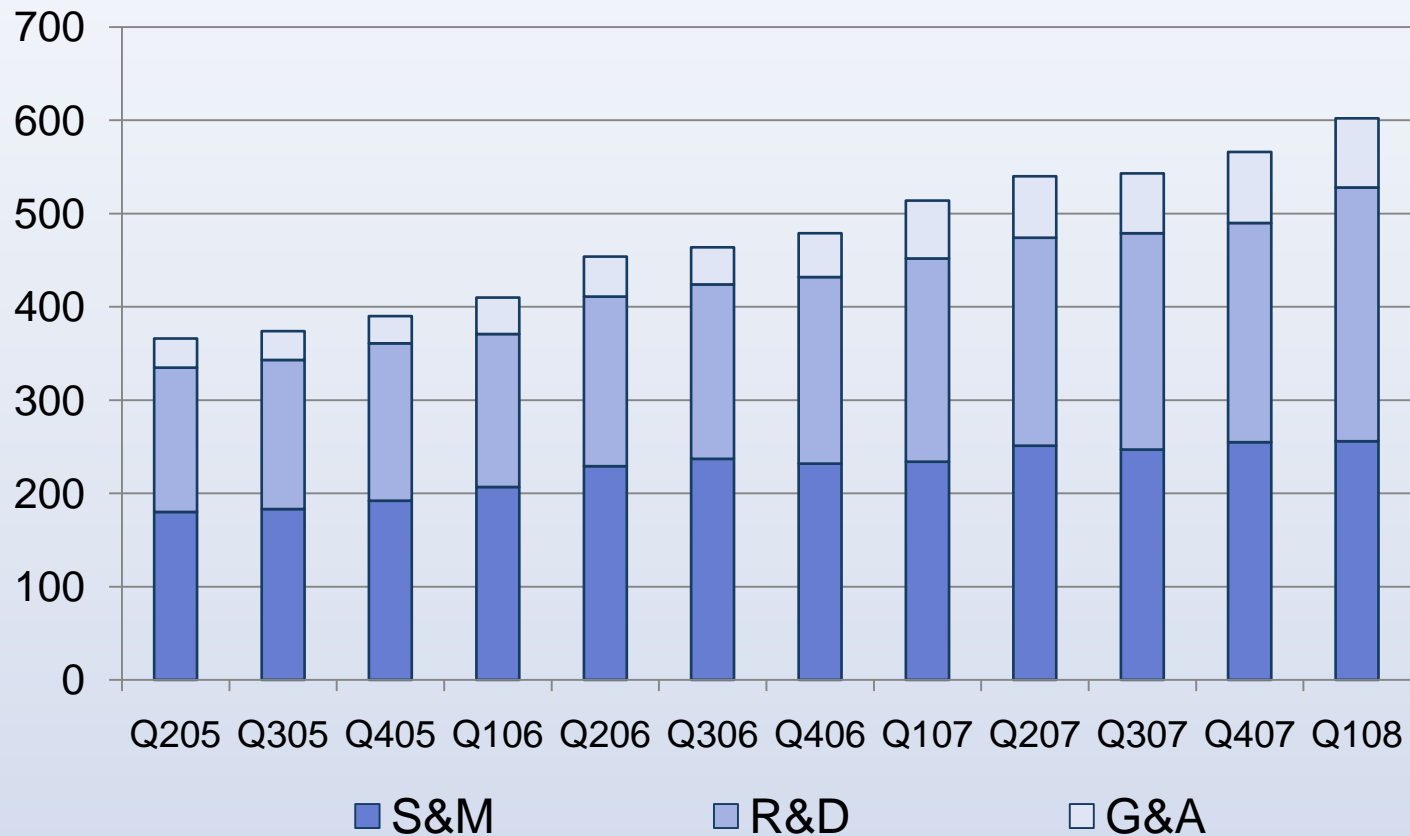
- The biggest mobile operator in Hong Kong
- Symbian S60, UIQ and WinMobile phones

# Key product announcements in Q1

- F-Secure Health Check
  - Pre-release in Q4, official launch Q1
- F-Secure Mobile Security for Windows Mobile (Apr 08)



# Number of Personnel 602 at the end of quarter



# Future Outlook

- Strategy in a nutshell
  - (1) Continue to drive growth
  - (2) Capitalize on industry leadership in Security as a Service
  - (3) Develop leadership in mobile security
- Investing in growth
  - New sales & marketing activities for scalability in ISP& mobile
  - Pursue security related technologies and new services related to the online wellbeing
- Mobile business
  - Revenues continue to grow gradually
  - Remaining a small part of total revenues in 2008
- Q2 2008 outlook
  - Revenues 26.5-28.5m
  - Costs below 21m
- FY 2008 outlook
  - Expected revenues 110-120m
  - EBIT% for the full year 19-23%
  - ISP growth c. 40% during 2008

*Based on the sales pipeline at the time of publishing, existing subscriptions and support contracts, previous experience*

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