

F-Secure Corporation

Interim report Q1 2012

(Unaudited)

President & CEO

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1. Highlights in Q1

Highlights in Q1

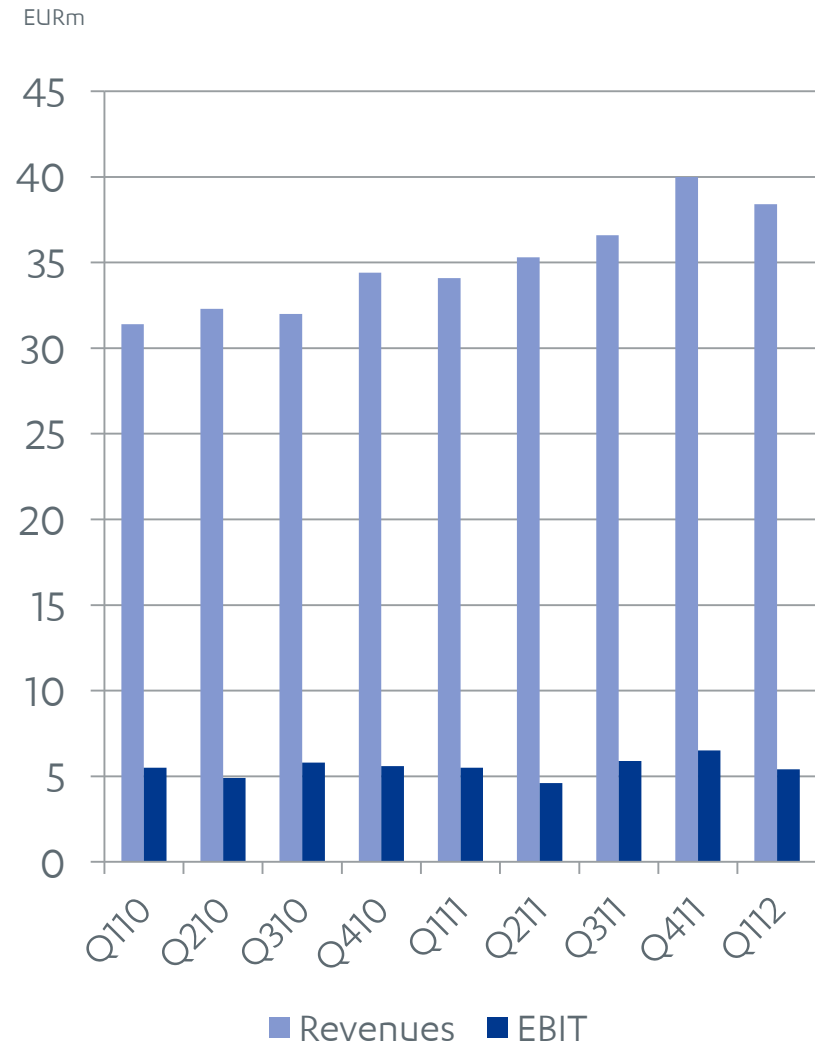
- **Solid revenue growth continued**
 - Total revenues grew by 12% reaching level of 38.4m (Q111: 34.1m)
 - Good Internet security sales
- **Revenues by the Operator channel grew by 21 % reaching EUR 22.6 million**
 - Growth was driven by healthy Internet security and content cloud subscriber sales
 - Project revenues were at the same level as a year ago
 - New content cloud delivery agreement with one of the major European operators
- **Profitability at satisfactory level**
 - EBIT 5.4 million, 14% of revenues (Q111: 5.5 m, 16%)
- **Investments in driving future growth and competitiveness of services continued**
 - Expansion in operating systems, platform development and new content cloud services continued
 - Market expansion in Latin America progressing



2. Financial performance in Q1

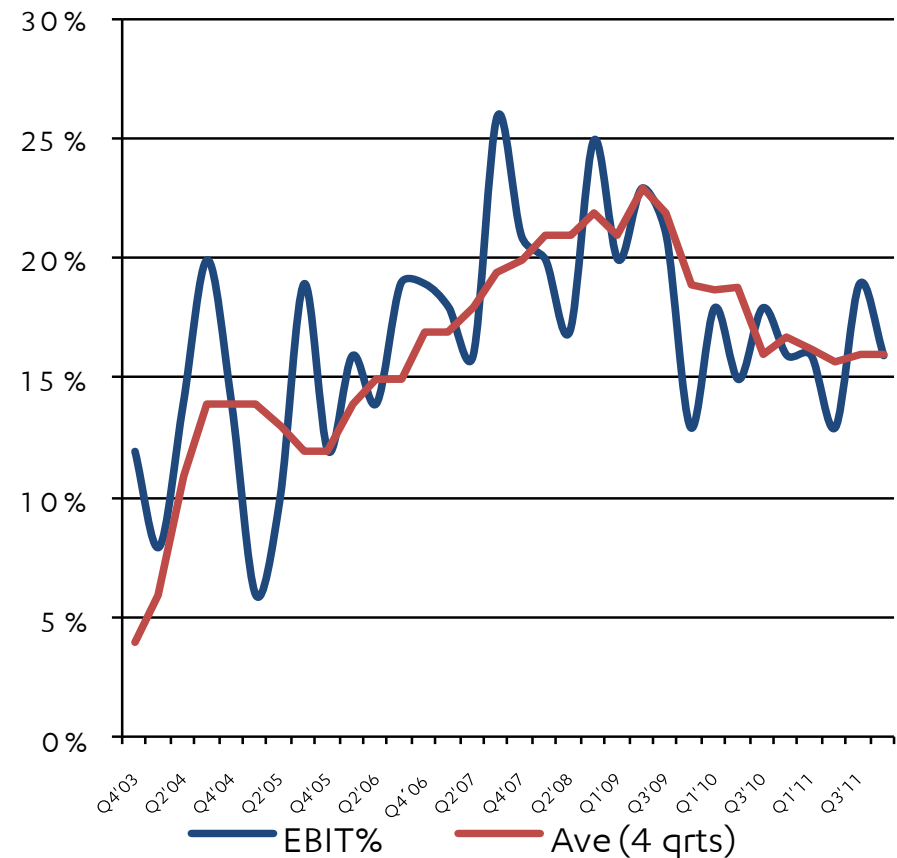
Q1 Revenues – growth continued

- Revenue growth solid compared to Q111, driven by the operator channel
 - Total quarterly revenues 38.4m; growth of 12% (Q111: 34.1m)
 - Operator revenues 22.6m; growth of 21% (Q111: 18.7m)
 - Other channels 15.8m; growth of 2% (Q111: 15.4m)



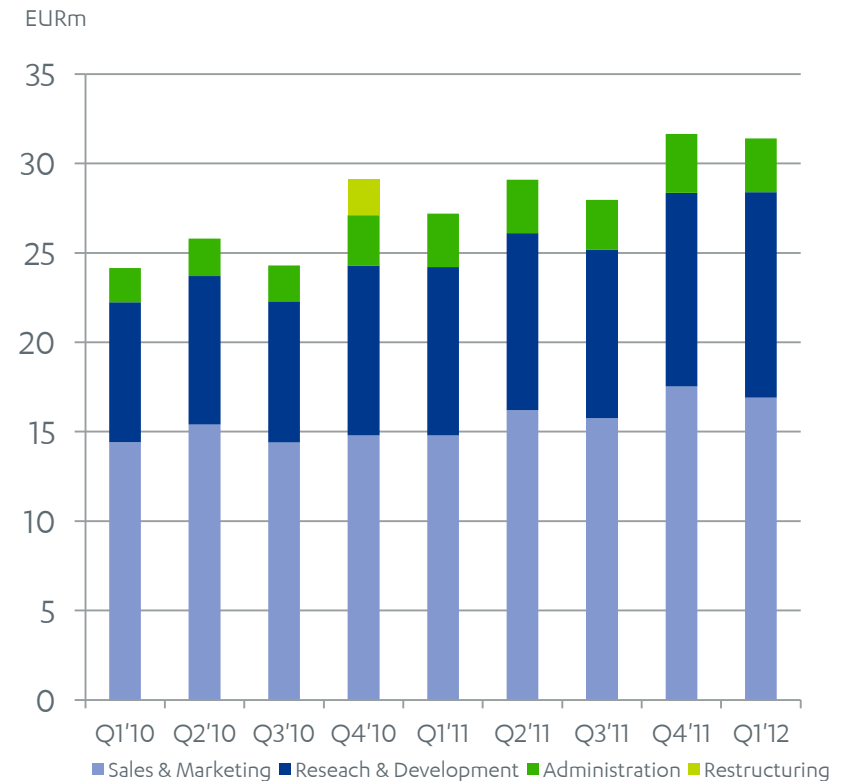
Q1 Profitability at satisfactory level

- Profitability at satisfactory level; investments in content cloud business continue
- EBIT 5.4 m, 14% of revenues; (Q111: 5.5m, 16%)
- EPS EUR 0.02 (EUR 0.02)



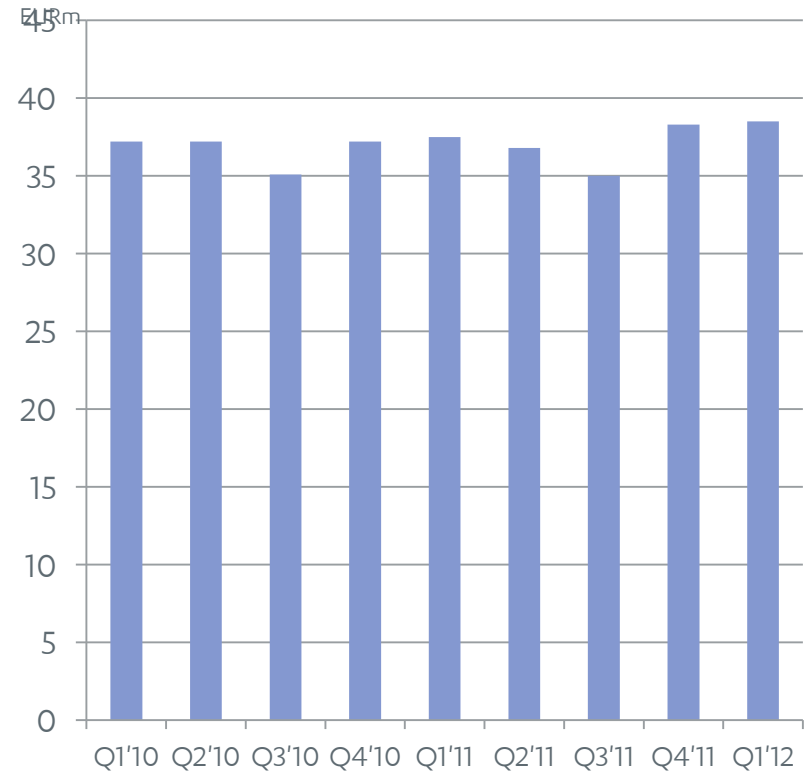
Q1 Costs – modest increase in run rate

- Total costs increased to 31.4m, +16%; (Q11: 27.2m)
 - Focus on new content cloud services, and market expansion (Latin America)
- Run rate costs from Q4 grew modestly
 - Cost level grew by increased depreciations and decreased capitalization
 - Capitalized R&D expenses 1.8m (Q11: 1m; Q411: 3.1m)
 - Depreciations 1.9m (Q11: 1.4m; Q411: 1.7m)



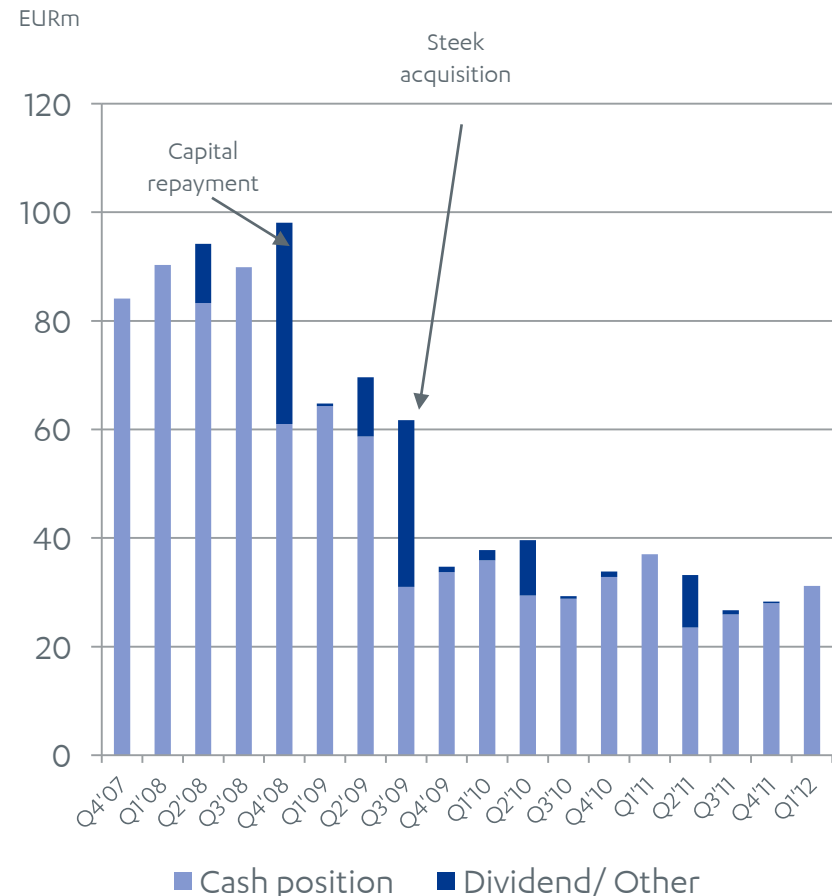
Q1 Deferred Revenues

- Deferred revenues were at 38.5m (37.5m)
 - Healthy renewal license sales in the channel business
- Deferred revenues accrued in the balance sheet
 - Dec.31,2011 38.3m
 - Mar. 31,2011 37.5m



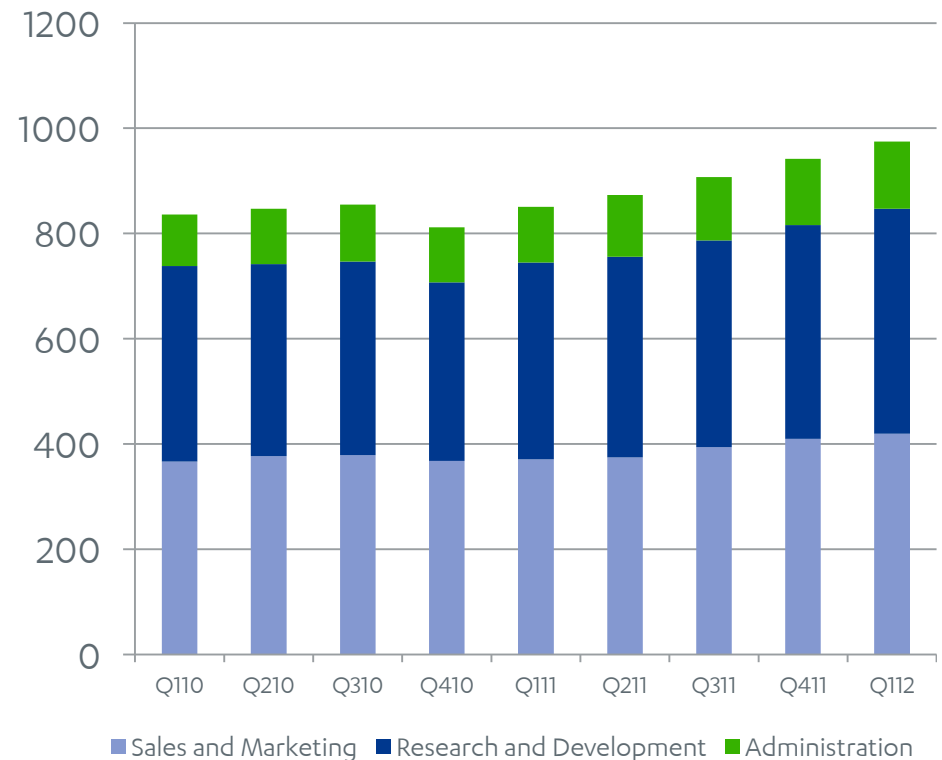
Q1 Cash position solid

- Cash flow from operations 7.7m (Q111: 7.1m)
- Market value of liquid assets on
 - Mar.31, 2012 31.2m
 - Dec.31, 2011 28.1m
 - Mar.31,2011 37.1m
- Cash position has developed according to the longer term efficient capital management objectives
- Dividend of EUR 0.06 per share was paid in April 17, 2012, totally 9.3m



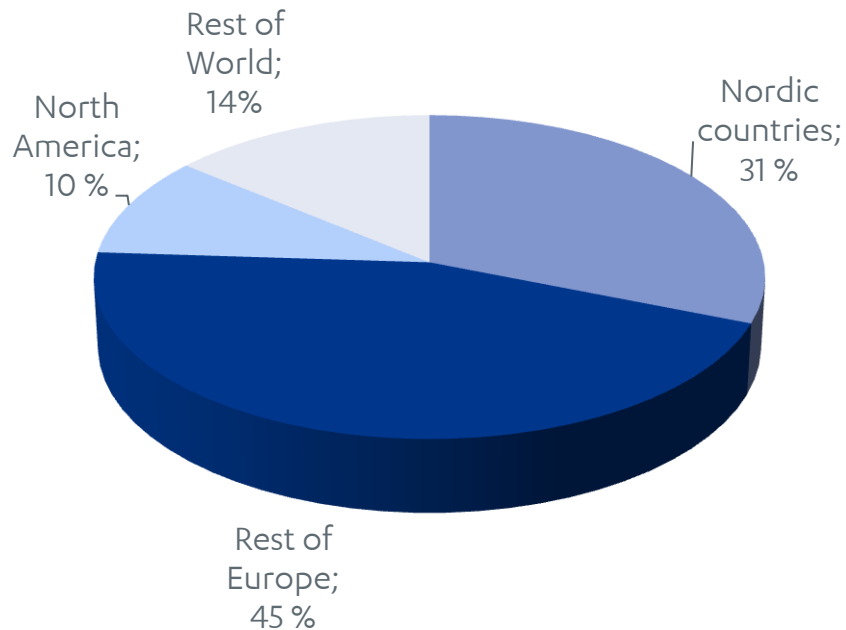
Q1 Number of personnel

- At the end of Q1: 975 (Q111: 851)
- During Q1 new recruitments especially in the sales and marketing, project delivery and R&D.

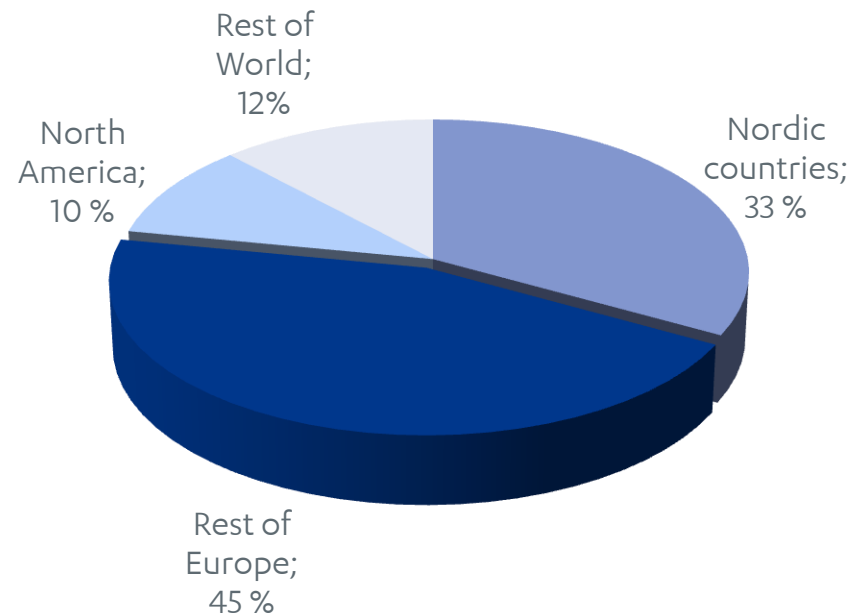


Q1 Regional Revenue Split

1-3/2012



1-3/2011

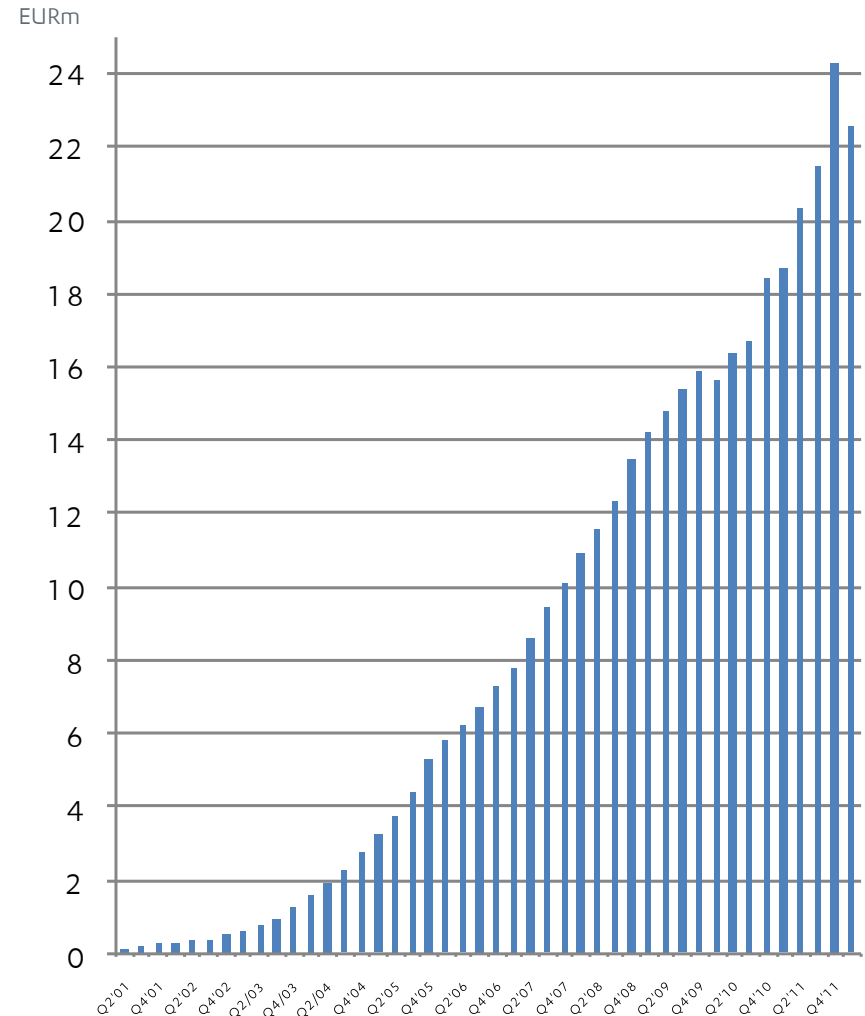




3. Operator business in Q1

Q1 Operator business – growth driver

- Q1 revenues of 22.6m (18.7m), growth of 21% YoY; decline of 7% QoQ
 - Robust double digit security revenue growth continued
 - Content cloud subscriber revenues continued growth
 - Project revenues significantly lower than in Q42011 resulting decreasing total operator revenues QoQ
- Content Cloud business
 - New contract with one of the major European operator; AT&T co-operation progresses while launch delayed



More than
200 operator
partners globally
and over **250** m
broadband
subscribers





4. Products and Services

F-Secure Content Cloud through operators

F-Secure Content Anywhere
launched

Request for trusted and local
services



With different device:

- Windows PC & Mac
- iPad/Android tablet
- Android
- iPhone

Awarded F-Secure Internet Security

- F-Secure Client Security received 'Best Protection 2011' award by AV-Test in January, 2012
- F-Secure got excellent results in AV-Test's Malware Protection for Android in March, 2012



5. Market review



Market review



Internet

- Internet growth continues globally
- Role of internet security significant for business over the Internet
- New business opportunities



New devices

- Smartphones and tablets growing in number
- New devices connected to the Internet are coming to the markets
- Need for new services



Content cloud

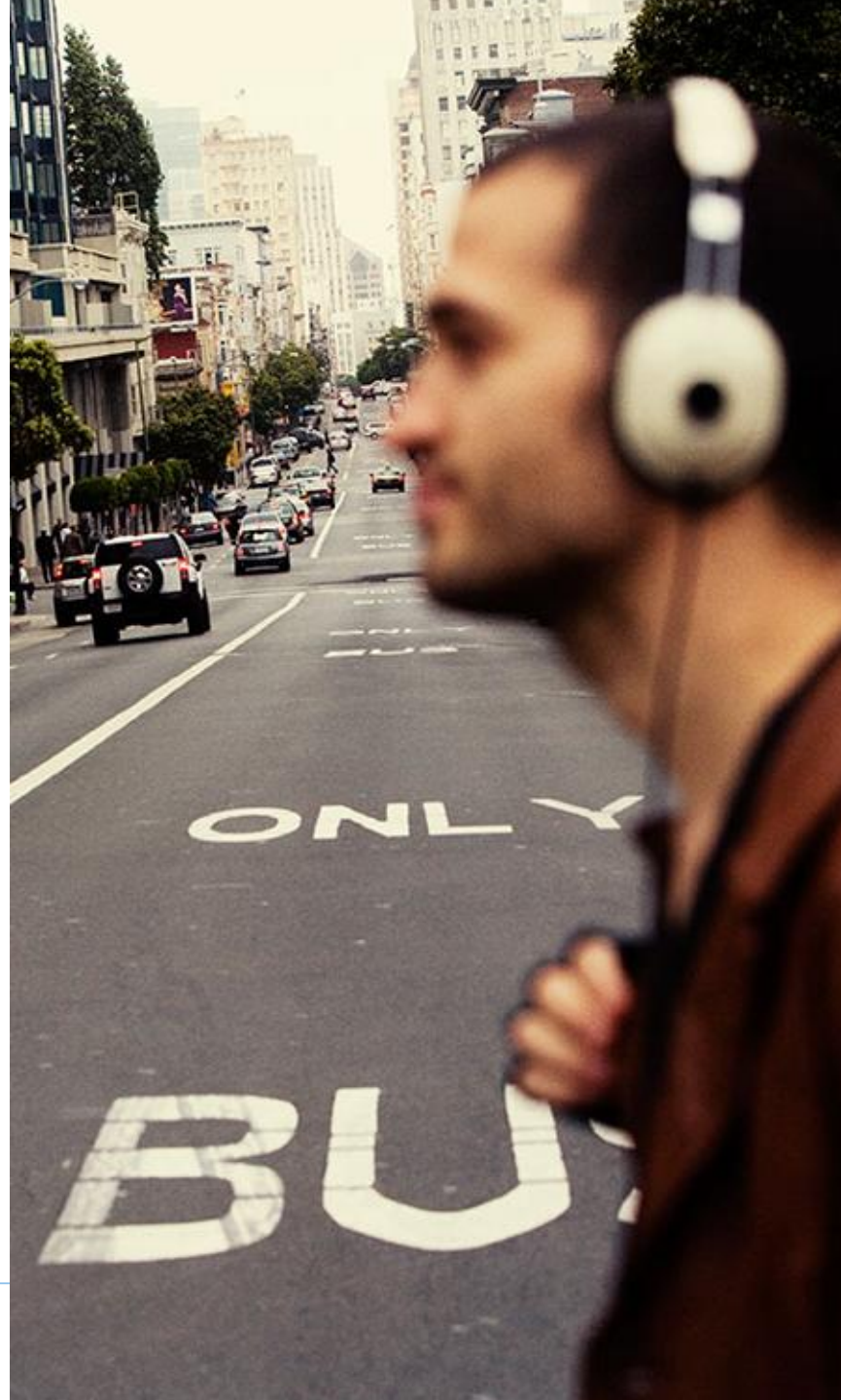
- Demand for content cloud services
- Strong growth expectations
- Operators interest is high



6. Financial targets & Outlook

Financial targets 2012-2014

- Double digit revenue growth
- The Company will continue its investments in content cloud business but also in security services
- Profitability is expected to develop towards the 25% level at the end of strategy period



Outlook for 2012_(1/2)

- Operator channel business is expected to continue solid growth driven by good Internet security and content cloud projects with subscriber based revenues.
- As overall uncertainty in the global economy and financial markets is expected to continue, this may have impact on Operators' interest to invest in new services, especially in new content cloud projects.
- F-Secure has several content cloud prospects in the pre-sales phase. However, the risk of delays in content cloud contract negotiations and ramping up the subscriber volumes has increased. These delays are likely to impact on annual revenue growth.

Outlook for 2012

- The guidance has been revised
- The management estimates for 2012:
 - Annual revenue growth to be between 5% and 10%
 - Profitability around 15% of revenues
 - Follows the traditional seasonality except lower Q4
 - The Company has changed its vacation accrual accounting due to operational reasons and this balances costs between Q2 and Q3; i.e. decreases Q2 and increases Q3 costs approximately by 400k.
 - The notable part of annual cost increase comes from the end of development activations and increased depreciations
- The previous guidance was: Annual revenue growth to be around 10% and profitability around 15% of revenues

The estimates are based on the sales pipeline at the time of publishing, existing subscriptions, support contracts and exchange rates previous experience

Thank You!

Forward-looking statements:

Certain statements in this presentation are forward-looking, and the actual outcome could be materially different. Such forward-looking statements are based on F-Secure's present plans, estimates, assumptions, projections and expectations and are subject to risks and uncertainties. In addition to the factors explicitly discussed, other could have a material effect on the actual outcome. Such factors include, but are not limited to, general economic and political conditions, fluctuations in exchange rates, interest rates, outcome of external research studies, technological issues, interruptions of business, products, actions of courts, regulators, government agencies, competitors, customers, suppliers, employees and all other parties.

Protecting
the
irreplaceable