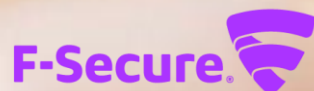


SWITCH ON FREEDOM

F-SECURE CORPORATION INTERIM REPORT Q3

October 23, 2014
CEO Christian Fredrikson



CONTENT

- Q3 Highlights
- Key products
- Q3'14 financials

HIGHLIGHTS Q3

Solid profitability and cash flow, flat revenues

- Revenues declined by 1% to 37.9 million (Q313: 38.3m)
- EBIT 6.9 million, 18 % of revenues (Q313: 8.4 m, 22 %)
- Cash flow from operations 5.3 million positive (Q313: 6 m positive) ; change of cash 4.3 million positive (Q313: 5.3 m positive)

Revised guidance for 2014

- Revenues estimated to be at a level of 2013; Profitability estimation remains at around 15 % of revenues
- Personal cloud business progress was weaker than anticipated; younited subscriber growth, especially in the direct to consumer channel, has been slower then expected
- Overall security sales continue stable, driven by growth in our cloud security products in all channels

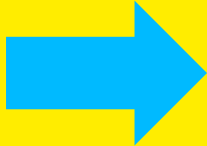
Business wins

- Several new younited operator wins; totally approx. 30 – latest launches e.g. KPN (NL), TDC (DK) and Polkomtel (PL)
- New SAFE security services with several operators; e.g. Polkomtel (PL) and Claro (Brazil)
- Corporate reseller network; Protection Service for Business, continues to gain momentum
- Freedome subscription growth continuing strong

CORE BUSINESSES

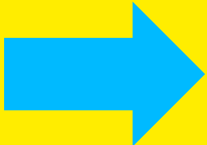
CONSUMERS

MULTIDEVICE
PROTECTION



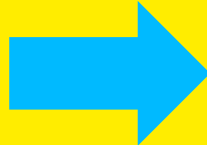
F-SECURE
SAFE

IDENTITY
MANAGEMENT

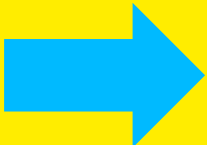


F-SECURE
KEY

PERSONAL
CLOUD



PRIVACY



F-SECURE
FREEDOME

BUSINESS



PROTECTION
SERVICE FOR
BUSINESS



F-SECURE
FREEDOME

F-SECURE SAFE

PROTECT YOUR LIFE ON EVERY DEVICE



**PARENTAL
CONTROL**



ANTI-VIRUS



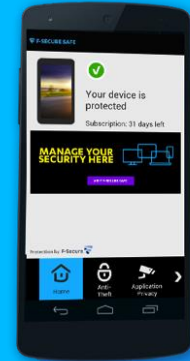
**APPLICATION
PRIVACY**



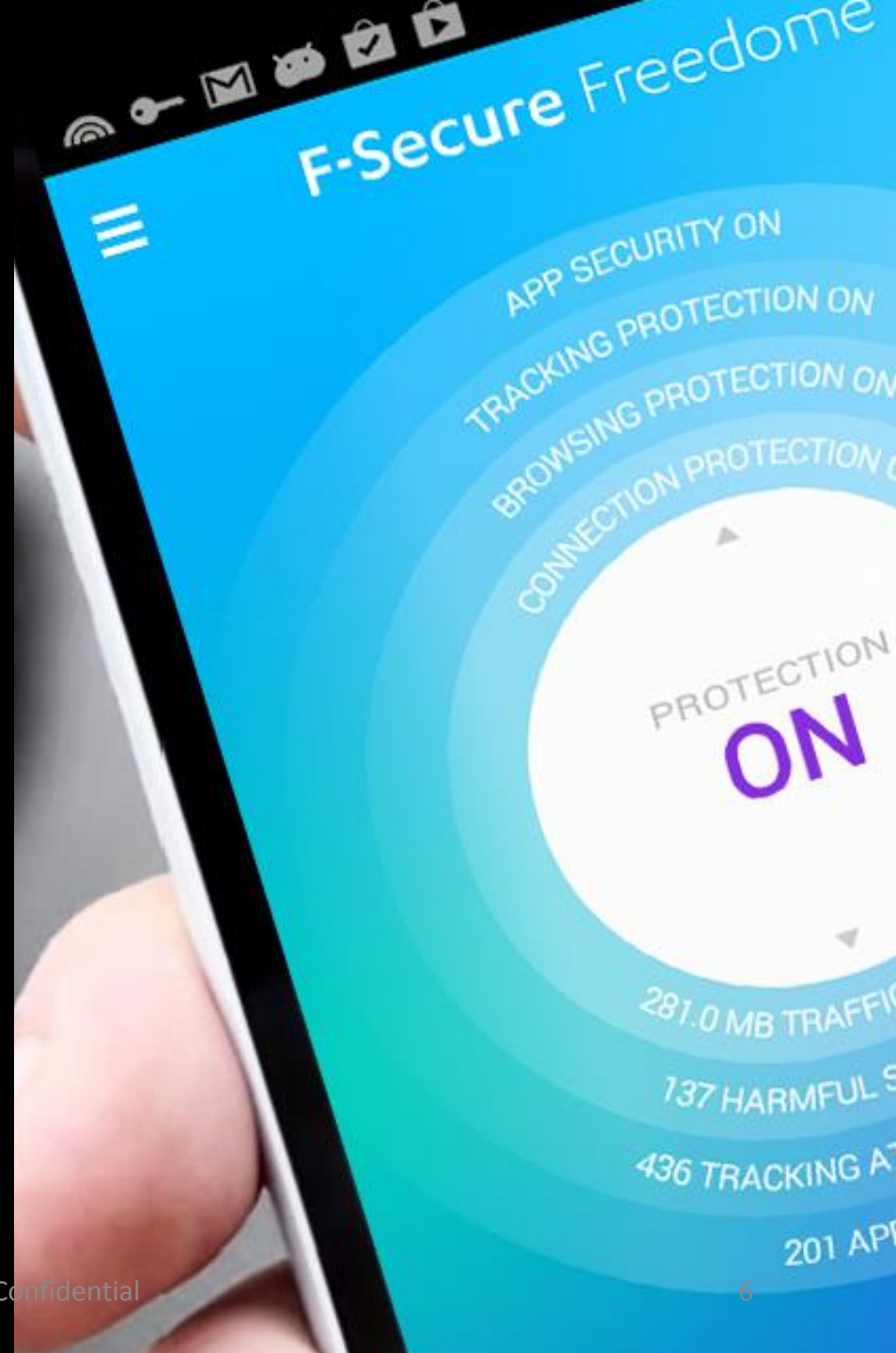
**BROWSING
PROTECTION**



Windows | Android | OS X | iOS



**IN A COMPLEX
WORLD,
SIMPLICITY
MATTERS.
ONE BUTTON
FOR ALL.**





INVISIBLE

Surf anonymously.
Protected, private.



WI-FI SECURITY

Connect securely.
Encrypted and invisible.



UNTRACKABLE

Stop advertisers from
tracking you.



SAFE BROWSING

Block malware, tracking
cookies, and phishing sites.

TELEPORT LOCATION

Change your virtual location to
the other side of the world.



POSITIONING FREEDOME & SAFE

F-SECURE SAFE

Internet security



- SAFE provides Internet security for all the family devices and provides parental control options.
- SAFE does not protect against snooping on public Wi-Fis, tracking of online activities or remove geographical Internet restrictions.
- Safe is our most comprehensive security offering. Appstore price for 3 devices: 59,90€/year.

F-SECURE FREEDOME

Online privacy



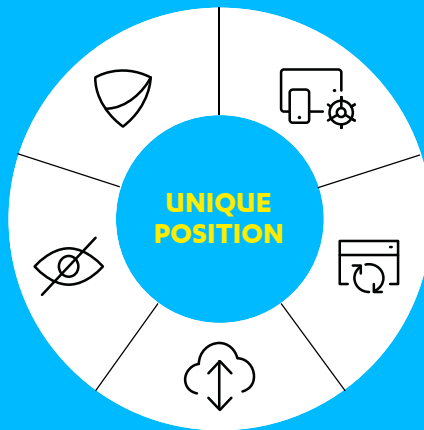
- Freedom prevents spying and protects your privacy online as well as secures public Wi-Fi connections.
- Freedom does not cover virus protection for desktops, anti-theft, or parental control features.
- Freedom is a premium offering, priced aggressively to penetrate the market. Appstore price: 26,99 €/year.



Customers will choose Freedom because it extends protection to online privacy.

Operators should offer Freedom to reach new customers, increase loyalty, and to generate new revenues.

PROTECTION SERVICE FOR BUSINESS

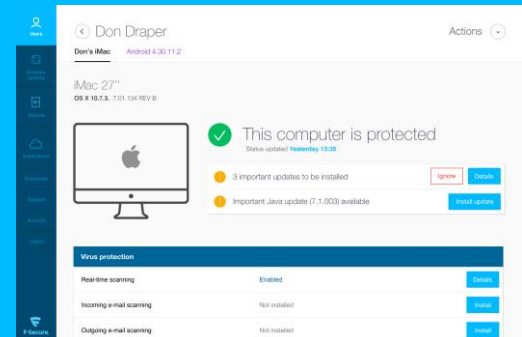


UNIQUE POSITION

- ⊕ Multi-Device Security
- ⊕ Patch Management
- ⊕ Store, Sync, Share
- ⊕ Management & MDM
- ⊕ Privacy & Trust

DEVELOPMENT

Strong on-going evolution
towards the next-generation
cloud security solution.



YOUNITED

YOUNITED IN THE OPERATOR CHANNEL & CONSUMERS

Master, share, unshared, access all your stuff anywhere with any device.

Usability improvements in Q4:

Usage also on TV screen through Chromecast, content streams, more subtle background maintenance, iOS8 & Jolla support



A photograph of a crowded subway car. People are standing close together, holding onto vertical poles. Some are looking at their phones. A woman in the foreground is wearing a red shirt and holding a white shopping bag and a red shopping bag with the brand name 'DALLOYAU' visible. The text 'FINANCIALS Q3 2014' is overlaid in the center.

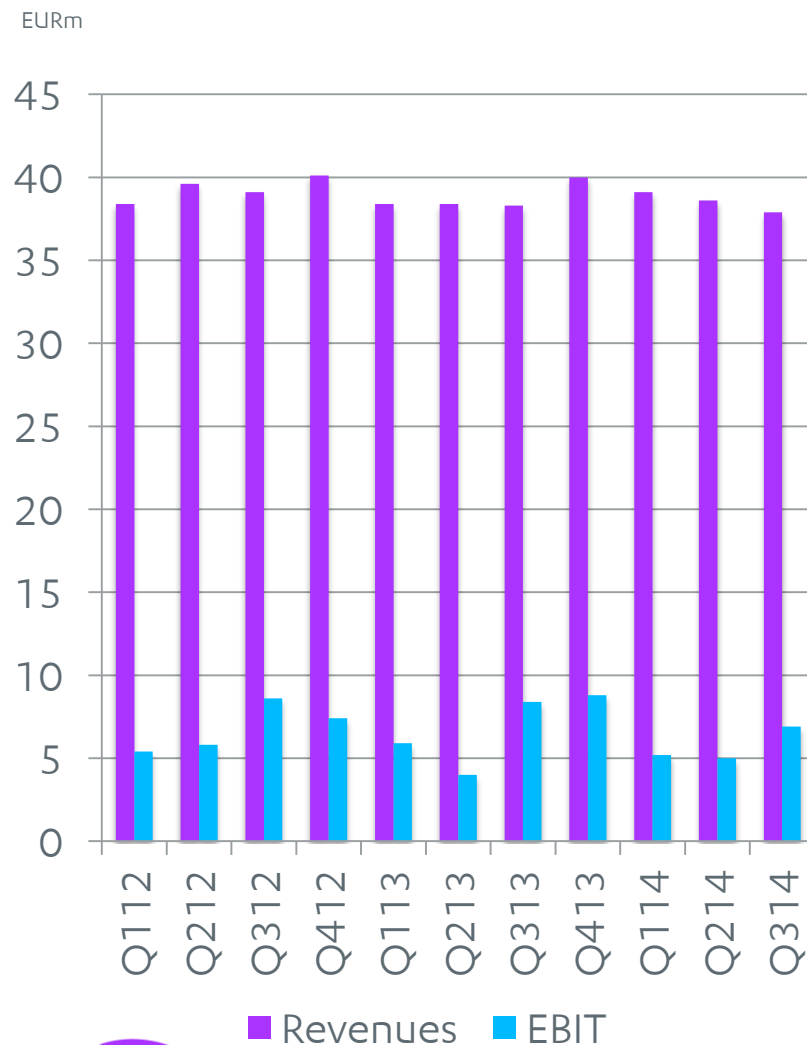
FINANCIALS

Q3 2014

REVENUES

Q3 Revenues declined by 1%

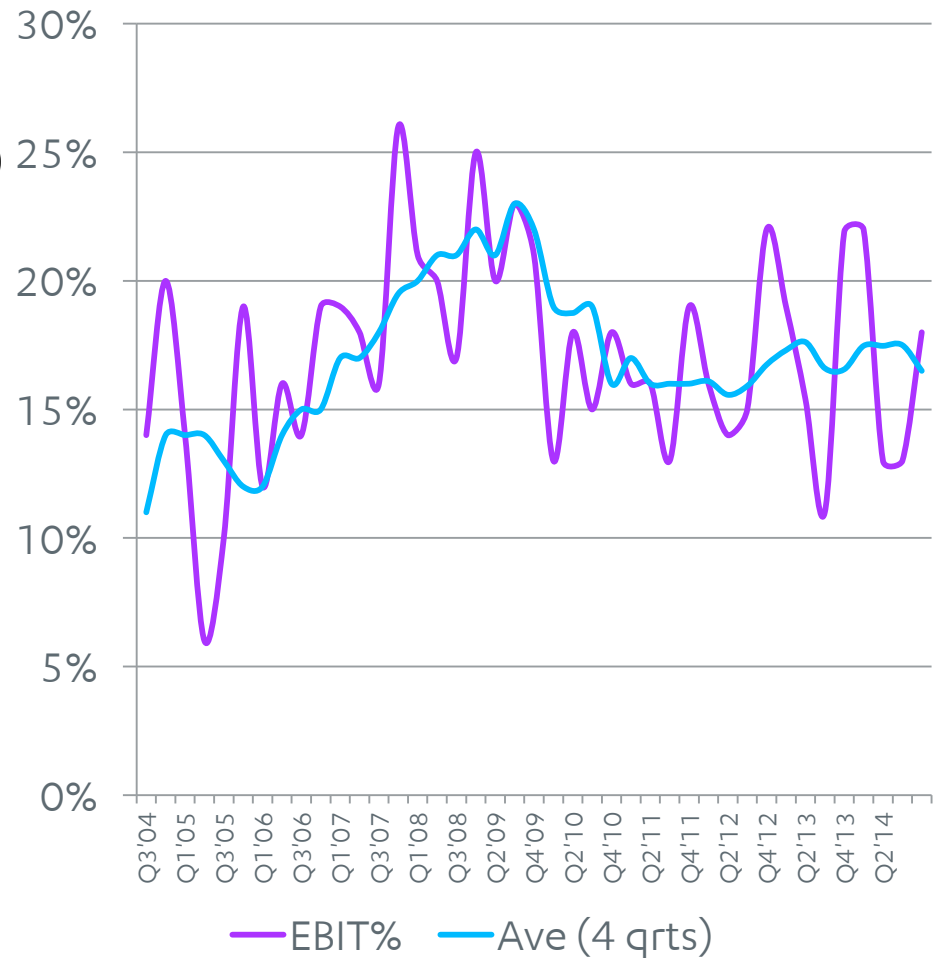
- Total quarterly revenues 37.9m (Q313: 38.3 m)
- Operator revenues declined by 6% to 22.1m; (Q313: 23.6 m) due to the phasing out of legacy content cloud business, traditional PC centric sales and delays with younited deliveries; partially compensated by SAFE security
- Other channels grew by 7% to 15.8m (Q313:14.7 m) due good security sales in corporate and direct consumers.



PROFITABILITY

Q3 profitability

- EBIT 6.9m , 18% (Q313: 8.4 m, 22%)
- Earnings per share EUR 0.04 (EUR 0.03)

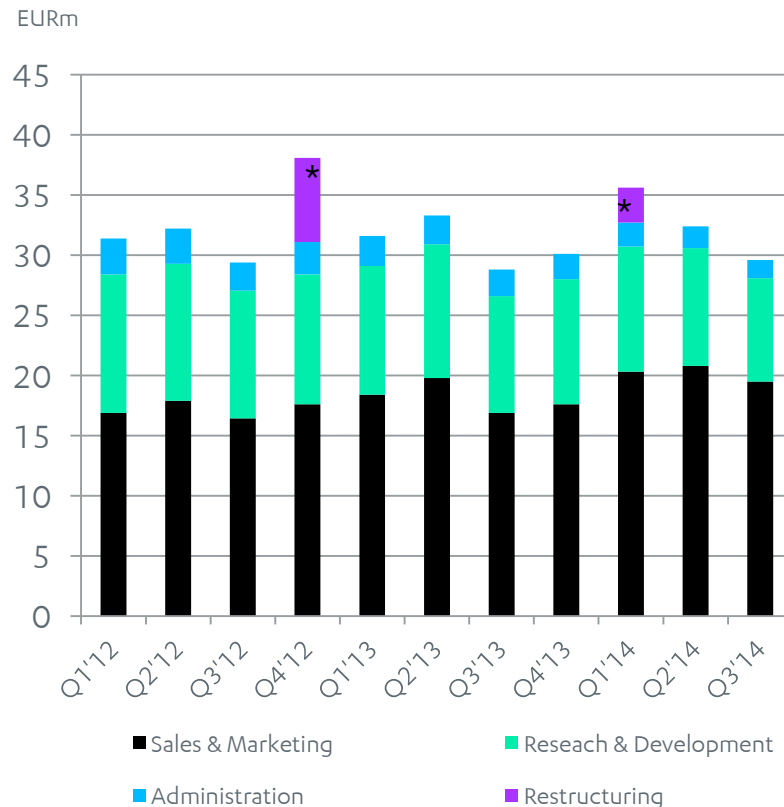


COSTS

Q3 costs increased by 3%

Costs 29.7m (Q313: 28.7m)

- R&D and Sales & Marketing activities; i.e. SAFE business, SMB focus in Germany, France and USA, younited and Freedom
- Cost level was impacted by increased depreciations from past capitalized expenses; 2.3 m (Q313: 2.3m)
- Capitalized R&D expenses were 0.5 m (Q313: 0m)

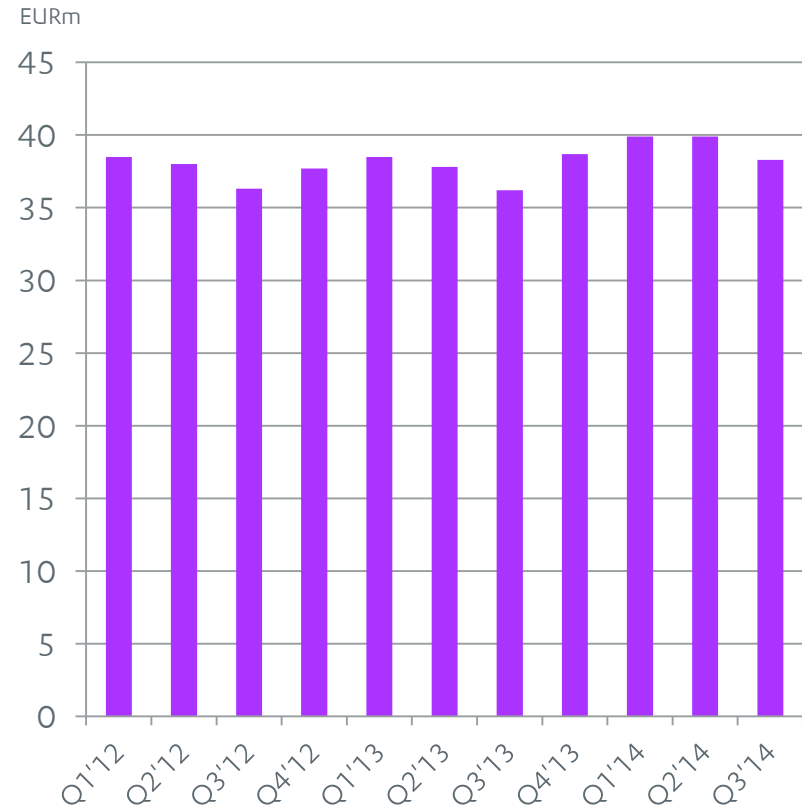


* one-off cost Q412 ~7m & Q114 ~2.9m

DEFERRED REVENUES

Q3 Deferred revenues 38.3m (36.2m)

Deferred revenues accrued in the balance sheet



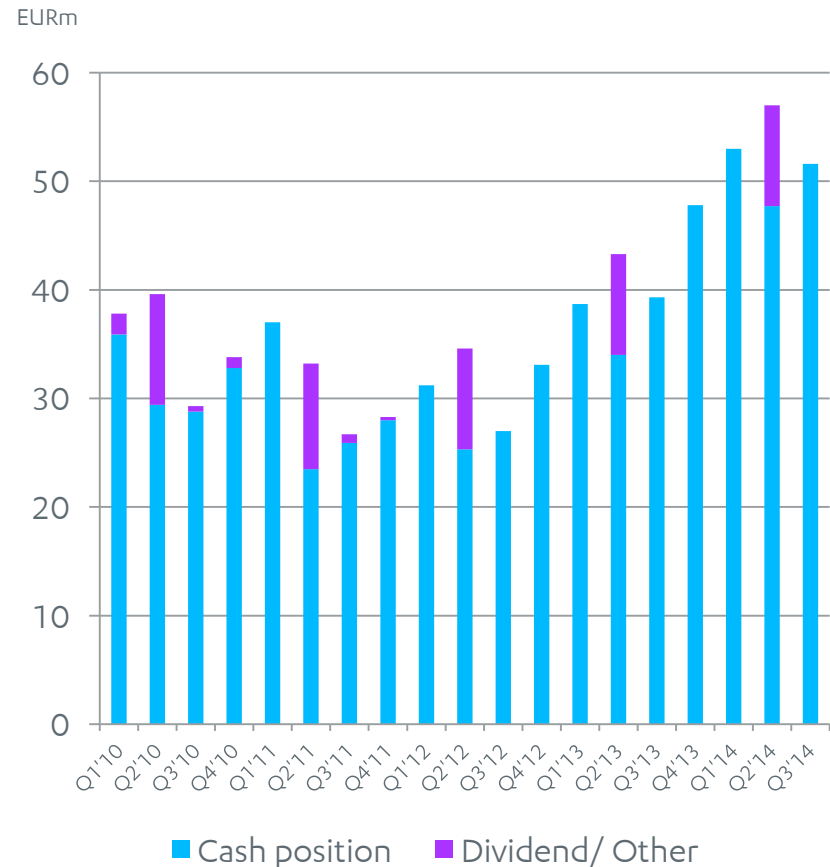
CASH POSITION

Solid Cash flow in Q3

- Cash position remains solid
- From operations 5.3m (Q313: 6m);
- Change in cash 4.3 m positive (Q313: 5.3m positive)
- Dividend of 9.3m paid in April

Market value of liquid assets 51.6m (Q313: 39.3m)

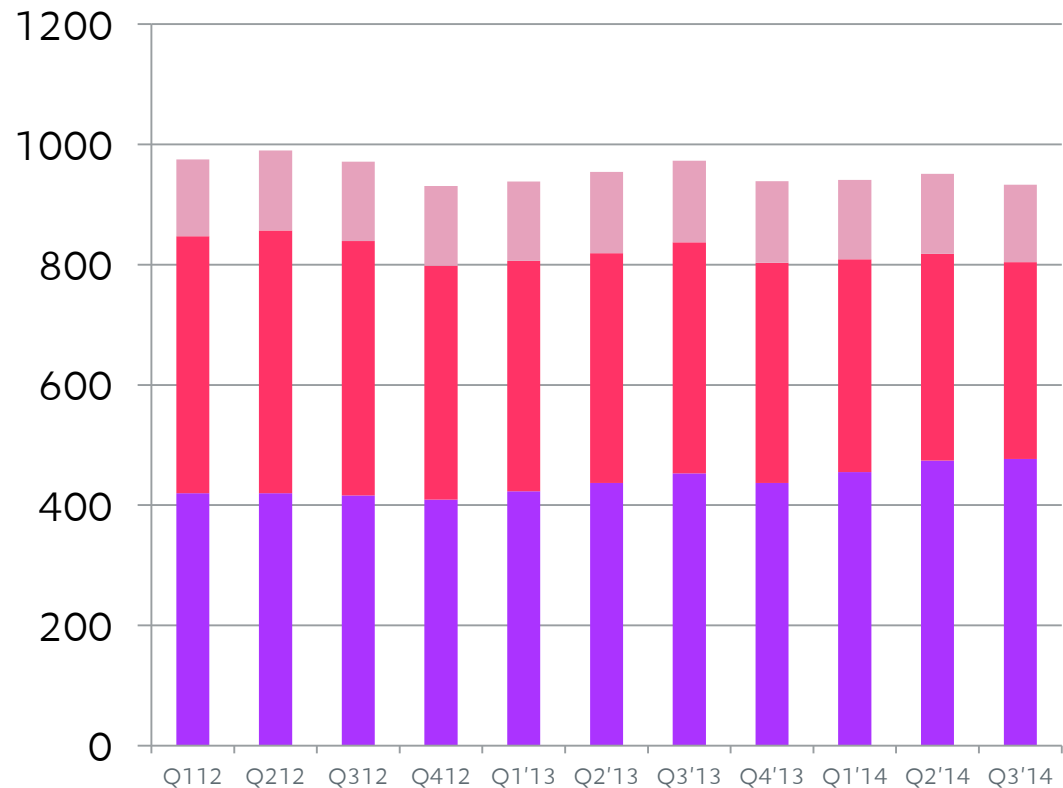
- Dec 31, 2013 47.8m



NUMBER OF PERSONNEL

At the end of Quarter:

933 (Q3/13: 973)



Administration

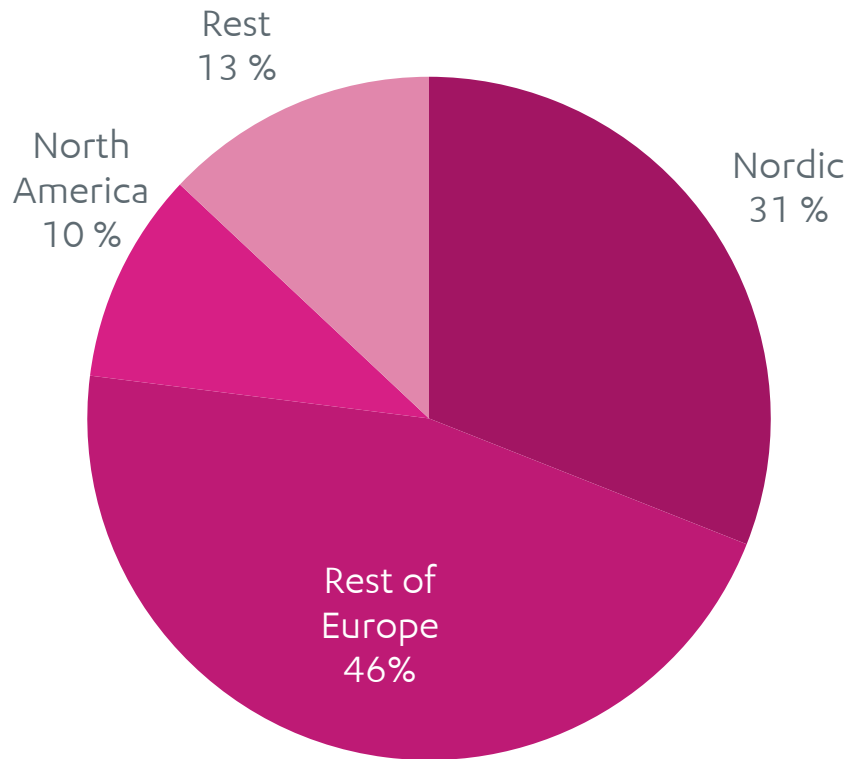
Research and Development

Sales and Marketing

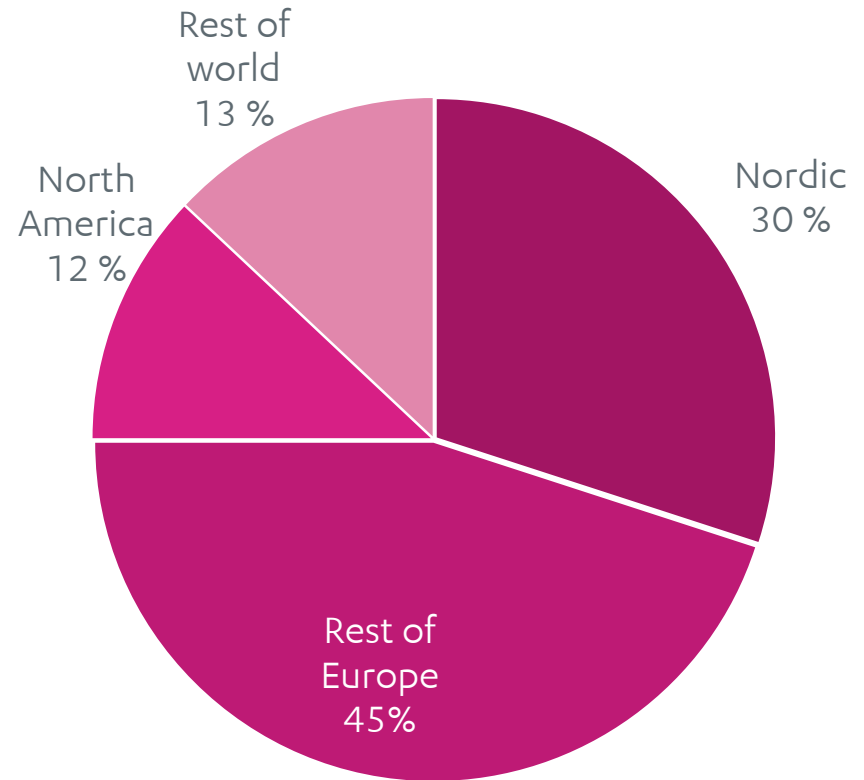


REGIONAL REVENUE

1-9/2014



1-9/2013



OUTLOOK FOR 2014

- The management's estimation for the year is revised:
 - The annual revenue is estimated to remain at a level of 2013.
 - The annual profitability estimation is unchanged at around 15 % of revenues excluding one-off costs.
- The original management's estimation for the year was:
 - The annual revenue is estimated to grow from 2013 with stronger second half.
 - The annual profitability is estimated to be around 15 % of revenues excluding one-off costs.
- The company expects overall one-off costs to be less than 3 million related to efficiency improvements and reorganization in F-Secure SDC (France). The Company has accrued and booked these one-of costs 2.9 million in Q1 financials.

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.

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