CONSUMERS’ SECURITY NEEDS ARE GETTING BROADER

GROWING NUMBER OF INCIDENTS

>1M
IoT devices and routers get infected with Mirai

3.3B
Data records compromised worldwide in H1/2018

Ransomware has peaked, while cryptomining explodes (229x YoY growth)

Breaches of popular services have already had an impact on consumers

NUMBER OF CONNECTED DEVICES

20B
IoT Gadgets in Use by 2020

80%
Early adopters are excited about the IoT and already have IoT devices

67%
Concerned about devices leaking personal information

46%
Have put off buying a connected device due to security concerns

88%
Worry about viruses and ransomware

Security and privacy concerns shifting from a single device to overall online safety
WILLINGNESS TO PAY FOR MULTI-DEVICE SECURITY INCREASING DUE TO SECURITY CONCERNS

Benefits consumers are willing to pay for 2015 vs. 2018

<table>
<thead>
<tr>
<th>Service</th>
<th>2018</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antivirus</td>
<td>32.8%</td>
<td>31.1%</td>
</tr>
<tr>
<td>Banking protection</td>
<td>27.5%</td>
<td>25.5%</td>
</tr>
<tr>
<td>Intrusion prevention / firewall</td>
<td>25.2%</td>
<td>23.1%</td>
</tr>
<tr>
<td>One protection for all devices</td>
<td>23.0%</td>
<td>20.3%</td>
</tr>
</tbody>
</table>

Results based on F-Secure global consumer survey (‘n’ = 4000 covering USA, UK, Germany, France, and Brazil)
CONSUMER SECURITY SOFTWARE MARKET CONTINUES TO GROW

Source: Gartner, Forecast: Information Security and Risk Management, Worldwide, 2016-2022, 3Q18
EFFICIENT DISTRIBUTION THROUGH A GLOBAL ECOSYSTEM OF PARTNERS

OFFERING TO CONSUMERS THROUGH SERVICE PROVIDERS

- Fixed broadband operators
- Mobile operators
- xSP

OFFERING DIRECTLY TO CONSUMERS

- F-Secure eCom and app stores
- Retail and eTail channels
SECURITY DELIVERED ACCORDING TO THE NEEDS OF THE CUSTOMER
F-SECURE TOTAL – PREMIUM CYBER SECURITY FOR YOU AND YOUR DEVICES

YOU
Avoid being scammed by fake websites, protect your identity and privacy, and keep your passwords in a secure and easily accessible place.

YOUR DEVICES
Endpoint protection keeps your devices and files safe against online threats. VPN makes them invisible on the internet for absolute privacy.

YOUR HOME
Protect every smart device and appliance connected to your home network with the SENSE security subscription, a compatible router required.
Operators are investing billions in upgrading home internet connections to enable new smart devices.

- Faster connection (Fiber/LTE)
- Optimizing Wi-Fi experience

Operando i modernizzando i loro reti e muovendosi all'interno della casa.
CONNECTED HOME SECURITY
FOR OPERATORS, AND CONSUMERS

ROUTER MANUFACTURERS & PARTNERS

SECURITY INTEGRATED IN OPERATOR ROUTER

SENSE SOFTWARE SUBSCRIPTION COMES WITH F-SECURE TOTAL

SECURITY INTEGRATED IN 3rd PARTY ROUTERS
WE ARE REINVENTING AND SIMPLIFYING THE SECURITY EXPERIENCE
OUR STRATEGY IN DIRECT BUSINESS IS GROWING ARPU AND PRODUCT USAGE

1. AARPU* uplift with F-Secure TOTAL
2. Quarterly AARPU development
3. Shift to mobile era continues, PC stable

* AARPU = Annualized Average Revenue Per User
SERVICE PROVIDER BUSINESS CONTINUES TO WIN NEW ACCOUNTS
HEALTHY UNDERLYING OPERATOR BUSINESS

Active endpoint protection apps behind operators up 33%
PORTFOLIO AND SERVICES UNIQUELY INTEGRATE WITH PARTNER PROCESSES

DRIVING SERVICE PROVIDER SUCCESS

- Best practices from around 200 operators and Direct Business
- Focus in Operators’ business outcomes and full customer lifecycle
- Analytics and data driven customer journey optimization
- Customer lifecycle messaging
- NPS measurement
- Churn prediction
CHURN PREDICTION
WITH ARTIFICIAL INTELLIGENCE

Pseudonymized customer data

AI

Identifying churn candidates and managing their lifecycle proactively
FOCUS AREAS

- Deliver profitable growth
- Re-invent and simplify security user experience
- New market opportunities from connected home security