F-Secure Corporation
Interim report 1Q 2008

April 23rd, 2008
Kimmo Alkio, President and CEO
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
- Nordic Countries: 43%
- RoE: 40%
- RoW: 9%
- North America: 8%

2007Q1
- Nordic Countries: 39%
- RoE: 44%
- RoW: 9%
- North America: 8%
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

- 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
F-Secure Service Provider partners in EMEA part1
F-Secure Service Provider partners in EMEA part 2

20 YEARS OF RELIABILITY
F-Secure Service Provider partners in APAC
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)
Recent mobile partner in APAC

- 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

![Bar chart showing the number of personnel for different quarters and departments.]

- **S&M**
- **R&D**
- **G&A**
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
BE SURE.