AGENDA

Key takeaways from Q3
Key figures
Business updates
Outlook

Financials
Supplementary material
KEY TAKEAWAYS FROM Q3

- Growth accelerated driven by the inclusion of MWR InfoSecurity. Integration has started and progressed as planned.
- Organic corporate security revenue growth improved from Q2, but was below expectations. Encouraging number of MDR deals, cyber security services grew well, and EPP market’s transition continued.
- Consumer security revenue decreased slightly, with previously communicated customer loss in one region behind decline.
- Profitability improved
- Outlook updated on 18 October 2018.
### KEY FIGURES

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>50.5</td>
<td>41.2</td>
<td>23 %</td>
<td>137.0</td>
<td>125.4</td>
<td>9 %</td>
<td>169.8</td>
</tr>
<tr>
<td>of which corporate security</td>
<td>26.7</td>
<td>16.9</td>
<td>58 %</td>
<td>66.1</td>
<td>52.1</td>
<td>27 %</td>
<td>72.2</td>
</tr>
<tr>
<td>of which consumer security</td>
<td>23.8</td>
<td>24.3</td>
<td>-2 %</td>
<td>70.9</td>
<td>73.2</td>
<td>-3 %</td>
<td>97.5</td>
</tr>
<tr>
<td>Adjusted EBITDA&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>6.0</td>
<td>5.8</td>
<td>3 %</td>
<td>12.6</td>
<td>12.8</td>
<td>-2 %</td>
<td>18.1</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3.3</td>
<td>5.8</td>
<td>-43 %</td>
<td>9.3</td>
<td>12.4</td>
<td>-25 %</td>
<td>17.8</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>4.2</td>
<td>4.2</td>
<td>0 %</td>
<td>7.8</td>
<td>8.6</td>
<td>-9 %</td>
<td>12.3</td>
</tr>
<tr>
<td>% of revenue</td>
<td>8.3</td>
<td>10.3</td>
<td></td>
<td>5.7</td>
<td>6.8</td>
<td></td>
<td>7.3</td>
</tr>
<tr>
<td>EBIT</td>
<td>0.4</td>
<td>4.1</td>
<td>-90 %</td>
<td>3.1</td>
<td>7.8</td>
<td>-60 %</td>
<td>11.5</td>
</tr>
<tr>
<td>% of revenue</td>
<td>0.8 %</td>
<td>10.0 %</td>
<td></td>
<td>2.3 %</td>
<td>6.3 %</td>
<td></td>
<td>6.7 %</td>
</tr>
<tr>
<td>Earnings per share (EUR)</td>
<td>0.01</td>
<td>0.02</td>
<td>-75 %</td>
<td>0.01</td>
<td>0.05</td>
<td>-85 %</td>
<td>0.07</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td></td>
<td></td>
<td></td>
<td>69.0</td>
<td>60.6</td>
<td>14 %</td>
<td>65.7</td>
</tr>
<tr>
<td>Cash and financial assets at fair value through P&amp;L</td>
<td>21.5</td>
<td>81.1</td>
<td>-73 %</td>
<td>90.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel, end of period</td>
<td>1,636</td>
<td>1,060</td>
<td>54 %</td>
<td>1,104</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>1)</sup>Adjustments are material items outside normal course of business associated with acquisitions, integration, gains or losses from sales of businesses, and other items affecting comparability.
CORPORATE SECURITY NOW REPRESENTS OVER HALF OF REVENUE

* MWR InfoSecurity acquired on 2 July 2018
ADJUSTED EBITDA IMPROVED

Adjustments are material items outside normal course of business associated with acquisitions, integration, gains or losses from sales of businesses and other items affecting comparability.
COMPREHENSIVE OFFERING FOR BUSINESSES, A GLOBAL NETWORK OF 6000+ RESELLERS

We reduce the likelihood of the attacker to succeed by minimizing vulnerabilities, prevent malicious applications from running, and detect & respond if an advanced persistent attacker gets in.

<table>
<thead>
<tr>
<th>Predict</th>
<th>Prevent</th>
<th>Detect</th>
<th>Respond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulnerability management</td>
<td>Anti-phishing behavioral management</td>
<td>Endpoint protection</td>
<td>Breach detection</td>
</tr>
<tr>
<td>2016</td>
<td>2018</td>
<td>2016</td>
<td>2018</td>
</tr>
<tr>
<td>Radar</td>
<td>phishd</td>
<td>Protection Service for Business</td>
<td>Proactive Threat Hunting</td>
</tr>
<tr>
<td>2016</td>
<td>2018</td>
<td>2018</td>
<td>2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rapid Detection &amp; Response (EDR)</td>
<td>Remote forensics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rapid Detection &amp; Response Service (MDR)</td>
<td>Remote incident response</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Countercept (MDR)</td>
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</tbody>
</table>

Cyber security services
WORLD-LEADING EXPERTISE IN CONSULTANCY, CAPABILITY TO SERVE ACROSS THE GLOBE

NEW YORK

NEW!

NEW!

EXPANDED

LONDON

NEW!

NEW!

F-Secure’s main sites for cyber security services
CORPORATE SECURITY

REVENUE GREW BY 58% IN Q3

CORPORATE SECURITY PRODUCTS

- Growth accelerated driven by the inclusion of MWR InfoSecurity, organic growth slightly improved from Q2
- Endpoint security order intake decreased slightly
  - Renewals at a high level, but new customer acquisition improved but was lower than during previous year
  - Customers consider EDR, cautious with purchase decisions for standalone EPP solutions
- Large amount of deals with RDS & Countercept in several countries. High satisfaction and renewals.
- Development of Endpoint Detection & Response (EDR) solution continued.

CYBER SECURITY SERVICES

- Acquisition significantly increased capacity, expertise and go-to-market capabilities – hundreds of consultants on four continents
- Good growth in the US, Singapore, South Africa and the Nordics. UK order intake in slight growth, impacted by on-going integration activities
- Large deal signed in the Nordics, continuation of project in Q4/2017
POSITIVE MILESTONES IN CONSUMER SECURITY

The first operator deal on F-Secure SENSE-as-software signed with Elisa to secure all connected home devices.

F-Secure TOTAL to include all consumer products: F-Secure SAFE, F-Secure FREEDOME, F-Secure KEY (new), F-Secure SENSE (new)
CONSUMER SECURITY
REVENUE DOWN BY 2% IN Q3

OPERATOR CHANNEL

▪ Order intake declined slightly, comparison period includes operator partner loss (Q3/2017)
▪ Order intake from other regions in slight growth, overall improvement of product activation rates continues. New agreement signed with Japan’s third largest operator, So-NET.
▪ First operator deal signed with Sense-as-software with Elisa in October, discussions ongoing with several operators

DIRECT SALES

▪ Order intake increased slightly
▪ Renewals at a good level
▪ F-Secure TOTAL expanded to include F-Secure KEY and F-Secure SENSE, in addition to F-Secure SAFE and F-Secure FREEDOME
OUTLOOK FOR 2018 (UPDATED 18 OCT)

- Revenue from corporate security is expected to grow around 30% compared to 2017
- Revenue from consumer security is expected to decrease by 0-4% compared to 2017
- Adjusted EBITDA is expected to be in the range of EUR 14-18 million
- M&A related acquisition and integration costs in 2018 are expected to be 3.5-4.0 million
The demand for corporate cyber security products and services is expected to grow strongly. F-Secure aims to grow faster than the market, with revenue from corporate security expected to grow above 15% annually during our strategy period 2018-2021.

Driven by the anticipated revenue growth and scalable business model, the company’s profitability is expected to improve significantly in the long-term. The board and the management continuously seek to balance growth investments and profitability to optimize long-term value creation for the shareholders.
KEY FOCUS AREAS FOR 2018-2019

Enterprise-grade cyber security for the midmarket

- Accelerate corporate security growth with successful integration of MWR InfoSecurity
  - Aim is to become the leader in detection and response solutions
  - Continued growth of cyber security services
- Increase share of wallet by cross-selling and upselling
  - Sales expansion of the new corporate security products (MDR & EDR, F-Secure Radar, phishd)
  - Best-in-class renewal rates
  - Adding new customers in focus geographies
- Profitable growth in consumer security
WE ARE ON RIGHT TRACK
All income statement figures refer to continuing operations, and figures in brackets refer to the corresponding period in the previous year, unless otherwise stated. F-Secure’s personal cloud storage business (younited) was sold to Synchronoss Technologies in February 2015 and is reported as discontinued operations 2015–2016.
REVENUE

July-September
- Revenue increased by 23.0% y-o-y
- Total quarterly revenue 50.5m (Q317: 41.2m)
Revenue from corporate security increased by 58% totalling EUR 26.7 million (16.9m)
Revenue from consumer security decreased by -2% and was EUR 23.8 million (24.3m)
Corporate security represented 53% (41%) and consumer security 47% (59%) of total revenue
PROFITABILITY

July–September

- Adjusted EBITDA 6.0m, 11.9% of revenue (5.8m, 14.2%), excluding EUR 2.7 million of costs related to the acquisition of MWR InfoSecurity
- Earnings per share (EPS) EUR 0.01 (EUR 0.02)
## OPERATING EXPENSES

### July-September

- Operating expenses 38.7m (31.2m), +24% y-o-y, due to the acquisition of MWR InfoSecurity
  - Expenses for the period include EUR 2.7 million of acquisition and integration related costs and EUR 1.1 million of amortization of intangible assets from business combinations.
  - Operating expenses excluding the impacts of the acquisition decreased by EUR -2.6 million (8%), driven mainly by lower costs related to incentive plans.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Acquisition related</th>
<th>Administration</th>
<th>Research &amp; Development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q117</td>
<td>3.8</td>
<td>3.9</td>
<td>8.6</td>
<td>34.4</td>
</tr>
<tr>
<td>Q217</td>
<td>8.6</td>
<td>8.7</td>
<td>31.2</td>
<td>35.9</td>
</tr>
<tr>
<td>Q317</td>
<td>3.3</td>
<td>8.5</td>
<td>19.4</td>
<td>33.6</td>
</tr>
<tr>
<td>Q417</td>
<td>3.3</td>
<td>8.4</td>
<td>21.9</td>
<td>34.4</td>
</tr>
<tr>
<td>Q118</td>
<td>3.8</td>
<td>9.6</td>
<td>21.0</td>
<td>35.5</td>
</tr>
<tr>
<td>Q218</td>
<td>8.2</td>
<td>8.2</td>
<td>23.6</td>
<td>38.7</td>
</tr>
<tr>
<td>Q318</td>
<td>3.1</td>
<td></td>
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**30 September 2018**

- Deferred revenue increased by 14% y-o-y to EUR 69.0m (EUR 60.6m), driven by the inclusion of MWR InfoSecurity and increasing order intake from corporate security products and services with long-term contracts.
July-September

- Revenue increased in all regions
- In Rest of Europe, North America and Other regions increases were driven by the inclusion of MWR InfoSecurity
The main driver behind the change in cash position was the acquisition of MWR InfoSecurity.

Cash flow from operating activities before financial items and taxes was -1.0m (3.8m).
- Cash flow decreased due to decline in EBIT and a change in net working capital. Acquisition and integration related costs impacted cash flow negatively in third quarter.

Cash flow from operations was EUR -2.6 million (1.2m).

Gearing ratio was 23.4% (119.2% negative).

F-Secure’s financial position remained solid. Short term investments were sold in June 2018 as F-Secure prepared to finance the acquisition of MWR InfoSecurity in the beginning of third quarter.
NUMBER OF PERSONNEL

April-June

- The increase in personnel from the acquisition of MWR InfoSecurity was 391
- At the end of the quarter, F-Secure had 1,636 employees (1,060)