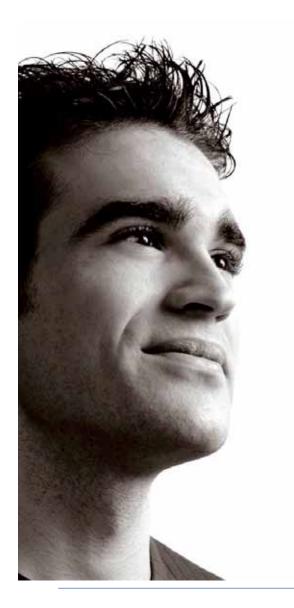
Are the Internet users safe? The unknown enemy?

India, 23.1.2006, SANOG event

F-Secure Corporation Jari Heinonen Director, Asia Pacific Region jari.heinonen@f-secure.com





Topics

- 1. Virus threats
- 2. Damage caused by the viruses
- 3. eMail threats
- 4. Spam problem
- 5. Why security through ISP's?
- 6. Future outlook



Our shared challenge:

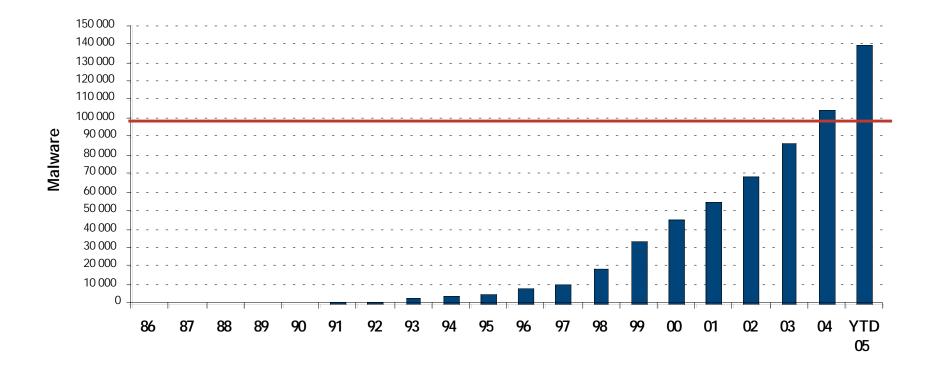
New threats take many forms, appear faster and are developed by organized criminals

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| | | | 1 ap | |
|------------|-----------|--------------|----------------|-------|
| | | Virus Eras | 1986- | R. R. |
| | Years | Virus type | Outbreak speed | |
| The second | 1986-1995 | Boot virus | One year | |
| | 1995-1999 | Macro virus | One month | 151 |
| 200 | 1999- | Email worm | One day | |
| ALLAN | 2001- | Network worm | One hour | |
| | | | | |

The volume growth of malware in the wild shows no sign of slowing down



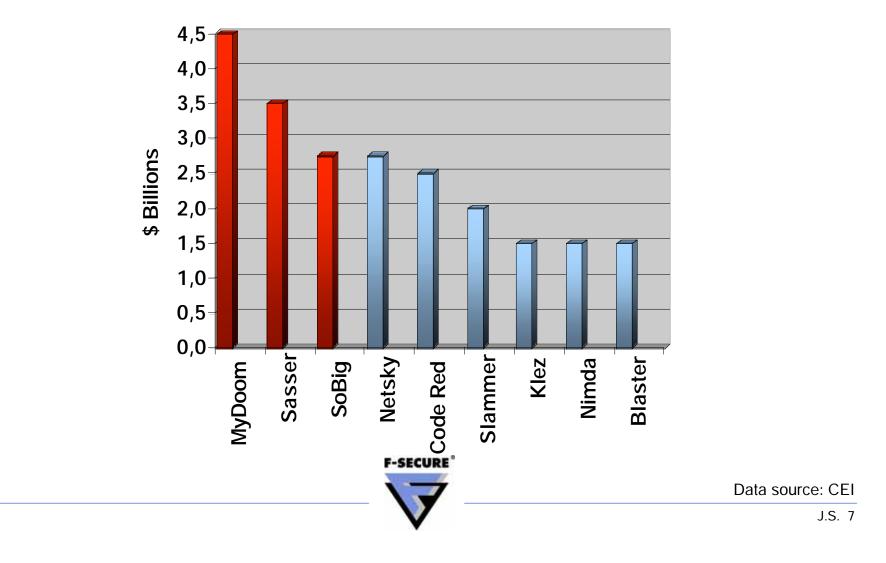
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Data source: F-Secure

What did they cause?

| Name | Transportation | Power | Infrastructure | Banks |
|---------|---|---|---|---|
| Slammer | Air traffic control problems in USA | Infected a nuclear power plant in Ohio | 911 phone services down in Seattle | Bank of America's ATM network down |
| Blaster | Air Canada flights grounded, CSX trains stopped | NY ISO power operator's network infected | Numerous RPC-based SCADA networks down | Several Windows- based ATM networks infected |
| Sasser | Railcorp trains stopped in Australia, Delta flight problems, delays with British Airways flights | Hong Kong government's department of energy networks infected | Infected: Two hospitals in Sweden, EU commission, Heathrow airport, Coastguard UK | Several banks shutting down offices because of internal infections |

Top 9 financial damage of malicious code attacks 2001-2004



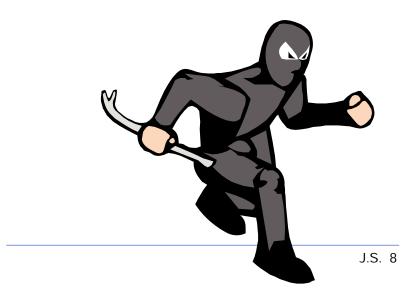
What are the threats?

Viruses, worms Phishing scams Online data theft, identity theft Spying

Who's behind them?

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Kids, teenagers Activist, anarchists Criminal organizations Spies



We used to be fighting these...







Chen-Ing Hau Author of the CIH virus

Joseph McElroy Hacked the Fermi lab network

Benny Ex-29A

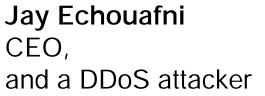


Today we are fighting these!



Jeremy Jaynes Millionaire, and a spammer





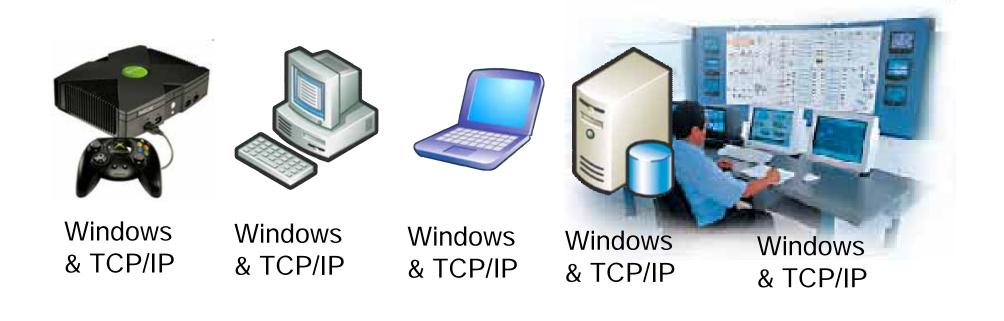


Andrew Schwarmkoff Member of Russian mob, and a phisher



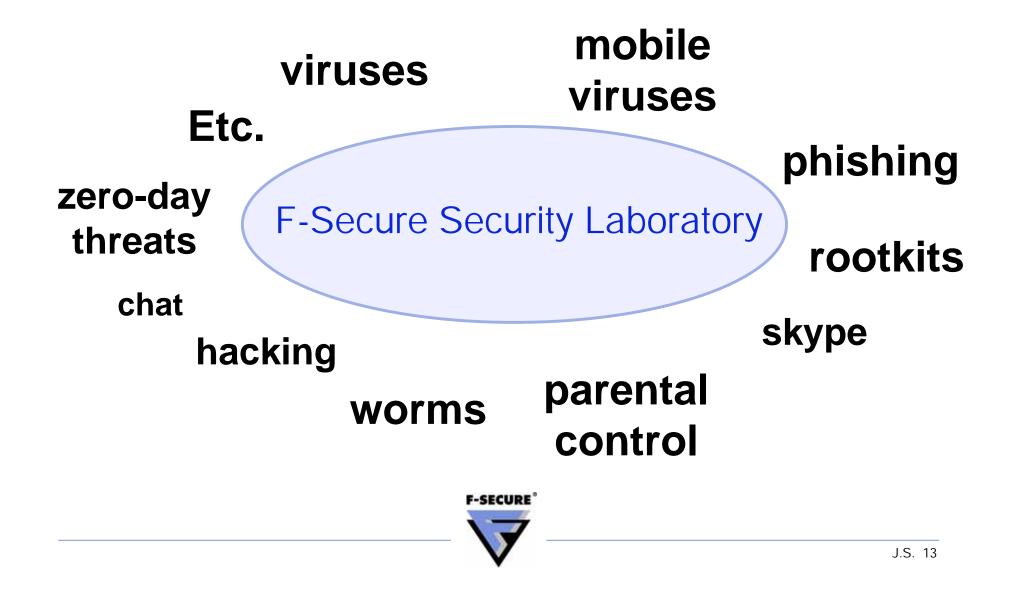


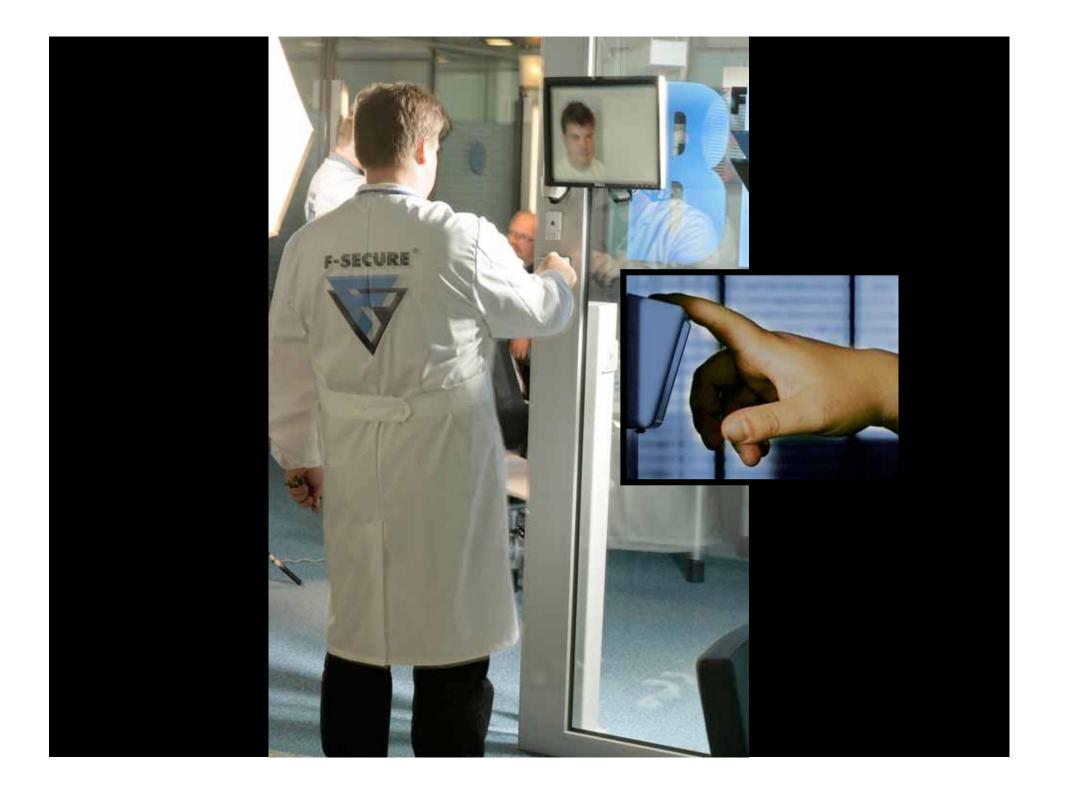
MONOCULTURE

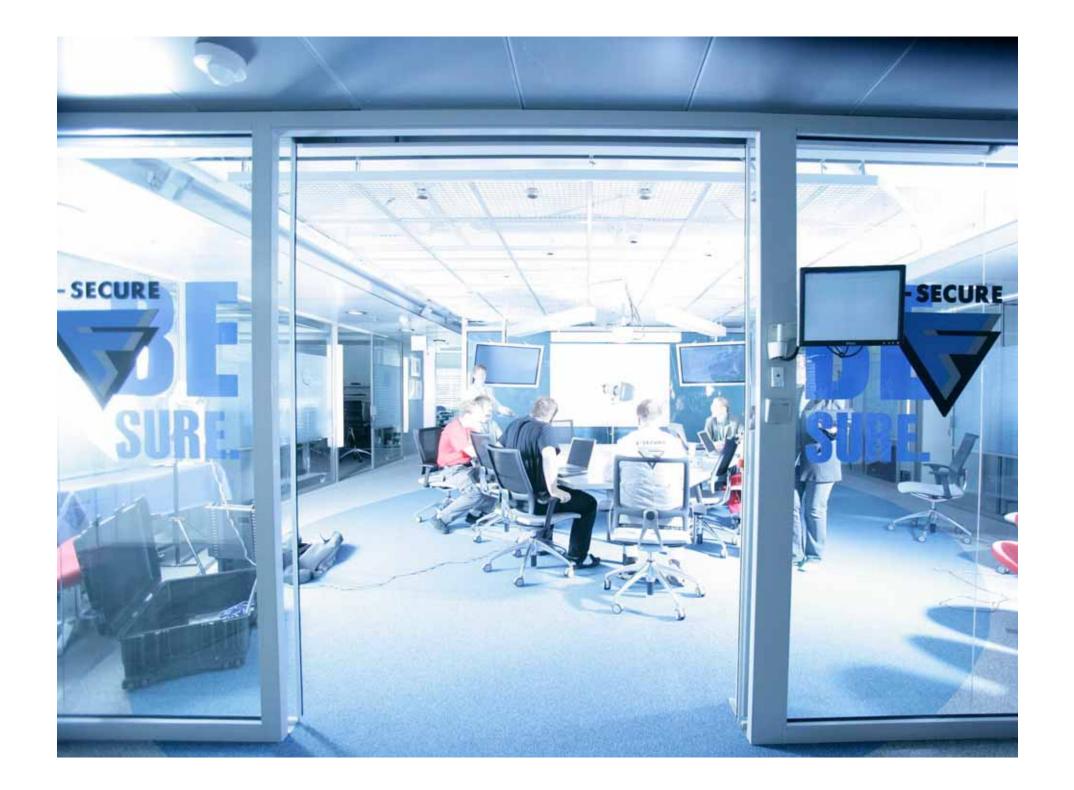




Broader picture of security





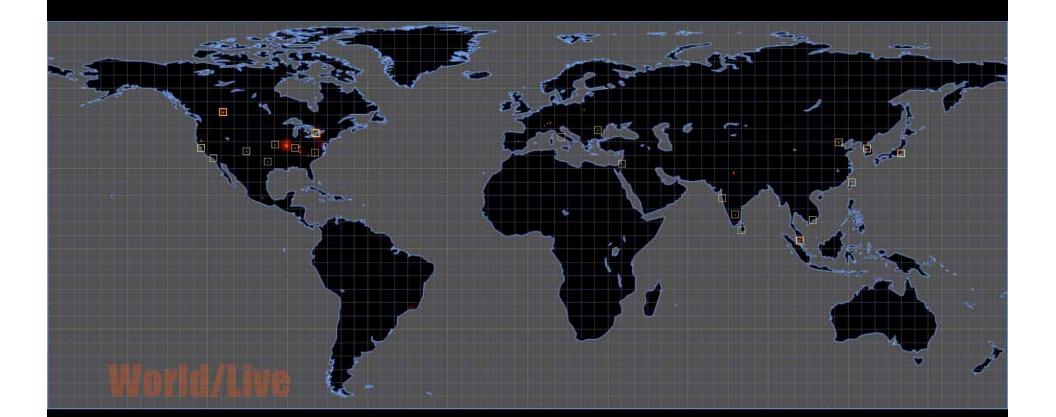




| F-SECURE | WORLDMAP LIVE | | | | |
|----------|---------------|--------|----|--|--|
| | Exit | Status | >> | | |

| NFECTION: | ALL COMBINED |
|----------------|----------------|
| RUNNING COUNT: | 443 |
| URRENT RATE: | 203 / h |
| LIVE FEED | >PLAYBACK [1x] |





| 05:00 | 05:10 | 05:20 | 05;30 | 05:40 | 05:50 | 06:00 | | [INFECTION] | [LOCATION] |
|-------|-------|-------|-------|-------|-------|--------|----------|---|---|
| | | | | | | | | Trojan-PSW.Win32.Lineage.sr [Not named yet] | TAIWAN / TAIPEI INDIA / MUMBAI |
| | | | | | | | | | CHINA |
| | | | | | | Medium | 05:20:40 | Net-Worm,Win32,Mytob.ab Trojan-downloader,Win32,Istbar,Gen | VIET NAM / HO CHI MINH CIT USA / ANAHEIM, CA |
| | | 1 | | | | Low | | Net-worm.Win32.Mytob.Bi | KOREA |
| | | | | | | | | Net-Worm,Win32,Mytob.c | MALAYSIA |

TRACE STARTED: TOTAL VIRUS COUNT: CURRENT RATE:

>ARCHIVE PLAYBACK

>LIVE FEED

05-16-2005 38599 222 / h

2.8 h/s

SIM TIME: LATEST ALERT: LOCATION:

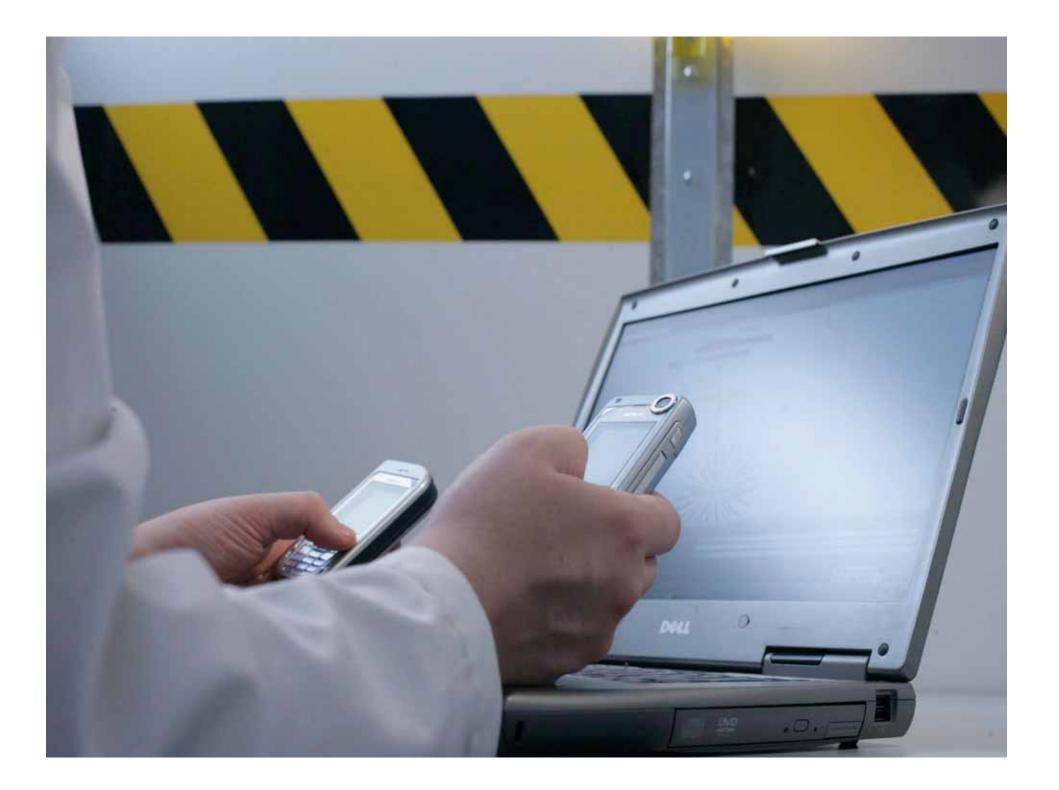
6 DAYS 23 HOURS W32/Mytob.0 CHENA / XELOUNOU

COLUMN TAKEN

Sunday, 05-22-2005 23:58:38 CET



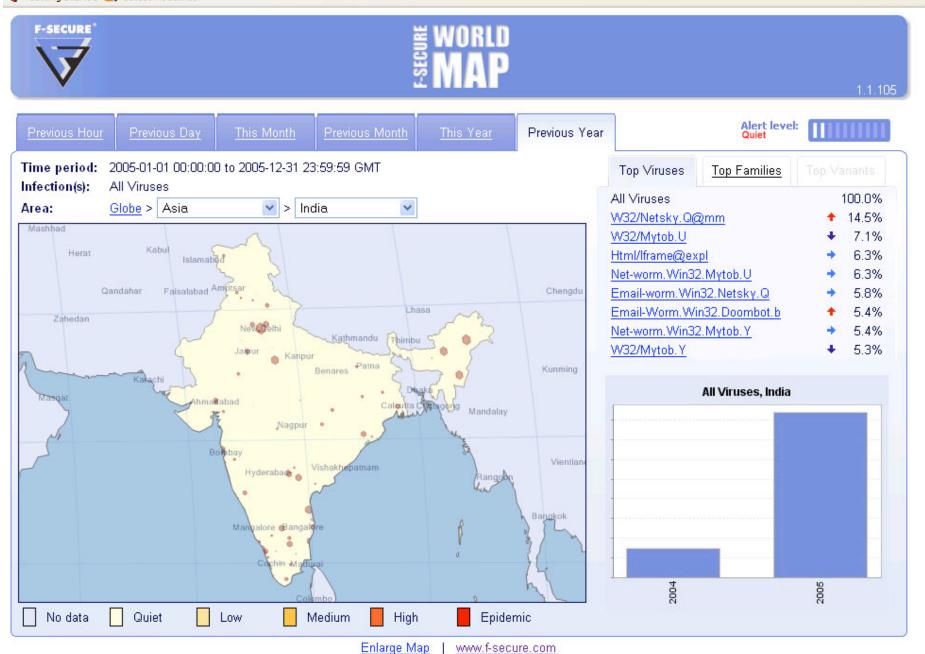


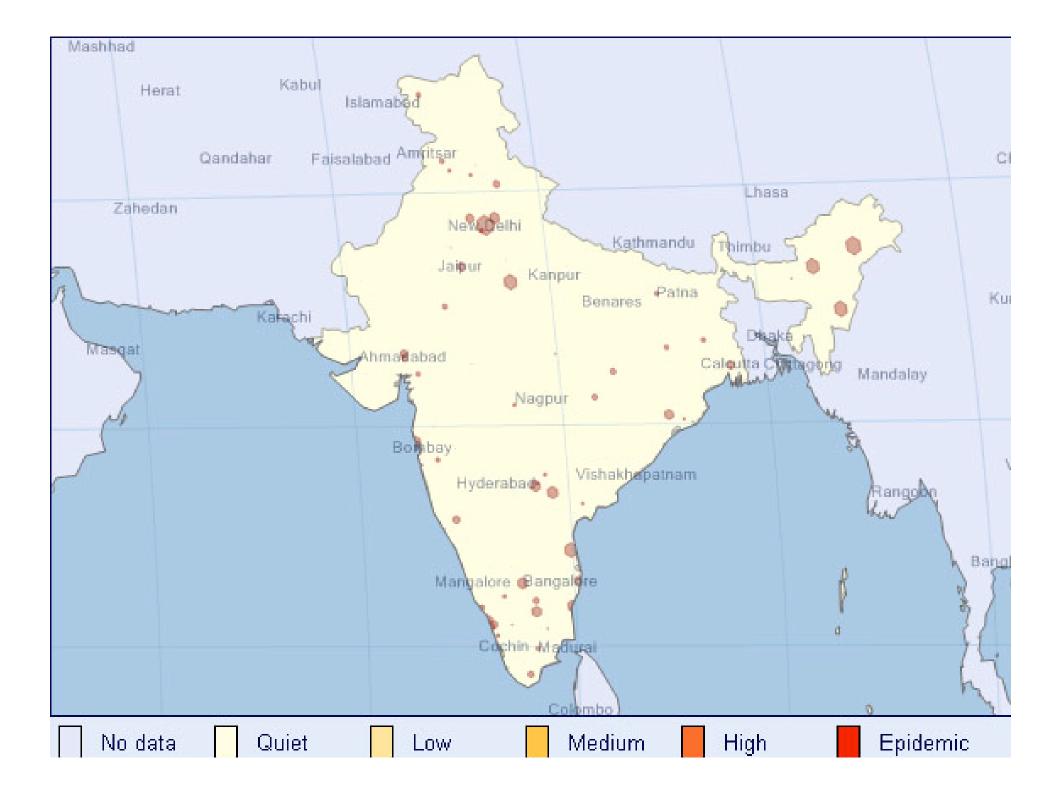




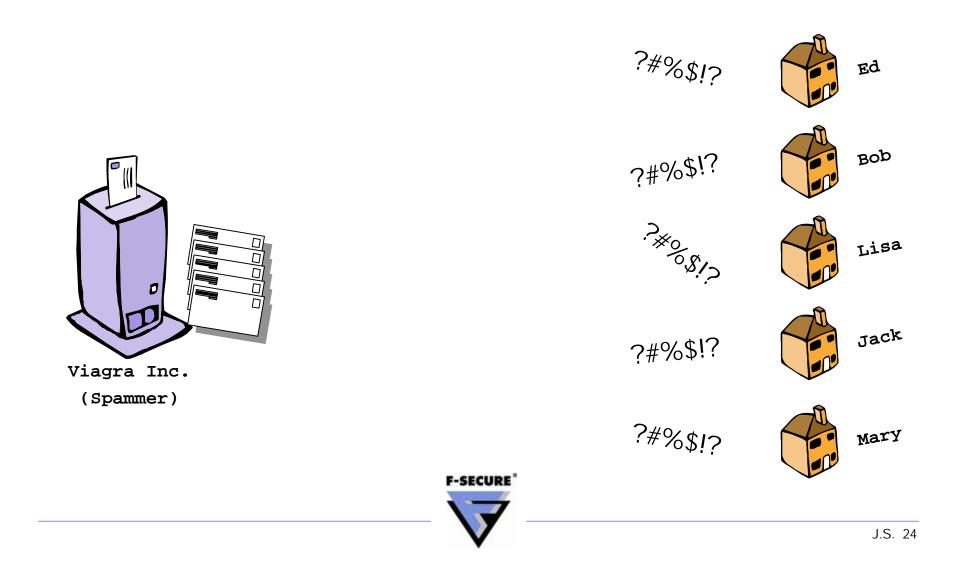


Þ Getting Started 🔂 Latest Headlines

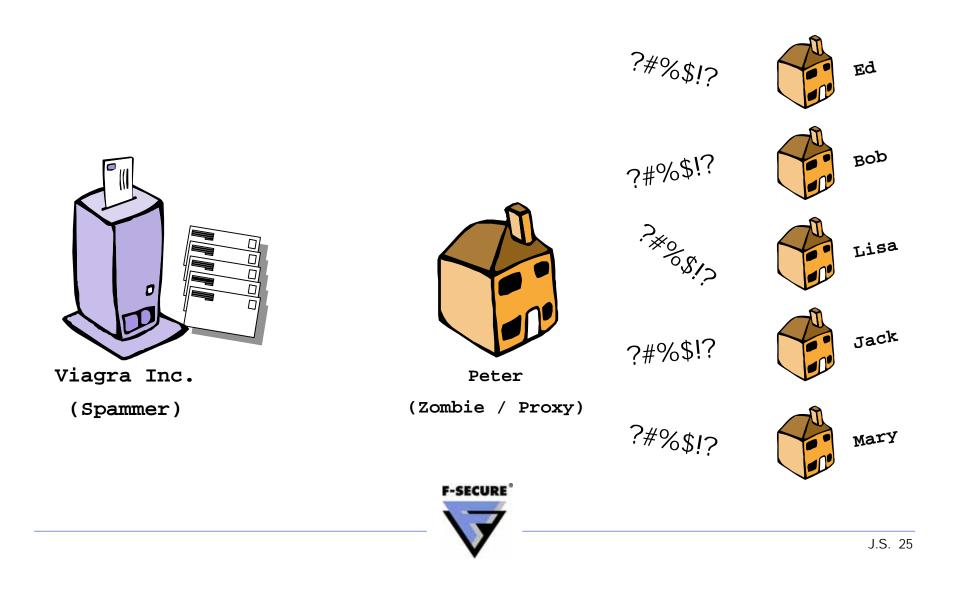




Direct spam



Spam through Proxy



Sober.Y

1 in 13 e-mails infected

Postini has blocked 218+ million copies

Still 35% of all reports globally

50% of all blocked viruses in HK are Sober.Y





Spam

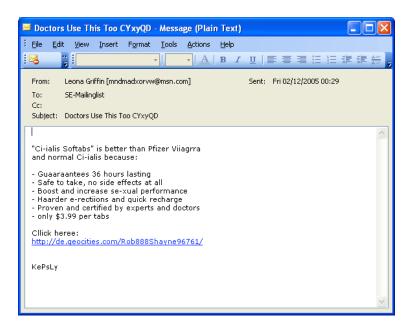
Globally, 68.8% of all messages are spam (2004: 72.1%)

US: 77.0%

Hong Kong: 61.6%

UK: 59.9%

China: 44.7%





Source: MessageLabs

Phishing

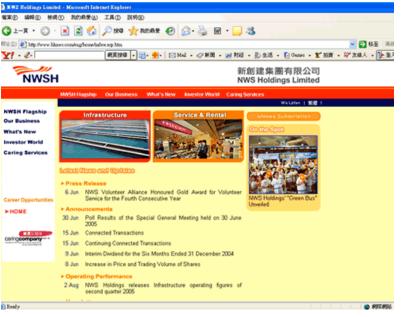
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Increase globally: 1/120 messages, increase by 95% from 2004

US still hosting most sites; 31.22%

China: 12.13%

Republic of Korea: 10.91%



What are Rootkits?

- A rootkit is a program that hides things
- First Unix rootkit appeared in the early 90s
 - In the beginning rootkits were mainly replacements for system tools: For example, "Is" tool that is used to list directory contents would be replaced with a version that will not print out certain filenames
 - File integrity checking tools such as Tripwire were designed to detect these first generation rootkits.
- Windows rootkits appeared in 2000

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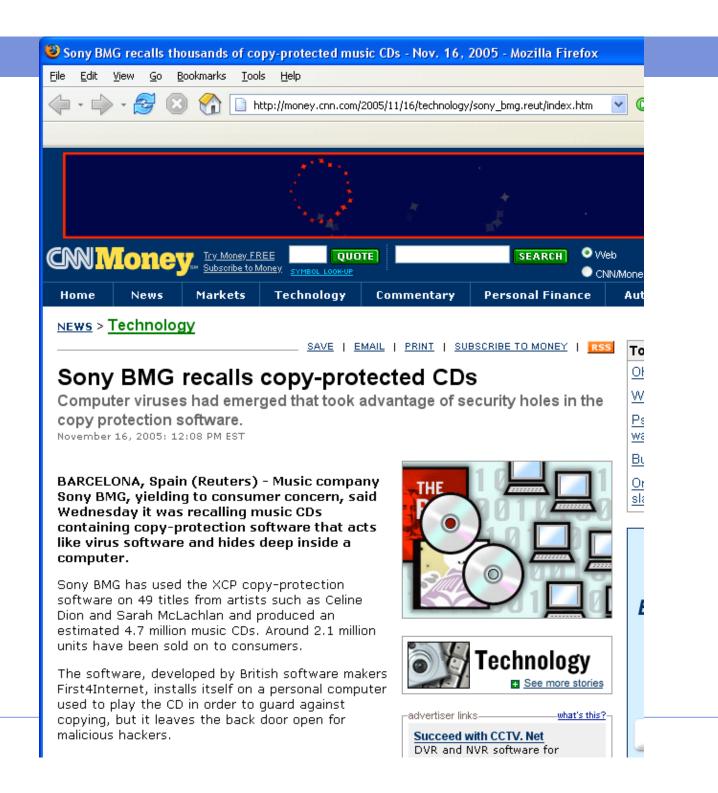








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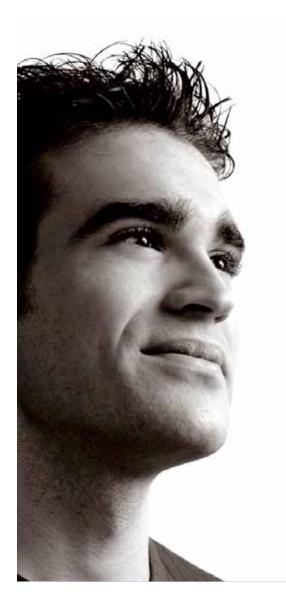






Why it is important for ISP's to offer security solutions as a part of the access services ?





1. Responsible player

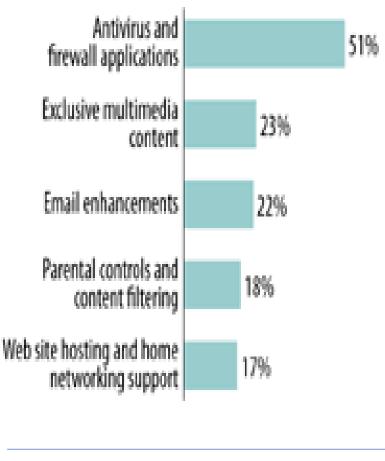
- ISPs are being held responsible to create a positive Internet experience among their customers
- The customer demands Internet security
 - Willingness to pay more on top of their regular access product to provide additional services
 - Two thirds of US and Canadian households indicate a willingness to pay for security services (Park Associates, 2005)
 - 66% would switch to an ISP who offered a security service



2. Additional source of revenues

Few Consumers Want To Pay For Services

Only security services command a premium



- Customers **are willing** to pay for antivirus and firewall applications (Forrester Research)
- Willingness to pay more on top of their regular access product



3. Decrease costs through security

The more users are protected against viruses and spam ...

- The less viruses are received and sent out
- The less spam will go around
- The less unnecessary network load will be created.

The less computers will be infected by viruses, spyware ...

- The less computers will slow down, the less consumer annoyance will be created
- The less incoming support calls.



4. Increases customer retention

The customer will become more loyal to the Service Provider

- Has the access + security = two crusial Internet services = more value
- Has invested more time in ordering these services
- Larger barrier for the customer to change to another provider
- A more positive Internet experience





ISP vs. the retailer

How did you obtain the Anti-Virus on your computer?

- ✓ Self = 44%
- ✓ Came with computer = 50 %
- \checkmark Included with ISP = 3 %
- ✓ Other = 3%



FUTURE DEVELOPMENT



What about 2006???









Summary

Viruses are still the most common problem

With network attacks it's easy to cripple the internet

But crashing a network doesn't crash our society

Anti-virus programs and firewalls provide practical security

But for critical infrastructure, you <u>have to isolate</u> your system from public networks



F-SECURE

F-Secure Corporation - Overview

Security solutions for handheld devices, laptops, desktops, servers and gateways

□ Established in 1988 and Public since 1999 (HEX:FSC)

□ 13 offices worldwide, partners in 70 countries

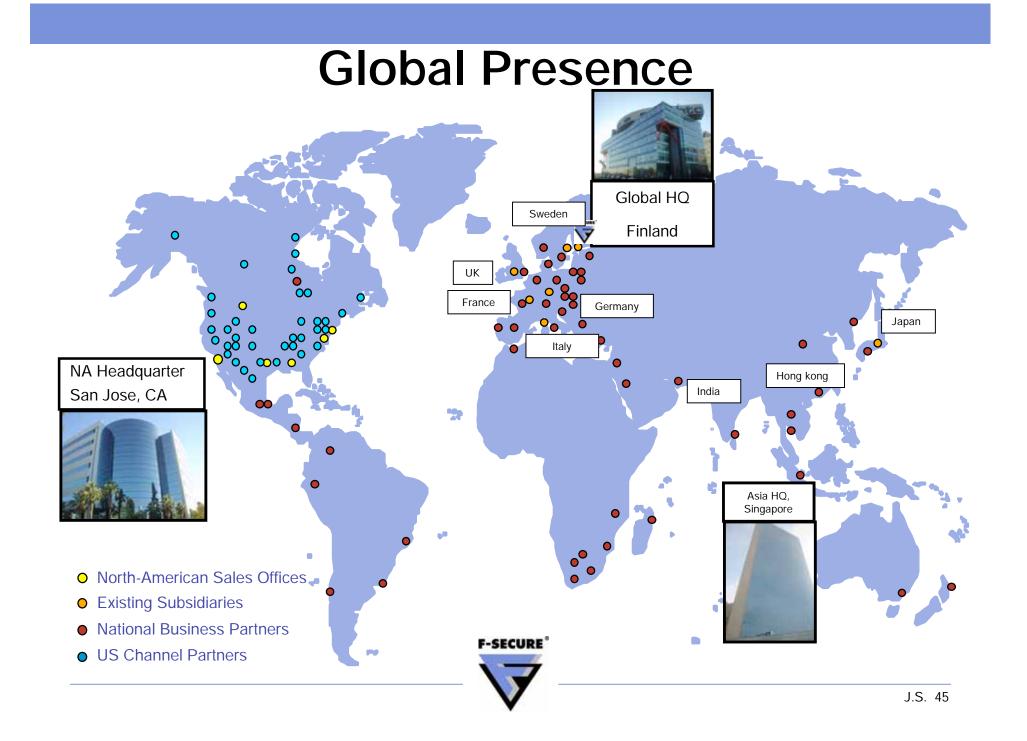
- Europe, Home market leading player in Service provider business
- US, Canada, South America Growing business
- Asia Growing, establishing new channels, present 10 years
- Growing anti-virus business with a high service component

□Strong channel strategy

□ About 400 Employees,

□ Healthy basis for the growth





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