



Trend Micro Reports Third Quarter 2009 Results

Tokyo, Japan – November 10, 2009 – Trend Micro Incorporated (TSE: 4704), a global leader in Internet content security, announced earnings results for the third quarter 2009.

For the third quarter, Trend Micro posted consolidated net sales of 24,848 million Yen (or US \$265 million, 93.58 JPY = 1USD). The company posted operating income of 8,399 million Yen (or US \$89 million) and net income of 5,219 million Yen (or US \$55 million) for the quarter.

In Japan, both the consumer and enterprise business units did well this quarter and experienced double-digit sales growth. In North America, consumer sales continued to grow but the region was negatively affected by a strong yen appreciation against the dollar. EMEA sales were flat when compared to the same period last year but decreased when calculated against a high exchange rate. APAC sales were hit by the strength of the yen against the local currency. Australia, in particular, did not perform well. In Latin America, Brazil experienced healthy growth but the region's overall sales growth decreased due to the effect of the yen against the local currency.

Based on information currently available to the company, consolidated net sales for the fourth quarter ending December 31, 2009 is expected to be 24,700 million Yen (or US \$271 million, based on an exchange rate of 91 JPY = 1USD). Operating income and net income are expected to be 7,200 million Yen (or US \$79 million) and 4,400 million Yen (or US \$48 million), respectively.

“This quarter we rolled out a strong set of products designed for consumer PCs, virtual machines, Web gateway security, and Mac computers in the enterprise,” said Eva Chen, CEO. “We were proud to endorse NSS Labs’ testing methodologies that more accurately test what is needed to provide ‘real-world’ protection for users. In NSS Labs tests, the Trend Micro Smart Protection Network came out ahead, further validating our ability to provide security that fits -- fast, light, real-time protection against today’s web, email and file threats.”

Growth rate figures are calculated from Japanese Yen results. Some discrepancy may therefore be noted in US Dollar comparisons owing to fluctuations in currency conversion rates.

Third Quarter Business Highlights

Continuing its innovations with virtual security, Trend Micro introduced this summer Core Protection™ for Virtual Machines, a ‘first of its kind’ solution that secures VMware environments and enables enterprises to maximize the economic benefits of virtualization without compromising their datacenter.

In August, Trend Micro launched its 2010 consumer product line optimized for Microsoft Windows 7 and for delivering universal, multi-platform protection for consumers everywhere.

Trend Micro introduced a new Web Gateway Security solution that integrates with InterScan Web Security Virtual Appliance 5.0 and an Advanced Reporting and Management module for a complete solution set powered by the Trend Micro Smart Protection Network infrastructure.

In independent, non-sponsored tests by NSS Labs, both Trend Micro consumer (Trend Micro Internet Security) and enterprise (Trend Micro OfficeScan) products scored the best in malware protection. These tests also mark a significant step towards third-party anti-malware testing methodologies that better reflect today's "real-world" conditions instead of using antiquated testing techniques that don't test computers against the latest threats coming from the Internet.

Trend Micro continued to assert its leadership in Web gateway security, beating out four other competing solutions in tests conducted by Cascadia Labs. In every security category -- malware, exploits, phishing, proxies, and potentially unwanted applications -- Trend Micro posted the best score.

Awards and Recognition for Q3 2009

Corporate

Everything Channel's 2009 Annual Report Card named Trend Micro the Overall Winner in the Network Security Software category, winning the support and partnerships subcategories.

Eva Chen received the 2009 Technology Innovator Award during the 5th Annual Astria Award, which honors women innovators and entrepreneurs.

Products

MyMac gave Trend Smart Surfing for Mac 1.0 a positive review, stating that the product "might be the most well-designed and complete protection suite currently available to Mac users."

Trend Micro Worry Free 6.0 Advanced received an "A" for Performance, and an "A+" for Ease-of-Use from Government Computer News Lab Review.

A review in EdTech focused on Shelton State Community College's deployment of OfficeScan 10; the reviewer concluded that the enterprise product's low memory requirement is perfect for budget-conscious IT.

Trend Micro Mobile Security received an overall 5 (out of 5) stars and “Best Buy” rating in SC Magazine. The publication concluded that the product is a “nice solution for portable device security. Delivers feature-rich set of tools for securing portable devices.”

Trend Micro AntiVirus plus AntiSpyware 2010 received 3 (out of 5) stars and a “Good” overall rating from CNET.

Trend Micro Internet Security Pro received 3.5 (out of 5) stars and a “Good” rating from PC Magazine. The review concluded that the consumer product “continues to deliver good protection overall.”

Trend Micro LeakProof received top marks in a Network World comparative review that included other DLP products from Websense and Identity Finder. Network World concluded that “LeakProof was the best general-purpose endpoint DLP tool of the three.”

Trend Micro Internet Security Pro 2010 received 3.5 stars and a “Very Good” rating from CNET. The reviewers said the product was “one of the most comprehensive security suites we’ve encountered, with everything covered from basic threat detection to a behavior-based prevention system to security for Symbian and Windows Mobile devices.”

Patents

Trend Micro was awarded the following patents in Q3 2009:

U.S. Patent No. 7565550 – Automatic Registration of a virus/worm monitor in a distributed network.

U.S. Patent No. 7577721 – Structured peer-to-peer push distribution network.

U.S. Patent No. 7591018 – Portable antivirus device with solid state memory.

Notice Regarding Forward-looking Statements

Certain statements that we make in this release are forward-looking statements. These forward-looking statements are based upon management’s current assumptions and beliefs in light of the information currently available to it, but involve known and unknown risks and uncertainties. Many important factors could cause our actual results to differ materially from those expressed in our forward-looking statements. These factors include:

- Difficulties in addressing new virus and other computer security problems
- Timing of new product introductions and lack of market acceptance for our new products
- The level of continuing demand for, and timing of sales of, our existing products
- Rapid technological change within the antivirus software industry
- Changes in customer needs for antivirus software

- Existing products and new product introductions by our competitors and the pricing of those products
- Declining prices for products and services
- The effect of future acquisitions on our financial condition and results of operations
- The effect of adverse economic trends on our principal markets
- The effect of foreign exchange fluctuations on our results of operations
 - * An increase in the incidence of product returns
- The potential lack of attractive investment targets and
- Difficulties in successfully executing our investment strategy

We assume no obligation to update any forward-looking statements. For more details regarding risk factors relating to our future performance, please refer to our filings with the U.S. Securities and Exchange Commission.

About Trend Micro:

Trend Micro Incorporated, a global leader in Internet content security, focuses on securing the exchange of digital information for businesses and consumers. A pioneer and industry vanguard, Trend Micro is advancing integrated threat management technology to protect operational continuity, personal information, and property from malware, spam, data leaks and the newest Web threats. Visit TrendWatch at www.trendmicro.com/go/trendwatch to learn more about the latest threats. Trend Micro's flexible solutions, available in multiple form factors, are supported 24/7 by threat intelligence experts around the globe. Many of these solutions are powered by the Trend Micro Smart Protection Network, a next generation cloud-client content security infrastructure designed to protect customers from Web threats. A transnational company, with headquarters in Tokyo, Trend Micro's trusted security solutions are sold through its business partners worldwide. Please visit www.trendmicro.com.