



Trend Micro Reports Second Quarter 2009 Results

Tokyo, Japan – August 11, 2009 – Trend Micro Incorporated (TSE: 4704), a global leader in Internet content security, announced earnings results for the second quarter 2009.

For the second quarter, Trend Micro posted consolidated net sales of 24,244 million Yen (or US \$249 million, 97.22 JPY = 1USD). The company posted operating income of 7,229 million Yen (or US \$74 million) and net income of 4,028 million Yen (or US \$41 million) for the quarter. These figures reflect a 2 percent increase in net income compared to the same period a year ago.

The Japan region experienced flat consumer sales compared to the same period last year, and reduced enterprise sales. In North America, consumer sales increased even though appreciation of the yen against the dollar affected this region. EMEA sales revenues decreased slightly along with its local currency, in addition to the strength of the yen, total sales substantially decreased when compared to the same period last year. Though Australia demonstrated substantial growth in its local currency, the other APAC countries negatively affected the region's sales growth. In addition, due to appreciation of the yen against the dollar, the region's sales growth decreased. The Latin America region had a healthy local currency but the region's sales growth decreased by double digits compared to the same period last year due to appreciation of the yen against the dollar, which affected this region.

“Trend Micro turns innovation into real products that meet customer needs; I am proud of what we launched this quarter to deliver immediate protection, less complexity as well as strategic flexibility for our business customers,” said Eva Chen, CEO. “We are excited about the recent strides we’ve made in cloud computing, virtualization, and data protection as well as advances in protecting more consumer platforms and devices”

Based on information currently available to the company, consolidated net sales for the third quarter ending September 30, 2009 is expected to be 25,000 million Yen (or US \$263 million, based on an exchange rate of 95 JPY = 1USD). Operating income and net income are expected to be 7,400 million Yen (or US \$77 million) and 4,600 million Yen (or US \$48 million), respectively

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.

Second Quarter Business Highlights

- Extending its promise of “ubiquitous security” for consumers, Trend Micro launched security for Netbooks, USB drives, Apple iPhone and iPod Touch, and Sony PlayStation® Portables. Trend Micro also introduced Smart Surfing for Mac, the company’s first security product for Mac OS X.
- In April Trend Micro introduced new endpoint security offerings, Trend Micro™ OfficeScan 10 and Trend Micro Endpoint Security Platform, that help enterprises secure their endpoints while at the same time simplify management issues associated with frequent signature file updates. Trend Micro also broadened its Endpoint Security Platform with a power management module from BigFix.
- For the SMB market, Trend Micro announced a new version of Worry-Free™ Business Security that is now powered by the Trend Micro™ Smart Protection Network™.
- A complete, channel-friendly portfolio of hosted endpoint, hosted email and hosted Web site security products for small and medium-sized businesses was launched in the spring.
- Trend Micro announced the first Core Protection™ for active and dormant VMware virtual machines.
- Trend Micro announced a new version of its data leak prevention product, LeakProof 5.0, which delivers immediate protection through new Active Update service and includes sophisticated, language-independent DataDNA™ fingerprinting technology.
- Trend Micro was included in the Leader’s Quadrant in the Gartner 2009 Magic Quadrant.
- Trend Micro was selected as the exclusive content security solution at The Carphone Warehouse, Europe's leading independent retailer of mobile phones.
- Eva Chen was invited by the Detroit Economic Club to speak at The National Summit about technology and innovation.

Awards and Recognition for Q2 2009

Corporate

For the second time, Trend Micro received the prestigious Bravo! Award that is presented annually by consumer electronics retailer Best Buy. This year, Trend Micro was recognized for its innovative and customizable consumer security products, sold at Best Buy retailers across the nation.

Trend Micro was top-ranked in the EMEA security software market by the global analyst group, Canalys.

Trend Micro Malaysia was named the winner of the Computerworld Malaysia Customer Care Award 2009 in the antivirus and anti-Spam category.

Trend Micro received the MicroScope Award “Security Vendor of the Year” for channel excellence, beating out competitors such as Symantec, Sophos, EMC and Kaspersky. The ceremony was held at the Hurlingham Club in London.

Products

For the third consecutive year, Trend Micro™ ScanMail™ for Microsoft™ Exchange was selected the winner in the email antivirus category of the MExchange.org Readers' Choice Awards.

In a West Coast Labs comparative test of SMB endpoint solutions, Trend Micro Worry-Free Business Security Advanced scored the highest in protection and performance.

Worry-Free Business Security 6.0 received 5 out of 5 stars from Bight Hub, which called the SMB product an “enterprise-class IT security easily within reach of smaller businesses.”

Worry-Free Business Security Advanced 6.0 was also praised by ChannelWeb as “an innovative way of harnessing the power of the cloud with on-premise software.”

Trend Micro AntiVirus+AntiSpyware was noted by NotebookReview.com as providing “satisfactory protection for the home user. It successfully detected viruses in our testing and promptly quarantined them.”

Trend Micro Worry-Free Business Security 5.0 received a positive review from Information Week, which said described the product has “probably the most comprehensive set of security controls for the supported smartphones.”

Trend Micro Internet Security was featured in Tom's Guide France, which described the product as “efficient, financially affordable and light on power.”

The Home Network Defender received 4.5 out of 5 stars and high recommendations from Alt om Data, which said “The really smart thing about the product is that it is not only the antivirus software that is installed on the computer. The protection against online fraud and other threats from the internet are blocked on router level.”

HouseCall received a PC World Editor’s Review and was described as “a great resource for anyone who suspects that their computer woes may be related to malicious files or security vulnerabilities...”

Patents

Trend Micro was awarded the following patents in Q2 2009:

Patent No. 7516130 “Matching Engine with Signature Generation”

Patent No. 7523493 “Virus Monitor & Methods of Use Thereof”

Patent No. 7523501 “Adaptive Computer Worm Filter & Methods of Use Therof”

Patent No. 7526809 “System & Method for Computer Protection Against Malicious Electronic Mails by Analyzing Profiling, Trapping the Same”

Patent No. 7533415 “Method and Apparatus for Controlling Traffic in a Computer Network”

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.