

Nov. 9, 2011

Report of Earning Results (Consolidated)  
for the Third Quarter of the Fiscal Year  
Ending December 31, 2011

Company : Trend Micro Incorporated Tokyo Stock Exchange 1<sup>st</sup> Section  
Code : 4704 Location : Tokyo  
URL <http://www.trendmicro.co.jp/>

Representative: Title Representative Director and Chief Executive Officer  
Name Eva Chen  
Contact: Title Representative Director  
(Chief Operating Officer and Chief Financial Officer)  
Name Mahendra Negi  
TEL +81-3-5334-4899

Scheduled date for submission of the quarterly securities reports(“Shihanki Hokokusho”)  
: Nov. 10, 2011

1. Financial Highlights for Nine Months Ended September 30, 2011

(1) Consolidated Results of Operations

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine Months Ended Sep. 30, 2011	72,328	1.6	20,057	14.9	21,839	22.6	13,470	41.1
Nine Months Ended Sep. 30, 2010	71,172	(1.2)	17,453	(23.0)	17,811	(26.0)	9,547	(32.1)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Nine Months Ended Sep. 30, 2011	101.78	101.74
Nine Months Ended Sep. 30, 2010	71.51	71.30

(2) Consolidated Financial Position

	Total assets	Net Assets	Net Assets ratio	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2011	194,753	103,375	49.4	730.97
December 31, 2010	206,099	106,569	47.4	732.26

(Note) Net Assets after deduction of Share acquisition rights and Minority interest  
: 96,156 million yen as of September 30, 2011 (97,788 million yen as of December 31, 2010)

2. Dividend of Surplus

As of	Cash dividends per share				
	The first quarter end	The second quarter end	The third quarter end	Annual end	Total
	Yen	Yen	Yen	Yen	Yen
December 31, 2010	-	0.00	-	70.00	70.00
December 31, 2011	-	0.00	-	-	-
Projection for FY 2011	-	-	-	-	-

(Note) Revision of the projection for the current quarter of FY 2011 : No

(Note) The dividend projection for the coming year ends is not yet determined.

3. Forecasts of Consolidated Financial Results for FY 2011

(January 1, 2011 through December 31, 2011)

We do not disclose the projection figures on a yearly basis.

For the forecast of the 4th quarter end, please refer to page 3 of summary.

FY 2011 (January 1, 2010 through December 31, 2011)	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	95,928	0.6	26,257	10.5	28,339	18.9	16,870	32.6	128.25

4. Others (Please refer to page 4 "Others" for detail information)

(1) Change in the basis of Consolidation and Application of equity method : No

(2) Application of simplified or specified accounting procedures : Yes

(3) Changes in accounting principles procedures and the way of disclosure

① Change under the revision of Accounting Standards : Yes

② Others : Yes

(4) Number of shares issued (common shares)

① Number of shares issued (including treasury stocks):

140,293,004 shares as of September 30, 2011

140,293,004 shares as of December 31, 2010

② Number of treasury stocks :

8,746,335 shares as of September 30, 2011

6,750,535 shares as of December 31, 2010

③ Average number of shares outstanding :

132,341,192 shares nine months ended September 30, 2011

133,515,245 shares nine months ended September 30, 2010

\* Statement relating to the status of the quarterly review procedures

This quarterly report is not subject to the quarterly review procedures, which are based on the Financial Instruments and Exchange Law. However, the review procedures for quarterly consolidated accounts did not finish at the point of the announcement of the quarterly financial results.

\* Explanation for the proper use of projection and other notes

Any forward-looking statement in this report including results forecasts, are based on certain assumptions that were deemed rational as well as information currently available to the Company at this time. However, various factors could cause actual results to differ materially. Please refer to (3) Qualitative Information on consolidated Results Forecast on page 3 of the Attachment for conditions serving as assumptions for results forecasts.

Forecasts of consolidated financial results for 4th quarter FY 2011

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
4th quarter (October 1, 2011 through December 31, 2011)	23,600	(2.6)	6,200	(1.6)	6,500	7.9	3,400	7.2	25.85
FY 2011 (January 1, 2011 through December 31, 2011)	95,928	0.6	26,257	10.5	28,339	18.9	16,870	32.6	128.25

※ Notice on forward-looking statements and other specific items

1. Since the business environment surrounding Trend Micro Group tends to fluctuate in the short run, it is difficult to make a highly reliable projection figures on a yearly basis. We, therefore, have decided to announce the earnings on a quarterly basis in the fiscal year ending in December 2011 as well as earnings projection of the succeeding quarter.

When we find through our calculation conducted from time to time that the net sales will fluctuate from the most recent quarterly projection by more than 10%, or operating income, ordinary income or net income fluctuates by more than 30%, we will announce the revision to the earnings projection.

Appendix contents:

1. Qualitative Information and Financial Statements -----	2
(1) Qualitative Information on the Consolidated Business Results -----	2
(2) Qualitative Information on the Consolidated Financial Positions -----	3
(3) Qualitative Information on the Consolidated Results Forecast -----	3
2. Others -----	5
(1) Change in the basis of Consolidation and Application of equity method -----	5
(2) Application of simplified accounting procedures and accounting procedures specific to the preparation of quarterly consolidated financial statements --	5
(3) Changes in accounting principles, procedures, the way of disclosure -----	5
3. Consolidated Financial Statements -----	6
(1) Consolidated Balance Sheets -----	6
(2) Consolidated Statements of Income -----	8
Number of accumulated -----	8
Number of quarter to date -----	9
(3) Consolidated Statements of Cash Flows -----	10
(4) Footnote on going concern -----	12
(5) Segment Information -----	12
(6) Footnote to significant fluctuation of shareholders' equity -----	16

## 1. Qualitative Information and Financial Statements

### (1) Qualitative Information on the Consolidated Business Results

(Unit: million yen)

	Net Sales		
	3Q FY Dec. 2011	3Q FY Dec. 2010	Rate of Change
Japan	11,722	11,451	2.4%
North America Region	4,968	5,485	(9.4%)
Europe Region	4,206	4,173	0.8%
Asia and Pacific Region	2,528	2,202	14.8%
Latin America Region	590	637	(7.4%)

During the Third Quarter fiscal year 2011, from July 1 to September 30, the world economy continued to be in a global recession as concerns of the European financial crisis grew. The US economy was still down in part due to the downgrade in government bonds, the housing market which still remained to mire in, and high levels of unemployment. Despite Obama administration's new proposal to create more jobs, the US business slowdown continues. Aside from Greek's debt crisis, the European economy as a whole is still slow. Especially in Germany and France, former economic leaders in this region, started to show some signs of economic slowdown. Private consumption within emerging countries also declined. China's economy showed signs of slowdown in GDP growth, as well as the increased dependence on exports to Europe.

While still recovering from the earthquake, the Japanese economy seemed to improve due to some signs of recovery including supply chain, etc. However, there is still a large amount of anxiety with the yen remaining at historically high levels, and how the European and US economies will negatively affect Japan.

Due to the world economic downturn and the declining growth of emerging countries, enterprise was careful investors during this period. Within IT, the growth of cloud computing and good demands in emerging countries etc, helped major IT vendors achieve record performances. After getting over the earthquake, Short-term positive economic IT spending by domestic private companies in Japan should be expected.

Under such an environment, our group business conditions are as follows:

For the Japan region, consumer sales maintained its growth. Enterprise business sales remained consistent compared to the same period last year since a full-fledged recovery of corporate IT spending has been delayed. As a result, sales in Japan for Q3 2011 generated 11,722 million yen (2.4% increase from the same period in the previous year).

In North America, sales maintained the same standard total revenue compared to the same period last year with local currency. However, a weaker US dollar against the yen severely affected this region. As a result, US generated 4,968 million yen (9.4% decrease from the same period in the previous year). Since cloud computing business sales in the immediate future are back on the increase track, further contribution of sales revenue are expected.

For the EMEA region, consumer sales revenues substantially increased but its growth couldn't lead to over sales in this region. EMEA generated 4,206 million yen (0.8 % increase from the same period in previous year).

In the Asia and Pacific region, Australia and Taiwan made a strong contribution to APAC sales. As a result, this region demonstrated the largest growth among the 5 sales regions. APAC sales came to 2,528 million yen (14.8% increase from the same period in the previous year).

In the Latin America region, Brazil did not perform well. In this region, net sales were 590

million yen (7.4 % decrease from the same period in the previous year).

As a result, the consolidated net sales for the Third Quarter fiscal year 2011 came to 24,015 million yen (0.3% increase from the same period in the previous year).

Cost of sales and operating expenses totaled 17,133 million yen (5.4% decrease from the same period in the previous year) due to an increase in salaries and a decrease in marketing costs.

As a result, consolidated operating income for this period was 6,881 million yen (17.8% increase from the same period in the previous year). The consolidated ordinary income for this period was 8,705 million yen (48.6% increase from the same period in the previous year). This increase in the consolidated ordinary income is mainly due to big accounting reclassification impact of Loss on sales of marketable securities to Extraordinary loss from non-operating expense. The consolidated net income for this period was 5,540 million yen (99.2% increase from the same period in the previous year) due to reversal of stock option.

Refer to Report of Earning Results (Consolidated) for the First and Second Quarters of the Fiscal Year Ending December 31, 2011 on May 11 and August 10, 2011 observed in Qualitative Information on the Consolidated Business Results of the First Quarter fiscal year 2011, from January 1 to March 31 and the Second Quarter fiscal year 2011, from April 1 to June 30.

## (2) Qualitative Information on the Consolidated Financial Positions

Cash and bank deposits at the end of this period amounted to 68,516 million yen, a decrease of 5,443 million yen from FY 2010 annual closing.

In addition, both accounts receivable and marketable securities decreased significantly. As the result, total assets at the end of this period were 194,753 million yen, 11,346 million yen decrease from FY 2010 annual closing.

Total liabilities at the end of this period were 91,378 million yen, 8,151 million yen decrease from FY 2010 annual closing. This decrease in total liabilities is mainly due to substantially decrease accrued income tax and deferred revenue, etc.

As a result, total net assets at the end of this period were 103,375 million yen, a decrease of 3,194 million yen. In spite of increase retained earnings, this decrease in total net assets is mainly due to increase share buyback, and minus of foreign currency translation adjustments increase.

## (3) Qualitative Information on the Consolidated Results Forecast

Since the business environment surrounding Trend Micro Group tends to fluctuate in the short run, it is difficult to make a highly reliable projection figures on a yearly basis. We, therefore, have decided to announce the earnings on a quarterly basis in the fiscal year ending in December 2011 as well as earnings projection of the succeeding quarter.

When we find through our calculation conducted from time to time that the net sales will fluctuate from the most recent quarterly projection by more than 10%, or operating income, ordinary income or net income fluctuates by more than 30%, we will announce the revision to the earnings projection.

Business forecast for the Fourth Quarter of FY2011 (October 1, 2011 - December 31, 2011)

Consolidated net sales	23,600 million yen
Consolidated operating income	6,200 million yen
Consolidated ordinary income	6,500 million yen
Consolidated net income	3,400 million yen

In development of the business forecasts the main assumed exchange rates are as follows.

1 US \$	75 yen
1 Euro	108 yen

Business forecast for the Annual of FY2011 (January 1, 2011 - December 31, 2011)

Consolidated net sales	95,928 million yen
Consolidated operating income	26,257 million yen
Consolidated ordinary income	28,339 million yen
Consolidated net income	16,870 million yen

## 2. Others

(1) Change in the basis of Consolidation and Application of equity method  
N/A

(2) Application of simplified accounting procedures and accounting procedures specific to the preparation of quarterly consolidated financial statements

(a) Simplified accounting procedures

1, Calculation of estimated allowance for doubtful accounts

Due to no significant change in the percentage based on actual bad debt loss against total monetary asset since December 31, 2010, we estimated the allowance for bad debt for 2nd quarter end on the same basis with FY 2010 closing.

2, Judgment of realizability of deferred tax assets

Due to no significant change in business environment or status of recognized temporary differences during this 3rd quarter, we judged it based on the forecast of financial result and tax planning for FY 2011 annual closing.

(b) Accounting procedures specific to the preparation of quarterly consolidated financial statements

1, Calculation of income tax expenses

We multiply net income before tax for this period (9 months) by effective tax rate, which is rationally calculated based on projected annual profit and its taxes with considering deferred tax accounting. In addition, deferred tax expense is included in income taxes.

(3) Changes in accounting principles, procedures, the way of disclosure

1, Adoption of "Accounting Standard for Asset Retirement Obligations"

From the first quarter of fiscal year 2011, the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008) were adopted. The effect of this adoption was not material.

2, Change in presentation method

Due to the significance of account payable other and accrued expense in nine months ended September 30, 2011, "Increase (decrease) in account payable, other" is added in "Cash flow from operating activities" in Consolidated Statement of Cash Flows.

"Increase (decrease) in account payable, other" was 1,451 million yen that was included in "other" in "Cash flow from operating activities" in the same period of previous year.

### 3. 【CONSOLIDATED FINANCIAL STATEMENTS】

#### (1) 【Consolidated Balance Sheets】

(Millions of yen)

Account	December 31, 2010	September 30, 2011
(Assets)		
Current assets		
Cash and bank deposits	73,960	68,516
Notes and Accounts receivable, trade	22,306	20,114
Marketable securities	42,795	35,230
Inventories	550	459
Deferred tax assets	18,831	16,875
Others	4,077	5,680
Allowance for bad debt	(272)	(199)
Total current assets	162,249	146,678
Non-current assets		
Property and equipment		
(1) Office furniture & equipment	4,551	4,060
(2) Others	1,296	1,322
Total Property and equipment	5,848	5,383
Intangibles		
(1) Software	5,926	6,167
(2) Goodwill	1,520	2,195
(3) Others	665	1,461
Total intangibles	8,113	9,825
Investments and other non-current assets		
(1) Investment Securities	17,287	19,846
(2) Investments in subsidiaries and affiliates	348	217
(3) Deferred tax assets	10,539	11,447
(4) Others	1,711	1,355
Total investments and other non-current assets	29,888	32,866
Total non-current assets	43,850	48,075
Total assets	206,099	194,753

(Millions of yen)

Account	December 31, 2010	September 30, 2011
(Liabilities)		
Current liabilities		
Accounts payable and Notes payable, trade	724	743
Accounts payable, other	4,939	3,730
Accrued expenses	5,810	4,417
Accrued income and other taxes	6,124	982
Allowance for bonuses	638	1,292
Allowance for sales returns	621	831
Deferred revenue	55,328	54,145
Others	2,189	2,594
Total current liabilities	76,376	68,737
Long-term liabilities		
Deferred revenue	21,106	20,454
Allowance for retirement benefits	1,717	1,893
Others	328	292
Total long-term liabilities	23,153	22,640
Total liabilities	99,530	91,378
(Net assets)		
Shareholders' equity		
Common stock	18,386	18,386
Additional paid-in capital	21,111	21,111
Retained earnings	92,324	96,447
Treasury stock, at cost	(21,834)	(26,483)
	109,988	109,461
Valuation and translation adjustments		
Net unrealized gain (loss) on debt and equity securities	(3,814)	(2,135)
Foreign currency translation adjustments	(8,385)	(11,169)
	(12,200)	(13,305)
Share acquisition rights	8,734	7,168
Minority interest	46	50
Total net assets	106,569	103,375
Total liabilities and net assets	206,099	194,753

(2) 【Consolidated Statements of Income】  
【Nine months ended September 30, 2011】

(Millions of yen)

	Nine months ended September 30, 2010	Nine months ended September 30, 2011
Net Sales	71,172	72,328
Cost of sales	12,504	13,376
Gross profit	58,667	58,952
Operating expenses	41,214	38,894
Operating income	17,453	20,057
Non-operating incomes		
Interest income	1,007	1,189
Gain on sales of marketable securities	1	827
Equity in earnings of affiliated companies	0	-
Other income	72	95
Total non-operating income	1,082	2,111
Non-operating expenses		
Interest expenses	1	1
Foreign exchange loss	648	113
Equity in loss of affiliated companies	-	0
Other expenses	74	213
Total non-operating expenses	724	329
Ordinary income	17,811	21,839
Extraordinary income		
Gain on redemption of marketable securities	-	610
Refundment of placement fee	226	-
Gain on reversal of stock option	-	3,633
Total extraordinary income	226	4,244
Extraordinary loss		
Impairment loss on marketable security	662	-
Loss on sales of marketable securities	-	4,629
Legal settlement	551	-
Total extraordinary loss	1,214	4,629
Net income before tax	16,824	21,454
Income taxes	7,275	7,981
Net Income before minority interest	-	13,472
Minority interest in income of consolidated subsidiaries	0	2
Net income	9,547	13,470

【Three months ended September 30, 2011】

(Millions of yen)

	Three months ended September 30, 2010	Three months ended September 30, 2011
Net Sales	23,950	24,015
Cost of sales	4,446	4,620
Gross profit	19,504	19,394
Operating expenses	13,660	12,513
Operating income	5,843	6,881
Non-operating incomes		
Interest income	354	424
Gain on sales of marketable securities	1	-
Equity in earnings of affiliated companies	-	8
Other income	13	9
Total non-operating income	369	442
Non-operating expenses		
Interest expenses	0	0
Loss on sales of marketable securities	-	(1,451)
Foreign exchange loss	342	33
Equity in losses of affiliated companies	6	-
Other expenses	4	37
Total non-operating expenses	353	(1,380)
Ordinary income	5,859	8,705
Extraordinary income		
Gain on reversal of stock option	-	3,633
Total extraordinary income	-	3,633
Extraordinary loss		
Impairment loss on marketable security	459	-
Loss on sales of marketable securities	-	4,629
Legal Settlement	473	-
Total extraordinary loss	933	4,629
Net income before taxes	4,926	7,708
Income taxes	2,144	2,167
Net Income before minority interest	-	5,541
Minority interest in income (loss) of consolidated subsidiaries	0	1
Net income	2,781	5,540

## (3) 【Consolidated Statements of Cash Flows】

(Millions of  
yen)

Account	Nine months ended Sep 30, 2010	Nine months ended Sep 30, 2011
Cash flows from operating activities:		
Net income before taxes	16,824	21,454
Depreciation and amortization	4,359	4,820
Stock compensations	2,003	2,073
Gain on reversal of stock option	-	(3,633)
Amortization of Goodwill	411	679
Increase (decrease) in Allowance for bad debts	77	(68)
Increase (decrease) in Allowance for sales returns	(169)	224
Increase in Allowance for retirement benefits	220	217
Interest income	(1,007)	(1,189)
Interest expenses	1	1
(Gain) loss on equity in earnings of f affiliated companies	(0)	0
(Gain) loss on redemption of marketable securities	-	(610)
(Gain) loss on Reversal of Stock Option	(1)	3,802
Refundment of placement fee	(226)	-
Legal settlement	551	-
Loss on valuations of marketable securities	662	-
(Increase) decrease in accounts receivable others	621	1,684
(Increase) decrease in inventories	(151)	70
Increase (decrease) in notes and AP trade	491	76
Increase (decrease) in account payable, other	-	(2,380)
Increase (decrease) in deferred revenue	4,471	137
Others	(311)	733
Subtotal	28,828	28,094
Receipt of refundment of placement fee	226	-
Proceeds from interest and dividend received	905	1,140
Payment for interest expenses	(1)	(1)
Payment for income tax	(13,305)	(13,216)
Net cash provided by operating activities	16,653	16,017
Cash flows from investing activities:		
(Payments for)/Proceeds from time deposits	2,104	35
Payments for purchases of marketable securities and security investments	(30,093)	(31,395)
Proceeds from sales or redemptions of marketable securities and investments security	34,957	35,109
Payments for purchases of property and equipment	(2,985)	(2,216)
Payments for purchases of other intangibles	(3,766)	(3,344)
Acquisition cost for subsidiary's share	(1,142)	(2,411)
Acquisition cost for subsidiary's interest	-	73
Net cash used in investing activities	(926)	(4,295)
Cash flows from financing activities:		
Payment for purchase of treasury stock	(0)	(4,682)
Receipt from disposal of treasury stock	230	26
Dividends paid	(11,653)	(8,928)

Net cash used in financing activities	(11,423)	(13,584)
Effect of exchange rate changes on cash and cash equivalents	(2,575)	(2,882)
Net increase (decrease) in cash and cash equivalents	1,728	(4,745)
Cash and cash equivalents at beginning of period	58,023	64,136
Cash and cash equivalents at end of period	59,751	59,390

(4) Footnote on going concern

N/A

(5) Segment Information

1, Business category segment information

The main businesses of the Company are develop and sell anti-virus products and offer other related services. For nine months ended Sep 30, 2010, the ratio of sales and operating income for the main businesses above is more than 90% of total amounts of them. Then, the Company omits "Business category segment information".

2, Geographical segment information

Three months ended Sep 30, 2010

(Millions of Yen)

	Japan	North America	Europe	Asia Pacific	Latin America	Total	Corporate or Elimination	Consolidation
Sales								
(1) Net sales to external customers	11,451	5,485	4,173	2,202	637	23,950	-	23,950
(2) Intercompany sales	2,806	271	379	2,553	-	6,011	(6,011)	-
Total sales	14,258	5,757	4,552	4,756	637	29,961	(6,011)	23,950
Operating income (loss)	6,338	(462)	(389)	58	188	5,734	109	5,843

(Note)

1 The classification of the geographical segment is based on geographic proximity.

2 Major countries other than Japan:

North America U.S.A., Canada

Europe Ireland, Germany, Italy, France, UK

Asia pacific Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India

Latin America Brazil, Mexico

3 Changes in allocation of Cost of Sales and Selling, General & Administrative expenses

Due to the commencement of COST SHARING AGREEMENT among group companies starting from January 2010, the representative companies in four regions (participants) share the parent company's intangible creating and related costs. Then the Cost of Sales and Selling, General & Administrative expenses sitting in Corporate or Elimination has been allocated among the 5 regions. Due to the difficulties of computation for the current period's Corporate or Elimination based on previous years, the impact about this change was omitted.

Nine months ended Sep 30, 2010

(Millions of Yen)

	Japan	North America	Europe	Asia Pacific	Latin America	Total	Corporate or Elimination	Consolidation
Sales								
(1) Net sales to external customers	31,225	17,602	13,586	6,722	1,985	71,172	-	71,172
(2) Intercompany sales	10,208	906	746	7,339	-	19,200	(19,200)	-
Total sales	41,433	18,509	14,332	14,111	1,985	90,372	(19,200)	71,172
Operating income (loss)	18,989	(1,955)	(475)	42	656	17,259	194	17,453

(Note)

1 The classification of the geographical segment is based on geographic proximity.

2 Major countries other than Japan:

North America U.S.A., Canada

Europe Ireland, Germany, Italy, France, UK

Asia Pacific Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India

Latin America Brazil, Mexico

3 Changes in allocation of Cost of Sales and Selling, General & Administrative expenses

Due to the commencement of COST SHARING AGREEMENT among group companies starting from January 2010, the representative companies in four regions (participants) share the parent company's intangible creating and related costs. Then the Cost of Sales and Selling, General & Administrative expenses sitting in Corporate or Elimination has been allocated among the 5 regions. Due to the difficulties of computation for the current period's Corporate or Elimination based on previous years, the impact about this change was omitted.

3, Sales to overseas

Three months ended Sep 30, 2010

(Millions of Yen)

	North America	Europe	Asia Pacific	Latin America	Total
1 Sales to overseas	5,621	4,056	2,201	640	12,520
2 Consolidated total sales	-	-	-	-	23,950
3 Sales % to Overseas to Consolidated total sales	23.5	16.9	9.2	2.7	52.3

(Note)

- 1 The classification of the geographical segment is based on geographic proximity.
- 2 Sales to overseas are sales amount to foreign countries or areas other than Japan.
- 3 Major countries other than Japan:
  - North America U.S.A., Canada
  - Europe Ireland, Germany, Italy, France, UK
  - Asia pacific Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India
  - Latin America Brazil, Mexico

Nine months ended Sep 30, 2010

(Millions of Yen)

	North America	Europe	Asia Pacific	Latin America	Total
1 Sales to overseas	17,758	13,489	6,774	1,993	40,016
2 Consolidated total sales	-	-	-	-	71,172
3 Sales % to Overseas to Consolidated total sales	25.0	19.0	9.5	2.7	56.2

(Note)

- 1 The classification of the geographical segment is based on geographic proximity.
- 2 Sales to overseas are sales amount to foreign countries or areas other than Japan.
- 3 Major countries other than Japan:
  - North America U.S.A., Canada
  - Europe Ireland, Germany, Italy, France, UK
  - Asia pacific Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India
  - Latin America Brazil, Mexico

[Segment information]

Newly applied Segment Information, ASBJ Statement No.17, ASBJ Guidance No.20.

Starting from January 2011, the Company discloses segment information that is utilized by management. The group consists of geographical business segment for conducting anti-virus products development, sales, and related services. These are Japan, North America, Europe, Asia Pacific, and Latin America.

Nine months ended Sep 30, 2011

(Millions of Yen)

	Japan	North America	Europe	Asia Pacific	Latin America	Total
Sales						
(1) Net sales to external customers	34,042	15,649	12,996	7,789	1,851	72,328
(2) Intercompany sales	6,618	1,036	1,005	7,946	8	16,614
Total sales	40,661	16,685	14,001	15,735	1,859	88,943
Segment income (loss)	17,957	432	163	974	620	20,148

(Note)

1 The classification of the geographical segment is based on geographic proximity.

2 Major countries other than Japan:

North America U.S.A., Canada

Europe Ireland, Germany, Italy, France, UK

Asia Pacific Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India

Latin America Brazil, Mexico

Three months ended Nine 30, 2011

(Millions of Yen)

	Japan	North America	Europe	Asia Pacific	Latin America	Total
Sales						
(1) Net sales to external customers	11,722	4,968	4,206	2,528	590	24,015
(2) Intercompany sales	2,125	333	314	2,637	2	5,413
Total sales	13,848	5,302	4,520	5,165	592	29,429
Segment income (loss)	5,902	439	94	323	190	6,950

(Note)

1 The classification of the geographical segment is based on geographic proximity.

2 Major countries other than Japan:

North America	U.S.A., Canada
Europe	Ireland, Germany, Italy, France, UK
Asia pacific	Taiwan, Korea, Australia, China, Philippine, Singapore, Malaysia, Thailand, India
Latin America	Brazil, Mexico

3 The difference between segment income (loss) and operating income (loss)  
in consolidated statement of income

Nine months ended Sep 30, 2011

(Millions of yen)

Profit	Amount
Segment total of operating profit (loss)	20,148
Inter-segment elimination	(90)
Operating profit (loss) in consolidated statement of income	20,057

Three months ended Sep 30, 2011

(Millions of yen)

Profit	Amount
Segment total of operating profit (loss)	6,950
Inter-segment elimination	(68)
Operating profit (loss) in consolidated statement of income	6,881

4 Impairment loss on fixed asset and goodwill by each segment

N/A

(6) Footnote to significant fluctuation of shareholder's equity

N/A