Trend Micro
FY2026 Q2 Results

Mahendra Negi CFO, Representative Director

August 13, 2026

Forward Looking Statements

Certain Statements that we make in this presentation 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 anti-virus software industry;
- changes in customer needs for anti-virus software;
- existing products and new product introductions by our competitors and the pricing of those products;
- declining prices for our 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.

FY2026.Q2 Financial Highlight

(Second quarter ended Jun 30, 2026)

Q2 Consolidated Results

(unaudited)

(in million Yen)

Three months ended Jun 30,	*2Q2025*	*2Q2026*	*YoY growth*
Net sales	66,407	74,739	+ 13%
Total Operating expenses	52,941	68,505	+ 29%
Operating income *(Margin)*	13,465 *(20%)*	6,233 *(8%)*	- 54%
Ordinary income	9,066	7,172	- 21%
Net income attributable to owners of the parent	5,478	3,455	- 37%

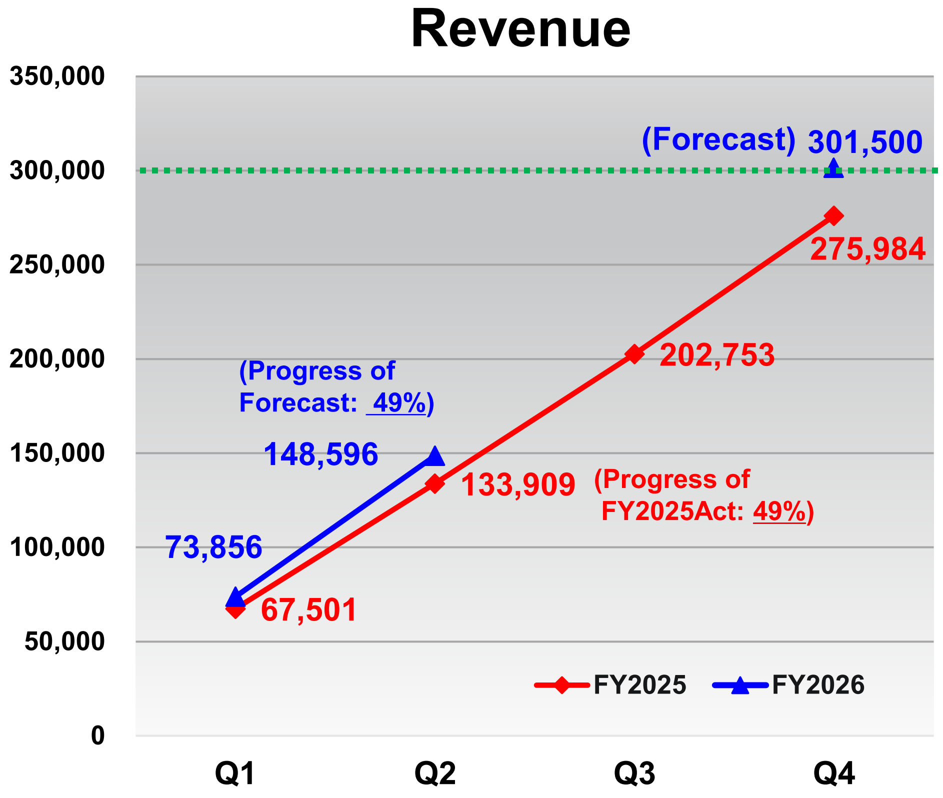
(Constant currency basis)

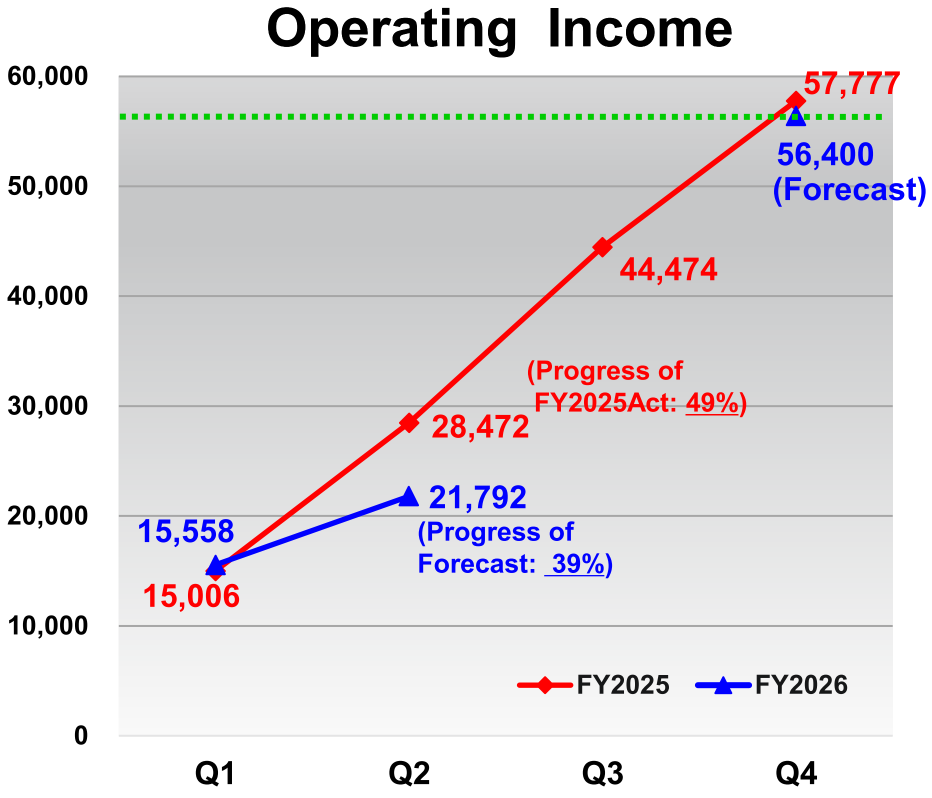
Net sales	+ 3%
TrendAI ARR growth	+ 6%

(Non-GAAP)

Progress（6 months）

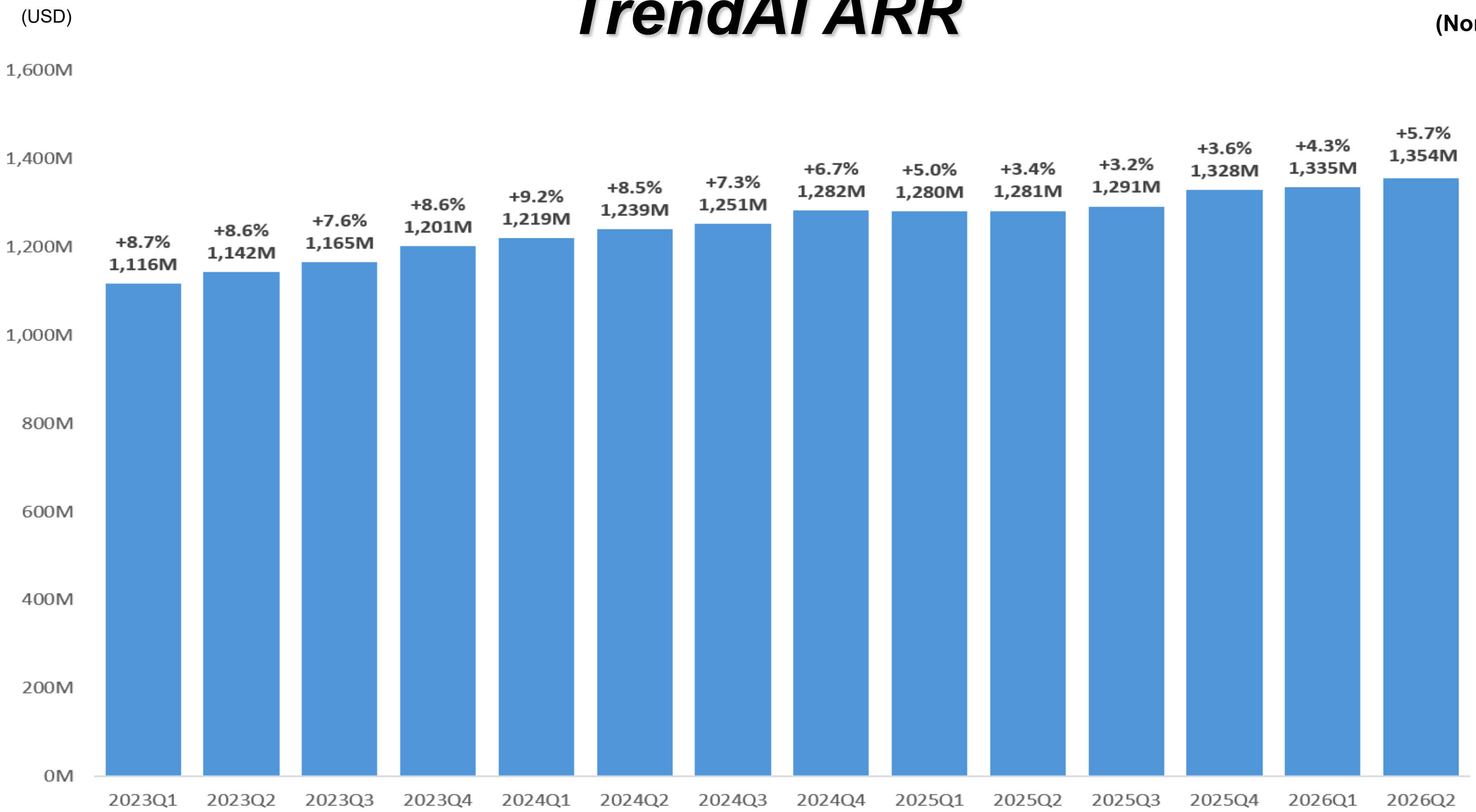
(in million Yen)





TrendAI ARR

(Non-GAAP)



*ARR at constant currency: (1USD= 155.95yen as the company internal budget exchange rate for FY2026). The amounts are updated annually each fiscal year. Non-GAAP and reference for internal management. Therefore, they may be subject to so changes hereafter.

TrendAI ARR by Region

(Non-GAAP)

	25Q2	26Q1	26Q2	QoQ	YoY
Japan	$242M	$249M	**$248M**	**-1%**	**+3%**
Americas	$291M	$290M	**$288M**	**-1%**	**-1%**
Europe	$377M	$397M	**$404M**	**+2%**	**+7%**
AMEA	$371M	$399M	**$414M**	**+4%**	**+12%**
Total	$1,281M	$1,335M	**$1,354M**	**+1%**	**+6%**

*ARR at constant currency: (1USD= 155.95yen as the company internal budget exchange rate for FY2026). The amounts are updated annually each fiscal year. Non-GAAP and reference for internal management. Therefore, they may be subject to so changes hereafter.

Cash flows

(unaudited)

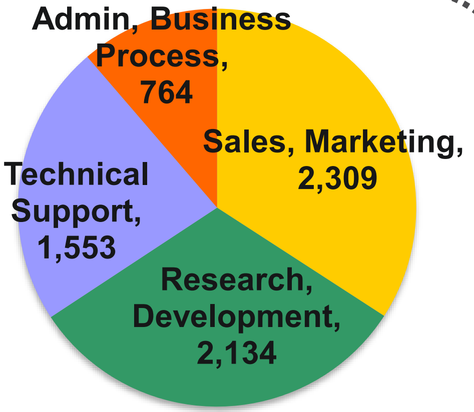
(in million Yen)

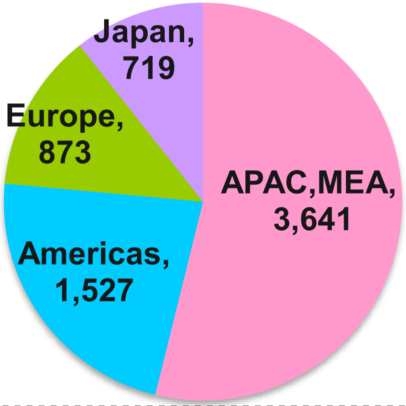
	2Q2025	2Q2026	YoY growth
Cash flows from operating activities	16,267	5,958	- 63%
Cash flows from investing activities	6,708	- 9,035	—
Cash flows from financing activities	2,356	28	- 99%
Effect of exchange rate changes on cash and cash equivalents	1,101	2,111	+ 92%
Net increase (decrease) in cash and cash equivalents	26,433	- 937	—
Cash and cash equivalents at beginning of this quarter period	161,554	215,133	+ 33%
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	—	—
Cash and cash equivalents at end of this quarter period	187,987	214,195	+ 14%

Headcount

Mar - 2026

6,760

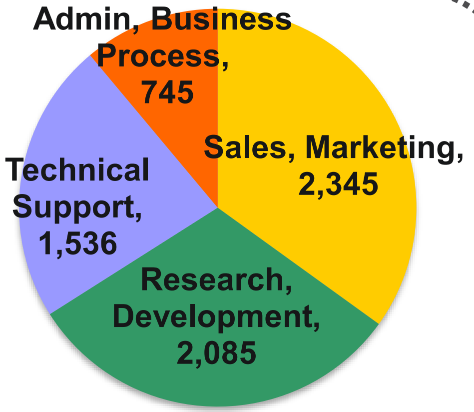


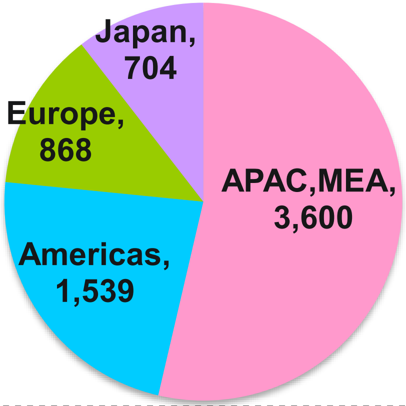


- 49
(- 1%)

Jun - 2026

6,711



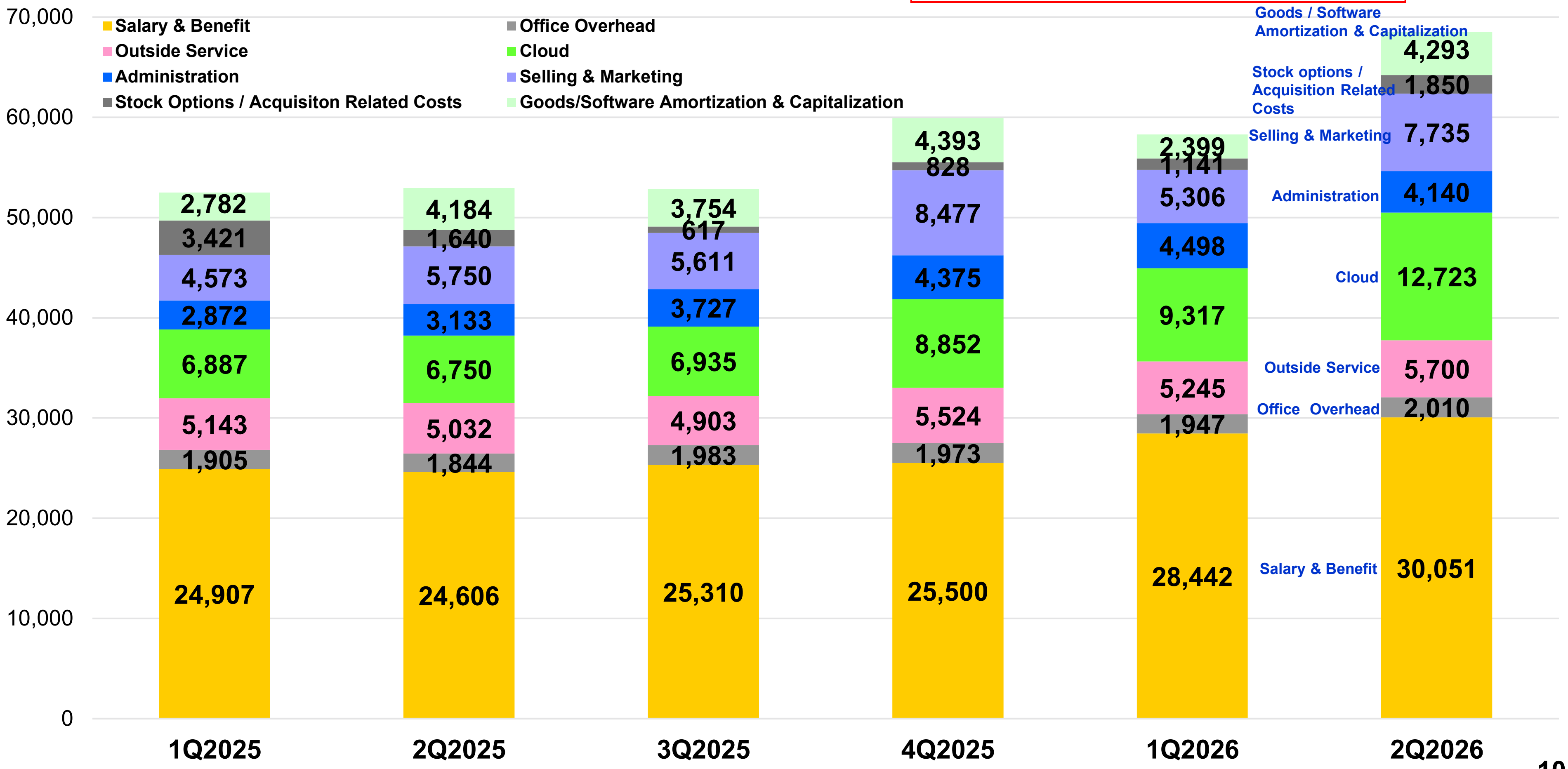


Cost

(in million Yen)

(Non-GAAP) (unaudited)

・Of 15.5 bn JPY YoY increase, estimated impact of yen depreciation, about +4.6 bn JPY.



Q2 Highlights

- ***Highest-ever Quarterly Net Sales***

- ***ARR growth continues to improve***

FY2026 Guidance

Revision of full year forecast - Assumptions

- *Net Sales track as expected with no changes.*
- *Cloud-related investment, including AI token costs aimed at expanding product and service functionality, are expected to increase significantly from initial projections.*
- *Non-operating income/expenses and extraordinary items reflect actual results through the first half.*
- *No significant extraordinary items are anticipated.*
- *The applicable exchange rate remains unchanged.*

Projection for FY2026 Annual (Revised on Aug. 13th)

(in million Yen)

	For FY2026 Jan - Dec, 2026	Expected YoY growth
Net Sales	301,500 (Unchanged)	+ 9% (Unchanged)
Operating Income "Margin"	44,400 "15%" (before: 56,400 "19%", -12,000)	- 23% (before: - 2%)
Ordinary Income	46,000 (before: 55,100, -9,100)	- 15% (before: + 2%)
Net Income attributable to owners of the parent	30,700 (before: 36,600, -5,900)	- 11% (before: +6%)

(Estimated second half exchange rate 1USD=156 yen, 1EUR=183 yen) *※Unchanged from the initial guidance rate.*

"Reference" actual exchange rate up to Q2: 1USD=158 yen, 1EUR=185 yen

In case of excluding a foreign exchange impact (a rule of thumb)

Net Sales	+ 6% (Unchanged)

(Non-GAAP)

Appendix for FY2026.Q2

Q2 USD based Results (Non-GAAP)

(unaudited)

(in thousand USD)

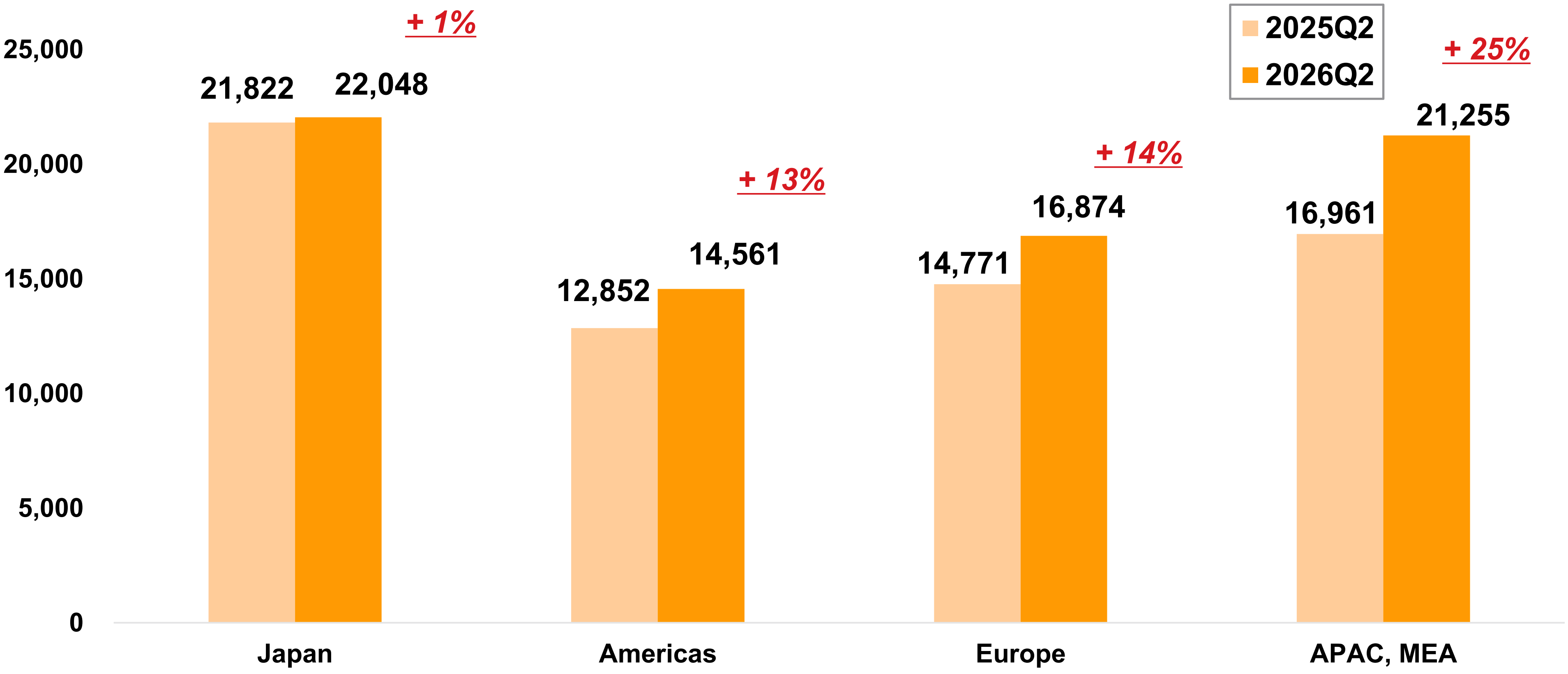
Three months ended Jun 30,	*2Q2025*	*2Q2026*	*YoY change*
Net sales	459,215	468,675	+ 2%
Cost of sales	107,324	108,222	+ 1%
Operating expenses	258,771	321,362	+ 24%
Operating income	93,118	39,090	- 58%
Ordinary income	62,694	44,977	- 28%
Net Income attributable to owners of the parent	37,881	21,670	- 43%

(Non-GAAP)

For each of the quarters shown in the table above, JPY Japan GAAP amounts have been converted to USD amounts using the exchange rates of USD=144.61 JPY for 2Q2025 and 1 USD =159.47 JPY for 2Q2026, respectively, which are the respective weighted average exchange rates used to convert USD net sales to JPY for these quarters.

Net Sales Growth by Region

(in million Yen)

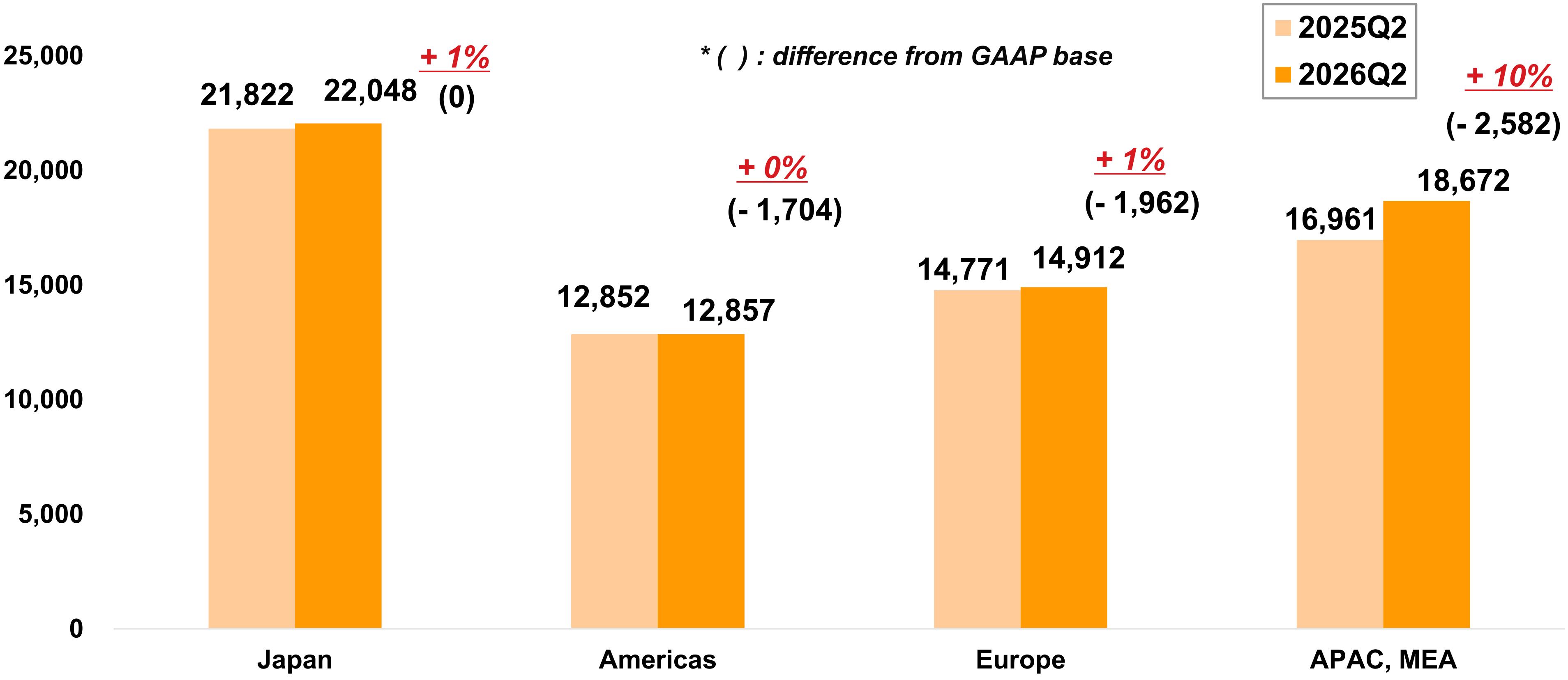


Net Sales Growth by Region

(in million Yen)

If currency exchange rates used for 2Q2025 were used for 2Q2026:

(unaudited)

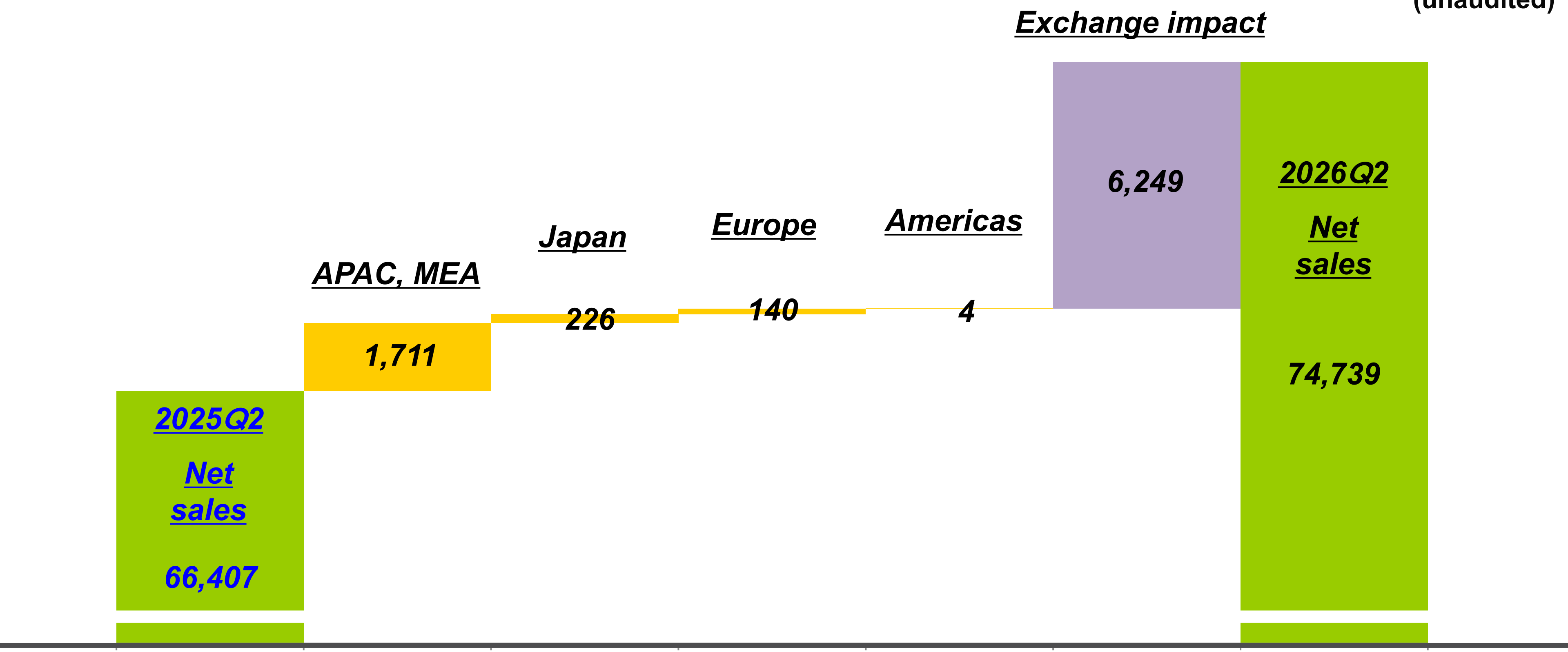


(Non-GAAP)

Decomposition of Revenue（vs. last year）

(in million Yen)

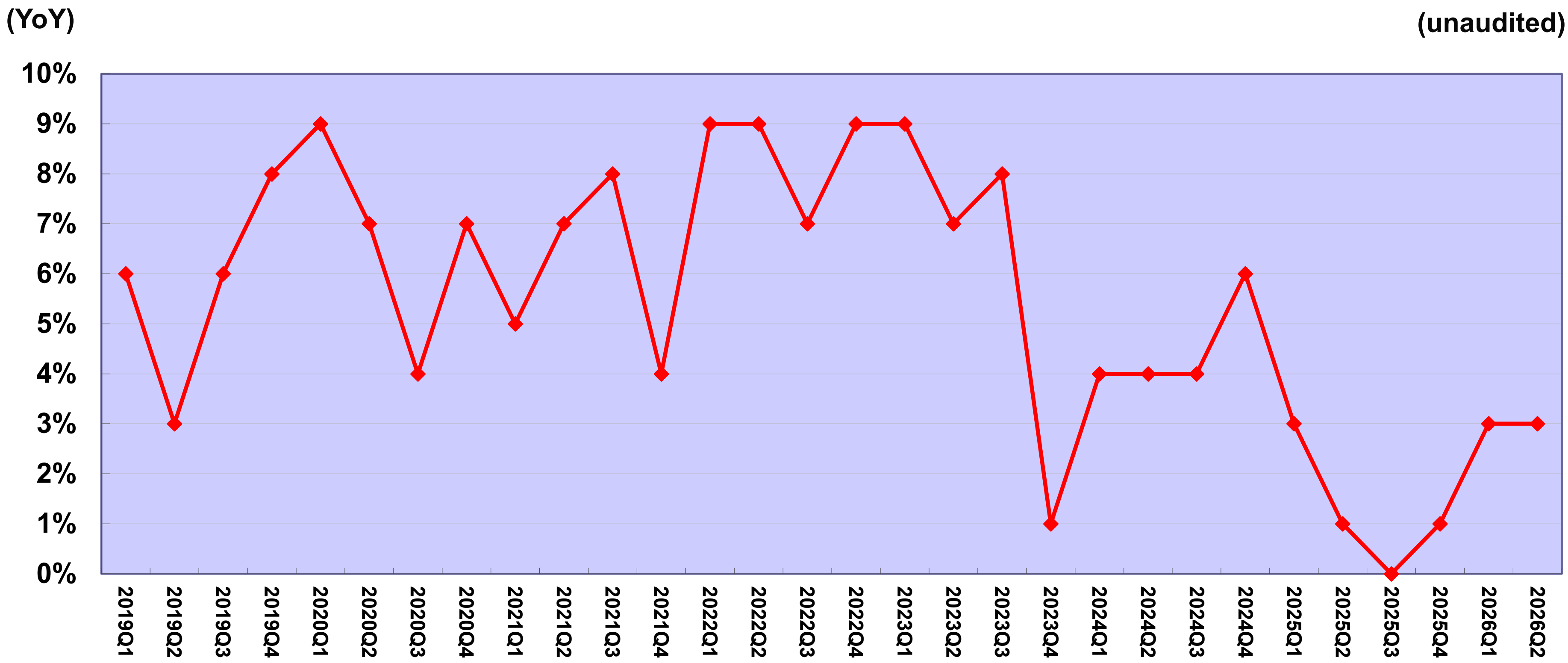
(unaudited)



(Non-GAAP)

Constant currency Revenue growth

(unaudited)



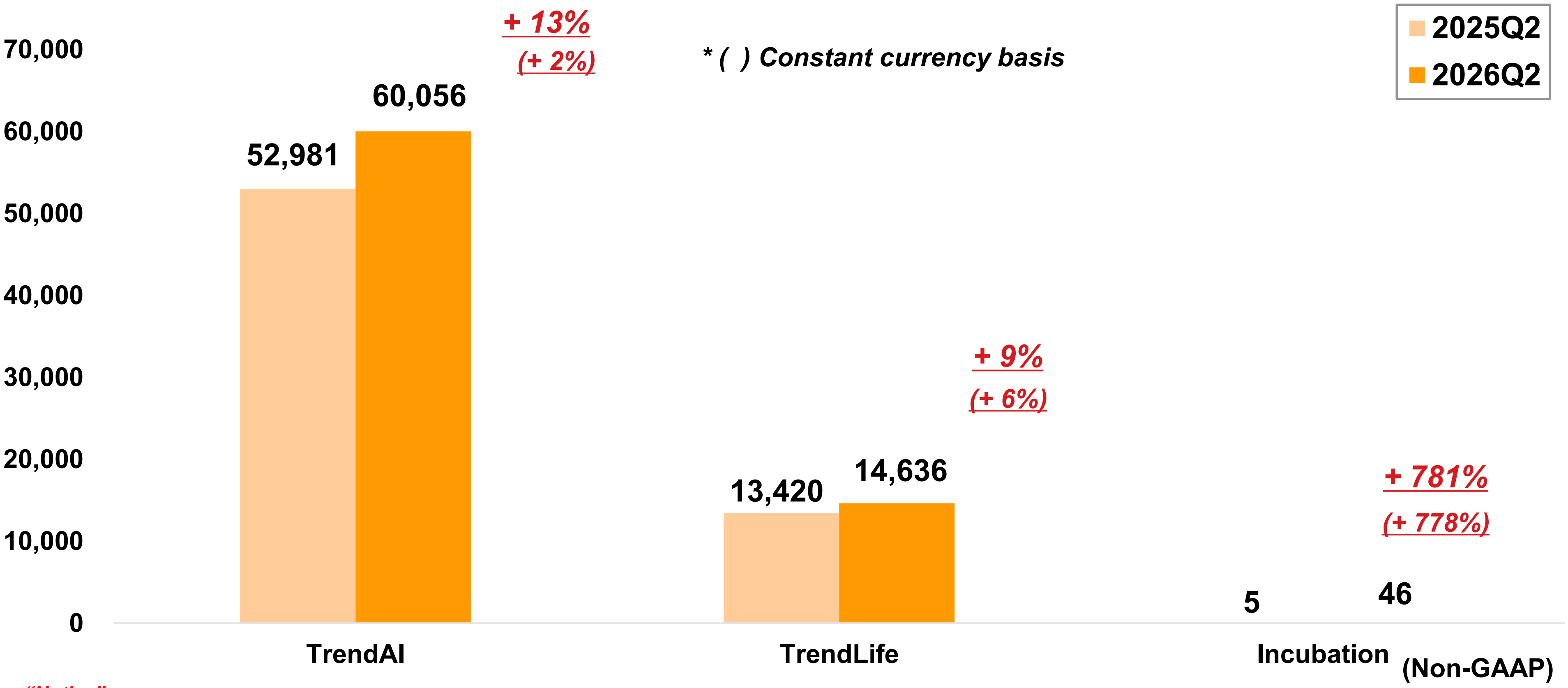
(Non-GAAP)

• *Each growth rate shown above is based on applying to each quarter the same currency rate as the previous year for the same period*

Net sales by Segment (1)

(in million Yen)

(unaudited)



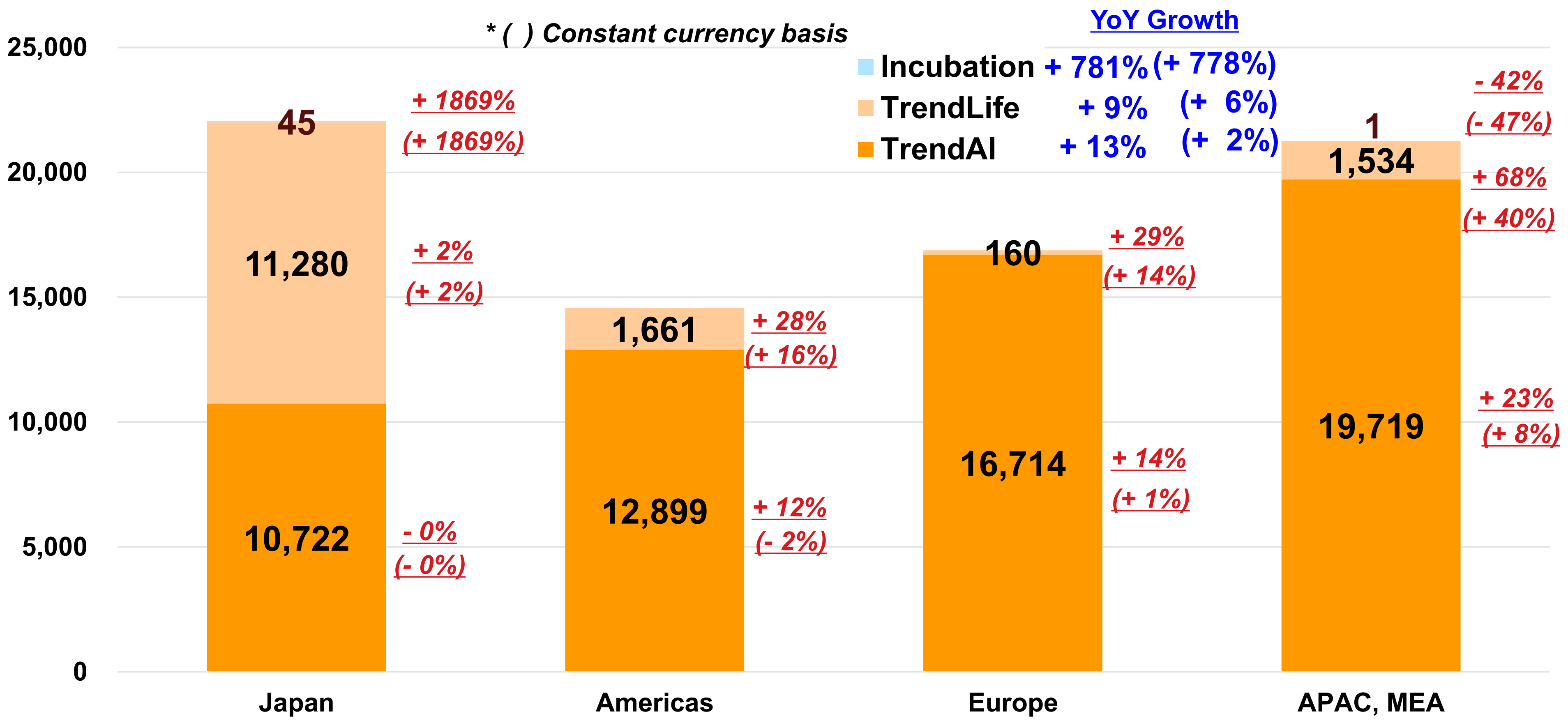
"Notice"

1.As Sales by Segment numbers are just for internal use, they may be subject to some changes hereafter.

Net sales by Segment (2)

(in million Yen)

(unaudited)



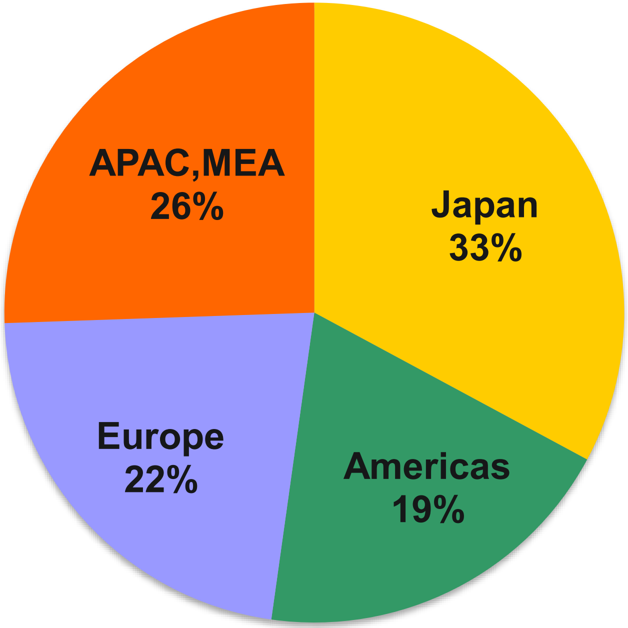
(Non-GAAP)

"Notice"
1.As Sales by Segment numbers are just for internal use, they may be subject to some changes hereafter.

% share by region

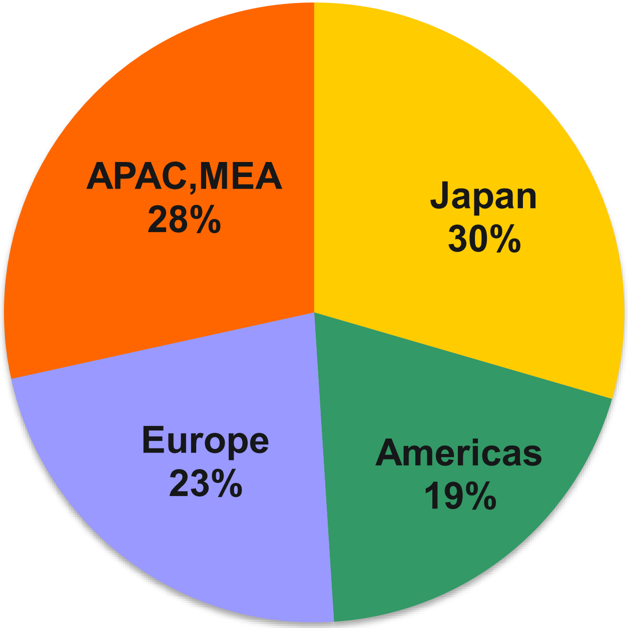
2Q2025

66,407 million Yen

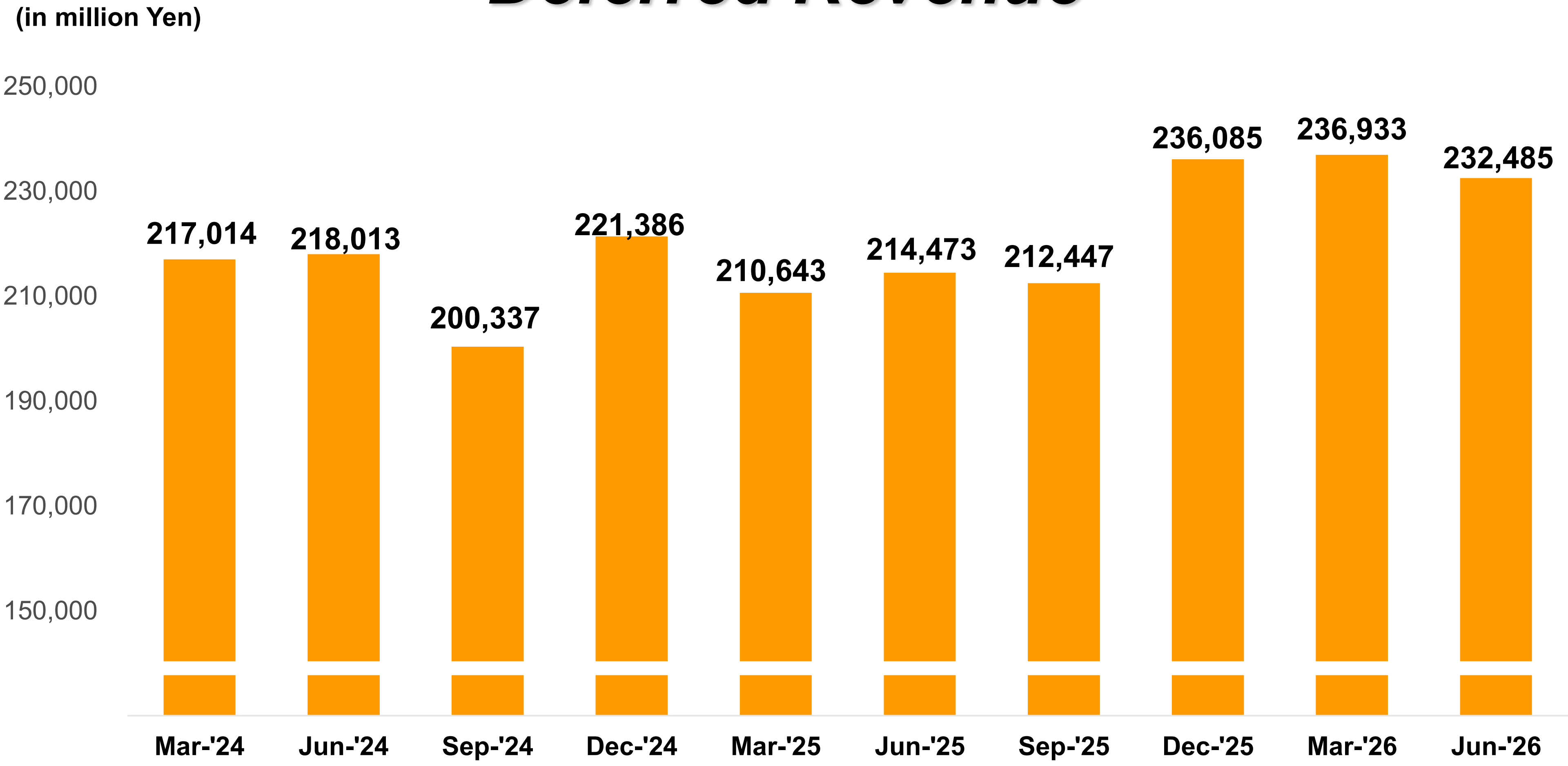


2Q2026

74,739 million Yen



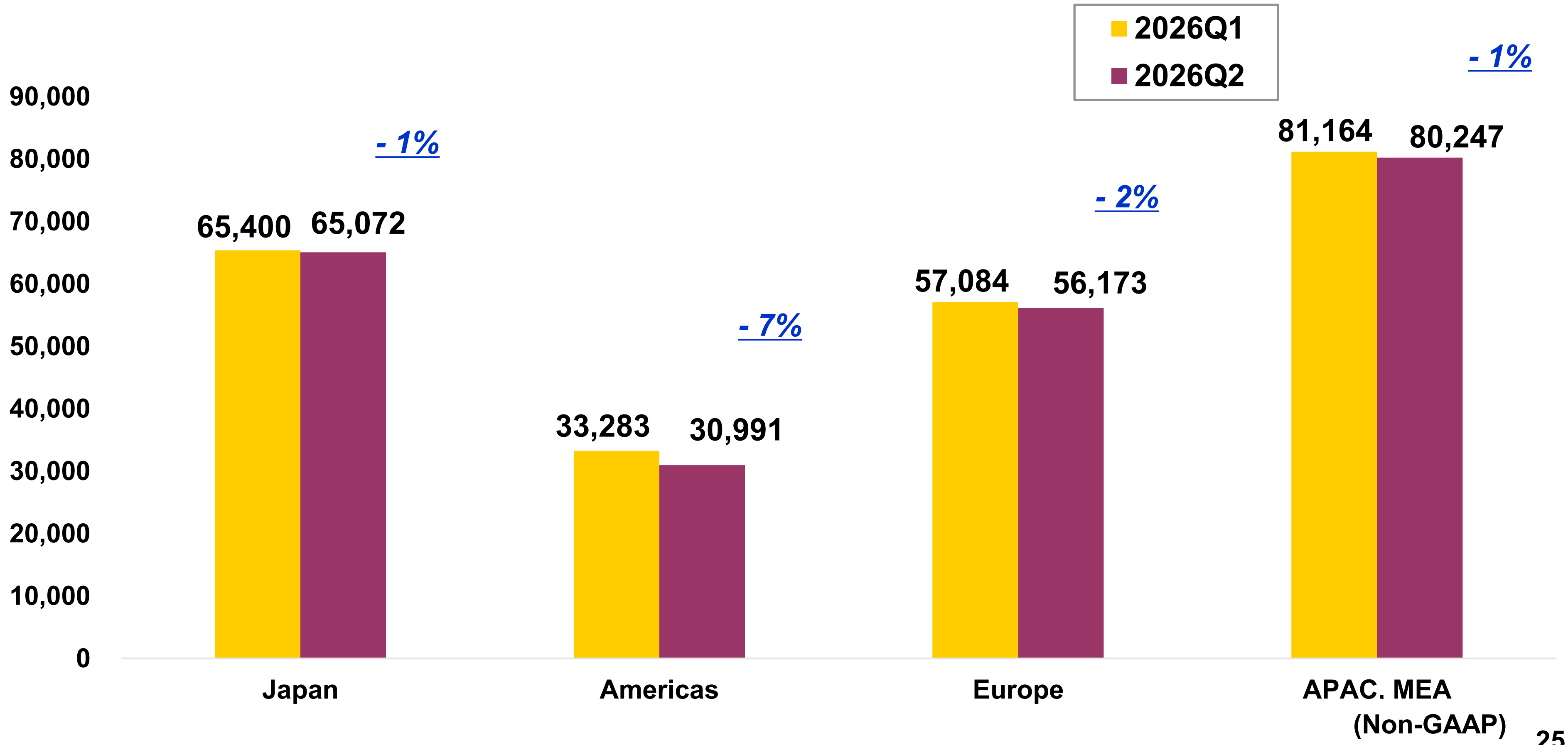
Deferred Revenue



Deferred Revenue by Region

(in million Yen)

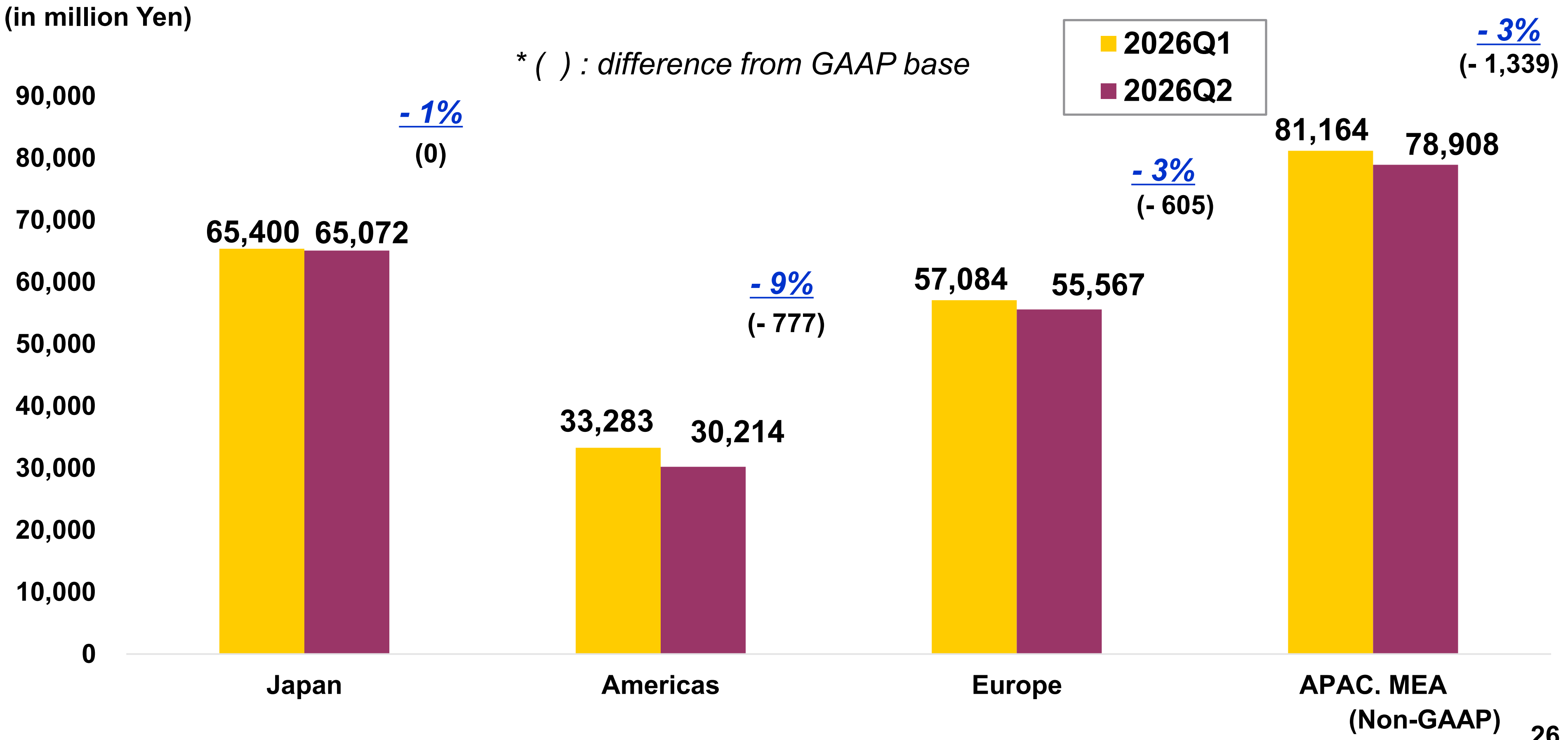
(unaudited)



Deferred Revenue by Region

(unaudited)

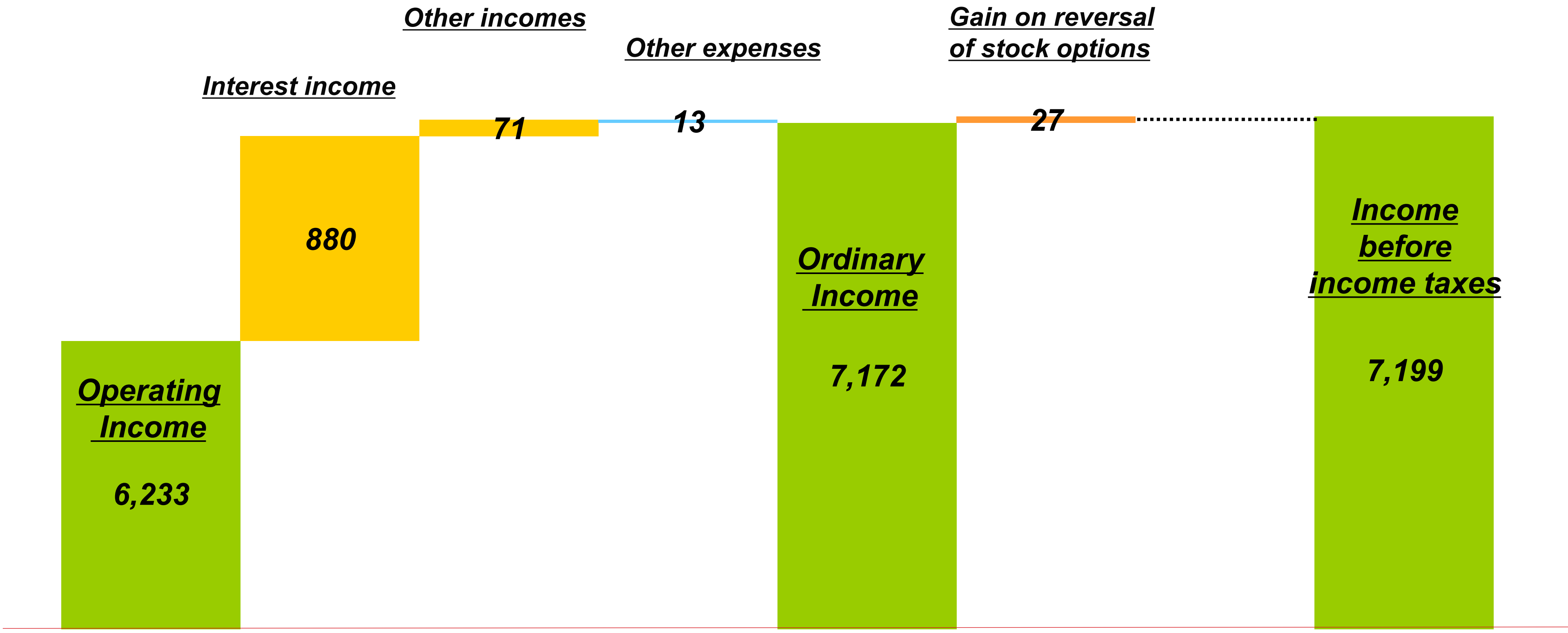
If currency exchange rates used as of the end of 1Q2026 were used as of the end of 2Q2026:



Non-operating & Extra-ordinary Items

(in million Yen)

(unaudited)



Balance Sheet

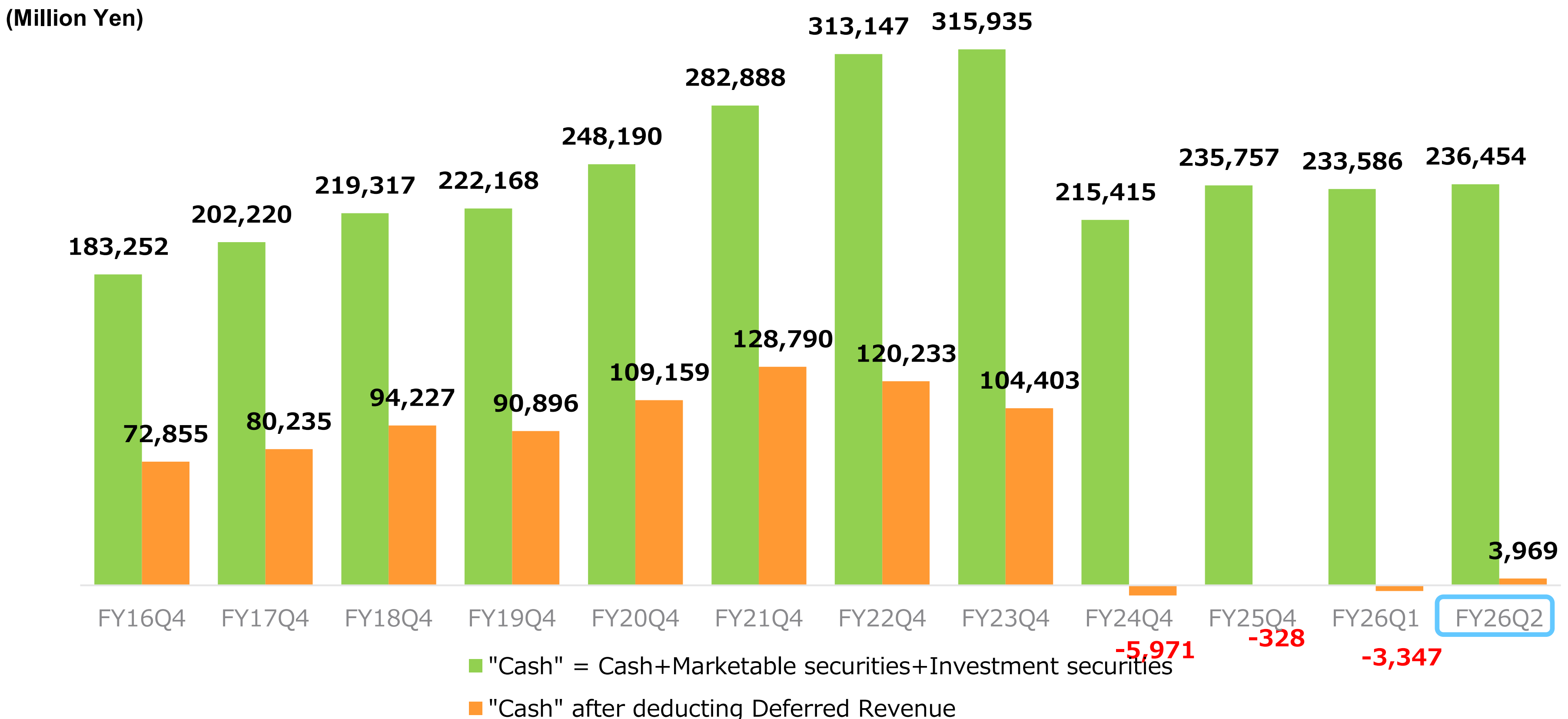
(unaudited)

(in million Yen)

	Mar-2026	change	Jun-2026
Assets			
Cash & cash equivalents	215,341	+ 4,561	219,902
Account receivable *(less allowance for doubtful accounts)*	55,933	+ 207	56,140
Marketable securities & Securities investments	18,245	- 1,693	16,552
Software	17,795	- 116	17,679
Liabilities			
Deferred revenue	236,933	- 4,448	232,485
Shareholders' Equity			
Common Stock & Additional paid in capital	48,731	+ 6	48,737
Retained earnings *(less Treasury Stock)*	11,834	+ 3,628	15,462

Shrinking "holding Cash"

The holding "Cash," after deducting Deferred revenue (which is the consideration for future service obligations), has currently shrunk to a net-zero level.



FY2026 6months Financial Highlight

(January ~ June, 2026)

TREND MICRO

Consolidated Results (6 months)

(in million Yen)

6 months ended Jun 30,	2025 (1-2Q)	(Progress vs. last year's annual result)	2026 (1-2Q)	YoY growth	(Progress vs. current year's annual forecast)
Net sales	133,909	(49%)	148,596	+ 11%	(49%)
Total Operating expenses	105,436		126,803	+ 20%	
Operating income	28,472	(49%)	21,792	- 23%	(39%)
(Margin)	*(21%)*		*(15%)*		
Ordinary income	21,475	(40%)	24,824	+ 16%	(45%)
Net income attributable to owners of the parent	14,436	(42%)	15,230	+ 6%	(42%)

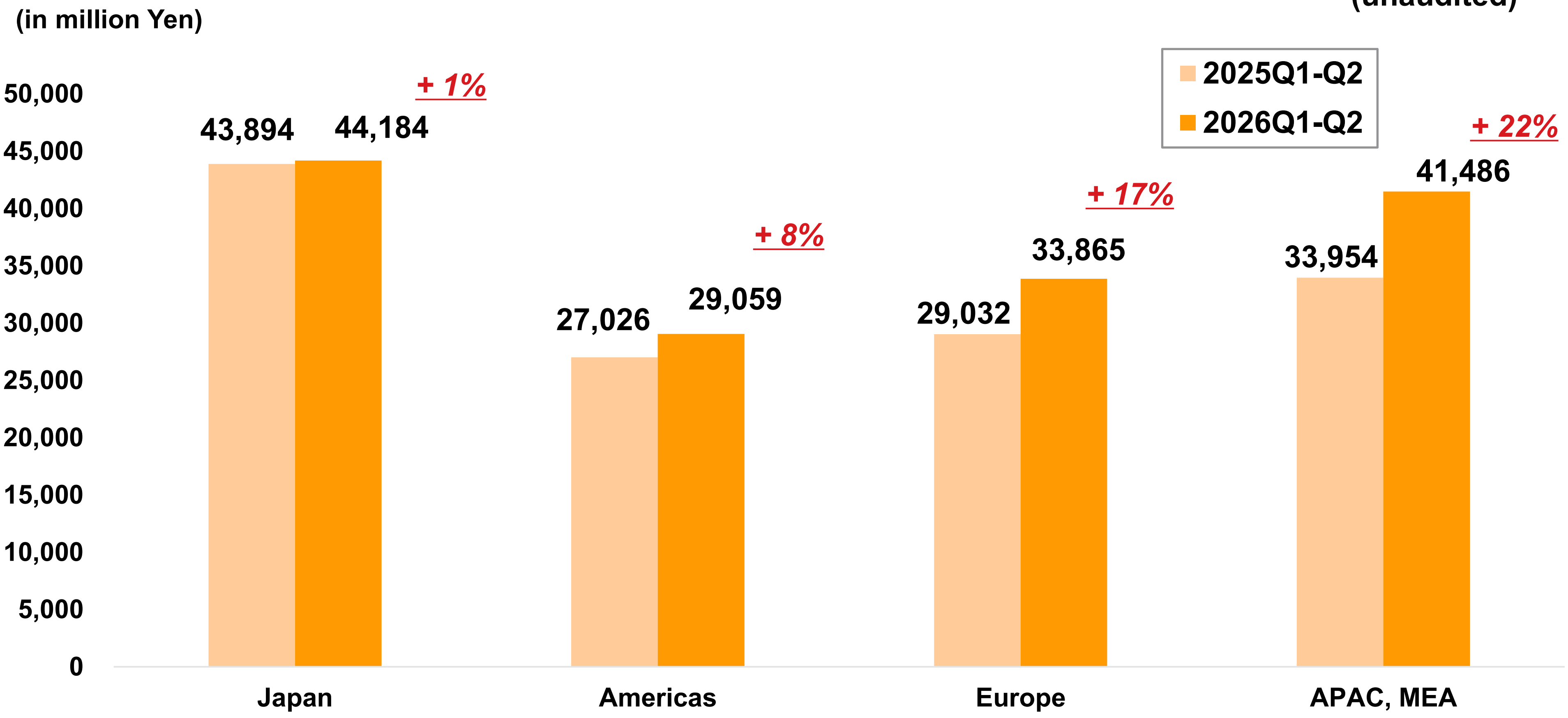
(Constant currency basis)

Net sales	+ 3%

(Non-GAAP)

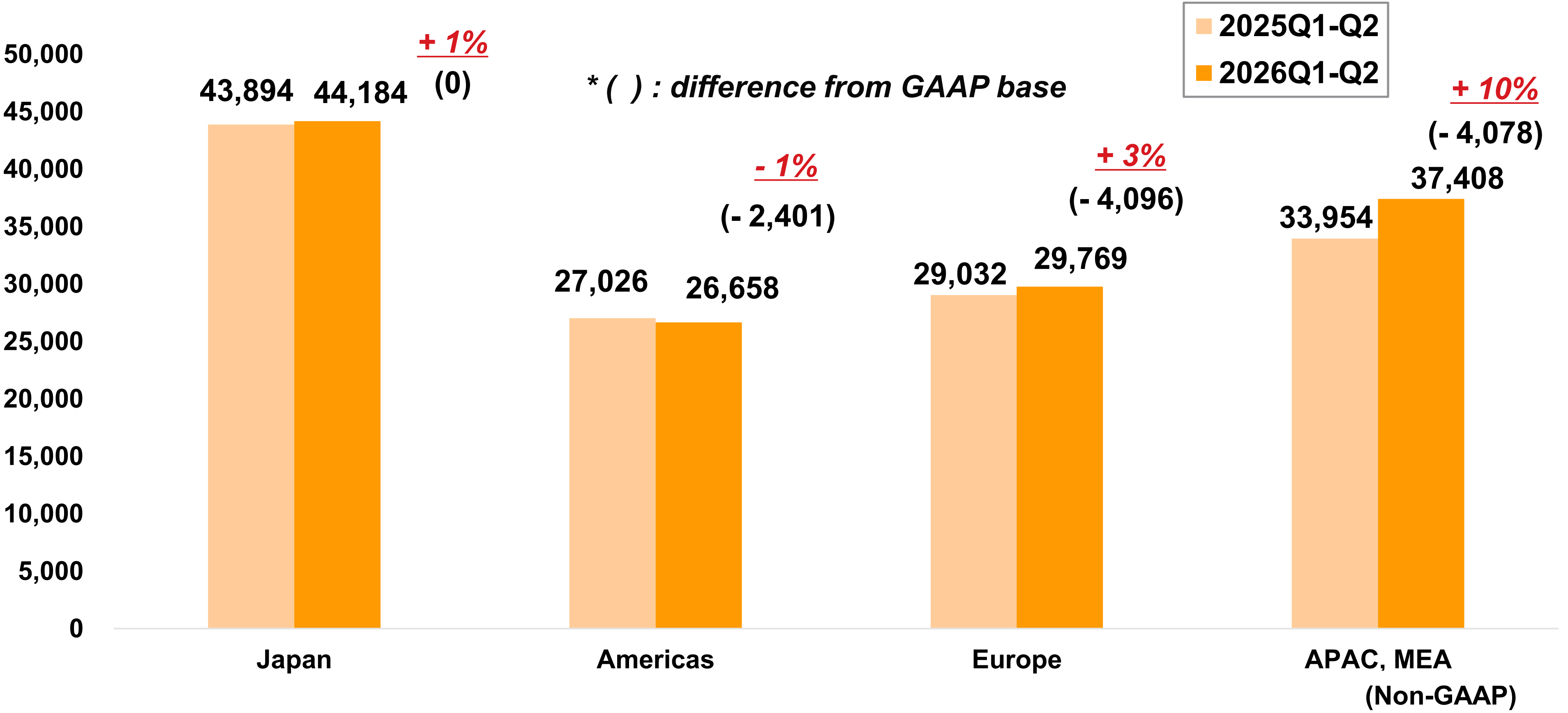
Net Sales Growth by Region

(unaudited)



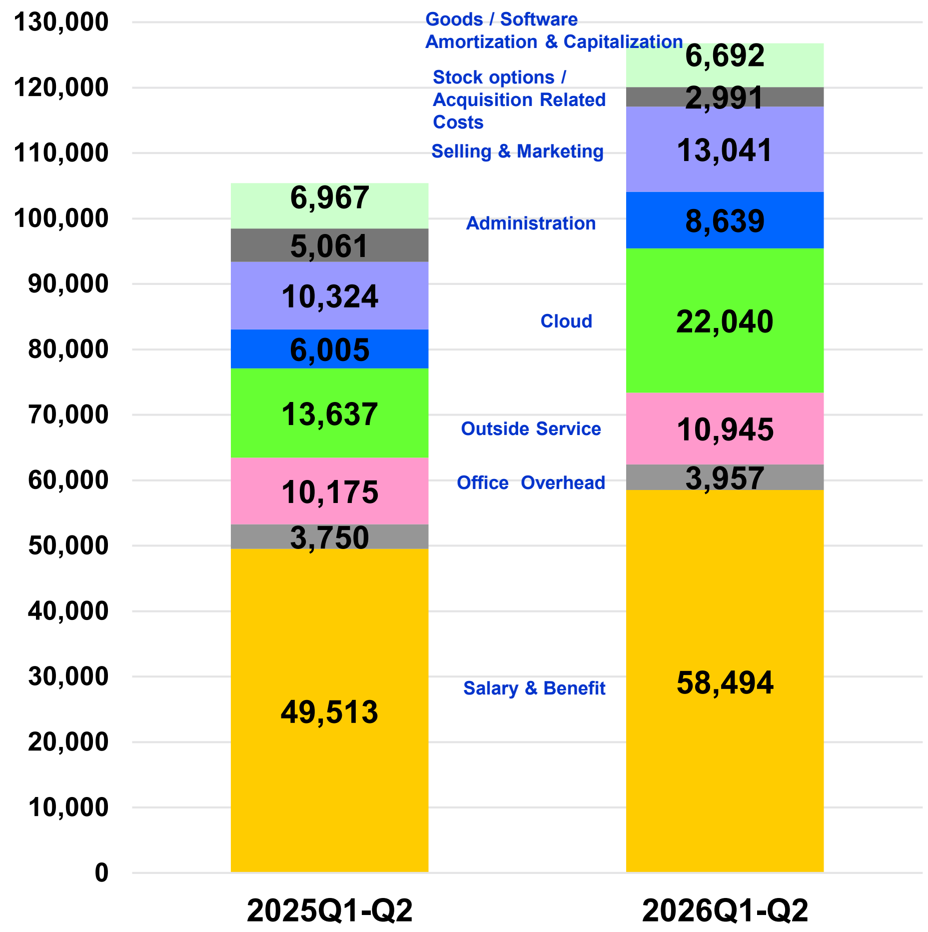
Net Sales Growth by Region

(in million Yen) *If currency exchange rates used for 2025（Q1-Q2）were used for 2026（Q1-Q2）:* (unaudited)



FY2026 Cost (6 months)

(in million Yen)



(unaudited)

	YoY Growth
Salary & Benefit	+ 18%
Office Overhead	+ 6%
Outside Service	+ 8%
Cloud	+ 62%
Administration	+ 44%
Selling & Marketing	+ 26%
Stock Options / Acquisiton Related Costs	- 41%
Goods/Software Amortization & Capitalization	- 4%
Total	**+ 20%**
Headcount	**- 102 (- 1%)**

(Non-GAAP)

Thank You

Appendix

(unaudited)

Quarterly Chart (1)

(in million Yen)

	FY2025				FY2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Sales	67,501	66,407	68,844	73,230	73,856	74,739		
COGS	16,417	15,520	15,447	16,331	16,691	17,258		
SG&A	36,077	37,420	37,395	43,595	41,606	51,247		
Operating Income	15,006	13,465	16,001	13,303	15,558	6,233		
Ordinary Income	12,408	9,066	18,041	14,463	17,651	7,172		
Net Income (attributable to owners of parent)	8,858	5,478	12,606	7,580	11,775	3,455		

(Total Cost breakdown)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Goods / Software Amortization	2,782	4,184	3,754	4,393	2,399	4,293		
Stock option cost	2,746	996	−39	160	469	1,168		
Acquisition related costs	675	643	656	667	671	682		
Selling & Marketing	4,573	5,750	5,611	8,477	5,306	7,735		
Administration	2,872	3,133	3,727	4,375	4,498	4,140		
Cloud	6,887	6,750	6,935	8,852	9,317	12,723		
Outside service	5,143	5,032	4,903	5,524	5,245	5,700		
Office overhead	1,905	1,844	1,983	1,973	1,947	2,010		
Salary & Benefit	24,907	24,606	25,310	25,500	28,442	30,051		
Total	52,495	52,941	52,843	59,927	58,297	68,505		

Headcount	6,819	6,813	6,740	6,717	6,760	6,711		

Applied rate (USD)	152.60	144.61	147.47	154.22	156.92	159.47		
Applied rate (Euro)	160.58	163.85	172.34	179.48	183.65	185.38		

Appendix

Quarterly Chart (2)

(unaudited)

(in million Yen)

	FY2025				FY2026			
(Net Sales by Region & by Segment)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan (TrendAI)	10,896	10,733	10,693	10,795	10,805	10,722		
Japan (TrendLife)	11,045	11,086	11,099	11,273	11,229	11,280		
Japan (Incubation)	130	2	24	60	100	45		
Japan Total	22,072	21,822	21,816	22,129	**22,136**	**22,048**		
Americas (TrendAI)	12,600	11,553	12,219	13,253	12,852	12,899		
Americas (TrendLife)	1,573	1,298	1,310	1,377	1,646	1,661		
Americas (Incubation)	–	–	–	–	–	–		
Americas Total	14,174	12,852	13,530	14,631	**14,498**	**14,561**		
Europe (TrendAI)	14,118	14,647	15,279	16,854	16,835	16,714		
Europe (TrendLife)	142	124	128	143	155	160		
Europe (Incubation)	–	–	–	–	–	–		
Europe Total	14,261	14,771	15,407	16,998	**16,990**	**16,874**		
APAC, MEA (TrendAI)	15,936	16,046	17,068	18,333	18,743	19,719		
APAC, MEA (TrendLife)	1,009	911	1,010	1,134	1,483	1,534		
APAC, MEA (Incubation)	47	3	10	3	3	1		
APAC, MEA Total	16,993	16,961	18,089	19,471	**20,231**	**21,255**		
Total	67,501	66,407	68,844	73,230	73,856	**74,739**		

(Net Sales by Sement)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TrendAI	53,551	52,981	55,262	59,237	59,237	60,056		
TrendLife	13,771	13,420	13,547	13,929	14,515	14,636		
Incubation	178	5	34	64	104	46		
Total	67,501	66,407	68,844	73,230	73,856	**74,739**		