Trend Micro
FY2026 Q3 Results

Mahendra Negi CFO, Representative Director

November 12, 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.

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FY2026.Q3 Financial Highlight

(Third quarter ended Sep 30, 2026)

Q3 Consolidated Results

(unaudited)

(in million Yen)

Three months ended Sep 30,	*3Q2025*	*3Q2026*	*YoY growth*
Net sales	68,844	75,317	+ 9%
Total Operating expenses	52,843	62,085	+ 17%
Operating income *(Margin)*	16,001 *(23%)*	13,231 *(18%)*	- 17%
Ordinary income	18,041	12,698	- 30%
Net income attributable to owners of the parent	12,606	8,609	- 32%

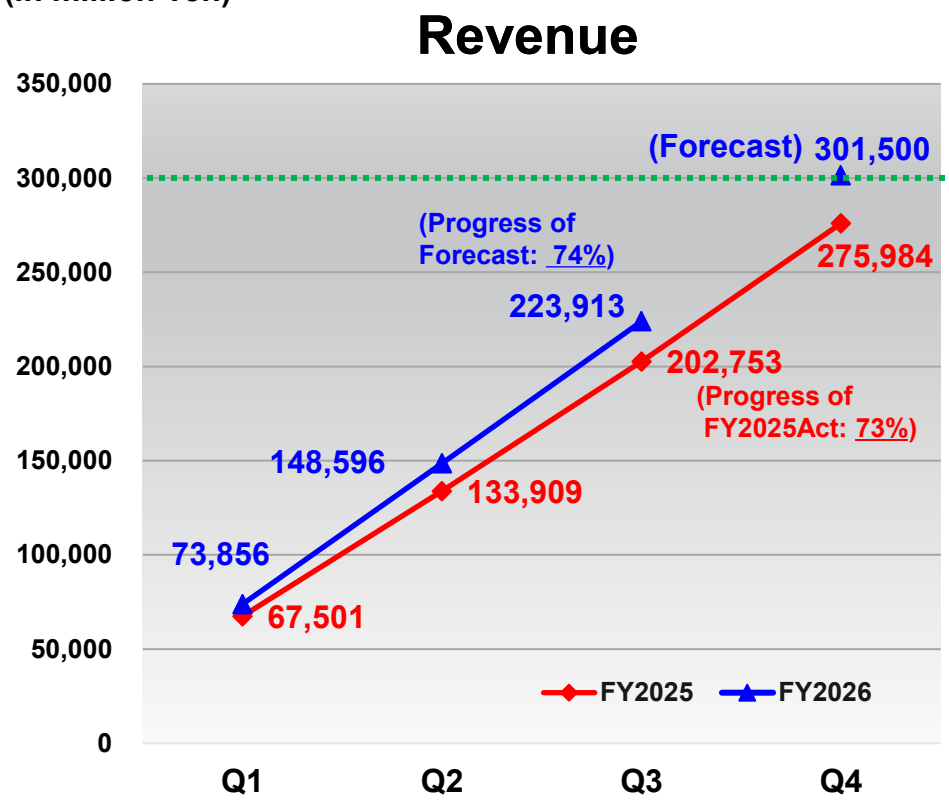
(Constant currency basis)

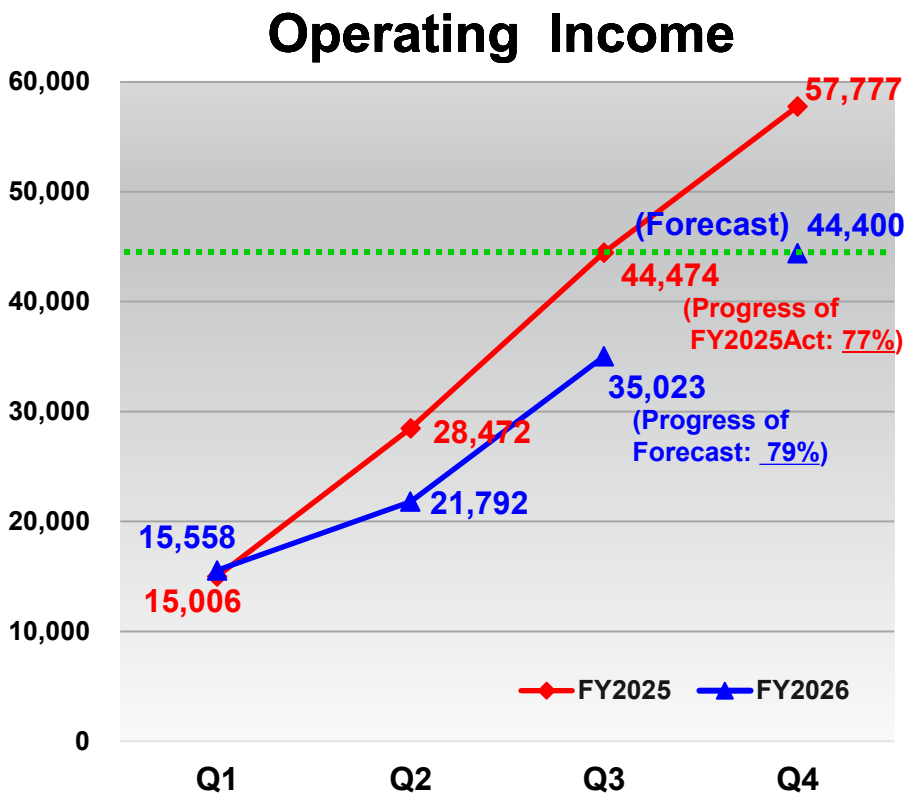
Net sales	+ 3%
TrendAI ARR growth	+ 8%

(Non-GAAP)

Progress（9 months）

(in million Yen)





(Reference) Operating Income: "Q1" vs. "Q3" in Stable Quarters

Q2 and Q4 tend to show large swings in operating income because of bonus costs tied to 1st half-year and 2nd half-year results, making it hard to see true QoQ changes.
Q1 and Q3 are relatively normal earnings quarters, so the reference figures below compare Q1 and Q3.

Because share price movements also have a large impact, the comparison excludes stock option costs.

Q3 has mostly returned to the profit margin level of Q1.

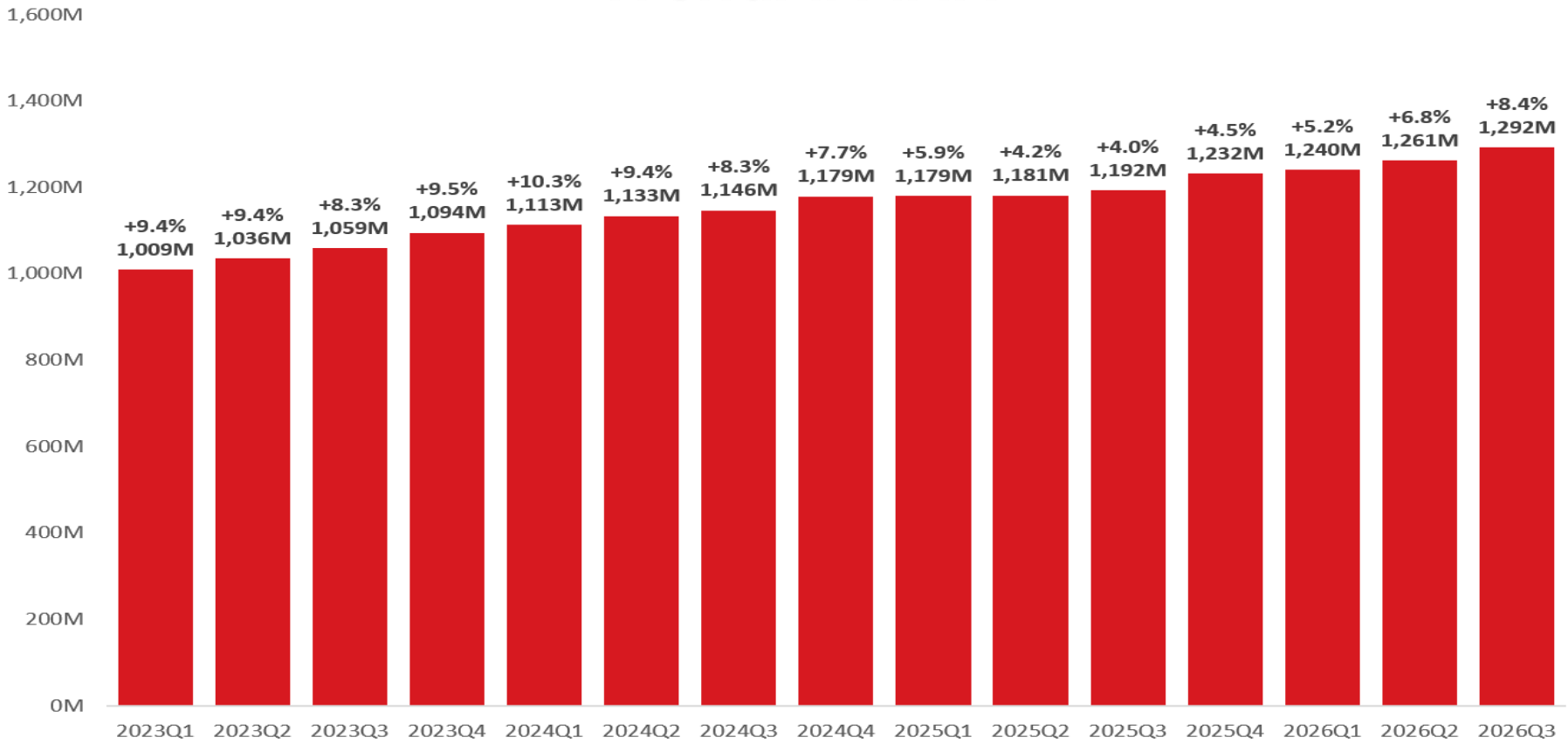
(in million Yen)

	1Q2026	3Q2026
Operating Income (Reported)	15,558	13,231
Stock option costs	469	1,253
Operating income excl. stock option costs	16,028	14,485
Margin ratio	22%	19%

TrendAI ARR

(USD)

(Non-GAAP)



*Since 2026Q3, the SMB products (Worry-Free) that had been included under the TrendAI brand have been transferred to the TrendLife brand. Accordingly, TrendAI's ARR figures have been retrospectively restated.

*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)

	25Q3	26Q2	26Q3	QoQ	YoY
Japan	$211M	$215M	**$215M**	**+0%**	**+2%**
Americas	$266M	$268M	**$275M**	**+3%**	**+4%**
Europe	$344M	$375M	**$383M**	**+2%**	**+12%**
AMEA	$372M	$404M	**$419M**	**+4%**	**+13%**
Total	$1,192M	$1,261M	**$1,292M**	**+2%**	**+8%**

*Since 2026Q3, the SMB products (Worry-Free) that had been included under the TrendAI brand have been transferred to the TrendLife brand. Accordingly, TrendAI's ARR figures have been retrospectively restated.

*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)

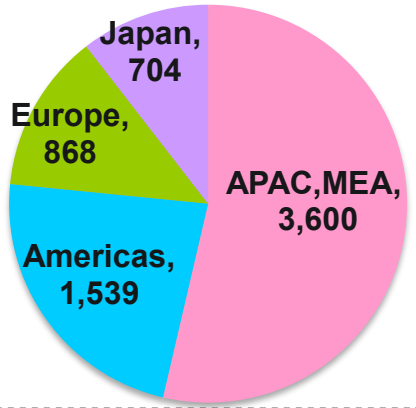
	3Q2025	3Q2026	YoY growth
Cash flows from operating activities	16,947	6,164	- 64%
Cash flows from investing activities	745	- 13,999	—
Cash flows from financing activities	147	2,403	+ 1529%
Effect of exchange rate changes on cash and cash equivalents	2,763	- 2,607	—
Net increase (decrease) in cash and cash equivalents	20,604	- 8,038	—
Cash and cash equivalents at beginning of this quarter period	187,987	214,195	+ 14%
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	—	—
Cash and cash equivalents at end of this quarter period	208,592	206,157	- 1%

Headcount

Jun - 2026

6,711



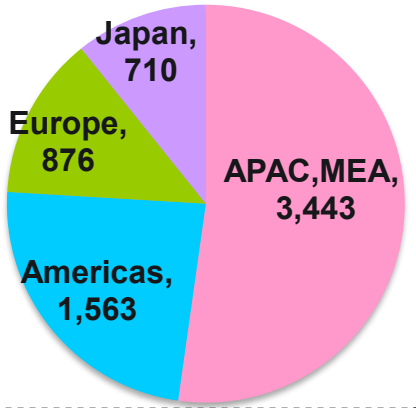


- 119
(- 2%)

Sep - 2026

6,592



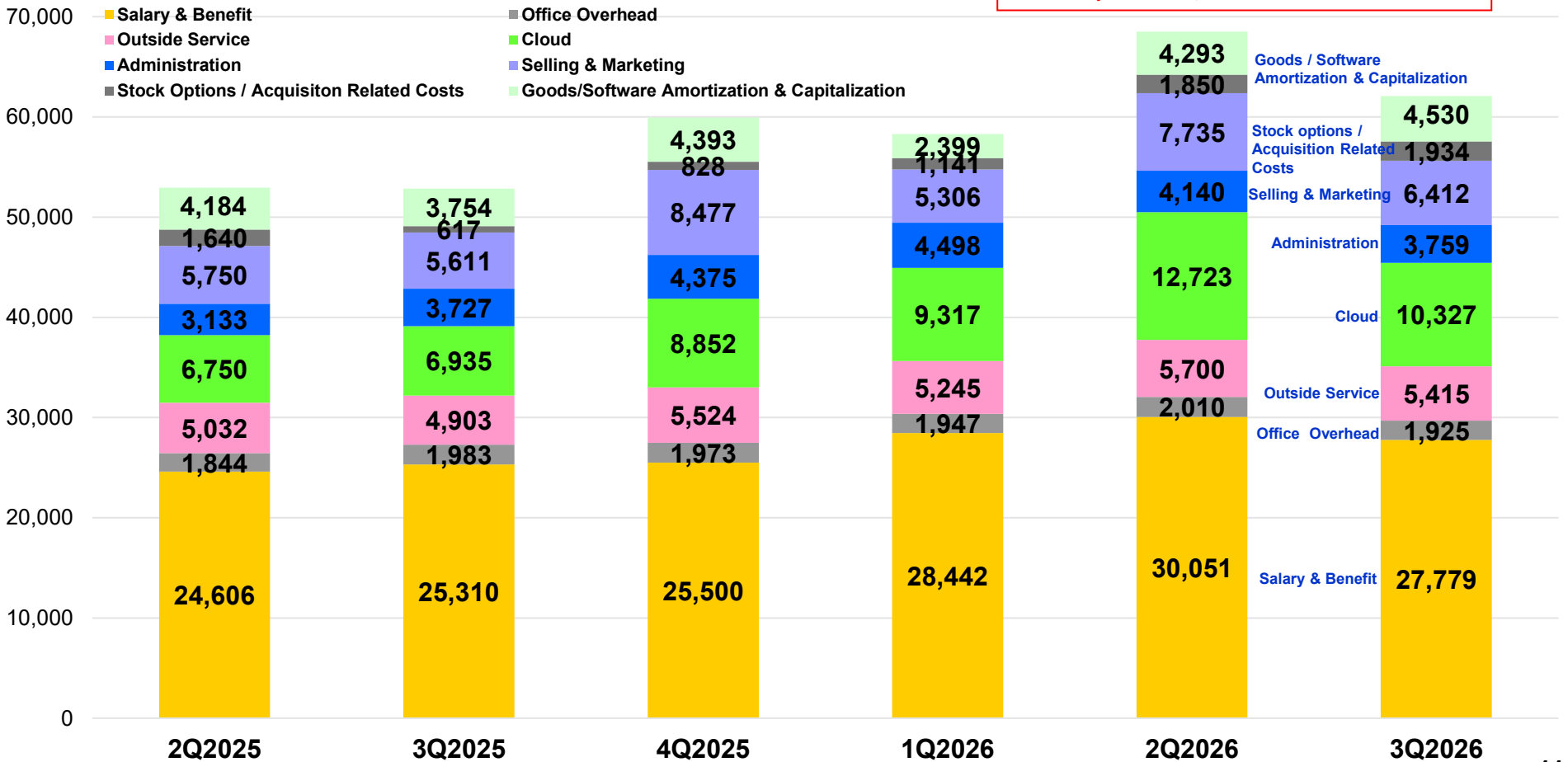


(in million Yen)

Cost

(Non-GAAP) (unaudited)

・Of 9.2 bn JPY YoY increase, estimated impact of JPY depreciation, about +3.1 bn JPY.



Q3 Highlights

- ***Highest-ever Quarterly Net Sales***
- ***TrendAI ARR growth continues to improve***

Regarding “IR Day 2026” and “ Road to 2028”

Trend Micro has decided not to hold an IR Day in 2026 and to not extend the current Road to 2028 road map.

We had started providing a three year road map since 2023 to reduce the volatility in the share price due to quarterly numbers, however we have come to the conclusion that this has not really made any difference, while at the same time the operating environment continues to change at an ever faster pace, making long term forecasting even more difficult.

We will therefore be reverting to annual guidance only, and will continue to use the quarterly announcement calls to provide the business / strategy inputs that the investors and analysts require.

FY2026 Guidance

Projection for FY2026 Annual (No change)

(in million Yen)

	For FY2026 Jan - Dec, 2026	Expected YoY growth
Net Sales	301,500	+ 9%
Operating Income "Margin"	44,400 "15%"	- 23%
Ordinary Income	46,000	- 15%
Net Income attributable to owners of the parent	30,700	- 11%

(Estimated second half exchange rate 1USD=156 yen, 1EUR=183 yen)

"Reference" actual exchange rate up to Q3: 1USD=159 yen, 1EUR=184 yen

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

Net Sales	+ 6%

(Non-GAAP)

Appendix for FY2026.Q3

Q3 USD based Results (Non-GAAP)

(unaudited)

(in thousand USD)

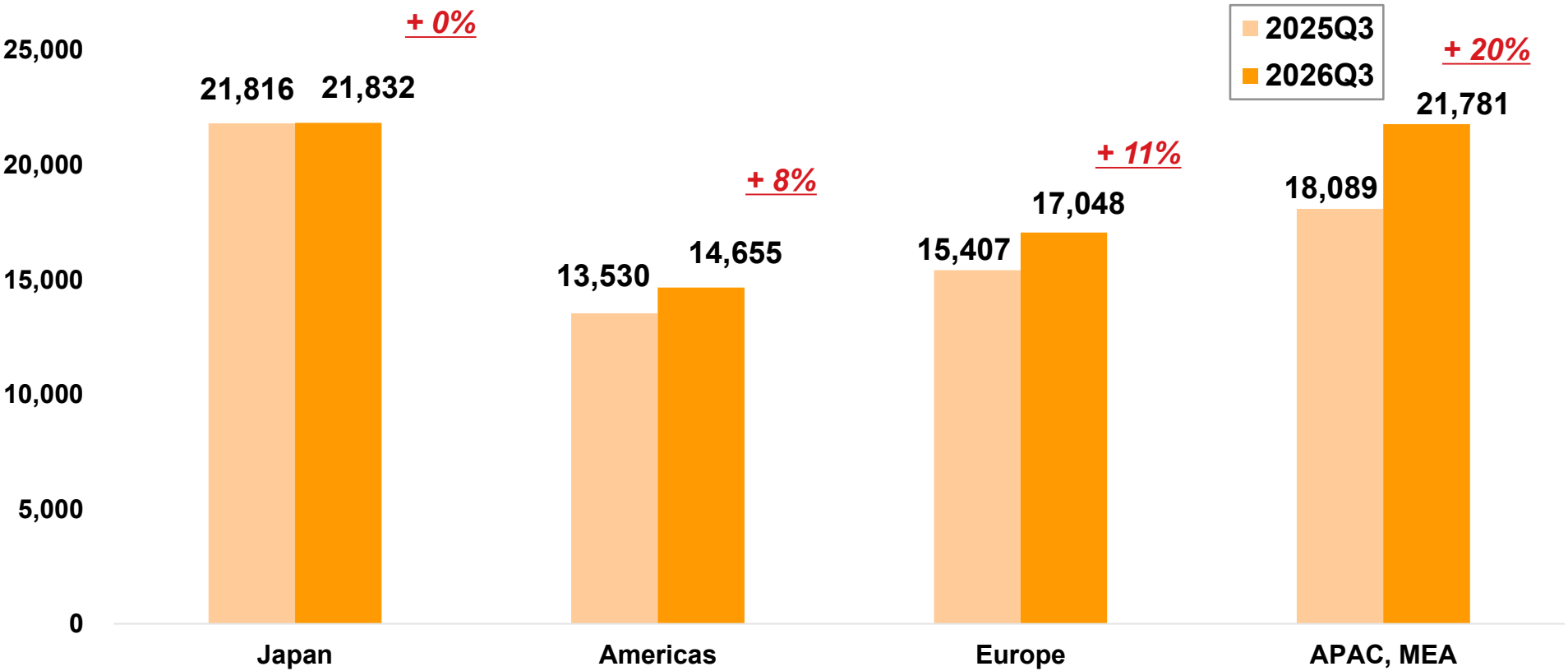
Three months ended Sep 30,	3Q2025	3Q2026	YoY change
Net sales	466,836	472,801	+ 1%
Cost of sales	104,752	109,879	+ 5%
Operating expenses	253,580	279,860	+ 10%
Operating income	108,504	83,061	- 23%
Ordinary income	122,338	79,714	- 35%
Net Income attributable to owners of the parent	85,487	54,043	- 37%

(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=147.47 JPY for 3Q2025 and 1 USD =159.30 JPY for 3Q2026, 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)

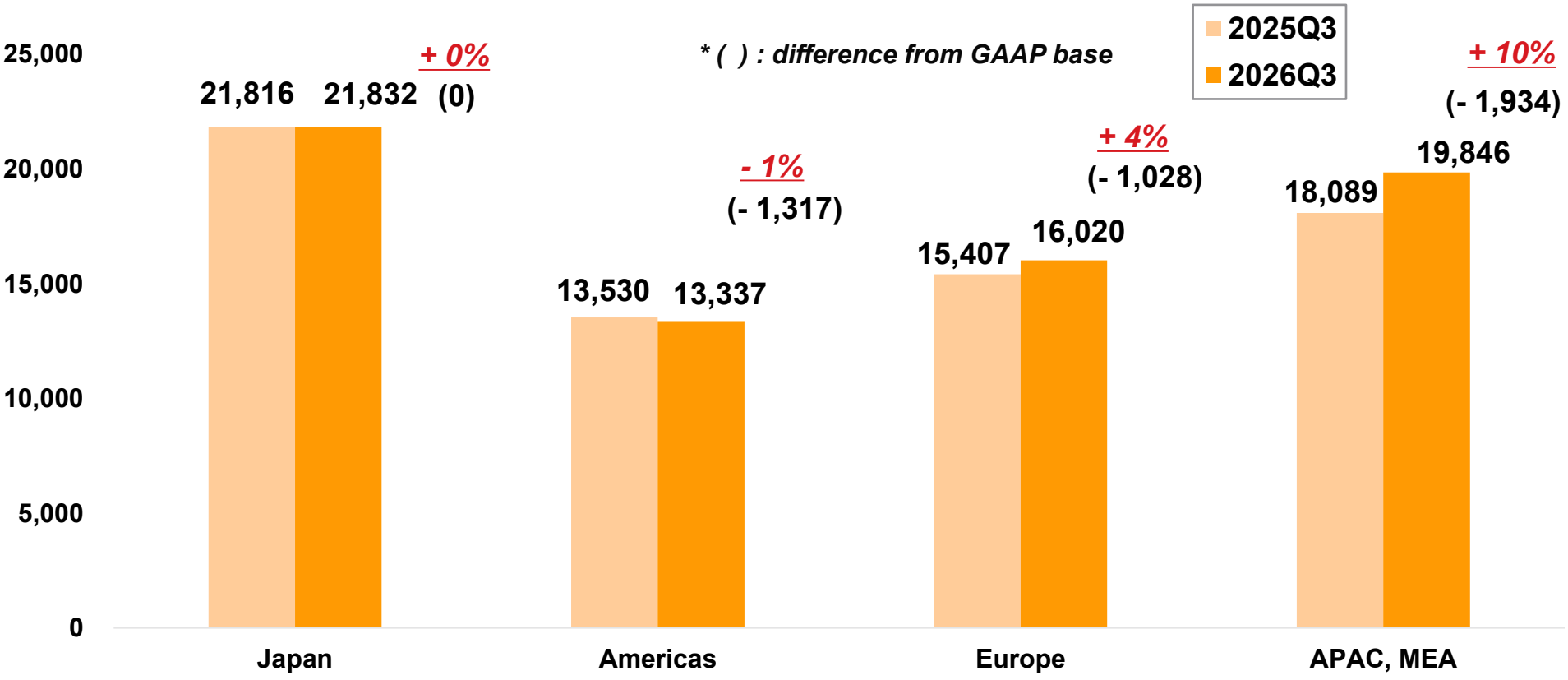


Net Sales Growth by Region

(in million Yen)

(unaudited)

If currency exchange rates used for 3Q2025 were used for 3Q2026:

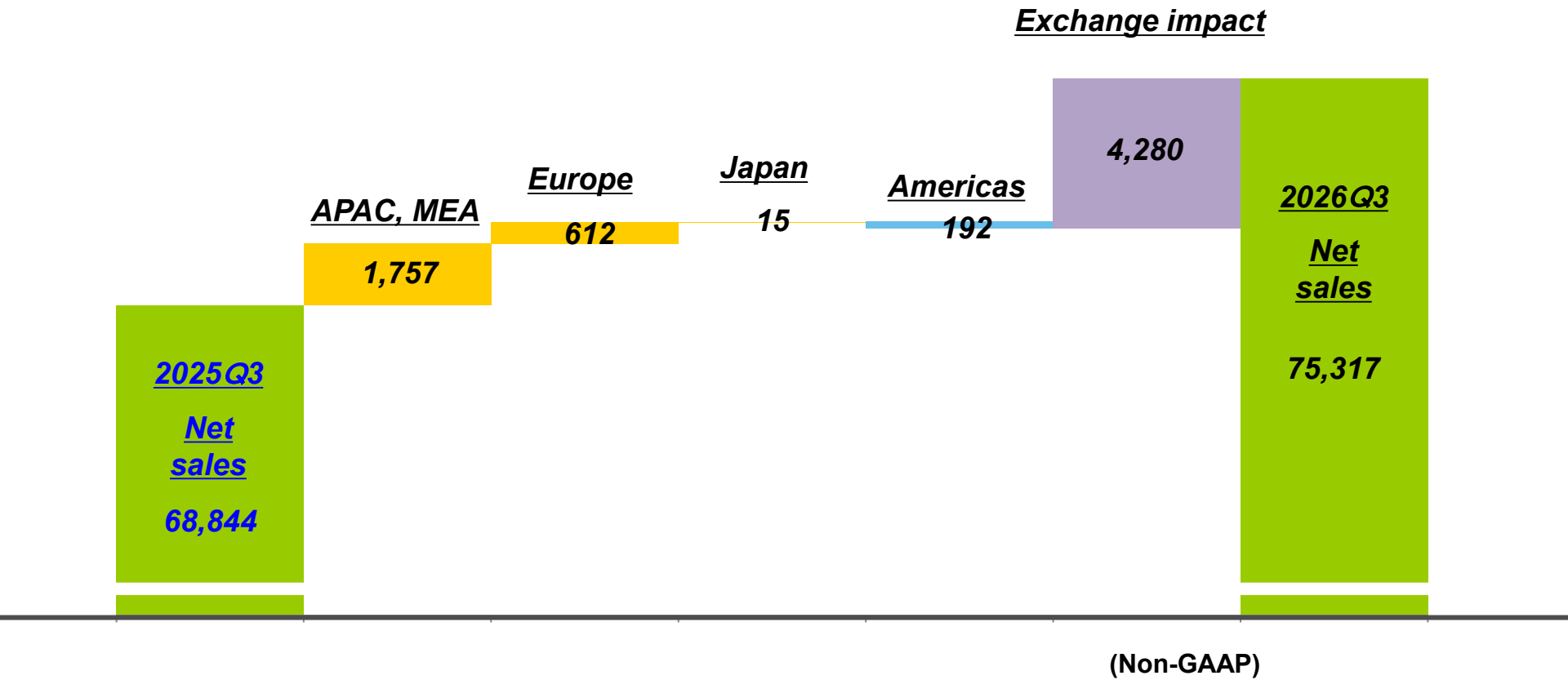


(Non-GAAP)

Decomposition of Revenue (vs. last year)

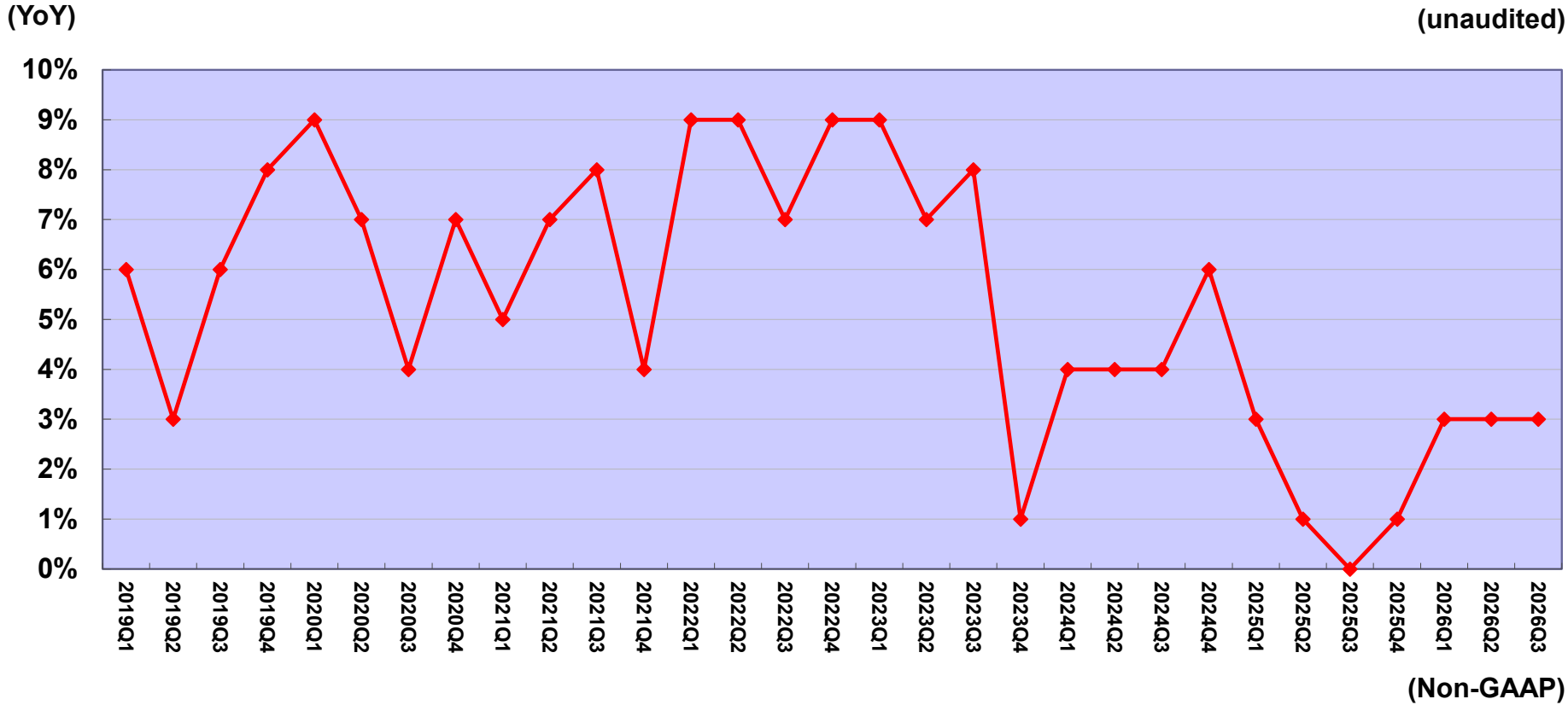
(in million Yen)

(unaudited)



(Non-GAAP)

Constant currency Revenue growth

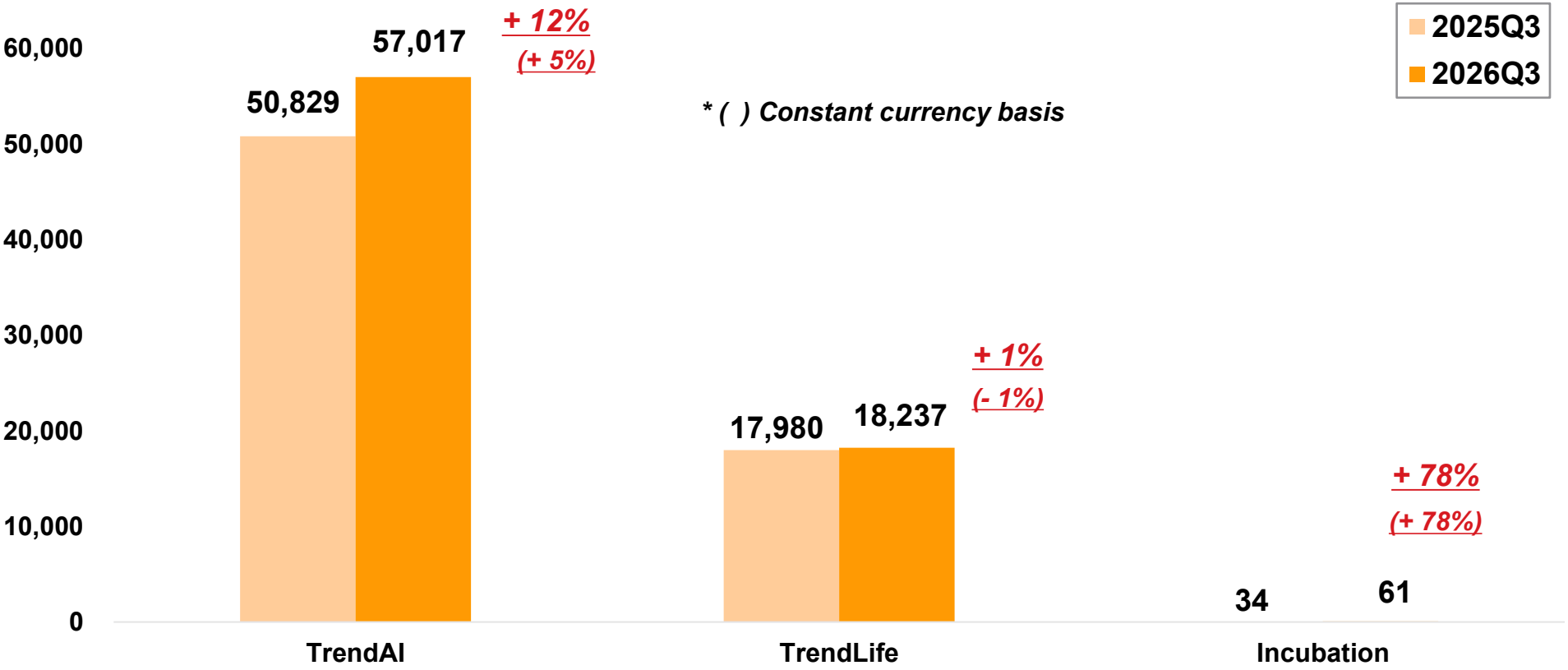


- *Each growth rate shown above is based on applying to each quarter the same currency rate as the previous year for the same period*

Net sales by Brand

(in million Yen)

(unaudited)
(Non-GAAP)



*( ) Constant currency basis

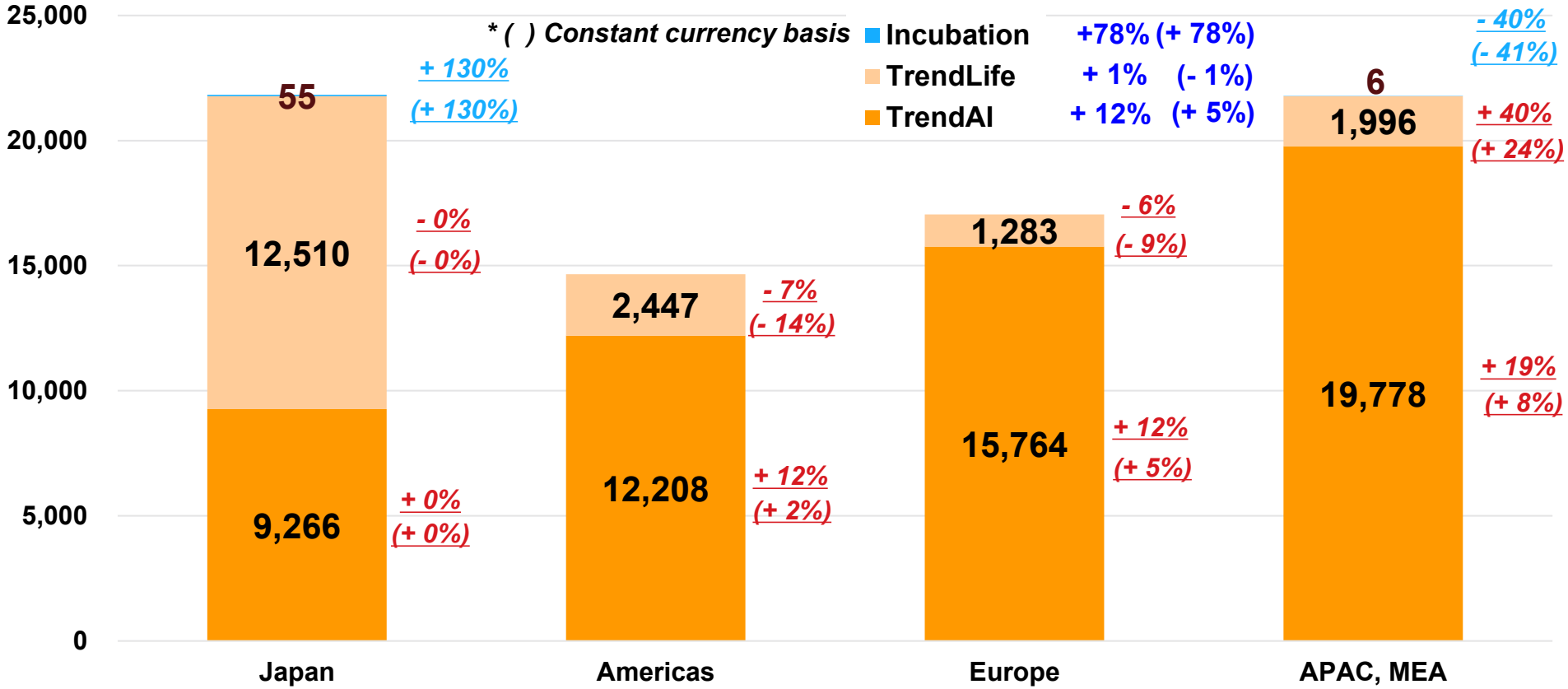
"Notice"

1. Following the transfer of the SMB product (Worry-Free), previously included under the TrendAI brand, to the TrendLife brand from 2026Q3, we have retroactively revised brand-level revenue for 2025Q1 through 2026Q2.
2. As Sales by Segment numbers are just for internal use, they may be subject to some changes hereafter.

Net sales by brand by region

(in million Yen)

(unaudited)
(Non-GAAP)



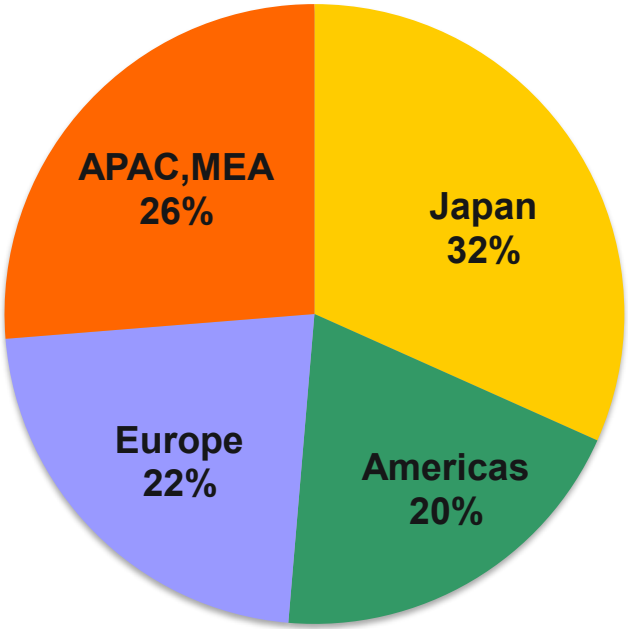
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% share by region

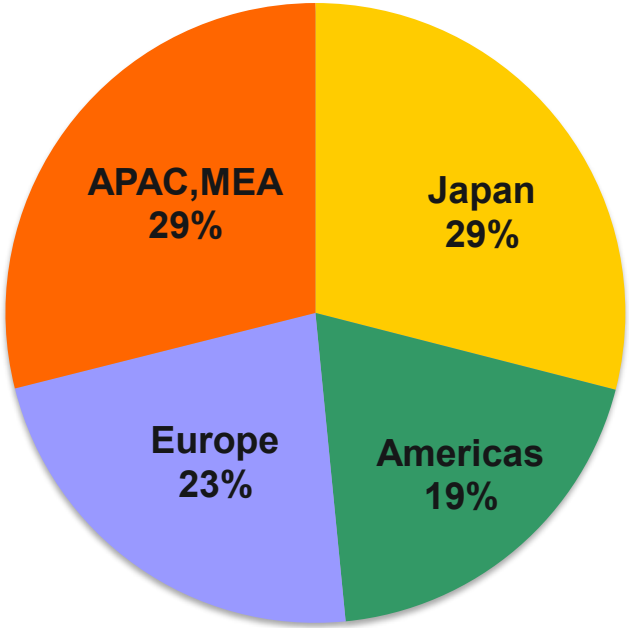
3Q2025

68,844 million Yen



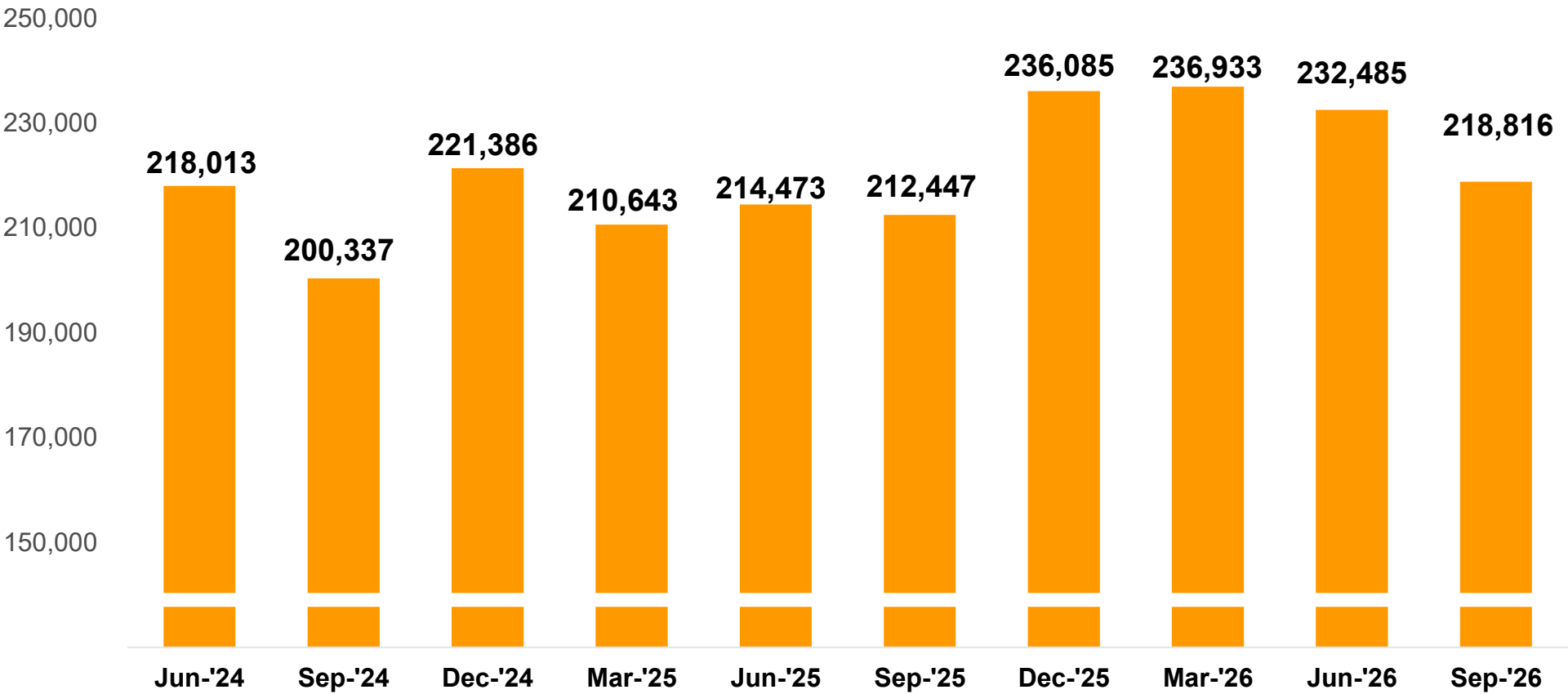
3Q2026

75,317 million Yen



Deferred Revenue

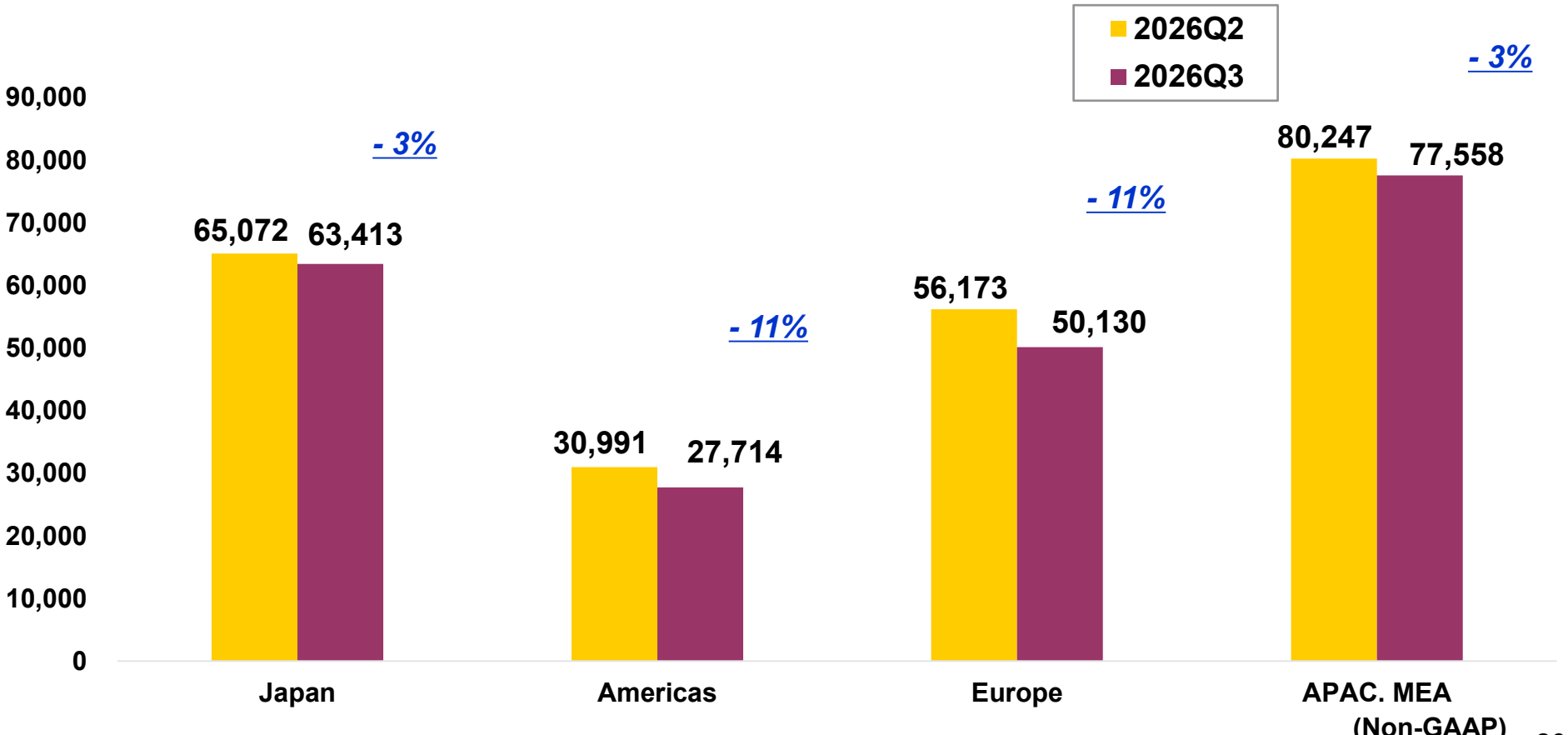
(in million Yen)



Deferred Revenue by Region

(in million Yen)

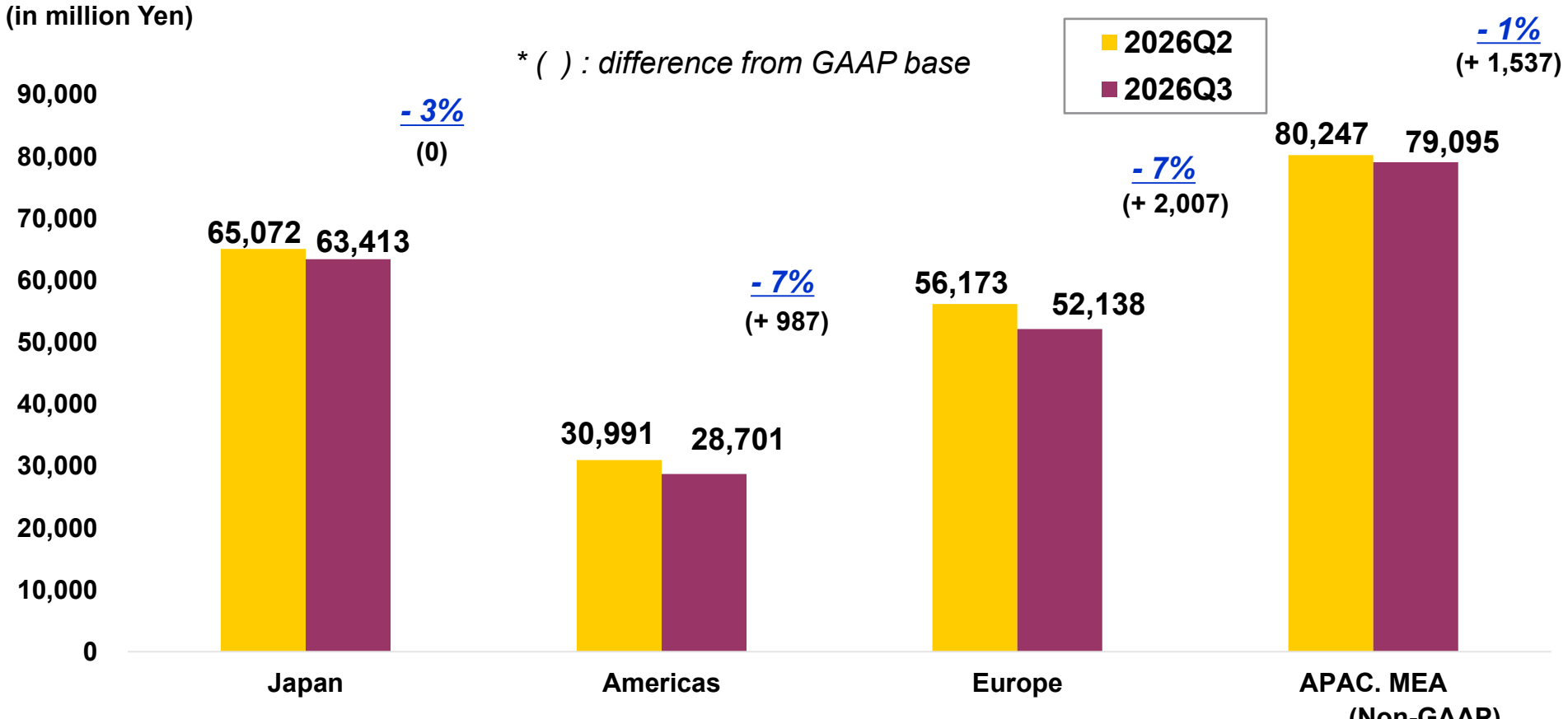
(unaudited)



Deferred Revenue by Region

(unaudited)

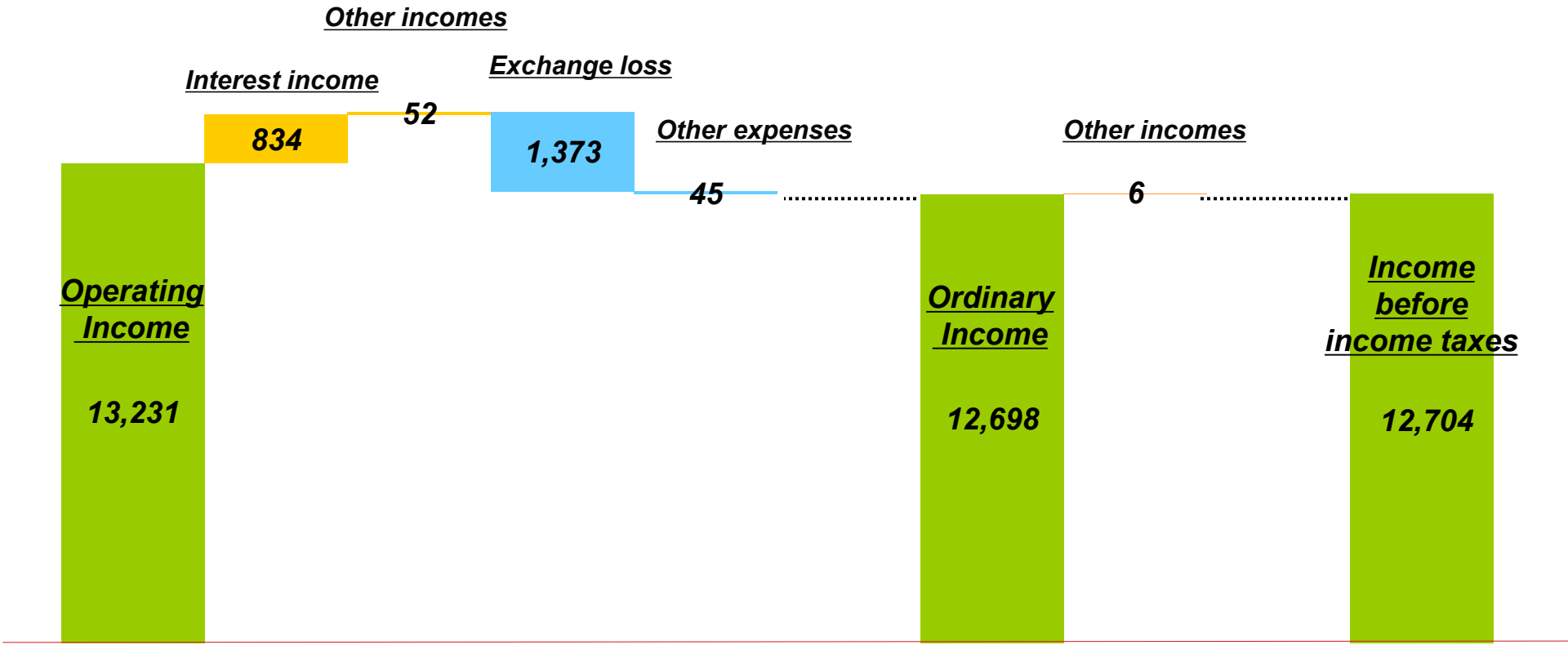
If currency exchange rates used as of the end of 2Q2026 were used as of the end of 3Q2026:



Non-operating & Extra-ordinary Items

(in million Yen)

(unaudited)



Balance Sheet

(unaudited)

(in million Yen)

	Jun-2026	change	Sep-2026
Assets			
Cash & cash equivalents	219,902	- 15,601	204,301
Account receivable (less allowance for doubtful accounts)	56,140	- 8,904	47,236
Marketable securities & Securities investments	16,552	+ 15,341	31,893
Software	17,679	- 864	16,815
Liabilities			
Deferred revenue	232,485	- 13,669	218,816
Shareholders' Equity			
Common Stock & Additional paid in capital	48,737	+ 430	49,167
Retained earnings (less Treasury Stock)	15,462	+ 9,578	25,040

FY2026 9months Financial Highlight

(January ~ September, 2026)

Consolidated Results (9 months)

(in million Yen)

9 months ended Sep 30,	2025 (1-3Q)	(Progress vs. last year's annual result)	2026 (1-3Q)	YoY growth	(Progress vs. current year's annual forecast)
Net sales	202,753	(73%)	223,913	+ 10%	(74%)
Total Operating expenses	158,279		188,889	+ 19%	
Operating income	44,474	(77%)	35,023	- 21%	(79%)
(Margin)	(22%)		(16%)		
Ordinary income	39,516	(73%)	37,522	- 5%	(82%)
Net income attributable to owners of the parent	26,942	(78%)	23,839	- 12%	(78%)

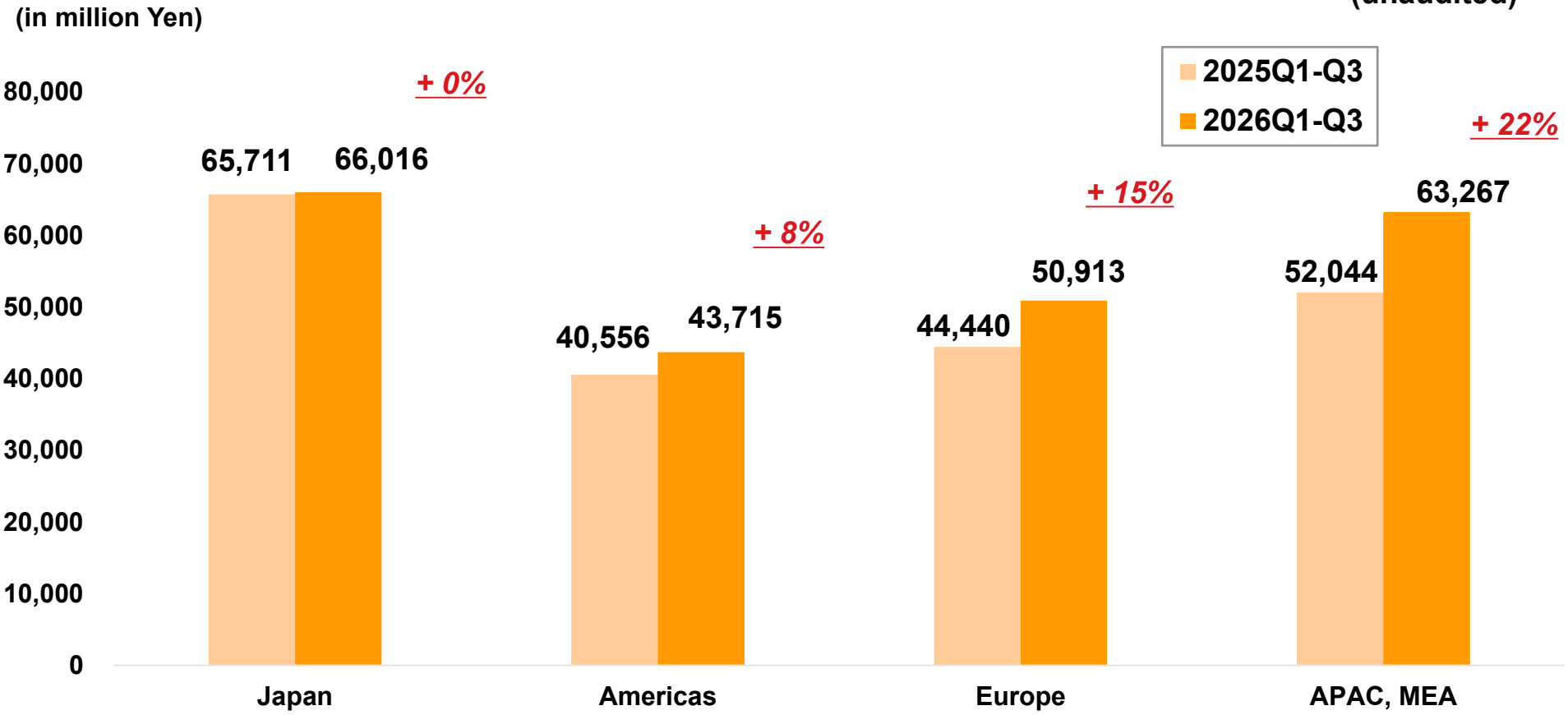
(Constant currency basis)

Net sales + 3%

(Non-GAAP)

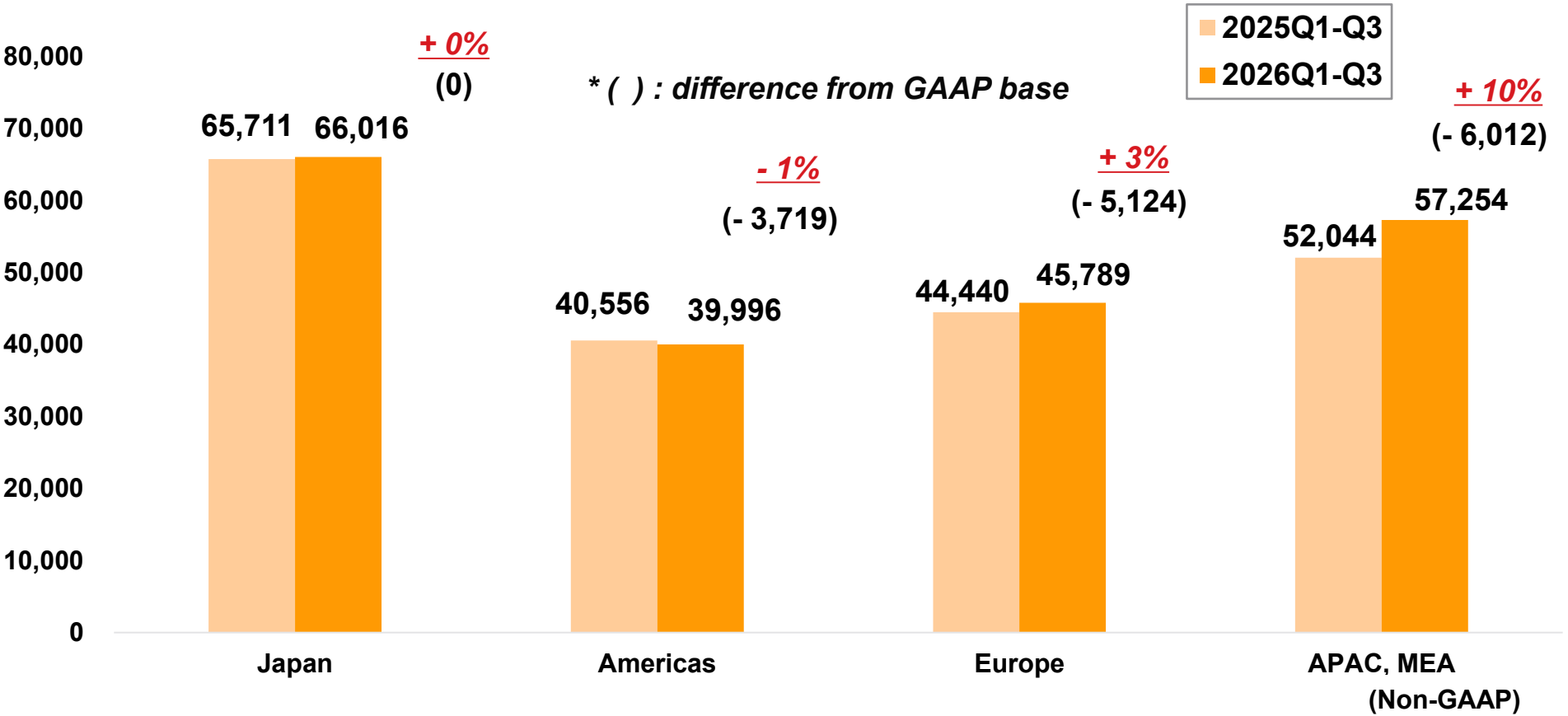
Net Sales Growth by Region

(unaudited)



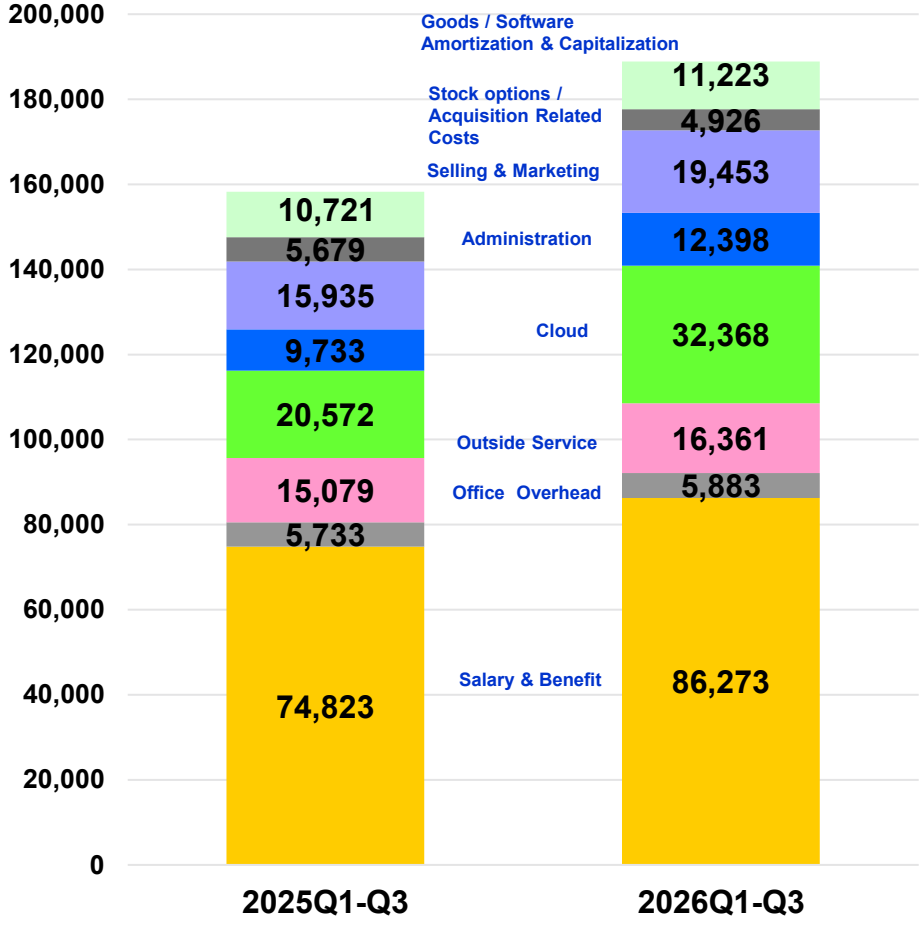
Net Sales Growth by Region

(in million Yen) *If currency exchange rates used for 2025 (Q1-Q3) were used for 2026 (Q1-Q3):* (unaudited)



FY2026 Cost (9 months)

(in million Yen)



	YoY Growth
Salary & Benefit	+ 15%
Office Overhead	+ 3%
Outside Service	+ 9%
Cloud	+ 57%
Administration	+ 27%
Selling & Marketing	+ 22%
Stock Options / Acquisiton Related Costs	- 13%
Goods/Software Amortization & Capitalization	+ 5%
Total	+ 19%
Headcount	- 148 (- 2%)

(unaudited)

(Non-GAAP)



Thank You

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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	75,317	
COGS	16,417	15,520	15,447	16,331	16,691	17,258	17,503	
SG&A	36,077	37,420	37,395	43,595	41,606	51,247	44,581	
Operating Income	15,006	13,465	16,001	13,303	15,558	6,233	13,231	
Ordinary Income	12,408	9,066	18,041	14,463	17,651	7,172	12,698	
Net Income (attributable to owners of parent)	8,858	5,478	12,606	7,580	11,775	3,455	8,609	

(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	4,530	
Stock option cost	2,746	996	−39	160	469	1,168	1,253	
Acquisition related costs	675	643	656	667	671	682	680	
Selling & Marketing	4,573	5,750	5,611	8,477	5,306	7,735	6,412	
Administration	2,872	3,133	3,727	4,375	4,498	4,140	3,759	
Cloud	6,887	6,750	6,935	8,852	9,317	12,723	10,327	
Outside service	5,143	5,032	4,903	5,524	5,245	5,700	5,415	
Office overhead	1,905	1,844	1,983	1,973	1,947	2,010	1,925	
Salary & Benefit	24,907	24,606	25,310	25,500	28,442	30,051	27,779	
Total	52,495	52,941	52,843	59,927	58,297	68,505	62,085	

Headcount	6,819	6,813	6,740	6,717	6,760	6,711	6,592	

Applied rate (USD)	152.60	144.61	147.47	154.22	156.92	159.47	159.30	
Applied rate (Euro)	160.58	163.85	172.34	179.48	183.65	185.38	183.35	

Appendix

(unaudited)
(in million Yen)

	FY2025				FY2026			
(Net Sales by Region & by Bland)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan (TrendAI)	9,462	9,273	9,234	9,320	9,321	9,213	9,266	
Japan (TrendLife)	12,478	12,546	12,557	12,747	12,713	12,789	12,510	
Japan (Incubation)	130	2	24	60	100	45	55	
Japan Total	**22,072**	**21,822**	**21,816**	**22,129**	**22,136**	**22,048**	**21,832**	
Americas (TrendAI)	11,788	10,825	10,889	12,334	12,002	12,065	12,208	
Americas (TrendLife)	2,385	2,026	2,640	2,297	2,495	2,495	2,447	
Americas (Incubation)	–	–	–	–	–	–	–	
Americas Total	**14,174**	**12,852**	**13,530**	**14,631**	**14,498**	**14,561**	**14,655**	
Europe (TrendAI)	12,956	13,447	14,049	15,584	15,623	15,525	15,764	
Europe (TrendLife)	1,304	1,323	1,358	1,414	1,366	1,349	1,283	
Europe (Incubation)	–	–	–	–	–	–	–	
Europe Total	**14,261**	**14,771**	**15,407**	**16,998**	**16,990**	**16,874**	**17,048**	
APAC, MEA (TrendAI)	15,539	15,641	16,656	17,890	18,319	19,290	19,778	
APAC, MEA (TrendLife)	1,407	1,316	1,422	1,577	1,908	1,963	1,996	
APAC, MEA (Incubation)	47	3	10	3	3	1	6	
APAC, MEA Total	**16,993**	**16,961**	**18,089**	**19,471**	**20,231**	**21,255**	**21,781**	
Total	**67,501**	**66,407**	**68,844**	**73,230**	**73,856**	**74,739**	**75,317**	

(Net Sales by Bland)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TrendAI	49,747	49,188	50,829	55,130	55,267	56,095	57,017	
TrendLife	17,576	17,212	17,980	18,036	18,484	18,597	18,237	
Incubation	178	5	34	64	104	46	61	
Total	**67,501**	**66,407**	**68,844**	**73,230**	**73,856**	**74,739**	**75,317**	

"Notice"
Following the transfer of the SMB product (Worry-Free), previously included under the TrendAI brand, to the TrendLife brand from 2026Q3, we have retroactively revised brand-level revenue for 2025Q1 through 2026Q2.