August 13, 2026

Report of Earning Results (Consolidated)
for the Second Quarter of the Fiscal Year
Ending December 31, 2026

Company :	Trend Micro Incorporated		Tokyo Stock Exchange, Prime Market
Code :	4704		Location : Tokyo
URL :	http://www.trendmicro.com		
Representative:	Title	Representative Director	
	Name	Eva Chen	
Contact:	Title	Representative Director	
	Name	Mahendra Negi	
	TEL	+81-3-4330-7600	

Expected date of the submission of semi-annual security reports (“Hanki Hokokusho”)
: August 14, 2026

1. Financial Highlights for the Six Months Ended June 30, 2026

(1) Consolidated Results of Operations

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six Months Ended June 30, 2026	148,596	11.0	21,792	(23.5)	24,824	15.6	15,230	6.2
Six Months Ended June 30, 2025	133,909	(0.5)	28,472	16.5	21,475	(18.6)	14,336	(19.9)

(Note) Comprehensive Income: 16,612million yen 42.9 % as of June 30, 2026
(11,627million yen (55.4)% as of June 30, 2025)

	Net Income per share (basic)	Net Income per share (diluted)
	Yen	Yen
Six Months Ended June 30, 2026	116.98	—
Six Months Ended June 30, 2025	109.14	108.25

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	Million yen	Million yen	%
June 30, 2026	405,188	119,147	28.5
December 31, 2025	422,238	131,126	30.2

(Note) Net Assets after deduction of Share acquisition rights and Non-controlling interest
: 115,672million yen as of June 30, 2026 (127,519million yen as of December 31, 2025)

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, 2025	—	0.0	—	185.0	185.0
December 31, 2026	—	0.0			
Projection for FY 2026			—	—	—

(Note) Revision of the projection of dividend for the second quarter of FY 2026 : No

(Note) The dividend projection for FY2026 annual end has not been determined yet.

3. Forecasts of consolidated financial results for FY 2026

(January 1, 2026 through December 31, 2026)

(Note) For the forecast of FY 2026, please refer to next page.

4. Others

(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, accounting estimates and restatement

① Changes under the revision of Accounting Standards : No

② Changes in Accounting Principles other than ① : No

③ Changes in Accounting Estimates : No

④ Restatements : No

(4) Number of shares issued (common shares)

① Number of shares issued (including treasury stocks):

140,901,604 shares as of June 30, 2026

140,901,604 shares as of December 31, 2025

② Number of treasury stocks :

11,109,268 shares as of June 30, 2026

10,221,368 shares as of December 31, 2025

③ Average number of shares outstanding :

130,198,319 shares six months ended June 30,2026

131,350,257 shares six months ended June 30,2025

* 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. The review procedures for quarterly consolidated accounts have not finished 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 forecast results, are based on certain assumptions that were deemed rational as well as information currently available to the Company. However, various factors could cause actual results to differ materially. Please refer to (3) Qualitative Information on the Consolidated Earnings Forecast on page 3 of the attachment for conditions serving as assumptions for forecast results.

Forecasts of consolidated financial results for FY 2026

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2026 (January 1, 2026 through December 31, 2026)	301,500	9.2	44,400	(23.2)	46,000	(14.8)	30,700	(11.1)	234.92

Appendix contents:

1 Qualitative Information and Financial Statements

(1) Qualitative Information on the Consolidated Business Results

(Unit: million yen)

	Net Sales		
	The First Half of FY2026	The First Half of FY2025	Rate of Change
Japan Reg.	44,184	43,894	0.7%
Americas Reg.	29,059	27,026	7.5%
Europe Reg.	33,865	29,032	16.6%
Asia and Pacific Reg.	41,486	33,954	22.2%
Total	148,596	133,909	11.0%

During this term of fiscal year 2026, from January 1 to June 30, the global economy continued to navigate an increasingly uncertain environment, marked by the emergence of new geopolitical risks such as the tensions in the Middle East, and additionally growing opacity surrounding factors such as U.S. trade policies, and volatility in financial and capital markets, among other factors. Coupled with the prolongation and expansion of geopolitical conflicts, the outlook for the global economy going forward warrants close attention.
In the information industry, AI is permeating every aspect of our daily lives, and according to a third-party report, worldwide spending on AI in 2026 is forecast to total $2.5 trillion, up 44% year on year. As a result of this trend, AI infrastructure and software are driving IT investment, and worldwide IT spending in 2026 is expected to reach $6.5 trillion, up 13.5% year on year.
In the cybersecurity industry, the speed and scale of attacks have further increased, driven by advances in AI, geopolitical risks, the fragmentation of globalism, and increasing supply chain complexity. Targeted attacks aimed at specific companies, organizations, and their ecosystems have been prominent, starting with cyberattacks targeting government agencies and other institutions, damage from the leakage of corporate confidential information, and the leakage of cryptocurrency assets, as well as ransomware and other cyberattacks. In addition, security risks associated with the widespread adoption of AI have also been revealed, placing even greater demands on both companies and individuals to maintain a high level of security awareness.
Under such an environment, our group business conditions are as follows:

Starting in 2026, the company has redesigned its traditional enterprise business under the business brand "TrendAI" and its traditional consumer business under the business brand "TrendLife," and start to roll out both operating each as an independent business brand.
With regards to the enterprise business, AI-Powered Next-Gen SOC security grew significantly across all regions supported by the security platform TrendAI Vision One™ (hereinafter "Vision One"). While the migration from standalone SaaS products discontinued from the current fiscal year to Vision One continues, the ARR (Annual Recurring Revenue) of Vision One comes over entire TrendAI ARR has grown substantially. Although overall ARR growth still remains lower than Vision One's ARR growth due to the coexistence of increasing Vision One ARR and declining non-Vision One ARR as standalone SaaS products, the share of total Vision One ARR has been rising in overall ARR. In addition, the company anticipates further acceleration of Vision One ARR growth through the complete transition of its sales model from individual product-by-product sales to a credit-based model that allows flexible use of the various platform features of Vision One. Against this backdrop, the sales from the enterprise business centered on TrendAI increased to 119,444 million yen (11.9% increase from the same period in the previous year.)
By region, the Japan region amounted a decrease in its sales to 21,674 million yen (0.4% decrease from the same period in the previous year), the Americas region recorded an increase to 25,752 million yen (6.6% increase from the same period in the previous year), the Europe region recorded an increase to 33,549 million yen (16.6% increase from the same period in the previous year), and the Asia-Pacific region recorded an increase to 38,468 million yen (20.1% increase from the same period in the previous year).
With regards to the consumer business, the impact of the transition to a new e-commerce payment company, which had occurred in regions outside Japan, largely dissipated. In addition, as a result of unit price improvement measures to reduce discount amounts and

steer customers toward higher-priced products, total consumer business sales will now be TrendLife increased to 29,151 million yen (7.2% increase from the same period in the previous year).

By region, the Japan region which represents over half of this business recorded an increase in its sales to 22,509 million yen (1.7% increase from the same period in the previous year), the Americas region recorded an increase to 3,307 million yen (15.2% increase from the same period in the previous year), the Europe region recorded an increase to 315 million yen (18.1% increase from the same period in the previous year), and the Asia-Pacific region recorded an increase to 3,017 million yen (57.1% increase from the same period in the previous year).

As the result, the consolidated net sales for this period (this term of fiscal year 2026, from January 1 to June 30,) marked 148,596 million yen 11.0% increase from the same period in previous year).

Meanwhile, in terms of costs, although there was a decrease in expenses related to the virtual stock option due to a decline in the share price, in addition to people cost, which increased significantly due to the impact of the yen's depreciation, cloud-related expenses, including AI token costs, have risen significantly beyond what we originally projected caused by the competitive environment and our investments aimed at enhancing the functionality of our products and services, and general and administrative expenses related to the business brand promotion initiative rolling out from the current fiscal year also increased. As a result, although the total cost of sales and selling, general and administrative expenses increased to 126,803 million yen (20.3% increase from the same period in the previous year), operating income for this period decreased to 21,792 million yen (23.5% decrease from the same period in the previous year).

The consolidated ordinary income for this period increased substantially to 24,824 million yen (15.6% increase from the same period in the previous year) increase to, primarily due to the absence of significant foreign exchange losses, etc. Also, the net income attributable to owners of the parent for this period was 15,230 million yen (6.2% increase from the same period in previous year) increase to.

For this period, ARR (Annual Recurring Revenue), which currently serves as an important management indicator for our company, was an increase of 5% increase in constant currency from the same period in the previous year. While Non-Vision One related ARR has been declining, Vision One-related ARR has been growing steadily, driving overall ARR growth.

(2) Consolidated Financial Positions

At the end of this period, cash and bank deposits at the end of this period amounted to 219,902 million yen and significantly decreased to 190 million yen from FY2025 annual closing.

Mainly due to a substantial decrease in Notes and Accounts receivable, etc., total assets at the end of this period were 405,188 million yen, 17,049 million yen decrease from FY2025 annual closing.

Total liabilities at the end of this period were 286,041 million yen, 5,070 million yen decrease from FY2025 annual closing mainly due to a decrease in provisions for the virtual share bonus plan, and additionally a decrease in deferred revenue, etc.

Total net assets at the end of this period were 119,147 million yen, 11,979 million yen decrease from FY2025 annual closing. This decrease is primarily caused by a significant decrease in retained earnings due to the payment of dividends and an increase in treasury stock resulting from the acquisition of treasury stock, etc.

(3) Consolidated Earnings Forecast

Based on recent performance trends and future outlook, we do following revise from our consolidated results forecast for the full fiscal year ending December 31, 2026 (released on February 18, 2026).

Net sales are progressing closely in line with our initial forecast. However, cloud-related expenses, including AI token costs, have risen significantly beyond what we originally projected. This increase reflects the competitive environment and our investments aimed at enhancing the functionality of our products and services. As we reviewed our overall costs, we realized that they are now expected to increase considerably compared to our initial estimates. As a result, we anticipate that the operating income association is projected to see a 23.2% decrease from the same period in the previous year. Additionally, we have newly incorporated actual results of non-operating income and expenses, etc., which occurred during this period (this term of the fiscal year 2026, from January 1 to June 30). Based on this information, our revised forecast is as follows.

Business forecast for the Annual of FY2026 (January 1, 2026– December 31, 2026)

(Million yen)

	Net Sales	Operating Income	Ordinary Income	Net income attributable to owners of the parent
Forecast previously publish （A）	301,500	56,400	55,100	36,600
Revision made （B）	301,500	44,400	46,000	30,700
Difference （B-A）	0	-12,000	-9,100	-5,900
Ratio of increase or decrease（%）	0.0	-21.3	-16.5	-16.1

In development of the new business forecasts, the main assumed exchange rates for the Third Quarter of FY2026 and thereafter are as follows, and there is no change from the rates assumed at the beginning of the fiscal year.

1 US $ 156 yen
1 Euro 183 yen

2. Others

(1) Movement of Significant Subsidiaries

N/A

(2) Application of Simplified or Special Accounting Procedures

(Calculation of income tax expenses)

Multiply net income before tax for this period (6 months) by effective tax rate, which is rationally calculated based on projected annual profit and its taxes taking into consideration of deferred tax accounting. In addition, deferred tax expense is included in income taxes.

However, if the calculation of tax expenses using the effective tax rate results in a markedly unreasonable outcome, tax expenses are calculated by using the statutory effective tax rate after adding and subtracting important differences that do not fall under temporary differences to and from profit before income taxes.

3. 【CONSOLIDATED FINANCIAL STATEMENTS】

(1) 【Consolidated Balance Sheets】

(Million yen)

Account	December 31, 2025	June 30, 2026
(Assets)		
Current assets		
Cash and bank deposits	220,092	219,902
Notes and Accounts receivable, trade and contract assets	76,279	56,298
Marketable securities	10,938	11,461
Inventories	10,048	10,405
Others	15,485	17,166
Allowance for bad debt	(153)	(158)
Total current assets	332,690	315,076
Non-current assets		
Property and equipment		
(1) Buildings and structures, net	2,526	2,231
(2) Office furniture & equipment	2,270	2,463
(3) Others	0	3
Total property and equipment	4,797	4,698
Intangibles		
(1) Software	17,380	17,679
(2) Goodwill	1,552	1,246
(3) Others	9,098	8,395
Total intangibles	28,031	27,321
Investments and other non-current assets		
(1) Investment securities	4,727	5,091
(2) Investments in subsidiaries and affiliates	27	21
(3) Deferred tax assets	47,670	48,208
(4) Others	4,293	4,770
Total investments and other non-current assets	56,718	58,092
Total non-current assets	89,547	90,111
Total assets	422,238	405,188

(Million yen)

Account	December 31, 2025	June 30, 2026
(Liabilities)		
Current liabilities		
Accounts payable and Notes payable, trade	2,973	2,203
Accounts payable, other	9,077	9,850
Accrued expenses	11,485	11,541
Accrued income and other taxes	5,310	6,549
Allowance for bonuses	3,292	3,560
Deferred revenue(Current and Non-current)	236,085	232,485
Others	10,255	6,238
Total current liabilities	278,479	272,429
Non-current liabilities		
Net defined benefit liability	6,482	6,163
Others	6,150	7,447
Total non-current liabilities	12,632	13,611
Total liabilities	291,111	286,041
(Net assets)		
Shareholders' equity		
Common stock	19,926	19,926
Capital surplus	28,802	28,811
Retained earnings	100,906	91,961
Treasury stock, at cost	(71,864)	(76,499)
Total shareholders' equity	77,770	64,200
Accumulated other comprehensive income		
Net unrealized gain (loss) on debt and equity securities	533	488
Foreign currency translation adjustments	48,908	50,845
Remeasurements of defined benefit plans	306	138
Total accumulated other comprehensive income	49,749	51,472
Stock acquisition rights	3,108	3,318
Non-controlling interests	498	156
Total net assets	131,126	119,147
Total liabilities and net assets	422,238	405,188

(2) 【Consolidated Statements of Income and Consolidated Statements of Comprehensive Income】

Consolidated Statements of Income

(Million yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	133,909	148,596
Cost of sales	31,937	33,949
Gross profit	101,971	114,646
Operating expenses	73,498	92,854
Operating income	28,472	21,792
Non-operating income		
Outsourcing service income	4	―
Interest income	1,606	1,642
Foreign exchange gain	―	1,369
Other income	67	55
Total non-operating income	1,678	3,067
Non-operating expenses		
Foreign exchange loss	8,063	―
Equity in losses of affiliated companies	563	8
Loss on disposal of fixed assets	5	13
Other expenses	43	13
Total non-operating expenses	8,676	35
Ordinary income	21,475	24,824
Extraordinary gain		
Gain on reversal of stock options	―	120
Total extraordinary gain	―	120
Extraordinary loss		
Loss on valuation of investment securities	160	―
Total extraordinary loss	160	―
Net income before taxes	21,314	24,944
Income taxes	7,081	10,055
Net income	14,232	14,888
Net income(loss) attributable to non-controlling interests	(103)	(342)
Net income attributable to owners of the parent	14,336	15,230

Consolidated Statements of Comprehensive Income

(Million yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net income	14,232	14,888
Other comprehensive income		
Valuation difference on available-for-sale securities	117	(44)
Foreign currency translation adjustment	(1,939)	1,934
Remeasurement of defined benefit plans	(172)	(168)
Share of other comprehensive income of associates accounted for using equity method	(610)	2
Total other comprehensive income	(2,605)	1,723
Comprehensive income	11,627	16,612
Comprehensive income attributable to owners of the parent	11,733	16,954
Comprehensive income attributable to non-controlling interests	(106)	(341)

(3) 【Consolidated Statements of Cash Flows】

(Million yen)

Account	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities:		
Net income before taxes	21,314	24,944
Depreciation and amortization	13,082	13,145
Stock compensations	597	393
Gain on reversal of stock options	—	(120)
Amortization of goodwill	331	352
Increase (decrease) in allowance for bad debts	(148)	(0)
Increase (decrease) in net defined benefit liability	(84)	(340)
Interest income	(1,606)	(1,642)
Equity in (earnings)/loss of affiliated companies	563	8
(Gain) loss on disposal of Fixed assets	5	13
(Gain) loss on valuation of investment securities	160	—
(Increase) decrease in notes and accounts receivable and contract assets	19,078	23,578
(Increase) decrease in inventories	(1,768)	(9)
Increase (decrease) in notes and accounts payable	(1,571)	(850)
Increase (decrease) in accounts payable, other & accrued expenses	(1,868)	512
Increase (decrease) in deferred revenue	(3,302)	(9,540)
Increase (decrease) in virtual share bonus plan	(45)	(1,589)
Others	(1,481)	(5,847)
Subtotal	43,257	43,007
Proceeds from interest and dividend received	1,709	1,627
Payment for income tax	(9,906)	(9,093)
Net cash provided by operating activities	35,060	35,541
Cash flows from investing activities:		
(Payments for)/Proceeds from time deposits	(18,925)	(16,047)
Payments for purchases of marketable securities and securities investments	(1)	(305)
Proceeds from sale or redemptions of marketable securities and securities investments	18,640	—
Payments for purchases of property and equipment	(607)	(719)
Payments for purchases of other intangibles	(11,640)	(11,206)
Net cash provided by investing activities	(12,535)	(28,278)
Cash flows from financing activities:		
Payment for purchase of treasury stock	(0)	(4,999)
Receipt from disposal of treasury stock	3,067	311
Dividends paid	(23,481)	(23,559)
Repayments to non-controlling shareholders	(176)	(1)
Proceeds from paid-up by non-controlling shareholders	2,277	—
Net cash used in financing activities	(18,313)	(28,248)
Effect of exchange rate changes on cash and cash equivalents	(3,616)	4,723
Net increase (decrease) in cash and cash equivalents	595	(16,263)
Cash and cash equivalents at beginning of period	187,392	230,458
Cash and cash equivalents at end of period	187,987	214,195

(4) Footnotes on Consolidated Financial Statements

(Footnote on Going Concern)

N/A

(Notes on Significant Changes in Stockholders' Equity)

(Dividends from Surplus)

We resolved to pay a dividend of 24,175 million yen based on the resolution of the Ordinary General Meeting of Shareholders on March 26, 2026. As a result, retained earnings decreased by 8,944 million yen for the current fiscal year consolidated cumulative period.

(Additional information)

(Matters concerning consolidated subsidiaries)

We invest in Trend Forward Capital I, L.P. (hereinafter TFI), which operates a venture capital business in the United States as a limited partnership. Business execution powers of TFI were held by Wael Mohamed who was our board until March 2020, while we are only limited partners and have no authority or intention to participate in the management of TFI.

However, we have contributed more than half of the total amount invested in TFI and have not been able to prove that Wael is not a close member in accordance with “the Practical Handling of the Application of Control and Influence Standards to Investment Partnerships” (Practical Handling Report No. 20). Therefore, we have included TFI in our consolidation scope in accordance with “the Practical Handling Report No.20” and” the Accounting Standards for Consolidated Financial Statements “(ASBJ Statement No. 22).

(Segment Information)

Information on sales, profit/loss by reporting segments

For the previous fiscal year (from January 1, 2025 to June 30, 2025)

1. Information on net sales and profits by reporting segment

(Million Yen)

	Japan	Americas	Europe	Asia Pacific	Total	Adj (*)3	Amt in Con P&L (*)4
Sales							
(1) Net sales to external customers	43,894	27,026	29,032	33,954	133,909	―	133,909
(2) Intercompany sales	27	6,224	4,567	16,942	27,761	(27,761)	―
Total	43,922	33,250	33,600	50,896	161,670	(27,761)	133,909
Segment income	10,344	4,950	6,250	6,680	28,225	247	28,472

(Note)

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

2 Major countries other than Japan:

Americas	U.S.A., Brazil
Europe	Ireland, Germany, Italy, France, UK
Asia Pacific	Taiwan, Australia, Singapore, UAE

3 Consolidation Adjustment in segment income 247 million yen comes from the elimination between segments transaction.

4 Total amount of segment income is adjusted to operating income in consolidated statement of income.

For the current fiscal year (from January 1, 2026 to June 30, 2026)

1. Information on net sales and profits by reporting segment

(Million Yen)

	Japan	Americas	Europe	Asia Pacific	Total	Adj (*)3	Amt in Con P&L (*)4
Sales							
(1) Net sales to external customers	44,184	29,059	33,865	41,486	148,596	—	148,596
(2) Intercompany sales	(22)	6,862	5,453	20,707	33,001	(33,001)	—
Total	44,162	35,922	39,319	62,194	181,597	(33,001)	148,596
Segment income	7,636	2,275	5,181	7,144	22,237	(445)	21,792

(Note)

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

2 Major countries other than Japan:

Americas	U.S.A., Brazil
Europe	Ireland, Germany, Italy, France, UK
Asia Pacific	Taiwan, Australia, Singapore, UAE

3 Consolidation Adjustment in segment income (445) million yen comes from the elimination between segments transaction.

4 Total amount of segment income is adjusted to operating income in consolidated statement of income.