

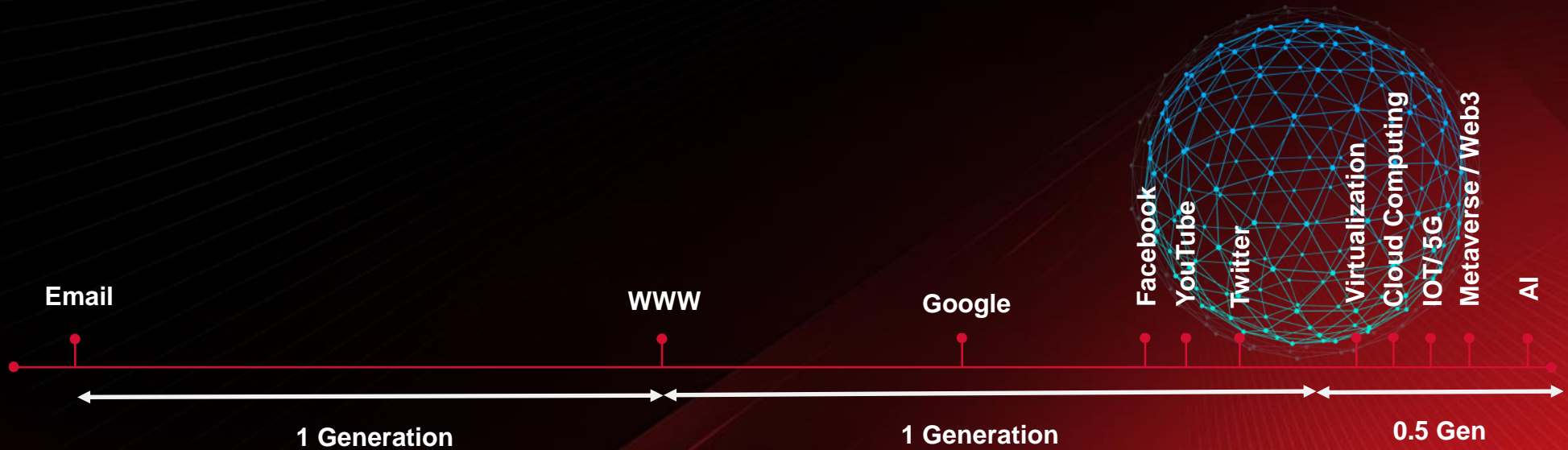
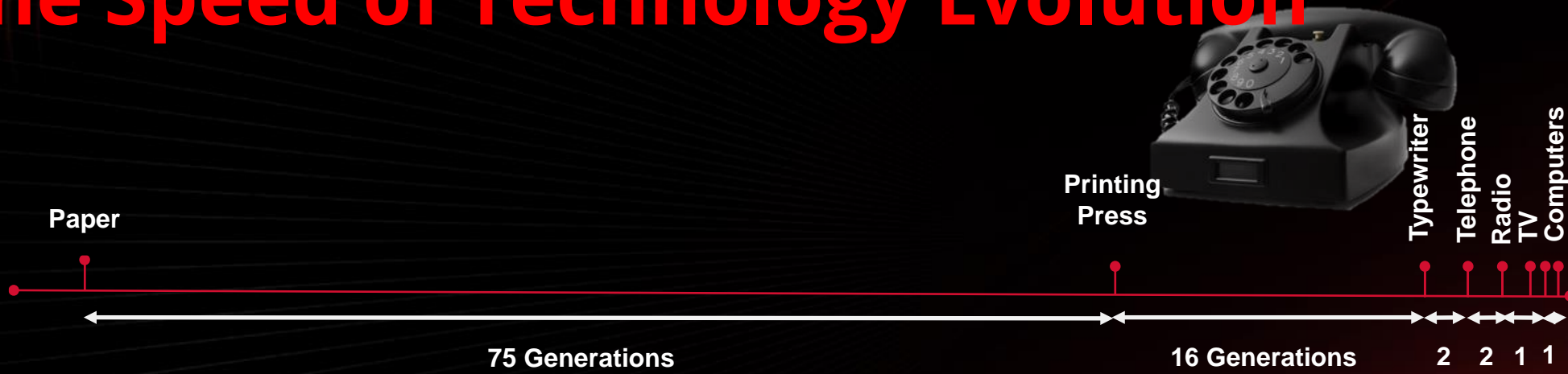


Trend Micro Hybrid Strategy:

*Accelerating
Shareholders Values,
Customers Experiences &
Employees Innovations*

Eva Chen | CEO & Co-Founder
Trend Micro

The Speed of Technology Evolution

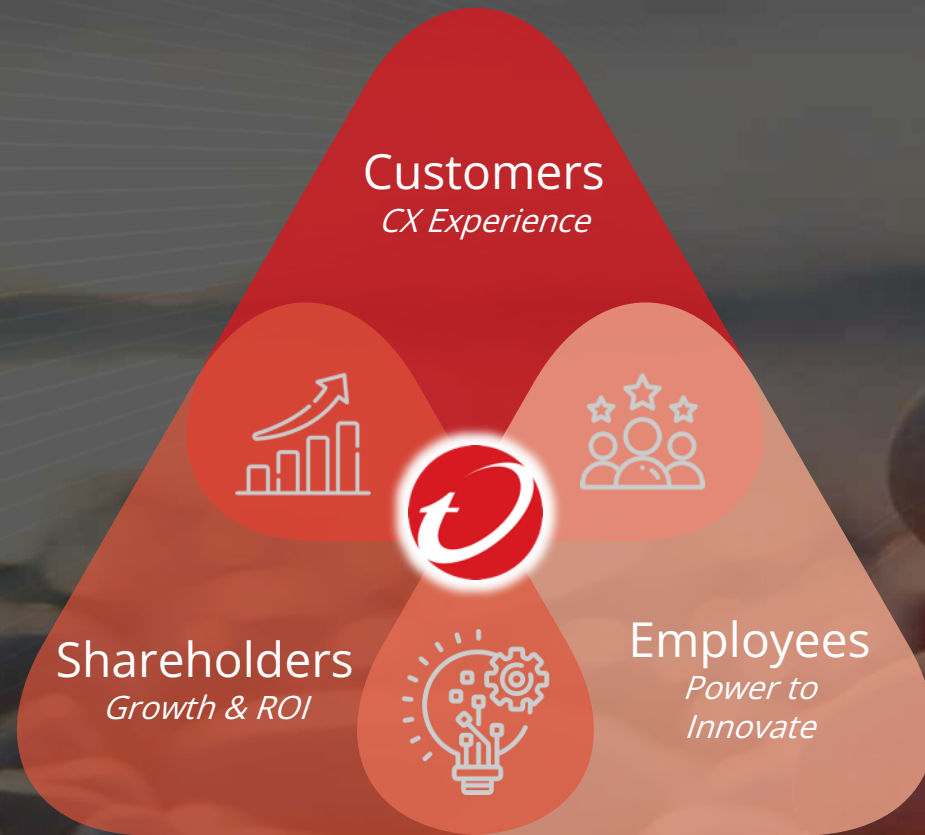


Decades of Innovations: Securing Technology Evolution

Shaped by changes in threat landscapes and customer behaviors



Our Cornerstone | The GOLDEN Triangle



Q3 Consolidated Results

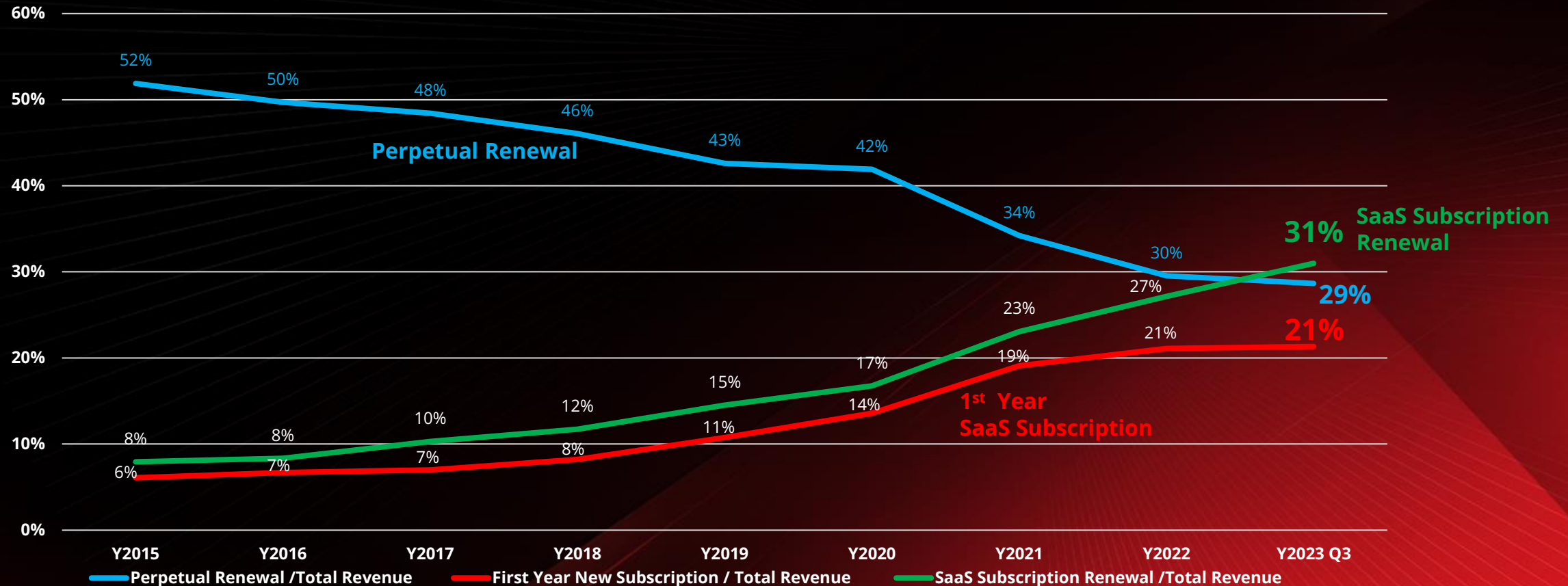
(unaudited)
(in million Yen)

<i>Three months ended Sep 30,</i>	<i>3Q2022</i>	<i>3Q2023</i>	<i>YoY growth</i>
Net sales	56,798	64,189	+ 13%
Total Operating expenses	49,595	52,764	+ 6%
Operating income <i>(Margin)</i>	7,213 <i>(13%)</i>	11,424 <i>(18%)</i>	+ 58%
Ordinary income	9,798	13,486	+ 38%
Net income attributable to owners of the parent	13,530	950	- 93%
Pre-GAAP Net sales	56,625	64,236	+ 13%
	<i>(excluding foreign exchange impact)</i>		+ 9%
Pre-GAAP based Operating Income	7,039	11,471	+ 63% (Non-GAAP)

Enterprise Renewal Revenue

SaaS Subscription Growth Scales Overall Profitability

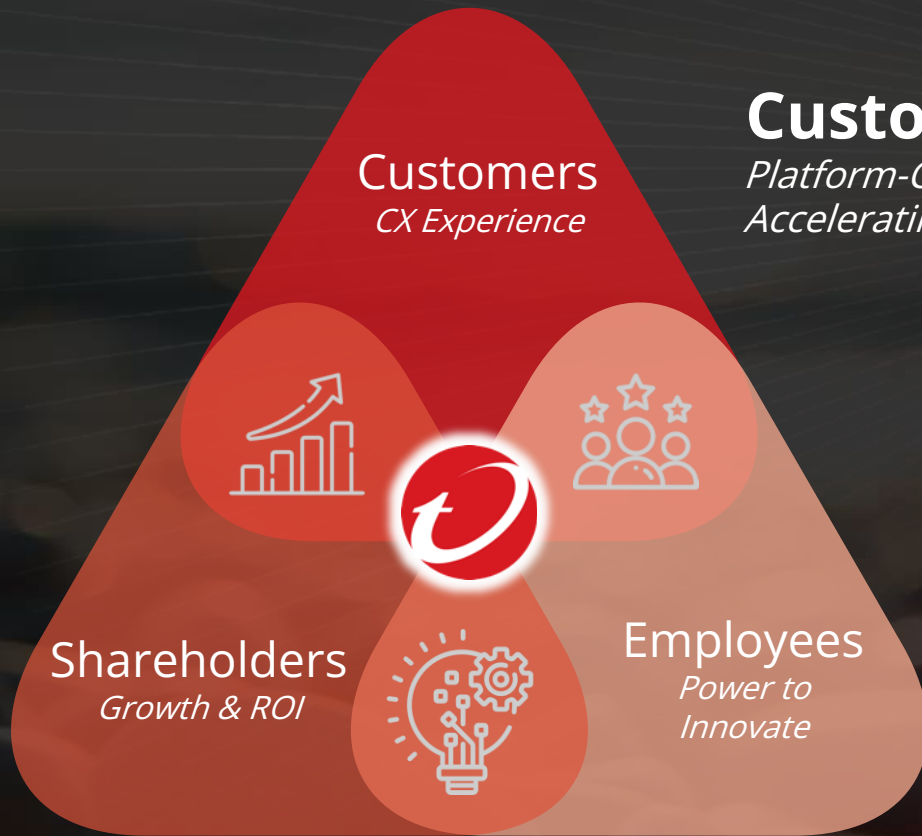
Renewal Revenues as a PERCENTAGE of Total Enterprise Revenue



Road to 2027

	2022	2023E*	2024E**	2027E**
Revenue Growth %	18%	11%	10%	8-10%
COGS % of Revenue	19%	20%	19%	18-20%
S&M % of Revenue	37%	36%	33%	28-30%
R&D % of Revenue	16%	16%	15%	12-14%
G&A % of Revenue	8%	8%	7%	5-7%
Operating Margin %	14%	14%	20%	29-31%
		Operating Income	¥53-58B	

Our Cornerstone | The GOLDEN Triangle



Customers

*Platform-Centric CX
Accelerating Security & Business Outcomes*

Customers
CX Experience



Shareholders
Growth & ROI

Employees
*Power to
Innovate*



Rising Complexity and Scale of Attack Surface

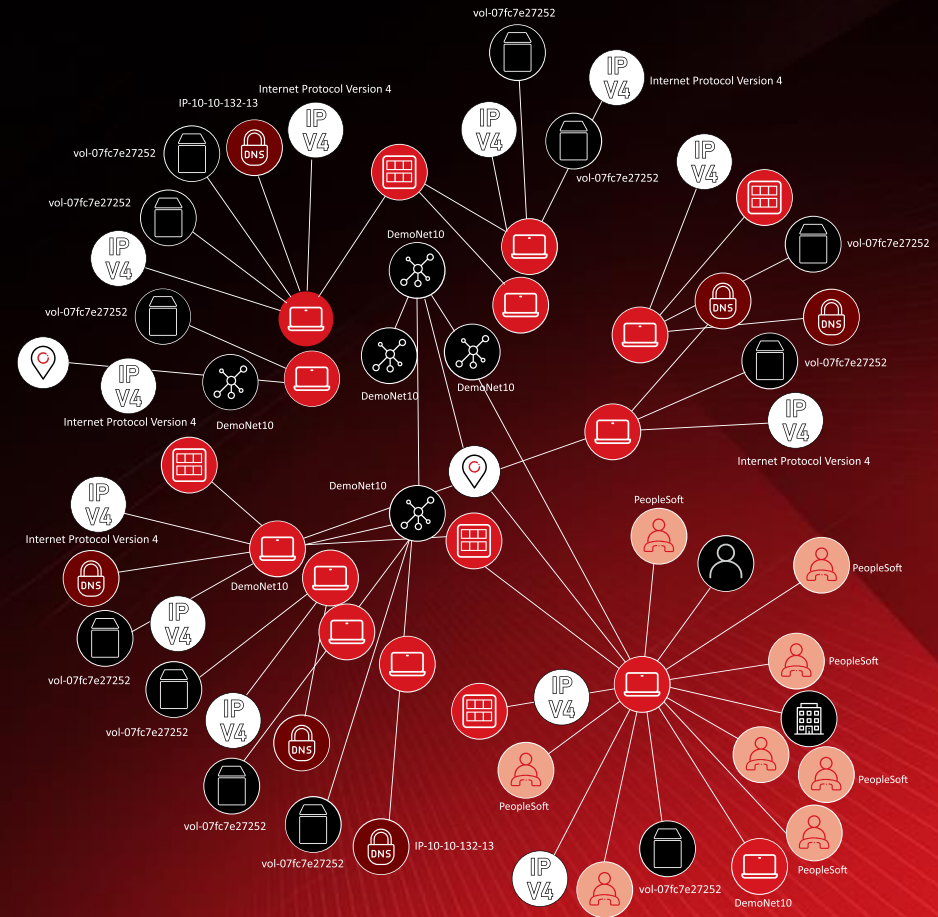


Customers Attempting to Solve Challenges with Products

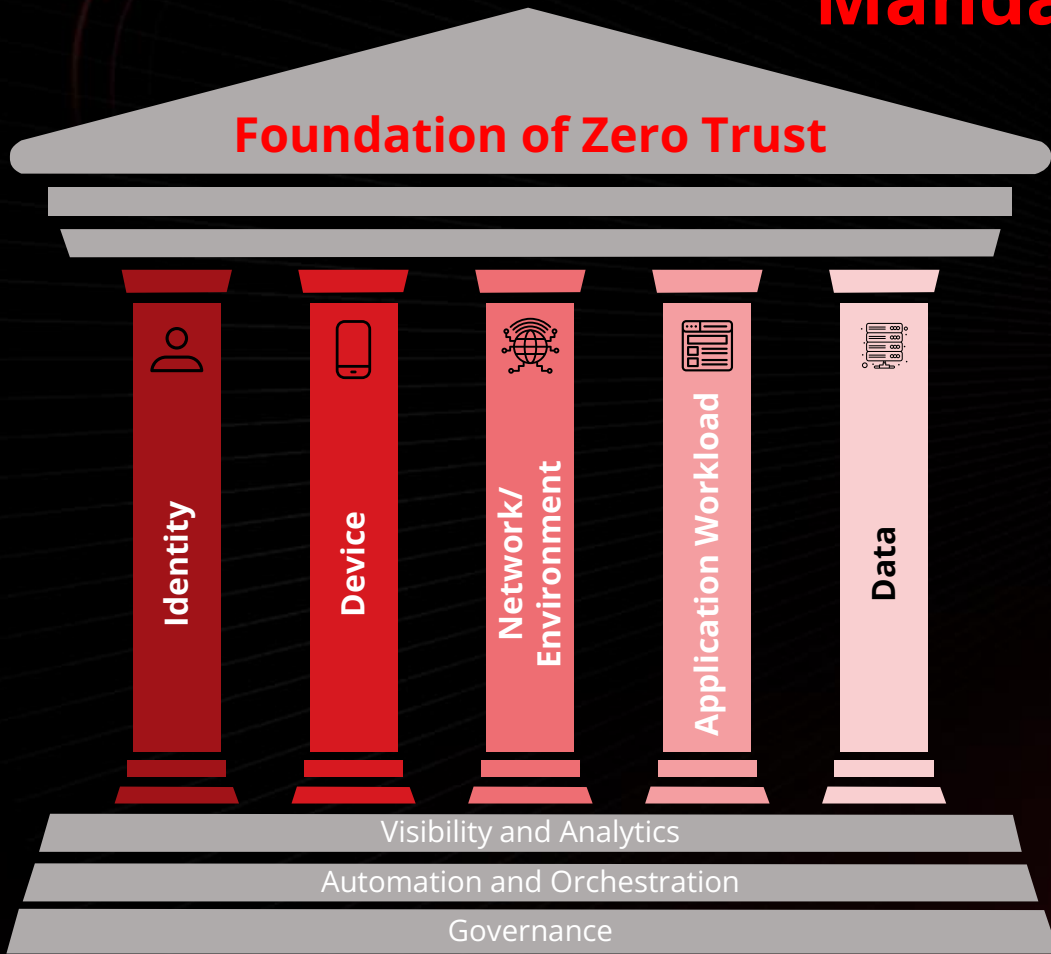
Defenders think in list

Attackers think in graphs

- ✓ NIST cybersecurity framework
- ✓ Endpoint security
- ✓ Network security
- ✓ Cloud security
- ✓ Vulnerability management



Mandate on Operationalizing Zero Trust



Visibility is a Foundational Need
Discovery of Attack Surface

Verify Beyond Identity
Continuously Assess Risk Scoring

Integration is Paramount
Centralized Policy Decision with Native Enforcement Points

- User & Identity
- Endpoints & Servers
- Email
- Network
- ICS/OT
- 5G
- Apps
- Code Repo
- Cloud Infra
- Data

Source: United States Cybersecurity and Infrastructure Security Agency's "Zero Trust Security Model", July 2021

Shifting from Tools to a Platform

Prevention

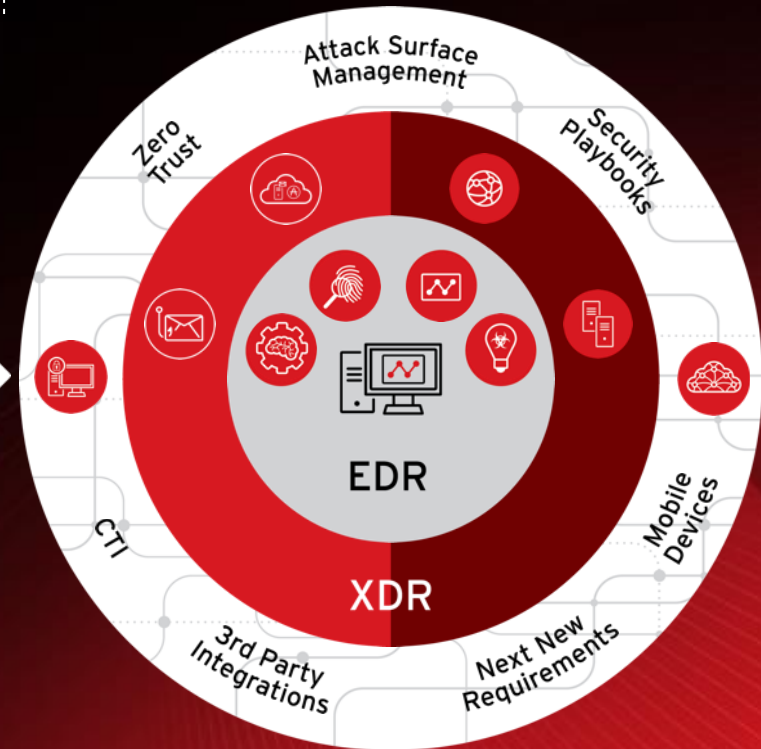
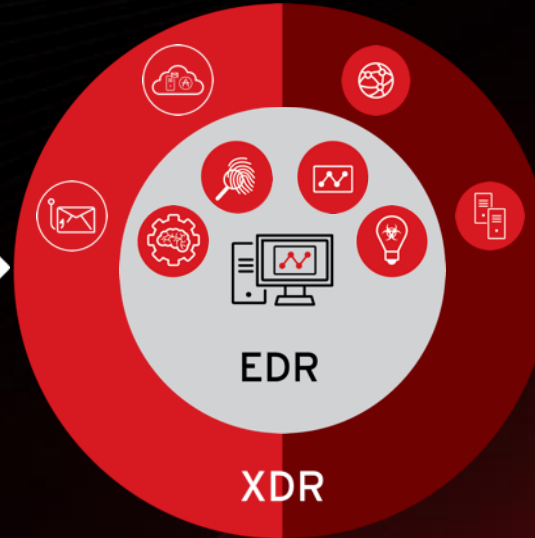
Detection only on managed devices

Multilayered:
Endpoint, Network,
Cloud Workloads, and E-mail
**Cross Threat Detection,
Correlation and Response**

**Trend Vision One™ - Advanced
Cybersecurity Platform**

EDR, XDR, Attack Surface Management,
Zero Trust, Threat intel, Assessment

Endpoint
EPP



**New Cyber Security
Requirements & Challenges**

Public



PRODUCTS + *PLATFORM* HYBRID BUSINESSES

SMB + CONSUMER +

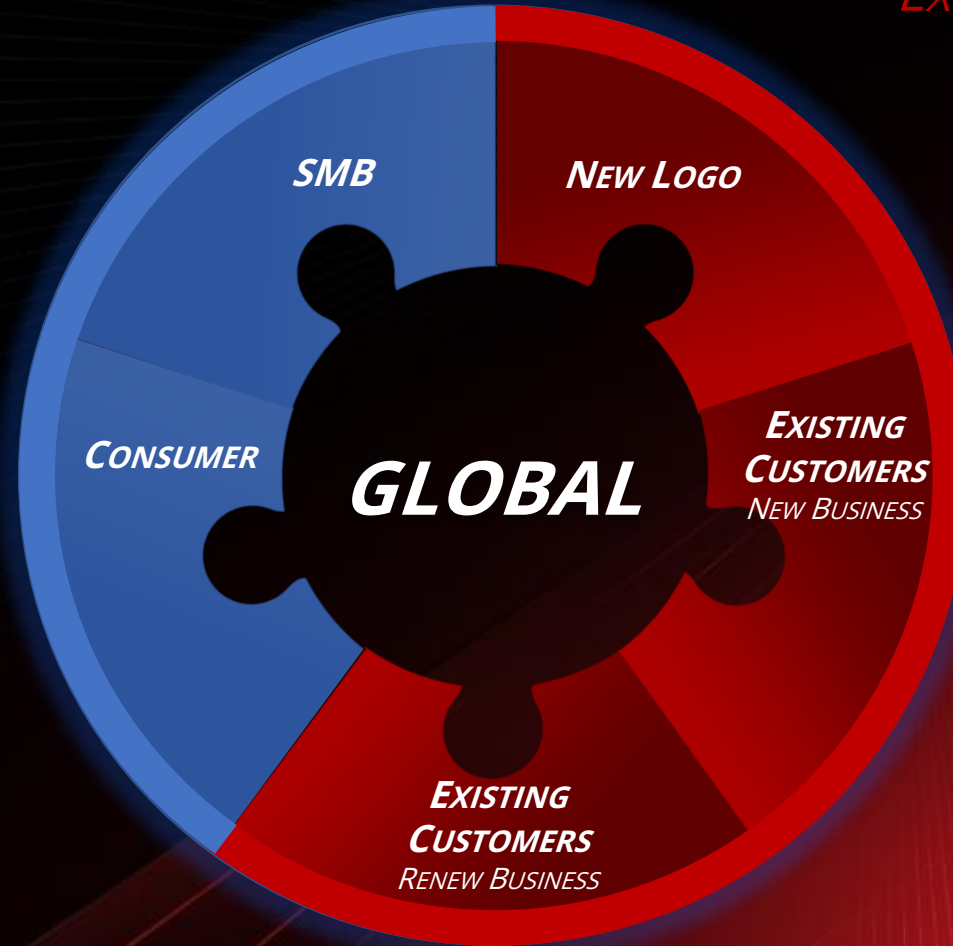
ENTERPRISE

NEW LOGOS +

EXISTING CUSTOMERS NEW BIZ +

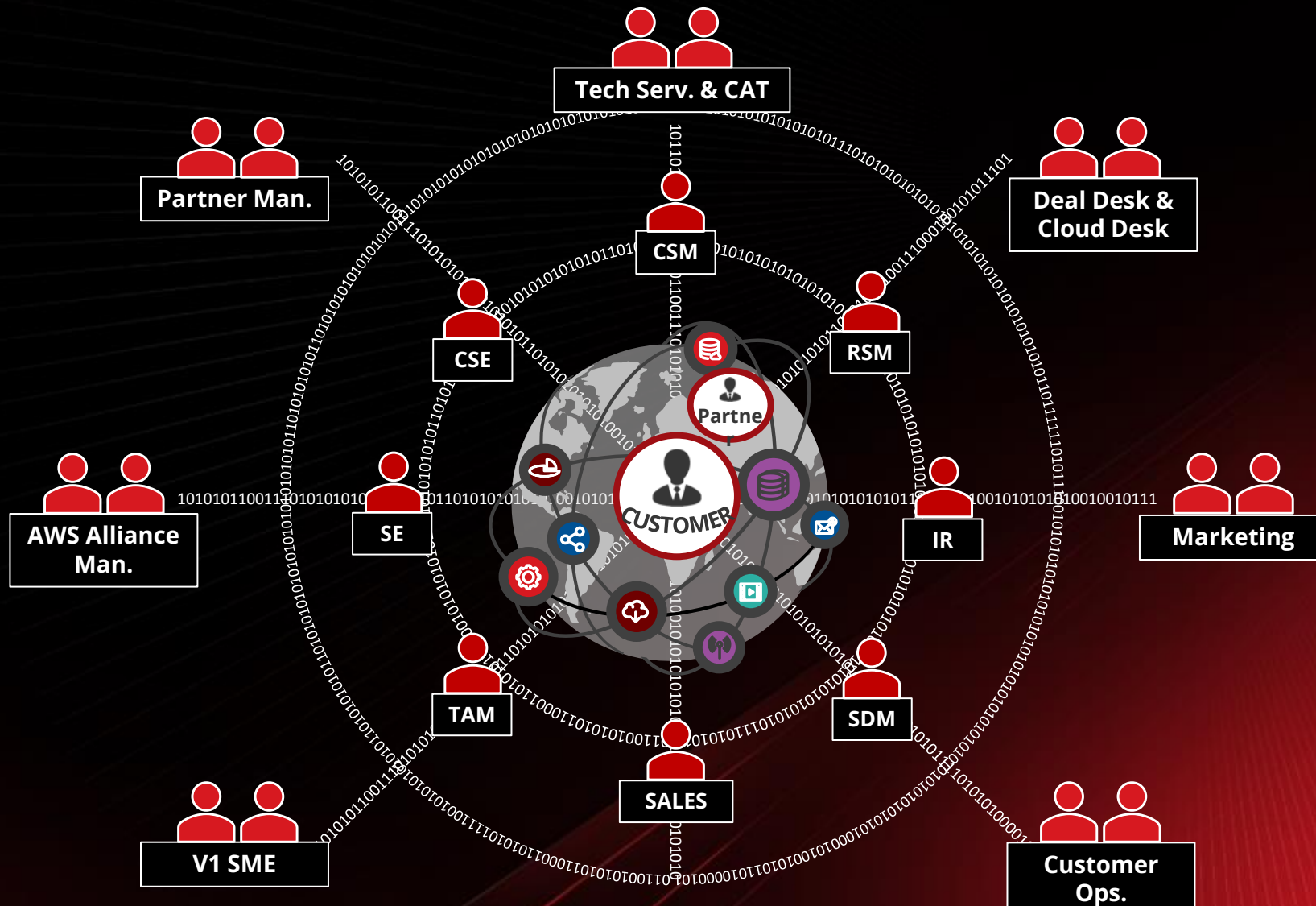
EXISTING CUSTOMERS RENEWAL BIZ








Products



Platform

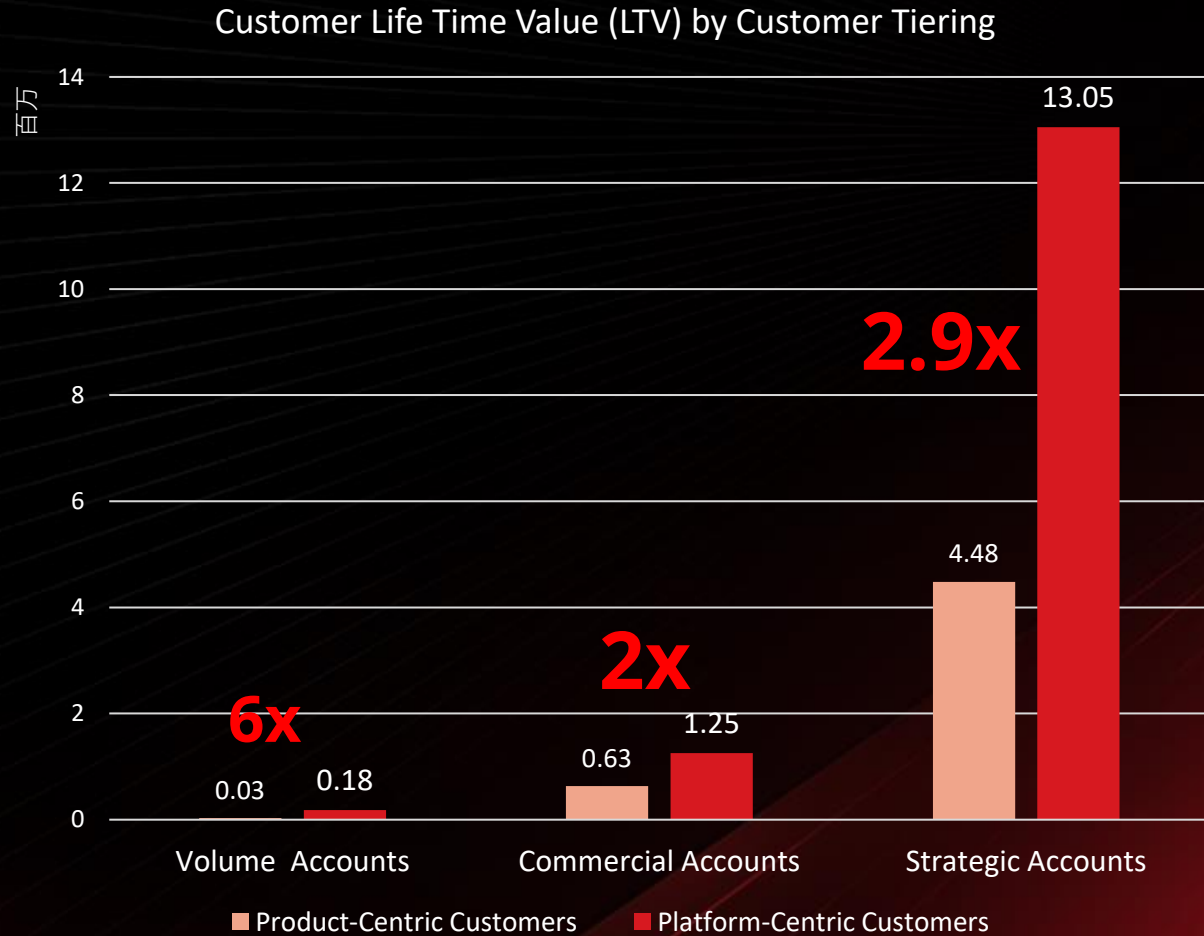
Platform Approach to Customer Engagement



-  Usage Data
-  Customer Intel
-  Persona
-  Marketing
-  Engagement
-  Revenue
-  Competitive

Customers on Platform: Higher ARR & Lifetime Value (LTV)

Top Tier Account's LTV doubles on Vision One Platform | 6x for Volume Enterprises



3x

Strategic accounts' LTV doubles, on Vision One Platform

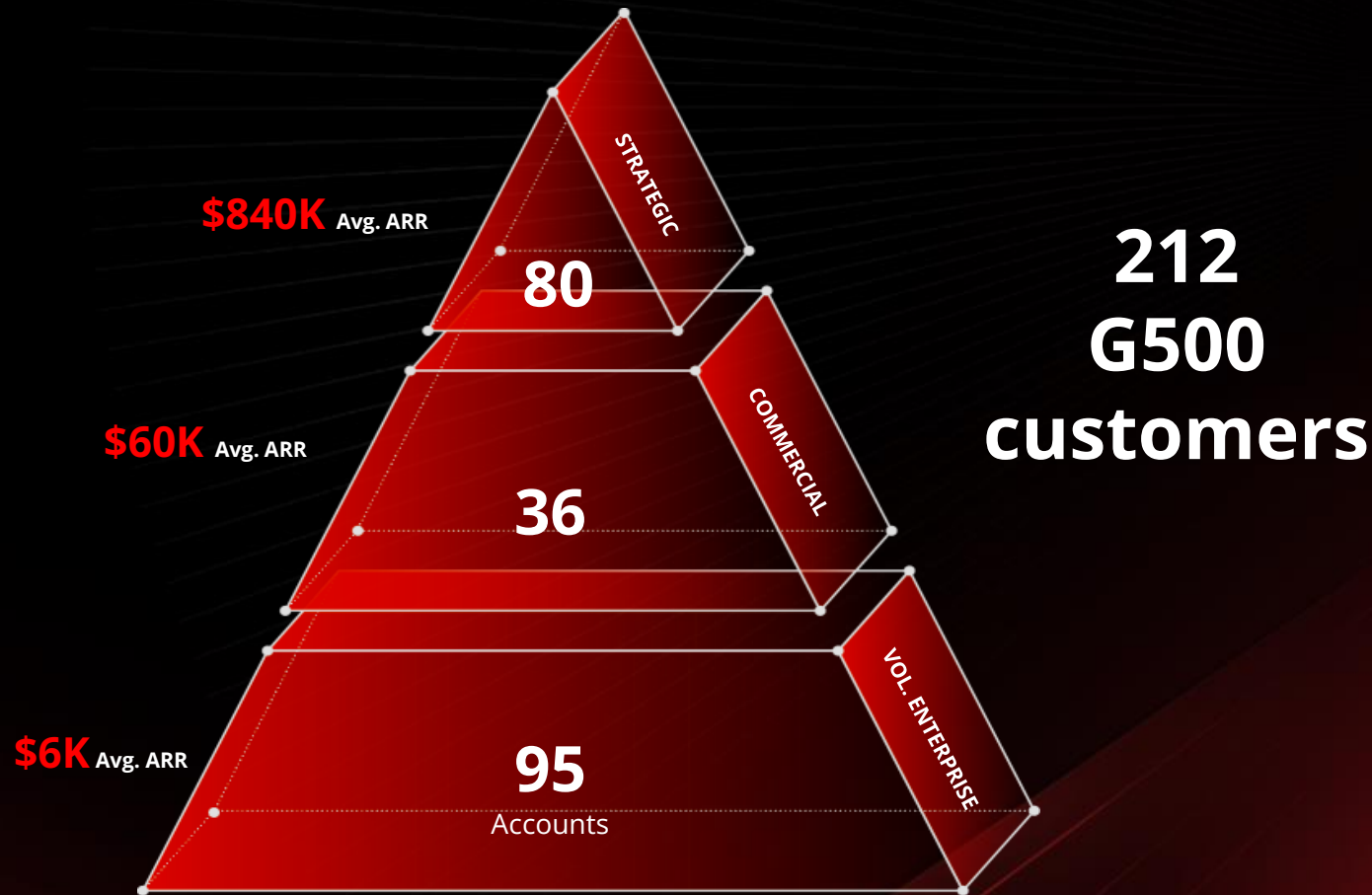
3.7x

Volume Enterprises' Avg. ARR increases by 3.7x, on Vision One Platform

LTV Formula: Customer lifetime value per customer = Average Hybrid ARR per customer / (1-retention rate)

Extensive Platform Opportunities in Global 500

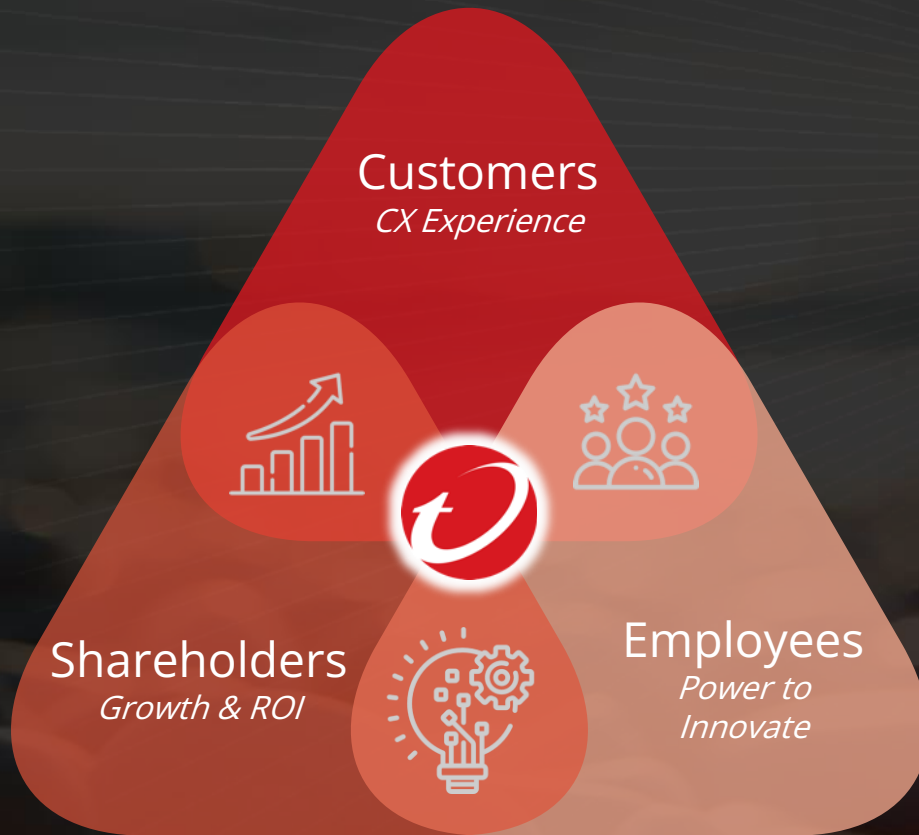
Future Platform Opportunity is Extensive



- 1.6x** Average ARR is 1.6x higher for G500 on Vision One Platform
- 66%** Multi-million ARR G500 customers are on Vision One Platform
- 70%** G500 customers yet to adopt on Vision One Platform

YTD: 212 of Global 500 companies are Trend Micro Customers

Our Cornerstone | The GOLDEN Triangle



Employees

Innovation through AI-powered Platform, Attack Surface Threat Intelligence, & Business Operations

Trenders: Our Innovation Engine

With the right people,
culture and value,
great things happens.

Engineering Innovation:

AI Accelerating Software Development

```
1 #!/usr/bin/env ts-node
2
3 import { fetch } from "fetch-h2";
4
5 // Determine whether the sentiment of text is positive
6 // Use a web service
7 async function isPositive(text: string): Promise<boolean> {
8   const response = await fetch(`http://text-processing.com/api/sentiment/`, {
9     method: "POST",
10    body: `text=${text}`,
11    headers: {
12      "Content-Type": "application/x-www-form-urlencoded",
13    },
14  });
15  const json = await response.json();
16  return json.label === "pos";
17 }
```

Copilot

Productivity

R&D

Code Quality

01 Productivity

- ✓ Auto-completion
- ✓ Code Prompts
- ✓ Comments & Documentations
- ✓ Code Translations
- ✓ Maintenance

02 Code Quality

- ✓ Code suggestions
- ✓ Code reviews
- ✓ Debug on unfamiliar language
- ✓ Performance, cost optimization

Business Innovation:

AI Unlocking CX & Customer LTV

Technical Support

- Onboarding Score
- Customer Health Score
- Total Case Count
- Open Case Count
- Case Complexities

Account Attributes

- Region
- Country
- Industry
- Employee Count
- Age of Customer

Historical Engagement Profile

- Digital Outreach
- EBC/ Executive Briefings
- Workshop / Webinars
- Roadmap / Tech Day
- End User Ops Training
- Hands-On Workshop
- Solution Day

Opportunities

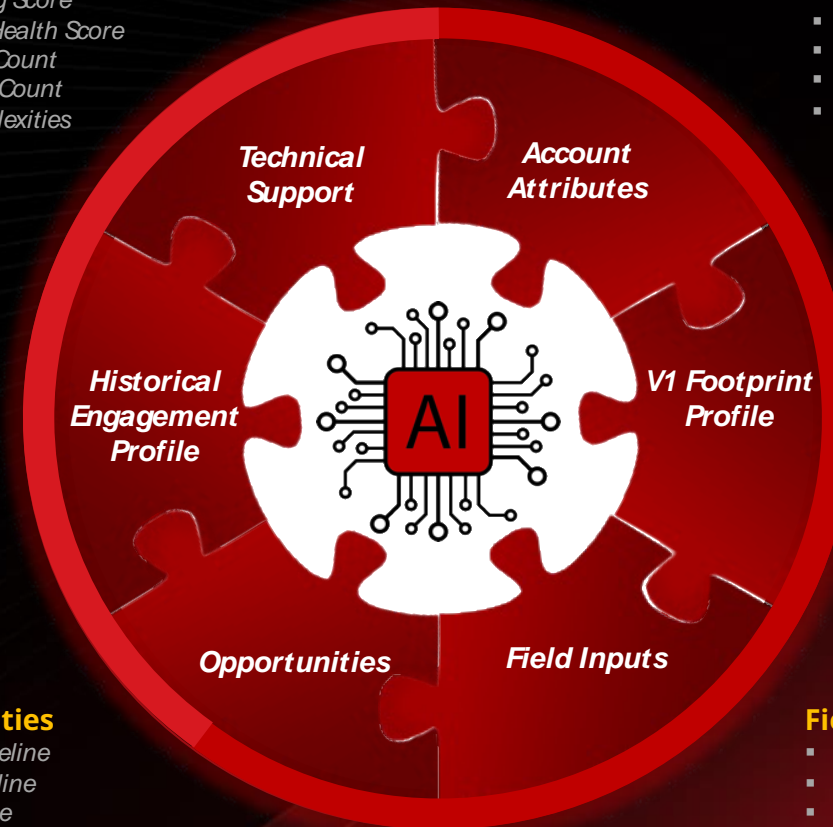
- Open Pipeline
- Lost Pipeline
- Close Rate
- SPS Level

V1 Footprint Profile

- Product(s) Currently Licensed
- Combination of Products
- V1 Attach
- V1 Login Score
- V1 Consumption Level
- V1 Engagement Score
- # of V1 Sensors Types
- Risk Insight Score
- API Login Score
- App Usage Score

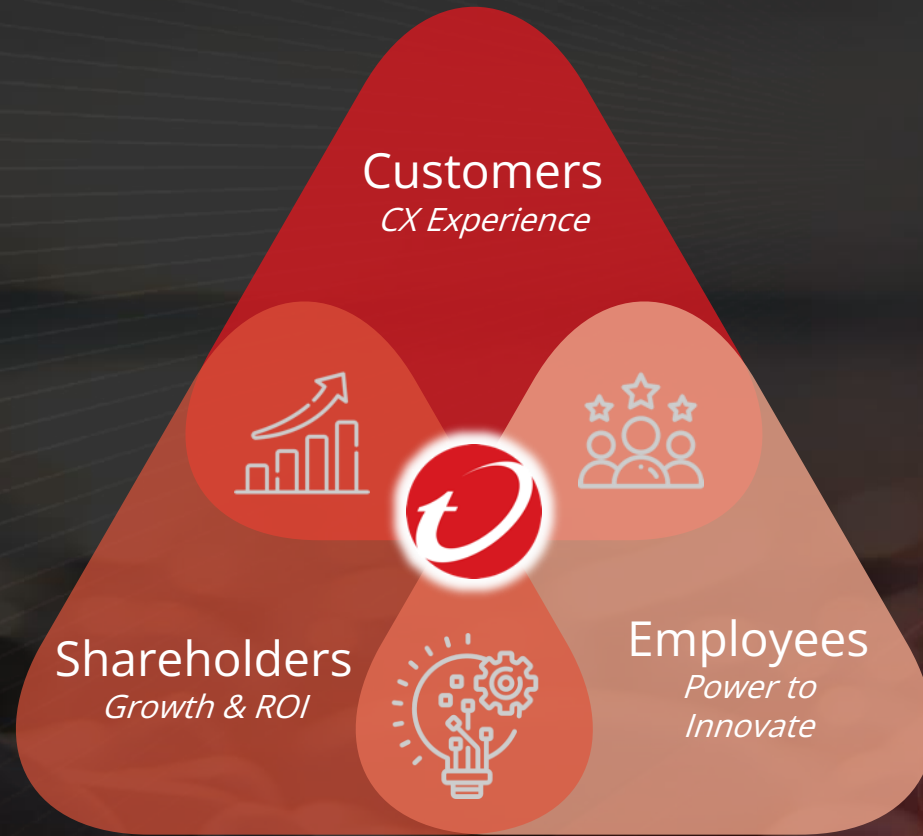
Field Inputs

- Budget Range
- In-Field Urgency / Need
- Buying Cycle
- Executive Sponsorship
- Perceived Value



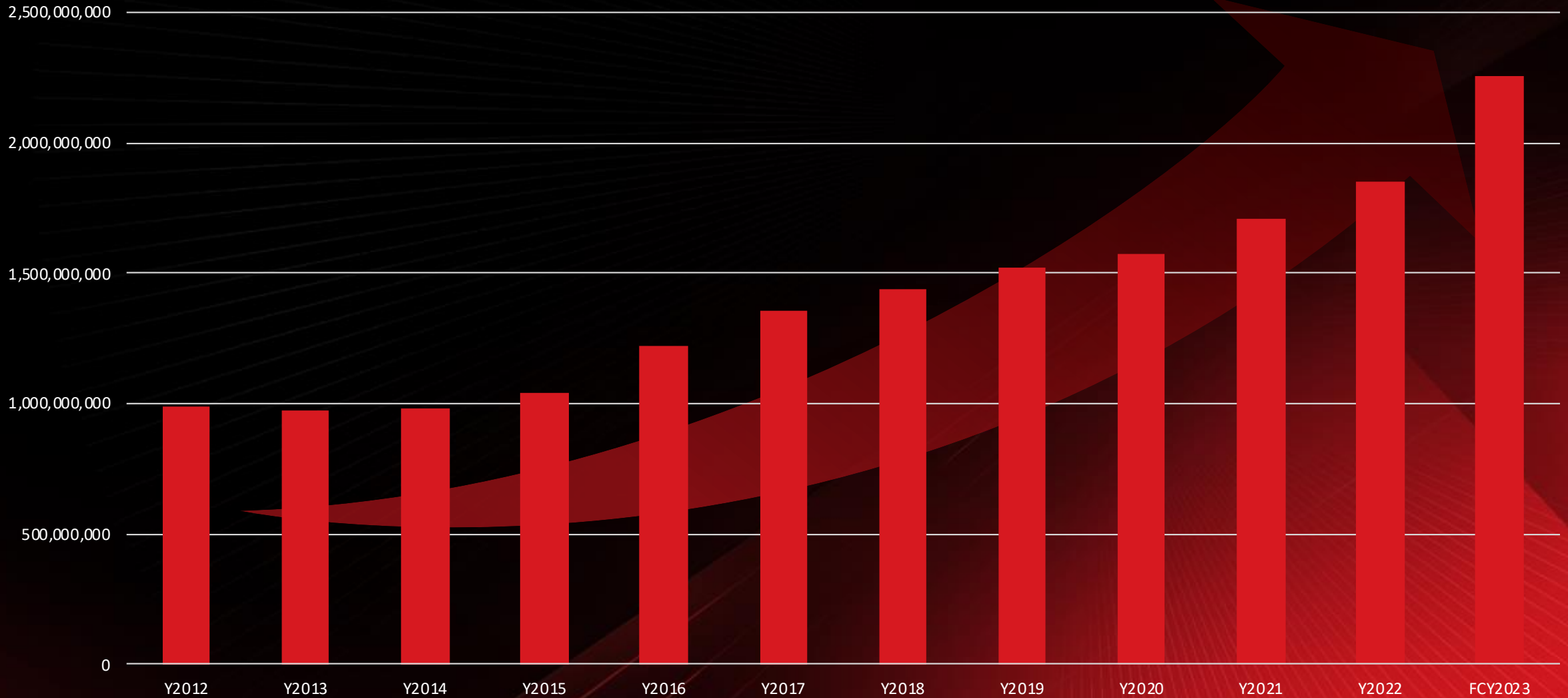
Our Cornerstone | The GOLDEN Triangle

Shareholders
Balancing
Growth & Profitability



Continue Revenue Growth

Global Net Sales

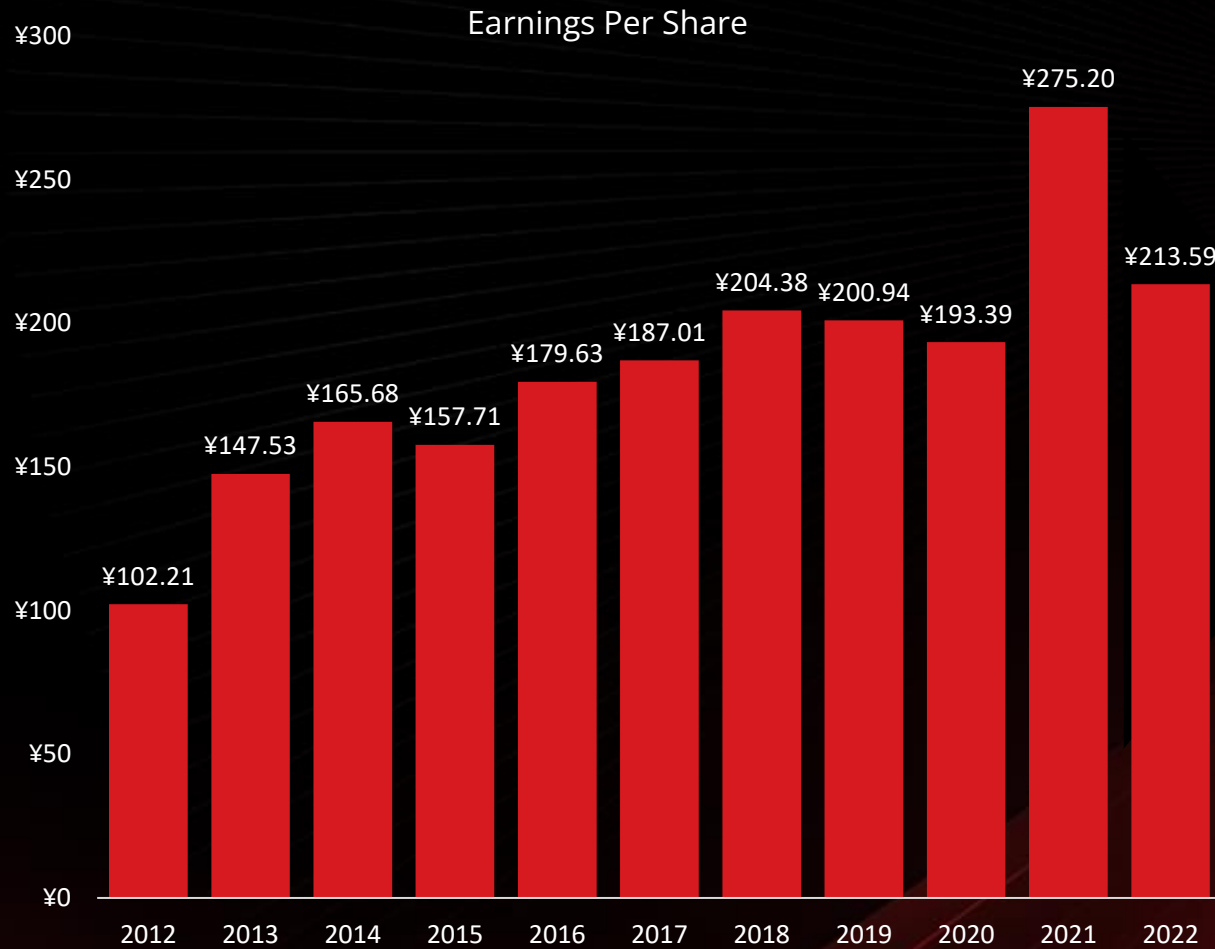


Unrivaled Performance Consistency

1000

*Consecutive
Quarters
of Profitable
Growth*

Increasing Shareholder Value



¥25B
share buyback

¥100B
special dividend

2023

¥40B
share buyback

70%
dividend

2024

100%
of net income to
shareholders

2025+

* EPS reported at actual currency.

 **TREND** MICRO™ **A PLATFORM COMPANY**

THANK YOU