



Trend Micro Reports Record Revenues and Earnings in First Quarter

Sales grow 56% and ordinary income increases 48% year over year in Q1, 2001 financial results

TOKYO, Japan, April 26, 2001 -- Trend Micro Inc. (TSE: 4704; Nasdaq:TMIC), a worldwide leader in network antivirus and Internet content security solutions, reported consolidated sales of 6,626 million yen (55.7 million US \$) and ordinary income of 2,252 million yen (18.9 million US \$) for the first quarter of fiscal 2001, ended March 31, 2001. The figures reflect gains of 56% in sales and 48% in ordinary income as compared with the same period a year ago. This increase was driven by strong, well-balanced growth in all three major markets: Japan, North America, and Europe.

If we did not adjust our net sales and ordinary income in accordance with the new revenue recognition policy, our sales would have shown a growth of 61% year over year to 6,848 million yen (57.5 million US \$), and ordinary income 62% to 2,475 million yen (20.8 million US \$) in the quarter.

Revenues were bolstered by an increase in the sales of high-end, Internet-related antivirus products, including InterScan® VirusWall® and ScanMail® for Microsoft Exchange and Lotus Notes, and the Company's further inroads into the large corporate enterprise and government markets. Further details can be obtained at [Financial/Investor Information](#).

First Quarter of FY 2001 (year through March 31, 2001) unaudited

1. Sales and Ordinary Income

	1st Quarter of FY2001 (unaudited)	(Percentage increase Compared to corresponding quarter of previous year)	1st Quarter of FY2000 (unaudited)	FY2000
	<i>Millions of yen</i>	<i>%</i>	<i>Millions of yen</i>	<i>Millions of yen</i>
Net sales	6,626	55.5	4,260	21,834
Ordinary income	2,252	47.8	1,524	7,443

(Note) See supplementary information at the end of this announcement.

2. Breakdown by Geography - Sales to third parties

	1st Quarter of FY2001	1st Quarter of FY2000	FY2000
	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>
Japan	2,619	1,797	8,447
North America	2,003	1,133	6,258
Taiwan	352	363	1,869
Europe	1,340	793	4,126
Others	310	172	1,133
Total	6,626	4,260	21,834

(Note) "Others" include Korea, Australia, Brazil, Hong Kong, Malaysia, Mexico, and New Zealand

3. New Statutory Auditors

Number of consolidated subsidiaries: 16

Number of unconsolidated subsidiaries: 0

NOTE: Financial data for the first quarter of FY 2000 is provided solely for comparison purposes, as the Company did not prepare quarterly earnings statements last year. Moreover, the figures for Q1 FY 2001 and Q1 FY 2000 have not been audited by the Company's certified public accountants or independent auditors, and the financial results described in this release were prepared in accordance with Japanese generally accepted accounting principles (GAAP).

Until the end of FY 2000, the Company and Trend Micro Incorporated (Taiwan) booked revenue for Premium Support and other post-contract customer support services at the beginning of the support period. Effective from FY 2001, the method of recognizing this revenue recognition has been changed and sales revenues from customer support are deferred over the relevant support period.

The following table shows the effect of this change on consolidated sales and ordinary income in Q1 FY 2001, from those for the first quarter of FY 2000, which is calculated on the assumption that the method before the change continues to apply to FY 2001.

1st Quarter of FY2001 (unaudited) (Percentage increase Compared to corresponding quarter of previous year) 1st Quarter of FY2000 (unaudited) *Millions of yen* % *Millions of yen* Net sales 6,848 60.8 4,260
Ordinary income 2,475 62.4 1,524

About Trend Micro

Trend Micro Incorporated (TSE: 4704), a global cloud security leader, creates a world safe for exchanging digital information with its Internet content security and threat management solutions for businesses and consumers. A pioneer in server security with over 20 years' experience, we deliver top-ranked client, server and cloud-based security that fits our customers' and partners' needs, stops new threats faster, and protects data in physical, virtualized and cloud environments. Powered by the [Trend Micro™ Smart Protection Network™](#) cloud security infrastructure, our industry-leading cloud-computing security technology, products and services stop threats where they emerge, on the Internet, and are supported by 1,000+ threat intelligence experts around the globe.

Additional information about Trend Micro Incorporated and the products and services are available at [Trend Micro.com](#) This Trend Micro news release and other announcements are available at <http://trendmicro.mediaroom.com/> and as part of an RSS feed at www.trendmicro.com/rss Or follow our news on Twitter at @TrendMicro.

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