



Trend Micro Reports Record Fourth Quarter Revenue

Fourth Quarter Revenue Grows 57% to ¥10,838 Million under Japan GAAP

TOKYO, Japan, February 6, 2002 -- Trend Micro Incorporated (TSE:4704, Nasdaq:TMIC), a worldwide leader in network antivirus and Internet content security solutions, today announced financial results for the fourth quarter ended December 31, 2001: consolidated net revenue was 10,838 million yen, an increase of 57% from the fourth quarter of FY2000, operating income climbed 51% to 3,916 million yen and ordinary income was up 72% to 4,239 million yen.

If the results were not adjusted in accordance with a new revenue recognition policy, net revenue, operating income and ordinary income would have grown by 77% to 12,247 million yen, 106% to 5,325 million yen and 129% to 5,648 million yen respectively.

"Given the difficult economic conditions faced by the technology sector in general, we are gratified that our innovative products and dedicated employees led to this result", said Steve Chang, CEO of Trend Micro. "We are even more excited to be leaving the year on the strongest possible note with our strongest quarter of the year."

Summary of Results for the Fourth Quarter of the fiscal year 2001

(in million yen, unaudited)	Three Month Ended December 31,		Change
	2001	2000	
Net sales	10,838 (83 million US\$)	6,903	57%
Operating Income	3,916 (30 million US\$)	2,588	51%
Ordinary Income	4,239 (33 million US\$)	2,461	72%

Exchange Rate: 1US\$=130JPY

(not adjusted for the new revenue recognition policy)

(in million yen, unaudited)	Three Month Ended December 31,		Change
	2001	2000	
Net sales	12,247 (94 million US\$)	6,903	77%
Operating Income	5,325 (41 million US\$)	2,588	106%
Ordinary Income	5,648 (43 million US\$)	2,461	135%

Exchange Rate: 1US\$=130JPY

For the annual results of the fiscal year ended December 31, 2001, the company reported consolidated net revenue of 31,326 million yen, ordinary income of 9,549 million yen and net income of 2,421 million yen.

Summary of Results for the fiscal year 2001

(in million yen, unaudited)	Three Month Ended December 31,		Change
	2001	2000	
Net sales	31,326 (241 million US\$)	21,834	43%
Operating Income	9,481 (73 million US\$)	7,443	51%
Ordinary Income	2,421 (19 million US\$)	4,722	-49%

Exchange Rate: 1US\$=130JPY

(not adjusted for the new revenue recognition policy)

(in million yen, unaudited)	Three Month Ended December 31,		Change
	2001	2000	
Net sales	33,652 (259 million US\$)	21,834	54%

Operating Income	11,807 (91 million US\$)	7,443	59%
Ordinary Income	5,555 (43 million US\$)	4,722	18%

Exchange Rate: 1US\$=130JPY

Description of the change of the recognition policy

Until the end of FY 2000, the Company (Japan) 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. Under Japanese GAAP, Trend Micro is not required to restate its financial statements because of a change in its revenue recognition policy and has chosen not to do so in this case.

Financial Outlook

Trend Micro expects consolidated net revenue for the fiscal year 2002 of 40,000 million yen, ordinary income of 13,000 million yen and net income of 7,300 million yen. For the first quarter of the fiscal year 2002, the company estimates consolidated net revenue will be between 8,500 million yen and 9,100 million yen, ordinary income between 2,300 million yen and 2,700 million yen and net income between 1,300 million yen and 1,500 million yen.

Highlights of 2001

Exceptional Growth - The IDC named Trend Micro the fastest-growing antivirus vendor and the worldwide leader in server-based antivirus software sales. Specifically, it found Trend Micro to be the global leader in the following segments of the antivirus industry in 2000:

- #1 in overall server AV market share - 33% market share
- #1 in Internet gateway AV market share - 63% worldwide market share
- #1 in groupware AV market share - 31% worldwide market share

New Customers - Trend Micro boosted its Fortune 1000 client base by securing many new enterprise customers, including HSBC, IBM, BMW, Commerzbank Securities, Conoco, Fuji Bank, Mitsubishi Heavy Industries, NEC, Asahi, Sprint, Sony, Colt, Deloitte & Touche, Ogilvy & Mather, and Verizon Wireless, the European Aeronautic Defence and Space Company (EADS) and Pemex. New government and institutional accounts included the US Army, Social Security Administration, Departments of Justice and Transportation,

and Census Bureau, the Australian Defence Force, Italy's Ministry of Foreign Affairs, Malaysia's Ministries of Education and Employment, the Tokyo Metro government, City of San Francisco and the National University of Singapore.

Broadband and Wireless Initiatives - Trend Micro unveiled GateLock™, an all-in-one plug-and-play device for broadband Internet connections offering security against hackers, viruses and other intruders, and released PC-cillin® for Wireless 2.0 supporting Palm OS, Microsoft Pocket PC, and Symbian EPOC platforms to help enable secure wireless communications.

Awards and Recognition - Trend Micro enterprise and desktop products continued to gather accolades from numerous publications. ScanMail for Microsoft Exchange and ScanMail eManager were PC Magazine's Editors' Choice for best enterprise email security solution. PC-cillin was named a "must-have" by PC World and an Editor's Choice by Australian PC Magazine; while its Japanese version, Virus Buster, picked up a Best Personal Computer Software Award from Nikkei Business. InterScan® VirusWall® and eManager™ were 'Highly Commended' at the Secure Computing Academy Awards 2001. Trend Micro was voted "Best Vendor" by the system integrator community at VARVision® Spring 2001, and HouseCall finished first in a test of online virus scanners for PC World (German edition). Trend Micro also received a US patent for its active content security technology, used in AppletTrap to guard against harmful Java applets and ActiveX controls.

Notice Regarding Forward Looking Statements

These forward-looking statements include statements regarding our expectations about our earnings for the fiscal year ending December 31, 2002. Many important factors could cause our actual results to differ materially from those expressed in our forward-looking statements. These factors include:

- Customer acceptance of our new products and services
- The impact of competing products and services
- Difficulties in adapting our products and services to the Internet
- Difficulties in addressing new virus and other computer security problems
- The potential lack of attractive investment targets and difficulties unsuccessfully executing our investment strategy
- Declining prices for our products and services

We assume no obligation to update any forward-looking statements. For more details regarding risk factors relating to our future performance, please refer to our filings with the SEC including our annual report on Form 20-F which was filed on June 29,2001.

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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