



Trend Micro Announces Revision of Forecasts of Consolidated Financial Results for the Second Quarter of Fiscal Year Ending December 31, 2006

TOKYO, Japan, July 27, 2006 -- Trend Micro (TSE: 4704; Nasdaq: TMIC), a leader in network antivirus and Internet content security software and services, today announced that the forecast of financial results for the second quarter of the fiscal year ending December 31, 2006, which were announced on April 25, 2006, has been revised as set forth below:

1. Revision of forecast of financial results for the second quarter of FY2006 (U.S. GAAP) (April 1, 2006 to June 30, 2006)

(in millions of yen)

	Net Sales	Operating Income	Net Income
Forecast previously published (A)	20,000	6,000	3,250
Revision made (B)	19,900	5,100	2,750
Difference (B - A)	-100	-900	-500
Ratio of increase or decrease	-0.5%	-15.0%	-15.4%

2. Reason for Revision

The Company has changed deferred revenue recognition of its consumer business in both U.S. and Japan since the second quarter ending June 30th, and this change has been reflected retroactively since the beginning of fiscal year 2006. Mainly because of this, a total of around 1 billion yen of revenues for the first half of FY2006 would be transferred from Net Sales to Deferred revenues on the balance sheet. However, the costs associated with these sales will remain in the second quarter profit and loss account, resulting in a negative impact on the quarterly profit forecasts. The deferred revenue balance at the end of the quarter is expected to be 39.7 billion Yen.

As a result of this revision, compared to the previous forecast, there is a decrease of 0.5% in Net Sales and a decrease of 15.0% and 15.4% in Operating Income and Net Income, respectively.

Notice Regarding Forward-looking Statements

Certain statements that we make in this release 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 antivirus software industry
- Changes in customer needs for antivirus software
- Existing products and new product introductions by our competitors and the pricing of those products
- Declining prices for 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

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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