



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

**TOKYO, Japan, February 15, 2007** -- 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 fourth quarter of fiscal year ending December 31, 2006, which were announced on October 31, 2006, has been revised as set forth below:

**1. Revision of forecast of financial results for the fourth quarter of FY2006**

(U.S. GAAP)

(October 1, 2006 to December 31, 2006)

|                                   | Net Sales | Operating Income | Net Income |
|-----------------------------------|-----------|------------------|------------|
| Forecast previously published (A) | 22,800    | 7,100            | 3,800      |
| Revision made (B)                 | 23,300    | 6,700            | 5,000      |
| Difference (B-A)                  | +500      | -400             | +1,200     |
| Ratio of increase or decrease     | +2.2%     | -5.6%            | +31.6%     |

**2. Reason for Revision**

While our original forecast for the fourth quarter bookings (Non-GAAP: amount of contracts concluded) was 26 billion Yen, up 6% from the same quarter in the previous year, due to stronger than expected revenue growth in North America and EMEA region, we now forecast ending the quarter with bookings of 29 billion Yen, up 18% from the same quarter in the previous year.

According to our revenue recognition policy, only a portion of the additional bookings has been recognized as the sales, while all the costs related to that increase have been expensed, resulting in a negative impact on the quarterly operating profits. As the result, though net sales are slightly ahead of our expectations, operating income forecast is now lower by 5.6% from the original forecast. On the other hand, net income forecast is 31.6% above original forecasts due to higher than expected interest income and a tax rate which is lower than our earlier conservative projection.

In summary, as a result of this revision, compared to the previous forecast of the fourth quarter, there is a

increase of 2.2% in Net Sales and a decrease of 5.6% in operating income, and increase of 31.6% in 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

We assume no obligation to update any forward-looking statements. For more details regarding risk factors relating to our future performance

### **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](http://TrendMicro.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](http://www.trendmicro.com/rss) Or follow our news on Twitter at [@TrendMicro](https://twitter.com/TrendMicro).

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