



Trend Micro to Adopt Japanese Accounting Principles for Consolidated Financial Statements and Announces Revision of Forecasts of Consolidated Financial Results for the Second Quarter of Fiscal Year Ending December 31, 2007

TOKYO, Japan, July 25, 2007 -- Trend Micro (TSE: 4704; the “Company”), a leader in network antivirus and Internet content security software and services, today announced that it has changed the accounting principles for preparing its consolidated financial statements required under the Securities and Exchange Law of Japan and the Company Law of Japan from U.S. GAAP to Japan GAAP, effective for the first half of the fiscal year ending December 31, 2007 (the 6 months ended June 30, 2007) and thereafter.

According to this changing effects, the forecast financial results for the second quarter of fiscal year ending December 31, 2007, which were announced on April 26, 2007, have been revised as set forth.

1. Reason for changing U.S. GAAP to Japan GAAP

According to our announcement on April 26 and June 1, 2007, the delisting of its American Depositary Shares (“ADR”) from the NASDAQ Stock Market (“NASDAQ”) took effect upon the commencement of trading on May 31, 2007. In addition, the Company submitted Form 15F to U.S. Securities Exchange Commission (the “SEC”) on June 27, 2007. The Company expects that the termination of its SEC reporting obligations will become effective 90 days after the date of filing the Form 15F with the SEC, or such shorter period as the SEC may determine. However, upon filing the Form 15F on June 27, 2007, the Company’s obligations to file reports on Form 20-F and Form 6-K with the SEC has immediately been suspended.

In light of these circumstances, though it has not ensured yet that the termination of its SEC reporting obligations will become effective, the Company has adopted and started to disclose with the accounting principles to Japan GAAP for the first half of the fiscal year ending December 31, 2007 and thereafter.

2. Revision of forecast of financial results for the second quarter of FY2007 (Japan GAAP)

(April 1, 2007 to June 30, 2007)

Based on the above result, the forecast of financial results for the second quarter of fiscal year ending December 31, 2007, which were announced with U.S. GAAP on April 26, 2007 should be revised with Japan GAAP as follows.

The impact of changing Japan GAAP would be no effects to Net Sales. On the other hand, comparing to US GAAP, Operating Income which increase 500 million yen are mainly caused by stock option cost decrease around 700 million yen and amortization of goodwill around 200 million yen.

(in millions of yen)

	Net Sales	Operating Income	Net Income
Forecast previously publish (A)	22,500	5,300	3,000
Revision made (B)	22,500	5,800	3,700
Difference (B-A)	+0	+500	+700
Ratio of increase or decrease	0.0%	+9.4%	+23.3%

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](#).

Information

Mr. Mahendra Negi

Chief Operating Officer / Chief Financial Officer / IR Officer

Phone: +813-5334-4899

Fax: +813-5334-4874

ir@trendmicro.co.jp