



Trend Micro Reports Record Q2 Revenue and Earnings with Double Digit Growth and Double Digit Income

TOKYO, Japan, August 9, 2007 -- Trend Micro, Incorporated (TSE: 4704), a leader in network antivirus and Internet content security software and services, today announced record earnings results for the second quarter 2007 (in accordance with Japan GAAP).

Trend Micro posted consolidated net sales of 25.14 billion Yen (or US \$207.84 million, 120.95JPY = 1USD), and operating income and net income both performed above expectations. The company posted operating income of 8.87 billion Yen (or US \$73.33 million) and net income of 6.40 billion Yen (or US \$52.95 million) for the quarter. These figures reflect 23 percent growth in net sales compared to the same period a year ago, a 37 percent growth in operating income and a 47 percent growth in net income for the same timeframe.

The Company continued to see strong growth, led by a 48 percent year-over-year revenue increase in North America, followed by a 22 percent increase both in APAC and Latin America. Europe and Japan achieved 17 and 14 percent growth respectively.

“We are extremely pleased with the strength of our achievements in the second quarter of 2007. Trend Micro’s results were driven by continued progress in both business and consumer sales, and our plans for long-term growth are sustained through the introduction of new innovations made this quarter,” said Eva Chen, CEO of Trend Micro. “The continued integration of Trend Micro Total Web Threat Protection technology to our solutions helps ensure our ability to continue this growth momentum.”

Based on information currently available to the company, consolidated net sales for the third quarter ending September 30, 2007 is expected to be 24.40 billion Yen (or US \$206.78 million, based on an exchange rate of 118JPY = 1USD). Operating income and net income are expected to be 7.40 billion Yen (or US \$62.71 million) and 5.45 billion Yen (or US \$46.19 million), respectively.

Growth rate figures are calculated from Japanese Yen results. Some discrepancy may therefore be noted in US Dollar comparisons owing to fluctuations in currency conversion rates.

Second Quarter Business Highlights

Corporate

- On June 18, 2007, Trend Micro raised awareness of Italian Job, an insidious Web threat that targeted visitors to certain compromised Web domains around the world. Owing to its new Web threat protection technology, Trend Micro was able to protect users, and ensure their ability to surf the Web safely.
- Also in June 2007, Trend Micro announced that its previous agreement with Microsoft Corp. for the provision of antivirus scanning has been extended to the successor to MSN Hotmail, Windows Live

Hotmail. For the fourth consecutive year, Trend Micro will help protect 280-million active Windows Live Hotmail and MSN Hotmail email accounts.

- Trend Micro announced that an anti-spam effectiveness test conducted by recognised independent testing agency, Opus One, its multi-tiered offering surpassed anti-spam offerings of competitors, in May 2007. In the anti-spam benchmark test, multi-tiered anti-spam from Trend Micro achieved the highest catch rate of 97.36 percent and a competitive low false positive rate when compared to several popular anti-spam solutions. Vendor solutions tested included anti-spam engines as well as reputation services if provided by the vendor.
- In May 2007, Trend Micro and Tech Data Launched a new usage-based licensing program for North American solution/service providers. The new program has been set up to empower providers to cost-effectively support the security needs of businesses of all sizes with scalable, dependable managed services.

In April 2007, Trend Micro announced enhancements to its channel partner programs, adding further to the value proposition already available to channel partners. Beginning in North America, Trend Micro is rolling out globally a new customer management tool for partners, the Worry-Free Remote Manager, a secure, hosted remote console. Also announced was the new SMB Support Portal. This is a new online resource that provides partners and customers quick and easy access to technical expertise. The goal of the SMB Support Portal is to automate and consolidate technical support needs using a single web interface.

New customers in the second quarter included:

In the United States and Canada – Acument Global Technologies, SSHA (Smart Systems for Health Agency, Zarlink Semiconductor and Hamilton Health Science.

In Europe - Maxeda It Services Bv, Achmea GITS, E.ON and eSpeed International.

In Japan – Olympus, SBI holdings and Ishigaki city and in China - SHANXI Electric Power Corporation, Neim Meng Gu Telecom, Zhengzhou Yutong Bus Co., Ltd. and Beijing Fangshan Government.

Awards

- In North America, in June 2007, Trend Micro received the prestigious Bravo! Award presented annually by consumer electronics retailer Best Buy. The 2007 Best Buy Bravo! Award recognizes Trend Micro for its passion and dedication to vision, speed and innovation, honesty and respect, responsiveness to the needs of Best Buy's customers and business excellence.
- At the beginning of June a SC Magazine product review recognised Trend Micro InterScan Gateway Security Appliance with 5 stars and Best Buy award in an anti-malware management group test. The best buy award recognized InterScan Gateway Security Appliance for its ease of use and feature set. In testing it rated highly as a single solution to malware protection in any environment and value for money.

Product

Trend Micro introduced the following products in the first quarter 2007:

- Trend Micro OfficeScan - In June 2007, Trend Micro announced the integration of its state-of-the-art Total Web Threat Protection technology to its enterprise desktop security solution, OfficeScan. Total Web Threat Protection is a key component within the Trend Micro Secure Content & Threat Management security solutions portfolio.
- Trend Micro Internet Security - Trend Micro announced the availability of Trend Micro OS Protection, a security enhancement package for Windows Vista™ users running Trend Micro Internet Security. A continuation of the company's commitment to provide customers an optimal experience on Windows Vista platform, the package consists of two enhancements, Trend Micro Firewall Booster and Trend Micro Pre-Startup Scan.
- Trend Micro Network VirusWall Enforcer – In April 2007, Trend Micro announced Network VirusWall™ Enforcer 1200, a second-generation Network Access Control (NAC) appliance for the mid-market. The solution addresses developing need for mid-market appliances that provide a combination of agent-less policy enforcement and anti-malware at the critical endpoints of the network.

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