



Trend Micro Reports Sustained, Double-Digit Growth for Third Quarter

Strong growth in all regions, combined with higher-than-projected operating income

TOKYO, Japan, November 8, 2007 -- Trend Micro, Incorporated (TSE: 4704), a leader in network antivirus and Internet content security software and services, today announced earnings results for the third quarter 2007 (in accordance with Japan GAAP).

Trend Micro posted consolidated net sales of 25.201 billion Yen (or US \$214.374 million, 117.56JPY = 1USD), and operating income and net income both performed above expectations. The company posted operating income of 8.937 billion Yen (or US \$76.026 million) and net income of 6.864 billion Yen (or US \$58.391 million) for the quarter. These figures reflect 19 percent growth in net sales compared to the same period a year ago, a 24 percent growth in operating income and a 43 percent growth in net income for the same time frame.

The Company continued to grow with a 32 percent year-over-year revenue increase in North America, and a 25 percent increase in APAC. Europe and Japan achieved 16 and 12 percent growth, respectively.

“Once again, Trend Micro delivered strong financial results and sustained double-digit growth in all regions. Our operating income also exceeded projections,” said Eva Chen, CEO of Trend Micro. “We furthered our mission of providing the most advanced Internet security solutions by implementing Web-based security to our top consumer products -- Trend Micro™ AntiVirus Plus AntiSpyware, Trend Micro Internet Security, and Trend Micro Internet Security Pro, which are on the market now. Our top rankings within the Dow Jones Sustainability Index and the Nikkei Excellent Company Ranking prove our global and industry vibrancy.”

Based on information currently available to the company, consolidated net sales for the fourth quarter ending December 31, 2007 is expected to be 25.70 billion Yen (or US \$227.43 million, based on an exchange rate of 113 JPY = 1USD). Operating income and net income are expected to be 8.40 billion Yen (or US \$74.33 million) and 5.30 billion Yen (or US \$46.90 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.

Third Quarter Business Highlights

Corporate

- Trend Micro was ranked No.10 in the Combined Score Ranking of the 2007 Nikkei Excellent Company Ranking, which evaluates companies in the Tokyo Exchange Market. The ranking is determined by analyzing each company's fiscal results (from April 2006-March 2007), and examining financial indicators, including operational scale, profitability, stability and growth potential.
- For the fourth consecutive year, Trend Micro was included in the Dow Jones Sustainability Index World. Launched in 1999, the Dow Jones Sustainability Indexes are the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide.
- In September, Trend Micro expanded its Alliance Partner Program, providing a set of services tailored for Technology, Platform, and Consulting Services partners. These new services provide an enhanced set of benefits and services that enable Trend Micro and its alliance partners to grow business together, create joint business solutions, and provide opportunities for joint marketing and collaboration that can increase value to customers.
- Trend Micro and Cisco further advanced their relationship in August through a new agreement to extend Trend Micro security services incorporated into Cisco's network infrastructure products. Under this agreement, the companies now will work closely on integrating additional content security services into Cisco's routing offerings.
- In July, Eva Chen was invited to speak at the Fortune iMeme: The Thinkers of Tech conference. She spoke on the global path of the so-called "Italian Job" Web-threat outbreak that compromised thousands of tourism-related websites in Italy this summer.

New customers in the second quarter included:

In the United States and Canada – Electronic Classroom of Tomorrow, San Francisco Department of Public Health and Chumash Casino Resort.

In Korea – Hyundai Motors.

In Japan – Toray, and SHOWA Corporation.

In China - China Eastern Airline, China Everbright Bank and the Chinese Olympic Committee.

Awards

- A leading consumer testing magazine top-rated Trend Micro's suite of consumer security solutions.
- Trend Micro InterScan Gateway Security Appliance received a rating of "Excellent" from the editors of ZDNet UK.
- In China, Trend Micro received the "Internet Security Top Provider" award from NetAdmin World Magazine, targeted to network supervisors of enterprises and institutions.

Products

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

- Trend Micro AntiVirus Plus AntiSpyware, Trend Micro Internet Security, and Trend Micro Internet Security Pro - In September, Trend Micro unveiled the next versions of its consumer security products. These products offer consumers powerful protection from cyber criminals by safeguarding multiple attack

points, from the operating system to browsers to keyboards. The company focused on core consumer needs such as enhanced protection against the latest malware, 30% faster manual scanning than competitive products, easy reporting and more convenient manageability, including a simplified and elegant user interface.

- Trend Micro OfficeScan™ 8.0 - In September, Trend Micro licensed host intrusion defense technology and is integrating it within the company's corporate endpoint security solution. The result is expected to be a comprehensive endpoint security solution encompassing antivirus, anti-spyware, firewall, and host intrusion defense which protects users with complementary and proactive protection from malicious attacks.
- Interscan™ Web Security Appliance - Featuring Web reputation, URL filtering and applet security in a real-time Web environment, this is a comprehensive approach for protecting the network from attacks such as virus, spyware, malicious Web sites, and inappropriate Web content. The product, announced in August, now includes real-time Web reputation from Trend Micro, which assesses the safety of a Web page based on both behavior and content.
- NeatSuite™ Standard/NeatSuite Advanced – In July, Trend Micro announced NeatSuite Standard, for medium-sized business customers, and NeatSuite Advanced, for enterprise customers. Both solutions benefit from the Trend Micro multilayered, multi-threat protection, and provides a gateway-to-endpoint defense against new and evolving threats. Now also including Trend Micro Web reputation technology, these solutions provide customers proactive protection against Web-based attacks, viruses, spam, spyware and other malware.
- Trend Micro™ InterScan™ Gateway Security Appliance – Continuing to provide secure content management for mid-sized organizations, the latest version, announced in July, now includes Web reputation technology which bolsters security by identifying Web sites and sources of spam.

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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