

Trend Micro, Inc.

Eva Chen, Representative Director, President,  
Chief Executive Officer

First Section of the Tokyo Stock Exchange

Code: 4704

Notice Cash Dividend in the end of fiscal year in December 2019

At a meeting held on February 18, 2020, the Board of Directors of: Trend Micro (“we”) resolved to distribute year-end cash dividend per share, with record date dated December 31, 2019. The effecting of the resolution is conditional on the agenda item being approved at the 31<sup>st</sup> ordinary general meeting of shareholders on March 26, 2020.

In relation to the above, today we hereby inform you of the following:

1. Dividend for the Year ending December 2019 (January 1 to December 31, 2019)

	Year-end dividend for FY 2019	Most recent dividend forecast	Year-end dividend for FY 2018
Record date	December 31, 2019	December 31, 2019	December 31, 2018
Dividend per share	160.00 yen	Not reported	163.00 yen
Total amount of dividends	22,263 million yen	-	22,759 million yen
Effective date	March 27, 2020	-	March 27, 2019
Source of dividends	Retained earnings	-	Retained earnings

2. Reason for of cash dividend for FY2019

We intend to continue to return profits to shareholders based on our net profits on a consolidated basis while striving to enhance financial strength and secure inner reserves in order to deal with the significantly changing business environment and maintain a competitive edge against competitors.

Our basic policy on dividends has been set as 70% of net income attributable to owners of the parent.

As pertains to our purchase of the TippingPoint business in 2016, this acquisition’s related amortization has started to be booked. According to such a background, to avoid the dividend payout being affected by this non-cash charge, we plan to pay the year-end dividend on the basis of a dividend ratio of 70% calculated after excluding the effect of after-tax impact of amortization related to purchase the TippingPoint business with a following formula.

(Reported net income attributable to owners of the parent + After-tax impact of amortization of related to purchase of the TippingPoint Business) x 70%

Appendix

Record date	Dividend per share (yen)		
	End of interim period	End of fiscal year	Annual Total
Year of 2019 (December 31, 2019)	0	160.00	160.00
Year of 2018 (December 31, 2018)	0	163.00	163.00
Year of 2017 (December 31, 2017)	0	149.00	149.00