

Trend Micro Reports Strong Results for Q4 and Fiscal Year 2017

TOKYO--([BUSINESS WIRE](#))--[Trend Micro Incorporated](#) (TYO: 4704; TSE: 4704), a global leader in cybersecurity solutions, today announced earnings results for the fourth quarter and consolidated revenue for fiscal year 2017, ending December 31, 2017.

In 2017, the company had double-digit net revenue growth, evidence of Trend Micro's continued leadership in the security industry and providing a strong platform to secure the connected world as we move into 2018.

"I'm honored to share the results of our strong financial performance, strategic solution enhancements and impressive market validation," said Eva Chen, chief executive officer for Trend Micro. "And in keeping with our core value of protecting our customers against the changing threat landscape, I'm also pleased to highlight innovation that enables us to grow in new ways."

For the fourth quarter, Trend Micro posted consolidated net sales of 41,028 million Yen (or US \$363 million, 112.99 JPY = 1USD). The company posted operating income of 8,511 million Yen (or US \$75 million) and net income attributable to owners of the parent of 5,175 million Yen (or US \$45 million) for the quarter.

For 2017, Trend Micro posted consolidated net sales of 148,811 million Yen (or US \$1,326 million, 112.22 JPY=1USD). The company also reported operating income of 36,441 million Yen (or US \$324 million) and net income attributable to owners of the parent of 25,691 million Yen (or US \$228 million).

Based on information currently available to the company, consolidated net sales for the year ending December 31, 2018 is expected to be 164,800 million Yen (or US \$1,484 million, based on an exchange rate of 111 JPY = 1 USD). Operating income and net income are expected to be 40,700 million Yen (or US \$366 million) and 28,400 million Yen (or US \$255 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.

Q4 2017 Business Highlights

Valued product development and strategic investments to protect our customers:

- A strategic relationship finalized with TELUS Security Labs in Q4 will help drive critical insights to navigate the North American threat landscape and protect against cyber threats.
- Trend Micro solutions grew with the Q4 acquisition of Montréal, Canada-based Immunio, which brought security experts and new capabilities to Trend Micro.

Continued innovation and research to secure the evolving, connected world:

- As companies build and deploy applications faster across everything from cloud to containers, any drag on the DevOps lifecycle can create drag on an entire business. In response to this, Trend Micro announced the expansion of its Hybrid Cloud Security solution scope that will increase the automated protection through the DevOps process.
- As vehicles become more connected and smarter, security requirements for automotive systems are constantly growing. Trend Micro IoT Security recently announced support for a related solution from Mentor, a Siemens business. Mentor Automotive ConnectedOS™ is deployed in many in-vehicle infotainment systems (IVI) and driver information systems (Cluster) for a variety of automotive manufacturers.
- Demonstrating the ongoing commitment to innovate with telcos and managed service providers, Trend Micro collaborated with Telcom Systems on a new joint offering, helping to deliver network security services, including intrusion prevention and web security.

Q4 2017 Reports, Recognitions and Awards

- Trend Micro was recommended for the fourth year in a row by [NSS Labs Breach Detection Systems report](#) – scoring a 100% detection rate.

Trend Micro was awarded the following patents in Q4 2017:

| Patent No. | Issue Date | Title |
|------------|------------|---|
| 9811664 | 11/07/2017 | Methods and Systems for Detecting Unwanted Web Contents |
| 9813412 | 11/07/2017 | Scanning of Password-Protected E-Mail Attachment |
| 9817974 | 11/14/2017 | Anti-Malware Program with Stalling Code Detection |
| 9843602 | 12/12/2017 | Login Failure Sequence For Detecting Phishing |

Notice Regarding Forward-Looking Statements

Certain statements that are made in this release are forward-looking statements. These forward-looking statements are based on 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 actual results to differ materially from those expressed in 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 new products
- The level of continuing demand for, and timing of sales of, existing products
- Rapid technological change within the antivirus software industry
- Changes in customer needs for antivirus software
- Existing products and new product introductions by competitors and 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 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, a global leader in cybersecurity solutions, helps to make the world safe for exchanging digital information. Our innovative solutions for consumers, businesses, and governments provide layered security for data centers, cloud environments, networks, and endpoints. All our products work together to seamlessly share threat intelligence and provide a connected threat defense with centralized visibility and investigation, enabling better, faster protection. With almost 6,000 employees in more than 50 countries and the world's most advanced global threat intelligence, Trend Micro enables organizations to secure their connected world. For more information, visit www.trendmicro.com.

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