

## Trend Micro Reports Earnings Results for Q2 2024

- Increase of 13% globally in net sales growth at actual currency
- Increase of 42% in operating income to drive 18% operating margin
- Increase of 45% in enterprise platform-connected annual recurring revenue (ARR), contributing to growing the total company ARR by 6% to over US \$1.65 Billion

TOKYO, Aug. 8, 2024 /PRNewswire/ -- [Trend Micro Incorporated \(TYO: 4704;TSE: 4704\)](#), a global cybersecurity leader, today announced earnings results for the second quarter of fiscal year 2024, ending June 30, 2024, by reporting 13% year-over-year net sales growth.

In Q2, growth was powered by our enterprise platform across all global regions, with enterprise net sales increasing at 16% YoY and enterprise ARR now at US\$1.25 Billion\*, representing 76% of the company's total ARR.

The company grew enterprise platform ARR by 45% in Q2, driven by customers realizing the benefits of our AI-powered cybersecurity platform in 2024.

**Eva Chen, Co-Founder and CEO:** "We closed the first half of the year strong, leveraging our 35 years of balancing IT and security operations to enable business continuity for our customers. Together with our customers, we are innovating across our Trend Vision One™ platform, helping organizations to embrace AI for better business outcomes while more effectively managing enterprise cyber risk."

Streamlined cyber risk management and contextualized visibility drove security teams to increasingly rely upon Trend, resulting in a 13% growth of protected enterprise assets totaling more than 82 million.

**Kevin Simzer, COO:** "We beat our internal plans for the quarter, both top and bottom line. Our unrelenting focus is on platform expansion and operational efficiency, delivering 18% operating margin this quarter."

For this quarter, Trend Micro posted consolidated net sales of 68,603 million Yen (or US \$440 million, 155.91 JPY = 1USD). The company posted operating income of 12,308 million Yen (or US \$78 million) and net income attributable to owners of the parent of 7,141 million Yen (or US \$45 million) for the quarter.

The company does not revise expected consolidated results for the full fiscal year ending December 31, 2024 (released on February 15, 2024). Based on information currently available to the company, consolidated net sales for the year ending December 31, 2024 is expected to be 271,000 million Yen (or US\$1,843 million, based on an exchange rate of 147 JPY = 1 USD). Operating income and net income attributable to owners of the parent are expected to be 52,900 million Yen (or US \$359 million) and 34,600 million Yen (or US \$235 million), respectively.

### Key business updates in Q2 2024

**Innovative:** Trend nurtures a culture of innovation to drive advancements across its cybersecurity platform.

- Debuted ability to secure AI-enabled private data centers with NVIDIA
- Released world's first security solution to protect the emerging market of AI PCs
- Unveiled AI-driven cyber risk management capabilities that enable customers, like AI-enabled healthcare technology leader Xsolis, to proactively reduce breach risk

**Trusted:** Trend is a trusted partner to the customers and communities that it serves.

- Launched new platform capabilities to automatically secure enterprise data as employees increase exploration of tools such as ChatGPT and AI models
- Released latest survey findings on gap between board of directors and their security leaders, with 46% confirming challenges measuring business value of cybersecurity strategies
- Achieved 100% attack visibility in the latest MITRE Engenuity ATT&CK® Evaluation

**Global:** Trend has the most geographically diverse customer base in the industry, with hundreds of millions of sensors powering the Trend Vision One™ platform for superior attack surface risk management.

- Collaborated on law enforcement-led take down of a premier ransomware group, responsible for an estimated quarter of ransomware attacks worldwide
- Helped prevent breaches and save organizations millions of dollars with our vulnerability discovery program, exposing over 60% of public vulnerabilities globally, according to a new Omdia report
- Proactively secured enterprise customers from 29 zero-day vulnerabilities across Windows, Linux, Chrome and VMWare, via Trend's ZDI Pwn2Own competitions

Trend Micro was awarded the following patents in Q2 2024:

Patent No.	Issue Date	Title
12013937	06/18/2024	Detection and Identification of Malware using a Hierarchical Evolutionary Tree
12019782	06/25/2024	Privacy Protection for Customer Events Logs of Cybersecurity Events
11973791	04/30/2024	Detecting Network Entities That Pose A Cybersecurity Risk To A Private Computer Network

\* Converted at Company Plan Rates, 1USD= 147 yen, 1EUR =157 yen. Non-GAAP and Reference for Internal management

\*\* Converted at Company Plan Rates, 1USD= 147 yen, 1EUR =157 yen

### Notice Regarding Forward-Looking Statements

Certain statements included in this press release that are not historical facts are forward-looking statements. Forward-looking statements are sometimes accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook" and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These statements are based on our current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we do not know whether our expectations will prove correct. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, even if subsequently made available by us on our website or otherwise. We do not undertake any obligation to update, amend or clarify these forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

### About Trend Micro

Trend Micro, a global cybersecurity leader, helps make the world safe for exchanging digital information. Fueled by decades of security expertise, global threat research, and continuous innovation, Trend Micro's AI-powered cybersecurity platform protects hundreds of thousands of organizations and millions of individuals across clouds, networks, devices, and endpoints. As a leader in cloud and enterprise cybersecurity, Trend's platform delivers a powerful range of advanced threat defense techniques optimized for environments like AWS, Microsoft, and Google, and central visibility for better, faster detection and response. With 7,000 employees across 70 countries, Trend Micro enables organizations to simplify and secure their connected world. [www.TrendMicro.com](http://www.TrendMicro.com).

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