



FAQ – FORTINET/TREND MICRO SETTLEMENT

Confidential

On Jan. 30, 2006 Fortinet and Trend Micro announced the two parties reached a settlement agreement on infringement claims relating to the Trend '600 Patent. All claims and legal activities surrounding this are in the process of being dismissed.

While we continue to believe we did not infringe on Trend's Patent, this settlement is a positive step in that it allows Fortinet to focus our energy and resources on developing and delivering innovative technology to our customers in the United States and around the world.

All terms of the settlement agreement are confidential.

The questions and answers below are intended to assist you in addressing inquiries you may receive from customers, Partners or others.

* * *

Q: What is Fortinet's position on the settlement?

A: Fortinet views this settlement positively in that it allows the company to focus our energy and resources on developing and delivering innovative technology to our customers in North American and around the world, not on further litigation.

Q: What are the terms of the settlement?

A: The terms of the settlement are confidential.

Q: Does this settlement require Fortinet to now use Trend's AV technology?

A: No. Per the settlement, Fortinet is now licensed under the '600 patent. The company is not under any obligation to use Trend's antivirus engine.

Q: How does this settlement agreement impact Fortinet's AV development plans?

A: The settlement allows Fortinet to use and continue to develop our antivirus engine, which we believe is the premier solution in the marketplace. Fortinet will resume development and delivery of a single firmware release, integrating the best technology features of our current U.S. and non-U.S. antivirus engines. That firmware is expected to be made available in March 2006. Certain features in the current U.S. firmware that have proven to increase security, such as "Hot List" scanning, will be included in the new single release.

Q: What should I tell my customers about this settlement?

A: This settlement dismisses all past International Trade Commission ("ITC") orders and Trend Micro's pending claims against Fortinet in both the ITC and Federal District Court. Fortinet is now fully licensed under the '600 Patent and free of restriction in regards to development or delivery of our AV technology. Therefore, customers in the U.S. and worldwide have no reason to be concerned with issues regarding this matter or Fortinet's AV technology.

Q: What does this mean for U.S. customers currently using FortiOS 2.8 MR-11D?

A: Customers who have deployed FortiOS 2.8 MR11-D can upgrade to version 3.0 MR1, which will combine the benefits of our original AV engine, enhancements brought about in MR11-D, and all the new features of FortiOS 3.0. As this release contains a significant number of new capabilities, Fortinet recommends qualifying the release in a test environment before migrating it into a production network. U.S. customers who wish to immediately regain functionality that was lost in FortiOS 2.8 MR-11D, such as "splice mode," may download the non-U.S. version of the software, FortiOS 2.8 MR-111.