

TRENDnews

A TRENDnet Publication

MAY 2007

President's Brief

I would like to start by taking the time to thank all of our partners and customers for your continued support. Your trust in TRENDnet is the foundation of our future success. TRENDnet more than ever, is working hard to improve your experience. With that in mind we have achieved many new milestones since our last newsletter.

TRENDnet has settled into our new 90,000 sq. ft. headquarters and soon we will celebrate our six month anniversary. TRENDnet's IP Camera line provides needed security for our warehouse and office. Our robust in-office wireless network is of course facilitated by TRENDnet products. TRENDnet's server room features all TRENDnet switches, Fiber and KVM. As well, our conference rooms are the perfect showcase for TRENDnet's first to market ClearSky™ Bluetooth VoIP Conference Phone Kit. If you will be traveling through the Los Angeles area, consider yourself invited to visit our new facility and yes, you may see one or two TRENDnet products in use.

TRENDnet sales and brand awareness continue to reach new heights. With this strong momentum in hand, TRENDnet experienced significant success attending the world's two largest consumer electronic tradeshows — CeBIT in Hannover, Germany and CES in Las Vegas, Nevada. Retail Vision, the largest event in the Americas, strictly for retailers, yielded great potential. New partners, new prospects and new ideas have emerged from the tradeshows and provide added wind to TRENDnet's already full sails.

Our Website is entering a phase of revitalization. One of our most important accomplishments was the creation of an online RMA platform. This platform provides real-time visibility for all customers throughout the RMA process. From the time a product is returned, our customers can now instantly know the status of their case and communicate in real-time with a member our RMA team. Our preliminary surveys reveal a 65% jump in customer satisfaction.

Increased partner visibility is also the theme of coming months. Look forward to a password protected online marketing site in which partners can access and download a wide range of TRENDnet marketing and training materials instantly. Increased Website localization is currently taking place as well. Changes are happening as we speak, so check our Website regularly for new features that can benefit you.

From the four corners of the world, exciting news stories abound. TRENDnet's wireless N products have won an unprecedented 14 awards to date from trusted magazines and review Websites around the world. We continue to greatly expand our North American, European and South American retail presence. Brand awareness in South Africa is also skyrocketing due to visionary partner projects. TRENDnet is teaming up with one of Russia's most popular Websites, Yandex.com, to promote TRENDnet's full line of VoIP products. These are a few examples of the many projects that TRENDnet is proud to highlight.



Pei and Peggy Huang

Currently the biggest challenge for TRENDnet is the ability to manage our growth in a way that continually provides better service to you. I hope the following pages provide a glimpse into how TRENDnet is implementing new best practices that anticipate the needs of our valued customers and partners.

Sincerely,

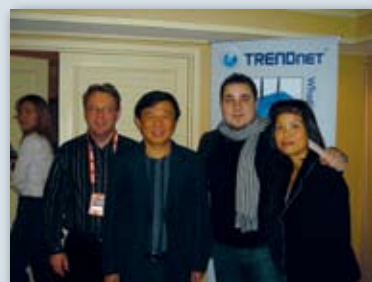
Pei Huang
President/CEO
TRENDnet

CeBIT 2007



CES 2007

TRENDnet made its official debut at this year's 2007 International Consumer Electronics Show (CES). The four day event held annually in Las Vegas, Nevada, is the largest tradeshow of its kind in North America. TRENDnet hosted visiting partners and press at its well appointed 1200 sq ft. executive suite at the Mirage Hotel and Casino. The suite provided the perfect backdrop for meetings with existing and potential customers from around the globe. It was also the site of TRENDnet's invitation-only cocktail reception. Visitors experienced the latest TRENDnet products first hand through live demonstrations. Conference calls were made with TRENDnet's first to market Bluetooth VoIP Conference Phone Kit. Partners played with live in-room pan and tilt IP Cameras, and everyone saw first hand the award winning wireless performance of TRENDnet's Wireless N products. TRENDnet is already planning for a big splash at the 2008 International CES show. If you are attending CES next year, drop by and see how TRENDnet can help network your life.



TRENDnet is celebrating its most successful CeBIT show to date. One year shy of our 15th year as an exhibitor, TRENDnet rode a wave of increased brand awareness. Located in a favorable area of Networking Hall 15, TRENDnet's 80 m² island booth displayed very well. End users were able to see and feel TRENDnet's hottest products while new and existing TRENDnet partners planned for continued 2007 growth.

TRENDnet's TEW-631BRP Wireless N Firewall Router continued its award winning streak by winning four additional awards at CeBIT 2007. Scandinavia's leading electronic magazine, Dator, reviewed 10 products and awarded TRENDnet with its highly prized Price-to-Performance award. Germany's popular Chip Magazine and PCgo independently awarded TRENDnet with similar awards in respective router round-up reviews. To cap off the CeBIT show Bit-Tech.net, a highly read online review site based out of the United Kingdom awarded TRENDnet with the top score of all routers reviewed.

Continuing the tradition of past years, TRENDnet's Munich Hall event allowed 100 of our closest partners to relax and celebrate the previous year's successes. New potential partners emerged from a plethora of European countries and we had the good fortune of welcoming them to our Munich Hall event. Given CeBIT 2007's superlative results, TRENDnet is looking forward to meet the challenges of CeBIT 2008.



TRENDnet's Growing US Retail Presence

With products stocked in retail chains such as Fry's Electronics, J&R, Micro Center and PC Club TRENDnet set its sights higher in 2007. Very early in the year TRENDnet celebrated its first victory when CompUSA, one of the most recognized retail brands, inked an agreement with TRENDnet. The computer retailer cleared out shelf space to make way for a healthy offering of Wireless, Print Server, Powerline, IP Camera and KVM products. TRENDnet's extensive and award winning product line is the perfect fit for CompUSA's customer base which values high quality yet affordable networking solutions. The

company sells over 20,000 consumer items such as computers, digital cameras, DVD players, monitors and networking products. CompUSA has over 99 stores throughout the US and Puerto Rico and maintains a popular online store.

TRENDnet quickly followed up the CompUSA success by finalizing a contract with retail powerhouse RadioShack. The \$4.6 billion retailer has over 6,000 retail outlets in the United States and over 100 locations in Mexico. RadioShack provides consumers with even greater access to TRENDnet

products with its convenient locations in neighborhoods and malls throughout America. Radio Shack will initially stock TRENDnet KVM switches in 3,000 of its US locations, beginning June 2007. As the winter holiday shopping season approaches RadioShack will evaluate the opportunity to stock TRENDnet's ever popular Wireless and Medianet products. With two new major retailers in place, 2007 is only the beginning of TRENDnet's aggressive efforts to capture U.S. retail market share.