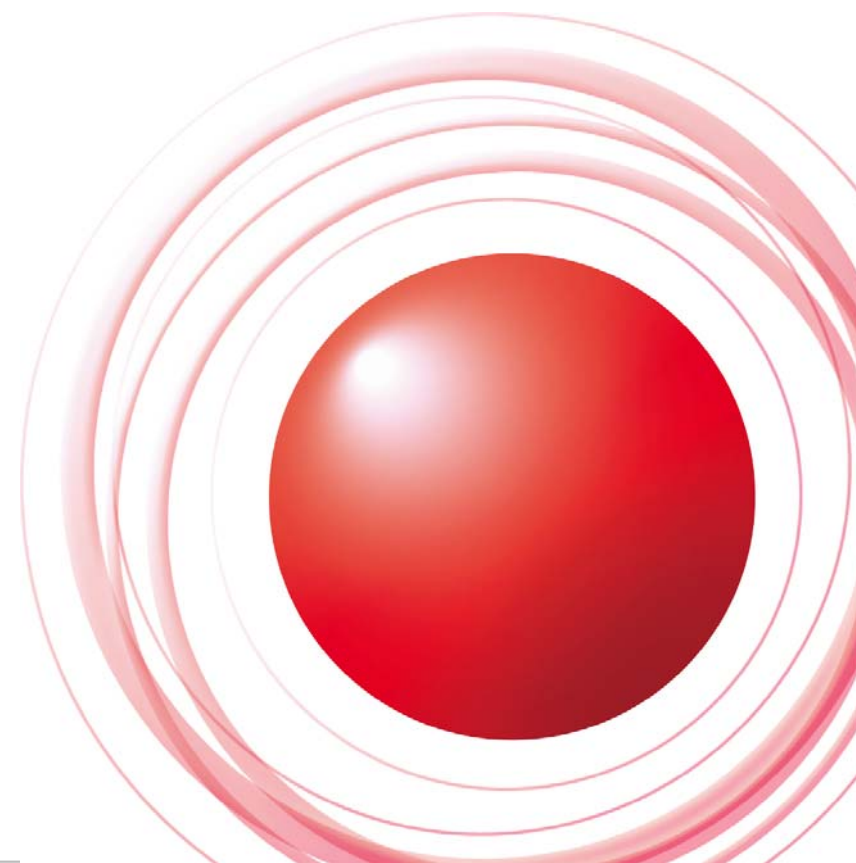


1st Quarter FY2009 Consolidated Financial Results



Internet Initiative Japan Inc.
2009.8.11

Ongoing Innovation

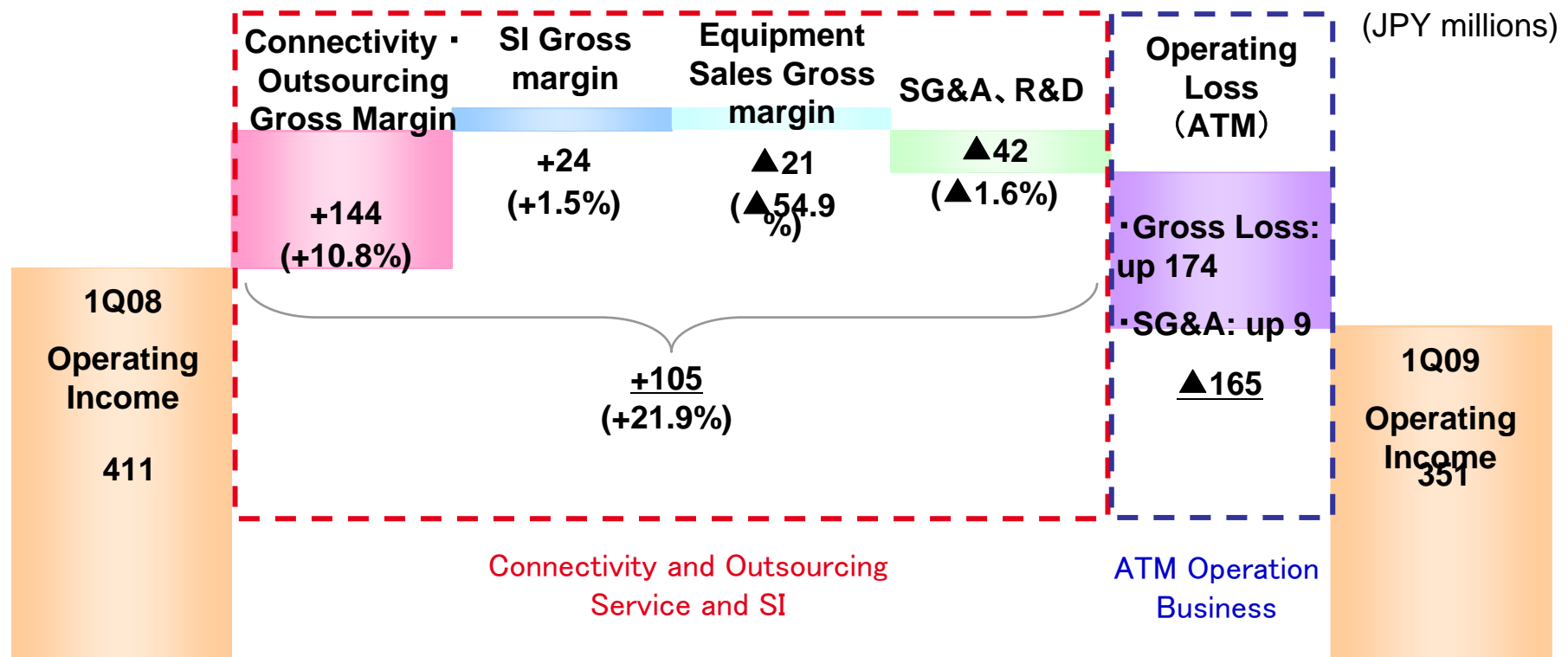


※ Forward-looking Statements

Statements made in this presentation regarding IIJ's or management's intentions, beliefs, expectations, or predictions for the future are forward-looking statements that are based on IIJ's and managements' current expectations, assumptions, estimates and projections about its business and the industry. These forward-looking statements, such as statements regarding revenues and operating and net profitability, are subject to various risks, uncertainties and other factors that could cause IIJ's actual results to differ materially from those contained in any forward-looking statement. These risks, uncertainties and other factors include: the possibility a decrease of corporate spending or capital expenditure due to depression in Japanese economy and/or corporate earnings decreased; the possibility that less of reliability for our services and loss of business chances due to interrupt or suspend of our services; the possibility an increase over estimate in network related cost and outsourcing cost, personnel cost etc. ;increase in competition and strong pricing pressure; the recording of an impairment loss as a results of an impairment test on the non-amortized intangible assets such as goodwill; a decline in value and trending value of our holding securities; the amount and timing of the recognition of deferred tax benefits or expenses; and other risks referred to from time to time in IIJ's filings on Form 20-F of its annual report and other filings with the United States Securities and Exchange Commission ("SEC").

Overview of 1Q FY2009 Financial Results

- Operating income was down 3.0% YoY, however above our original target
- Operating loss related to our new ATM operation business increased along with its business start up
- Operating income from connectivity and outsource service and SI increased
 - Operating income : 1Q09: 5.8 billion yen, 1Q08: 4.8 billion
 - Recurring revenues were up 6.4% YoY. Mobile data communication service and 1Gbps connectivity increased.
 - Although systems construction revenues decreased, the continuous increase in recurring revenues and cost control resulted in the increase in gross margin.



Results of 1Q FY2009 Financial Results

	<i>% of Revenues</i> 1Q09 (09/04~09/06)	<i>% of Revenues</i> 1Q08 (08/04~08/06)	YoY
Total Revenues	15.8	16.3	(3.0%)
Total Costs	<i>81.1%</i> 12.8	<i>81.5%</i> 13.3	(3.5%)
Gross Margin	<i>18.9%</i> 3.0	<i>18.5%</i> 3.0	(0.9%)
SG&A/R&D	<i>16.7%</i> 2.6	<i>16.0%</i> 2.6	1.3%
Operating Income	<i>2.2%</i> 0.4	<i>2.5%</i> 0.4	(14.7%)
Income before Income Tax Expense	<i>1.9%</i> 0.3	<i>1.9%</i> 0.3	(3.1%)
Net Income Attributable to IIJ	<i>1.1%</i> 0.18	<i>1.0%</i> 0.2	6.7%

Unit: JPY billion