



Internet Initiative Japan



Stratosphere



PRESS RELEASE

New Version of the Stratosphere SDN Platform Provides Extended Functionality for Network Virtualization

TOKYO—February 7, 2013—Stratosphere Inc. (“Stratosphere”), a joint venture established by Internet Initiative Japan Inc. (“IIJ”) and ACCESS CO., LTD. (“ACCESS”), to conduct R&D on infrastructure software based on software defined network (SDN), today announced the latest version of the network virtualization platform Stratosphere SDN Platform 1.1 (SSP 1.1) will be released on February 28. SSP 1.1 will be sold to data center operators, cloud service operators, telecom operators, service providers, and others through IIJ and ACCESS sales channels.

Stratosphere SDN Platform (SSP), which was initially released on October 31, 2012, is a software stack that virtually builds and controls a network that connects virtual machines distributed over a wide area. SSP is unique in that it integrates a variety of conventional network technology with new technology to create an SDN environment. The function modules allow flexible network configuration to meet the individual needs of the client company, and support is provided to achieve seamless migration from the existing network environment. The latest version, SSP 1.1, expands the scope of application for SDN through Multi-Protocol Label Switching (MPLS), allowing connectivity with WANs, corporate LANs, API extension, and other features.

The new features include the following:

1. MPLS compatibility (extension to WAN)

An MPLS network can be used to connect virtual networks between data centers. High-performance networks functions that MPLS provides can also be used on an SDN, which enables the virtualization of an entire wide-area network.

2. SDN Gateway (extension to LAN)

An existing corporate LAN environment can be securely connected to a virtual network in the cloud that is managed by SSP via SDN Gateway by using IPsec VPN tunnel.

3. Two-tiered API

The API is designed to meet the needs of both the end user and the service providers. Service providers can use the API to build customized services. The next version is scheduled to include a three-tiered API with additional functionality for infrastructure providers.

4. Original plugin for CloudStack

CloudStack is a cloud infrastructure open-source application that manages virtualized machines and networks, and in the past a plugin designed by Nicira, Inc., was used to connect with CloudStack. SSP1.1 provides a proprietary plugin that will be used to provide a Stratosphere proprietary function.

5. Optimized broadcasting feature (extension to VXLAN)

To reduce the communications overhead of broadcast traffic by routing it over VXLAN, the IP multicast method or broadcast engine is used to optimize the traffic load. This avoids the performance degradation associated with edge overlay SDN.

6. Support for both packet conversion configurations (separate and built-in)

SSP can be used for a built-in configuration, in which the packet conversion virtual switch processes are performed on a physical server, or in a separate configuration, in which a dedicated device performs this function. Until now, the user had to select one configuration or the other, but with their coexistence on SSP1.1, either type of system can be constructed.

We will continue to add compatibility with different platforms and protocols to bring both service operators and end users a user-friendly SDN environment.

About IJ

Founded in 1992, Internet Initiative Japan Inc. (IJ, NASDAQ: IJJI, Tokyo Stock Exchange TSE1: 3774) is one of Japan's leading Internet-access and comprehensive network solutions providers. IJ and its group of companies provide total network solutions that mainly cater to high-end corporate customers. The company's services include high-quality systems integration and cloud computing/data center services, security services, Internet access, and content distribution. Moreover, the company has built one of the largest Internet backbone networks in Japan, and between Japan and the United States. IJ was listed on NASDAQ in 1999 and on the First Section of the Tokyo Stock Exchange in 2006. For more information about IJ, visit the IJ Web site at <http://www.ij.ad.jp/en/>.

The statements within this release contain forward-looking statements about our future plans that involve risk and uncertainty. These statements may differ materially from actual future events or results. Readers are referred to the documents furnished by Internet Initiative Japan Inc. with the SEC, specifically the most recent reports on Forms 20-F and 6-K, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements.

About ACCESS

ACCESS CO., LTD. is a global provider of advanced software solutions and services that enable operators, device manufacturers, content owners and consumers to make the most of today's multi-screen, connected world. It provides software for mobiles, smartphones and tablets, connected TVs and set-top boxes in the connected home, automotive, digital publishing and networking markets. ACCESS solutions have shipped in over one billion devices around the world. Its product portfolio includes the NetFront™ Software Series and the ZebOS® network platform, providing customers faster time-to-market, flexibility and customizability; the ACCESS™ Digital Publishing Ecosystem for cloud-based, cross-platform digital publishing and the NetAd mobile advertising platform. Headquartered in Tokyo, Japan, the company is listed on the Tokyo Stock Exchange (Mothers' Index, 4813) and operates subsidiaries and affiliates in Asia, Europe and the United States. Learn more about ACCESS at www.access-company.com

About Stratosphere

Stratosphere Inc. was established in April 2012 with the goal of researching and developing software stacks that could build a platform to create the next-generation cloud environment using software defined network (SDN) technology. The company was named after the stratosphere, a part of the Earth's atmosphere that is above the clouds, representing our goal of going beyond the cloud. The stratosphere is also very stable and

covers the more turbulent troposphere, which reflects our mission to provide technology to engulf the entire cloud computing environment and stabilize and develop it. Find Stratosphere on the Web at <http://www.stratosphere.co.jp/> (Japanese only).

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