

*For Immediate Release*

**NKSJ Holdings and IIJ to Develop Japan's First Cloud Services**  
**Specializing in Property and Casualty Insurance**

*- Agreed on the master plan to collaboratively develop shared common platform services -*

TOKYO—April 7, 2014— NKSJ Holdings, Inc.<sup>\*1</sup> and Internet Initiative Japan Inc. (IIJ) have been considering various joint business opportunities since they agreed on letter of intent for joint business November 18, 2013, with the goal of building cloud-based system infrastructure and developing cutting-edge services.

Today, two of NKSJ Holdings subsidiaries, Sompo Japan Insurance Inc. (“Sompo Japan”) and NIPPONKOA Insurance Co., Ltd. (“Nipponkoa”), and IIJ announced they have agreed on a master plan to collaboratively develop and implement shared common platform services and decided to develop the Sompo Japan Nipponkoa Cloud (tentative name).

This joint business enables NKSJ Group to enter the cloud business which marks their first step towards becoming the most highly evaluated service company. The group will be providing cloud services together with their existing solutions such as risk consulting and having access to BigData platform that links NKSJ group companies and insurance agencies. On the other hand, IIJ aims to expand the business scale of IIJ's cloud services, IIJ GIO Services<sup>\*2</sup>, increase the services line-ups, and improve the services quality further by working closely with NKSJ Group.

**1. New service name**

Sompo Japan Nipponkoa Cloud (tentative)

**2. Start period**

October, 2014 (scheduled)

**3. New service summary**

Sompo Japan Nipponkoa Cloud will leverage both NKSJ Group and IIJ strength. The combination of NKSJ Group's long experience in developing property and casualty insurance products as well as their expertise in risk management and business continuity management together with IIJ's advanced technology in network, security, and cloud, and its outstanding operational expertise in high-quality cloud infrastructure for having to meet financial institutions strict demands will create an advanced cloud service that is flexible and easy to use in a wide range of industries and for companies of all sizes.

**Sompo Japan Nipponkoa Cloud Service Highlights**

- The service incorporates NKSJ Group strengths such as implementing the latest information security measures and developing innovative property and casualty insurance products. An example of their product

is providing insurance against data being lost from the service's servers and covering a portion of damages (including lost profits).

- The service offers system consultation support from the perspective of business continuity planning (BCP) in a case of large-scale disasters by incorporating the expertise of NKSJ group companies including Sompo Japan Nipponkoa Risk Management Inc.
- The service targets NKSJ Group's large insurance agencies as well as their group companies. The "SOMPOJ-NET i+," an agency system Sompo Japan sharing with large insurance agencies, is to be migrated to cloud-based system which leads to an improved system flexibility while lowering costs and operational overhead.
- The service creates BigData applicable infrastructure for the future use.

#### **4. Future plans**

- Starting in October 2014, Sompo Japan will renew its corporate shared platform that it provides to all NKSJ group companies, and after expanding its service offerings, it will provide the Sompo Japan Nipponkoa Cloud service to NKSJ group companies and sales agencies through Sompo Japan Inc., and NIPPONKOA Insurance Co., Ltd.
- To increase the scope of potential customers, measures such as establishing a new company jointly capitalized by NKSJ Holdings and IIJ are to be considered.

\*1. Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. will merge in September 2014, assuming the necessary approvals to be received from the relevant authorities. To strengthen the group brands and accelerate growth, NKSJ holdings will change the name of the group to Sompo Japan Nipponkoa Group, and also will change the trade name to Sompo Japan Nipponkoa Holdings Inc.

\*2. IIJ GIO Services are the cloud service developed, operated and provided by IIJ. The comprehensive service line-ups allows customers to choose from a broad menu of over 1,000 different system services, covering a wide range of system needs from Hardware as a Service (HaaS) to Software as a Service (SaaS).

#### **About IIJ**

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

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