

For Immediate Release

**IIJ and Nippon TV to Establish a Joint Venture
for Video Distribution Platforms**

TOKYO—December 1, 2016—Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJ, TSE1: 3774) and Nippon Television Network Corporation (Nippon TV) today announced that they have established a joint venture company, JOCDN Inc. (JOCDN) on December 1, 2016 to provide a content delivery platform specialized for video distribution within Japan. The new company will fuse IIJ's advanced technologies for large-scale distribution and Nippon TV's expertise in video distribution for providing a content delivery network (CDN) service that broadcasters and video content providers can use to reliably distribute high-quality video content. JOCDN will call out to all commercial broadcasters in Japan to participate in this service as well.

1. Background and objectives

The online video market in Japan is rapidly expanding with the growing prevalence of smart devices and the increasing speeds and capacity of communications infrastructure, and new providers are entering the market one after the other. As the amount of time spent on the Internet each day increases, especially for younger demographics, broadcasting companies are accelerating their responses to Internet distribution, and this market is expected to continue to expand further in the near future.

Within this context, IIJ—which has the largest Internet backbone networks in Japan and advanced operating technologies in distribution—and Nippon TV—which owns Hulu Japan, an online video service—arrived at the conclusion to work to provide a CDN service. The companies will also create the video content distribution market in Japan through their new technologies that will support the broadcasting and communications infrastructures of the future.

2. Overview of the joint venture

1. Company name: JOCDN Inc.
2. Address: Iidabashi Grand Bloom, 2-10-2 Fujimi, Chiyoda-ku, Tokyo
3. Representative Directors:
 - Chairman: Koichi Suzuki (Chairman & CEO of IIJ)
 - President: Shunichi Shinozaki (Executive Vice President Assigned from President's Office, Nippon TV, to JOCDN Inc.)
4. Date of establishment: December 1, 2016
5. Capital: JPY 99 million
6. Shareholders: IIJ (50.0%), Nippon TV (50.0%)
7. Main business: Providing a video content distribution platform service for use within Japan, and building and operating broadcasting systems

3. Business

JOCDN's business activities will be kicked off in April 2017:

1. Providing CDN services for video content providers
JOCDN will provide a platform for reliable distribution of high-quality video content on a large-scale.
2. Developing technologies to support Japan's broadcast communications infrastructure
JOCDN will promote the development of new distribution technologies and platforms for the future.

About Nippon TV

Nippon Television Network Corporation (Nippon TV) operates TV broadcasting, TV and movie content production, licensing and sales, VOD, event production, and international businesses. For more information, visit the Nippon TV website at <http://www.ntv.co.jp/english>

About IIJ

Founded in 1992, Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJI, 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 to 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.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.

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