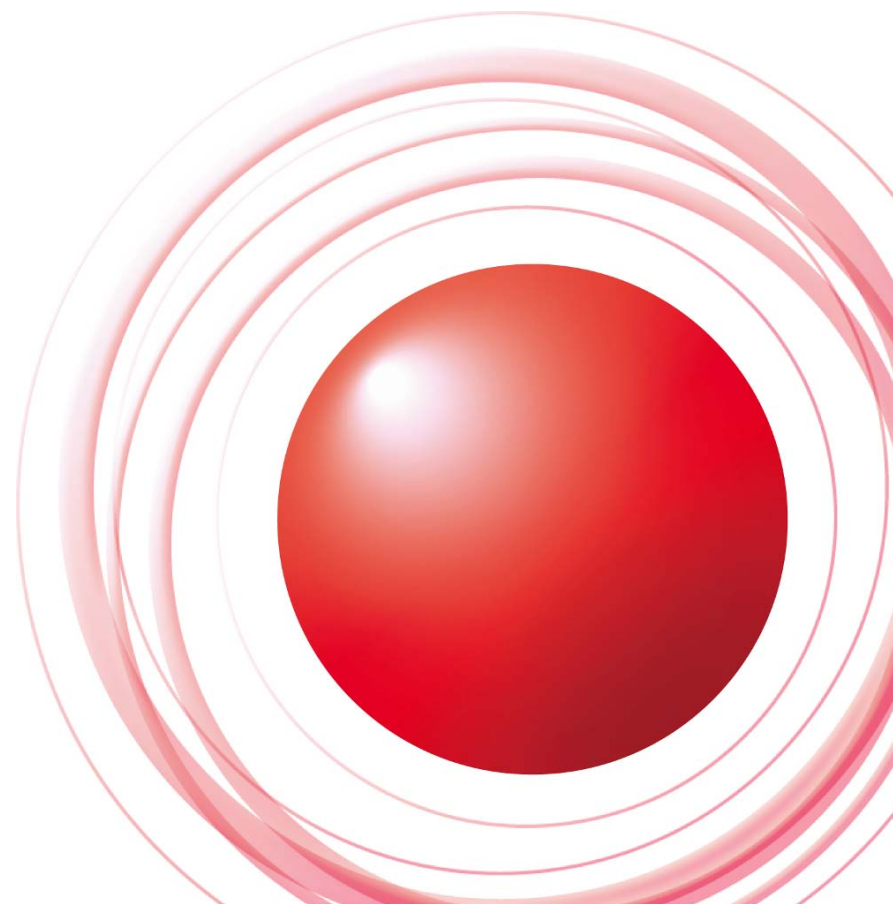


FY2009/1Q-3Q (cumulative) Consolidated Financial Results



Internet Initiative Japan Inc.
2010.2.12

Ongoing Innovation



Agenda

**I . Summary of FY2009/1Q-3Q (cumulative)
Financial Results**

**II . FY2009/1Q-3Q (cumulative)
Consolidated Financial Results**

III . Reference Materials

I. Summary of FY2009/1Q-3Q (cumulative) Financial Results

« Nine Months Ended December 31, 2009 Financial Results »

➤ Revenue	JPY48,313 million (down 4.9% YoY)
➤ Operating Income	JPY 2,007 million (up 8.8% YoY)
➤ Income before Income Tax Expense	JPY 1,783 million (up 43.6% YoY)
➤ Net Income Attributable to IIJ	JPY 1,133 million (up 219.8% YoY)

●Connectivity and outsourcing service revenue increased 6.4% YoY, SI revenue decreased 16.3% YoY

- Contracts of IIJ Mobile Service accumulated and over 1Gbps service reached 121 contracts (up 39 compared to Dec. 2008)
- Systems construction revenue decreased by 38.7% YoY, however, business environment are slightly improving

●Operating income for Connectivity and Outsourcing Service and SI increased 18.5% YoY

- Profitability progressed due to the continued increase in connectivity and outsourcing service revenues and tight cost control
- Gross margin was 21.1% (up1.8 % points), operating income was 5.7% (up 1.2% points)

●ATM operation business is in its course of business start up

- Operates 147 ATMs as of Dec. 2009 (+87 ATMs QoQ), operating loss was JPY730 million (up 57.0% YoY)

●Launched IIJ's new Cloud computing service "IIJ GIO"

- Pre-sales are doing well and has been adopted by server clients

●Revenue Target for Full FY2009 revised down, yet profit target and cash dividend remain unchanged

- Revenue target was revised down from JPY73,000 million to JPY68,000 million (down 2.5% YoY)

●IIJ to absorb two of its 100% owned consolidated subsidiary on April 1, 2010 (Scheduled)

- IIJ to absorb IIJ Technology Inc. and IIJ Financial Systems Inc.
- Unite our internet related network technology and the systems integration ability of our subsidiaries through this merger to seize mid-term IT demands

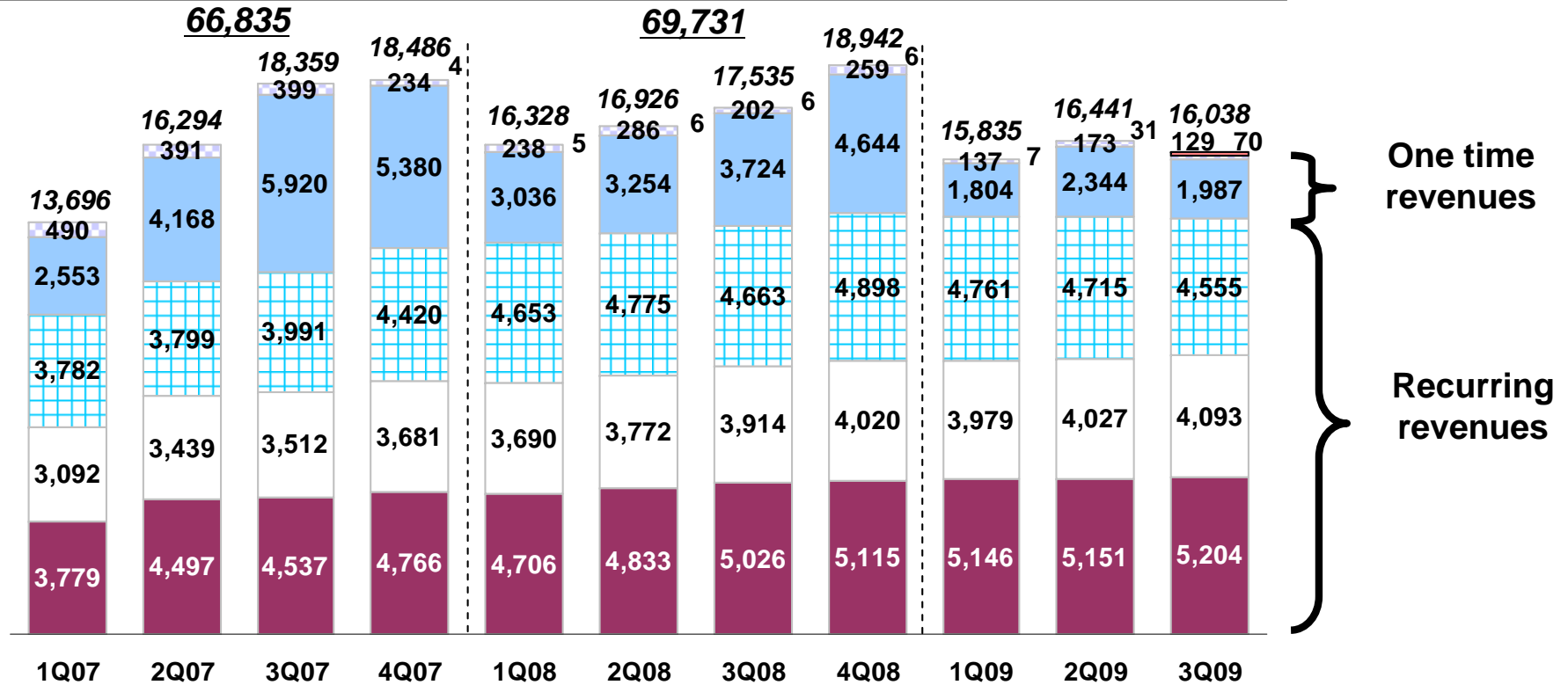
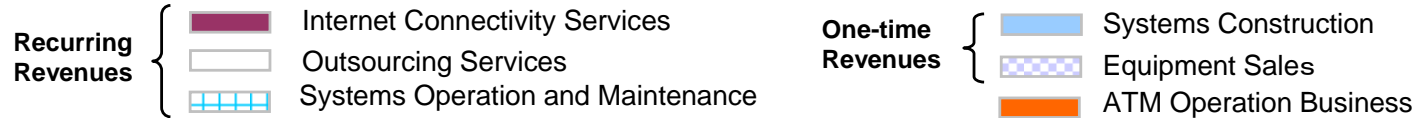
II-1. Consolidated Results for FY2009/1Q-3Q (cumulative)

Unit: JPY million

	% of Revenues 3Q09 (09/04~09/12)	% of Revenues 3Q08 (08/04~08/12)	YoY	
Total Revenues	48.3	50.8	(4.9%)	<ul style="list-style-type: none"> ➤ Connectivity and outsourcing service revenue increased 6.4% YoY ➤ SI revenue decreased affected by the weak economy
Total Costs	38.7	41.3	(6.2%)	<ul style="list-style-type: none"> ➤ Continued cost control ➤ Outsourcing and purchasing cost decreased due to the decrease in systems construction revenue
Gross Margin	9.6	9.5	0.9%	
SG&A/R&D	7.6	7.7	(1.0%)	<ul style="list-style-type: none"> ➤ General and administrative cost decreased due to cost control
Operating Income	2.0	1.8	8.8%	<ul style="list-style-type: none"> ➤ Operating income for Connectivity and Outsourcing Service and SI was up 18.5% YoY ➤ Operating loss for ATM Operation Business FY09/1Q-3Q : JPY730 million (losses) FY08/1Q-3Q : JPY465 million (losses)
Income before Income Tax Expense	1.8	1.2	43.6%	
Net Income Attributable to IIJ	1.1	0.4	219.8%	<ul style="list-style-type: none"> ➤ Deferred tax expense: FY09/1Q-3Q : JPY790 million FY08/1Q-3Q : JPY972 million ➤ Equity in net income of equity method investees: FY09/1Q-3Q : JPY127 million FY08/1Q-3Q : JPY45 million

II-2. Revenues

Unit: JPY million



◆ 3Q09 Recurring revenues: JPY13,852 million (up 1.8% YoY, down 0.3% QoQ)

- Internet Connectivity Service : up 3.5% YoY, up 1.0% QoQ
- Outsourcing Service : up 4.6% YoY, up 1.6% QoQ
- Systems Operation and Maintenance : down 2.3% YoY, down 3.4% QoQ

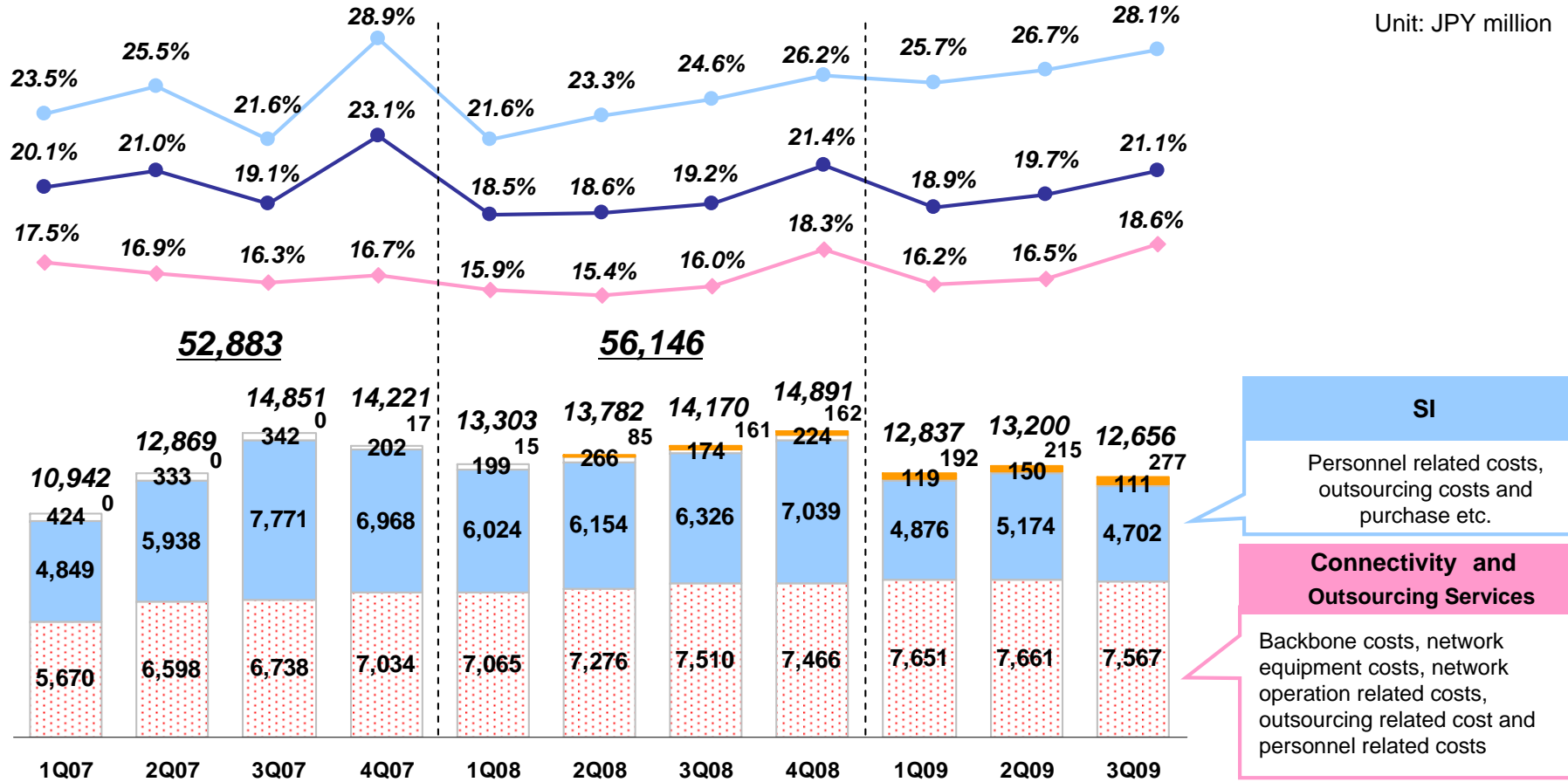
◆ 3Q09 One time revenues: JPY2,116 million (down 46.1% YoY, down 15.9% QoQ)

- Systems Construction : down 46.6% YoY, down 15.2% QoQ

◆ 3Q09 ATM operation business revenue: JPY70 million (up JPY64 million YoY, up JPY39 million QoQ)

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

II-3. Cost of Revenues and Gross Margin Ratio

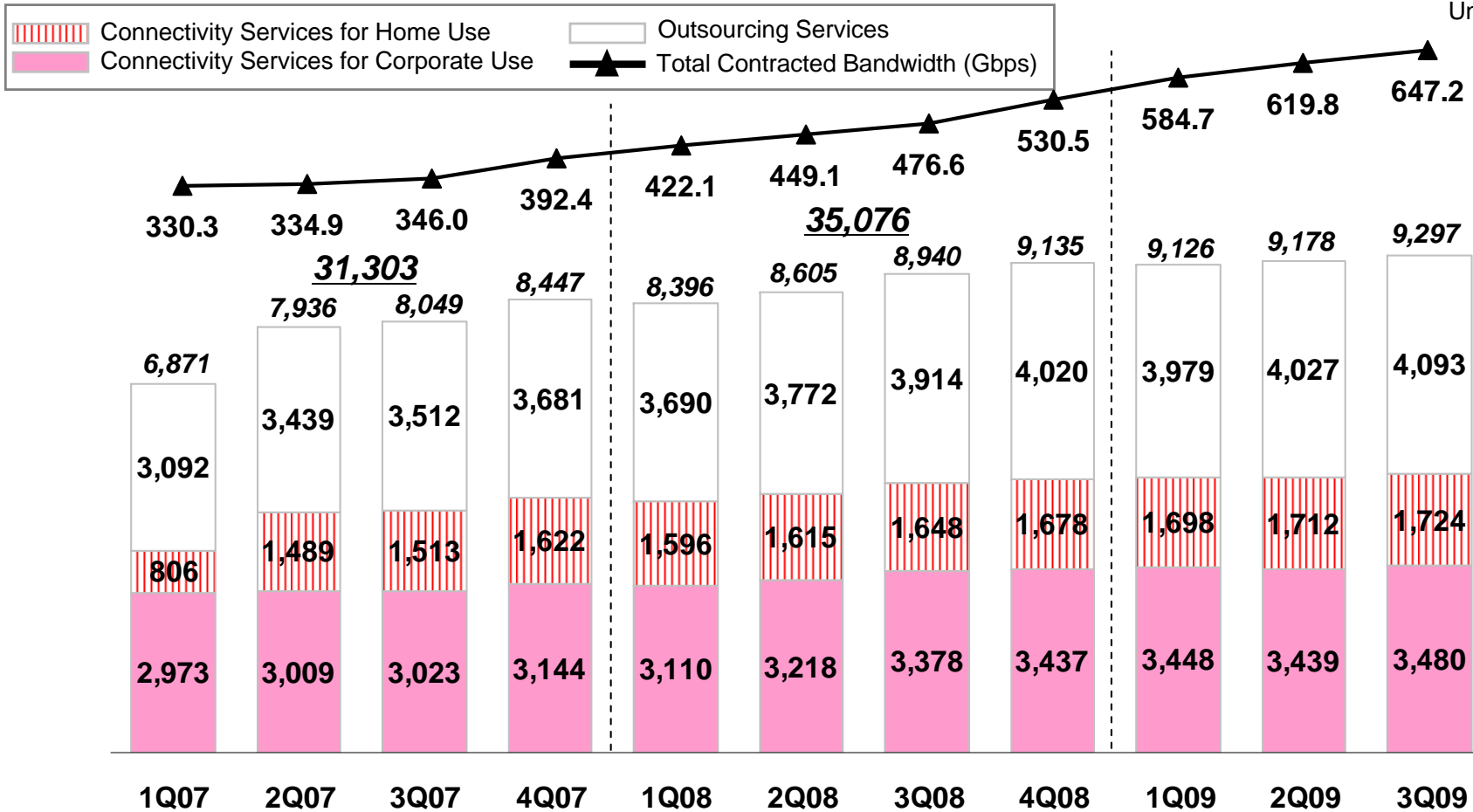


- ◆ 3Q09 Cost of connectivity and outsourcing service: up 0.8% YoY, down 1.2% QoQ
Gross margin ratio: up 2.6 points YoY, up 2.1 points QoQ
- ◆ 3Q09 Cost of SI: down 25.7% YoY, down 9.1% QoQ
Gross margin ratio: up 3.5 points YoY, up 1.4 points QoQ
- ◆ 3Q09 Cost of ATM operation business: JPY277 million (up JPY116 million YoY, up JPY62 million QoQ)

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

II-4. Connectivity and Outsourcing Services (1) Revenues

Unit: JPY million

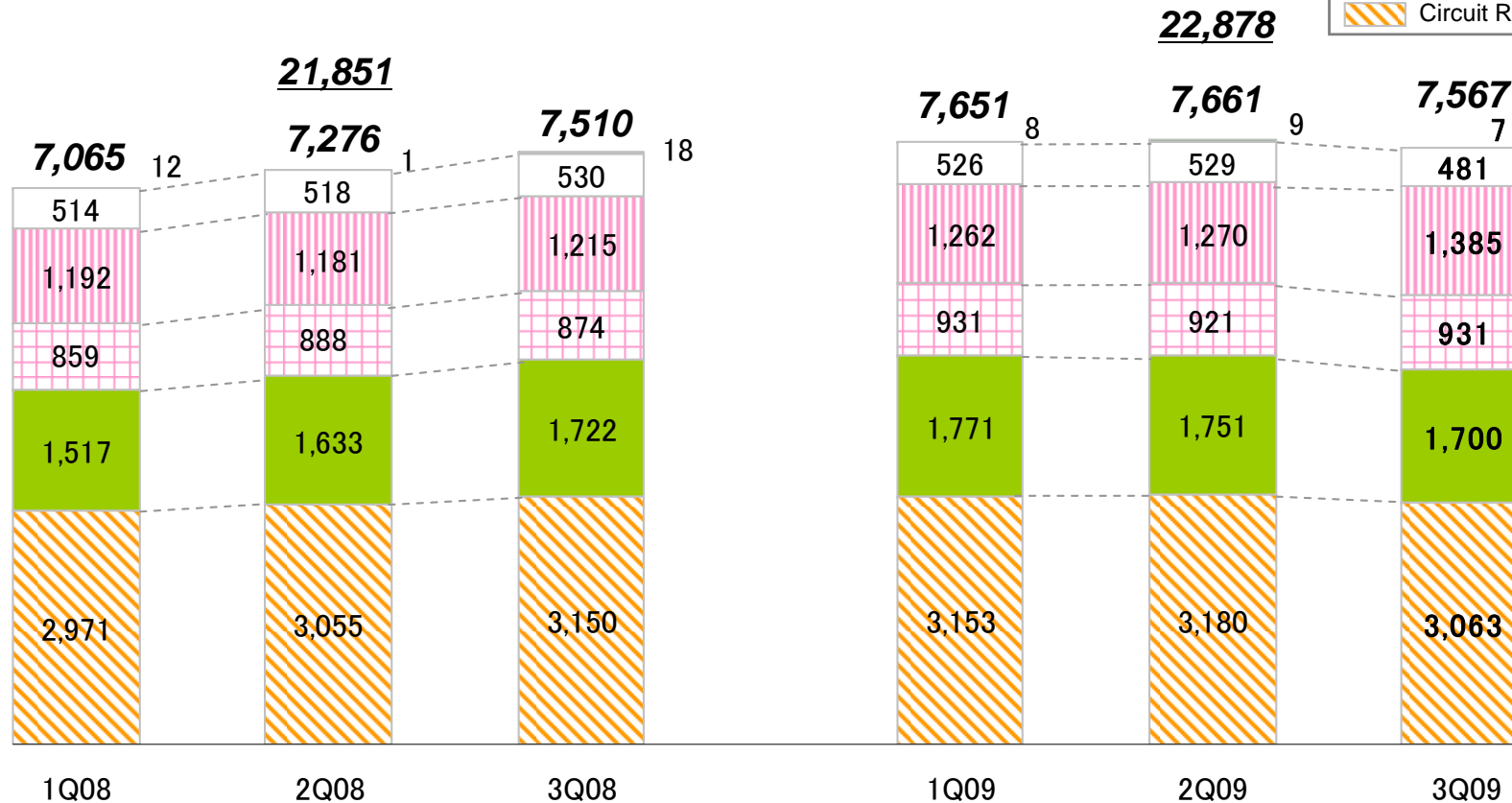
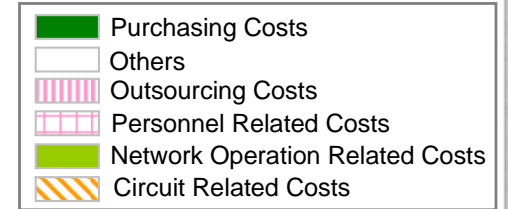


- ◆ **3Q09 Connectivity service for corporate use: up 3.0% YoY, up 1.2% QoQ**
 - Over 1Gbps contracts reached 121 contracts as of Dec 2009 (up 39 contracts YoY).
 - IIJ Mobile service increased with contracts reaching over 36,000 lines (up 4,000 lines compared to 2Q09).
- ◆ **3Q09 Connectivity service for home use: up 4.6% YoY, up 0.7% QoQ**
 - Continuous shift towards optical fiber service which charge higher monthly fees and increases from MVNO for home use
- ◆ **3Q09 Outsourcing service: up 4.6% YoY, up 1.6% QoQ**
 - Email related and network outsourcing related services continued to grow

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

II-4. Connectivity and Outsourcing Services (2) Cost of Revenues

Unit: JPY million



◆ **3Q09 Total cost of connectivity and outsourcing service: up 0.8% YoY, down 1.2% QoQ**

- QoQ: decrease in amortization of network operation related costs and general costs due to cost control
- 3Q09 Backbone cost: JPY915 million (down 1.6% YoY, up 0.4% QoQ)

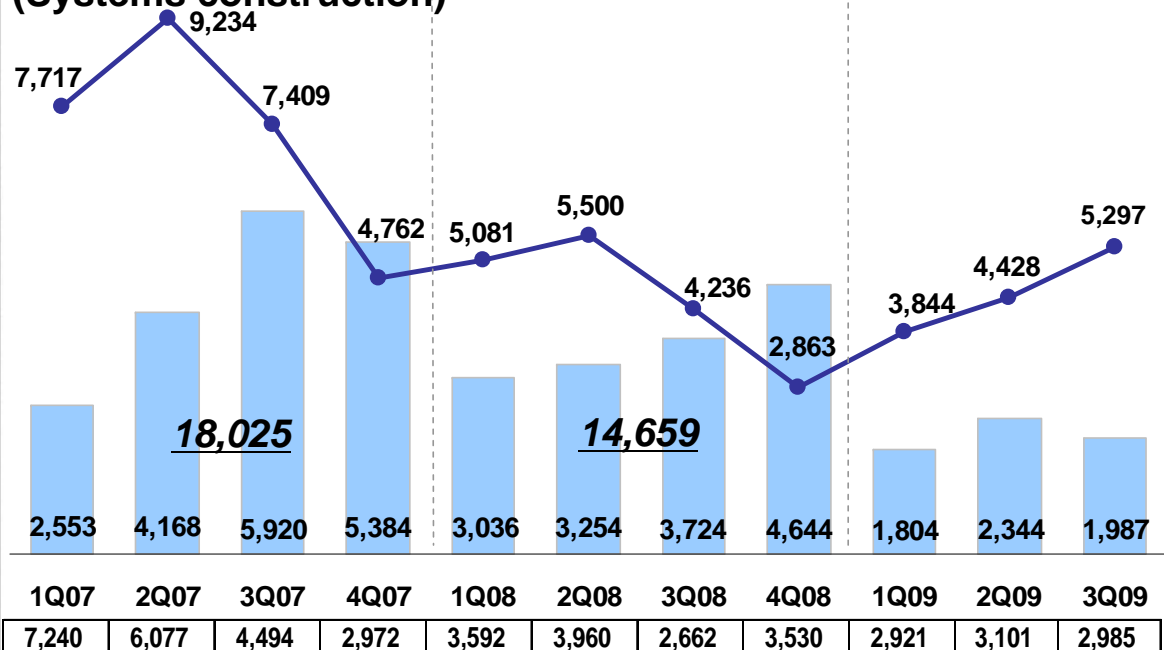
YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

II-5. Systems Integration (1) Revenues

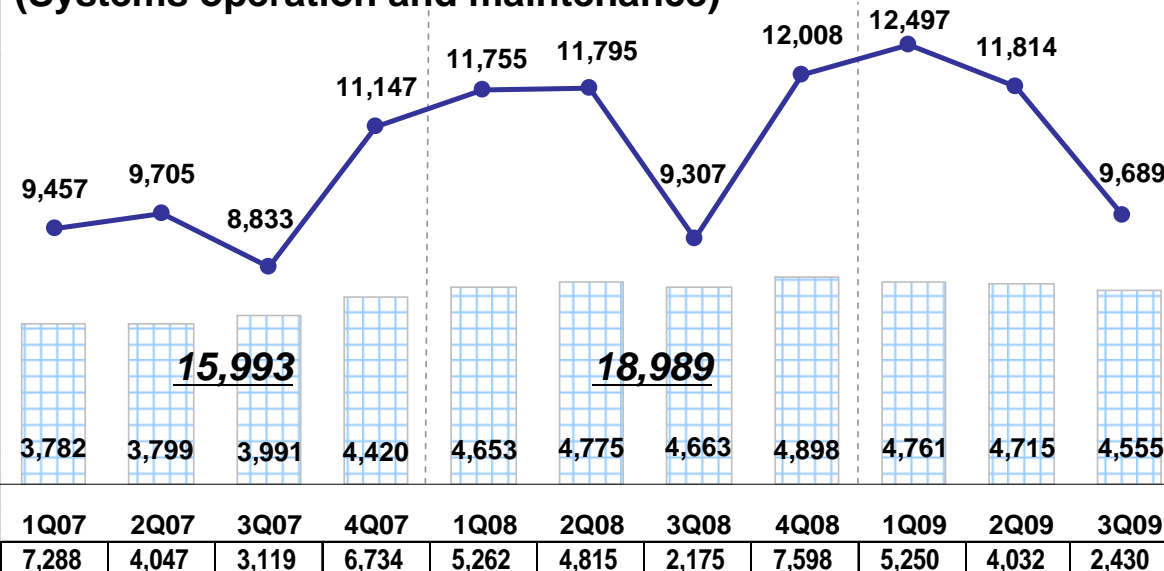
Unit: JPY million

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

(Systems construction)



(Systems operation and maintenance)



Legend:

- Systems Construction Revenues (Solid Blue Bar)
- Systems Operation and Maintenance Revenues (Grid Blue Bar)
- Order Backlog (Blue Line with Circle)
- Order Received (White Bar with Black Outline)

Order Backlog and Order Received include equipment sales.

Systems Construction

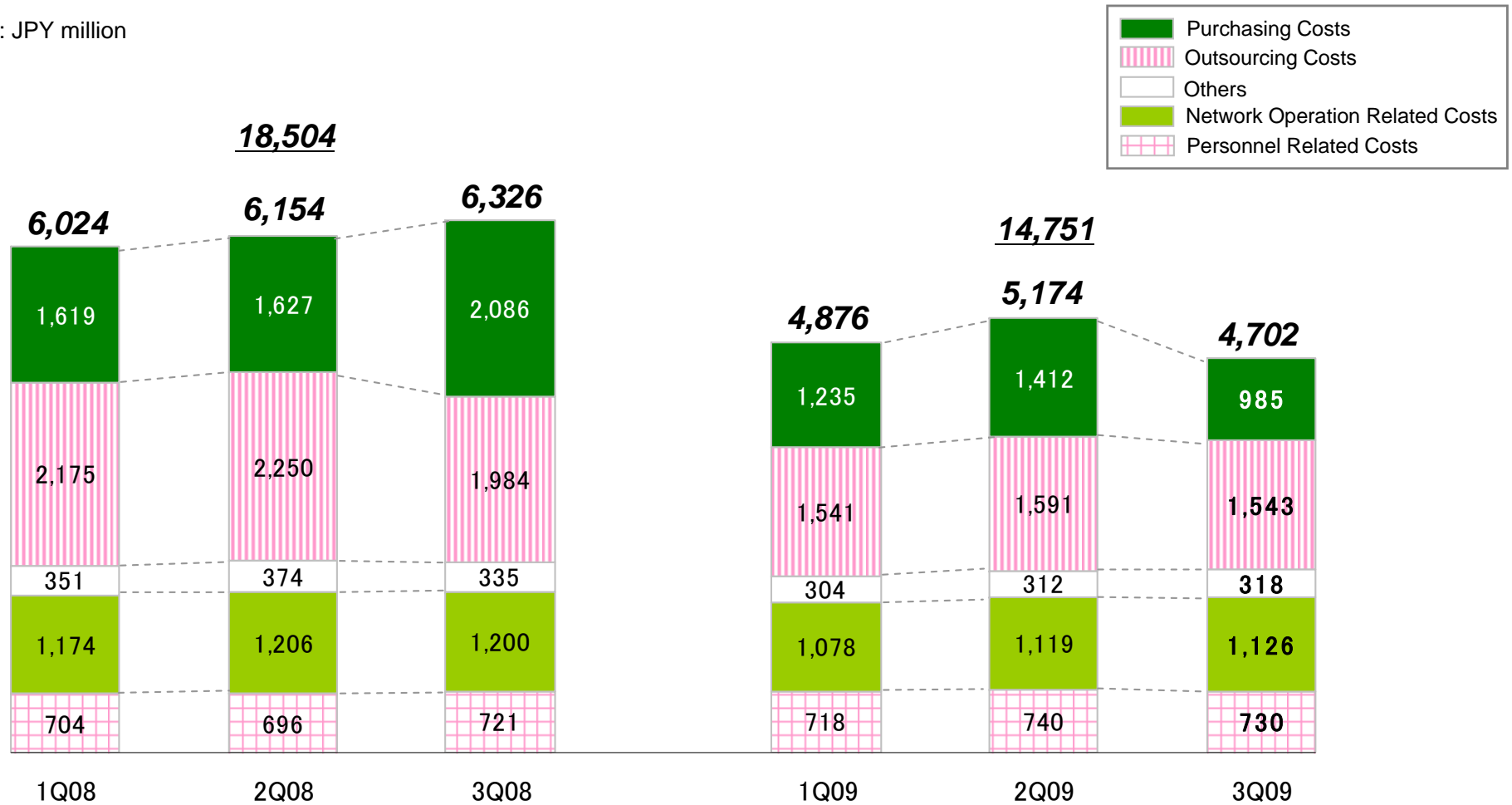
- ◆ **3Q09 Revenue:**
down 46.6% YOY, down 15.2% QoQ
- ◆ **3Q09 Order Backlog:**
YoY: up 25.0%, up JPY1,061 million
QoQ: up 19.6%, up JPY869 million
- Business environment is slightly improving and mid-size projects are gradually returning but corporate IT spending are still withheld and it is difficult to say when the demands will recover to normal level
- IIJ will strengthen group solution and promote cloud computing services by merging the two 100% owned subsidiaries

Systems operation and maintenance

- ◆ **3Q09 Revenue:**
down 2.3% YoY, down 3.4% QoQ
- ◆ **3Q09 Order Backlog:**
YoY: up 4.1%, up JPY382 million
QoQ: down 18.0%, down JPY2,125 million
- Revenue decreased affected by scale down or reduction in monthly fees by certain large clients.
- Order received is decreasing along with the decrease in systems construction revenue

II-5. Systems Integration (2) Cost of Revenues

Unit: JPY million



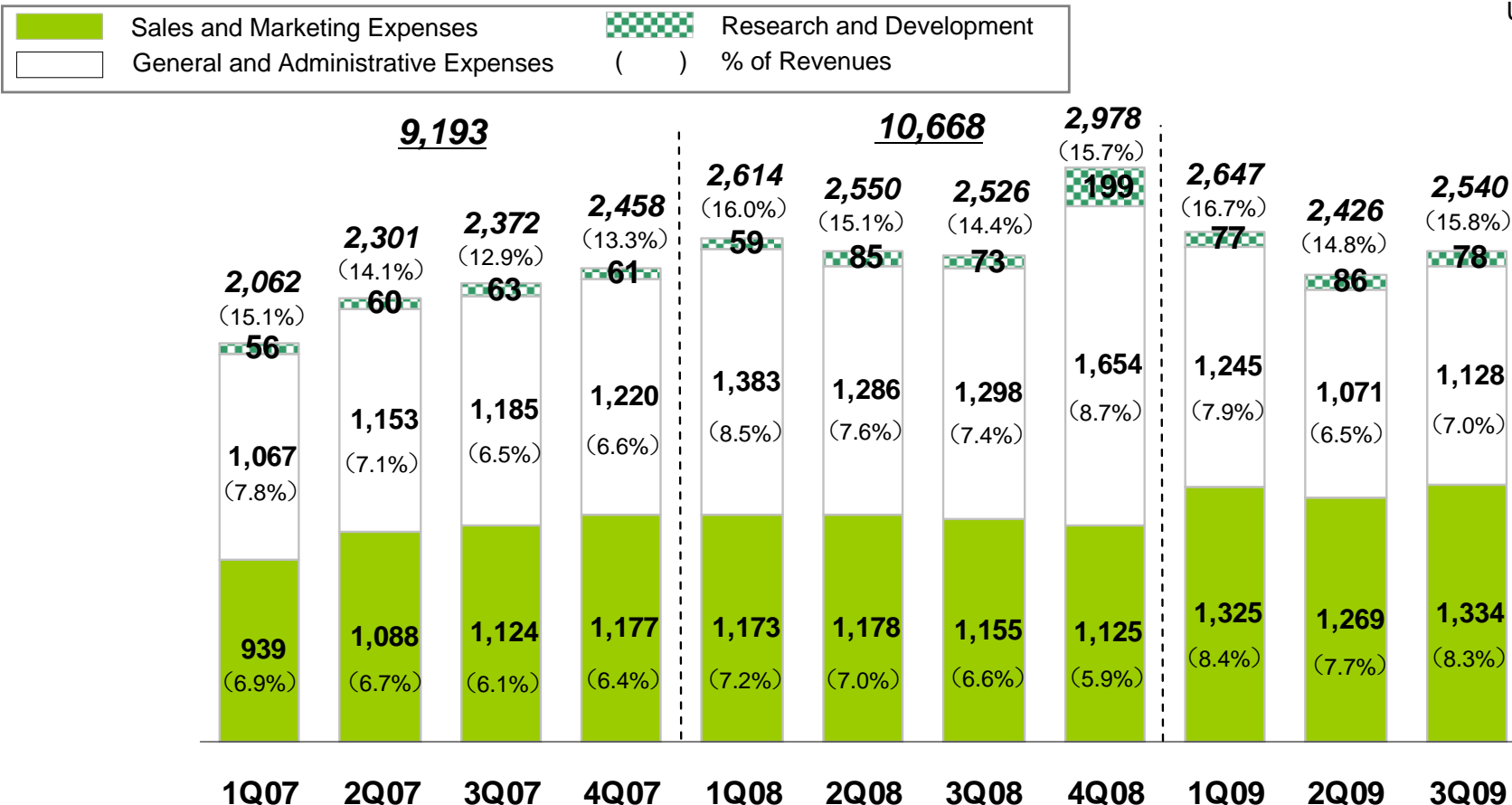
YoY = 3Q09 compared to 3Q08
 QoQ = 3Q09 compared to 2Q09

◆ **3Q09 Total cost of systems integration: down 25.7% YoY, down 9.1% QoQ**

- QoQ: Purchasing and outsourcing related costs decreased along with the decrease in SI revenues
- The number of full-time outsourcing personnel: 236 people as of Dec 2009 (down 63 people YoY, up 35 people QoQ)

II-6. SG&A Expenses/R&D

Unit: JPY million



◆ 3Q09 SG&A/R&D expenses: up 0.6% YoY, up 4.7% QoQ, % of revenue: 15.8%

➤ Sales and marketing expenses: up 15.5% YoY, up 5.2% QoQ

QoQ: increased as there were amortization related to the back-office system which began its operation from 3Q09.

Doubtful accounts also increased in relation to a certain bankruptcy

➤ General and administrative expenses: down 13.1% YoY, up 5.4% QoQ

QoQ: advertisement cost and outsourcing related cost increased

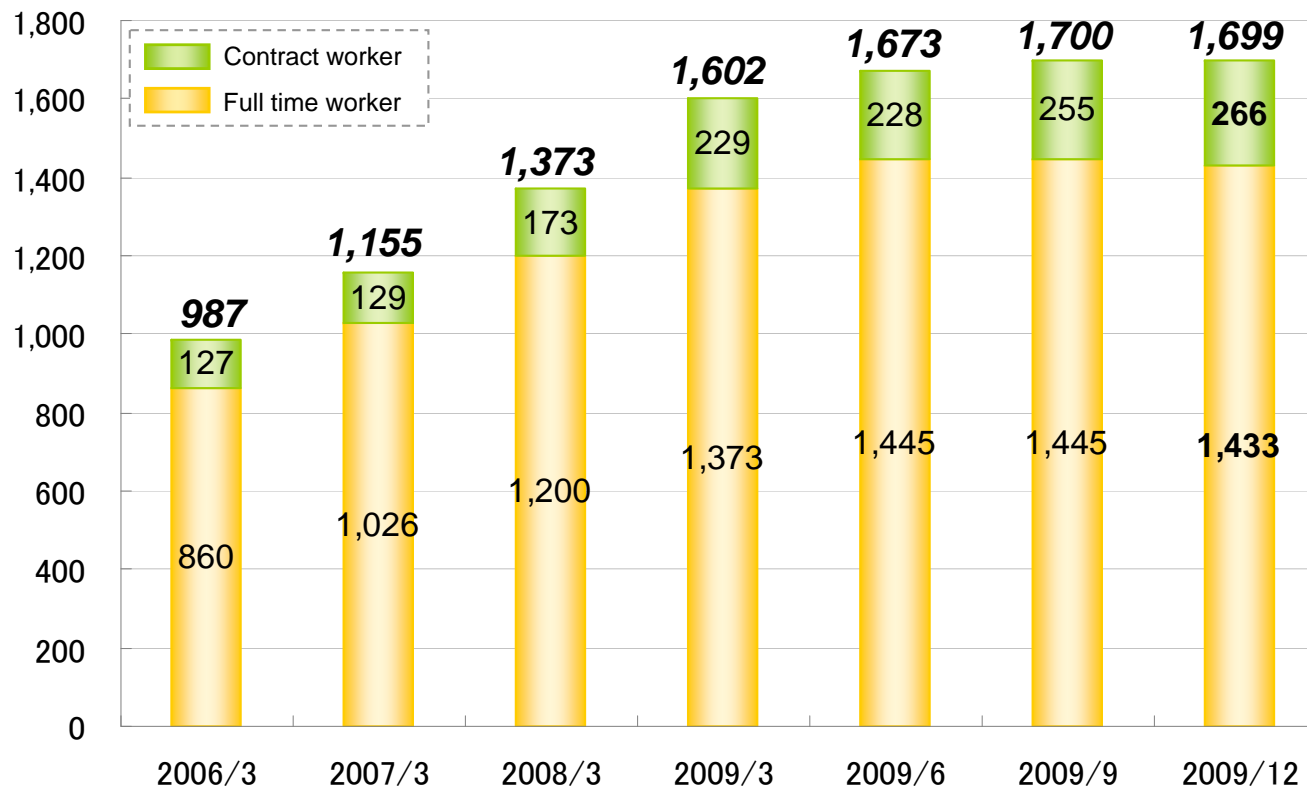
➤ R&D expenses: up 7.4% YoY, down 9.8% QoQ

➤ SG&A expenses related to ATM operation business: JPY56 million (JPY83 million in 3Q08, JPY50 million in 2Q09)

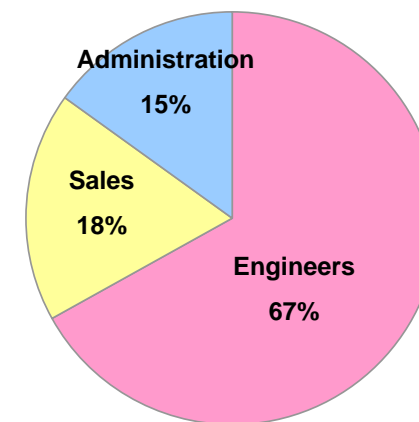
YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

II-7. Number of Employees

(number of employees)



[Employee Distribution]



Personnel related costs and expenses
(% of revenue)

2,771	2,733	2,728
(17.5%)	(16.6%)	(17.0%)

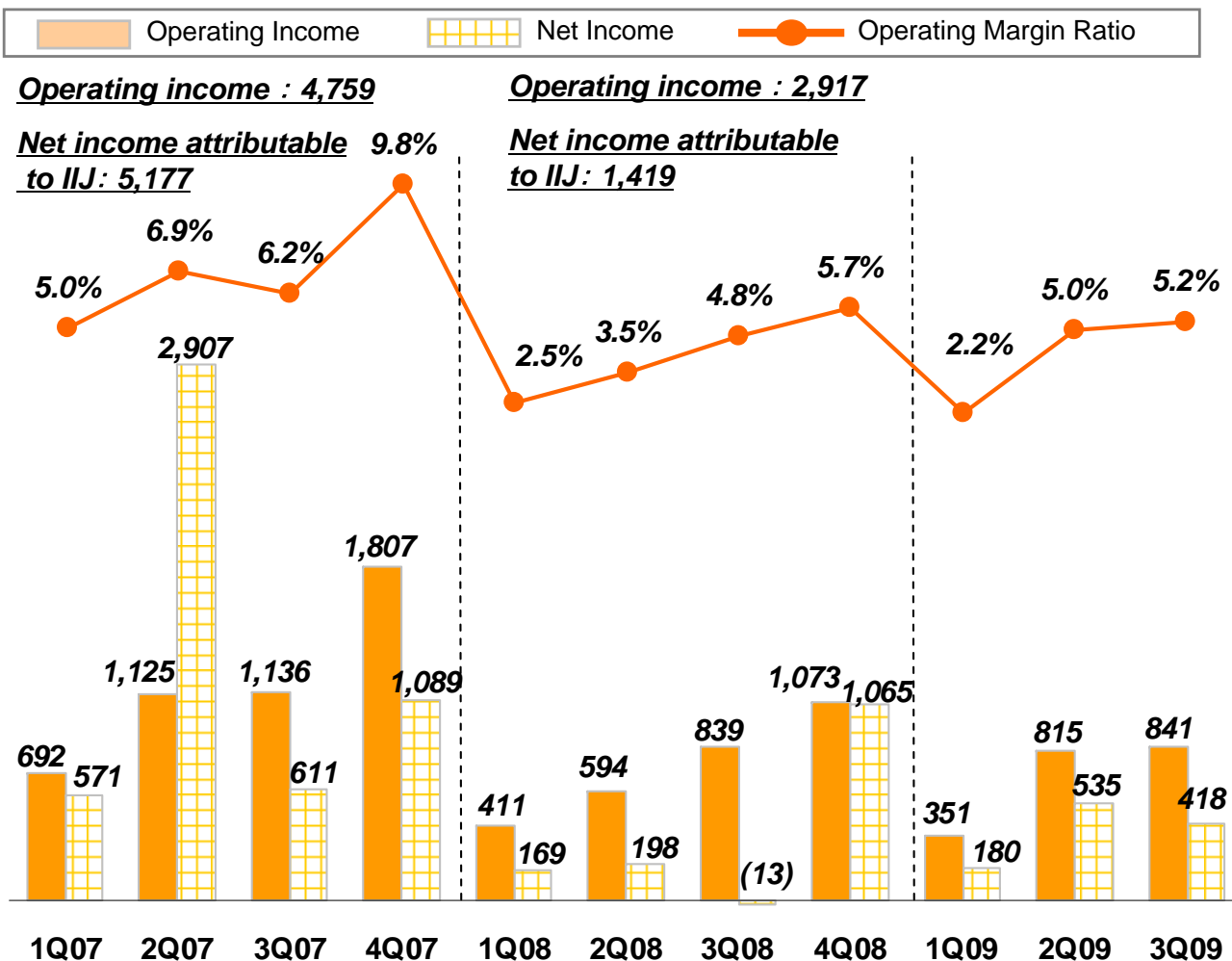
Unit: JPY million

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

- ◆ Number of employees as of Dec 2009: unchanged from the current level
 - Scheduled to hire 61 newly graduates in FY2010 (FY2009: 77 newly graduates, FY2008: 92 newly graduates)
- ◆ 3Q09 personnel related cost and expenses: up 4.2% YoY (up JPY110 million), down 0.2% QoQ (down JPY5 million)

II-8. Operating Income and Net Income

Unit: JPY million



YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

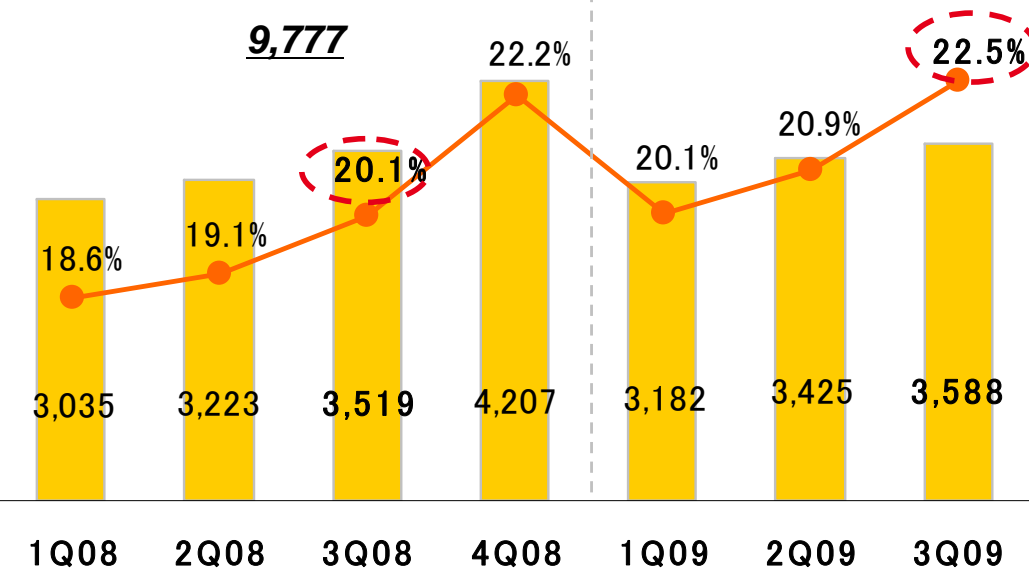
- ◆ 3Q09 Operating Income: up 0.3% YoY, up 3.2% QoQ. Gross margin of connectivity and outsourcing service increased QoQ.
- ◆ 3Q09 Income before income tax expense: up 59.1% YoY, up 4.4% QoQ. Impairment losses on equity securities and interest expenses decreased QoQ.
- ◆ 3Q09 Net income attributable to IIJ: down 21.9% YoY
 - Deferred tax expense
 - 3Q09: JPY418 million in expense
 - 2Q09: JPY187 million in expense
 - 3Q08: JPY594 million in expense
 - Equity in net income of equity method investees:
 - 3Q09: JPY85 million
 - Net loss attributable to noncontrolling interests:
 - 3Q09: JPY90 million in losses related to GDX Japan and Trust Networks

	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09
Income Tax Expenses	175	(1,980)	392	552	213	326	653	(190)	244	284	514
Equity in net income (loss) of equity method investees	(20)	(29)	(42)	(52)	18	(17)	44	(10)	32	11	85
Net loss attributable to noncontrolling interests	9	15	27	45	55	85	120	93	93	82	90

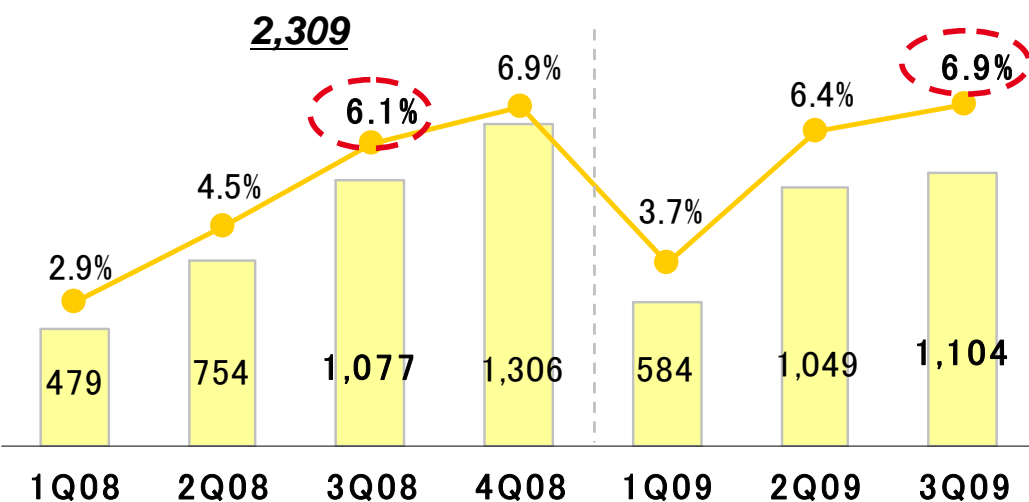
II-9. Connectivity and Outsourcing Service and SI

Unit: JPY million

[Gross margin and gross margin ratio]



[Operating income and operating margin ratio]



Connectivity and Outsourcing Service and SI

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

- ◆ 3Q09 Revenue:
 - Decreased YoY due to the decrease in systems construction revenue
 - Gross margin increased by 2.0% YoY and gross margin ratio was up 2.4 points YoY
- ◆ 3Q09 Operating income:
 - Increased by 2.6% YoY and operating margin ratio was up 0.8 points YoY as a result of increased gross margin

ATM Operation Business



- ◆ Placed 147 ATMs as of Dec. 2009 (up 87 ATMs QoQ)

	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09
Revenue	5	6	6	6	7	31	70
Cost	15	85	161	161	192	215	277
Expenses	58	81	83	78	49	50	56
Sum	72	166	244	239	240	265	333
Operating Loss	(67)	(160)	(238)	(233)	(233)	(234)	(263)

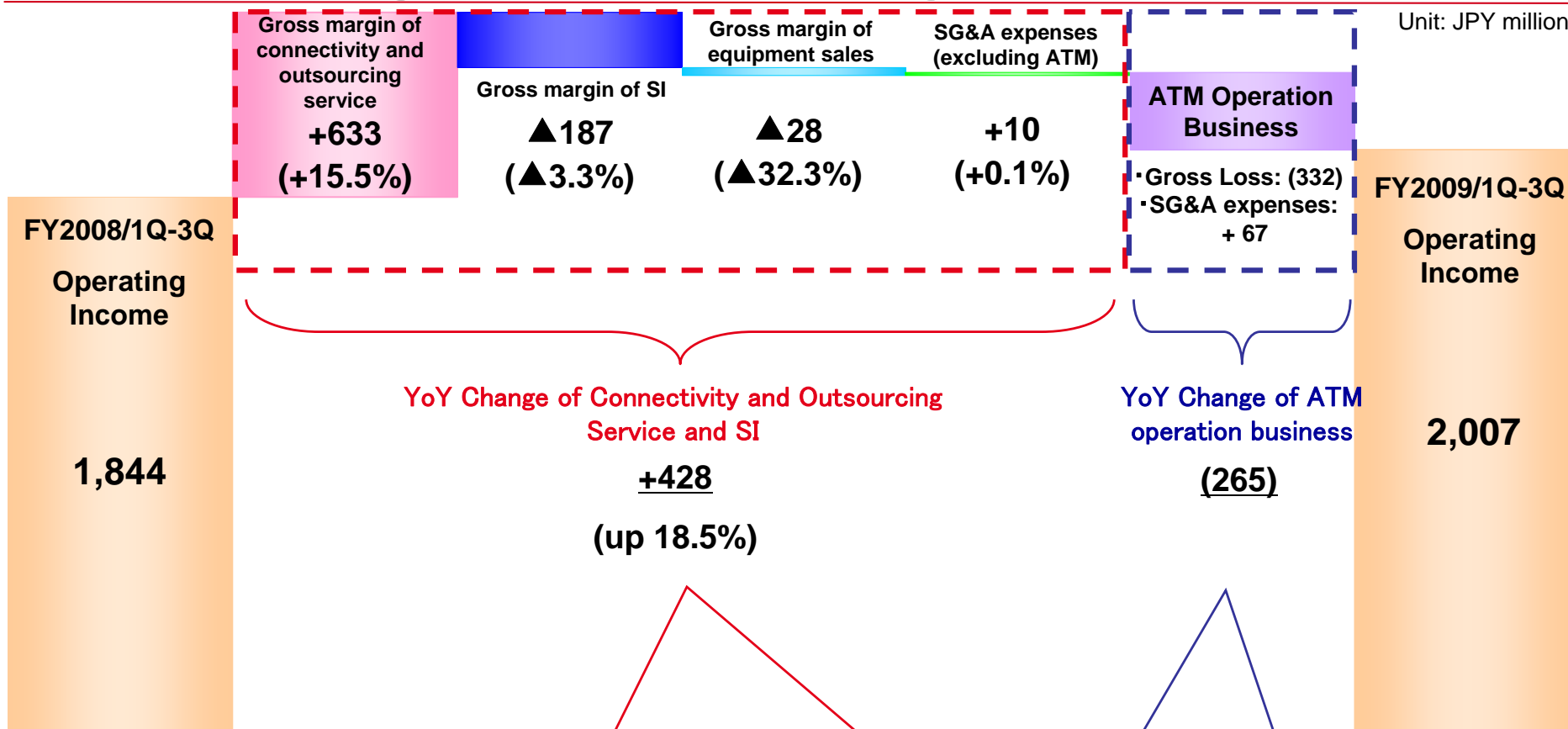
Trust Network Inc.

- Established July 2007 (Consolidated subsidiary)
- Ownership: 72.7% (as of Jan 2010)

II-10. Operating Income YoY Change

YoY = 3Q09 compared to 3Q08
QoQ = 3Q09 compared to 2Q09

Unit: JPY million



- ◆ **Increase in gross margin of connectivity and outsourcing service:**
Revenue increase 6.4% YoY. Gross margin was greater than the increase in costs (JPY1,027 million)
- ◆ **Decrease in gross margin of SI:**
Revenue decreased 16.3% YoY. Gross margin decreased despite the decrease in outsourcing related costs
- ◆ **Decrease in gross margin of equipment sales:**
Slightly decreased corresponding to the decrease in revenues
- ◆ **Decrease in SG&A expenses (positive impact on operating income):**
Decreased as outsourcing related expenses and general expenses decreased as a result of tight cost control

- ◆ **Gross loss of ATM operation business:**
FY09/1Q-3Q: JPY575 million (losses)
FY08/1Q-3Q: JPY243 million (losses)
Loss increased in relation to its business start up
- ◆ **SG&A expenses of ATM operation business:**
FY09/1Q-3Q: JPY155 million
FY08/1Q-3Q: JPY222 million

II-11. Revised Revenue Target for FY2009

Unit: JPY billion
(except for Net Income and Cash Dividend per Share)

	FY09 Revised Target (09/4~10/3)	FY08 Actual (08/4~09/3)	YoY	
Total Revenues	68.0	69.7	(1.7)	(2.5%)
Operating Income	3.3	2.9	+0.4	13.1%
Income before Income Tax Expense (Benefit)	2.7	2.0	+0.7	32.7%
Net Income attributable to IIJ	1.7	1.4	+0.3	19.8%
Net Income attributable to IIJ per Share	JPY 8,393	JPY 6,918	+1,475	21.3%
Cash Dividend per Share	JPY 2,000 (Annual)	JPY 2,000 (Annual)	-	-

◆ Revenue target revised downward from JPY73,000 million to JPY68,000 million

- Revised target by taking into account such as the SI and equipment sales order backlog
- Income and cash dividend unchanged

II-12. Consolidated Balance Sheets

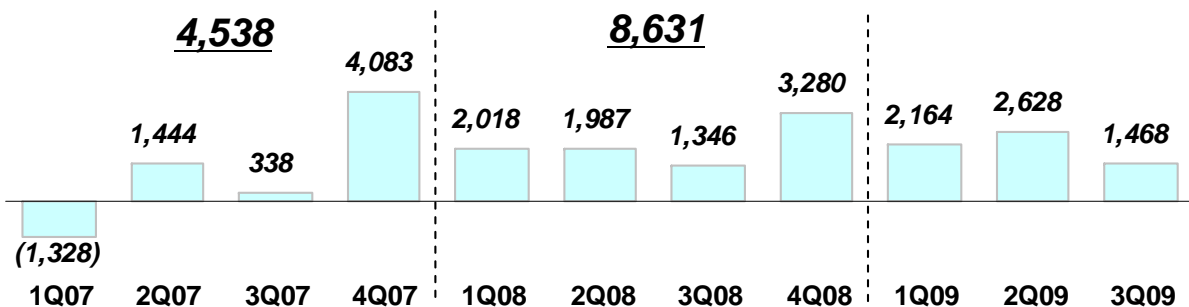
Unit: JPY million

	December 31, 2009	March 31, 2009	Changes	
Cash and Cash Equivalents	8,466	10,188	(1,722)	➤ Decreased correspondingly to the decreases in SI Projects
Accounts Receivable	8,575	10,257	(1,682)	➤ Increased correspondingly to the increase in on-going SI Projects
Inventories	1,223	530	+693	➤ Network equipment maintenance related expenses
Prepaid Expenses	2,333	1,772	+561	
Deferred tax assets (current)	492	762	(270)	
Other Investments	2,117	1,915	+202	➤ Nonmarketable equity securities: JPY1,036 million ➤ Available for sale equity securities: JPY727 million ➤ Others: JPY354 million
Property and Equipment	13,161	13,173	(12)	
Goodwill and Other Intangible Assets	5,604	5,841	(237)	
Deferred tax assets (non-current)	1,770	2,253	(483)	➤ Non-amortized intangible assets: JPY5,368 million ➤ Amortized intangible assets: JPY227 million
Borrowings (Short-term)	5,100	7,350	(2,250)	➤ Repayment of short term borrowings
Accumulated Deficit	(17,821)	(18,549)	+728	
Accumulated Other Comprehensive Income	(248)	(321)	+73	
Total IIJ Shareholders' Equity	25,818	25,169	+649	➤ IIJ Shareholders' equity ratio: 52.7%
Total Assets	49,002	52,301	(3,300)	

II-13. Consolidated Cash Flows

Unit: JPY million

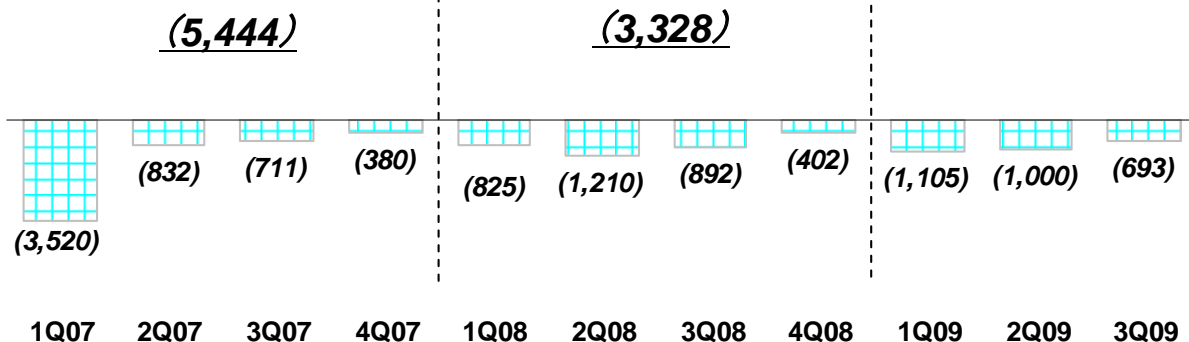
Net cash provided by (used in) operating activities



3Q09 Net cash provided by operating activities: JPY1,468 million

- Operating income
- Increase in inventories, prepaid expenses and other current and noncurrent assets: JPY401 million
- Decrease in accounts payable: JPY154 million
- Decrease in accounts receivable: JPY122 million
- etc.

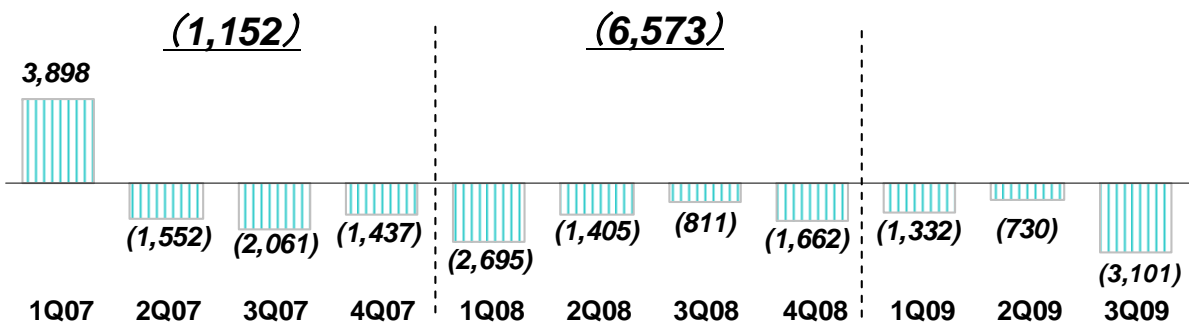
Net cash used in investing activities



3Q09 Net cash used in investing activities: JPY693 million

- Purchase of property and equipment: JPY675 million
- Purchase of short-term and other investments (net): JPY18 million
- etc.

Net cash provided by (used in) financing activities



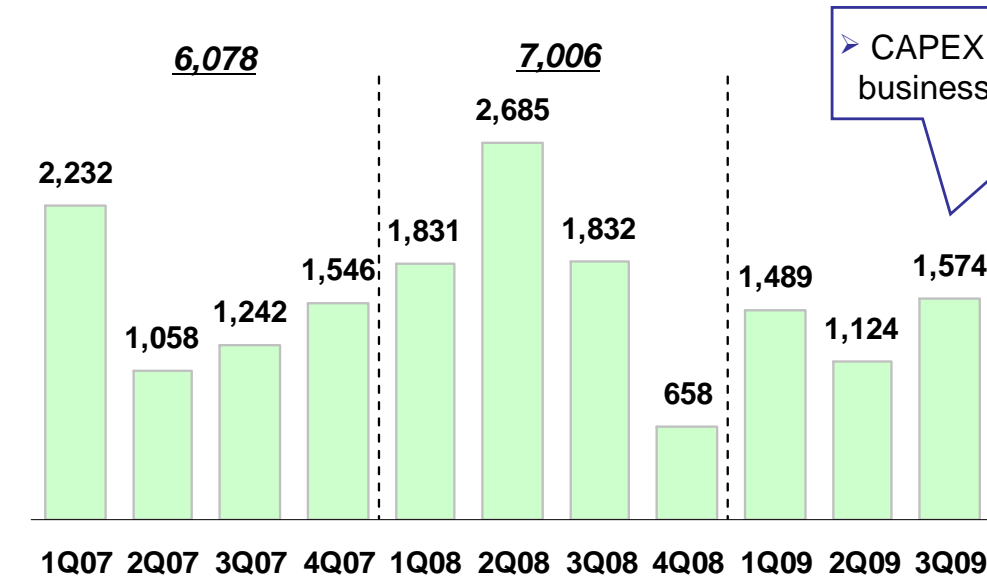
3Q09 Net cash used in financing activities: JPY3,101 million

- Net repayment of short-term borrowings with initial maturities less than three months: JPY2,100 million
- Principle payments under capital leases: JPY948 million
- Payment of interim period dividends: JPY203 million
- etc.

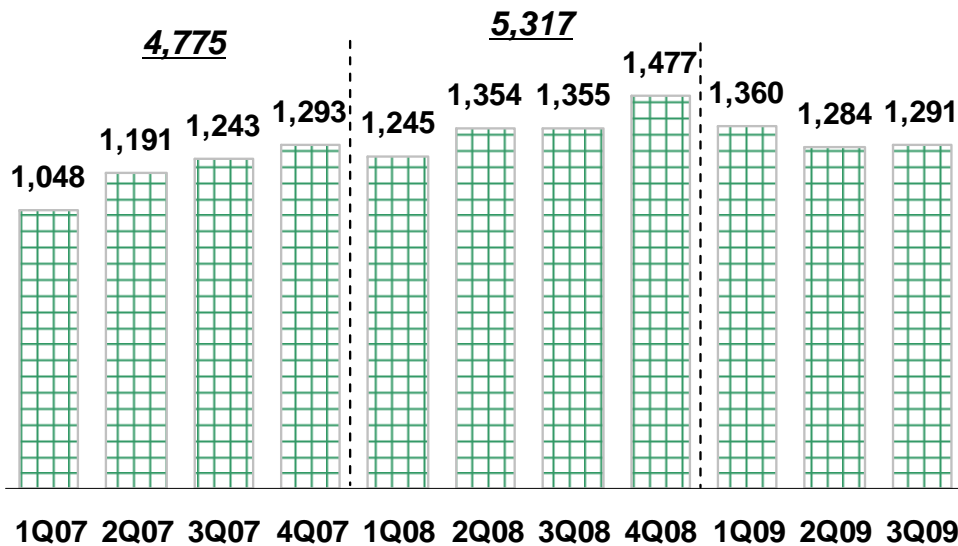
II-14. Other Financial Data (CAPEX etc.)

Unit: JPY million

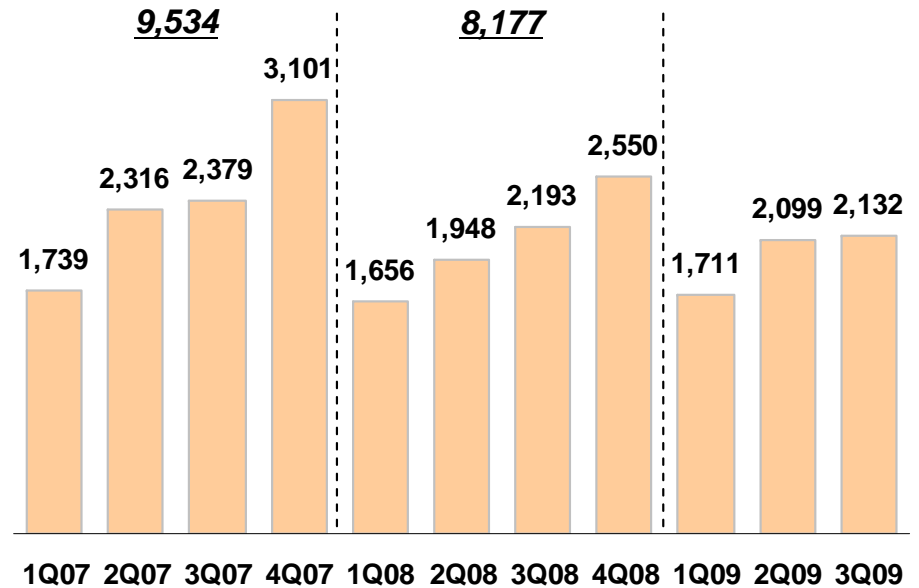
CAPEX (Include Capital Lease)



Depreciation and Amortization



Adjusted EBITDA



III-1. Merger of the Two 100% Consolidated Subsidiaries



Internet Initiative Japan

Merger Effective Date April 1, 2010 (No impact on FY2009 Consolidated Financial Target)

Internet Initiative Japan Inc.

Established: Dec 1992

Capital: JPY14,295 mil

Revenue: JPY45,318 mil

Employees: 723

Provides internet connectivity, outsourcing service, SI, equipment sales and others



IIJ Technology

IIJ Technology Inc.

Established: Nov 1996

Capital: JPY2,358 mil

Revenue: JPY25,452 mil

Employees: 471

Provides Systems design, construction and systems operation and maintenance

(100% Owned)



IIJ Financial Systems

(100% Owned)

IIJ Financial Systems Inc.

Established: Sep 2004

Capital: JPY50 mil

Revenue: JPY5,602 mil

Employees: 88

Provides systems operation and maintenance for financial sector

Figures of capital is as of March 31, 2009, revenues is of FY2008 and employee is as of Dec 31, 2009. All non-consolidated bases

- **Early 2000- Common use of Data Center developed, 2010- beginning of the use of Cloud Computing Service**
- **The trend to outsource corporate information system with network element to accelerate**

- **Outsource of corporate information system will enhance business opportunity for IIJ**
- **Must unite our network related technology and SI ability to seize IT demands**
- **Build a strong group management foundation for mid- to long-term growth with this merger**

- **Improve its service quality by combining our network service and SI business**
- **Efficiently allot group technological resource to concentrating fields**
- **Increase competitiveness by uniting its operation platform**
- **Reduce over lapped work for a efficient administrative department**

III-2. Topics

Launched the new IJ cloud computing service “IJ GIO”

- This new cloud computing platform is built in data centers connected directly through IJ's high-volume backbone
- IJ has been providing IJ GIO to companies and public sectors from Oct 2009

◆ To enhance sales with partner companies

➤ Partnership support program

- Tied up with several sales partner such as TIS Inc.

➤ Start a business support solution combining IJ GIO and IJ Mobile Service (From March 2010)

- Uses FOMA network compatible enterprise PDA “PIT”
- This “PIT” can be used as a work station (PDA client) for distribution/Retail such as drug store, specialty stores such as clothing boutiques, wholesale, restaurants, delivery service and more
- It can also be used as digital signage or digital POP advertising
- Planning to provide as SaaS on IJ GIO cloud service through partnerships and ti-ups with existing providers of these applications



Enterprise PDA “PIT”

◆ Good Pre-sales

- We are receiving many inquiries regarding our IJ GIO service from all different sectors such as finance sector, computer information, internet service, etc
- Began receiving orders

Provides a web site infrastructure to the Cabinet Office “hatomimi.com”













- A website to provide a channel for comments and suggestion regarding government services was built on IJ GIO's platform and was released on January 18, 2010,
- IJ GIO was chosen for this web site because it can be quickly implemented and easily expanded to meet unexpected high traffic volumes



Hatomimi.com
(voice of people)"

III-3. Reference: IJ Group Companies

(As of January 31, 2010)

	Company Name	Ownership	Main Business
Consolidated Subsidiaries	 IJ Technology Inc.	Merger scheduled for April 1, 2010	Offers a comprehensive suite of systems integration services from design, physical installation, operation, and maintenance to monitoring for our customers' diverse network systems.
	 IJ Financial Systems Inc.		Provides full outsourcing services for integration and operation of the front- and back-end for securities systems.
	 Net Care, Inc.	100%	Provides a full range of network operation and management services, from customer support, end-user help desks, monitoring and troubleshooting to integrated management services.
	 Net Chart Japan Inc.		Provides network construction services, primarily for LANs, such as network installation wiring, installation and set-up of equipment, installation of applications, and operational support.
	 IJ America Inc.		Provides quality Internet services in the U.S. with a focus on U.S.-based enterprises doing business in the Asia-Pacific region. Also IJ-A constructs and operates on U.S. Internet backbone network.
	 hi-ho, Inc.		Supports customer's safe, secure and comfortable Internet life based on ISP business for personal users.
	 IJ Innovation Institute Inc.		An incubation business for the next generation internet. (R&D)
	 Trust Networks Inc.	72.7%	Operates ATM network systems placed in designated facilities. Receives commission for each withdrawal transaction from a bank account.
	 GDX Japan Inc.	62.3%	Building safe, reliable corporate messaging networks and providing message exchange services.
Equity Method Investees	 Internet Multifeed Co.	32%	Provides mutual access with other major ISPs and content distribution services based on Multifeed technology. Also MFEED operates JPNAP, a distributed IX service.
	 Internet Revolution, Inc.	30%	Operates a comprehensive portal site that provides various contents, such as SNS, blogs, stunning games, videos, and music.
	 Taihei Computer Co., Ltd.	45%	Provides operation of reward point management system

III-4. Reference: Press Release

Date		Press Releases
FY09	3Q	10/1 IIJ Makes the IIJ Managed Firewall Service IPv6 Compatible
		10/5 IIJ Group Announces the Latest Cloud Services for IIJ GIO
		10/8 IIJ and Cybozu Research Form Alliance to Promote Cloud Services
		10/13 IIJ Strengthens Compliance Function of IIJ Secure Web Gateway Service
		10/26 IIJ Adds Attachment Encryption Function to the IIJ Secure MX Service
		10/26 IIJ Group and Citrix Form Partnership for Cloud Services
		10/27 IIJ and Microsoft Embark on Project to Offer Cloud-based Services
		11/11 IIJ to Establish Layer 2 Connectivity with NTT DoCoMo
		11/13 IIJ Announces First Six Months Financial Results for FY2009
		11/18 IIJ Adds Three New Options to IIJ Managed VPN Pro Service
		11/24 IIJ Expands High-speed Data Communications Terminals for IIJ Mobile
		11/26 IIJ to Conduct Proof-of-Concept Testing for the Next-Generation Eco-Data Center
		11/26 IIJ Adds IPv6 Option to the IIJ Contents Delivery Service
		12/1 IIJ-FRT to Construct Remote Backup Site in Okinawa for CTI Engineering
		12/2 IIJ Group Launches INVITO MOBILE, a SaaS CRM Service For Mobile
	12/9 IIJ Announces Detailed Service Menu for IIJ GIO and Partner Support Program	
	12/16 IIJ Launches LaIT Hikari Connect	
	4Q	1/19 IIJ Builds Web Infrastructure for Cabinet Office Survey Site using IIJ's Cloud Service
		1/26 IIJ Introduces DKIM Sender Authentication Technology to the IIJ Post Office Service
		1/28 IIJ Offers Enterprise PDA with IIJ Mobile Service/Type D
2/4 IIJ to Absorb Wholly-Owned Subsidiary		

※ 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").

※ Contact Information

Internet Initiative Japan Inc. (Investor Relations Office)

Jinbocho Mitsui Bldg., 1-105 Kanda Jinbo-cho, Chiyoda-ku, Tokyo, 101-0051, Japan

TEL: 03-5259-6500 FAX: 03-5259-6311 URL: <http://www.ij.ad.jp/IR> E-Mail: ir@ij.ad.jp

