

For Immediate Release

IIJ to Begin Testing Container-Unit Data Center Modules with Year-round Outside-Air Cooling

--IIJ develops ISO-standard 20-foot container module with built-in outside-air cooling capabilities, which may improve energy efficiency and transportability to effectively reduce facility costs--

TOKYO—April 8, 2013—Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJI, TSE1: 3774), one of Japan's leading Internet access and comprehensive network solutions providers, today announced it will start proof-of-concept testing in April 2013 of the newly developed, more energy efficient co-IZmo container-unit data center module, whose design is smaller than the IZmo (patent #5064538) container-unit data center module currently used at the Matsue Data Center Park. At the same time, the company announced that the data center was awarded ISO14001 certification, an international standard for environment management systems, on March 26, 2013 (EMS 558212).

IIJ's previous container-unit data center module consisted of the IZmo, which housed servers and other equipment, and a separate air-conditioning module, where the cooling equipment resided, which was designed with medium to large data centers in mind. This was the inspiration behind the design of the smaller outside-air cooled co-IZmo container-unit data center module and the start of proof-of-concept testing.

The test will consist of operating the container unit for one year starting in April using only outside-air cooling, and the results will be used in the commercialization of this container-unit for small-scale applications.

The following benefits are expected from co-IZmo.

Optimized energy efficiency through year-round outside-air cooling

The IZmo and its air conditioning module use a chiller during the summer months and a humidifier during the winter months in order to maintain a specific temperature and humidity. The pPUE (partial Power Usage Effectiveness, a measure of the energy efficiency of a single container-unit in a data center) of the IZmo is an annual average of 1.17 based on actual measurements. The co-IZmo does not require a chiller or humidifier, and the goal is to use only outside-air cooling year-round in temperature and humidity control. The expected result is a drop in pPUE to the 1.0 level.

Smaller footprint with all equipment in a single container

The IZmo is connected to its air-conditioning module via a duct, and to install an external compressor requires the installation of refrigerant piping. The co-IZmo is a totally self-contained unit, with all the necessary equipment installed in a single, ISO-standard 20-foot container. The compact size makes it easier

to transport, and if the co-IZmo becomes commercially available, IIJ can install them on a client's land and will be able to meet the demand for a compact, affordable, on-premise private cloud.

The Matsue Data Center Park used Japanese first commercial outside-air cooled container-units. This data center was constructed as the facility for the IIJ GIO Service, and was built starting in April 2011 in Matsue City, Shimane Prefecture. In addition, we will begin construction on expanding our facilities on April 18, 2013 in order to keep up with the increasing demand for cloud services. After the facilities opened, we loaded servers and other equipment into the IZmo container-unit at the factory so that it could be shipped and installed as is, thus greatly reducing the construction time. Use of the outside-air cooled container unit reduced overall power consumption by 40% compared with traditional data centers.

In addition to developing new technology to promote energy efficiency, the Matsue Data Center Park continued to work on environmental activities under the slogan "work with nature and preserve the environment," and it was awarded ISO 14001 certification. Specific environmental activities included air conditioning system operations management and other space management efforts, and reduction of waste when transporting the containers.

The IIJ Group will continue to promote green IT while working hard to deploy next-generation data centers that have the lower cost and higher energy efficiency that are most appropriate for the cloud environment.



Figure: Artists rendition of Matsue Data Center Park after construction is completed

Upper right: the existing facilities Lower left: expanded facilities

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 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. 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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