

A Partnership for Advanced Agriculture

--Innovation in agriculture--

TOKYO—October 23, 2018—Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJI, TSE1: 3774) and Sumitomo Corporation (Head office: Chiyoda-ku, Tokyo; Representative Director, President and Chief Executive Officer: Masayuki Hyodo) announced that the two companies have concluded a partnership agreement for a cooperative project on market surveys, product development, manufacturing, and commercialization related to advanced agriculture, with the goal of sparking innovation both in Japan and elsewhere.

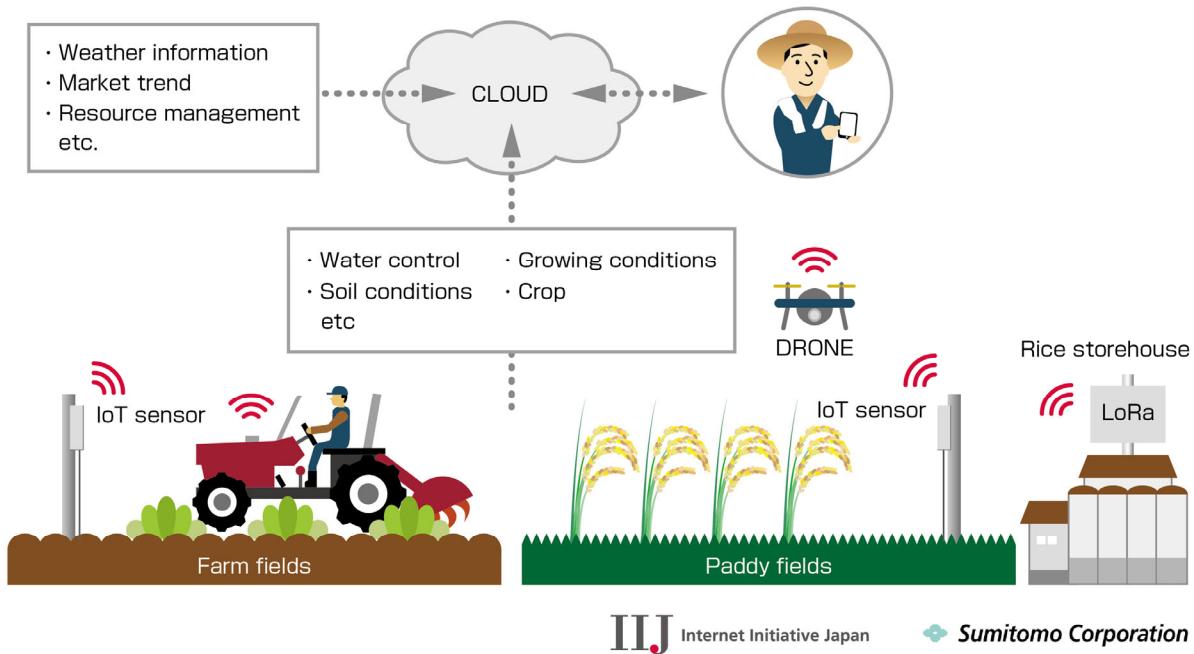
Japan's agricultural workforce has continued to advance in age, with more than 60% over the age of 65. As there are fewer people in the next generation to carry on agricultural work and fewer people entering the field every year, its production technologies and know-how face extinction. Against this labor-shortage backdrop, arable land continues to be consolidated and agricultural corporations have become enormous, leading to an underlying trend of growth in the amount of land under management per managing entity. For that reason, initiatives need to leverage robotics, drone technologies, and ICT to achieve major improvements in agricultural efficiency, in the form of high-quality production and less demanding energy and labor requirements. In reality, however, many production sites have not yet developed an environmental infrastructure. For example, when it comes to water management in wet rice fields, in addition to a large amount of time being spent every day to check water levels, detailed responses are needed in order to be able to maintain the quality and harvest volume of the crop, but the hardware involved is not very advanced at the moment.

Through this partnership, IIJ and Sumitomo Corporation will advance initiatives related to product development, manufacturing, and sales that will help visualize efficiency and know-how in agricultural work, especially for rice, wheat, soybeans, and sugar cane. The companies plan to begin by moving forward with communications technologies using LPWAs like LoRaWAN (*1) and with various sensors. The goal is to commercialize communications services that are affordable and easy for agricultural producers to use within Japan Agricultural Cooperatives Miyagi Tome (Tome City, Miyagi Prefecture), with which Sumitomo Corporation has announced a strategic partnership (*2).

IIJ is working on technology development for a variety of venues, ranging from the production site to the household, based on the elemental technologies required to connect everything—including the networks, clouds, and device gateways—that makes up IoT systems, and to ensure the security of the systems.

Through this partnership, the two companies will promote the development of new technologies, products, and services in the pursuit of increased efficiency in agriculture and benefits to producers, and they will continue to accelerate their initiatives for sustaining and developing agriculture in Japan and elsewhere into the future.

Project image



IIJ Internet Initiative Japan

 **Sumitomo Corporation**

- * 1. LPWA (Low Power Wide Area): A wireless communications technology characterized by low power consumption and long-distance capabilities suitable for IoT/M2M(Machine to Machine). LoRaWAN is a wireless communications protocol that is a type of LPWA.
- * 2. “Strategic Partnership on Advanced Agriculture in the District Covered by Japan Agricultural Cooperatives Miyagi Tome”
August 20, 2018 <https://www.sumitomocorp.com/en/jp/news/release/2018/group/10620>

About Sumitomo Corporation

Sumitomo Corporation (“SC”) is a leading Fortune 500 global trading and business investment company with 109 locations in 65 countries and 22 locations in Japan. The entire SC Group consists of more than 900 companies. SC conducts commodity transactions in all industries utilizing worldwide networks, provides related customers with various financing, serves as an organizer and a coordinator for various projects, and invests in companies to promote greater growth potential. SC’s core business areas include Metal Products, Transportation and Construction Systems, Infrastructure, Media and Digital, Living Related and Real Estate, Mineral Resources, Energy, and Chemical and Electronics. For more information about SC, visit the SC Web site at <https://www.sumitomocorp.com/en/jp>.

About IIJ

Founded in 1992, IIJ 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 Internet connectivity services, systems integration, cloud computing services, security services and mobile services. 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 listed on the U.S. NASDAQ Stock Market 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 <https://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.

For inquiries, contact:

IIJ Corporate Communications

Tel: +81-3-5205-6310 E-mail: press@ijj.ad.jp

<https://www.ijj.ad.jp/en/>

Sumitomo Corporation Corporate Communications Media Team Yamawaki, Kazama

Tel: +81-3-6285-3100