For Immediate Release





IIJ Group to Develop Module for Controlling Container-unit Data Center with Software

TOKYO—October 10, 2013—Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJI, TSE1: 3774), one of Japan's leading Internet access and comprehensive network solutions providers, and IIJ's 100% owned subsidiary IIJ Innovation Institute Inc. (IIJ-II), IIJ Group's R&D center, today announced they have begun development of co-IZmoSD, a container-unit data center module that can control all the cloud service infrastructure including a data center facility through software.

With the spread of cloud services, data center operators must run large-scale systems efficiently and with high availability. The infrastructures, consisting of servers and networks, on which these cloud services run, have much more flexible configurations and control thanks to virtualization technology.

This joint project between IIJ and IIJ-II to develop the co-IZmoSD will be based on the co-IZmo small container-unit data center module that began proof-of-concept testing in April 2013, and will aim to improve on this design by including control of data-center air conditioning, power equipment, and other facility equipment through software. Use of the co-IZmoSD at a data center with cloud service infrastructure makes it possible to flexibly and centrally control the servers, networks, and facilities. The scale of the system can be changed dynamically in response to a request to the cloud service infrastructure, which results in higher energy efficiency and lower operating costs. In addition, the region of container-unit data center on which virtual cloud servers run can be changed depending on external environmental conditions, and so it is expected that these data centers will be able to effectively use natural energy sources like unstable solar energy.

IIJ will focus on development of the data center module, while IIJ-II will focus on software development. This development project was made possible by a grant from the Ministry of Economy, Trade and Industry (METI) under the fiscal 2013 project, Industrial Technology Commercialization Development Grant (Development of software control cloud system technology).

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 and the United Kingdom. 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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