IIJ Announces 2nd Quarter Results for the Period Ended September 30, 1999

Tokyo and New York, November 15th, 1999 - Internet Initiative Japan Inc. (NASDAQ: IIJI) ("IIJ"), one of Japan's leading Internetaccess and Internet-related services providers, today announced the results of its operations for the second quarter ending September 30, 1999. All figures were unaudited and prepared in accordance with generally accepted accounting principles in the United States for interim financial information.

2Q99 Results Summary: Year-over-Year and Quarter-over-Quarter Comparison

Highlights

- Revenues increased 107.4% year-over-year (YoY) and 23.8% quarter-over-quarter (QoQ) to JPY 6,679 million due primarily to revenues generated by the early completion of one of IIJ's major systems integration projects for 1999.
- Total number of contracts for Dedicated Access Services increased 21.9% YoY and 5.0% QoQ to 1,740.
- Due to strong demand for higher bandwidth, total bandwidth contracted for IP Service increased 97.6% % YoY and 8.5% QoQ to 800Mbps.
- Total number of contracts for Dial-up Access Services, including OEM, increased 90.8% YoY and 23.9 % QoQ to 91,759.