

IIJ Announces Pricing of Convertible Notes

Tokyo, March 21, 2000 - Internet Initiative Japan Inc. (NASDAQ: IIJI) ("IIJ") today announced that it has priced an offering of 1.75% convertible notes due March 31, 2005. The total size of the offering is JPY15,000,000,000 which includes an immediate exercise of an overallotment option in full by the initial purchaser. The Notes are convertible into shares of the IIJ's common stock at the conversion price of JPY24,000,000 per share.

The net proceeds from the sale of the Notes will be used for further development of IIJ's network, for further investments in IIJ's subsidiaries and affiliates and for general corporate purposes.

The offering was made only to certain persons outside of the United States pursuant to Regulation S under the Securities Act of 1933 and to qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act.

This news release does not constitute an offer to sell or the solicitation of an offer to buy the securities. Any offer of the securities will be made only by means of a private offering circular. The securities have not been registered under the Securities Act and may not be offered or sold in the United States absent registration under the Securities Act or an applicable exemption from the registration requirements.
