

For Immediate Release

**IIJ Corrects One Figure Disclosed in its presentation material titled
“Consolidated Financial Results for 1Q20 (April 1, 2020 to June 30, 2020)”**

TOKYO, August 7, 2020 - Internet Initiative Japan Inc. ("IIJ", TSE1: 3774) has corrected one figure disclosed in its presentation material titled “Consolidated Financial Results for 1Q20 (April 1, 2020 to June 30, 2020)” which was announced at noon (JST) on August 7, 2020.

About Correction:

The amount of cloud revenue that is recognized in systems operation and maintenance revenue in page 9 “II - 6. Systems Integration (SI) (1) Revenues” of the presentation material titled “Consolidated Financial Results for 1Q20 (April 1, 2020 to June 30, 2020).”

The corrected point is underlined in the following slides attached.

About Internet Initiative Japan Inc.

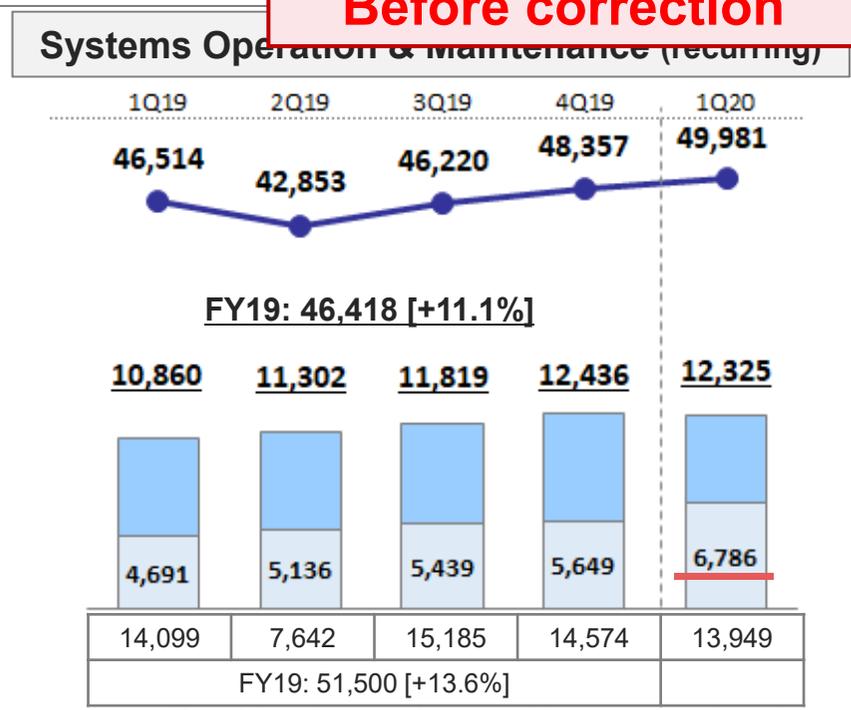
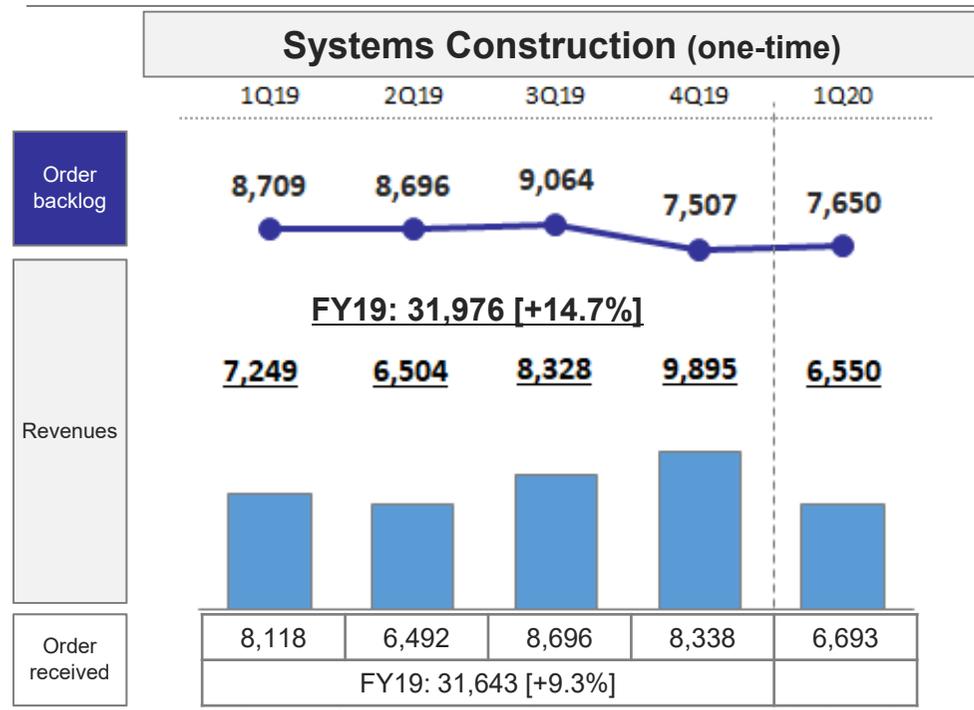
Founded in 1992, IIJ is one of Japan's leading Internet-access and comprehensive network solutions providers. IIJ and its group companies provide total network solutions that mainly cater to high-end corporate customers. IIJ's services include high-quality Internet connectivity services, mobile services, security services, cloud computing services, and systems integration. Moreover, IIJ operates 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 First Section of the Tokyo Stock Exchange in 2006.

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II - 6. Systems Integration (SI) (1) Revenues

Before correction

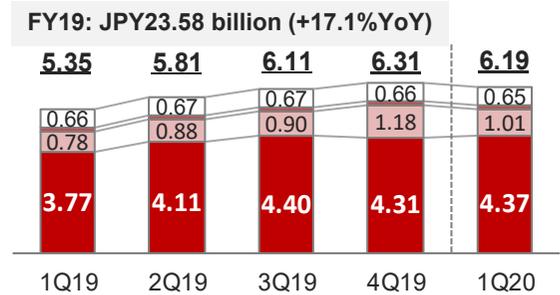


• Systems construction's order backlog, revenue and order received include that of equipment sales.

• Revenue written within systems operation and maintenance revenue is cloud revenue that is recognized in systems operation and maintenance revenue.

- 1Q20 order received (-17.6% YoY) decreased YoY mainly because of the slowdown in business activity, such as visiting clients during April & May, Focusing to accumulate orders for the latter half of FY20
 - 1Q19 order received included a certain large scale project amounted to JPY2 billion
- Strong demand for network integration
 - Virtual desktop/remote access system, SD-WAN/Zero Trust environment and etc.
- Projects for public sector increasing
 - Enforcement of remote access environment for central government agencies, introduction of teleworking environment for local governments, online schooling-related projects and etc.

- 1Q20 revenue: +13.5% YoY, continued to increase
- Cloud revenue



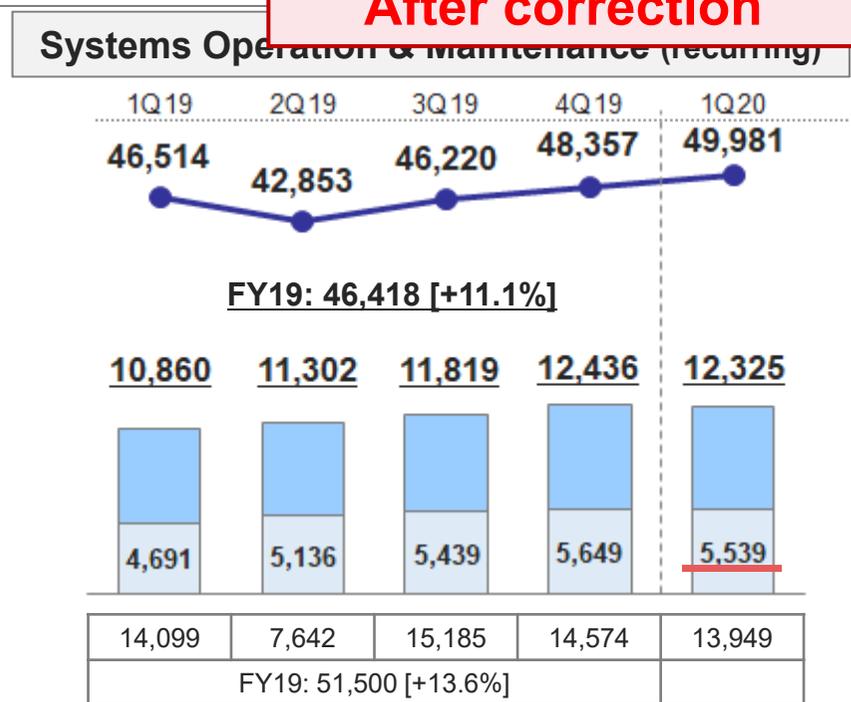
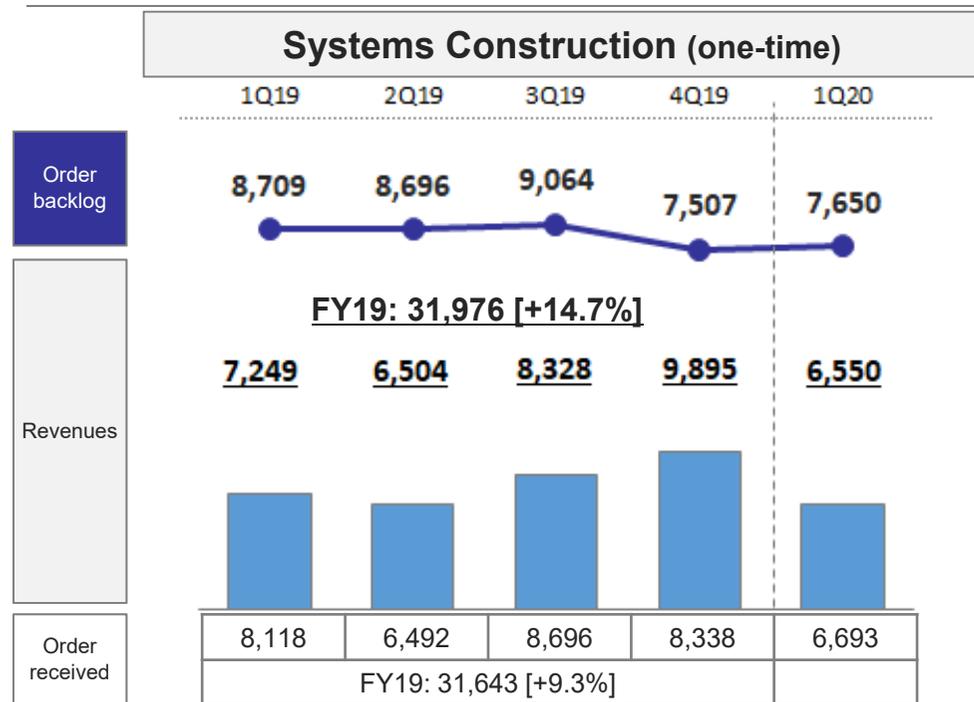
- Cloud revenue continued to grow: 1Q20 +15.6% YoY
- Cloud revenue breakdown: 89.5% in systems operation & maintenance, 10.5% in outsourcing
- Raptor (foreign currency exchange ASP system) revenue decreased QoQ as it was impacted by FX trading volume volatility

Overseas Business
 (FY2020 Target Revenue JPY10 billion, Operating Profit approx. JPY0.3 billion)

- 1Q20 revenue: JPY1.89 billion, operating profit: JPY0.04 billion
- ✓ 1Q20 results almost as expected, Going to focus on order accumulation

II - 6. Systems Integration (SI) (1) Revenues

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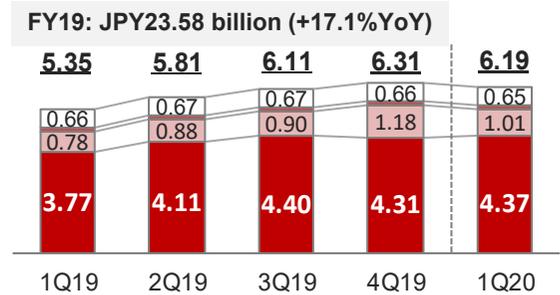


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