

## *For Immediate Release*

### **IIJ and Biznet to Run a Joint Cloud Venture in Indonesia**

-- IIJ to advance cloud business jointly with Biznet, an Indonesian major communications services company --

TOKYO—November 6, 2014—Internet Initiative Japan Inc. (IIJ, NASDAQ: IJJI, TSE1: 3774), one of Japan's leading Internet access and comprehensive network solutions providers, today announced that it has reached an agreement with Biznet Networks (Biznet) to establish a joint venture in Indonesia. IIJ aims to enhance its existing cloud services in the ASEAN region. Biznet Networks (Indonesian name: PT. Supra Primatama Nusantara), headquartered in Jakarta, is a major communications services company in Indonesia.

IIJ and Biznet plan to establish the joint venture and to begin its operations in mid-December 2014 after completing the procedures required by the relevant authorities. The new company will promote the use of cloud services.

#### **1. Background and objectives**

Since 2011, IIJ Group has been strengthening its overseas cloud businesses. The group already offers cloud services in the United States, China, Europe, and Singapore. In Indonesia, IT infrastructure has rapidly penetrated and demands for high-quality and stable cloud services have been building up among companies. To take advantage of this market opportunity and to launch an Indonesian cloud service more rapidly, IIJ decided to launch its cloud service in cooperation with an influential local partner.

IIJ's partner Biznet is a telecommunications and multimedia services company that is part of the MidPlaza Group—a major player in the Indonesian economy that is active in the real estate and IT businesses. Biznet owns thousands of kilometers of fiber-optic network, data centers, a cable TV infrastructure, and other assets. The joint venture will make maximal use of the technologies for building cloud services and the operations know-how that the IIJ Group has developed over the years—as well as Biznet's robust network infrastructure and customer base—to launch a highly competitive service. IIJ and Biznet aim to gain a large share of the emerging Indonesian market at an early stage.

#### **2. Business outline**

The joint venture is expected to launch with USD\$6 million in capital (60% from Biznet and 40% from IIJ). It will build new cloud service infrastructure in Indonesia and will offer public and private cloud services to local companies. IIJ will provide cloud technologies, operational support, and other contributions. Biznet's contribution will include lending the prestige it holds in the Indonesian market, conducting day-to-day operations, and handling the venture's domestic business. IIJ and Biznet forecast that the venture will create annual revenue

equivalent to around USD\$10 million after three years of the launch of the services. The joint venture's trade name, headquarters, managing director, and other details will be decided by its two parent companies at a later date.

IIJ will actively continue its overseas business developments. IIJ will support building customers' IT infrastructure in Asia by offering high-quality cloud services.

### **About Biznet Networks**

Biznet Networks is the leading fiber optic operator in Indonesia, providing telecommunication & multimedia services such as Internet, Data Center and Cable TV. Biznet Networks has been operating thousands of KM state of the art Fiber Optic Network and the largest data center in Indonesia since year 2000. For more information about the company, please visit <http://www.biznetnetworks.com/>.

### **About IIJ**

Founded in 1992, Internet Initiative Japan Inc. (IIJ, NASDAQ: IIIJ, 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 the United States, the United Kingdom and Asia. 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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