



For Immediate Release

IIJ and L is B to Enter into Capital/Business Partnership to Develop and Provide Corporate Messenger Services

-- Private cloud version of L is B next-generation messenger "direct" to be offered on IIJ's cloud service IIJ GIO --

TOKYO—April 27, 2015—Internet Initiative Japan Inc. (IIJ, NASDAQ: IIJI, TSE1: 3774) and L is B Corp. (L is B) today announced their plan to enter into a capital and business partnership on May 1, 2015. By this partnership, the companies hope to develop and provide next-generation corporate messenger services in private cloud environments.

Capital/Business Partnership Background

IIJ launched the cloud service IIJ GIO Service in 2009, and currently offers a wide variety of system platforms ranging from public cloud services to corporate private cloud environments. IIJ GIO is a highly-qualified cloud service that is also extremely flexible. The service has become increasingly popular for private cloud applications such as ERP, and as of the end of 2014 was being used by over 1,200 companies.

Meanwhile, with business use of smartphones and tablets continuing to gather speed, L is B has been offering its "direct" corporate messenger service since 2014. Although messenger services (such as LINE and Facebook) have until now focused on individual use, "direct" boasts the same intuitive operation found in such services, but also features enterprise use as well as L is B's proprietary action stamps (*1) and bots (*2) to offer "daab SDK" (*3), an internal system connection function. Doing so has led to increased demand mainly among major companies to use "direct" in their private clouds. In response to this market demand, IIJ made the decision to enter into a business partnership with L is B and also to invest in the company, since providing "direct" to customers on IIJ GIO private clouds in even more secure environments would have a synergistic effect on service sales for both companies.

(*1) action stamps: An independently developed function that allows for location information, task sharing, schedule adjustment, surveys, statistics, and more to be sent and shared easily using stamps

(*2) bots: Programs that automatically execute commands in chatrooms, and that are used for connecting "direct" with internal business systems, etc.

(*3) daab (direct agent assist bot) SDK (Software Development Kit): a set of programming tools to develop bots

Business Partnership Description

IIJ and L is B will work together to develop a private cloud version of "direct" which operates on IIJ GIO. The companies intend to release a beta version in 2015, and will begin offering the service officially within FY 2015. IIJ will develop bots linked with customers' internal business systems, and will build and administer a secure environment for operating these bots on IIJ GIO. IIJ will also sell a SaaS version of the product on behalf of L is B.

Business Partnership with Capital Involvement Description

IIJ plans to acquire 3,125 shares (10.2% of issuing shares) of common stock belonging to L is B via third-party allocation of new shares. The stock acquisition is planned for May 1, 2015.

About "direct"

"direct" is a next-generation corporate messenger service that offers a simple screen layout and an intuitive user interface. Specialized for business use, it offers features such as business system connections functions and user operation by administrators, and data backup functions. It supports the use of a variety of devices including smartphones, tablets, and PCs. For details, see http://l-is-b.com/en/pf_direct.html.

About IJ GIO

IJ GIO is a high-quality cloud service that covers every service layer, from HaaS/IaaS to SaaS, using the operational expertise garnered from the resource-on-demand service rolled out by the IJ Group in 2000. The highly secure and flexible network structure can be used to provide a wide range of system infrastructure, from on-premise private cloud environments to public cloud environments.

About IJ

Founded in 1992, Internet Initiative Japan Inc. (IJ, NASDAQ: IJJI, Tokyo Stock Exchange TSE1: 3774) is one of Japan's leading Internet-access and comprehensive network solutions providers. IJ and its group companies provide total network solutions that mainly cater to high-end corporate customers. IJ's services include high-quality systems integration, cloud computing/data center services, security services, MVNO/MVNE services, and Internet access. Moreover, IJ has built one of the largest Internet backbone networks in Japan that is connected the United States, the United Kingdom and Asia. IJ was listed on NASDAQ in 1999 and on the First Section of the Tokyo Stock Exchange in 2006.

For more information about IJ, visit the IJ Web site at <http://www.ij.ad.jp/en/>.

About L is B

Founded in 2010, L is B is a startup company involved in developing smartphone applications and Web services. The company released "Feel on!," an application that utilizes its independently developed emotional analysis engine to analyze Twitter and automatically convert posts into comics. The application has grown popular both inside and outside Japan. L is B has built its reputation on services that combine advanced technology and planning ability with easy to understand expressive power. The company is currently developing several applications and systems for corporate use. The company also offers the "direct" corporate messenger product to promote the use of smart devices implemented in corporate environments and improve work efficiency, and the "daab (direct agent assist bot)" product that allows for bots to be freely developed. For details on L is B, see <http://l-is-b.com/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.

For inquiries, contact:

IJ Corporate Communications

Tel: +81-3-5205-6310 E-mail: press@ij.ad.jp

URL: <http://www.ij.ad.jp/en/>

L is B Corp.: Kano, Yoshinari

Tel: +81-3-5812-4735 FAX: +81-3-5812-4736

E-mail: info@direct4b.com URL: <http://www.l-is-b.com/en/>