

For Immediate Release

IIJ to Offer SoftSIMs as a New Business Model in Its Full MVNO Service Lineup

–For Use in WABCO Japan Inc.'s Service for Remotely Monitoring Vehicle Operations–

TOKYO—May 27, 2019—Internet Initiative Japan Inc. (IIJ, TSE1: 3774), one of Japan's leading Internet access and comprehensive network solutions providers, today announced that it will offer SoftSIM, an entirely software-based communication module, as a new business model that aims to promote IoT adoption in IIJ's full MVNO(*1) service lineup for enterprise users. It also announced that WABCO Japan Inc. will use SoftSIM in its vehicle remote monitoring service.

WABCO Japan provides safety and control systems for trucks, trailers, and other commercial vehicles. Its vehicle remote monitoring service gathers and visualizes data on vehicle operations, including how drivers use brakes and truck cargo weight. As the first service of its kind in Japan, it will optimize efficiency and improve safety in the transportation industry. The service's network will take advantage of IIJ's full MVNO service using the modules with a built-in SIM communication function. These modules include SIM profiles (*2), and they are the product of IIJ's partnership with module manufacturer Quectel Wireless Solutions and IoT telecom platform provider Links Field Networks. WABCO Japan will attach sensors equipped with these modules to its users' trailers to collect various data.

SoftSIM carries out all SIM functionality on the software layer where SIM profiles are securely written. This feature reduces costs, improves durability, and offers the various other benefits of IoT technology. IIJ also offers an API function so that users can turn on/off telecom lines. Users can connect this API to their corporate networks to efficiently manage their telecom connections.

SoftSIM's Advantages

Dramatic cost savings

Physical SIM cards are no longer necessary, so that users can considerably reduce the costs associated with manufacturing, distributing, and installing physical SIM cards, SIM sockets, and other accessories.

Realizing decreased fault incidents and improved durability

SoftSIM lowers the fault incidence rate by reducing the number of required components. It also improves heat, vibration, and shock tolerance, enabling users to expect fewer telecom problems due to physical damage or external factors. Because SoftSIM virtually delivers SIM functionality onto the device with no hardware and eliminates the need for SIM cards or slots, it leads not only to easy-to-produce waterproof designs but also to smaller telecommunication devices and SIM card theft deterrence.

Simultaneous availability of multiple SIM profiles

SoftSIM allows for the storage of multiple SIM profiles, while supporting OTA (*3) updates. In the future, IIJ aims to meet global IoT needs by providing communication modules into which SIM function and telecom profile are both integrated for several regions—including those outside Japan—to enable users' connection to local telecom networks when operating outside Japan.

In addition to these benefits, appreciation of the following additional features led WABCO Japan to adopt IIJ's services:

Realizing improved shipment management efficiency with the API function

The API linking IIJ's line management system and WABCO Japan's shipment management system allows WABCO Japan to turn on lines as it processes shipments, thereby reducing basic account costs when loads are awaiting delivery.

Optimized communication costs from usage-based fee structures

With charges based on account-wide use, rather than just individual lines, the fee structure allows for flatter and more optimized communication costs.

IIJ, by leveraging its position as a full MVNO, will continue to actively develop new business models and support its clients' businesses across all industries that use IoT.

(*1) Mobile virtual network operators (MVNOs) use the base stations and other wireless access equipment of mobile network operators (MNOs), while having and administering their own subscriber management functions (HLR/HSS) that are a part of their MNO's core network facilities.

(*2) SIM profiles: The telephone numbers, contract details, and other subscriber data needed to use telecom services

(*3) OTA: An abbreviation for "Over the Air." This technology allows devices to update data over wireless networks.

About WABCO Japan

WABCO Japan is the Japanese subsidiary of Swiss multinational WABCO. WABCO is the global leading supplier of safety and control systems for commercial vehicles. For more than 150 years, it has developed innovative machines, mechatronics, and electronic technologies in the fields of braking, vehicle control, and automatic transmission systems. It provides products to prominent commercial truck, bus, and trailer manufacturers worldwide. For more details, see WABCO's homepage at <https://www.wabco-auto.com>.

About IIJ

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, systems integration, cloud computing services, security services and mobile services. Moreover, IIJ has built one of the largest Internet backbone networks in Japan that is connected to the United States, the United Kingdom and Asia. IIJ was listed on the First Section of

the Tokyo Stock Exchange in 2006. For more information about IJ, visit the IJ Web site at <https://www.ij.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.

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