

For Immediate Release

IIJ Announces Partial Amendments to FY2008 Consolidated Financial Results

TOKYO-- May 22, 2009 - Internet Initiative Japan Inc. ("IIJ", NASDAQ: IIJI, TSE1: 3774) today announced that it has amended part of the consolidated balance sheets in its consolidated financial results for the fiscal year ended March 31, 2009 ("FY2008"), which was announced on May 15, 2009.

Please be advised that reclassifications were made on assets in the consolidated balance sheets as of March 31, 2009 and the amendments on consolidated statements of cash flows. These amendments to the consolidated financial statements do not affect (1)total assets, total liabilities and total shareholders' equity in the consolidated balance sheets as of March 31, 2009, (2)consolidated statements of income, (3)the total amount of net cash provided by operating activities, net cash used in investing activities and net cash used in financing activities in the consolidated statements of cash flows and (4)consolidated statements of shareholders' equity.

1. Partial amendments

- (1) Advances to equity method investees (JPY34,545 thousand) which was classified in "Investments in and advances to equity method investees" has been reclassified to "Other assets" in the consolidated balance sheets as of March 31, 2009. Due to this reclassification, "Investments in and advances to equity method investees" was renamed to "Investments in equity method investees" and postscripts related to allowance for doubtful accounts has also been amended. Due to this reclassification, consolidated balance sheets as of March 31, 2008 has also been reclassified.
- (2) JPY171,205 thousand which was recognized in "Loss on disposal of property and equipment" has been corrected to "Depreciation and amortization" in the operating activities of the consolidated statements of cash flows. The same correction was made in the operating activities of the quarterly consolidated statements of cash flows of the 4th quarter FY2008 reference material. "Adjusted EBITDA" and "Depreciation and amortization" of the 4th quarter FY2008 reference material has also been changed.
- (3) JPY3,415 thousand which was recognized in "Proceeds from sales and redemption of short-term and other investment" has been corrected to "Proceeds from sales of available-for-sale securities" in the investing activities of the consolidated statements of cash flows. The same reclassification was made in the investing activities of the quarterly consolidated statements of cash flows of the 4th quarter FY2008 reference material.

2. Content of amendments

The figures underlined in the following pages are amended.

Amendments for (1)

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Consolidated Balance Sheets (Unaudited)

[Before amendment]

	As of March 31, 2008		As of March 31, 2009		
	Thousands of JPY	%	Thousands of U.S. Dollars	Thousands of JPY	%
ASSETS					
<u>INVESTMENTS IN AND ADVANCES TO EQUITY METHOD INVESTEES, net of loan loss valuation allowance of JPY 16,701 thousand at March 31, 2008 and March 31, 2009, respectively</u>	<u>991,237</u>	<u>1.8</u>	<u>9,906</u>	<u>982,171</u>	<u>1.9</u>
<u>OTHER ASSETS, net of allowance for doubtful accounts of JPY 64,796 thousand and JPY 72,800 thousand at March 31, 2008 and March 31, 2009, respectively</u>	<u>4,177,162</u>	<u>7.5</u>	<u>39,950</u>	<u>3,960,997</u>	<u>7.5</u>
TOTAL	55,702,546	100.0	527,496	52,301,199	100.0

[After amendment]

	As of March 31, 2008		As of March 31, 2009		
	Thousands of JPY	%	Thousands of U.S. Dollars	Thousands of JPY	%
ASSETS					
<u>INVESTMENTS IN EQUITY METHOD INVESTEES</u>	<u>956,692</u>	<u>1.7</u>	<u>9,557</u>	<u>947,626</u>	<u>1.8</u>
<u>OTHER ASSETS, net of allowance for doubtful accounts of JPY 81,497 thousand and JPY 89,501 thousand at March 31, 2008 and March 31, 2009, respectively</u>	<u>4,211,707</u>	<u>7.6</u>	<u>40,298</u>	<u>3,995,542</u>	<u>7.6</u>
TOTAL	55,702,546	100.0	527,496	52,301,199	100.0

Amendments for (2)

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Consolidated Statements of Cash Flows (Unaudited), OPERATING ACTIVITIES:

[Before amendment]

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
OPERATING ACTIVITIES:			
Depreciation and amortization	4,774,804	<u>53,044</u>	<u>5,259,296</u>
Loss on disposal of property and equipment	72,086	<u>6,195</u>	<u>614,224</u>
Net cash provided by operating activities	4,537,746	87,049	8,630,869

[After amendment]

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
OPERATING ACTIVITIES:			
Depreciation and amortization	4,774,804	<u>54,771</u>	<u>5,430,501</u>
Loss on disposal of property and equipment	72,086	<u>4,468</u>	<u>443,019</u>
Net cash provided by operating activities	4,537,746	87,049	8,630,869

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Reconciliation of Non-GAAP Financial Measures

[Before amendment]

	4Q08	4Q07
	JPY millions	JPY millions
Adjusted EBITDA	<u>2,379</u>	3,101
Depreciation and Amortization	<u>1,306</u>	1,293

[After amendment]

	4Q08	4Q07
	JPY millions	JPY millions
Adjusted EBITDA	<u>2,550</u>	3,101
Depreciation and Amortization	<u>1,477</u>	1,293

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Quarterly Consolidated Statements of Cash Flows (Unaudited), OPERATING ACTIVITIES:

[Before amendment]

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
OPERATING ACTIVITIES:			
Depreciation and amortization	1,293,410	<u>13,168</u>	<u>1,305,653</u>
Loss on disposal of property and equipment	56,404	<u>4,543</u>	<u>450,452</u>
Net cash provided by operating activities	4,083,239	33,081	3,280,002

[After amendment]

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
OPERATING ACTIVITIES:			
Depreciation and amortization	1,293,410	<u>14,895</u>	<u>1,476,858</u>
Loss on disposal of property and equipment	56,404	<u>2,816</u>	<u>279,247</u>
Net cash provided by operating activities	4,083,239	33,081	3,280,002

Amendments for (3)

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Consolidated Statements of Cash Flows (Unaudited), INVESTING ACTIVITIES:

[Before amendment]

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
INVESTING ACTIVITIES:			
Proceeds from sales of available-for-sale securities	616,920	<u>0</u>	<u>2</u>
Proceeds from sales and redemption of short-term and other investments	69,722	<u>1,159</u>	<u>114,924</u>
Net cash used in investing activities	(5,443,766)	(33,566)	(3,328,072)

[After amendment]

	Fiscal Year Ended March 31, 2008	Fiscal Year Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
INVESTING ACTIVITIES:			
Proceeds from sales of available-for-sale securities	616,920	<u>34</u>	<u>3,417</u>
Proceeds from sales and redemption of short-term and other investments	69,722	<u>1,125</u>	<u>111,509</u>
Net cash used in investing activities	(5,443,766)	(33,566)	(3,328,072)

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Quarterly Consolidated Statements of Cash Flows (Unaudited), INVESTING ACTIVITIES:

[Before amendment]

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
INVESTING ACTIVITIES:			
Proceeds from sales of available-for-sale securities	-	<u>0</u>	<u>2</u>
Proceeds from sales and redemption of short-term and other investments	49,143	<u>666</u>	<u>66,042</u>
Net cash used in investing activities	(380,424)	(4,054)	(401,954)

[After amendment]

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2009	
	Thousands of JPY	Thousands of U.S. Dollars	Thousands of JPY
INVESTING ACTIVITIES:			
Proceeds from sales of available-for-sale securities	-	<u>34</u>	<u>3,417</u>
Proceeds from sales and redemption of short-term and other investments	49,143	<u>632</u>	<u>62,627</u>
Net cash used in investing activities	(380,424)	(4,054)	(401,954)

About IIJ

Founded in 1992, Internet Initiative Japan Inc. ("IIJ", NASDAQ: IJJI, TSE1: 3774) is one of Japan's leading Internet-access and comprehensive network solutions providers. IIJ and its group of companies provide total network solutions that mainly cater to high-end corporate customers. The company's services include high-quality systems integration and security services, Internet access, hosting/housing, and content design. Moreover, the company has built one of the largest Internet backbone networks in Japan, and between Japan and the United States. 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.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. 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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