

IIJ Announces First Quarter Results of 1999

Tokyo, Japan, August 19th, 1999 - Internet Initiative Japan Inc. (NASDAQ: IIJI) ("IIJ"), Japan's leading Internet-access and Internet-related services provider, today announced the results of its operations for the first quarter ending June 30, 1999. All figures were unaudited and prepared in accordance with generally accepted accounting principles in the United States for interim financial information.

1Q99 Results: Year-over-Year and Sequential Comparison

Highlights

- Revenues increased 76.8% YoY and 2.6% QoQ to JPY5,395M (or US\$45M).
- Total subscribers to Dedicated Access Services increased 26.6% YoY to 1,656 and was unchanged QoQ.
- Due to demand for higher bandwidth, total bandwidth contracted for IP Service increased 78.0% YoY and 32.7% QoQ to 730 Mbps.
- Total user for Dial-up Access Services, including OEM, increased 71.4% YoY and 26.2% QoQ to 74,076.
- Total international bandwidth was increased to 620 Mbps, from 245 Mbps at the end of June 1998 and 445 Mbps at the end of March 1999.