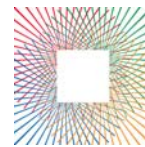


August 25, 2005



The **BANK**  
of **NEW YORK**

**SECURITIES SERVICING**  
**DEPOSITARY RECEIPTS**

## **Corporate Action**

**ATTENTION: International Research, Sales, Trading and Operations Staff**

### **PRELIMINARY ANNOUNCEMENT – RATIO CHANGE**

#### **Internet Initiative Japan Inc.**

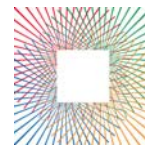
|                      |                             |
|----------------------|-----------------------------|
| <b>Country:</b>      | Japan                       |
| <b>Symbol:</b>       | IIJI                        |
| <b>CUSIP Number:</b> | 46059T109                   |
| <b>Exchange:</b>     | NASDAQ                      |
| <b>Ratio:</b>        | 2000 ADRS: 1 ORDINARY SHARE |

Internet Initiative Japan Inc. (NASDAQ: IIJI) has announced that its board of directors approved a stock split (1 for 5) of the shares of common stock of IIJ (Shares) and a change in the ratio of its American Depositary Receipts (ADRs) to Shares from 2000 : 1 to 400 : 1.

The stock split and ratio change will not affect the total number of ADRs issued and is not expected to affect the ADR trading price on the NASDAQ market.

The ratio change will be reciprocal to the stock split and the effective date for the change in the ADR / Share ratio will be the payable date for the stock split in the local market.

In connection with the stock split and ratio change, the ADR depositary Facility at The Bank of New York will be temporarily closed for deposits of Shares and withdrawal of Shares from and including Friday, August 26, 2005, through October 11, 2005. The



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holders of IIJ ADRs will be able to trade its ADRs on the NASDAQ market as usual during the period in which the depositary Facility is closed for deposits and withdrawals of Shares.

#### Summary of the Ratio Change:

Current ratio: 1 ADS = 1 / 2,000 of a Share

New ratio: 1 ADS = 1 / 400 of a Share

Effective date: October 11, 2005

Additional information will be made available on or before effective date.

To learn more about ADRs and issuer programs, please call our marketing desks:

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