

# BUYINS.NET

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## IIJI SHIP STARTING TO SAIL

June 10, 2005:

Today, Buyins.net announced that Internet Initiative Japan (NASDAQ: IIJI) has been added to the NASDAQ Naked Short Threshold List. The stock opened the day at \$9.65 and has jumped \$1.51 to an intraday price of \$11.16. If IIJI stays on the naked short list for 13 straight trading days brokers are supposed to force their naked short clients to cover.



Omnitrading advisor issued a buy recommendation at \$4.15. The long trade is still in force and is up nearly 170% in 18 trading sessions.

## FUNDAMENTAL HIGHLIGHTS AT IIJI

With trailing twelve month (TTM) revenues of \$382.65 million and net income (TTM) of \$25.63 million, IIJI has diluted EPS (TTM) of \$0.34 per share. The average trailing P/E multiple in the Internet sector is currently 44.4,

implying a \$15.10 target for IIJI based on trailing P/E and EPS.

extraordinary growth rate.

Most recent quarterly earnings growth was 237.3% implying that IIJI could warrant a higher multiple due to its

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## Trading Solutions to Naked Short Selling

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## REVERSE ENGINEERING TODAY'S TOP GAINERS FOR TOMORROW'S BIG WINNERS

### Share Statistics

Average Volume (3 month):	1,276,720
Average Volume (10 day):	10,214,700
Shares Outstanding:	76.62M
Float:	N/A
% Held by Insiders:	0.00%
% Held by Institutions:	4.10%
Shares Short (as of 10-May-05):	111.57K
Short Ratio (as of 10-May-05):	2.2
Short % of Float (as of 10-May-05):	0.00%
Shares Short (prior month):	113.38K

Internet Initiative Japan has been on the NASDAQ naked short list for 1 consecutive trading day. Regulation SHO took effect January 3, 2005, and provides a new regulatory framework governing short selling of securities. It was designed with the objective of simplifying and modernizing short sale regulation and providing controls where they are most needed. At the conclusion of each settlement day, data is provided on securities in which: 1) there are at least 10,000 shares in aggregate failed deliveries for the security for five consecutive settlement days, and 2) these failures constitute at least 0.5% of the issuer's total shares outstanding. Regulation SHO mandates that, if a clearing agent has had a fail-to-deliver position for 13 consecutive settlement days, that clearing agent, and the broker/dealer it clears for, must purchase securities to close out its fail to deliver position.

The short position in shares of IJJI has not grown from April to May. Currently, there are 111,570 shares declared short as of May 10th. While there is a failure to deliver in shares of IJJI, it is unclear to what extent that failure will cause upside bias, if any, in the stock.

Consecutive Days : 1 Days from 2005-06-09



This intraday chart of IJJI on June 10th shows a dramatic increase in volume and price.