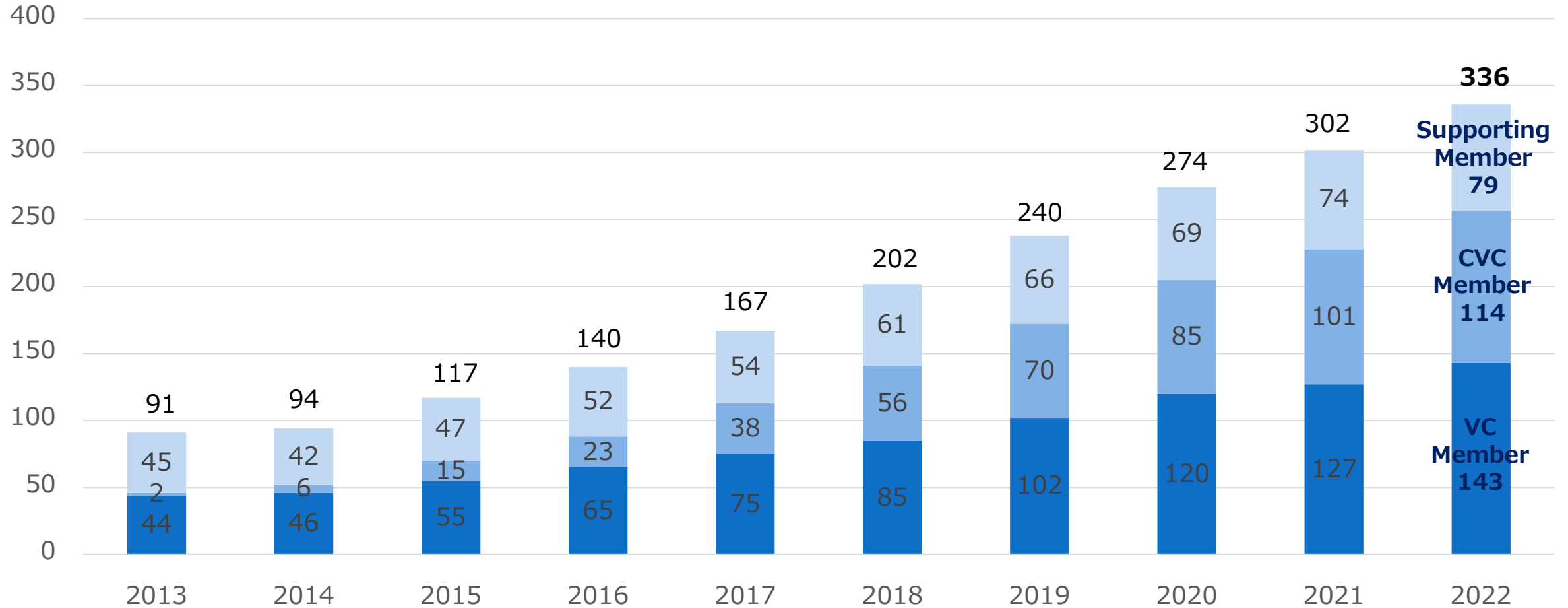


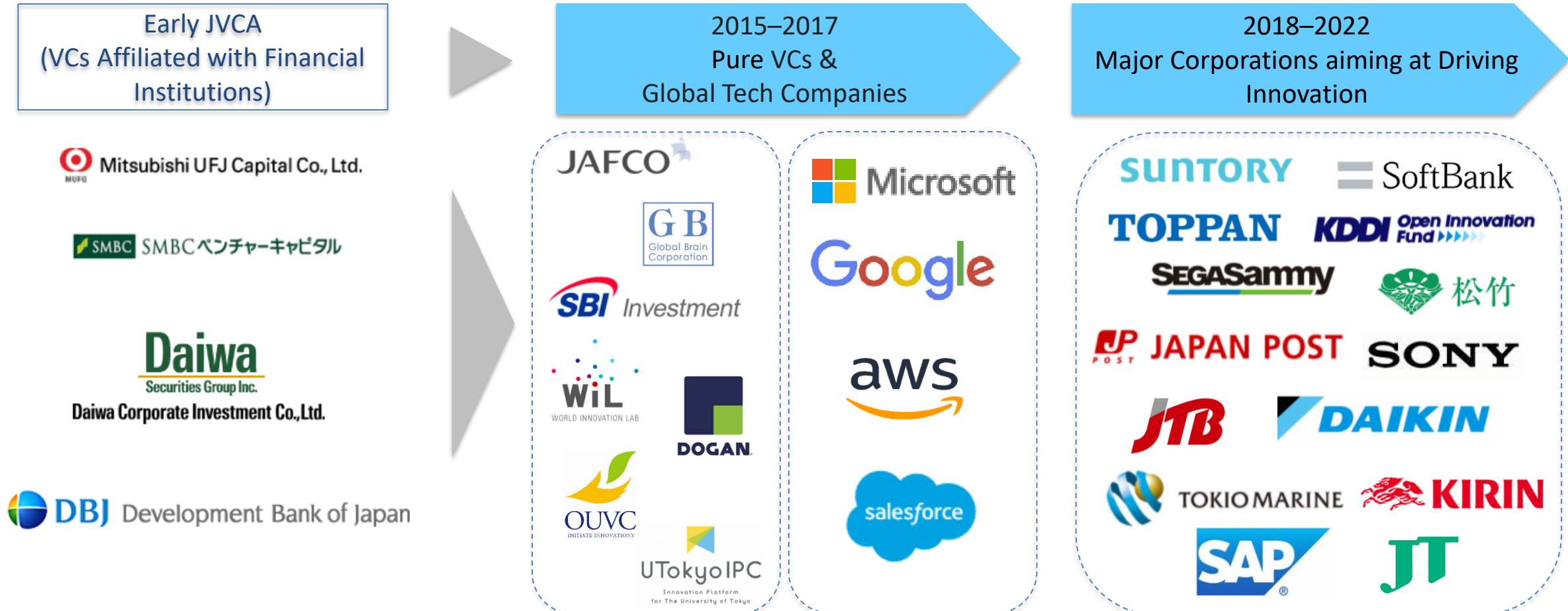
The JVCA currently has 336 members, of which 257 are VC and CVC firms.

(Number of companies)

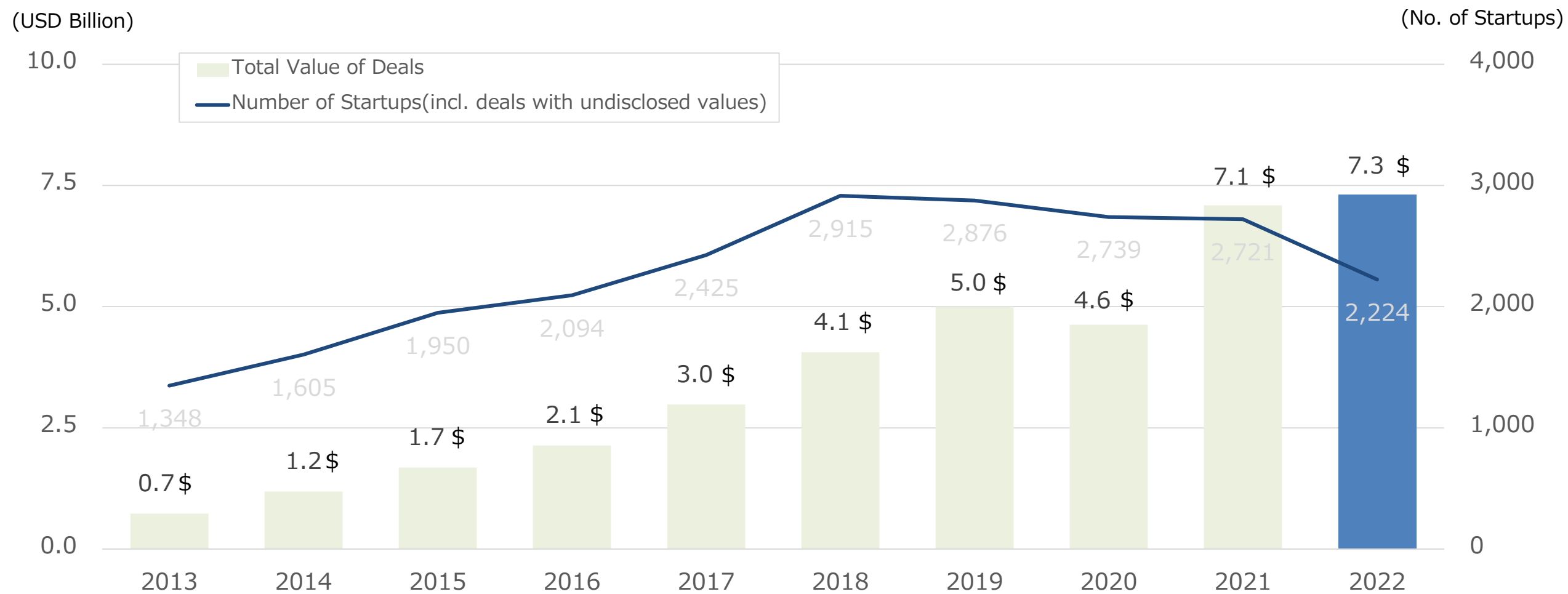


In recent years, the JVCA has evolved from an organization with a singular focus on the VC industry into a community that fosters open innovation.

- Increased interest in the startup ecosystem among major domestic and global enterprises as Industry 4.0 gains momentum
- Interest is particularly high in relation to startup valuations and the acquisition of networking/partnership expertise



The total VC financing in Japan has been rising since 2013. 2022 is reaching all-time highs.

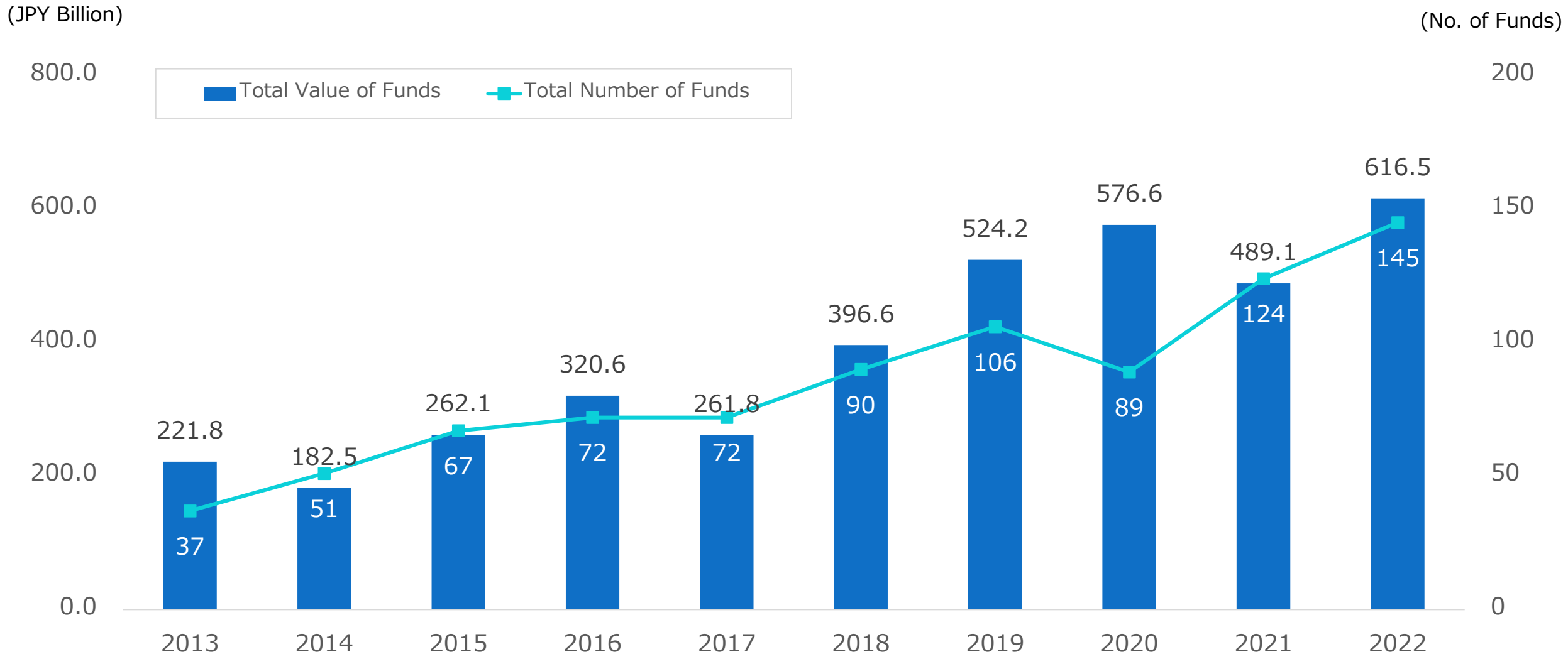


Source: INITIAL (as of January 19, 2023)

Note: Given the nature of the data, figures (including past figures) are subject to change following further survey. The smaller the value of the deal, the more likely it is to be affected, and the figure for the number of companies which received funding is particularly likely to change.

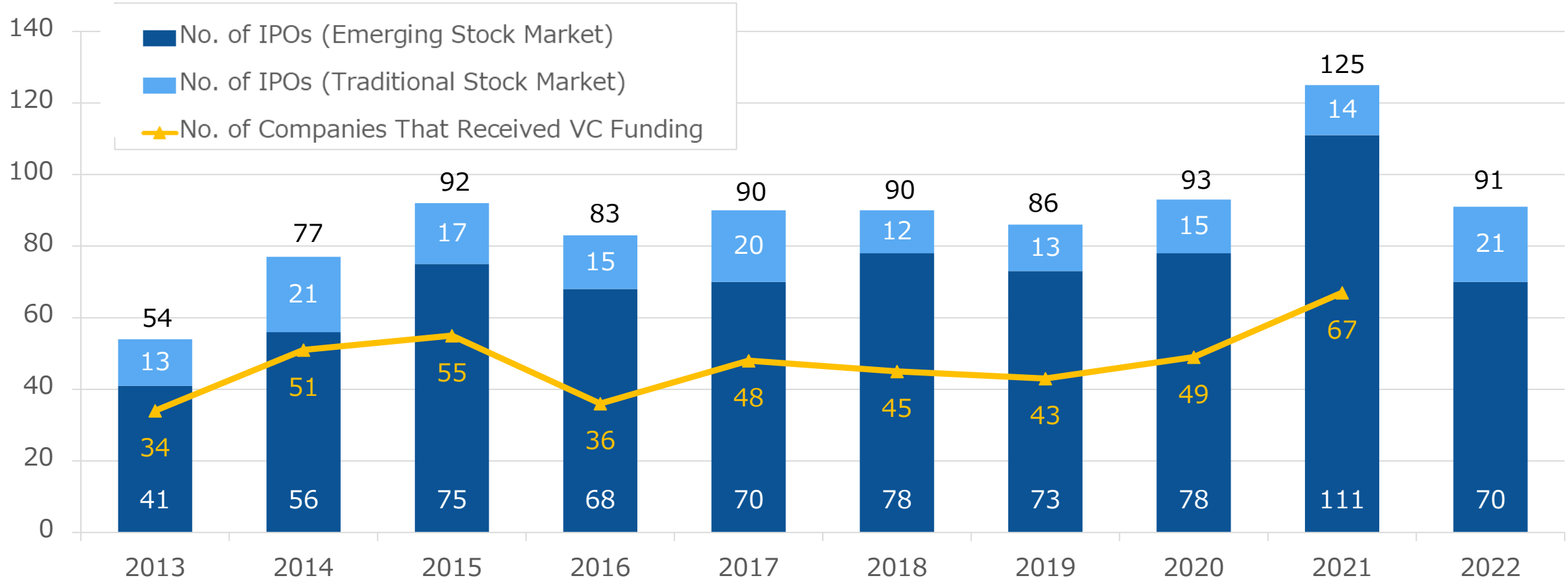
145 funds newly raised in 2022 with a total value of JPY 616.5 billion.

The number of funds raised increased 17% YoY, and the total value of those funds increased by 26%.



**Japan saw 91 IPOs in 2022, with listings on TSE Mothers particularly notable.
Of the startup companies that listed in 2021, roughly half received funding from VCs.**

(No. of Startups)



*Figures based on voluntary survey responses from some VCs and not intended as a representation of data for all VCs.

Source: KPMG, "2021 IPO Report"

VEC (Venture Enterprise Center), "Venture White Paper 2021"

In 2020, the JVCA partnered with Preqin and produced the first performance benchmark focused on the Japanese VC asset class. This demonstrated that the Japanese VC industry is performing at a relatively high level.

Fig. 2: Median benchmark: Japan-focused venture capital (as of December 2021), 2010 - 2021

Vintage	No. of funds	Called (%)	DPI (%)	RVPI (%)	Net IRR (%)	Net multiple (X)
2010	3	100.0	205.0	9.6	11.8	2.15
2011	8	100.0	127.4	26.3	18.4	1.71
2012	3	100.0	244.7	395.4	34.8	6.40
2013	7	100.0	143.1	90.5	16.5	2.46
2014	6	100.0	102.0	111.9	17.5	2.42
2015	17	100.0	17.7	106.3	13.4	1.70
2016	12	100.0	8.0	114.3	11.8	1.55
2017	12	97.4	2.2	103.5	10.5	1.36
2018	18	94.1	0.0	106.4	7.7	1.16
2019	16	60.0	0.0	107.1	n/m	1.11
2020	15	35.4	0.0	90.9	n/m	0.91
2021	9	13.9	0.0	99.1	n/m	0.99

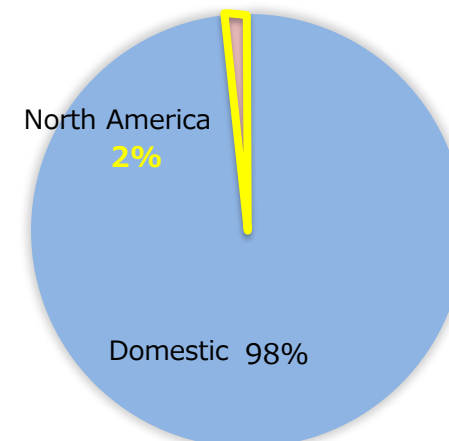
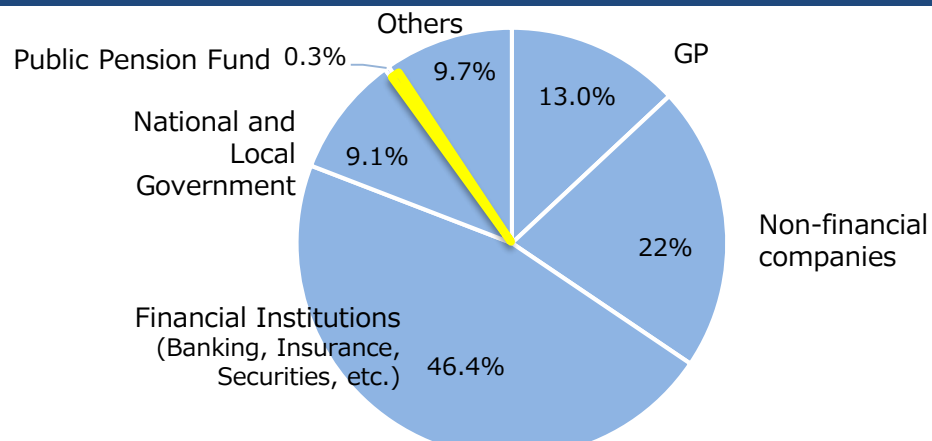
NB. As portfolio valuations may not be carried out in accordance with IFRS, GAAP, FAS 157, and/or IPEVC guidelines, Preqin does not recommend comparing these metrics against other country, region, or global benchmarks.

In the US, most capital contributed to VC funds comes from institutional investors, which are also the primary source of risk capital. Foreign investors also account for more than 10%. Meanwhile, Japanese funds are struggling to scale up due to a lack of progress in attracting capital from institutional and foreign investors.

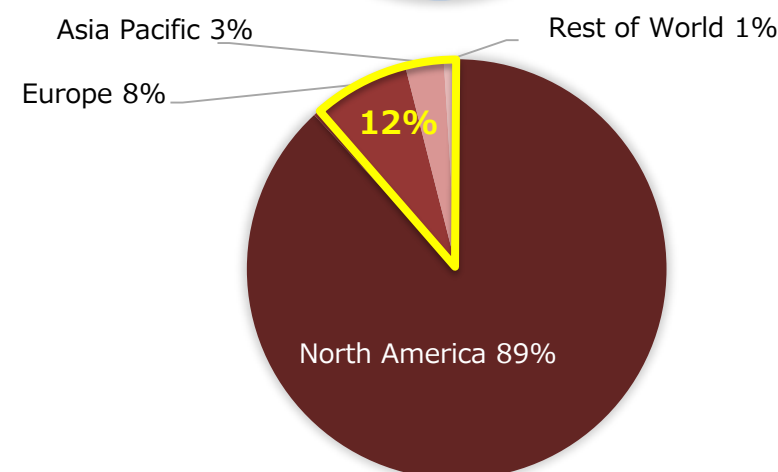
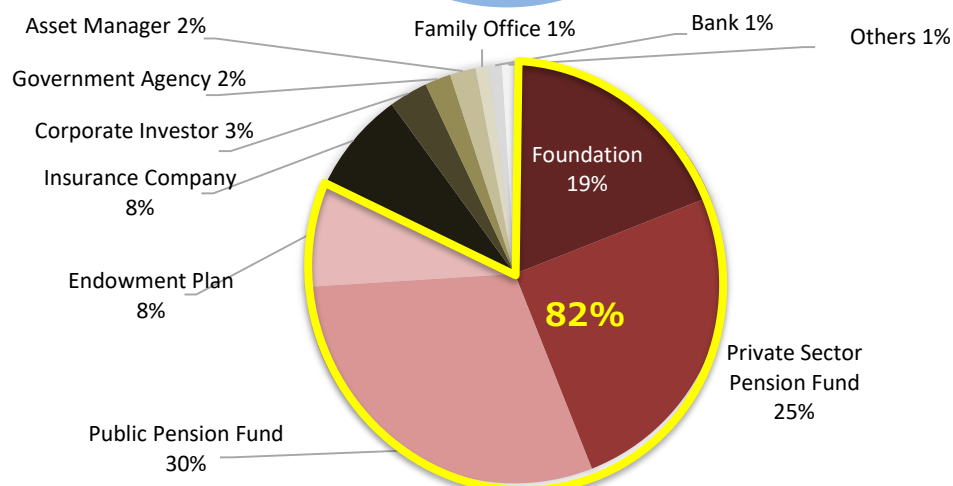
VC Fund Investors by Type

VC Fund Investors by Region

Japan



USA



Source: Japan: Compiled by the JVCA based VEC (Venture Enterprise Center), "Venture White Paper 2021" with average values calculated over the most recent 15-year period. USA: Preqin Pro

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Emails are preferred as we are currently working remotely

