

June 30th,
2022

Latest Quarterly Trend

The First quarter of 2022

(January to March 2022)

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Venture Enterprise Center, Japan (VEC) reports on the results of our quarterly survey on venture capital (VC) investments by Japanese VC firms for the first quarter of 2022 (January to March 2022).

VC Investments in domestic companies in 2021 (fiscal year)

* simple addition of quarterly reports

¥**261.8**billion

UP 65.5 %
from the previous year

See Fig.2
in the Page 2

* The data from 109 firms that responded to the survey between April 8th and May 27th, 2022 are aggregated.

* [Period covered by the survey]: Current quarter: Q1 2022 (January to March 2022)
Same quarter of last year: Q1 2021 (January to March 2021)

* Unless otherwise noted, the 2nd place of decimal point below is rounded off.
Due to the rounding, the total may not be consistent with the sum of breakdown.

* For the survey results of both by Stage and by Industry, the total may not be consistent with the sum of breakdown, since not all the answers provided the details.

Figure 1: VC Investments: Q1 2021 and Q1 2022 Comparison

109 firms that provided both figures of domestic and overseas are aggregated. ("0" is considered a valid response)

		Q1 2021				Q1 2022			
		Domestic	Overseas	Total	Number of VC firms that answered the amount "0"	Domestic	Overseas	Total	Number of VC firms that answered the amount "0"
VC (excluding CVC)	Amount (¥Bil)	46.2	12.1	58.3	31	75.3	16.0	91.3	28
	y/y % change					63.0%	32.9%		
	Deal count	292	52	344		405	67	472	
	y/y % change				38.7%	28.8%			
	Per deal (¥Mil)	158.2	232.1	169.4		185.9	239.4	193.5	
CVC	Amount (¥Bil)	2.3	1.3	3.5	9	4.6	0.8	5.4	5
	y/y % change					102.2%	-38.9%		
	Deal count	32	8	40		42	11	53	
	y/y % change				31.3%	37.5%			
	Per deal (¥Mil)	70.9	157.5	88.3		109.3	70.0	101.1	
VC+CVCTotal	Amount (¥Bil)	48.5	13.3	61.8	40	79.9	16.8	96.7	33
	y/y % change					64.8%	26.1%		
	Deal count	324	60	384		447	78	525	
	y/y % change				38.0%	30.0%			
	Per deal (¥Mil)	149.6	222.2	160.9		178.7	215.5	184.2	

Note: Figures for Q1 2021 in Figure 1 are provided from VC firms which responded to the latest survey (Q1 2022), so that the figures presented in the above Figure 1 may not be consistent with the figures of Q1 2021 in Figure 3 and Figure 12, which are calculated based on investment amount and number of deals of Q1 2021 survey.

Figure 2: Comparison of VC Investments in 2017-2022 between Calendar Year and Fiscal Year Basis

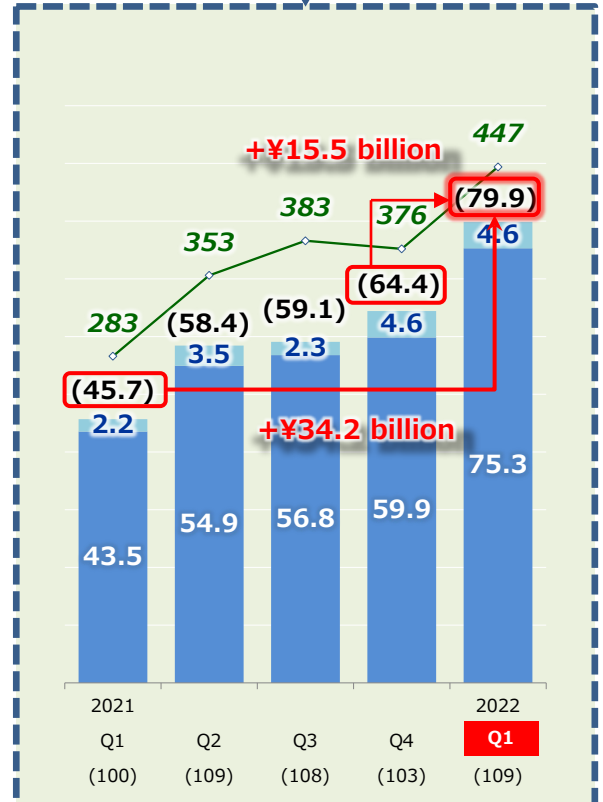
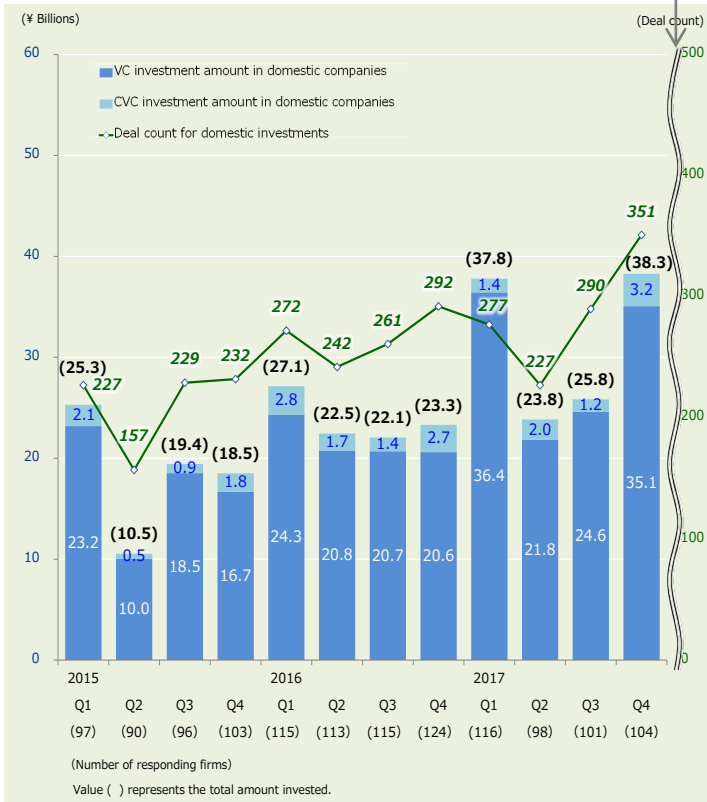
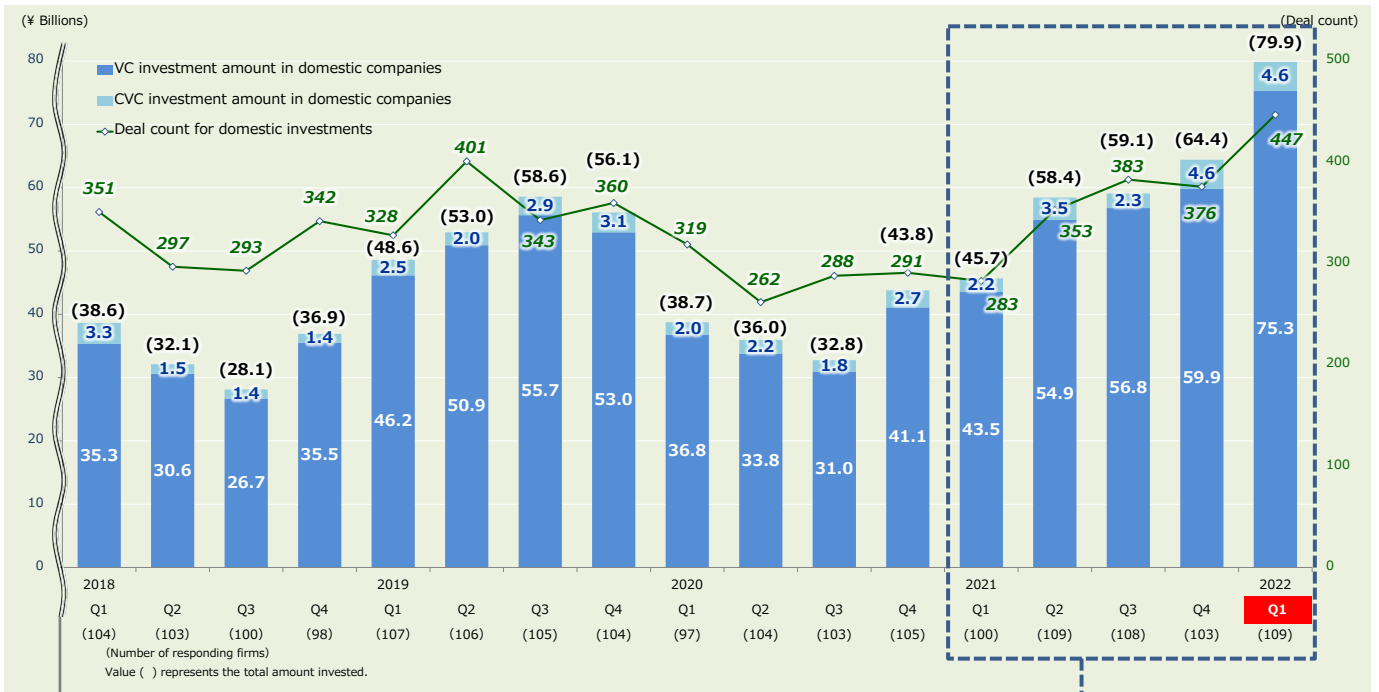
Note: Fiscal Year covers from April 1 to March 31 of the following year.

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022			
CY 2017	¥178.7billion, 1,368deals ■ Domestic ¥125.7billion, 1,145deals ■ Overseas ¥52.9billion, 223deals																							
CY 2018					¥249.5billion, 1,535deals ■ Domestic ¥135.8billion, 1,283deals ■ Overseas ¥113.7billion, 252deals																			
CY 2019								¥276.3billion, 1,683deals ■ Domestic ¥216.2billion, 1,432deals ■ Overseas ¥60.1billion, 251deals																
CY 2020													¥219.1billion, 1,421deals ■ Domestic ¥151.2billion, 1,160deals ■ Overseas ¥67.9billion, 261deals											
CY 2021																	¥294.8billion, 1,683deals ■ Domestic ¥227.7billion, 1,395deals ■ Overseas ¥67.2billion, 288deals							
CY 2022																					¥96.7billion, 525deals ■ Domestic ¥79.9billion, 447deals ■ Overseas ¥16.8billion, 78deals			
FY 2017	¥188.3billion, 1,441deals ■ Domestic ¥126.6billion, 1,219deals ■ Overseas ¥61.7billion, 222deals																							
FY 2018					¥252.4billion, 1,520deals ■ Domestic ¥145.8billion, 1,260deals ■ Overseas ¥106.6billion, 260deals																			
FY 2019								¥272.8billion, 1,691deals ■ Domestic ¥206.3billion, 1,423deals ■ Overseas ¥66.4billion, 268deals																
FY 2020													¥221.5billion, 1,371deals ■ Domestic ¥158.2billion, 1,124deals ■ Overseas ¥63.3billion, 247deals											
FY 2021																	¥332.7billion, 1,870deals ■ Domestic ¥261.8billion, 1,559deals ■ Overseas ¥70.8billion, 311deals							

Note : Above figures may not be consistent with those of our annual survey results, since figures above are calculated based on a simple aggregation of figures of quarterly reports.

1. Data on VC Investments in Domestic Companies

Figure 3: Quarterly Trend of VC and CVC Investments in Domestic Companies



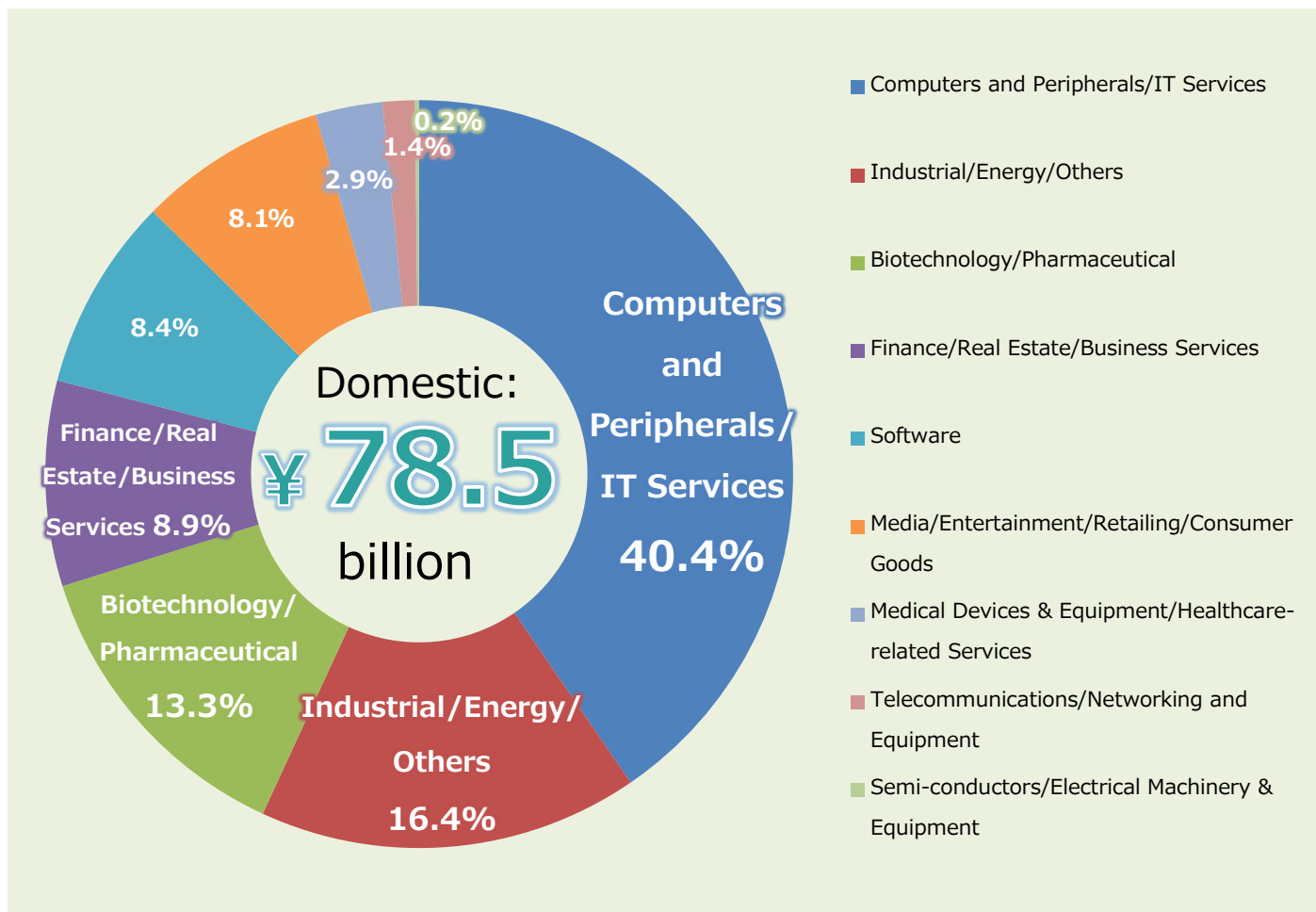
2. VC Investments by Industry

Figure 4: Investment Amount by Industry in Q1 2022 : Domestic and Overseas

107 firms that provided figures for Q1 2022 are included in the calculation. ("0" is considered a valid response)

Industry (9 classifications plus 1)	Domestic		Overseas		Total	
	Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage
1. Telecommunications/Networking and Equipment	1,095.4	1.4%	0.0	0.0%	1,095.4	1.1%
2. Computers and Peripherals/IT Services	31,724.0	40.4%	6,312.2	37.6%	38,036.3	39.9%
3. Software	6,553.5	8.4%	0.0	0.0%	6,553.5	6.9%
4. Semi-conductors/Electrical Machinery & Equipment	139.6	0.2%	17.2	0.1%	156.8	0.2%
5. Biotechnology/Pharmaceutical	10,423.6	13.3%	2,489.5	14.8%	12,913.1	13.6%
6. Medical Devices & Equipment/Healthcare-related Services	2,269.9	2.9%	611.3	3.6%	2,881.2	3.0%
7. Industrial/Energy/Others	12,900.3	16.4%	2,259.9	13.4%	15,160.3	15.9%
8. Media/Entertainment/Retailing/Consumer Goods	6,389.2	8.1%	2,936.0	17.5%	9,325.2	9.8%
9. Finance/Real Estate/Business Services	6,968.8	8.9%	2,179.2	13.0%	9,148.0	9.6%
Decarbonization-related (among the above)	4,584.5	5.8%	0.0	0.0%	4,584.5	4.8%
Total	78,464.3	100.0%	16,805.6	100.0%	95,270.0	100.0%

Figure 5: Domestic Investment Amount by Industry in Q1 2022
(Percentage of JPY value invested)



**Figure 6: Domestic Investment Amount by Industry:
Q4 2021 and Q1 2022 Comparison**

Q4 2021: 101 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)
Q1 2022: 107 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)

Industry (4 classifications plus 1)	Industry (9 classifications plus 1)	Q4 2021		Q1 2022	
		Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage
1. IT-related 50.4%	Telecommunications/Networking and Equipment	3,774.7	6.0%	1,095.4	1.4%
	Computers and Peripherals/IT Services +¥7.6-billion	24,056.8	38.3%	31,724.0	40.4%
	Software +¥4.8-billion	1,707.9	2.7%	6,553.5	8.4%
	Semi-conductors/Electrical Machinery & Equipment	1,105.9	1.8%	139.6	0.2%
2. Biotech/Medical Services/ Health Care 16.2%	Biotechnology/Pharmaceutical	7,779.8	12.4%	10,423.6	13.3%
	Medical Devices & Equipment/Healthcare-related Services +¥4.4-billion	1,608.6	2.6%	2,269.9	2.9%
3. Industrial/Energy/Other Industries 16.4%	Industrial/Energy/Others	8,451.6	13.4%	12,900.3	16.4%
4. Products/Services 17.0%	Media/Entertainment/Retailing/Consumer Goods	7,904.3	12.6%	6,389.2	8.1%
	Finance/Real Estate/Business Services	6,448.9	10.3%	6,968.8	8.9%
Decarbonization-related (Among the above)		-	-	4,584.5	5.8%
Total		62,838.7	100.0%	78,464.3	100.0%

**Figure 7: Domestic Investment Deal Count by Industry:
Q4 2021 and Q1 2022 Comparison**

Q4 2021: 101 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)
Q1 2022: 107 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)

Industry (4 classifications plus 1)	Industry (9 classifications plus 1)	Q4 2021		Q1 2022	
		Deal count	Percentage	Deal count	Percentage
1. IT-related 48.7%	Telecommunications/Networking and Equipment	11	3.2%	7	1.7%
	Computers and Peripherals/IT Services	115	33.0%	162	38.5%
	Software +47 deals	19	5.5%	33	7.8%
	Semi-conductors/Electrical Machinery & Equipment	13	3.7%	3	0.7%
2. Biotech/Medical Services/ Health Care 17.1%	Biotechnology/Pharmaceutical	49	14.1%	43	10.2%
	Medical Devices & Equipment/Healthcare-related Services	21	6.0%	29	6.9%
3. Industrial/Energy/Other Industries 14.3%	Industrial/Energy/Others	46	13.2%	60	14.3%
4. Products/Services 20.0%	Media/Entertainment/Retailing/Consumer Goods	49	14.1%	49	11.6%
	Finance/Real Estate/Business Services	25	7.2%	35	8.3%
Decarbonization-related (Among the above)		-	-	9	2.1%
Total		348	100.0%	421	100.0%

3. VC Investments by Stage (Domestic)

Figure 8: Domestic Investment Amount by Stage

Q1 2021 : 97 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Q4 2021 : 101 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(¥ Millions)

Q1 2022 : 105 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Stage	Q1 2021		Q4 2021		Q1 2022		y/y	q/q
	Amount	%	Amount	%	Amount	%		
Seed	5,175.0	16.6%	6,288.8	17.5%	9,666.5	16.0%	-0.6 points	-1.5 points
Early	15,290.1	49.1%	16,850.1	46.9%	18,479.0	30.5%	-18.5 points	-16.3 points
Expansion	5,734.7	18.4%	7,762.5	21.6%	6,638.5	11.0%	-7.4 points	-10.6 points
Later	4,964.0	15.9%	5,056.0	14.1%	25,774.1	42.6%	+26.6 points	+28.5 points
Total	31,163.8	100.0%	35,957.4	100.0%	60,558.1	100.0%		

Figure 9: Domestic Investment Deal Count by Stage

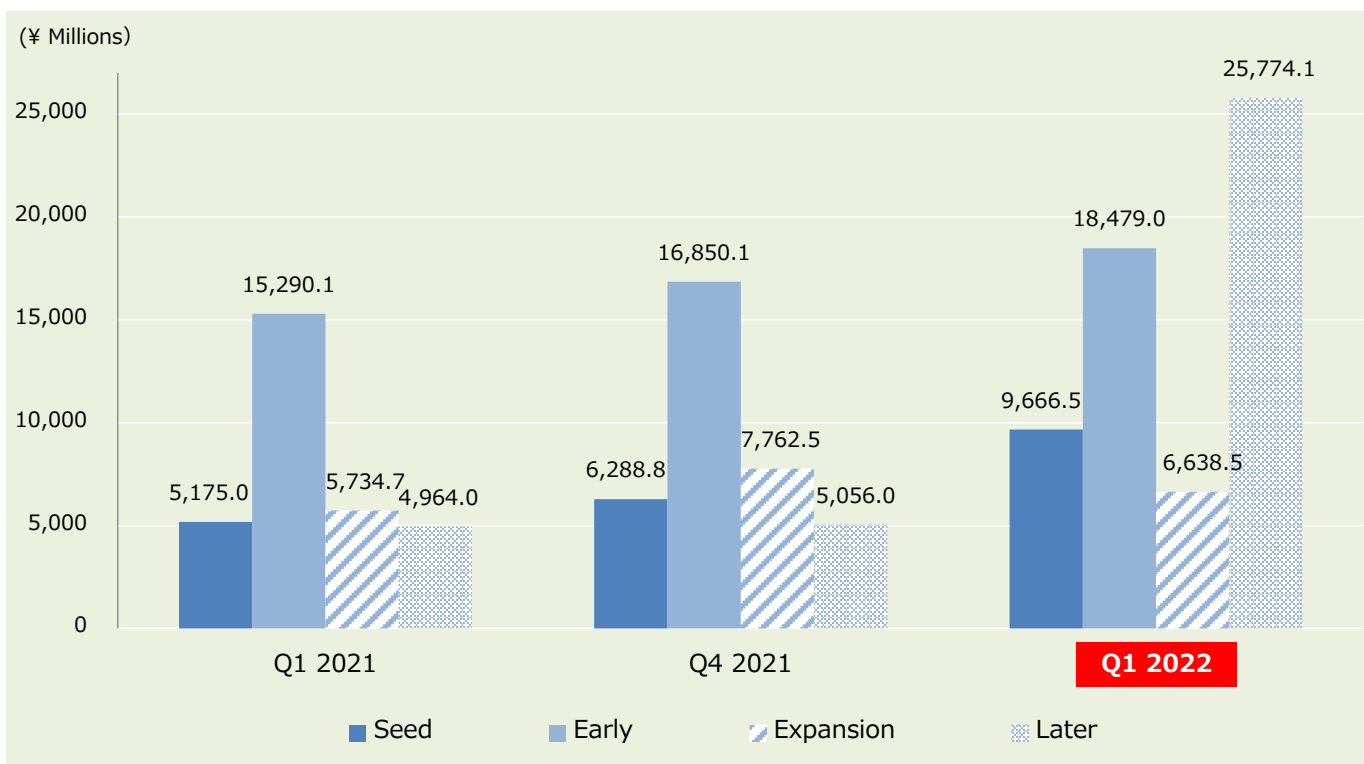
Q1 2021 : 97 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Q4 2021 : 101 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(Deal count) Q1 2022 : 105 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Stage	Q1 2021		Q4 2021		Q1 2022	
	Count	%	Count	%	Count	%
Seed	64	26.8%	71	24.1%	82	21.5%
Early	121	50.6%	132	44.7%	176	46.2%
Expansion	39	16.3%	62	21.0%	55	14.4%
Later	15	6.3%	30	10.2%	68	17.8%
Total	239	100.0%	295	100.0%	381	100.0%

Figure 10: Domestic Investment Amount Comparison by Stage



4. Investment Amount by Industry and Stage (Domestic)

Figure 11: Domestic Investment Amount by Industry and Stage

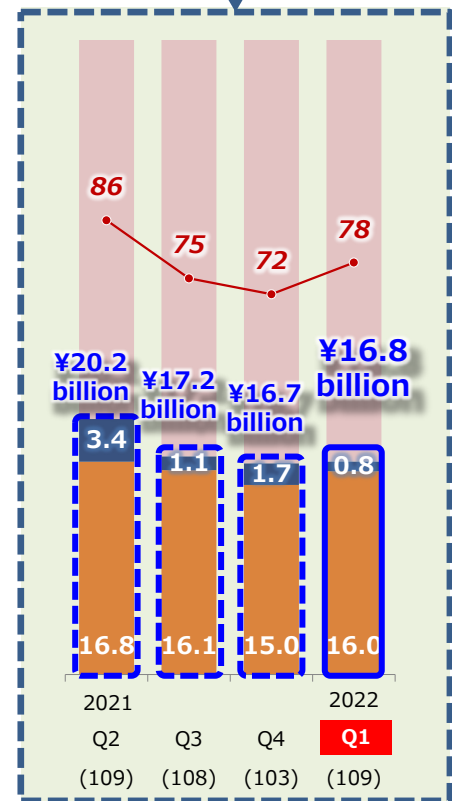
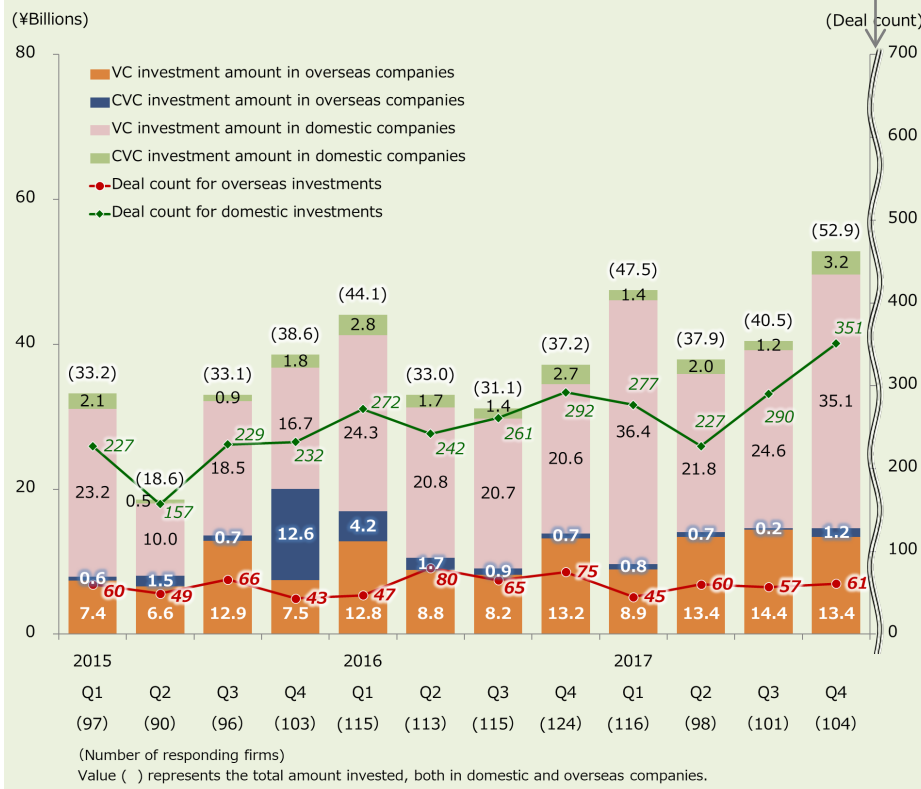
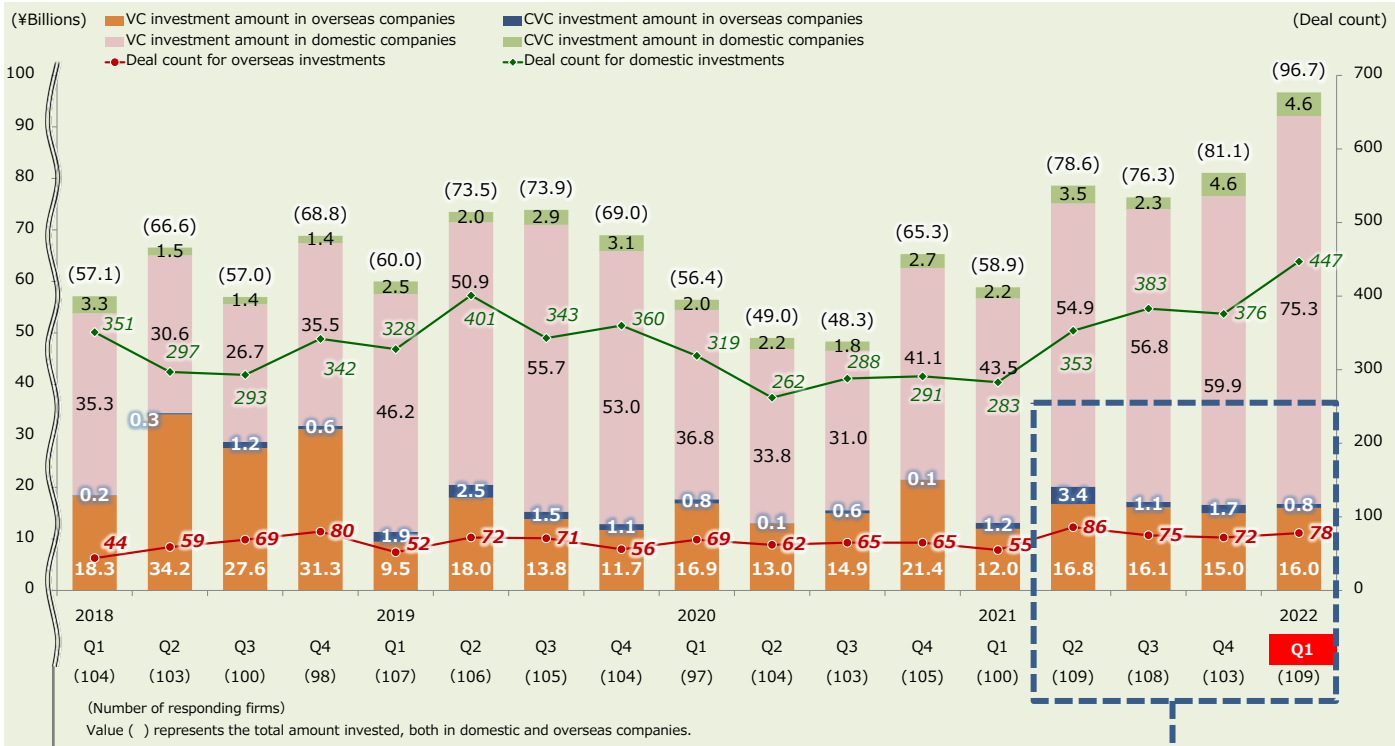
(¥ Millions)

105 firms that provided figures for Q1 2022 are included in the calculation. ("0" is considered a valid response)

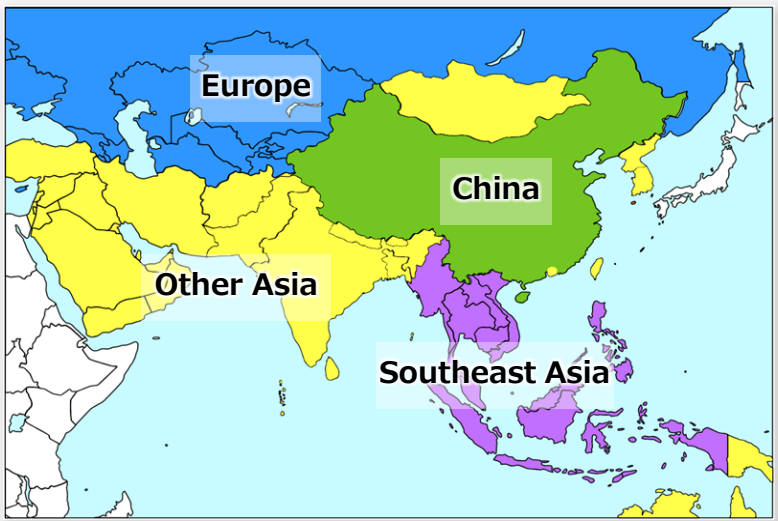
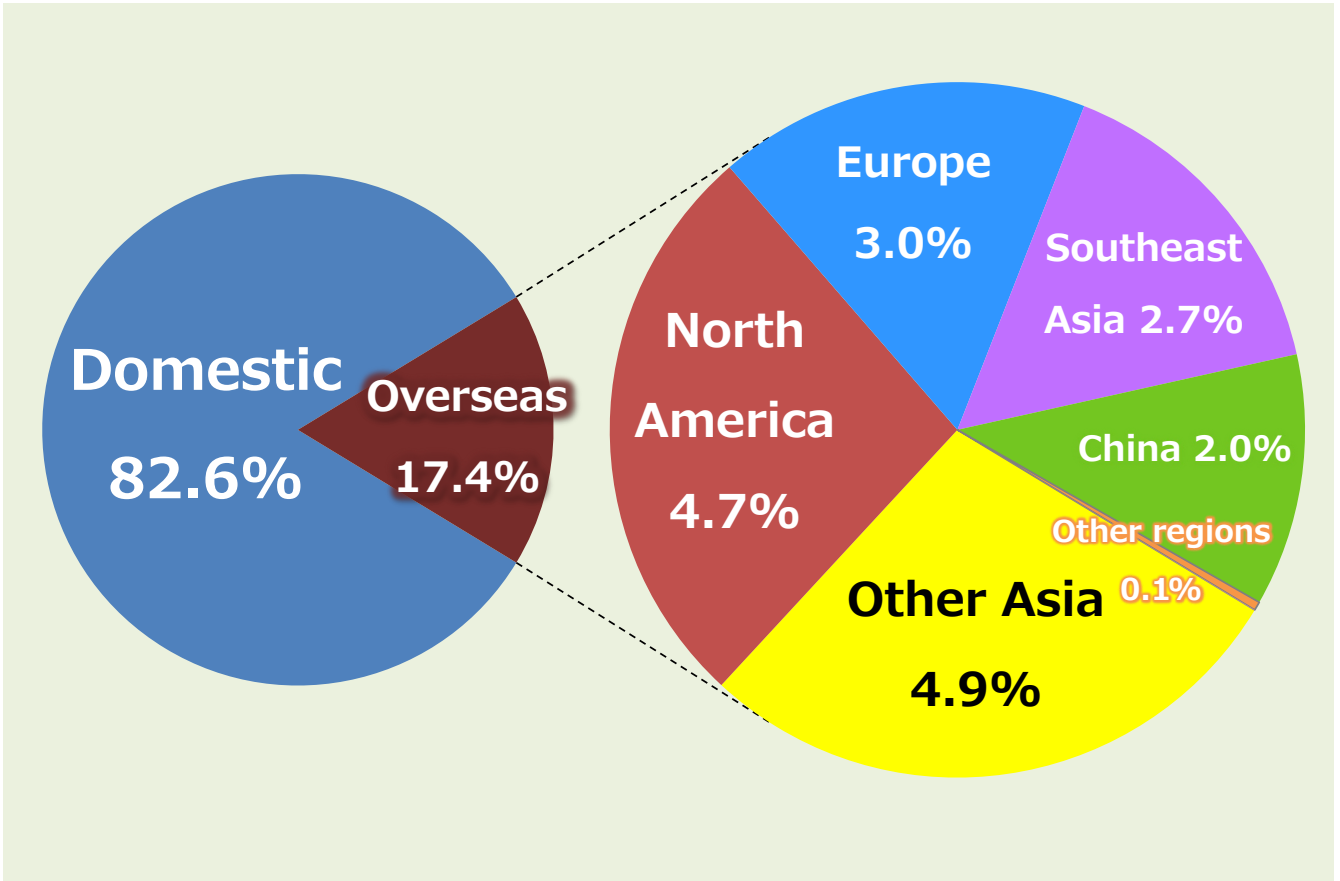
	Seed	Early	Expansion	Later	Total
Telecommunications/Networking and Equipment	29.9	865.5	100.0	100.0	1,095.4
Computers and Peripherals/IT Services	3,028.4	6,918.1	2,362.5	12,944.2	25,253.2
Software	3,216.7	2,016.8	100.0	1,219.9	6,553.5
Semi-conductors/Electrical Machinery & Equipment	139.6	0.0	0.0	0.0	139.6
Biotechnology/Pharmaceutical	1,504.5	3,372.6	1,129.5	1,314.5	7,321.0
Medical Devices & Equipment/Healthcare-related Services	780.1	991.8	249.7	248.4	2,269.9
Industrial/Energy/Others	265.5	2,031.7	749.9	3,423.4	6,470.5
Media/Entertainment/Retailing/Consumer Goods	656.8	914.5	1,264.9	1,700.1	4,536.3
Finance/Real Estate/Business Services	45.0	1,368.0	682.0	4,823.7	6,918.8
Total	9,666.5	18,479.0	6,638.5	25,774.1	60,558.1

5. Summary of VC Investments in Overseas Companies

Figure 12: Quarterly Trend of VC and CVC Investments



**Figure 13: Investment Amount by Region : Domestic and Overseas
(Percentage of JPY value invested)**



6. VC Funds Newly Launched in Q1 2022

Figure 14: VC Funds Newly Launched and Follow-on Funds in Q1 2022
(Limited to the investment fund to startups)

108 firms that provided both figures of amount and number of deals for domestic and overseas are included in the calculation.
("0" is considered a valid response)

Q1 2022						
VC funds newly launched				Follow-on		
Number of funds launched		Amount (¥Bil)		Per fund (¥Bil)		Amount (¥Bil)
10	For overseas investments among the left	28.2	For overseas investments among the left	2.8	For overseas investments among the left	3.6
	2		10.7		5.4	

Figure 15: Total Fund Value and Number of Funds Newly Launched

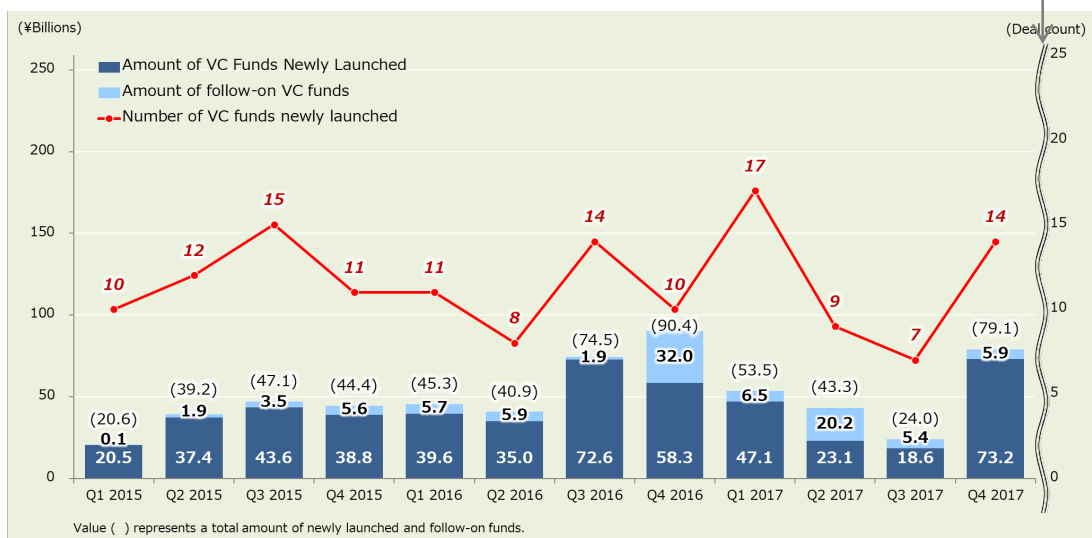
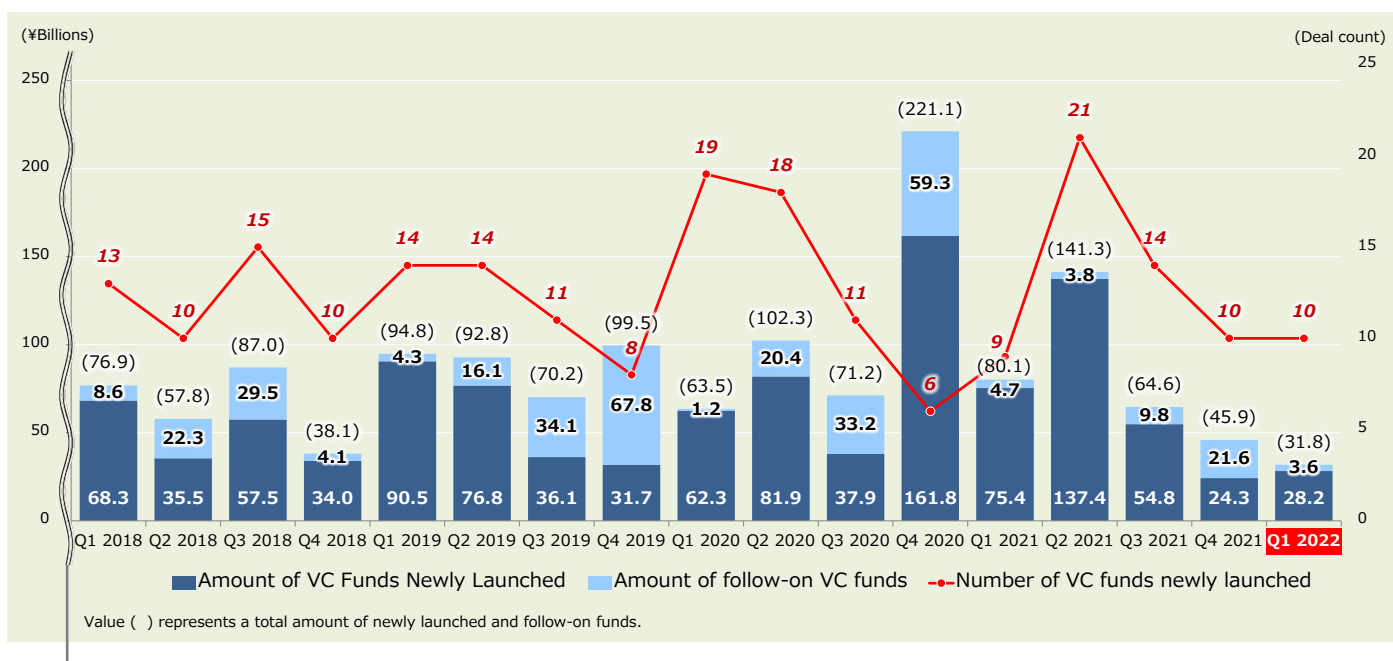


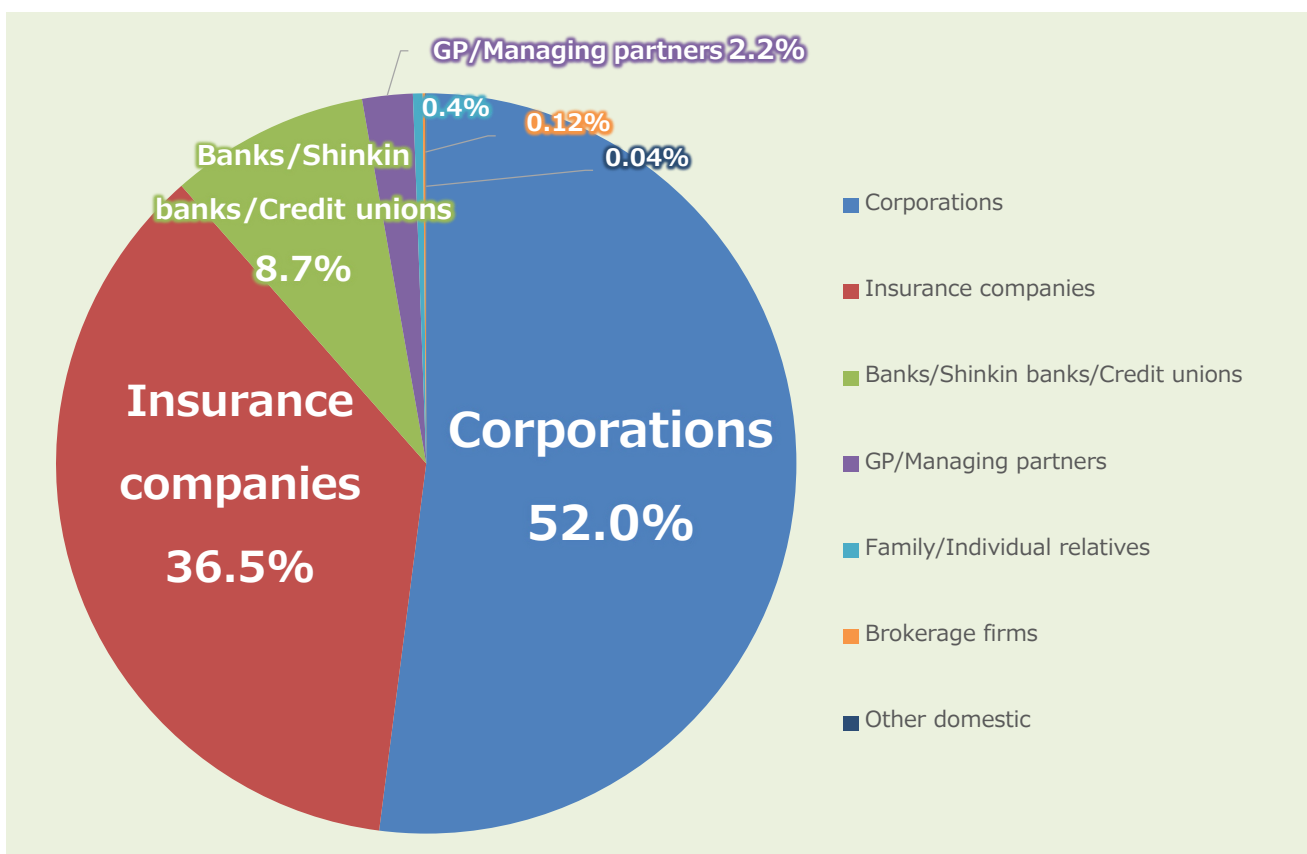
Figure 16: Breakdown of Investment Amount by Investor Type for Funds Newly Launched in Q1 2022

Note 1 : 107 firms that provided both figures of investment amount and number of investors are included in the calculation.

(*) Among 107 firms of Note 1, 4 firms that received investment from non-group companies are included in the calculation.

Investor type	Number of Investors		Amount (¥Mil)		Per investor (¥Mil)	Investment from the non-group companies (*)	
		Percentage		Percentage		Number of Investors	Amount (¥Mil)
GP/Managing partners	9	25.0%	574.0	2.2%	63.8	-	-
Domestic total	27	75.0%	25,477.0	97.8%	943.6	15	5,187.0
Family/Individual relatives	2	5.6%	110.0	0.4%	55.0	1	10.0
Other VC/Fund of funds	0	0.0%	0.0	0.0%	-	0	0.0
Corporations	15	41.7%	13,555.0	52.0%	903.7	6	3,130.0
Banks/Shinkin banks/Credit unions	7	19.4%	2,272.0	8.7%	324.6	6	2,007.0
Insurance companies	1	2.8%	9,500.0	36.5%	9,500.0	0	0.0
Brokerage firms	1	2.8%	30.0	0.1%	30.0	1	30.0
Pension funds	0	0.0%	0.0	0.0%	-	0	0.0
Government/Local public bodies (non-pension)	0	0.0%	0.0	0.0%	-	0	0.0
Academic Institutes	0	0.0%	0.0	0.0%	-	0	0.0
Other domestic	1	2.8%	10.0	0.0%	10.0	1	10.0
Overseas total	0	0.0%	0.0	0.0%	-	0	0.0
Total	36	100.0%	26,051.0	100.0%	-	15	5,187.0

Figure 17 :Percentage of Amount Invested in New Funds by Investor Type (Domestic and Overseas)



The Result of Survey on Venture Capital Investment Trends in FY2020 (Final Report)

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[VEC YEARBOOK 2021 DATA] (English ver.)

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*For details, see the VEC's website.

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Special
feature

The Result of Survey on Venture Capital
Investment Trends in 1st half of 2021

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- Chap.2 Japanese Startup Business Survey
- Chap.3 Support for venture companies/Collaboration with large companies
- Chap.4 Overseas Venture Capital Investment Trends
- Appendix Support for Startups Provided by Government and Other Relevant Organizations

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