

31st, March  
2023

# Latest Quarterly Trend

## The Fourth quarter of 2022

(October to December 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 fourth quarter of 2022 (October to December 2022)

### VC Investments in domestic companies in 2022 (calendar year)

\* simple addition of quarterly reports

**¥255.0 billion**
**UP 12.0 %**  
 from the previous year

 See Fig.2  
 in the Page 2

\* The data from 111 firms that responded to the survey between January 12th and February 21st, 2023 are aggregated.

\* [Period covered by the survey]: Current quarter: Q4 2022 (October to December 2022)  
 Same quarter of last year: Q4 2021 (October to December 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: Q4 2021 and Q4 2022 Comparison

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

		Q4 2021				Q4 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)	59.0	14.6	73.6		48.8	14.6	63.4	
	y/y % change					-17.4%	0.5%		
	Deal count	336	59	395	30	348	64	412	24
	y/y % change					3.6%	8.5%		
	Per deal (¥Mil)	175.7	246.9	186.3		140.1	228.8	153.9	
CVC	Amount (¥Bil)	4.6	1.6	6.2		4.2	1.4	5.6	
	y/y % change					-7.9%	-11.3%		
	Deal count	32	9	41	7	56	7	63	6
	y/y % change					75.0%	-22.2%		
	Per deal (¥Mil)	142.5	176.7	150.0		75.0	201.4	89.0	
VC+CVCTotal	Amount (¥Bil)	63.6	16.2	79.7		53.0	16.1	69.0	
	y/y % change					-16.7%	-0.7%		
	Deal count	368	68	436	37	404	71	475	30
	y/y % change					9.8%	4.4%		
	Per deal (¥Mil)	172.8	237.6	182.9		131.1	226.1	145.3	

Note: Figures for Q4 2021 in Figure 1 are provided from VC firms which responded to the latest survey (Q4 2022), so that the figures presented in the above Figure 1 may not be consistent with the figures of Q4 2021 in Figure 3 and Figure 12, which are calculated based on investment amount and number of deals of Q4 2021 survey.

## Figure 2: Comparison of VC Investments in 2018-2022 between Calendar Year and Fiscal Year Basis

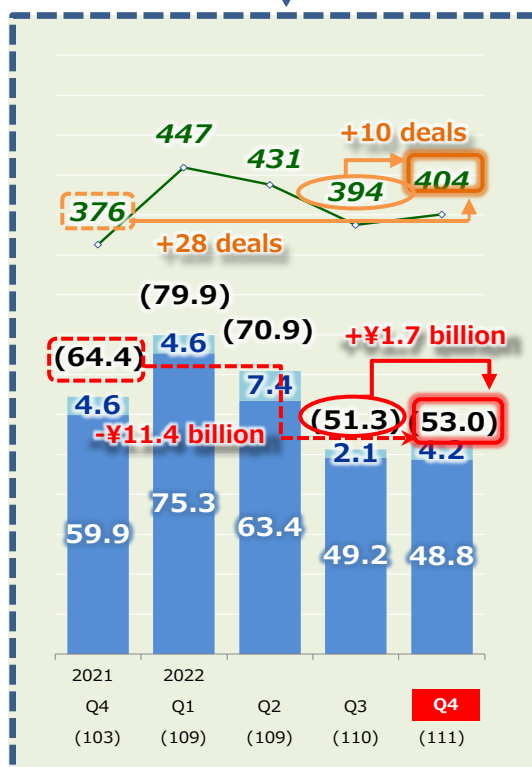
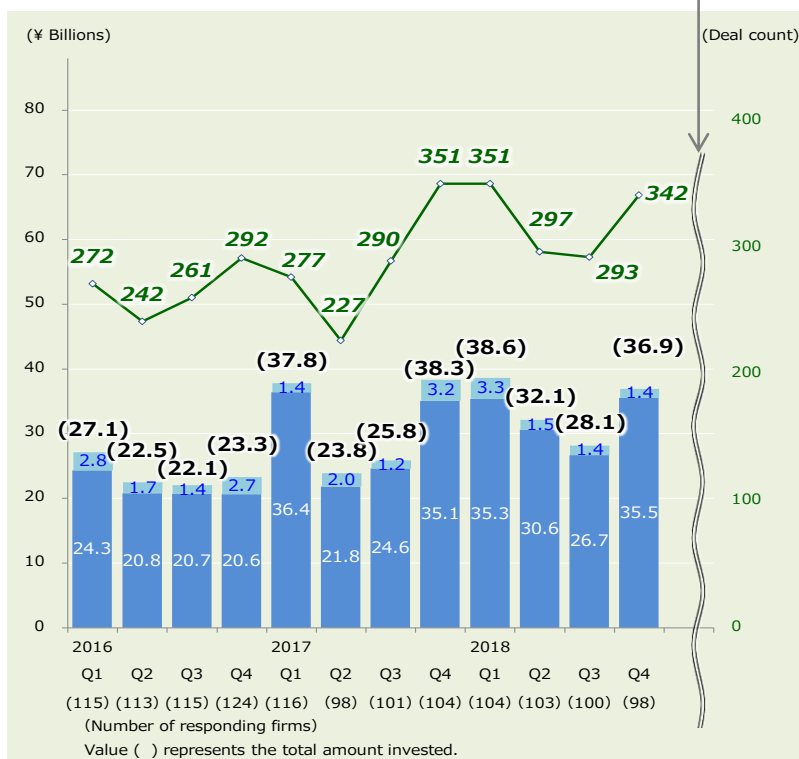
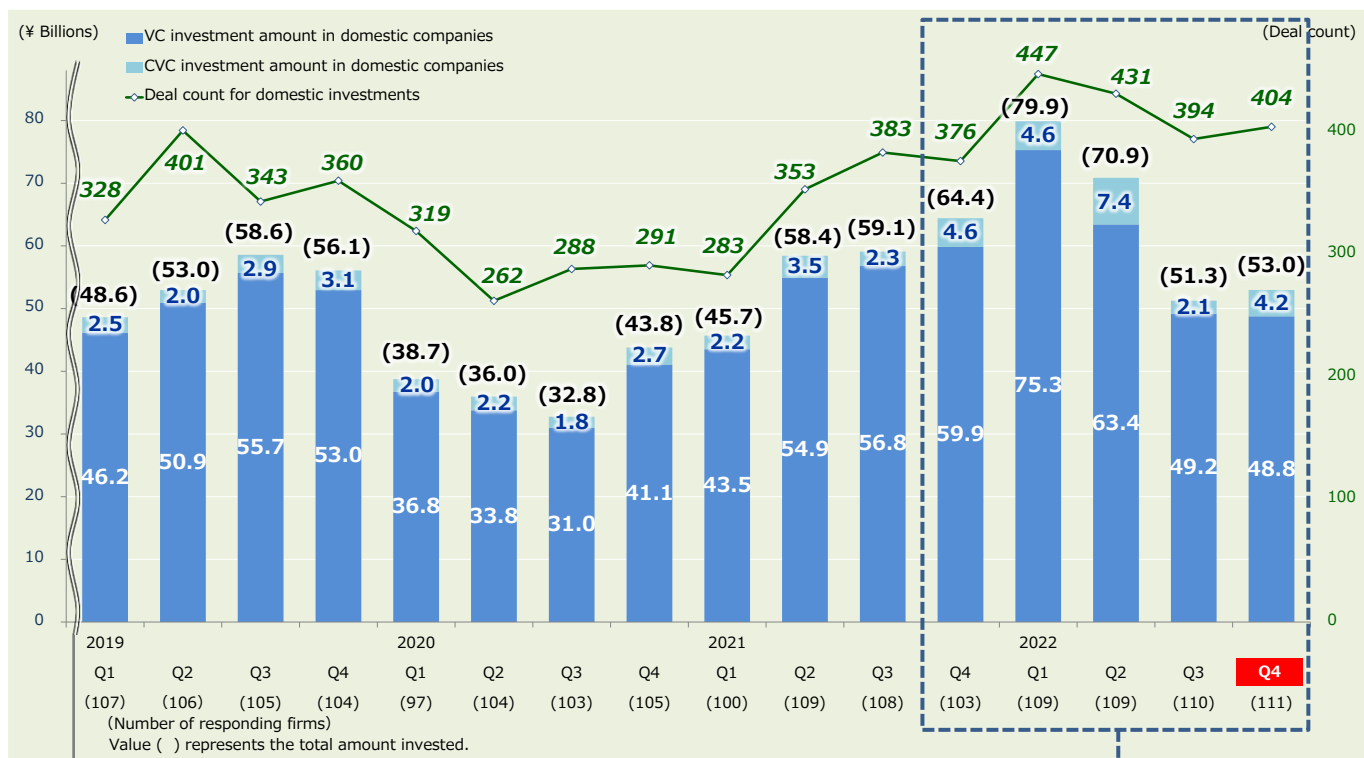
Note: Fiscal Year covers from April 1 to March 31 of the following year.

	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	Q2 2022	Q3 2022	Q4 2022		
CY 2018	<b>¥249.5billion, 1,535deals</b> ■ Domestic ¥135.8billion, 1,283deals ■ Overseas ¥113.7billion, 252deals																					
CY 2019					<b>¥276.3billion, 1,683deals</b> ■ Domestic ¥216.2billion, 1,432deals ■ Overseas ¥60.1billion, 251deals																	
CY 2020									<b>¥219.1billion, 1,421deals</b> ■ Domestic ¥151.2billion, 1,160deals ■ Overseas ¥67.9billion, 261deals													
CY 2021													<b>¥294.8billion, 1,683deals</b> ■ Domestic ¥227.7billion, 1,395deals ■ Overseas ¥67.2billion, 288deals									
CY 2022																	<b>¥340.3billion, 1,994deals</b> ■ Domestic ¥255.0billion, 1,676deals ■ Overseas ¥85.3billion, 318deals					
FY 2018	<b>¥252.4billion, 1,520deals</b> ■ Domestic ¥145.8billion, 1,260deals ■ Overseas ¥106.6billion, 260deals																					
FY 2019					<b>¥272.8billion, 1,691deals</b> ■ Domestic ¥206.3billion, 1,423deals ■ Overseas ¥66.4billion, 268deals																	
FY 2020									<b>¥221.5billion, 1,371deals</b> ■ Domestic ¥158.2billion, 1,124deals ■ Overseas ¥63.3billion, 247deals													
FY 2021													<b>¥332.7billion, 1,870deals</b> ■ Domestic ¥261.8billion, 1,559deals ■ Overseas ¥70.8billion, 311deals									
FY 2022																	<b>¥243.6billion, 1,469deals</b> ■ Domestic ¥175.1billion, 1,229deals ■ Overseas ¥68.5billion, 240deals					

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



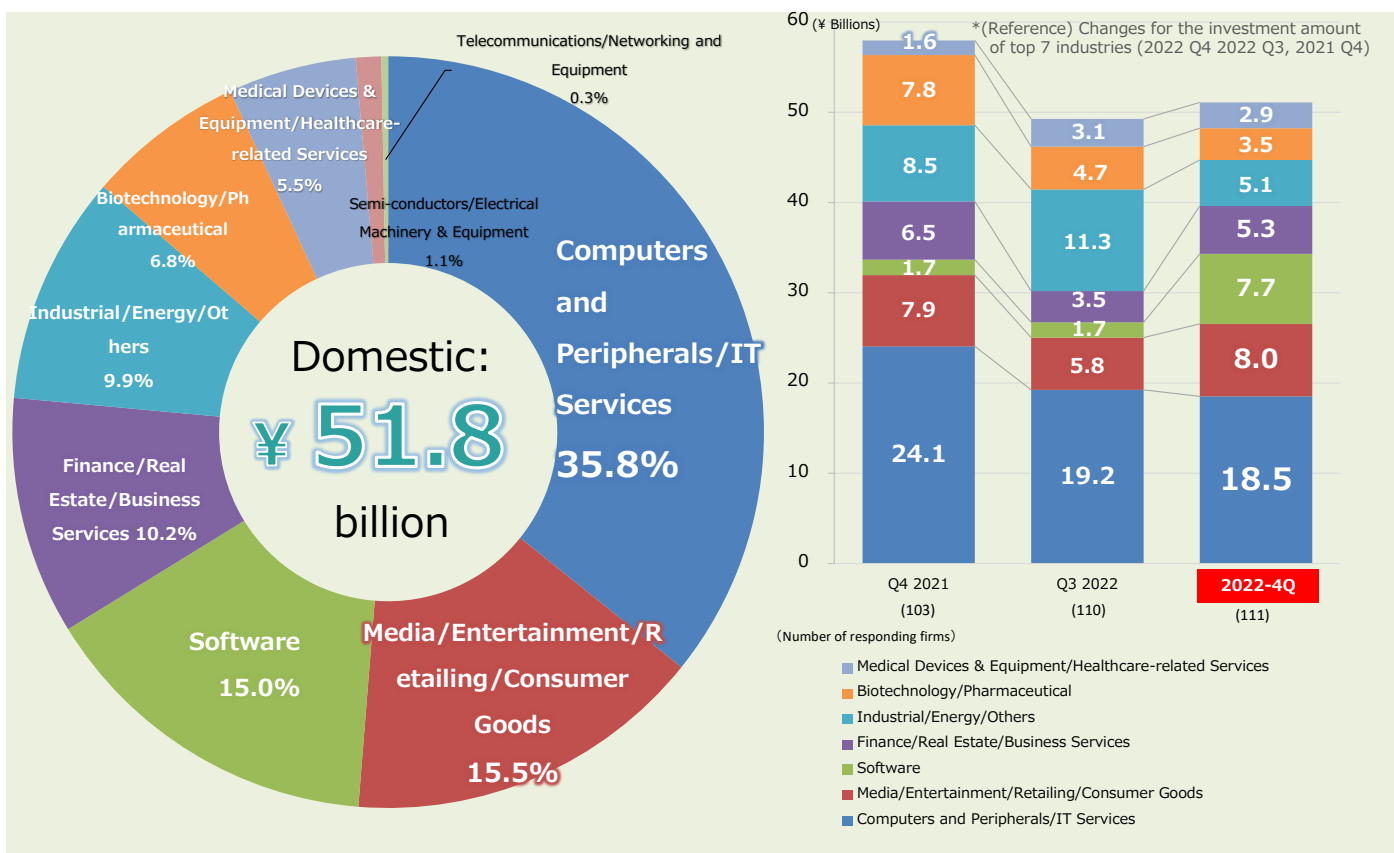
## 2. VC Investments by Industry

Figure 4: Investment Amount by Industry in Q4 2022 : Domestic and Overseas

108 firms that provided figures for Q4 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	149.9	0.3%	0.0	0.0%	149.9	0.2%
2. Computers and Peripherals/IT Services	18,527.5	35.8%	4,055.4	25.3%	22,582.9	33.3%
3. Software	7,748.6	15.0%	1,566.9	9.8%	9,315.5	13.7%
4. Semi-conductors/Electrical Machinery & Equipment	567.9	1.1%	31.1	0.2%	599.0	0.9%
5. Biotechnology/Pharmaceutical	3,510.8	6.8%	6,920.3	43.1%	10,431.0	15.4%
6. Medical Devices & Equipment/Healthcare-related Services	2,860.4	5.5%	612.6	3.8%	3,472.9	5.1%
7. Industrial/Energy/Others	5,110.6	9.9%	786.7	4.9%	5,897.3	8.7%
8. Media/Entertainment/Retailing/Consumer Goods	8,036.0	15.5%	765.7	4.8%	8,801.7	13.0%
9. Finance/Real Estate/Business Services	5,303.9	10.2%	1,311.0	8.2%	6,614.9	9.7%
Decarbonization-related (among the above)	343.3	0.7%	424.7	2.6%	768.0	1.1%
<b>Total</b>	<b>51,815.5</b>	<b>100.0%</b>	<b>16,049.6</b>	<b>100.0%</b>	<b>67,865.1</b>	<b>100.0%</b>

Figure 5: Domestic Investment Amount by Industry in Q4 2022  
(Percentage of JPY value invested)



**Figure 6: Domestic Investment Amount by Industry:  
Q3 2022 and Q4 2022 Comparison**

Q3 2022: 106 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)

Q4 2022: 108 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)	Q3 2022		Q4 2022	
		Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage
1. IT-related <b>52.1%</b>	Telecommunications/Networking and Equipment <i>-¥0.7 billion</i>	300.0	0.6%	149.9	0.3%
	Computers and Peripherals/IT Services	19,245.4	38.4%	18,527.5	35.8%
	Software <i>+¥6.1 billion</i>	1,683.1	3.4%	7,748.6	15.0%
	Semi-conductors/Electrical Machinery & Equipment	605.5	1.2%	567.9	1.1%
2. Biotech/Medical Services/ Health Care <b>12.3%</b>	Biotechnology/Pharmaceutical <i>-¥1.2 billion</i>	4,745.0	9.5%	3,510.8	6.8%
	Medical Devices & Equipment/Healthcare-related Services	3,069.9	6.1%	2,860.4	5.5%
3. Industrial/Energy/Other Industries <b>9.9%</b>	Industrial/Energy/Others <i>-¥6.2 billion</i>	11,258.3	22.4%	5,110.6	9.9%
4. Products/Services <b>25.7%</b>	Media/Entertainment/Retailing/Consumer Goods <i>+¥2.2 billion</i>	5,801.4	11.6%	8,036.0	15.5%
	Finance/Real Estate/Business Services <i>+¥1.8 billion</i>	3,470.9	6.9%	5,303.9	10.2%
Decarbonization-related (Among the above)		1,428.3	2.8%	343.3	0.7%
Total		50,179.5	100.0%	51,815.5	100.0%

**Figure 7: Domestic Investment Deal Count by Industry:  
Q3 2022 and Q4 2022 Comparison**

Q3 2022: 106 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)

Q4 2022: 108 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)	Q3 2022		Q4 2022	
		Deal count	Percentage	Deal count	Percentage
1. IT-related <b>50.8%</b>	Telecommunications/Networking and Equipment	1	0.3%	3	0.8%
	Computers and Peripherals/IT Services	130	34.9%	129	34.7%
	Software <i>+28 deals</i>	22	5.9%	50	13.4%
	Semi-conductors/Electrical Machinery & Equipment	10	2.7%	7	1.9%
2. Biotech/Medical Services/ Health Care <b>14.8%</b>	Biotechnology/Pharmaceutical <i>-8 deals</i>	34	9.1%	26	7.0%
	Medical Devices & Equipment/Healthcare-related Services	29	7.8%	29	7.8%
3. Industrial/Energy/Other Industries <b>12.9%</b>	Industrial/Energy/Others <i>-14 deals</i>	62	16.6%	48	12.9%
4. Products/Services <b>21.5%</b>	Media/Entertainment/Retailing/Consumer Goods	48	12.9%	45	12.1%
	Finance/Real Estate/Business Services	37	9.9%	35	9.4%
Decarbonization-related (Among the above)		17	4.6%	8	2.2%
Total		373	100.0%	372	100.0%

### 3. VC Investments by Stage (Domestic)

**Figure 8: Domestic Investment Amount by Stage**

Q4 2021 : 99 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q3 2022 : 104 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q4 2022 : 106 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(¥ Millions)

Stage	Q4 2021		Q3 2022		Q4 2022		y/y	q/q
	Amount	%	Amount	%	Amount	%		
Seed	6,288.8	17.5%	8,499.8	22.7%	10,229.8	29.1%	+11.6 points	+6.5 points
Early	16,850.1	46.9%	13,681.7	36.5%	13,467.9	38.4%	-8.5 points	+1.9 points
Expansion	7,762.5	21.6%	10,444.4	27.8%	8,168.3	23.3%	+1.7 points	-4.6 points
Later	5,056.0	14.1%	4,899.0	13.1%	3,247.7	9.2%	-4.9 points	-3.8 points
Total	35,957.4	100.0%	37,524.9	100.0%	35,113.8	100.0%		

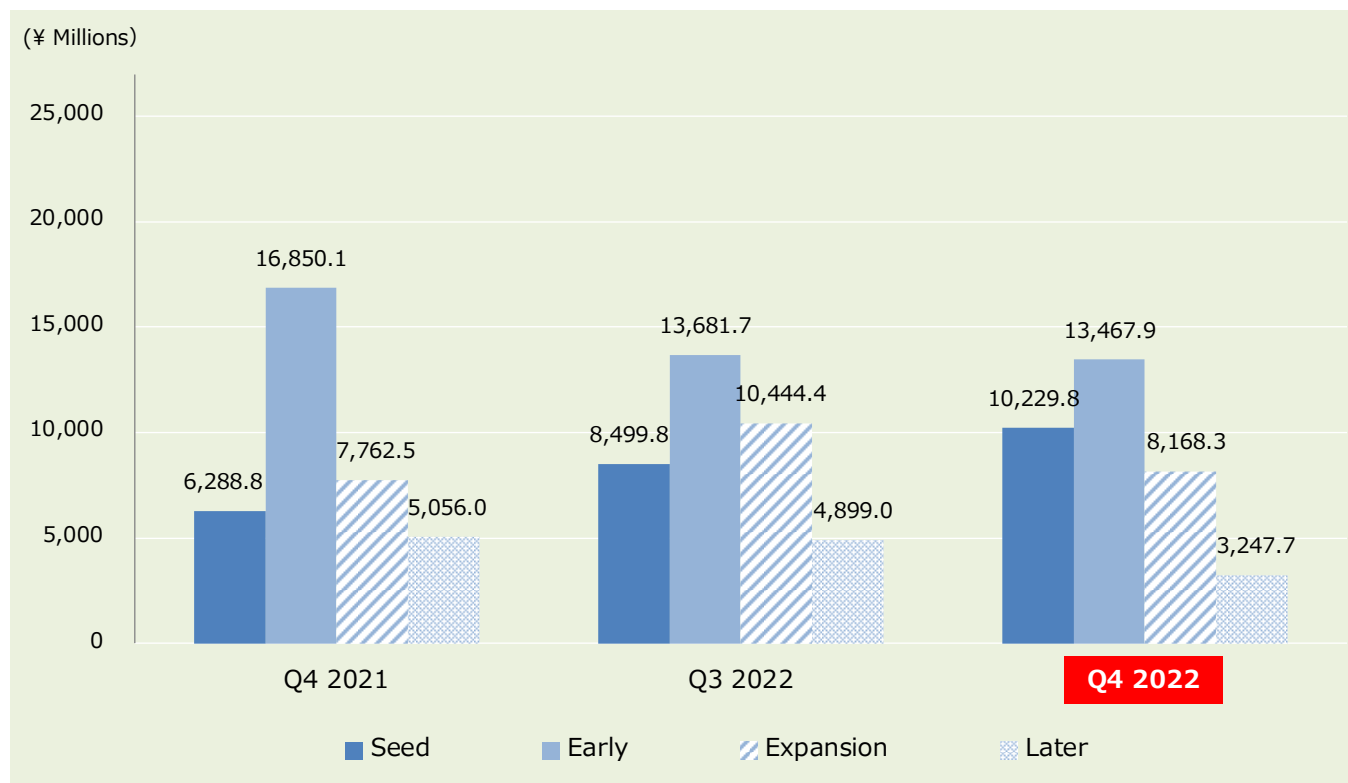
**Figure 9: Domestic Investment Deal Count by Stage**

Q4 2021 : 99 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q3 2022 : 104 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q4 2022 : 106 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(Deal count)

Stage	Q4 2021		Q3 2022		Q4 2022	
	Count	%	Count	%	Count	%
Seed	71	24.1%	90	27.3%	82	24.2%
Early	132	44.7%	150	45.5%	161	47.5%
Expansion	62	21.0%	57	17.3%	71	20.9%
Later	30	10.2%	33	10.0%	25	7.4%
Total	295	100.0%	330	100.0%	339	100.0%

**Figure 10: Domestic Investment Amount Comparison by Stage**



## 4. Investment Amount by Industry and Stage (Domestic)

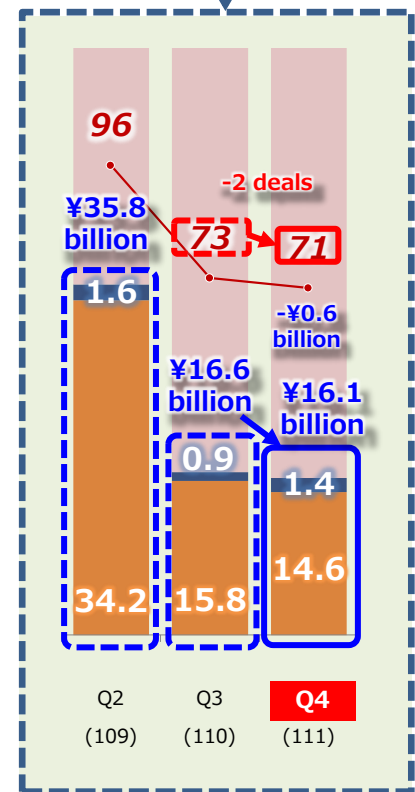
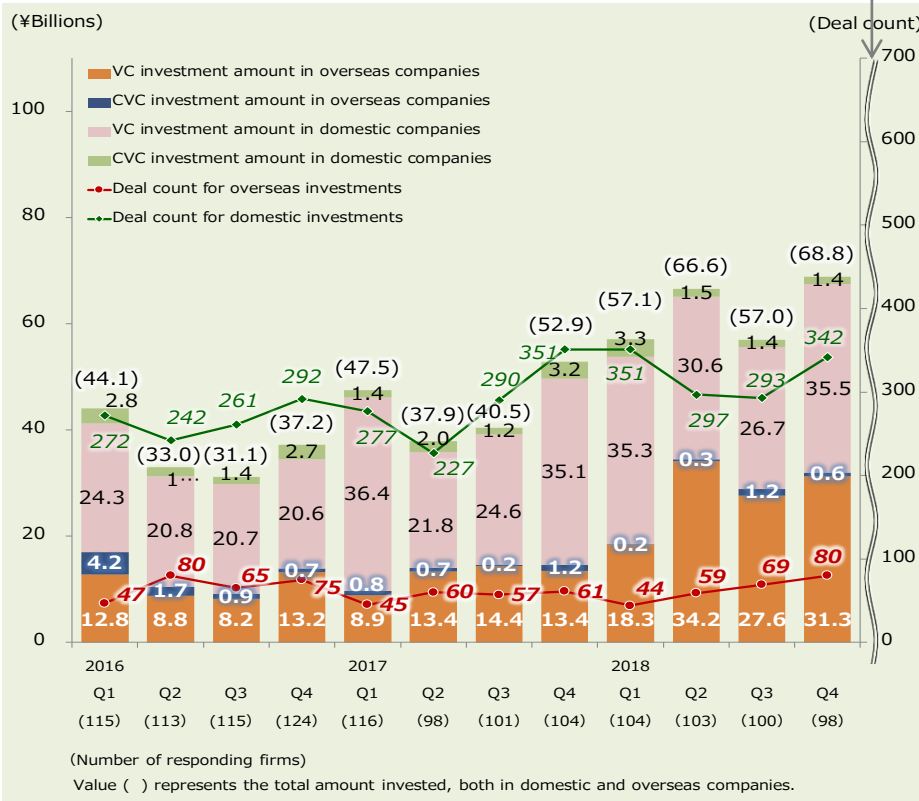
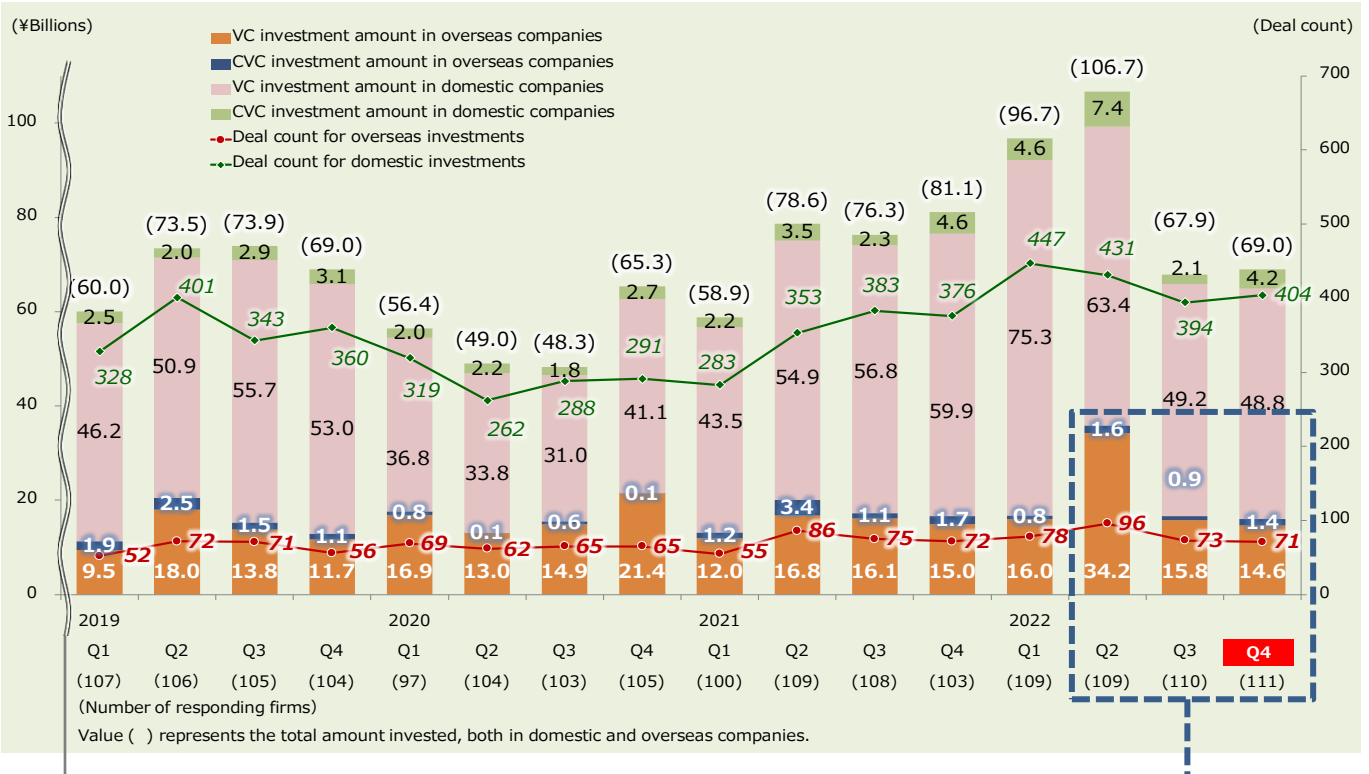
**Figure 11: Domestic Investment Amount by Industry and Stage**

(¥ Millions) 106 firms that provided figures for Q4 2022 are included in the calculation. ("0" is considered a valid response)

	Seed	Early	Expansion	Later	Total
Telecommunications/Networking and Equipment	0.0	100.0	49.9	0.0	149.9
Computers and Peripherals/IT Services	2,988.4	5,501.1	1,984.6	1,433.9	11,908.0
Software	5,021.4	855.8	1,420.1	451.4	7,748.6
Semi-conductors/Electrical Machinery & Equipment	210.0	233.0	62.4	62.5	567.9
Biotechnology/Pharmaceutical	786.5	1,574.2	1,050.0	0.0	3,410.8
Medical Devices & Equipment/Healthcare-related Services	450.0	2,020.7	339.7	50.0	2,860.4
Industrial/Energy/Others	569.5	1,100.2	1,355.6	659.5	3,684.7
Media/Entertainment/Retailing/Consumer Goods	193.0	1,286.2	448.0	500.5	2,427.8
Finance/Real Estate/Business Services	11.0	796.7	1,458.1	90.0	2,355.8
<b>Total</b>	<b>10,229.8</b>	<b>13,467.9</b>	<b>8,168.3</b>	<b>3,247.7</b>	<b>35,113.8</b>

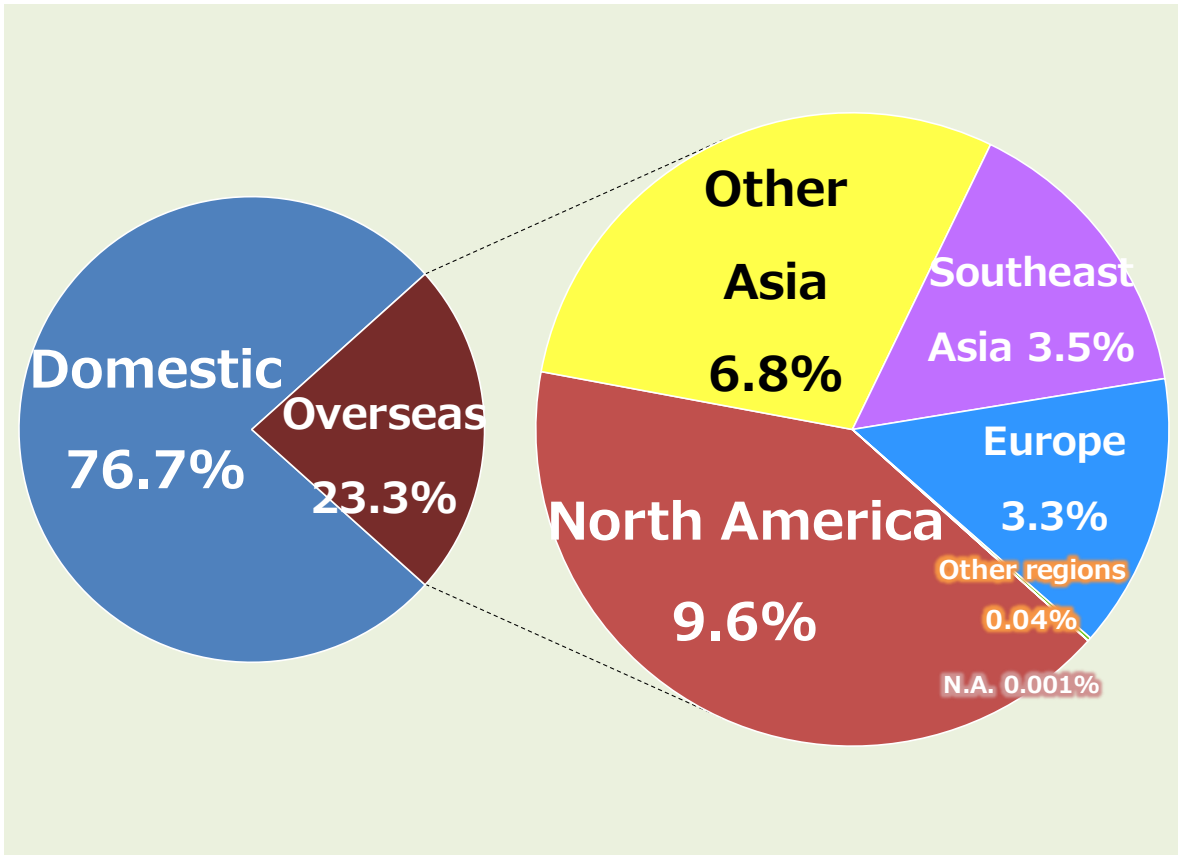
# 5. Summary of VC Investments in Overseas Companies

Figure 12: Quarterly Trend of VC and CVC Investments





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



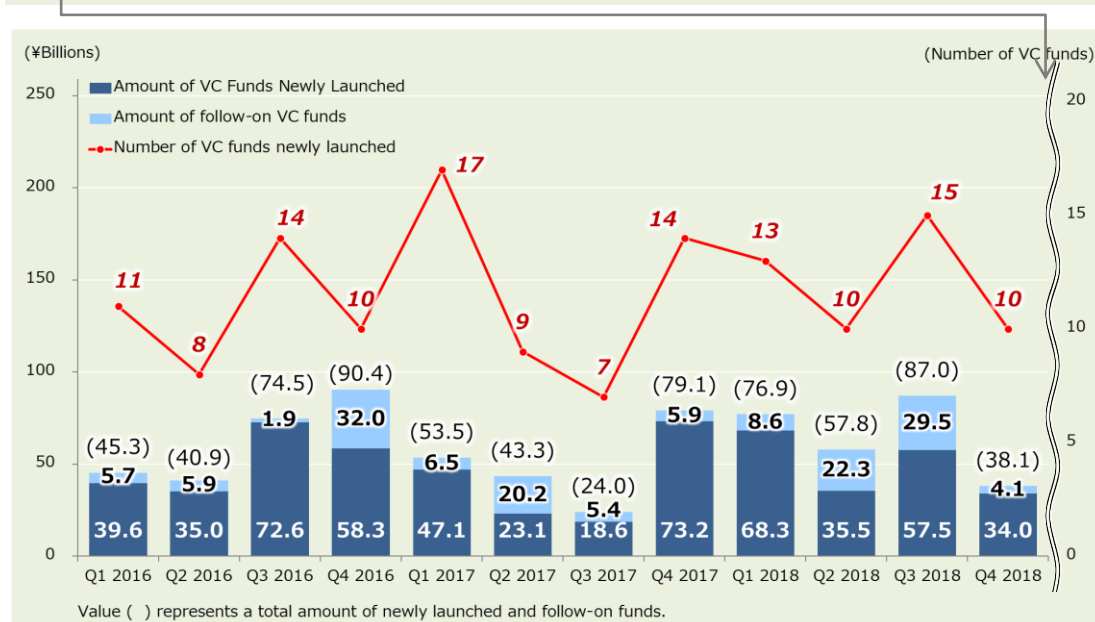
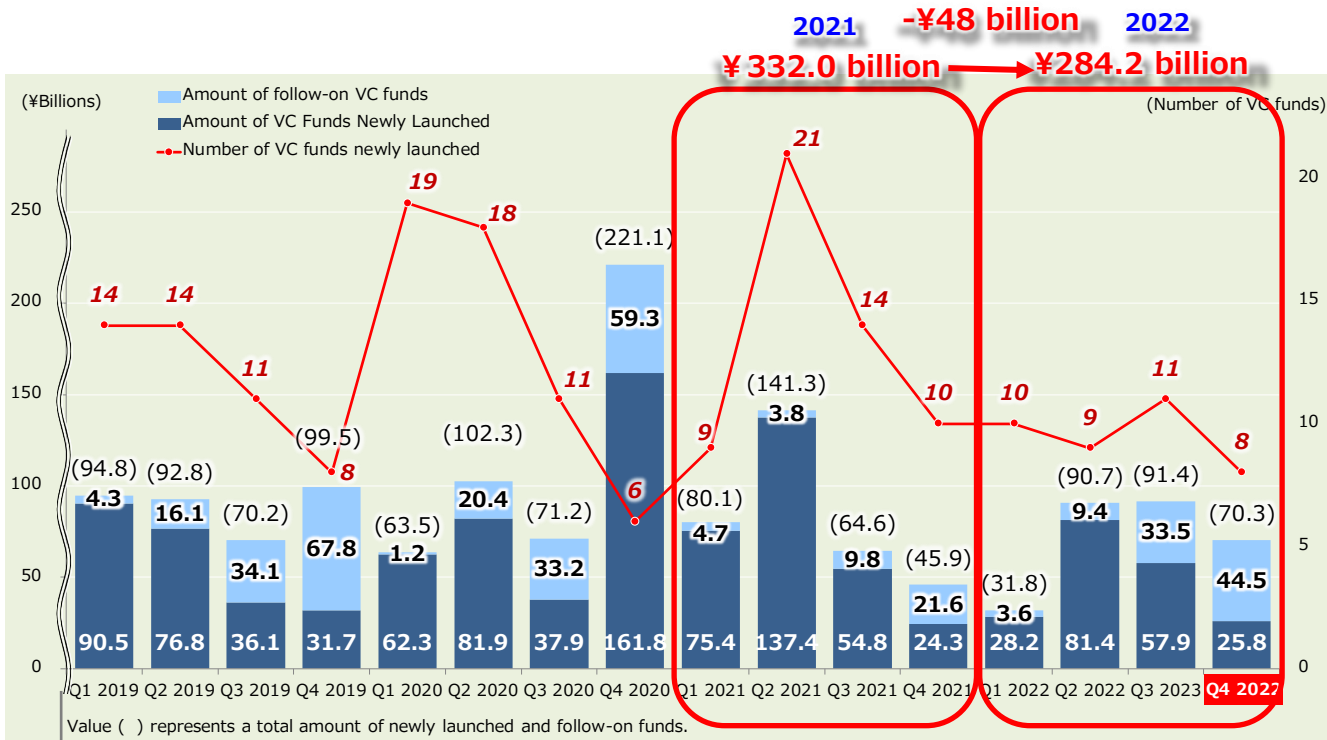
## 6. VC Funds Newly Launched in Q4 2022

**Figure 14: VC Funds Newly Launched and Follow-on Funds in Q4 2022**  
(Limited to the investment fund to startups)

13 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)

Q4 2022							
VC funds newly launched					Follow-on		
Number of funds launched		Amount (¥Bil)		Per fund (¥Bil)		Amount (¥Bil)	
<b>8</b>	For overseas investments among the left	<b>25.8</b>	For overseas investments among the left	3.2	For overseas investments among the left	<b>44.5</b>	For overseas investments among the left
	1		4.2				0.0

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



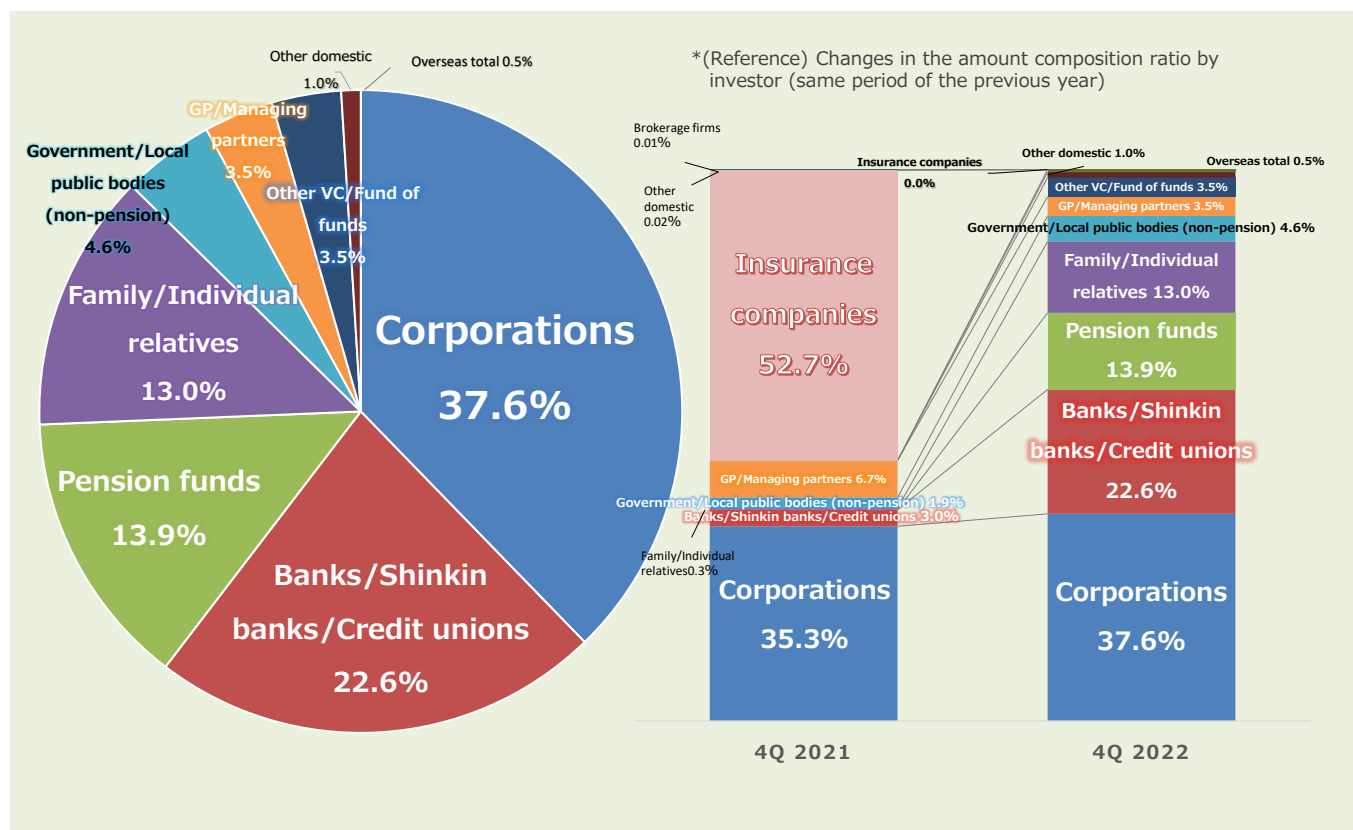
### Figure 16: Breakdown of Investment Amount by Investor Type for Funds Newly Launched in Q4 2022

Note 1 : 6 firms that provided both figures of investment amount and number of investors are included in the calculation.

(\*) Among 6 firms of Note 1, 2 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	8.3%	753.0	3.5%	83.7	-	-
Domestic total	98	90.7%	20,741.0	96.0%	211.6	18	5,401.0
Family/Individual relatives	27	25.0%	2,800.0	13.0%	103.7	11	2,000.0
Other VC/Fund of funds	6	5.6%	750.0	3.5%	125.0	2	200.0
Corporations	24	22.2%	8,111.0	37.6%	338.0	1	1.0
Banks/Shinkin banks/Credit unions	5	4.6%	4,870.0	22.6%	974.0	1	100.0
Insurance companies	0	0.0%	0.0	0.0%	-	0	0.0
Brokerage firms	0	0.0%	0.0	0.0%	-	0	0.0
Pension funds	2	1.9%	3,000.0	13.9%	1,500.0	2	3,000.0
Government/Local public bodies (non-pension)	1	0.9%	1,000.0	4.6%	1,000.0	0	0.0
Academic Institutes	0	0.0%	0.0	0.0%	-	0	0.0
Other domestic	33	30.6%	210.0	1.0%	6.4	1	100.0
Overseas total	1	0.9%	100.0	0.5%	100.0	1	100.0
<b>Total</b>	<b>108</b>	<b>100.0%</b>	<b>21,594.0</b>	<b>100.0%</b>	<b>-</b>	<b>19</b>	<b>5,501.0</b>

### 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 FY2021 (Final Report)

## [VEC YEARBOOK 2022] Japanese ver. Published on December 14, 2022

The PDF ver. is available to purchase on BASE.  
(<https://vec.base.ec/items/>)

The hardcopy ver. is available to purchase on Amazon.  
(<https://www.amazon.co.jp/>)



## [VEC YEARBOOK 2022 DATA] (English ver.)

Published on February 7th, 2023

Venture Enterprise Center, Japan (VEC) annually publishes the results of the investment trend survey as " VEC YEARBOOK (Annual Report on Japanese Startup Businesses) ".

In the VEC YEARBOOK , we explain the data on venture investments in detail. We are also presenting the latest issues.

VEC YEARBOOK has been quoted in various reports of the government and literatures of academic circles and mentioned by the media as our nation's only research to understand the venture capital investment trends in Japan.

Back numbers of VEC YEARBOOK are also available.

\*For details, see the VEC's website.

<http://www.vec.or.jp/> (Japanese website)

<https://www.vec.or.jp/en/> (English website)

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