

7th, June  
2024

# Latest Quarterly Trend

## The First quarter of 2024

(January to March 2024)

 Contact: Research & Business Development Division  
 +81-3-3230-8902 / vcdoukou@vec.or.jp  
<https://www.vec.or.jp/en/>

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 2024 (January to March 2024)

### VC Investments in domestic companies in 2023 (fiscal year)

\* simple addition of quarterly reports

**¥193.4 billion**
**DOWN 18.9 %**  
 from the previous year

 See Fig.2  
 in the Page 2

\* The data from 128 firms that responded to the survey between April 8th and May 20th, 2024 are aggregated.

\* [Period covered by the survey]: Current quarter: Q1 2024 (January to March 2024)  
 Same quarter of last year: Q1 2023 (January to March 2023)

\* 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 2023 and Q1 2024 Comparison

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

		Q1 2023				Q1 2024			
		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)	60.4	13.5	73.9	22	39.7	14.2	53.8	26
	y/y % change					-34.3%	5.0%		
	Deal count	360	52	412		350	54	404	
	y/y % change				-2.8%	3.8%			
	Per deal (¥Mil)	167.8	259.2	179.3	113.3	262.2	133.2		
CVC	Amount (¥Bil)	5.0	1.0	6.0	9	5.1	0.8	5.9	6
	y/y % change					3.0%	-21.8%		
	Deal count	63	11	74		52	7	59	
	y/y % change				-17.5%	-36.4%			
	Per deal (¥Mil)	78.6	91.8	80.5	98.1	112.9	99.8		
VC+CVC Total	Amount (¥Bil)	65.4	14.5	79.9	31	44.8	15.0	59.7	32
	y/y % change					-31.5%	3.2%		
	Deal count	423	63	486		402	61	463	
	y/y % change				-5.0%	-3.2%			
	Per deal (¥Mil)	154.5	230.0	164.3	111.4	245.1	129.0		

Note: Figures for Q1 2023 in Figure 1 are provided from VC firms which responded to the latest survey (Q1 2024), so that the figures presented in the above Figure 1 may not be consistent with the figures of Q1 2023 in Figure 3 and Figure 12, which are calculated based on investment amount and number of deals of Q1 2023 survey.

## Figure 2: Comparison of VC Investments in 2019-2024 between Calendar Year and Fiscal Year Basis

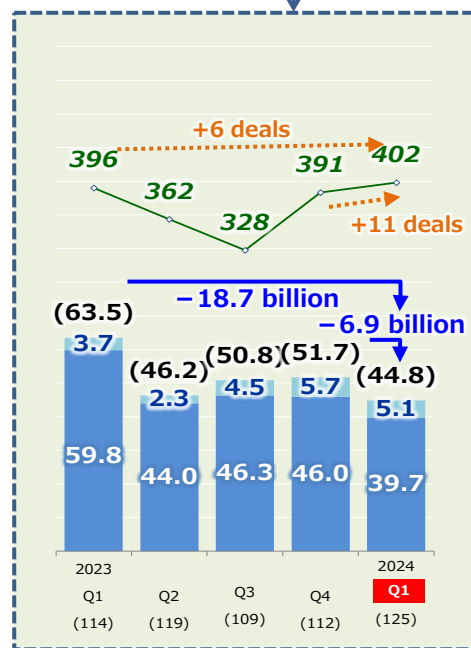
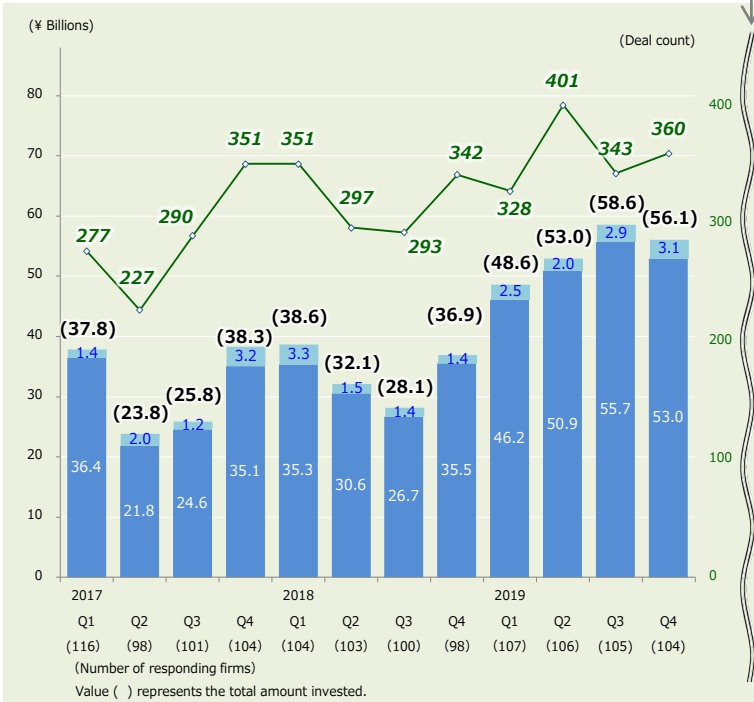
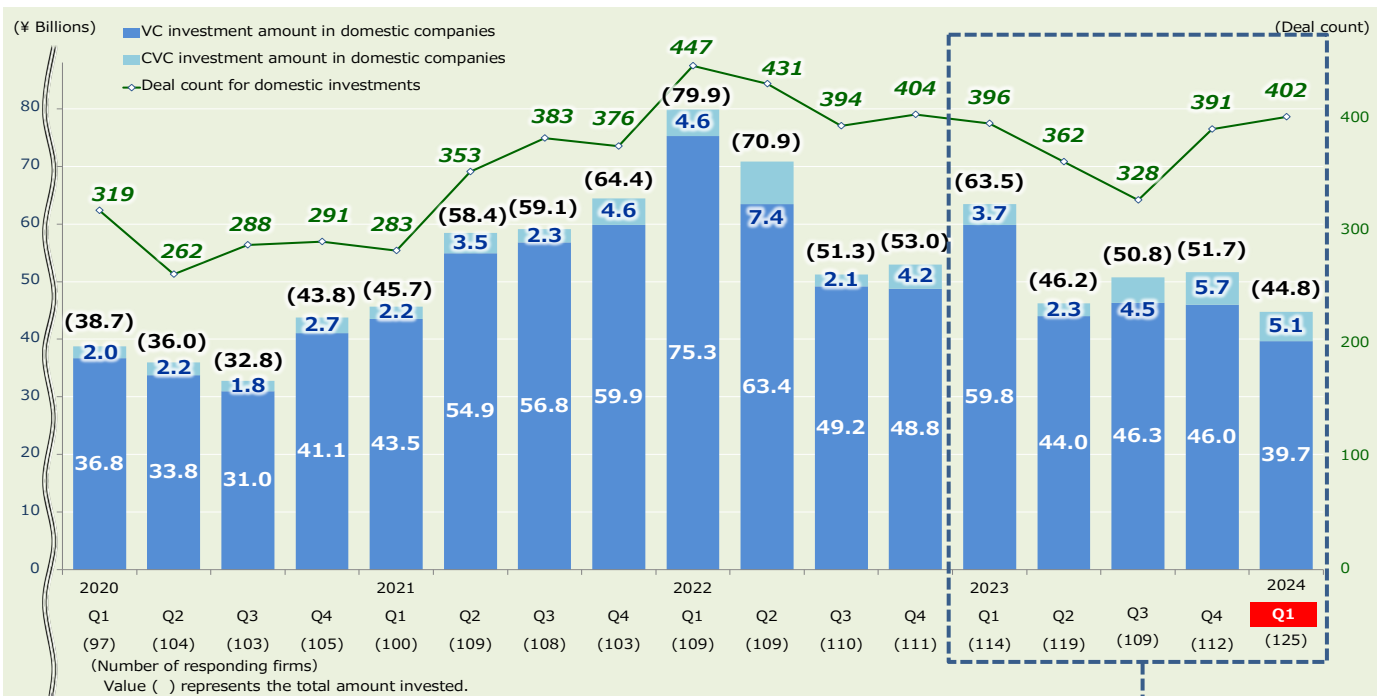
Note: Fiscal Year covers from April 1 to March 31 of the following year.

	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	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024		
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													
CY 2023																	<b>¥285.7billion, 1,762deals</b> ■ Domestic ¥212.1billion, 1,477deals ■ Overseas ¥73.6billion, 285deals						
CY 2024																					<b>¥59.7billion, 463deals</b> ■ Domestic ¥44.8billion, 402deals ■ Overseas ¥15.0billion, 61deals		
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>¥322.1billion, 1,931deals</b> ■ Domestic ¥238.6billion, 1,625deals ■ Overseas ¥83.5billion, 306deals										
FY 2023																	<b>¥267.0billion, 1,763deals</b> ■ Domestic ¥193.4billion, 1,483deals ■ Overseas ¥73.5billion, 280deals						

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



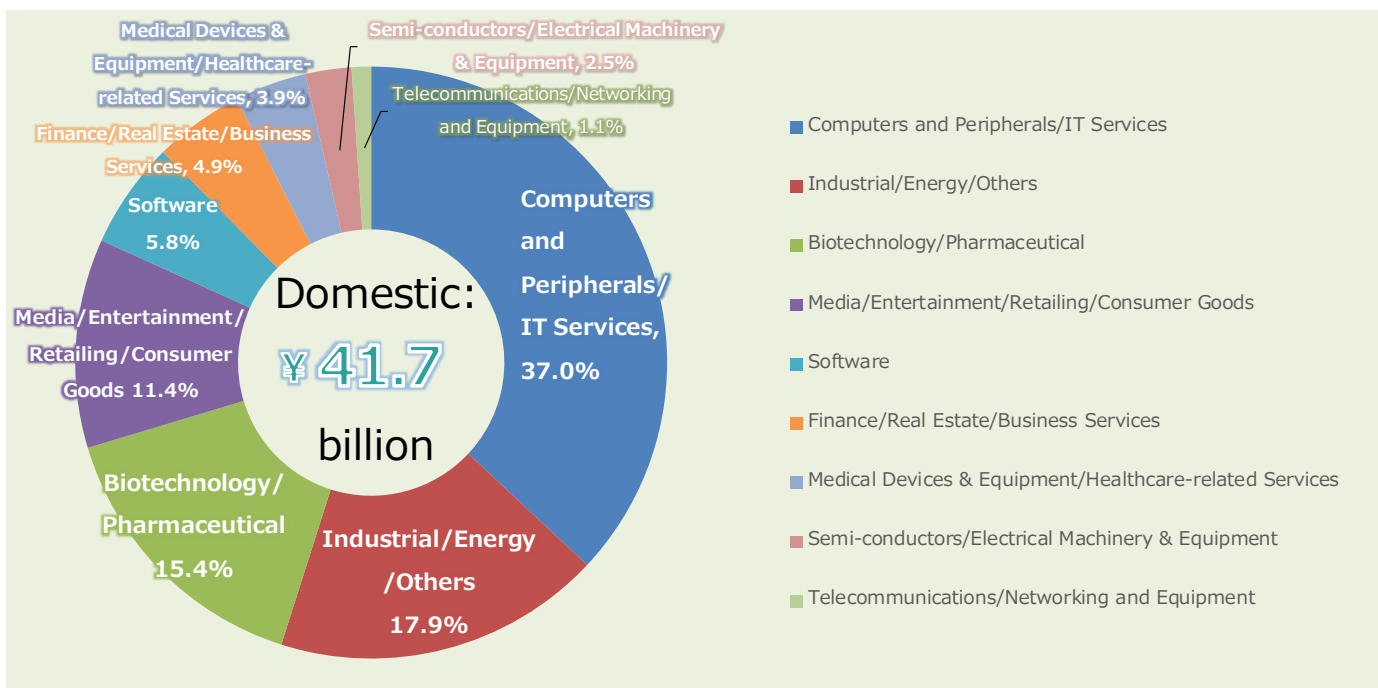
## 2. VC Investments by Industry

Figure 4: Investment Amount by Industry in Q1 2024 : Domestic and Overseas

122 firms that provided figures for Q1 2024 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	442.1	1.1%	0.0	0.0%	442.1	0.8%
2. Computers and Peripherals/IT Services	15,424.9	37.0%	6,083.8	42.5%	21,508.7	38.4%
3. Software	2,428.9	5.8%	242.9	1.7%	2,671.8	4.8%
4. Semi-conductors/Electrical Machinery & Equipment	1,049.4	2.5%	297.5	2.1%	1,346.9	2.4%
5. Biotechnology/Pharmaceutical	6,438.3	15.4%	2,371.7	16.6%	8,809.9	15.7%
6. Medical Devices & Equipment/Healthcare-related Services	1,640.8	3.9%	0.0	0.0%	1,640.8	2.9%
7. Industrial/Energy/Others	7,476.4	17.9%	2,215.8	15.5%	9,692.2	17.3%
8. Media/Entertainment/Retailing/Consumer Goods	4,762.9	11.4%	2,646.1	18.5%	7,408.9	13.2%
9. Finance/Real Estate/Business Services	2,042.2	4.9%	454.0	3.2%	2,496.2	4.5%
Decarbonization-related (among the above)	2,243.8	5.4%	505.5	3.5%	2,749.3	4.9%
<b>Total</b>	<b>41,705.9</b>	<b>100.0%</b>	<b>14,311.7</b>	<b>100.0%</b>	<b>56,017.6</b>	<b>100.0%</b>

Figure 5: Domestic Investment Amount by Industry in Q1 2024  
(Percentage of JPY value invested)



**Figure 6: Domestic Investment Amount by Industry: Q4 2023 and Q1 2024 Comparison**

Q4 2023: 112 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)  
 Q1 2024: 122 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 2023		Q1 2024		
		Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage	
1. IT-related <b>46.4%</b>	Telecommunications/Networking and Equipment	350.0	0.7%	442.1	1.1%	
	Computers and Peripherals/IT Services <i>+1,249.2 million</i>	14,175.7	28.3%	15,424.9	37.0%	
	Software	3,265.5	6.5%	2,428.9	5.8%	
	Semi-conductors/Electrical Machinery & Equipment	2,509.1	5.0%	1,049.4	2.5%	
2. Biotech/Medical Services/ Health Care <b>19.4%</b>	Biotechnology/Pharmaceutical	6,937.7	13.8%	6,438.3	15.4%	
	Medical Devices & Equipment/Healthcare-related Services	2,361.0	4.7%	1,640.8	3.9%	
3. Industrial/Energy/Other Industries <b>17.9%</b>	Industrial/Energy/Others <i>-4,912.7 million</i>	12,389.1	24.7%	7,476.4	17.9%	
4. Products/Services <b>16.3%</b>	Media/Entertainment/Retailing/Consumer Goods	4,293.2	8.6%	4,762.9	11.4%	
	Finance/Real Estate/Business Services	3,898.0	7.8%	2,042.2	4.9%	
Decarbonization-related (Among the above)		<i>+1,500.7 million</i>	743.1	1.5%	2,243.8	5.4%
Total		50,179.2	100.0%	41,705.9	100.0%	

**Figure 7: Domestic Investment Deal Count by Industry: Q4 2023 and Q1 2024 Comparison**

Q4 2023: 112 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)  
 Q1 2024: 122 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 2023		Q1 2024		
		Deal count	Percentage	Deal count	Percentage	
1. IT-related <b>44.0%</b>	Telecommunications/Networking and Equipment	2	0.5%	4	1.1%	
	Computers and Peripherals/IT Services <i>+19 deals</i>	96	26.0%	115	30.7%	
	Software	35	9.5%	34	9.1%	
	Semi-conductors/Electrical Machinery & Equipment	9	2.4%	12	3.2%	
2. Biotech/Medical Services/ Health Care <b>18.9%</b>	Biotechnology/Pharmaceutical	54	14.6%	50	13.3%	
	Medical Devices & Equipment/Healthcare-related Services	28	7.6%	21	5.6%	
3. Industrial/Energy/Other Industries <b>16.0%</b>	Industrial/Energy/Others	56	15.2%	60	16.0%	
4. Products/Services <b>21.1%</b>	Media/Entertainment/Retailing/Consumer Goods <i>-9 deals</i>	54	14.6%	45	12.0%	
	Finance/Real Estate/Business Services	35	9.5%	34	9.1%	
Decarbonization-related (Among the above)		<i>-18 deals</i>	29	7.9%	11	2.9%
Total		369	100.0%	375	100.0%	

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

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

Q1 2023 : 110 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q4 2023 : 110 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q1 2024 : 121 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(¥ Millions)

Stage	Q1 2023		Q4 2023		Q1 2024		y/y	q/q
	Amount	%	Amount	%	Amount	%		
Seed	7,903.6	19.7%	5,042.7	11.2%	6,968.1	19.2%	-0.4 points	+8.0 points
Early	16,022.2	39.9%	17,772.9	39.5%	17,413.0	48.1%	+8.2 points	+8.6 points
Expansion	9,395.9	23.4%	10,338.9	23.0%	8,430.6	23.3%	-0.1 points	+0.3 points
Later	6,847.6	17.0%	11,832.4	26.3%	3,415.2	9.4%	-7.6 points	-16.9 points
<b>Total</b>	<b>40,169.3</b>	<b>100.0%</b>	<b>44,986.9</b>	<b>100.0%</b>	<b>36,226.9</b>	<b>100.0%</b>		

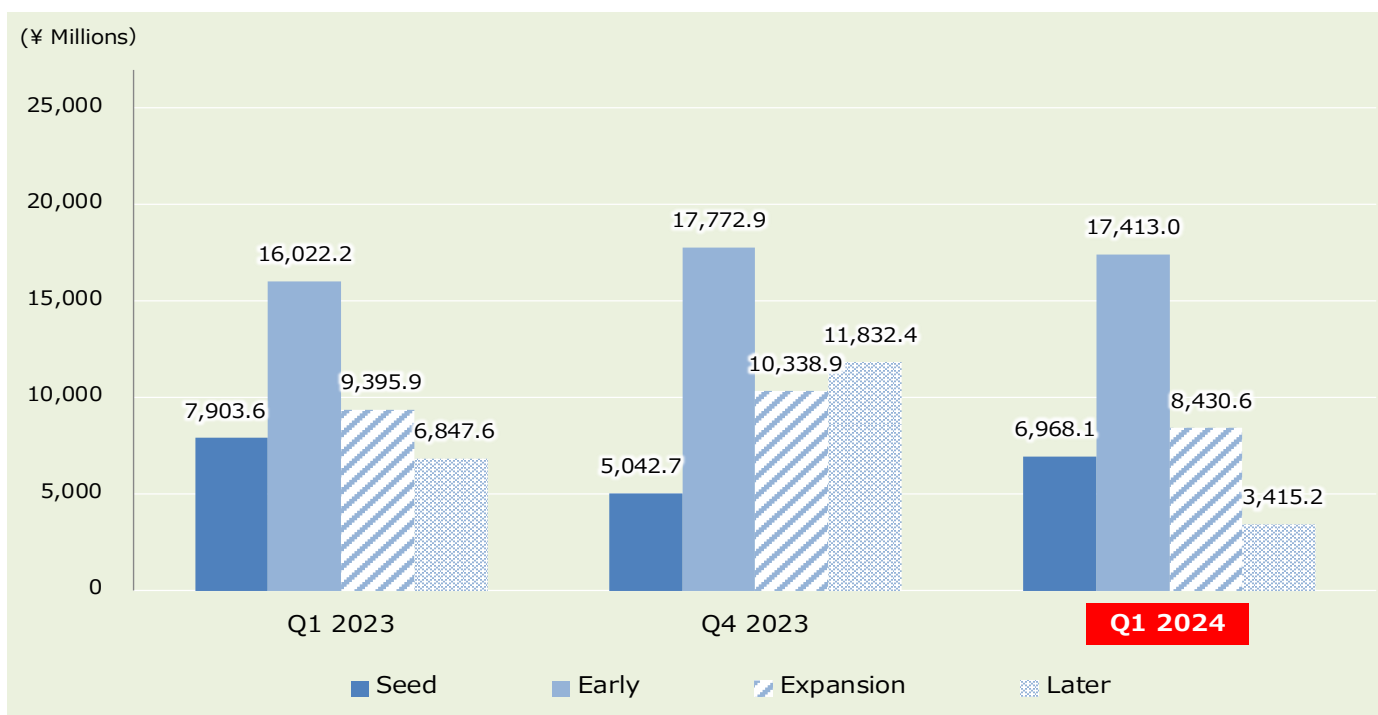
**Figure 9: Domestic Investment Deal Count by Stage**

Q1 2023 : 110 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q4 2023 : 110 firms that provided figures are included in the calculation. ("0" is considered a valid response)  
 Q1 2024 : 121 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(Deal count)

Stage	Q1 2023		Q4 2023		Q1 2024	
	Count	%	Count	%	Count	%
Seed	73	21.9%	65	19.3%	96	27.8%
Early	178	53.5%	166	49.3%	181	52.5%
Expansion	58	17.4%	67	19.9%	51	14.8%
Later	24	7.2%	39	11.6%	17	4.9%
<b>Total</b>	<b>333</b>	<b>100.0%</b>	<b>337</b>	<b>100.0%</b>	<b>345</b>	<b>100.0%</b>

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) Q1 2024 : 121 firms that provided figures are included in the calculation. ("0" is considered a valid response)

	Seed	Early	Expansion	Later	Total
Telecommunications/Networking and Equipment	140.0	0.0	302.1	0.0	442.1
Computers and Peripherals/IT Services	3,340.0	7,215.6	2,394.5	704.9	13,655.0
Software	164.9	1,189.1	1,074.9	0.0	2,428.9
Semi-conductors/Electrical Machinery & Equipment	601.0	448.4	0.0	0.0	1,049.4
Biotechnology/Pharmaceutical	1,262.0	3,722.7	210.0	250.0	5,444.7
Medical Devices & Equipment/Healthcare-related Services	165.0	945.9	530.0	0.0	1,640.8
Industrial/Energy/Others	890.0	1,689.6	2,927.8	1,444.8	6,952.2
Media/Entertainment/Retailing/Consumer Goods	299.1	931.0	611.0	730.5	2,571.7
Finance/Real Estate/Business Services	106.0	1,270.7	380.5	285.1	2,042.2
<b>Total</b>	<b>6,968.1</b>	<b>17,413.0</b>	<b>8,430.6</b>	<b>3,415.2</b>	<b>36,226.9</b>

# 5. Summary of VC Investments in Overseas Companies

Figure 12: Quarterly Trend of VC and CVC Investments

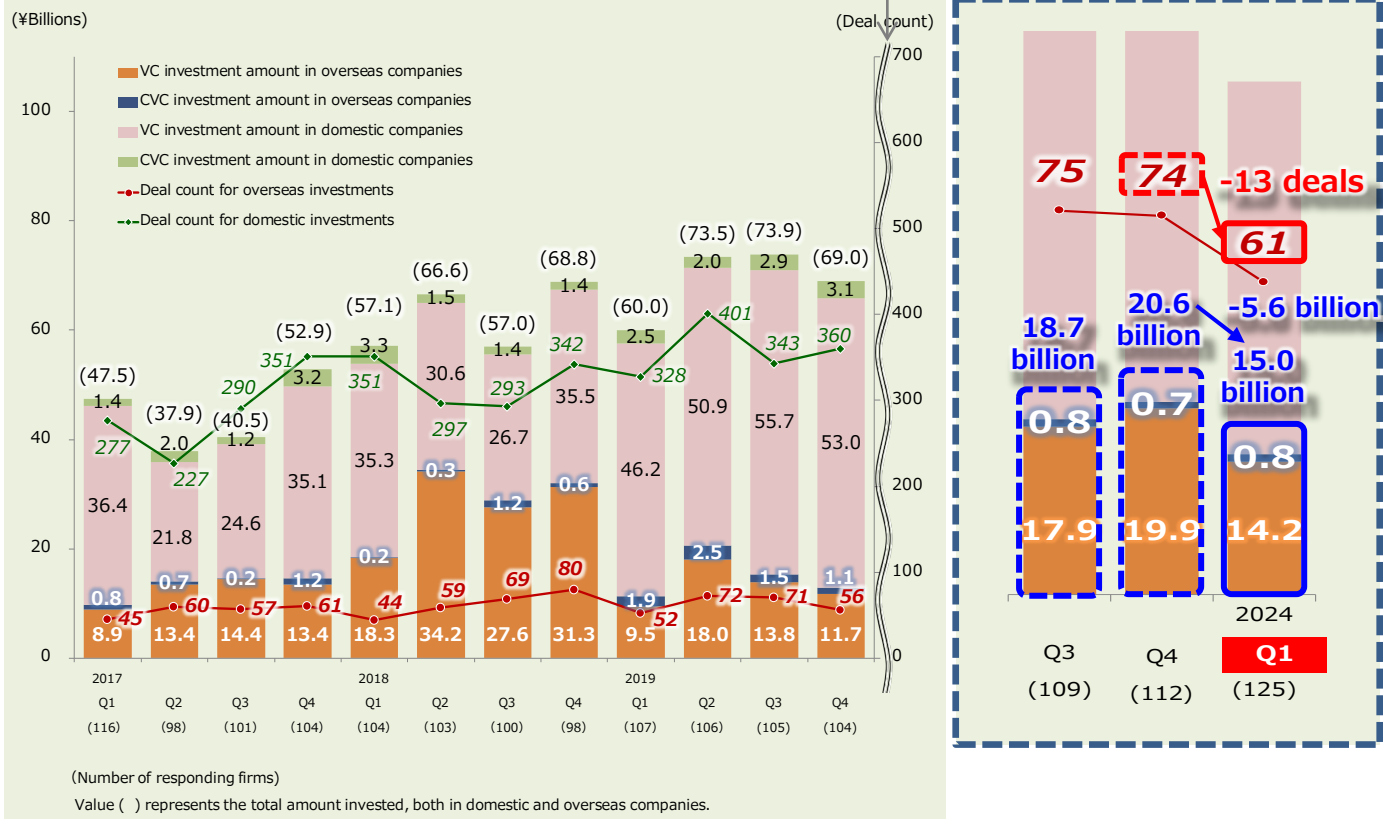
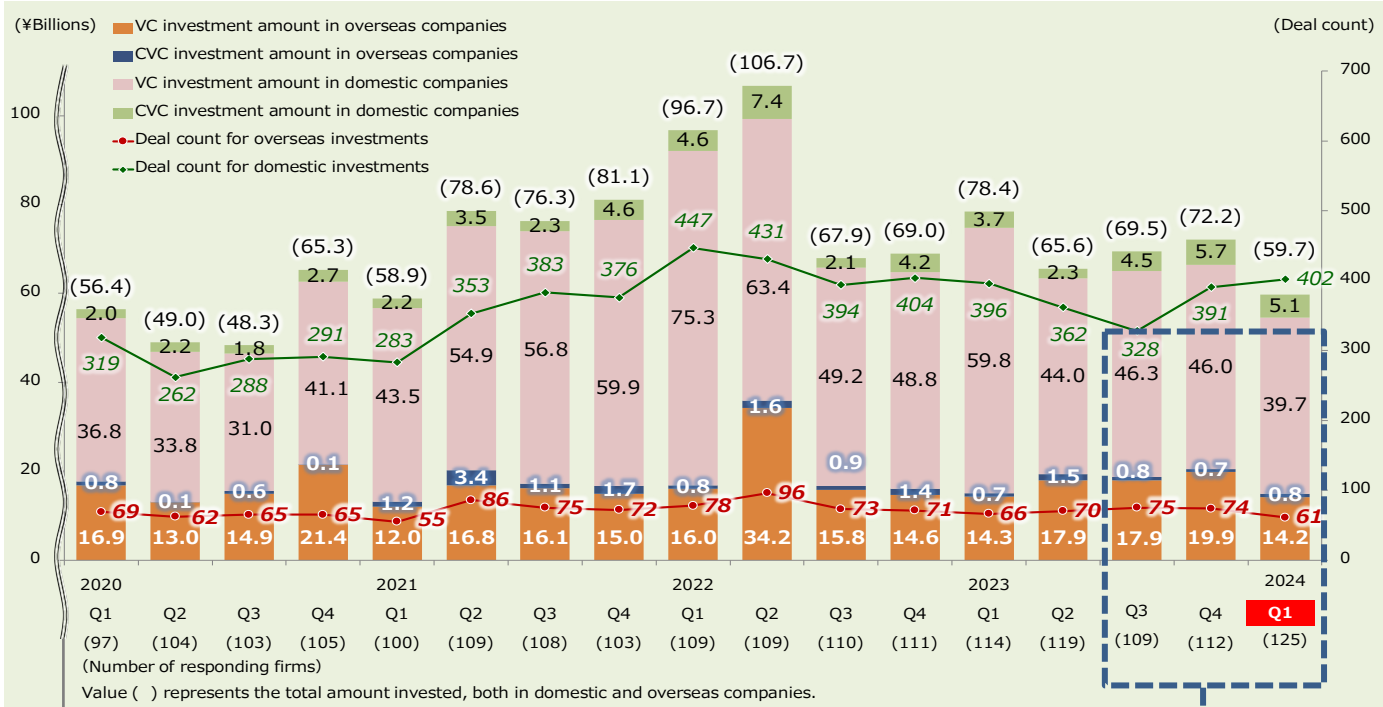
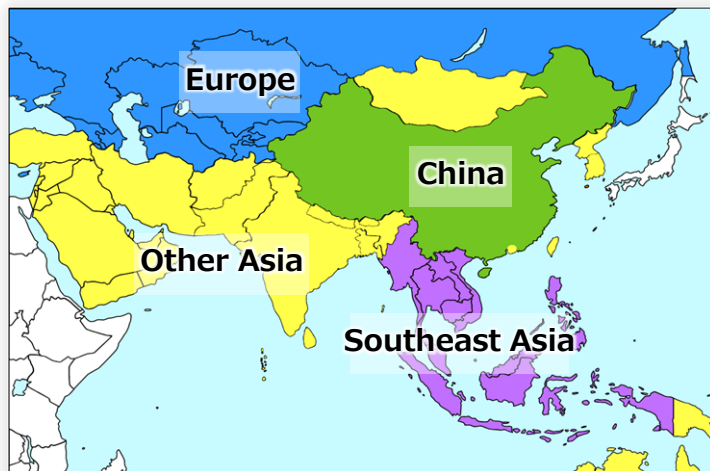
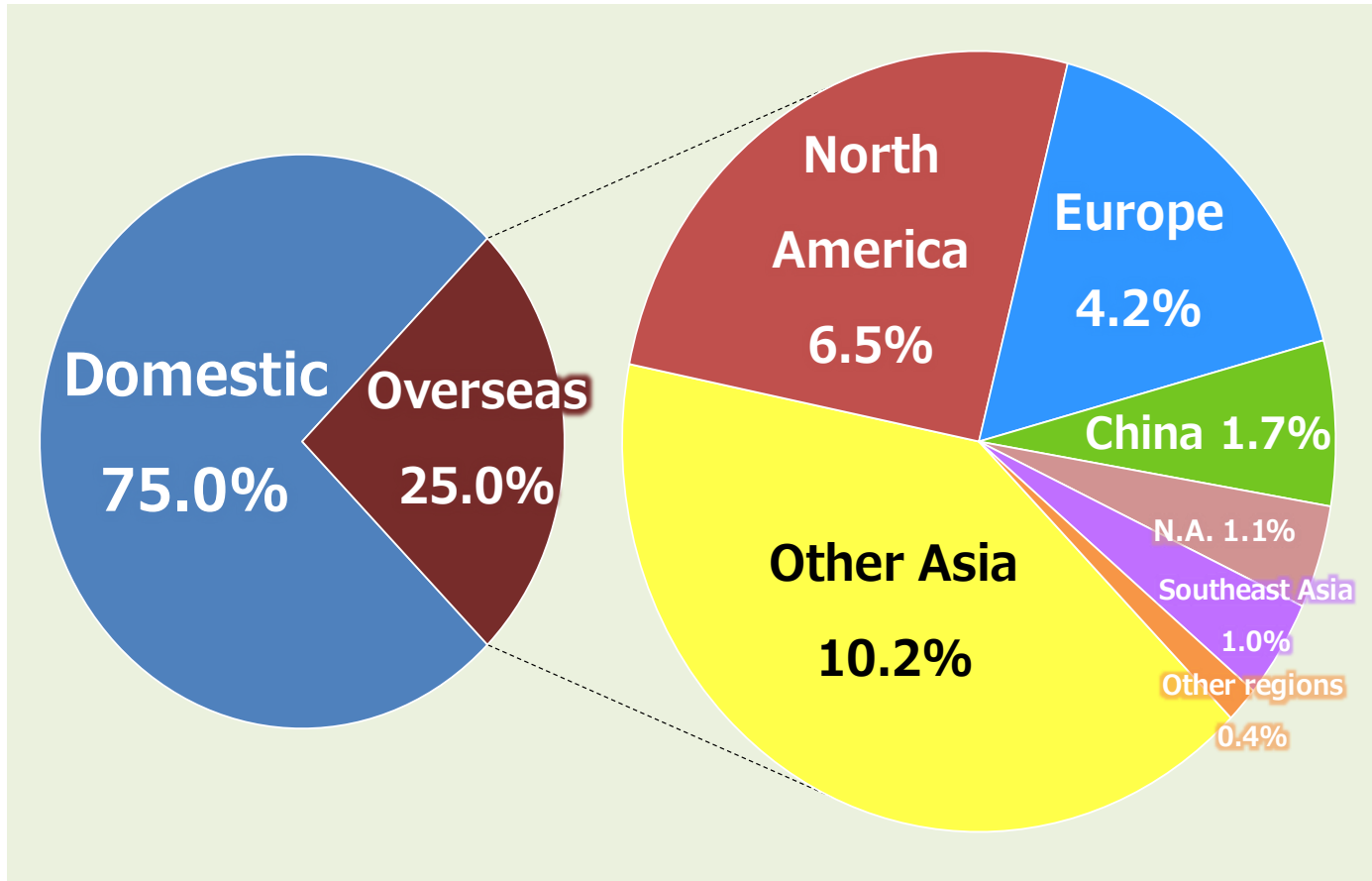




Figure 13: Investment Amount by Region : Domestic and Overseas  
(Percentage of JPY value invested)



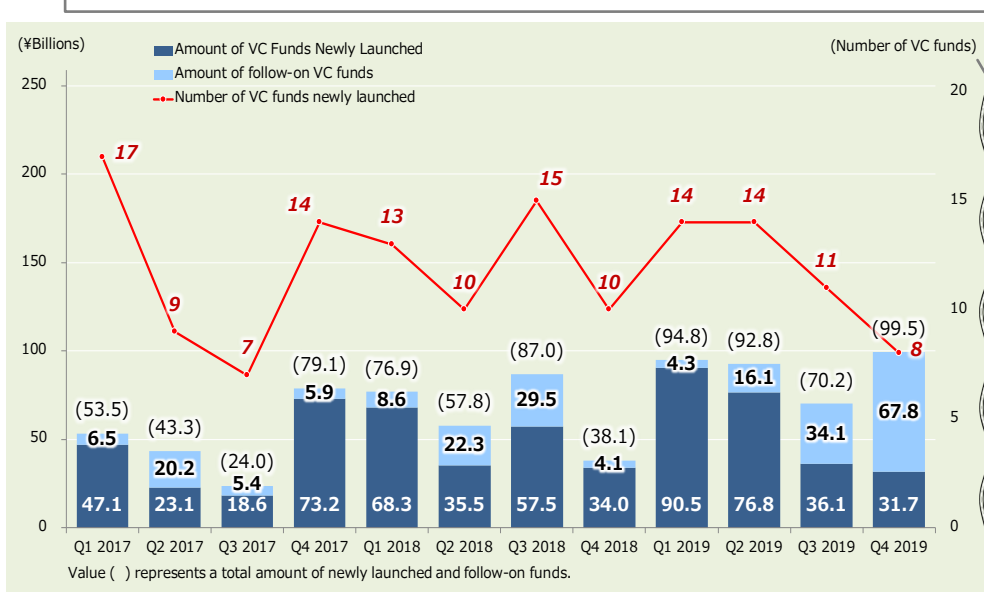
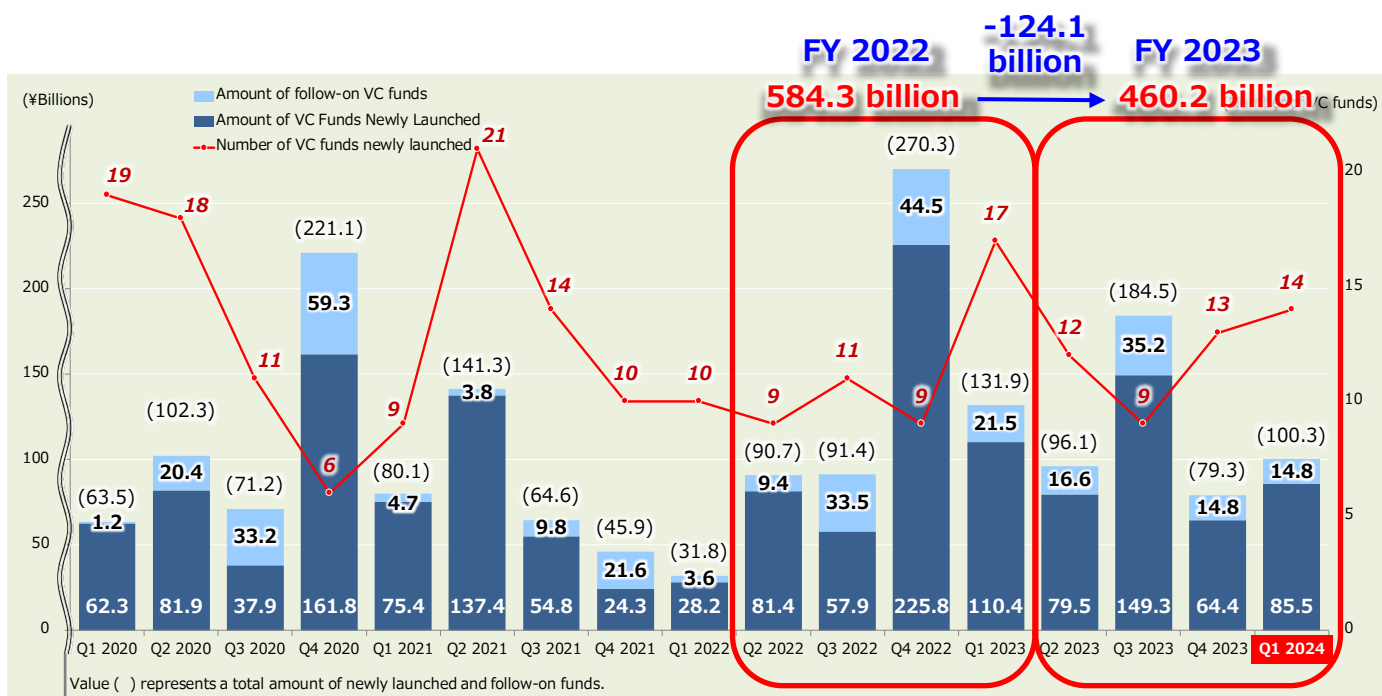
# 6. VC Funds Newly Launched in Q1 2024

**Figure 14: VC Funds Newly Launched and Follow-on Funds in Q1 2024**  
(Limited to the investment fund to startups)

17 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 2024							
VC funds newly launched						Follow-on	
Number of funds launched		Amount (¥Bil)		Per fund (¥Bil)		Amount (¥Bil)	
<b>14</b>	For overseas investments among the left	<b>85.5</b>	For overseas investments among the left	<b>6.1</b>	For overseas investments among the left	<b>14.8</b>	For overseas investments among the left
	<b>2</b>		<b>32.1</b>		<b>16.0</b>		<b>0.5</b>

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

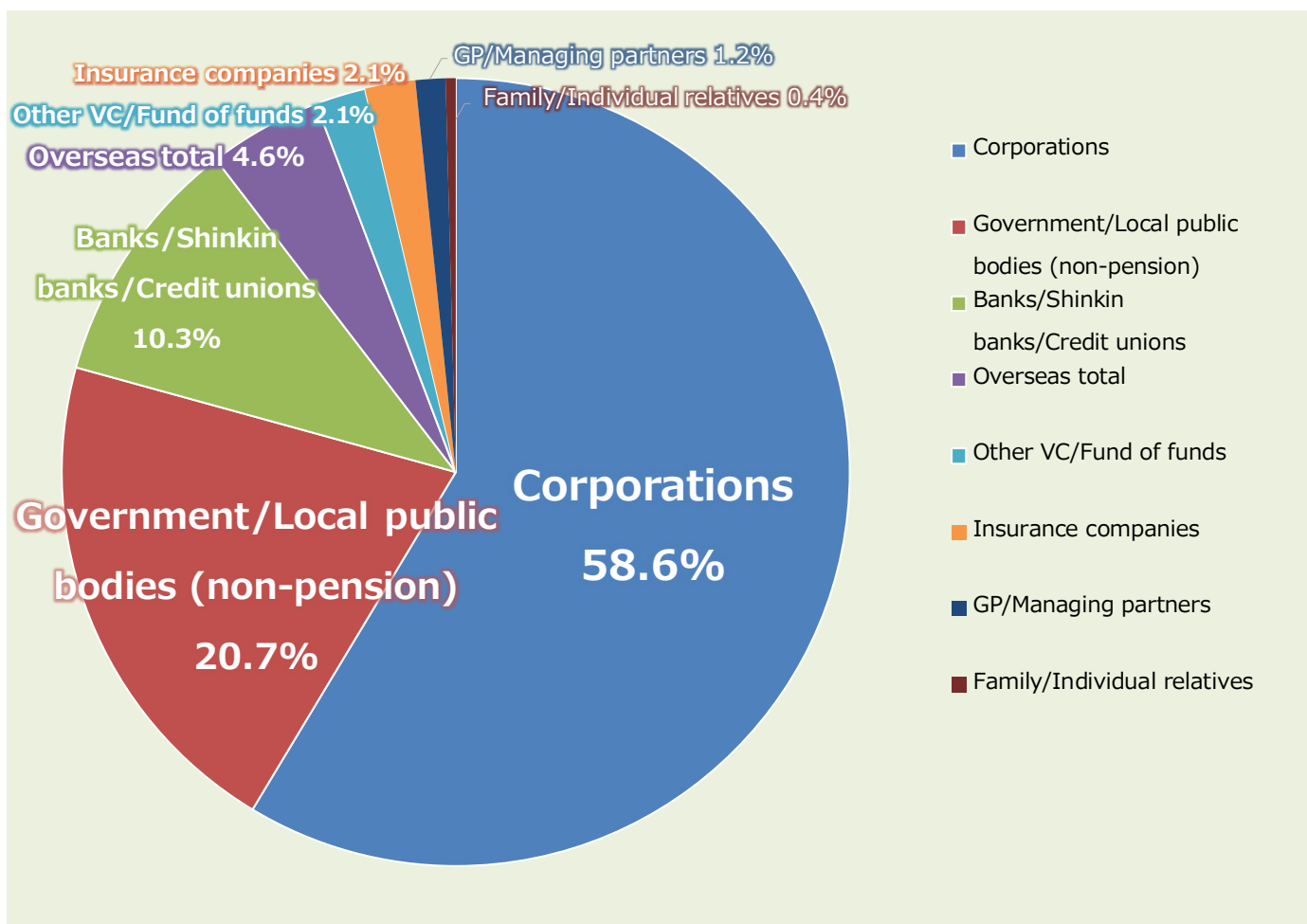


**Figure 16: Breakdown of Investment Amount by Investor Type for Funds Newly Launched in Q1 2024**

Note 1 : 7 firms that provided both figures of investment amount and number of investors 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	8	19.0%	592.5	1.2%	74.1	1	0.0
Domestic total	29	69.0%	45,576.5	94.1%	1,571.6	2	205.0
Family/Individual relatives	1	2.4%	200.0	0.4%	200.0	1	200.0
Other VC/Fund of funds	1	2.4%	1,000.0	2.1%	1,000.0	0	0.0
Corporations	14	33.3%	28,385.5	58.6%	2,027.5	1	5.0
Banks/Shinkin banks/Credit unions	8	19.0%	4,989.0	10.3%	623.6	0	0.0
Insurance companies	1	2.4%	1,000.0	2.1%	1,000.0	0	0.0
Brokerage firms	0	0.0%	0.0	0.0%	-	0	0.0
Pension funds	0	0.0%	0.0	0.0%	-	0	0.0
Government/Local public bodies (non-pension)	3	7.1%	10,000.0	20.7%	3,333.3	0	0.0
Academic Institutes	0	0.0%	0.0	0.0%	-	0	0.0
Other domestic	1	2.4%	2.0	0.0%	2.0	0	0.0
Overseas total	5	11.9%	2,250.0	4.6%	450.0	0	0.0
<b>Total</b>	<b>42</b>	<b>100.0%</b>	<b>48,419.0</b>	<b>100.0%</b>	<b>-</b>	<b>3</b>	<b>205.0</b>

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



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# The Result of Survey on Venture Capital Investment Trends in FY2023 (Final Report)

**[VEC YEARBOOK 2023] Japanese ver. was published on December 5<sup>th</sup>, 2023.**

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**[VEC YEARBOOK 2023 DATA] (English ver.)**

Published on February 5<sup>th</sup>, 2024

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.

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

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**Venture Enterprise Center, Japan (VEC)**

[vcdoukou@vec.or.jp](mailto:vcdoukou@vec.or.jp)

+81-3-3230-8902

<https://www.vec.or.jp/en/>