

Venture Enterprise Center, Japan (VEC) reports the results of our quarterly survey on venture capital (VC) investments by Japanese VC firms for the third quarter of 2024 (July to September 2024).

The total amount of VC investments in domestic companies in the third quarter of 2024

¥64.7 billion

UP 25.0%
 from the previous year

*125 firms that responded to the survey between October 21st and November 20th in 2024 are aggregated.

* [Period covered by the survey]: Current quarter: Q3 2024 (July to September 2024)
 Same quarter of last year: Q3 2023 (July to September 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: Q3 2023 and Q3 2024 Comparison

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

		Q3 2023				Q3 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)	46.7	19.4	66.0	22	60.1	26.7	86.8	19
	y/y % change					28.7%	38.0%		
	Deal count	300	66	366		386	70	456	
	y/y % change				28.7%	6.1%			
	Per deal (¥Mil)	155.6	293.2	180.4		155.7	381.6	190.4	
CVC	Amount (¥Bil)	5.0	2.2	7.2	14	4.6	2.5	7.1	13
	y/y % change					-9.3%	16.1%		
	Deal count	36	15	51		58	19	77	
	y/y % change				61.1%	26.7%			
	Per deal (¥Mil)	140.0	144.7	141.4		78.8	132.6	92.1	
VC+CVC Total	Amount (¥Bil)	51.7	21.5	73.3	36	64.7	29.2	93.9	32
	y/y % change					25.0%	35.8%		
	Deal count	336	81	417		444	89	533	
	y/y % change				32.1%	9.9%			
	Per deal (¥Mil)	154.0	265.7	175.7		145.7	328.4	176.2	

Note: Figures for Q3 2023 in Figure 1 are provided from VC firms which responded to the latest survey (Q3 2024), so that the figures presented in the above Figure 1 may not be consistent with the figures of Q3 2023 in Figure 3 and Figure 12, which are calculated based on investment amount and number of deals of Q3 2023 survey.

The total amount of VC investments in domestic companies in the first half of FY2024 * simple addition of quarterly reports

¥ 117.5 billion

UP 21.2%
from the previous fiscal year

Figure 2: Comparison of VC Investments in 2020-2024 between Calendar Year and Fiscal Year Basis

● Calendar Year Basis : January to December

(¥Billions)

Amount	CY2020	CY2021	CY2022	CY2023	CY2024			
					Jan-Mar	Apr-Jun	July-Sep	Subtotal
Domestic	151.2	227.7	255.0	212.1	44.8	52.9	64.7	162.3
Overseas	67.9	67.2	85.3	73.6	15.0	32.1	29.2	76.3
Total	219.1	294.8	340.3	285.7	59.7	85.0	93.9	238.6

(Deal count)

Deal count	CY2020	CY2021	CY2022	CY2023	CY2024			
					Jan-Mar	Apr-Jun	July-Sep	Subtotal
Domestic	1,160	1,395	1,676	1,477	402	416	444	1,262
Overseas	261	288	318	285	61	73	89	223
Total	1,421	1,683	1,994	1,762	463	489	533	1,485

● Fiscal Year Basis : April to next March

(¥Billions)

Amount	FY2020	FY2021	FY2022	FY2023	FY2024		
					Apr-Jun	July-Sep	Subtotal
Domestic	158.2	261.8	238.6	193.4	52.9	64.7	117.5
Overseas	63.3	70.8	83.5	73.5	32.1	29.2	61.4
Total	221.5	332.7	322.1	267.0	85.0	93.9	178.9

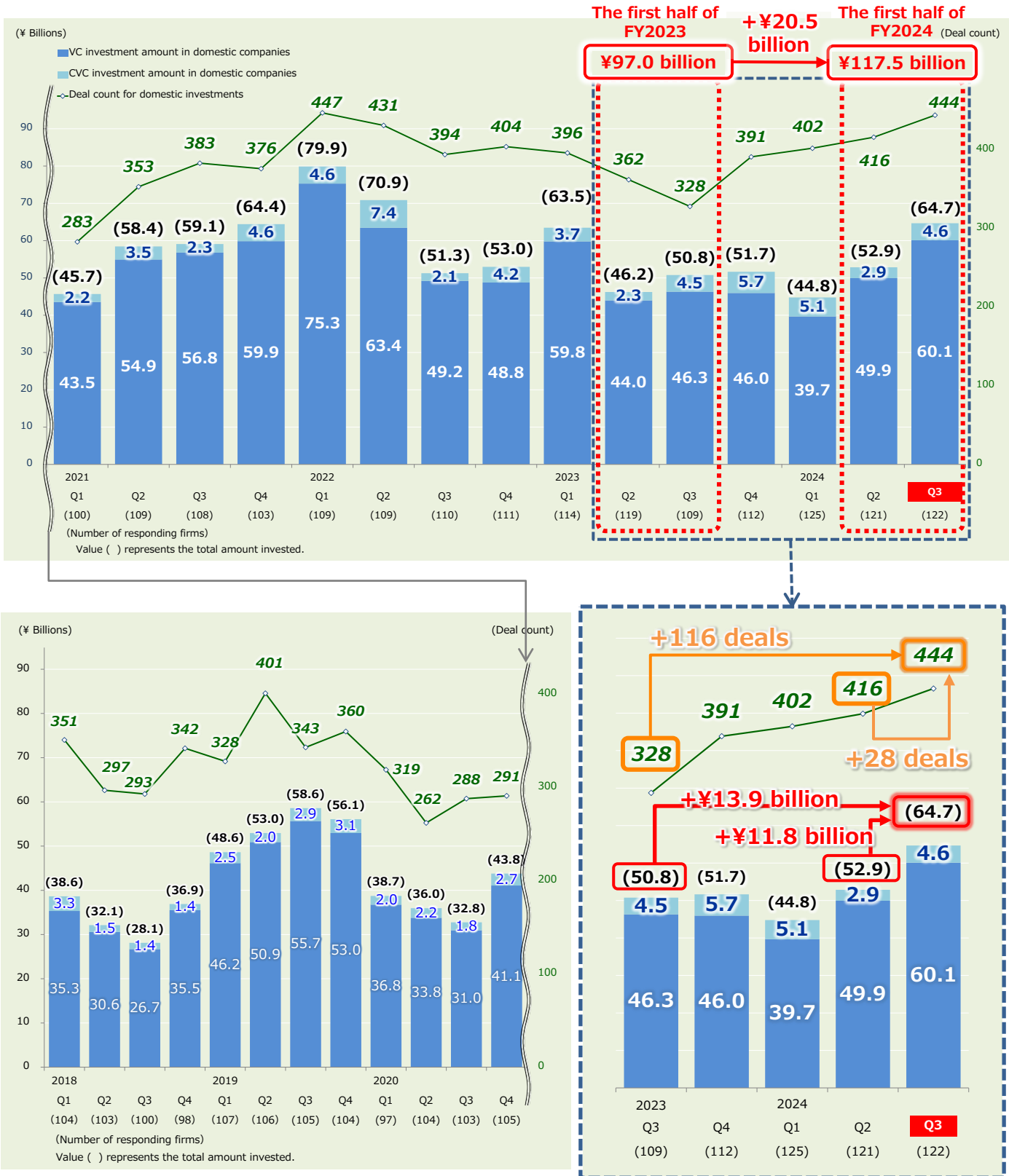
(Deal count)

Deal count	FY2020	FY2021	FY2022	FY2023	FY2024		
					Apr-Jun	July-Sep	Subtotal
Domestic	1,124	1,559	1,625	1,483	416	444	860
Overseas	247	311	306	280	73	89	162
Total	1,371	1,870	1,931	1,763	489	533	1,022

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 Q3 2024: Domestic and Overseas

120 firms that provided figures for Q3 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	1,611.3	2.6%	0.0	0.0%	1,611.3	1.8%
2. Computers and Peripherals/IT Services	25,980.2	41.7%	15,917.2	54.6%	41,897.4	45.8%
3. Software	2,670.8	4.3%	0.0	0.0%	2,670.8	2.9%
4. Semi-conductors/Electrical Machinery & Equipment	1,572.3	2.5%	350.0	1.2%	1,922.3	2.1%
5. Biotechnology/Pharmaceutical	7,360.5	11.8%	1,936.7	6.6%	9,297.1	10.2%
6. Medical Devices & Equipment/Healthcare-related Services	1,755.8	2.8%	158.0	0.5%	1,913.8	2.1%
7. Industrial/Energy/Others	6,640.7	10.7%	7,989.4	27.4%	14,630.1	16.0%
8. Media/Entertainment/Retailing/Consumer Goods	10,017.2	16.1%	1,044.9	3.6%	11,062.2	12.1%
9. Finance/Real Estate/Business Services	4,632.9	7.4%	1,762.9	6.0%	6,395.9	7.0%
Decarbonization-related (among the above)	1,241.7	2.0%	626.9	2.2%	1,868.6	2.0%
Total	62,241.5	100.0%	29,159.1	100.0%	91,400.7	100.0%

Figure 5: Domestic Investment Amount by Industry in Q3 2024
(Percentage of JPY value invested)

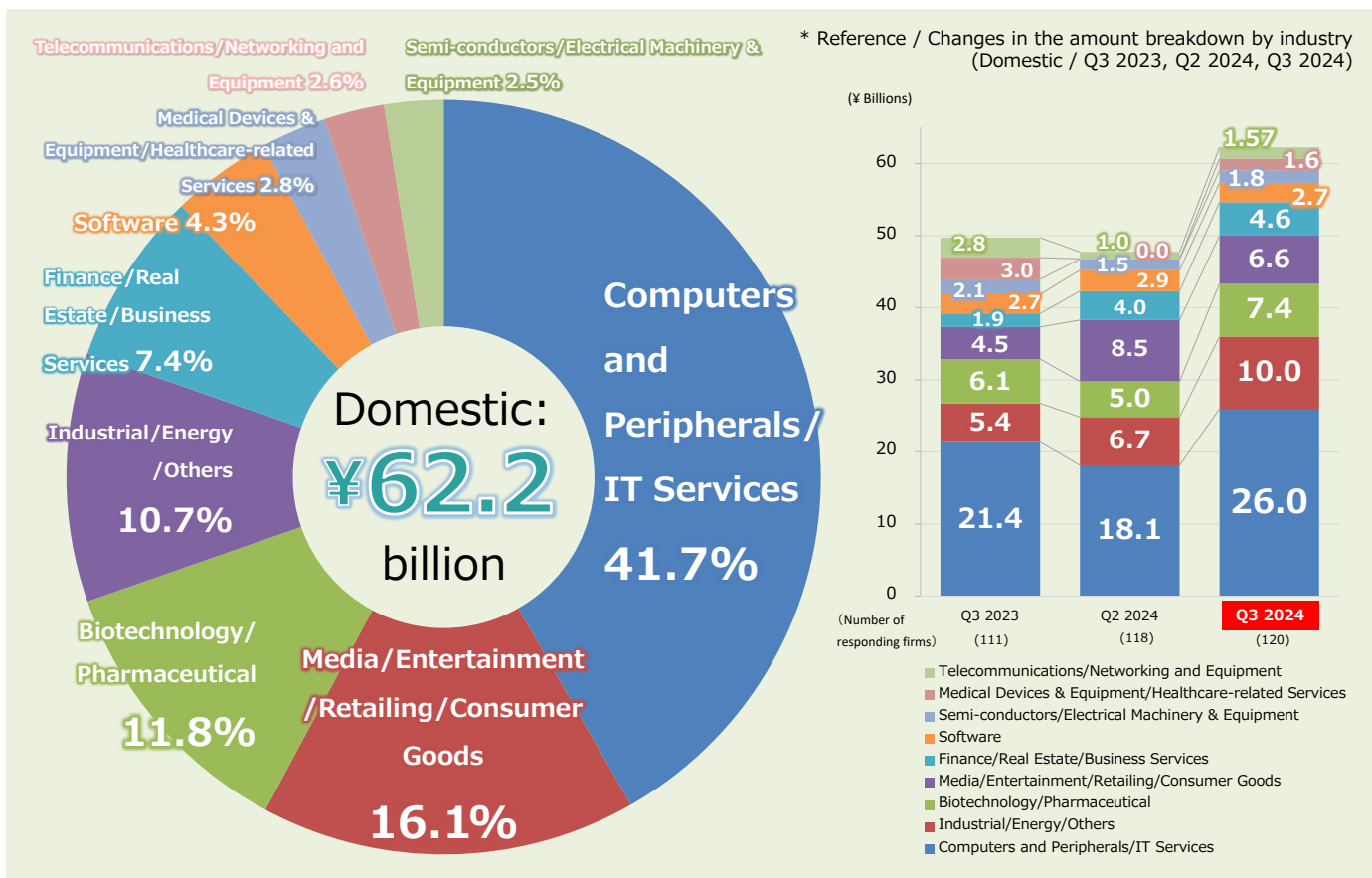


Figure 6: Domestic Investment Amount by Industry: Comparison between Q2 2024 and Q3 2024

Q2 2024: 118 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)
 Q3 2024: 120 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)	Q2 2024		Q3 2024	
		Amount(¥Mil)	Percentage	Amount(¥Mil)	Percentage
1. IT-related 51.1%	Telecommunications/Networking and Equipment	50.0	0.1%	1,611.3	2.6%
	Computers and Peripherals/IT Services	18,140.3	38.0%	25,980.2	41.7%
	Software	2,901.6	6.1%	2,670.8	4.3%
	Semi-conductors/Electrical Machinery & Equipment	951.1	2.0%	1,572.3	2.5%
2. Biotech/Medical Services/ Health Care 14.6%	Biotechnology/Pharmaceutical	4,956.0	10.4%	7,360.5	11.8%
	Medical Devices & Equipment/Healthcare-related Services	1,537.0	3.2%	1,755.8	2.8%
3. Industrial/Energy/Other Industries 10.7%	Industrial/Energy/Others	8,497.3	17.8%	6,640.7	10.7%
4. Products/Services 23.5%	Media/Entertainment/Retailing/Consumer Goods	6,699.8	14.0%	10,017.2	16.1%
	Finance/Real Estate/Business Services	3,999.2	8.4%	4,632.9	7.4%
Decarbonization-related (Among the above)		727.0	1.5%	1,241.7	2.0%
Total		47,732.3	100.0%	62,241.5	100.0%

Figure 7: Domestic Investment Deal Count by Industry: Comparison between Q2 2024 and Q3 2024

Q2 2024: 118 firms that provided both figures of industrial breakdown and the total are included in the calculation. ("0" is considered a valid response)
 Q3 2024: 120 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)	Q2 2024		Q3 2024	
		Deal count	Percentage	Deal count	Percentage
1. IT-related 43.3%	Telecommunications/Networking and Equipment	1	0.3%	10	2.4%
	Computers and Peripherals/IT Services	117	29.8%	116	28.2%
	Software	37	9.4%	38	9.2%
	Semi-conductors/Electrical Machinery & Equipment	9	2.3%	14	3.4%
2. Biotech/Medical Services/ Health Care 19.0%	Biotechnology/Pharmaceutical	48	12.2%	50	12.2%
	Medical Devices & Equipment/Healthcare-related Services	29	7.4%	28	6.8%
3. Industrial/Energy/Other Industries 15.8%	Industrial/Energy/Others	73	18.6%	65	15.8%
4. Products/Services 21.9%	Media/Entertainment/Retailing/Consumer Goods	44	11.2%	54	13.1%
	Finance/Real Estate/Business Services	35	8.9%	36	8.8%
Decarbonization-related (Among the above)		10	2.5%	12	2.9%
Total		393	100.0%	411	100.0%

3. VC Investments by Stage (Domestic)

Figure 8: Investment Amount by Stage

Q3 2023 : 109 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Q2 2024 : 117 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Q3 2024 : 119 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(¥ Millions)

Stage	Q3 2023		Q2 2024		Q3 2024		y/y	q/q
	Amount	%	Amount	%	Amount	%		
Seed	7,787.5	17.9%	5,291.4	13.4%	11,350.9	20.7%	+2.9 points	+7.3 points
Early	17,707.6	40.6%	17,824.4	45.1%	26,225.1	47.9%	+7.2 points	+2.7 points
Expansion	8,111.4	18.6%	12,103.4	30.6%	8,281.8	15.1%	-3.5 points	-15.5 points
Later	9,982.6	22.9%	4,272.2	10.8%	8,924.7	16.3%	-6.6 points	+5.5 points
Total	43,589.1	100.0%	39,491.4	100.0%	54,782.6	100.0%		

Figure 9: Investment Deal Count by Stage

Q3 2023 : 109 firms that provided figures are included in the calculation. ("0" is considered a valid response)

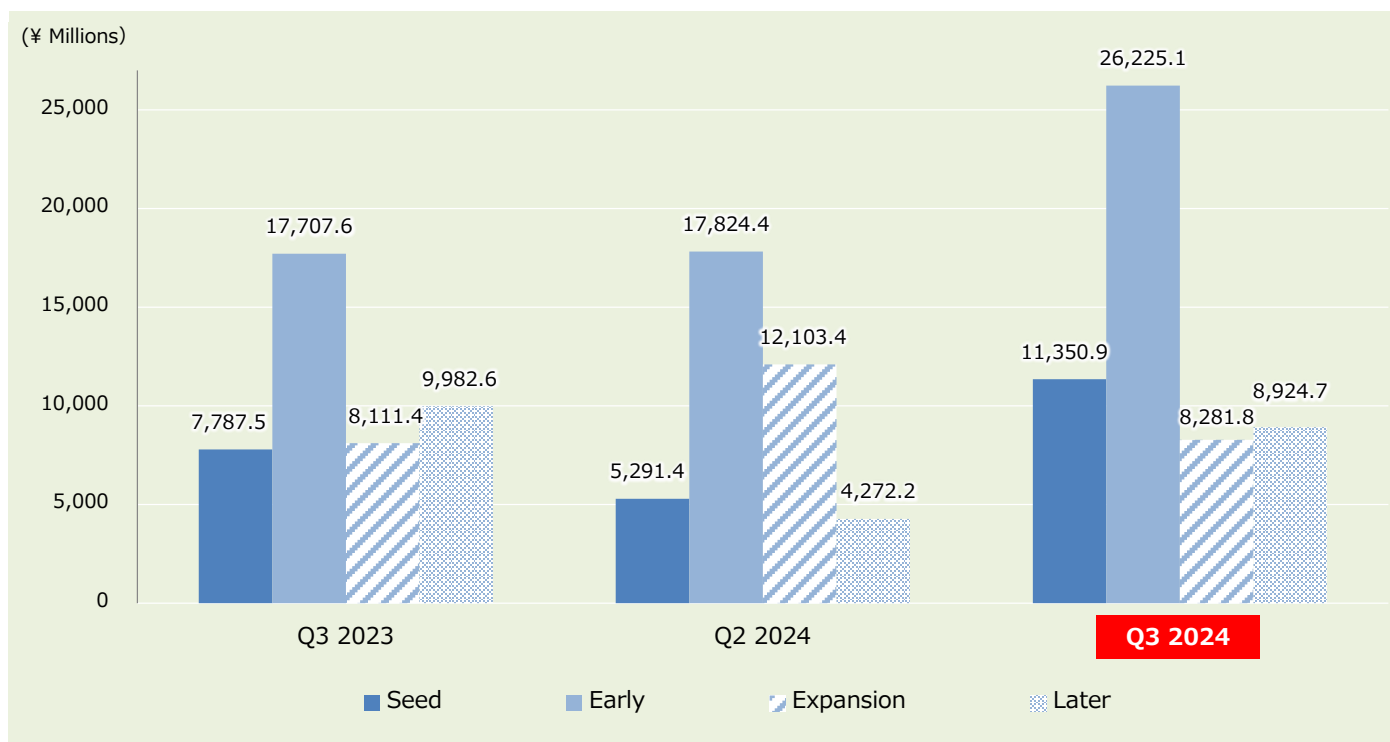
Q2 2024 : 117 firms that provided figures are included in the calculation. ("0" is considered a valid response)

Q3 2024 : 119 firms that provided figures are included in the calculation. ("0" is considered a valid response)

(Deal count)

Stage	Q3 2023		Q2 2024		Q3 2024	
	Count	%	Count	%	Count	%
Seed	59	21.1%	89	24.4%	96	25.3%
Early	148	53.0%	162	44.4%	175	46.1%
Expansion	44	15.8%	87	23.8%	65	17.1%
Later	28	10.0%	27	7.4%	44	11.6%
Total	279	100.0%	365	100.0%	380	100.0%

Figure 10: Investment Amount Comparison by Stage



4. Investment Amount by Industry and Stage (Domestic)

Figure 11: Investment Amount by Industry and Stage

(¥ Millions) Q3 2024 : 119 firms that provided figures are included in the calculation. ("0" is considered a valid response)

	Seed	Early	Expansion	Later	Total
Telecommunications/Networking and Equipment	580.9	510.0	0.0	520.4	1,611.3
Computers and Peripherals/IT Services	4,420.1	13,366.6	2,194.1	1,443.2	21,424.0
Software	154.7	1,744.0	522.1	250.0	2,670.8
Semi-conductors/Electrical Machinery & Equipment	996.4	370.0	205.8	0.0	1,572.3
Biotechnology/Pharmaceutical	859.3	1,909.3	2,751.0	656.1	6,175.8
Medical Devices & Equipment/Healthcare-related Services	115.0	594.9	370.0	675.9	1,755.8
Industrial/Energy/Others	1,040.0	3,718.2	611.0	951.5	6,320.7
Media/Entertainment/Retailing/Consumer Goods	2,939.5	3,149.6	897.9	1,632.1	8,619.1
Finance/Real Estate/Business Services	245.0	862.5	730.0	2,795.5	4,632.9
Total	11,350.9	26,225.1	8,281.8	8,924.7	54,782.6

5. Data on VC Investments in Overseas Companies

Figure 12: Quarterly Trend of VC and CVC Investments

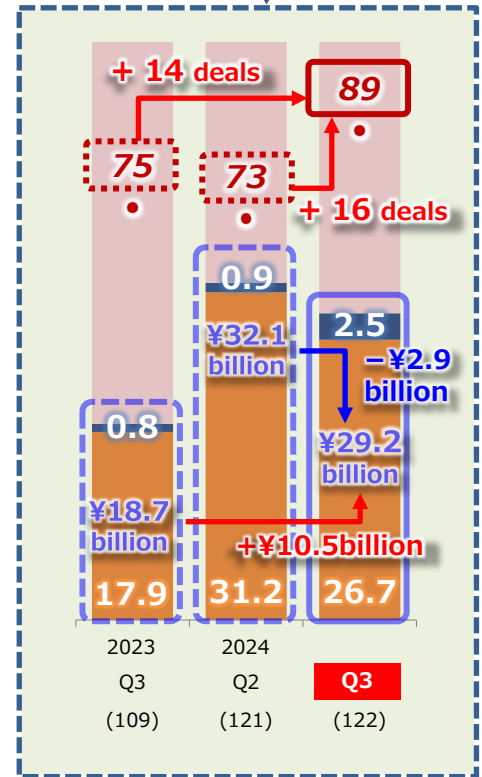
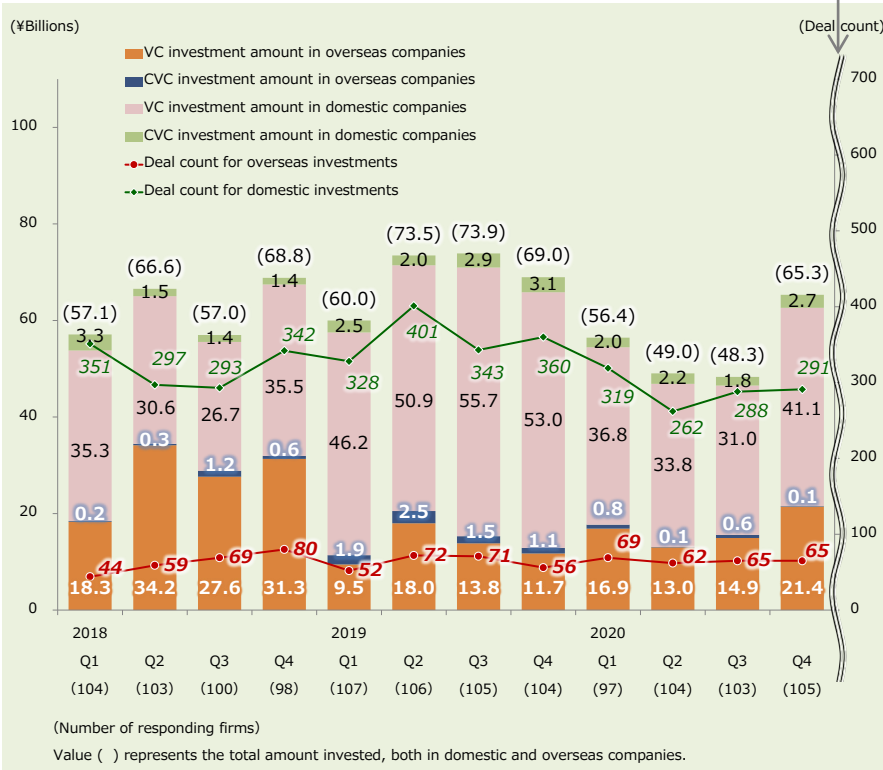
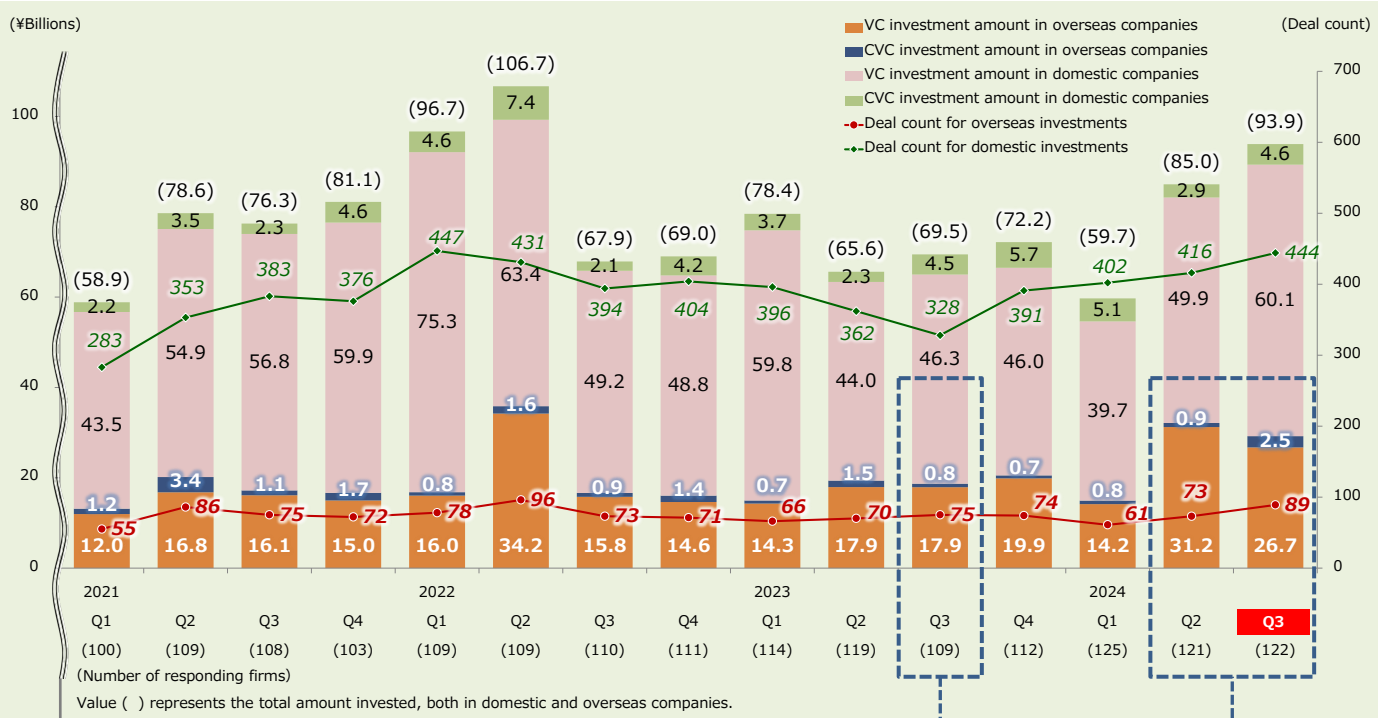
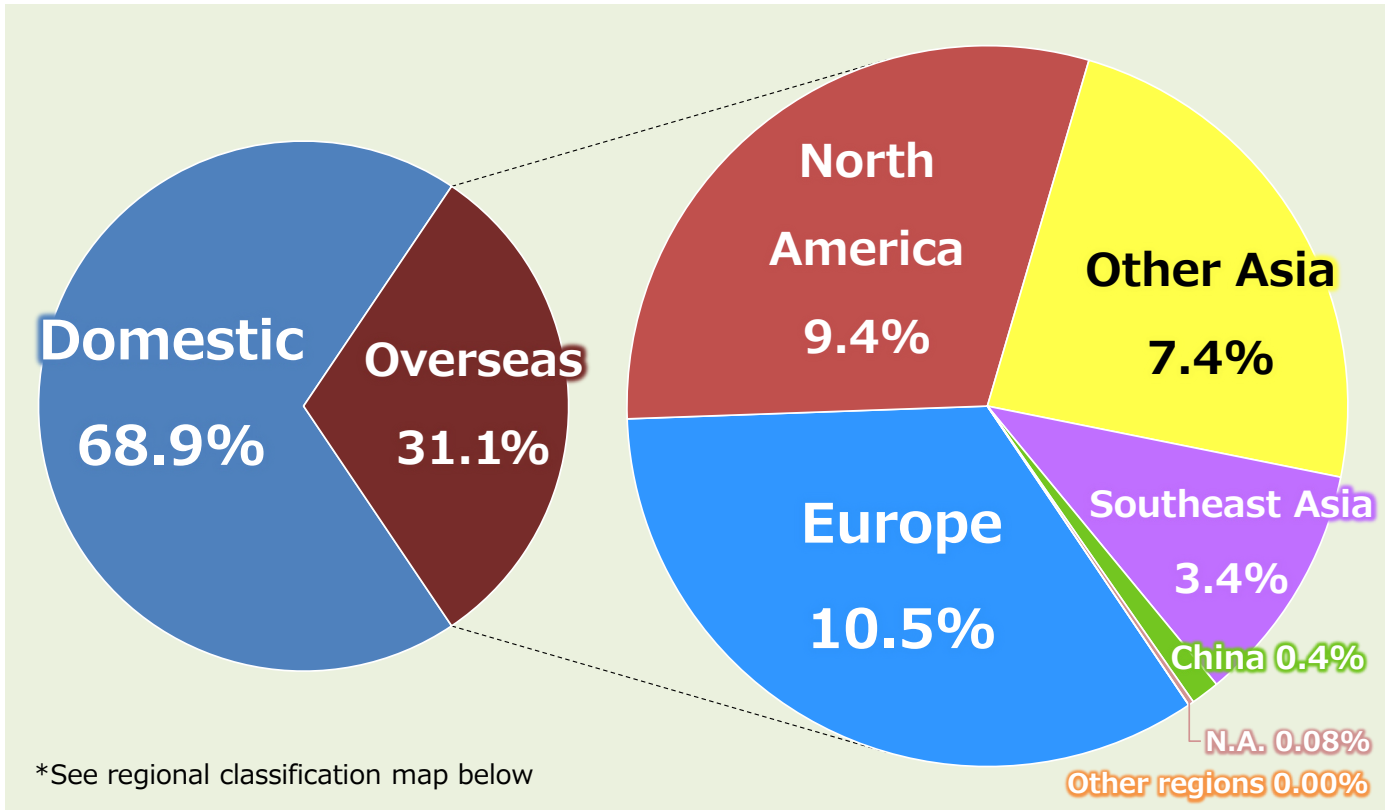


Figure 13: Investment Amount by Region in Q3 2024
 : Domestic and Overseas (Percentage of JPY value invested)



6. New VC Funds Launched in Q3 2024

Figure 14: New VC Funds Launched and Follow-on Funds in Q3 2024
(Limited to the investment fund to startups)

19 firms that provided both figures of amount and number of deals for domestic and overseas are included in the calculation.

Q3 2024							
VC funds newly launched				Follow-on			
Number of funds launched		Amount (¥Bil)		Per fund (¥Bil)		Amount (¥Bil)	
13	For overseas investments among the left	57.8	For overseas investments among the left	4.4	For overseas investments among the left	15.3	For overseas investments among the left
	3		19.6		6.5		0.0

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

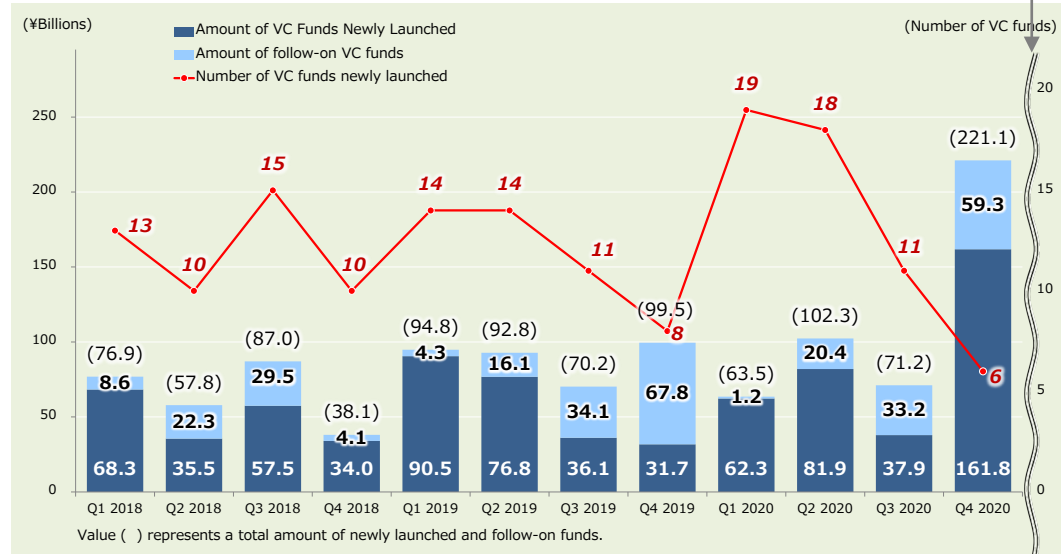
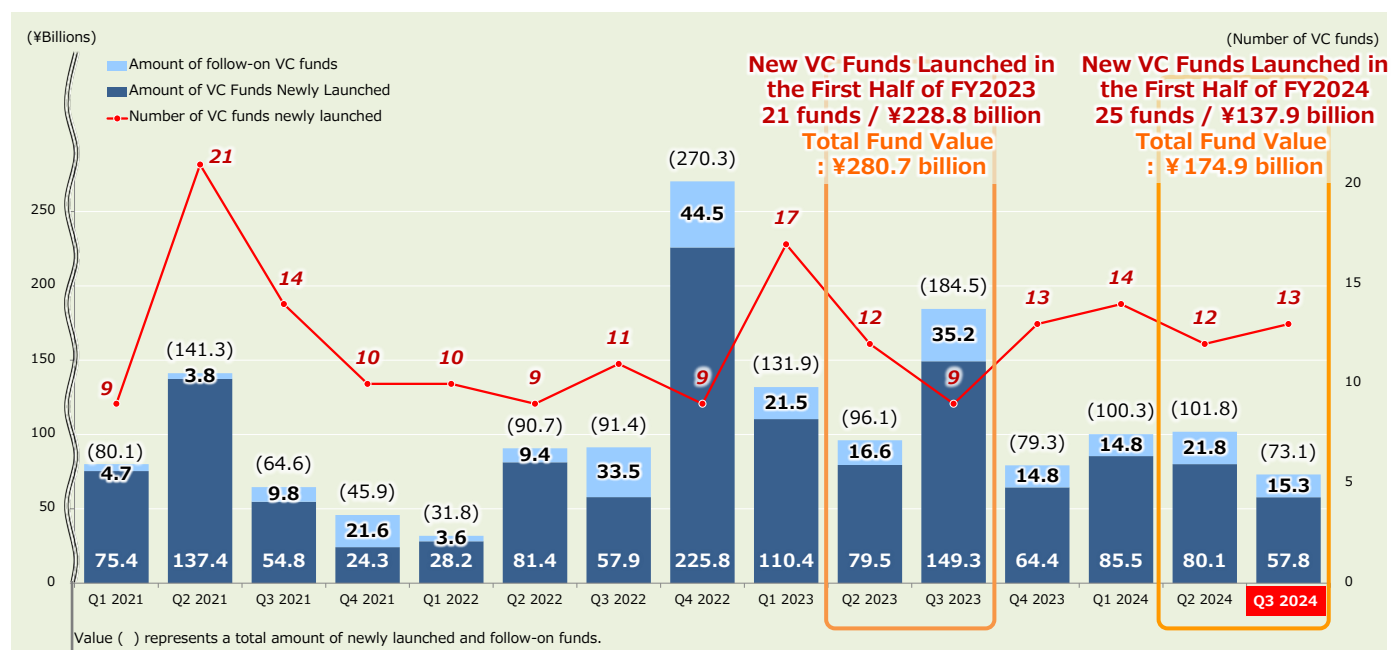
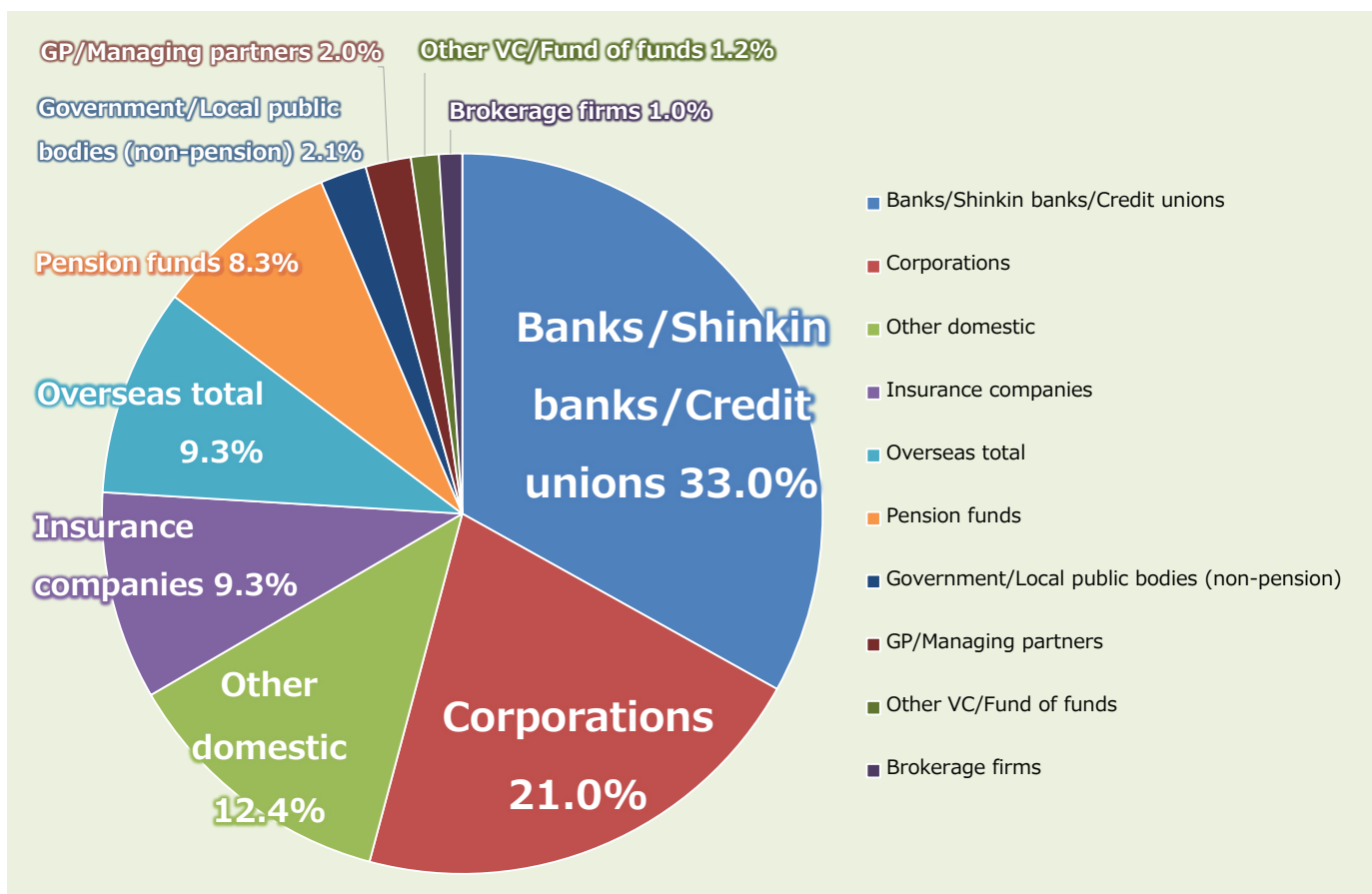


Figure 16: Breakdown of Investment Amount by Investor Type for New Funds Launched in Q3 2024

Note 1 : 10 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)
		Percentage		Percentage	
GP/Managing partners	10	11.9%	983.0	2.0%	98.3
Domestic total	70	83.3%	42,837.0	88.7%	612.0
Family/Individual relatives	5	6.0%	160.0	0.3%	32.0
Other VC/Fund of funds	2	2.4%	600.0	1.2%	300.0
Corporations	33	39.3%	10,140.0	21.0%	307.3
Banks/Shinkin banks/Credit unions	18	21.4%	15,937.0	33.0%	885.4
Insurance companies	4	4.8%	4,500.0	9.3%	1,125.0
Brokerage firms	1	1.2%	500.0	1.0%	500.0
Pension funds	3	3.6%	4,000.0	8.3%	1,333.3
Government/Local public bodies (non-pension)	1	1.2%	1,000.0	2.1%	1,000.0
Academic Institutes	0	0.0%	0.0	0.0%	-
Other domestic	3	3.6%	6,000.0	12.4%	2,000.0
Overseas total	4	4.8%	4,500.0	9.3%	1,125.0
Total	84	100.0%	48,320.0	100.0%	-

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" and "CY2024 H1"

VEC YEARBOOK 2024

Japanese ver. was published on December 4th, 2024!

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- Chap.2 Japanese Startup Business Survey
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- Chap.4 Overseas Venture Capital Investment Trends
- Reference Support for Startups Provided by Government and Other Relevant Organization

Data

Survey on Venture Capital Investment Trends



VEC YEARBOOK 2024 DATA (English ver.)

to be published around February-March 2025.

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.

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Venture Enterprise Center, Japan (VEC) <<https://vec.or.jp/en>>
+81-3-3230-8902 / vcdoukou@vec.or.jp