

JIC Activities / Focus

March 2026 Fiscal Year

June 26, 2026

Japan Investment Corporation

Activities in FY 2025

Status of JIC Fund Commitments (as of March 31, 2026)

- Since 2019, JIC has made investment commitments totaling approximately JPY2,600.5 billion in private funds and funds managed by two group subsidiaries (JIC VGI and JIC Capital(JICC)). (As of March 31, 2026)
- In FY2025, JIC committed to investing a total of JPY74.5 billion in 12 private funds and made the decision to invest a total of approximately JPY800 billion in JICC second Fund.



Private Fund

Funds: 60
Total commitments: JPY341.3 billion

Strategy	No. of Funds	Pledged Amount
VC	55	JPY256.3 billion
PE • Other	5	JPY85.0 billion



JIC VGI

VG1: JPY120 billion (Sep. 2020)
VG2: JPY200 billion (Jan. 2023)
Opportunity Fund: JPY40 billion (Sep. 2023)



JIC
(Buyout / Large-growth)

PEF1: JPY200 billion (Nov. 2020)
PEFJ1: JPY900 billion (Oct. 2022: decision to change)
PEF2*: JPY600 billion (Nov. 2025)
PEFJ2: JPY200 billion (Nov. 2025)

*PEF2 includes investments made through affiliated funds.

VCs, Startups

- From **Pre-seed** to **Early** and **Growth**, JIC provides support from the initial stages of building a foundation for growth while also focusing on priority areas such as **Deep Tech**, **Life Science**, and **Go Global**.
- Having published a Model Term Sheet, JIC is implementing **initiatives aimed at improving LPA for domestic funds**.

JIC:

- **58 total investments involving VCs** (JIC VGI: 3, private VCs: 55)
 - By expanding the supply of risk capital during the Growth stage, JIC **supports further growth prior to IPO**.
 - *FY25: Minerva 2, GLIN2, NEA19VGE, GA2025
 - JIC **supports the growth of Deep Tech startups** by leveraging untapped regional management resources.
 - *FY25: KUC2
 - JIC also invests in overseas VCs focusing on the Deep Tech sector.
 - *FY25: Lux9
- JIC portfolio VCs have made a **cumulative total of 1,292 investments*** (Total amount: JPY255.5 billion) in startups. (Based on JIC equity stakes as of December 2025)

* VCs with multiple portfolio companies in same sector are treated as single entity

JIC VGI:

- Including investments in the Deep Tech and Life Science sectors, JIC VGI made **new investments in 34 companies (investment amount: approx. JPY38 billion), bringing the cumulative total to 115 companies (cumulative investment amount: approx. JPY151.9 billion)**.

JIC VGI has completed 7 IPOs, 3 M&A transactions, and 2 share transfers. (As of March 31, 2026)
- JIC VGI has made **19 follow-on investments** tailored to the growth stages of portfolio companies to support their sustainable growth.

PE

- ① LP investment in Japan-focused buyout funds making large-scale deals
***April 2026: Polaris No. 6, NSSK**
- ② JICC: Initiatives for minority investments in deals led by private funds
- ③ **JICC second Fund established in November 2025**

(Reference)

* Red text indicates changes or additions made after JIC's December 2025 press conference

① Investments in Japan-focused buyout funds investing in large-scale deals

Our vision

- As the number of potential large-scale deals increases, ensuring a diverse pool of acquirers will further facilitate deal completion.
- As large-scale deals are finalized, an increasing number of cases will lead to major industry restructuring, including at the time of fund exit.

• Target funds

- Buyout funds focusing on the domestic market and managed by GPs with the intention and capability to handle large-scale deals (JPY100 billion or more) (Assumed fund size: JPY200 billion or more)
- **LP investment amount: up to JPY50 billion**

② Minority investments in deals led by private funds

Our vision

- For large-scale projects in which private funds cannot participate due to investment caps stipulated in partnership agreements, JICC minority investment will make it possible to provide support to operating companies.
- **Deals are expected to align with the areas (themes, business sectors) in which JICC is involved**
 - Themes: Industry restructuring, growth investment, business restructuring
 - Business sectors: 9 JICC focus areas
- **Target investment:** Common stock, preferred stock
- **Amount:** Assumes allocations of **JPY50 billion or less** for the sake of JICC portfolio diversification
- Example: Large-scale carveout, mid-sized company roll-up

③ Establishment of JICC PEF2

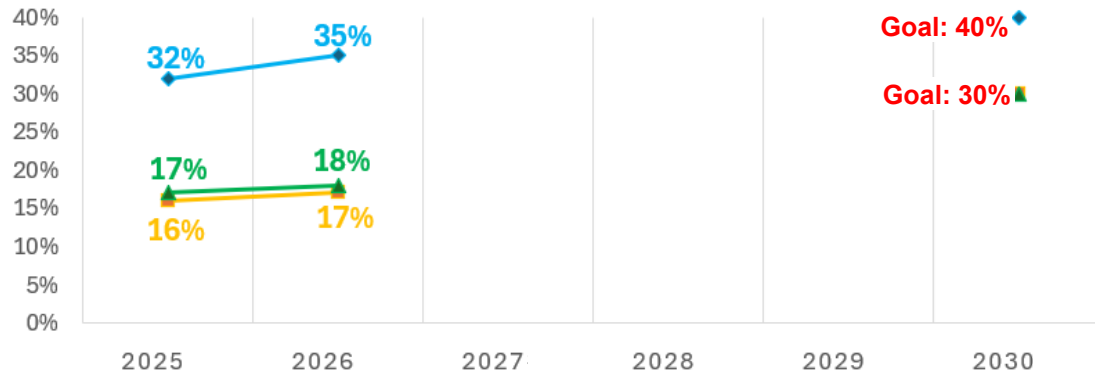
PEF1 Fund investments are progressing, PEF2 Fund established in November 2025

- ✓ **Main Fund (PEF2) JPY600 bil.**
- ✓ **Large-Scale Fund (PEFJ2) JPY200 bil.**
- **JICC themes**
 - Industry restructuring (at investment, during holding period, upon exit)
 - Growth investments to create new industries
 - Business restructuring (private sector led)
- **Target sectors: 5 priority areas + 4 other sectors** (chosen due to need for industry consolidation, growth investment, business restructuring as well as investment opportunities)
 - **5 priority areas (revised):** Semiconductors/Electronic Components, Chemicals, Healthcare, **Transportation Equipment, Manufacturing**
 - **4 other sectors: Materials, Mobility, IT, Infrastructure** (social, telecommunications, energy-related, etc.)
- **Actively leveraging joint investments with corporates, private funds**
- **Approx. scale of JICC investment**
 - JICC led: less than JPY100 bil.
 - Private led: JPY50 bil. or less
 - PEFJ2 will be used for investments exceeding the above limits

Promoting Women's Participation at JIC

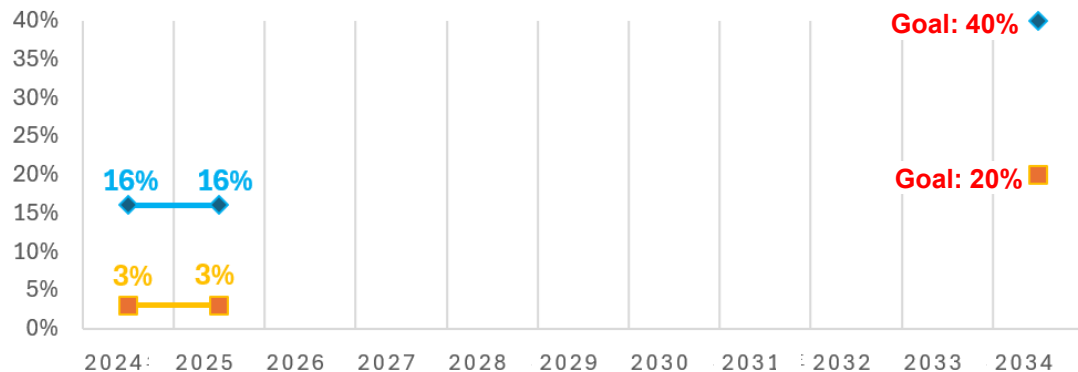
- JIC Group Current Status (as of May 31, 2026)

- ◆ The group-wide ratio of women
- The group-wide ratio of women in the front office
- ▲ The group-wide ratio of women involved in management and investment decision-making



- Portfolio Monitoring Results (as of December 31, 2025)

- ◆ Ratio of women investment professionals across all domestic investee funds
- Ratio of domestic investee funds which include women among their decision-makers



Priority Investment Areas Initiatives & Review

Investment focus areas



Creating a positive cycle of domestic investment and innovation

To enhance Japan's industrial competitiveness, support business activities that contribute to a positive cycle of domestic investment and innovation in industries requiring sustainable growth and access to significant amounts of risk capital over the long term.



Creating and developing startups

To accelerate the creation and nurturing of startups, which are drivers of economic growth and innovation, and to foster the creation of global unicorns and support businesses that contribute to development of the startup ecosystem.



Leveraging untapped regional management resources

To address the need for funding among local academic startups and leading medium-sized enterprises that possess technologies with high earning and innovation potential that are not being fully leveraged due to a lack of risk capital and human resources.



Promoting business consolidation in response to changes in market and business environments

To support enhancement of industrial competitiveness through medium- to long-term growth investments and industry consolidation for businesses that can respond to recent changes in the business environment through business consolidation.

Investment Themes

Deep Tech
(June 2020)

Life Science
(June 2020)

Climate Tech/GX
Target Area Expansion
(Nov. 2021/Nov. 2024)

Open Innovation
(Sep. 2021)

Seed/Pre-Seed
(Oct. 2021)

Early
(May 2025)

Growth
(June 2020)

Secondary
(Mar. 2022)

Go Global/Future Policy
(Sep. 2022/Sep. 2025)

Aftermarket (VGI)
(Sep. 2023)

Industry-Academia
(Sep. 2020)

Carve-Out/Roll-Up
(June 2021)

Engagement
(Nov. 2024)

Buyout Fund
For Large-Scale Deals
(May 2025)

- Centering on four focus areas, JIC has been conducting research on fields with policy priorities, but which lack private risk capital, and establishing "investment themes" to be addressed.

Review of Initiatives of each Investment Theme



Theme	Review	Challenges
Life Science (LS)	<ul style="list-style-type: none"> • Help establish VCs capable of providing comprehensive support, including talent, market access, and strategy, to leverage drug discovery seeds from Japan. • Support LS early stage via VGI 	<ul style="list-style-type: none"> • Startups focusing on the domestic market struggle to exit (“JPY10 billion market capitalization at IPO” issue)
Deep Tech (DT)	<ul style="list-style-type: none"> • Invest in numerous emerging VCs focusing on (not just university-affiliated VCs) • Promote investment in DT startups by IT-focused VCs • Support DT early stage via VGI 	<ul style="list-style-type: none"> • Fundraising from middle-stage onward • Support for global expansion • VC as producer
Growth	<ul style="list-style-type: none"> • Support the establishment of additional investment vehicles for existing VCs • Support emerging domestic growth VCs • Attract overseas VCs 	<ul style="list-style-type: none"> • Shortage of domestic growth GPs (currently building up track records) • Increase in growth-oriented investment opportunities available to global growth funds • Shortage of cross-over investors
Industry-Academia	<ul style="list-style-type: none"> • VCs compliant with JIC investment guidelines are already taking proactive measures 	<ul style="list-style-type: none"> • University-affiliated funds with structures that make it difficult for institutional investors to invest
Carve-Out/Roll-Up	<ul style="list-style-type: none"> • Support emerging asset managers and co-investment vehicles 	<ul style="list-style-type: none"> • Shortage of players that focus on this strategy
Open Innovation	<ul style="list-style-type: none"> • Collaboration with overseas investee startups has progressed 	<ul style="list-style-type: none"> • Ongoing investment by corporates in private VCs
Seed/Pre-Seed	<ul style="list-style-type: none"> • Support multiple VCs aiming to reach a certain scale (fund size of JPY4 billion or greater) 	<ul style="list-style-type: none"> • VCs like Day One Global who support major challenges from the beginning
Climate Tech	<ul style="list-style-type: none"> • Support VCs active in this field 	<ul style="list-style-type: none"> • Small number of eligible players
Secondary	<ul style="list-style-type: none"> • Secondary investment by VGI (concurrent with primary investment) • Support several emerging secondary fund managers 	<ul style="list-style-type: none"> • Increase in secondary acquisitions by growth VCs
Go Global	<ul style="list-style-type: none"> • Expanded in 2025 (Growth, DT) following a trial period in 2023-25 to verify ecosystem contribution 	<ul style="list-style-type: none"> • Continuing to identify and negotiate with top-tier VCs expected to make meaningful contributions to Japan's ecosystem
Engagement	<ul style="list-style-type: none"> • Support emerging asset managers 	
Large Buyout Deals	<ul style="list-style-type: none"> • Make commitments to invest in 2 funds • Proposals for co-investment with JICC (from domestic and foreign investors) increased 	<ul style="list-style-type: none"> • For co-investment with JICC, discusses the policy significance of each individual project and proceeds on a selective basis

Review

Challenges

Looking Ahead

	Review	Challenges	Looking Ahead
① Fund Supply	<ul style="list-style-type: none"> Focus investment in areas where private funding is inadequate (Deep Tech, Growth, etc.) and expand the volume and scope of risk capital supply Through LP investments in private funds, serve as a catalyst for the market and promote diversification of players by investing in emerging VCs 	<p>Total startup funding remains flat</p> <ul style="list-style-type: none"> External factor: Since 2022, the forecast market cap of startup IPOs has halved Growth stage investment has stalled (valuations have plateaued) Funding from JIC—which primarily matches private capital—has not increased significantly due to delays in fundraising by private VCs (since 2024, investment by financial institutions and corporates has stagnated as the result of a shift toward in-house VCs and 2-party partnerships, and changes in business strategies) 	<ul style="list-style-type: none"> Expanding the supply of capital and strengthening the startup ecosystem go hand in hand Startups are expected to thrive in growth sectors (e.g., Go Global, DT, LS, and AI applications) Shifting toward an ecosystem where investment and diverse forms of support from a variety of GPs, each offering unique perspectives, can be expected <p>Examples:</p> <ul style="list-style-type: none"> Identifying and supporting VCs acting as producers in the DT sector Growth VCs that can support significant growth <p>→ Expanding market depth from both the “startup” and “VC/growth fund” perspectives</p>
② Startup Ecosystem Vitalization	<ul style="list-style-type: none"> Promote advancement of systems and practices in Japan’s VC market via improved governance for GPs and the introduction of fair value accounting, among other measures Promote expansion and diversification of the player base via support from the first fund and through partnerships with overseas VCs 20+ VCs have been entrusted with institutional investor funds 	<ul style="list-style-type: none"> Only a small number of GPs have achieved a track record (returns) sufficient to consistently attract funds from domestic and international institutional investors Lack of domestic players with a playbook for supporting growth-stage startups Diversification of the playbook used by capitalists (including greater background diversity and the use of external advisors) 	<p>Examples:</p> <ul style="list-style-type: none"> Identifying and supporting VCs acting as producers in the DT sector Growth VCs that can support significant growth <p>→ Expanding market depth from both the “startup” and “VC/growth fund” perspectives</p>
③ Industrial Policy Alignment	<ul style="list-style-type: none"> Investments are made with a focus on strengthening industrial competitiveness and contributing to policy objectives (both direct and fund investments) Startup investment focuses on DT, LS, and other areas to provide funding for long-term, high-risk sectors Balanced portfolio includes investments in private funds that are expected to meet policy objectives and generate returns 	<ul style="list-style-type: none"> JICC : Given the trend toward larger-scale projects and the rise in co-investment proposals from the private sector, working with corporates and funds to tailor co-investment scheme frameworks to address policy issues is proving to be a challenge LP investment: Addressing issues that existing VCs cannot handle (playbook issues, lack of producers) 	<ul style="list-style-type: none"> Via dialogue with policymakers, JIC will work to support resolution of the policy issues that it can address as a public investment institution <p>Examples:</p> <ul style="list-style-type: none"> Large-scale industry restructuring Mid-sized companies 17 strategic areas Dual use Startup M&A, etc.

Performance Review

Overview of Fund Investments

- Five years have passed since the start of portfolio construction (September 2020–), and now at a stage where initial results are beginning to emerge from a management accounting perspective.
- Private funds: valuations are steadily increasing (although, on an individual investment basis, there are many cases of valuation losses and write-offs).
- JIC subsidiaries : VGI While facing challenges in growth-stage and listed investments, we are actively pursuing early-stage opportunities—particularly in deep tech and life sciences—where significant growth can be expected.
- JICC As actual investments only began in 2023, it is still too early to evaluate performance.

(as of December 31, 2025) (JPY)

	Investment Decisions	Amount of Investment Commitment	Paid-in Amount	Progress Rate	Multiplier (vs. paid-in amount)			Net IRR
					Dividend (DPI)	NAV (RVPI)	Dividend + NAV (TVPI)	
Total	60	2,542.8 B	1,361.1 B	53.5%	0.01x	1.02x	1.03x	1.9%
Private Fund	53	283.6 B	172.9 B	61.0%	0.04x	1.29x	1.33x	14.2%
VC	50	224.6 B	134.6 B	59.9%	0.05x	1.26x	1.31x	17.7%
PE/Other	3	59.0 B	38.3 B	65.0%	0.01x	1.39x	1.40x	17.7%
JIC Subsidiary	7	2,259.2 B	1,188.2 B	52.6%	0.01x	0.98x	0.99x	▲ 0.9%
VGI	3	360.0 B	156.2 B	43.4%	0.04x	0.92x	0.96x	▲ 1.5%
JICC	4	1,899.2 B	1,032.0 B	54.3%	0.00x	0.99x	0.99x	▲ 0.7%

* Excluding funds whose fiscal year has not yet ended, over 95% of NAV is based on fair value (with or without audit).

Overview of Private Fund Investments (Aggregate based on fiscal year of JIC Commitment)

- The more clearly performance is reflected in multiples
- Investee companies:
 - Strong performances: U.S. company creation based on Japanese drug discovery seeds, seed/early-stage software, buyouts, and U.S. AI
 - Underperforming: late-stage and listed investments

(as of December 31, 2025) (JPY)

	Investment Decisions	Amount of Investment Commitment	Paid-in Amount	Progress Rate	Multiplier (vs. paid-in amount)			Net IRR
					Dividend (DPI)	NAV (RVPI)	Dividend + NAV (TVPI)	
Private Fund	53	283.6 B	172.9 B	61.0%	0.04x	1.29x	1.33x	14.2%
(2020)	4	14.7 B	14.4 B	97.6%	0.17x	2.11x	2.27x	22.8%
(2021)	8	71.0 B	62.4 B	87.8%	0.01x	1.31x	1.32x	11.4%
(2022)	16	70.9 B	47.0 B	66.3%	0.08x	1.26x	1.34x	14.5%
(2023)	10	47.5 B	22.0 B	46.2%	0.01x	1.04x	1.05x	4.6%
(2024)	10	60.0 B	25.3 B	42.2%	0.01x	1.06x	1.07x	10.7%
(2025)	5	19.3 B	1.8 B	9.4%	0.00x	0.90x	0.90x	▲ 18.3%

* Above figures for FY 2025 are for April-December 2025. Between January and March 2026, investment commitments totaling JPY55 billion were made for 7 deals, bringing the FY 2025 total to 12 projects and JPY74.5 billion.

* When the amount committed to an individual fund is increased, that increase is reflected in the total for the fiscal year in which the initial commitment was made.

* The yen equivalent of the foreign currency capital commitment is calculated as: actual yen payments + unused capital commitment × end-of period exchange rate.

Overview of Fund Investments (with VC performance by vintage)

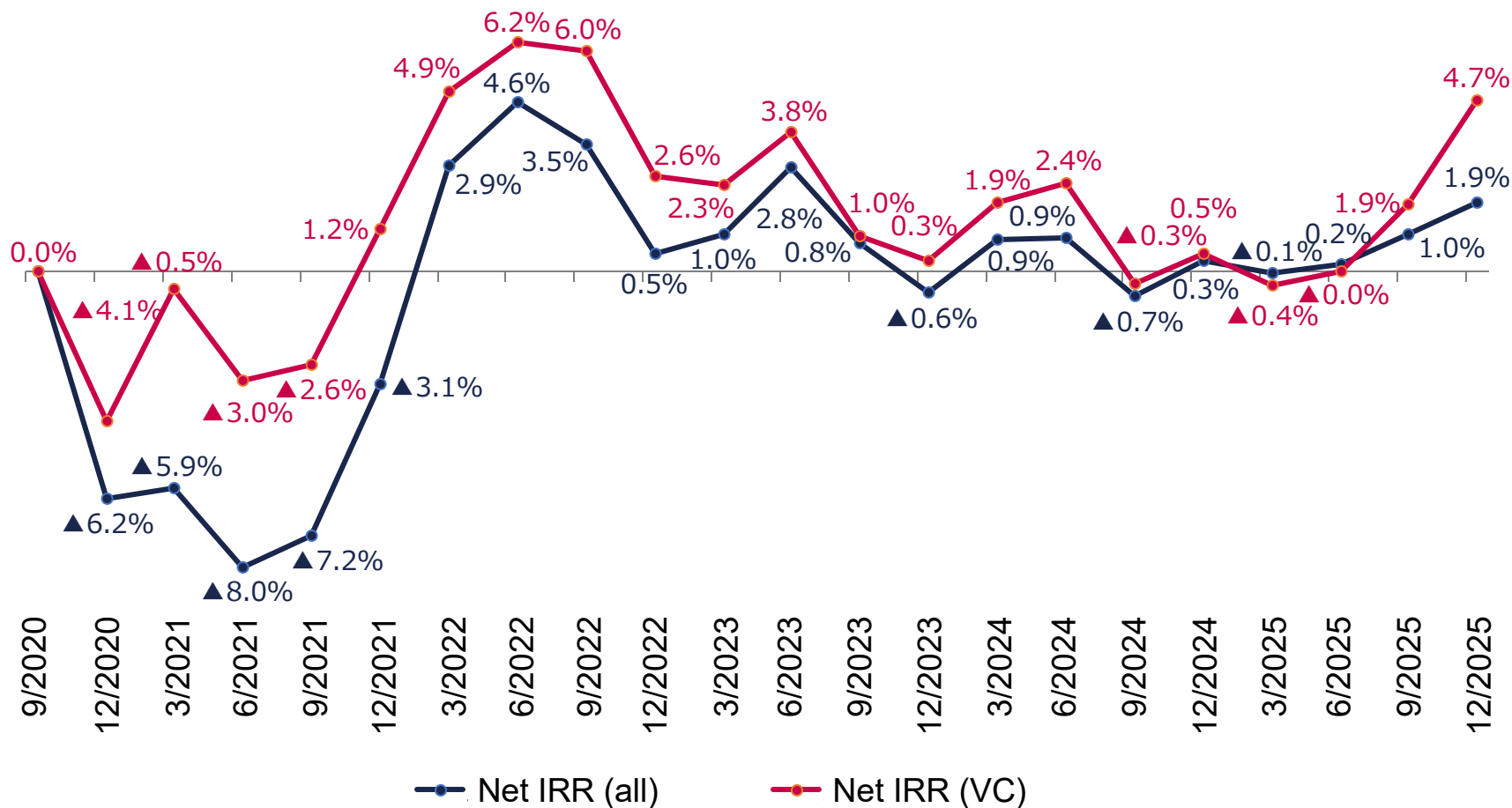
- The TSE Growth Market Index has fallen to approximately 60% of its 2H 2021 peak, and expected exit multiples for startups have declined since 2022.
- In JIC's portfolio, the 2020 vintage has been most negatively impacted, along with late- and growth-stage investments at the underlying company level.

(as of December 31, 2025) (JPY)

	Investment Decisions	Amount of Investment Commitment	Paid-in Amount	Progress Rate	Multiplier (vs. paid-in amount)			Net IRR
					Dividend (DPI)	NAV (RVPI)	Dividend + NAV (TVPI)	
Private VC Fund	50	224.6 B	134.6 B	59.9%	0.05x	1.26x	1.31x	13.2%
(~2019)	5	17.7 B	17.4 B	98.0%	0.14x	1.92x	2.07x	20.9%
(2020)	2	5.0 B	4.5 B	90.0%	0.06x	0.96x	1.03x	0.9%
(2021)	7	44.6 B	38.0 B	85.3%	0.03x	1.27x	1.30x	11.9%
(2022)	16	71.7 B	48.4 B	67.5%	0.06x	1.20x	1.26x	12.7%
(2023)	8	40.1 B	16.6 B	41.5%	0.01x	0.95x	0.95x	▲ 4.4%
(2024)	5	19.3 B	6.8 B	35.4%	0.00x	1.01x	1.01x	1.4%
(2025)	7	26.2 B	2.8 B	10.8%	0.00x	0.88x	0.88x	▲ 24.7%

* Vintage Year: The calendar year in which the fund began operations, regardless of the timing of JIC's commitment to invest.

Net IRR Trend





JSR Corporation:

- JICC has been supporting the implementation of growth strategies via structural reforms and industry reorganization since 2024.
- In FY2025, core operating profit reached a record high JPY62.3 billion yen, driven by DS segment growth and a return to profit in the LS segment. Net profit was a record high JPY60.7 billion yen following divestiture of LS-related businesses, achieving a V-shaped recovery.
- The company aims to achieve a core operating profit of JPY100 billion by 2030.

* DS: Digital Solutions business; LS: Life Sciences business



Shinko Electric Industries Co., Ltd.:

- JIC Capital dispatched executives to the company in June 2025 after its privatization had been completed. The executives promoted hands-on value enhancement, providing support for the advancement of management systems, the formulation of short- and medium-term profit improvement measures, and the development of a medium-term business plan.
- Celebrating its 80th anniversary, the company has established a new mission: “Brightening the Future.”
- JICC will provide strong support to enhance the company’s competitiveness in advanced semiconductor packaging, such as chiplet technology and optoelectronic integration, with the aim of contributing to strengthening the international competitiveness of Japan’s semiconductor industry.



Astemo, Ltd.:

- An equity investment was made in 2023 to support sustainable growth in next-generation mobility (CASE sector) and strengthen the company’s global competitiveness.
- Seeking to accelerate the transition to SDVs, the company announced (May 2026) a collaboration with Hitachi to set up a development platform for AI-based driver assistance systems. Regulatory reviews in various countries related to Hitachi’s transfer of a portion of its shares to Honda are currently underway.
- From July, under the leadership of new president Inoue, Astemo will aim to become a leader in the electrification and intelligent transformation of mobility in the SDV era, while working to strengthen its business and sustainably enhance corporate value.



Topcon Corporation:

- The privatization process was completed in December 2025. JICC is supporting efforts to strengthen competitiveness and implement structural reforms from a long-term perspective.
- The company is currently focusing on a transformation of its business model.
- JICC aims to create success stories about domestic hardware companies that have transformed their businesses into solution providers in the global market.

Review

Challenges

Looking Ahead

① Generating Investment Returns

- When making investment decisions, **JIC emphasizes investment evaluations (GP capabilities, strategies, and track records) based on the premise of generating returns, just like general institutional investors do**
- As a public investment institution, **JIC actively takes on emerging manager risk while sharing institutional investor asset management goals with managers and strengthening mutual engagement**
→ Not just “policy objectives,” **but also the discipline needed to ensure investment viability (expected returns)**

- Many investment targets are in long-term, high-risk sectors such as Deep Tech and Life Science, or in Growth or other strategies that have a limited track record in Japan
- Many of the investee fund managers are emerging managers, and their investment strategies involve taking risks to generate returns and ensure their reproducibility (assumes significant variation in returns across funds)

→ Seek to manage the trade-off between policy alignment and return maximization, while ensuring that risks are absorbed at the portfolio level

- While maintaining investment discipline,
- Strengthen risk/return management across the portfolio
 - As an LP, maintain efforts to contribute to strengthening GP operational capabilities
- Despite being policy investments, JIC expects that the fund manager goal of “securing future institutional investor mandates” will lead to operational improvements and enhanced investment capabilities, thereby ensuring strong performance

② Portfolio Management

- **JIC builds a diversified portfolio** by investing in domestic and international funds as well as VCs and PEs
- Large-scale deals:
 - ✓ Thorough risk assessment is conducted at multi-layer level
 → **Policy-relevant investments are made on the basis of JIC capital, available funding, and a certain degree of diversification**

- Following the extension of the operational period through 2050, JIC will further strengthen the following measures to ensure sustainable operations:
 - Portfolio diversification
 - CF management
 - Risk management and capital policy

- In addition to traditional majority investments, JICC is promoting diversification through joint investments with private funds and corporates
- A variety of strategies and a diverse range of managers will be considered as long as they are policy-relevant
- Diversification of debt maturity dates and discussions on appropriate capital contribution levels

③ Return

- **As the portfolio enters its 6th year, results are gradually showing up in the numbers**
- Overall: 1.03x; JIC-affiliated: 0.99x; Private sector: 1.33x
- **JIC-affiliated: JICC is still too early; VGI’s growth valuation has declined since 2022, impacted by falling stock prices of already-listed companies**
- **Private sector: Areas performing well include U.S. listing of Japan drug discovery seeds, domestic seed/early-stage investments, buyouts, and U.S. AI**

- **With startup holding periods expected to lengthen**, VCs are expected to play a role in facilitating secondary and M&A exits, as well as providing necessary growth capital and support
- Rising interest rates on loans taken out to maintain the portfolio have a negative impact on JIC financial results

- Two major JICC semiconductor-related deals: Mid-term business growth expected due to favorable demand
- From a management accounting perspective, the portfolio as a whole has emerged from the negative phase of the J-curve
- From a financial accounting perspective, the bottom of the J-curve is approaching, but proceeding with exits is essential

Regarding Policy Developments

① Status of 17 Strategic Sector Investments

- Status of investments in the 17 strategic sectors as of December 31, 2025 (by JIC shareholding)
- For the defense industry, many dual-use projects are classified under other categories, such as aerospace, in the list below

(billion JPY)

	Industry	No. of Deals	Amount Invested
1	AI/Semiconductors	176	9,222
2	Digital/Cybersecurity	534	1,273
3	Information and Communications	1	0
4	Quantum	5	14
5	Defense Industry	1	1
6	Aviation and Aerospace	34	83
7	Ocean	1	1
8	Shipbuilding	1	2
9	Materials (Critical Minerals/Components)	1	1
10	Synthetic Biology/Biotech	58	113
11	Drug Discovery/Advanced Medicine	144	444
12	Resources/Energy Security/GX	50	151
13	Fusion Energy	5	43
14	Food Tech	37	52
15	Disaster Prevention/National Resilience	3	2
16	Port Logistics	21	51
17	Content	16	14
18	Other	220	1,674
Total		1,308	13,140

* Classification under “17 Strategic Sectors” is based on automated JIC estimates using keywords found in the business descriptions (business overviews) of each portfolio company. JIC used a keyword dictionary to determine the relevant sector based on the business description; if no relevant keywords were found, JIC based the classification on the industry challenges faced by the portfolio company. Projects that do not fall into any of these categories are grouped under “Other.” This classification is a provisional categorization by JIC and estimates are independent of any official classifications made by the Japanese government or relevant ministries.

* The above includes overseas projects (which account for approximately 5% of the total amount invested).

(Ref.) Technical Classification

Strategic Area		Key Products/Technologies
1	AI/- Semiconductors	①Physical AI (esp. AI robots) ②Core semiconductors for physical AI ③Vertical AI (domain specific AI)
2	Digital/- Cybersecurity	①Data platforms ②Secure DX infrastructure for governments ③Advanced security products/services for AI era ④Cloud data centers ⑤Healthcare DX platforms ⑥Autonomous driving technology
3	Information and Communications	①All-photonics network (APN) ②Undersea cables ③Next-gen wireless (non-terrestrial networks, 5G/Beyond 5G (6G), etc.)
4	Quantum	①Quantum computing ②Quantum communications/networks ③Quantum sensing
5	Defense Industry	①Small unmanned aircraft ②Naval vessels ③Dual-use technologies
6	Aviation and Aerospace	①Commercial aircraft (next-gen single-aisle aircraft, etc.) ②Unmanned aircraft ③Flying cars ④Rockets/launch sites ⑤Satellites and services ⑥Lunar exploration/low-Earth orbit technology
7	Ocean	①Marine drones ②Marine domain awareness (MDA) ③Innovative seabed development technologies
8	Shipbuilding	①Next-gen ships ②Ship repairs
9	Materials (Critical Minerals/- Components)	①Permanent magnets ②Innovative metal components ③Low-carbon metal components

Strategic Area		Key Products/Technologies
9	Materials (Critical Minerals/- Components)	④Technologies for smelting/separation/refining of primary and secondary raw materials and dismantling & sorting ⑤New composite materials utilizing AI, other technologies
10	Synthetic Biology/- Biotech	①Biomanufacturing ②Biopharmaceuticals, regenerative medicine products, etc.
11	Drug Discovery/- Advanced Medicine	①First-in-class/best-in-class products (pharmaceuticals, regenerative medicine products, etc.) ②Infectious disease response products ③Biopharmaceuticals, regenerative medicine products, etc. ④Cutting-edge medical care using innovative devices (AI, robotics) ⑤Healthcare-related services using lifelog data, other information
12	Resources/- Energy Security/- GX	①Next-gen solar cells (perovskite, etc.) ②Hydrogen, other ③Green steel ④Next-gen geothermal energy ⑤Offshore wind power ⑥Next-gen innovative reactors ⑦Green chemicals
13	Fusion Energy	①Fusion energy
14	Food Tech	①Plant factories ②Land-based aquaculture ③Food processing equipment ④New food products
15	Disaster/Resilience	①Disaster prevention technology
16	Port Logistics	①Port cargo handling equipment ②Cyberport (port logistics information DX) ③Next-generation warehouses
17	Content	①Games ②Anime ③Manga ④Music ⑤Live Action

17 Strategic Sectors

Deep Tech

Life Science

Dual-Use

Startup Incubation

Overlap with JIC Investment Focus Areas

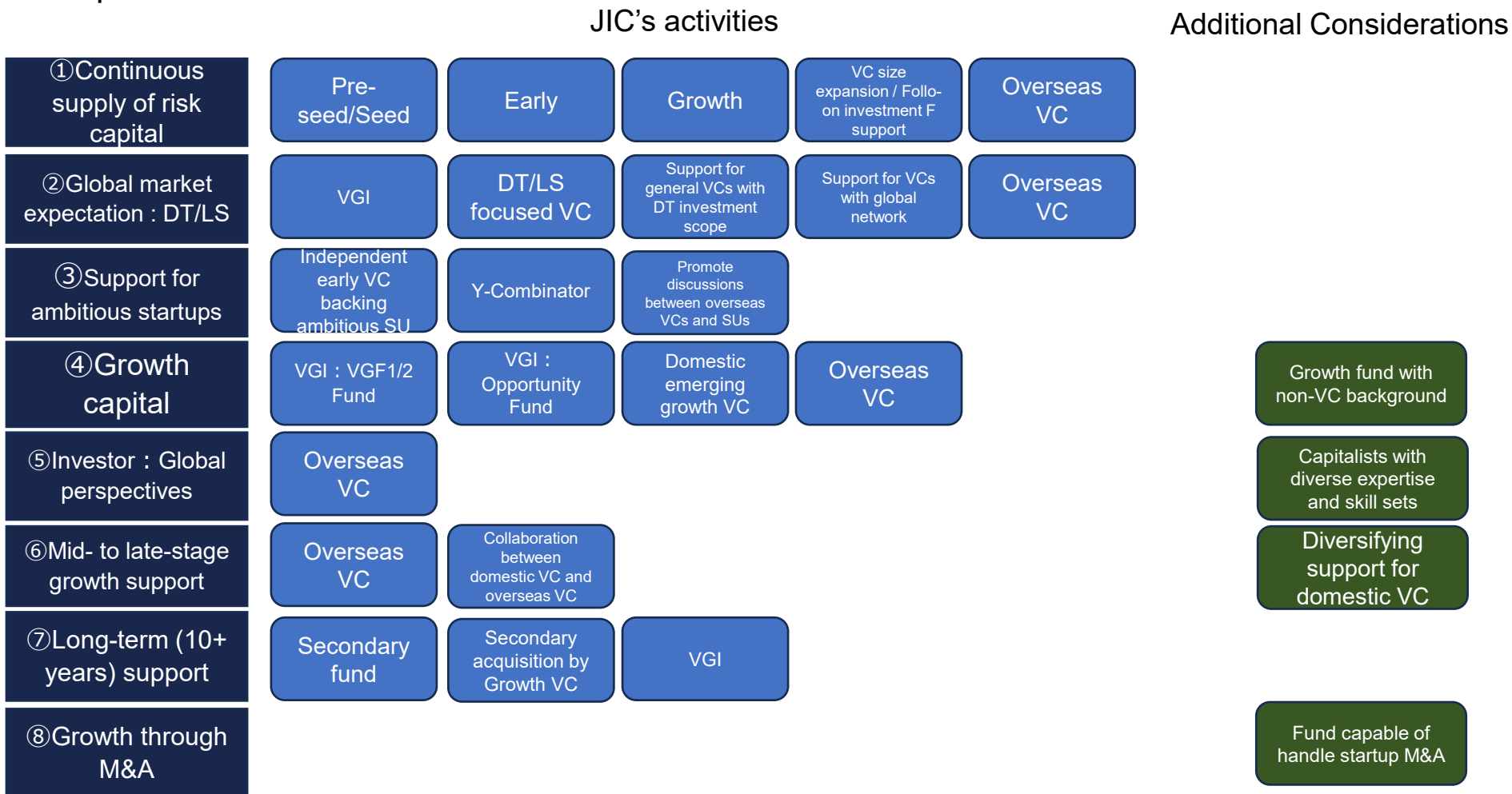
- ① Support for VCs investing in Deep Tech
 - ② Collaboration with global Deep Tech VCs
 - ③ Considering measures, including extending VGI managed fund terms, to enable long-term development
- Achieved success via a strategy of fostering company creation by combining Japanese drug discovery leads with target diseases, the U.S. market, and U.S. talent
 - The model for creating companies in Japan combines overseas expertise, the Japanese/Asian market, and Japanese talent

JIC does not proactively impose investment restrictions on the VCs in which it invests.

- ① Support for VCs backing ambitious startups
- ② Promoting collaboration with global growth VCs that have playbooks for nurturing growth stage companies
- ③ Support for secondary investment VCs; support for growth funds that also make secondary acquisitions

② Creation of High-quality Startups

- Build the ecosystem foundations for fostering high-quality startups through following themes as LP
- Providing capital as an LP and investing in startups through subsidiary VCs alone has limitations, and a range of efforts that take a broader view of the entire ecosystem will be required



* DT : Deep Tech

LS : Life Science

SU : Startup

③ Other Policy Challenges, Initiatives

- JIC began investing in private funds six years ago. In sectors where existing players are already active, JIC has defined and is actively pursuing its investment themes.
- However, there will be some areas that cannot be handled by the current players alone, so JIC will consider issuing RFPs to solicit potential managers in the future.
- The following scenarios (see below) are being considered. Since JIC’s LP investment ratio is assumed to be less than 50%, the bar is high, but JIC will proceed with a step-by-step review—including feasibility assessments—while engaging in discussions with market participants.

Policy Issue	Challenge	RFP Example
Promoting M&A for startups	Few capitalists have experience in M&A	Buyout manager “Buy & Build” strategies for startups
Providing growth capital for startups	Not enough players supplying new capital to companies in the Growth stage or to those listed on the TSE Growth Market	Crossover fund targeting unlisted companies on the TSE Growth Market

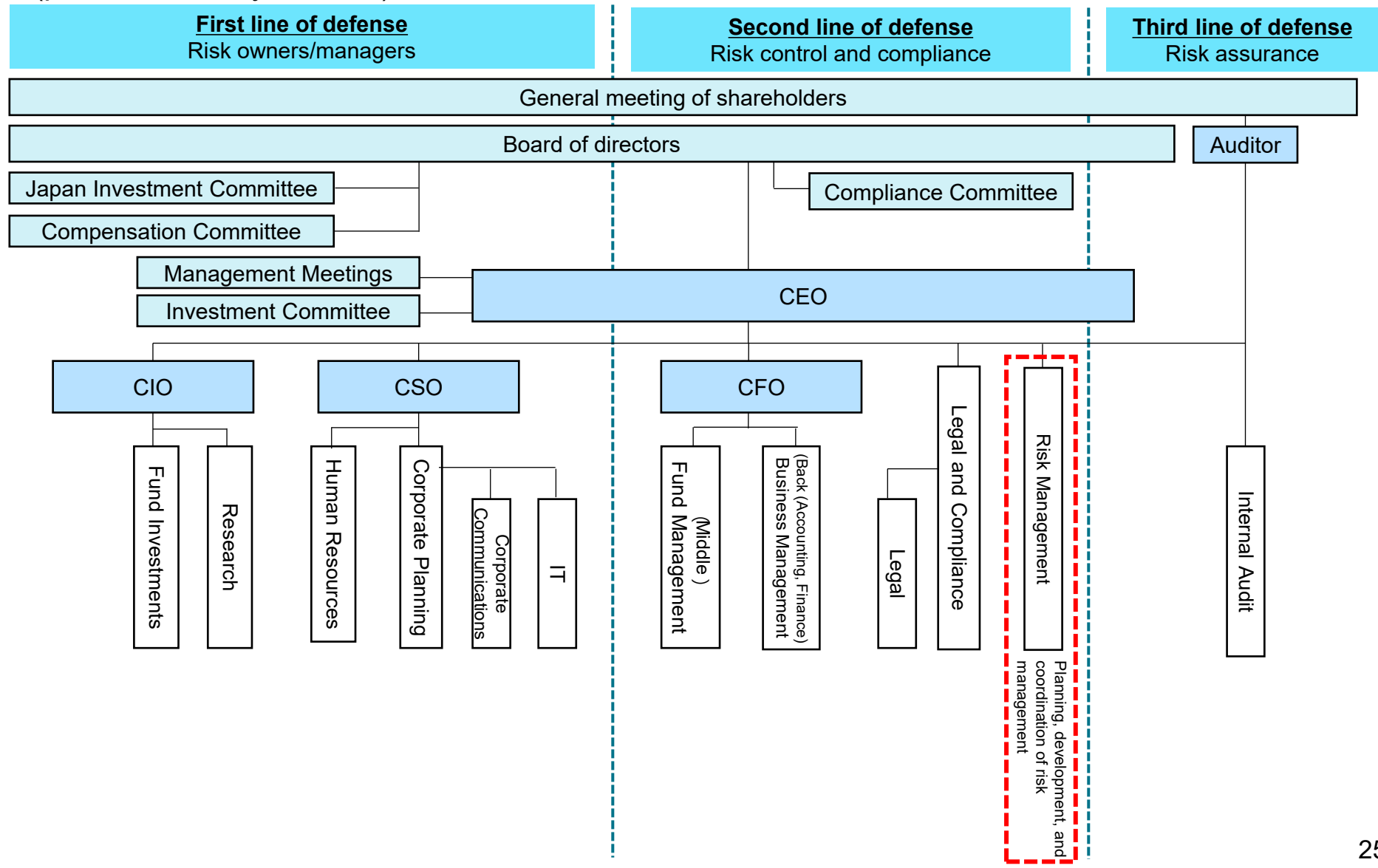
Reference①

Strengthening risk management framework

Strengthening risk management framework



Establishment of a centralized and comprehensive risk management function
(planned for July 1, 2026)



Reference②

JIC Initiatives to Date & Vision for the Future Growth Support for Private Funds

- Risk capital: JIC has focused on providing quantitative support, attracting risk capital, and improving the quality of VC, and some progress has been made.
- SU fundraising: Stagnation since peaking in 2022. JIC acknowledges the need to work toward achieving its vision for the future.

Past 5 Years: Situation

Current Situation & Outlook

Market	SU Funding Raised	<ul style="list-style-type: none"> • Market optimized for small IPOs through 2025 • SU funding, performance metrics stagnating since 2022 peak • Institutional investor LPs are entering the market, but VC investment by corporate/financial sector LPs has stalled • Overseas VCs are beginning to consider investing in domestic SUs, driven by geopolitical factors and government support for SUs
	Valuation (SaaS)	
	LP Trends	
	Foreign VC Investment in Japanese SUs	
	Listing Maintenance Criteria	

<ul style="list-style-type: none"> • In response to moves to revise listing maintenance standards, a healthy debate has begun to take place among SUs/VCs regarding whether to prioritize significant growth or M&A • Growth capital is becoming a real necessity in the market • SU M&A exits have become a major challenge • Overseas VCs continue to enter the market
--

Key Initiatives

Past 5 Years: Results

Vision for the Future

Quantitative Support	VGI	<ul style="list-style-type: none"> • JIC was generally able to address sectors and funds that align with its investment themes but had difficulty attracting private LP capital • Efforts to attract private LP capital have yielded some results
	Increase No. of Funds	
	Size Up	
	Attract Private Capital	

<ul style="list-style-type: none"> • If the focus remains limited solely to currently active GPs—whether established or emerging VCs—the supply of capital will not increase. • Measures are needed to encourage the participation of new players (e.g., overseas VCs, growth stage investors, crossover investors).
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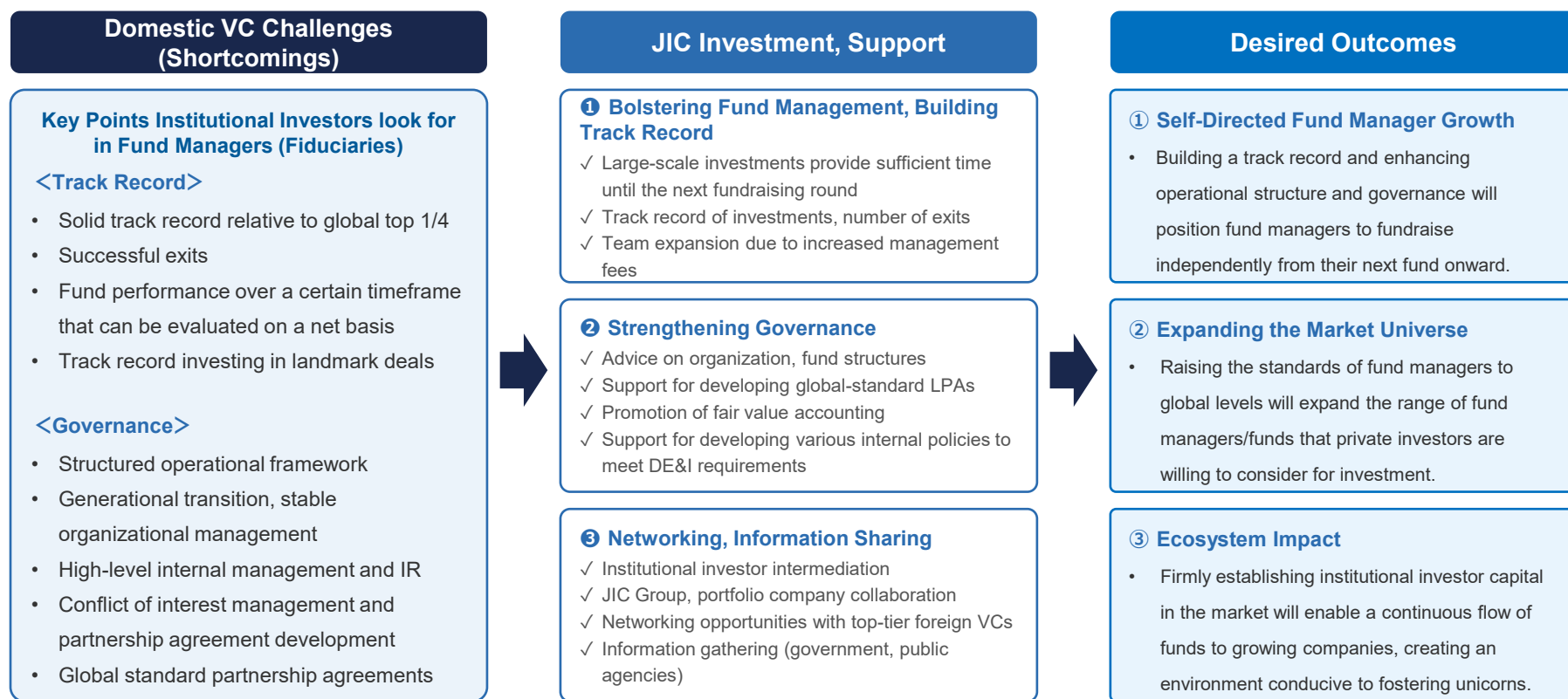
Connecting Risk Capital	DT/LS	<ul style="list-style-type: none"> • JIC has taken measures such as investing in VCs in sectors with a shortage of private capital; supporting the launch of new VCs in sectors where no major players currently exist; and establishing VGI funds that focus on investing in sectors where private investment is difficult to secure. • Since growth investment returns cannot be expected when it is assumed that the IPO will be small, investment in private growth funds has not gained momentum. • Starting in 2023, as part of the “Go Global” initiative for SUs, JIC has invested in overseas VCs to contribute to the Japanese ecosystem, achieving some results.
	Seed to Early	
	Growth	
	After IPO	
	Secondary	
	Foreign VC Collaboration	

<ul style="list-style-type: none"> • JIC sees a growing need for greater diversity in GP investment strategies and their ability to support SUs. • These areas are expected to grow in the future: <ul style="list-style-type: none"> ➢ Overseas VCs (expertise, funding, support) ➢ Growth/Crossover Funds (capital, liquidity) ➢ VC and Buyout Funds for which SU M&As are a core strategy (liquidity, SU scale expansion, growth support) ➢ Global Accelerator (Day One Global)

Improving VC Quality	Ops. Structure/VCRHs	<ul style="list-style-type: none"> • JIC invests in VCs only after they have established their management structure and fund agreements, ensuring they meet a standard that institutional investors find acceptable. • Reflected in VCRHs across the industry as a whole
	Consultation on LP Support, Other	
	(For Emerging Asset Managers) Improving Fund Design	
	Strengthening SU Support	

<ul style="list-style-type: none"> • VCs hoping to attract funding from institutional investors must: <ol style="list-style-type: none"> ① Prepare an operational structure and partnership agreement ② Demonstrate net returns on previously managed funds that were 3x higher, with distributions exceeding the initial investment amount ③ Investment/support strategies that consistently generate the expected returns of ② (an area in which JIC has not traditionally been directly involved)

- In addition to providing funding, JIC offers comprehensive support that includes strengthening operational structures and governance and providing access to its network.
- JIC focuses on promoting the independent growth of fund managers, expanding their investment universe, and creating a virtuous cycle of private capital that leads to the creation of unicorns.



- JIC provides a wide range of support during the investment evaluation process and after investment. JIC's focus on supporting fund manager development contributes to the growth of Japan's ecosystem.

Challenge	Support	No. of Funds	Examples of Support
Becoming the Ideal GP	AGM/LPAC management	31	Proposal to hold joint AGMs for existing funds; establishment of LPAC; development of LPAC member eligibility criteria; proposal for regular LPAC meetings; advice on operation and content.
	Setting hard cap (optimal fund size)	21	Setting of hard cap, target fund size, and lowering of hard cap.
	Management fee/incentive structure	21	Advice on carried interest levels (e.g., 40% at 3.0x → 30%), review of carried interest allocation among GPs, and changes to management fee rates.
	Organizational/fund management structures	21	Expansion of organizational structure, recruitment support, identification of operational errors, and advice on improving financial statements.
	Management company and GP structure/fund structure	13	Advice on eliminating captive status, strengthening alignment with LPs, succession planning.
	Investment strategy, portfolio composition guidelines	13	Support for revising investment strategies (e.g., shift from barbell strategy combining seed/early-stage and later-stage investments to a seed-focused strategy); suggestion to include a fixed percentage of startups in specific sectors.
	Compliance with most favored nation principles	13	Advice and practical support on practices related to most-favored-nation treatment clauses.
	Appropriate setting/allocation of additional investment fees	11	Additional investment fee provisions; allocation recipient change (from fund to existing members).
	Key person handling	10	Single key person, adding key persons, changes to key person requirements.
	Investment committee	10	Advice on selection, management of investment committee members; voting procedure changes.
	Curbing excessive extending of investment period	7	In general, JIC recommends that the total duration of the investment period not exceed 2 years.
LPA violation response	2	JIC has reviewed LPA violations and requested remedial action.	
Handling Conflicts of Interest	Cross-fund investing	12	Request that cross-fund investments be subject to LPAC approval, and provide advice through the LPAC at the time of the actual investment. Provide advice on potential conflicts of interest that may arise when establishing annex funds and similar vehicles.
	Concurrent positions	10	Request to review the system of concurrent roles (e.g., resignation from a position, changes in resource allocation).
	Trading between funds	4	Requirement of LPAC approval for inter-fund trades; advice on processes and procedures.
	Transactions with JIC Group (VGI)	2	Establishing conflict of interest prevention measures in side letters.
	Ensuring equality among LPs	1	Amendment of regulations so that one GP-affiliated LP cannot single-handedly veto resolutions.
Other	Contribution to trickle-down effect	12	Assisting with references for prospective investors.
	Other	20	Advice on planning/fundraising for successor funds and similar entities, referrals to VGI.

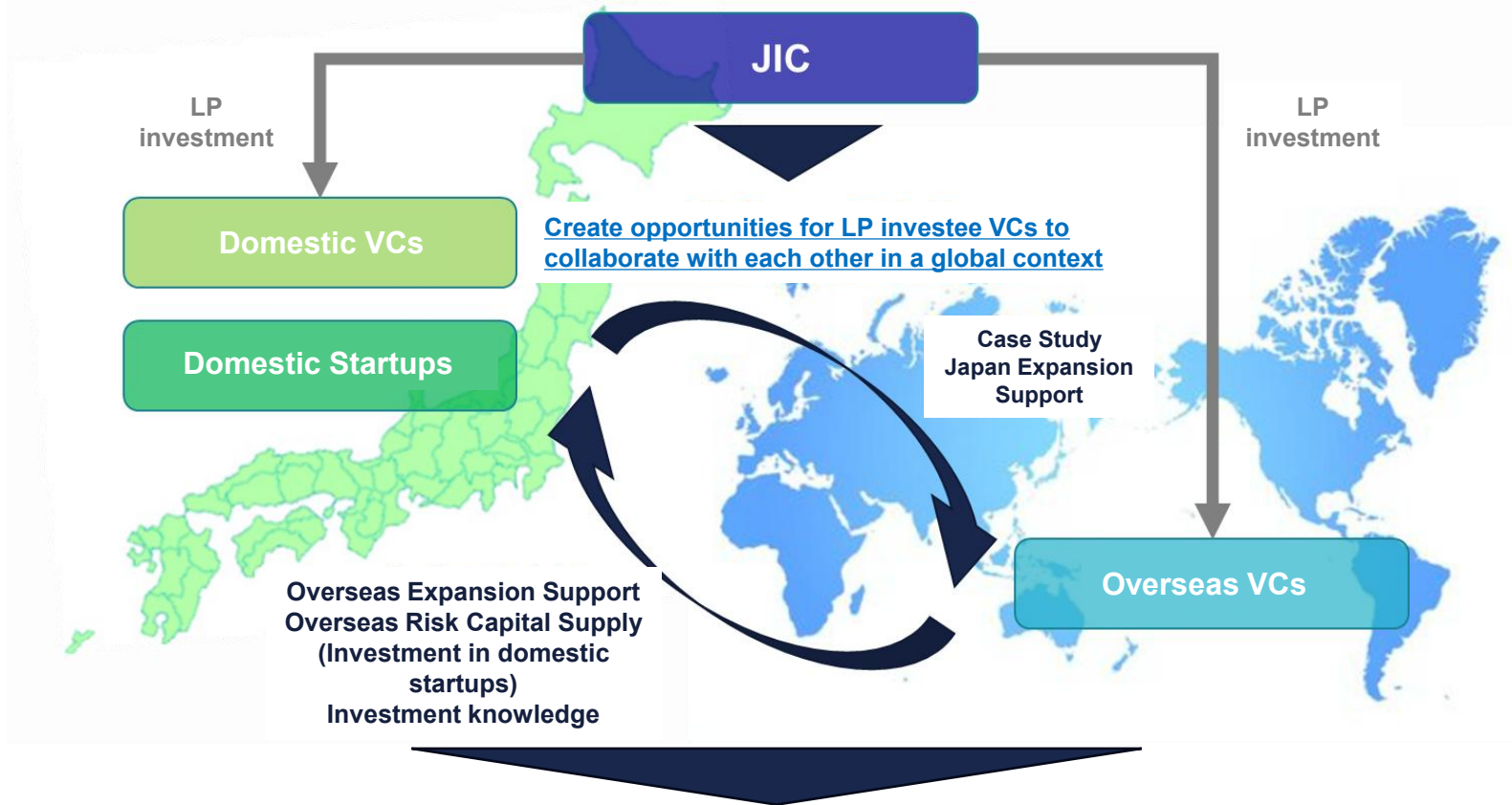
* Support provided to JIC investee private funds (42 in total) as of July 31, 2024

Reference③


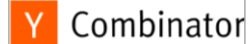
Collaboration with Overseas VCs

Ecosystem Expansion: Collaboration with Overseas VCs (1/3)

- To date, JIC has invested in six overseas funds and promoted the creation of collaboration opportunities between domestic VCs and domestic startups.



Overseas VCs				
				
Jan 2023*	Apr 2023*	Feb 2024*	Dec 2025*	Mar 2026*

Global Accelerators


June 2024*




* Date of Commitment

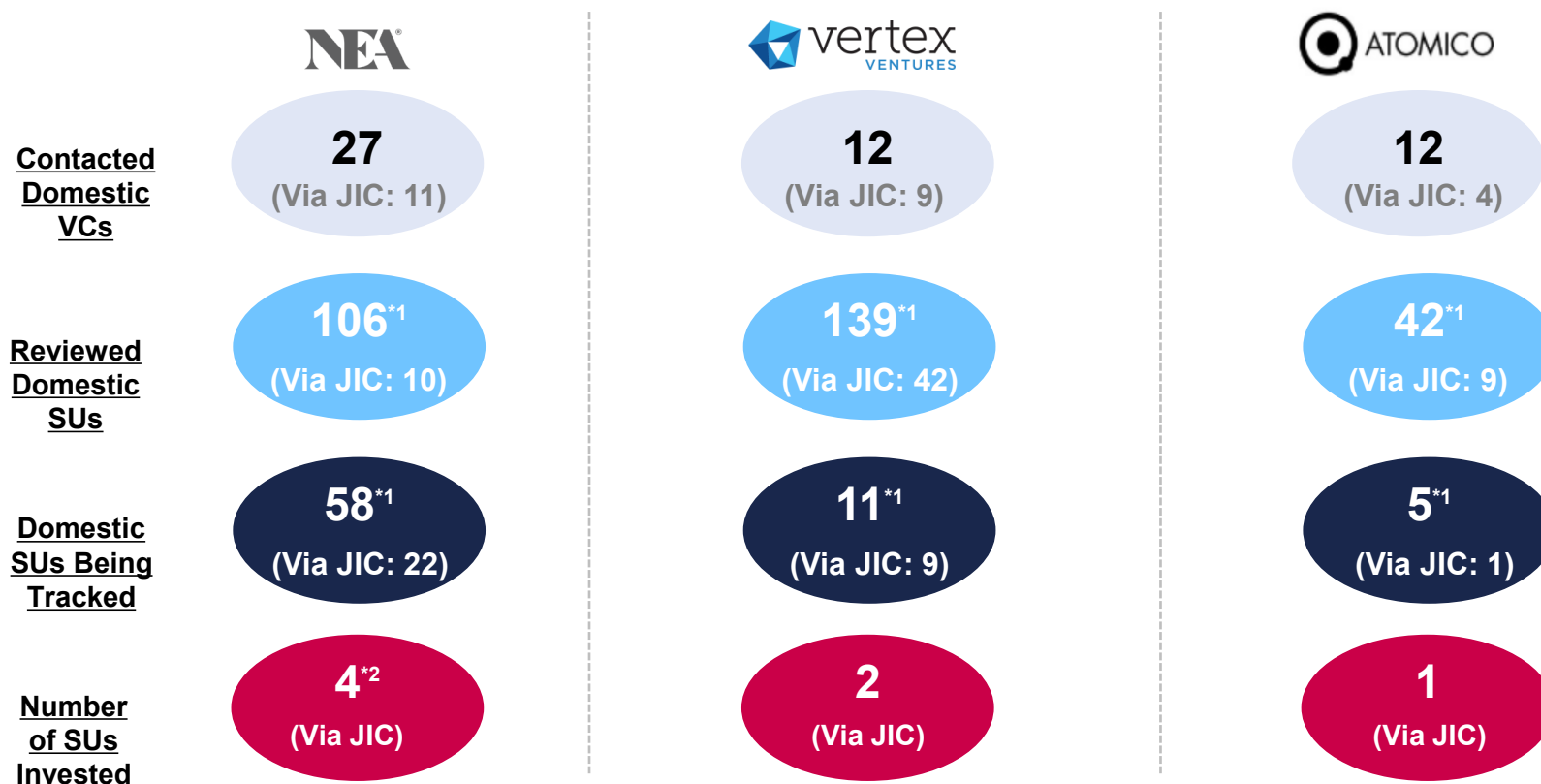
■ Promoting ecosystem transformation through domestic startup expansion into overseas markets and the adoption of best practices.

- 1 Proven track record of investment success and accumulated expertise**
 - Startup investing is an asset class characterized by significant performance disparities among fund managers. To foster the creation of global unicorns originating in Japan, collaboration with VCs with proven track records is essential.
- 2 Global perspective, networks**
 - Many top-tier VCs have a global perspective and extensive networks, enabling them to provide support to domestic startups so they can succeed in the global market.
- 3 Sharing insights, adopting best practices**
 - Top-tier VCs have extensive experience and knowledge in nurturing successful startups, and can drive growth by introducing best practices into the domestic ecosystem.
- 4 Announcement effect becomes catalyst**
 - JIC expects the involvement of top-tier VCs in Japan will spark interest in the Japanese market among other overseas investors, thereby helping to attract risk capital.

Ecosystem Expansion: Collaboration with Overseas VCs (3/3)

Promoting investment consideration by overseas VCs through matchmaking with domestic VCs, Startups.

	<p>Actively exploring investment opportunities in startups since 2024. Starting with an investment in Sakana AI in September 2024, has expanded its track record to include Tokenz (March 2025) and Tailor Technologies (June 2025). In the fourth quarter, decided to invest in one other company.</p>
	<p>Actively meeting with domestic VCs/Startups and evaluating opportunities. First investment made through JIC in matsuri technologies in May 2024; invested in Hubble in September 2025. JIC and VGI negotiated investment quota allocations, helping to expand Vertex's investment quota.</p>
	<p>Although the number of domestic startups is limited compared to other VCs, Atomico executed a Growth Fund investment in CADDi (March 2025) that was made through JIC. Atomico's Venture Fund is also expected invest in domestic SUs.</p>



*1 Calculated based on data obtained from overseas portfolio funds

*2 Includes planned investment

Note: JIC selected and introduced domestic VCs based on primary focus areas and interviews with various overseas VCs. Track record of support provided to private funds (50 firms in total) to which JIC had committed as of end-September 2025.



- The 3 main reasons why overseas VCs decide not to invest in domestic startups are: “lack of differentiation and excessive competition,” “limited growth potential,” and “outside our area of expertise or strategic focus.”
- JIC is working together with overseas VCs to identify specific measures to address these reasons.

Decision to Decline Investment in Domestic Startups (3 Overseas VCs)



Examples of “Other” Responses

- Despite the significant traction, we have decided to pass due to the longer-term payout model for the core business and the new business model is only starting for few months. (Solar power system company)*
- NDA was issued but Company has been slow to get back. (Insulation manufacturer)*
- Potential conflict with [Port. Co.] and also, room capacity ramp up takes 2-3 years to develop. (Hotel brand management company)*
- Interesting concept but alcohol based is quite niche in SEA and in certain countries may be too niche segments with high luxury tax. (Sake brewery)*
- Founded in 2002 with pivot to SaaS in 2012 suggests modernization risk. (Mobile app operator)*
- Significant corporate ownership from [Parent Company]. (Healthcare services company)*

Note: In some cases, multiple reasons were provided for the same startup.

- JIC and Vertex co-hosted the “Unlocking and Capitalizing on Opportunities in Southeast Asia and India” event, which featured keynote speeches and panel discussions on key themes such as an overview of the Southeast Asian and Indian markets, opportunities for Japanese startups to expand overseas, and implications for Japan.
- In addition to representatives from JIC and Vertex, attendees included 26 participants from 22 GP firms under the JIC umbrella and 11 participants from 8 LP investors, startups, and other organizations.

Date/Time

- October 30, 2025 (Thu) 14:00-17:00
(networking: 17:00~18:00)

Venue

- Sakura Deeptech Shibuya

Participants

- Details
 - JIC-backed VCs and affiliated companies
 - Vertex Ventures Southeast Asia & India (VESEAI)/Venture Growth Fund (VGF) representatives, executives from participating companies, others

Speakers

[Vertex]

- Kee Lock Chua
(Managing Partner, Vertex/VVSEAI)
- Nikhil Marwaha (Partner, VVSEAI)
- Tam Hock Chuan (General Partner, VGF)

[matsuri technologies]

- Keita Yoshida (CEO)

[Hubble]

- Shimpei Hayakawa (CEO)



- JIC, in collaboration with Transpose and IVS, hosted “Tokyo Founder’s Day” on November 14, 2025. The event aimed to encourage a shift in mindset among Japanese startups and entrepreneurs, inspiring them to take on challenges with an eye toward the global market from day one.
- Dozens of people signed up for the event's waiting list, and many day-of sessions were standing-room-only.

Date/Time

- November 14, 2025 (Fri) 9:30-14:00

Venue

- Shibuya QWS

Participants

- Number: 200+
- Details
 - Transpose, IVS, JIC representatives
 - Y Combinator, YC alumni, Japanese VCs, startups, entrepreneurs, others

Speakers

[YC]

- Jon Xu (General Partner)

[YC alumni]

- Kai Brokering (Voice OS)
- Davide Asnagh (Diode Computers)
- Dave Feldman (Greenboard)
- Catherine Di (Dedalus Labs)
- Abhilash Chowdhary (CrustData)
- Kiran (Random Labs)



Tokyo Founder's Day

Transpose Platform x 産業革新投資機構 (JIC) x IVS



- On January 29, 2026, JIC and Atomico co-hosted a closed-door event, “Lunch Session with Niklas: Perspectives from Building a Global VC” for GP-level members of JIC-backed venture capital firms. This was the third event co-hosted with Atomico, following those held in November 2024 and July 2025.
- The purpose was to engage in dialogue with GP-level participants from domestic VCs, focusing on topics related to their operations.

Date/Time

- January 29, 2026 (Thu) 12:30-14:00

Venue

- EGG (Shin Marunouchi Bldg. 10F)

Participants

- Number: 17 domestic VCs (GP-level members) in which JIC has invested



Atomico Members

- Niklas Zennström
(Partner, Founder and CEO)
- Camilla Richards
(Partner and Head of Investor Relations)

Session Themes

- VC organizational development and team building
- Governance for VCs
- DE&I initiatives



Reference④ Status of LP Investments in Private GP-Managed Funds (July 2025-May 2026)

- 12 investments were made in private funds.
- Based on the investment strategies for each theme, JIC makes investments across a variety of sectors, including Pre-Seed/Seed, Growth, Secondary, Deep Tech, Go Global, and Large-Scale Buyouts.

#	Fund	Investment Date	Amount Invested	Policy-Relevant Investment Theme
1	mint 2	April 2025	JPY2 billion	Pre-Seed/Seed
2	Genesia 4	May 2025	JPY3.5 billion	Pre-Seed/Seed, Open Innovation
3	Kepple Liquidity 2	Oct 2025	JPY3 billion	Secondary
4	Minerva 2	Dec 2025	JPY3 billion	Growth
5	Lux 4	Dec 2025	JPY40 million	Deep Tech, Go Global
6	KUC 2	Jan 2026	JPY2 billion	Deep Tech, Industry/Academia
7	NEA19 VC	Feb 2026	JPY60 million	Pre-Seed/Seed, Go Global
8	NEA19 VGE	Feb 2026	JPY40 million	Growth, Go Global
9	GA2025	Mar 2026	JPY50 million	Growth, Go Global
10	GLIN 2	Mar 2026	JPY3 billion	Growth
11	Polaris 6	Mar 2026	JPY12 billion	Large-Scale Buyouts
12	NSSK 6	Mar 2026	JPY14 billion	Large-Scale Buyouts

- JIC has decided to invest in domestic VCs that focus on investing in areas where more players are needed, such as Secondary, Growth, and Deep Tech.

Kepple Liquidity Fund 2 Limited Liability Partnership

Date Announced	October 29, 2025
JIC Commitment	JPY3 billion
Fund Amount	<ul style="list-style-type: none"> JPY9.7 billion (as of April 2026)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> Under JIC's Secondary investment strategy, the focus is on direct secondary investments, where private investment capital is in short supply. Targets are mid- to late-stage startups with the intention of serving as a platform for further accelerating the growth trajectories of startups that were previously forced to pursue exits (such as small-scale IPOs), thereby contributing to the creation of Japanese unicorns.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> Direct secondary investments aimed at creating unicorns. Contributing to the development of the domestic secondary ecosystem. Attracting private investment capital and expanding fundraising from institutional investors.

Minerva Growth Partners II LP

Date Announced	January 14, 2025
JIC Commitment	JPY3 billion
Fund Amount	<ul style="list-style-type: none"> JPY20 billion (target)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> Targets are growth-stage startups in need of capital to scale Investment is focused on the technology sector, with an emphasis on the internet and software industries.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> Providing growth capital to support the expansion of promising domestic startups. Creating a virtuous cycle of innovation by expanding investment in the technology sector. Attracting private investment and expanding fundraising from institutional investors.

KUC2 Investment Limited Partnership

Date Announced	March 13, 2026
JIC Commitment	JPY1.5 billion
Fund Amount	<ul style="list-style-type: none"> JPY6 billion (target)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> Through this collaborative fund of Kobe University, JIC seeks to strengthen its partnerships with Kobe University, the Kobe Medical Industry City, and the City of Kobe, as well as with regional universities, research institutions, and local governments, and actively work to foster startups that are leveraging promising technological seeds. Focus is on investing in Deep Tech startups leveraging untapped regional management resources.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> Providing venture capital to Deep Tech startups. Leveraging untapped regional management resources. Attracting private investment capital and expanding fundraising from institutional investors.

GLIN Impact Capital Fund No. 2 Limited Partnership

Date Announced	April 21, 2026
JIC Commitment	JPY3 billion
Fund Amount	<ul style="list-style-type: none"> JPY20 billion (target)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> Invests in Growth stage startups and supports efforts to expand their enterprise value and create social impacts that contributes to that growth. Targets are startups that aim to achieve business growth, and create social impact that contributes to that growth, in areas such as climate change, healthcare, and inclusive society.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> Providing growth stage funding to foster the creation of global unicorns. Creating a virtuous cycle that drives problem-solving innovation. Attracting private investment capital and expanding fundraising from institutional investors.

- JIC has decided to invest in buyout funds in line with the investment theme “Buyout Fund for Large-Scale Deals” announced in summer 2025.

Polaris Private Equity Fund VI

Date Announced	April 24, 2026
JIC Commitment	JPY12 billion
Fund Amount	<ul style="list-style-type: none"> • More than JPY200 billion (incl. overseas parallel funds)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> • Invest in opportunities that contribute to strengthening industrial competitiveness through carve-outs and mid- to long-term growth investments across sectors such as technology and manufacturing, healthcare and welfare, IT, services and logistics, and consumer and retail—particularly those leading to industry consolidation. • Building on its track record in carve-outs, privatizations, and business succession, plan to further expand investments in large-scale transactions.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> • Strengthening the competitiveness of industry through business restructuring and growth investment. • Increasing the number of players able to handle large-scale deals.

NSSK IV (JPN) Investment L.P.

Date Announced	May 8, 2026
JIC Commitment	JPY14 billion
Fund Amount	<ul style="list-style-type: none"> • JPY250 billion yen (incl. overseas parallel funds)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> • Invest in opportunities that contribute to strengthening industrial competitiveness through carve-outs and mid- to long-term growth investments, focusing on key sectors such as manufacturing, healthcare, education, and hospitality/real estate services. • Building on its track record across diverse investment situations, including carve-outs, privatizations, and business succession, establish a structure with a greater focus on larger-scale investments.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> • Strengthening the competitiveness of industry through business restructuring and growth investment. • Increasing the number of players able to handle large-scale deals.

- To strengthen the ecosystem through partnerships with top-tier overseas VCs, JIC has decided to invest in multiple overseas funds with different focus areas and strategies.

Lux Ventures IX, L.P.

Date Announced	February 2, 2026
JIC Commitment	USD50 million
Fund Amount	<ul style="list-style-type: none"> • USD1.5 billion
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> • Invest primarily in emerging science and technology fields, with a focus on early stage companies. • Not influenced by short-term trends, the strategy is to identify and invest in next-generation cutting-edge technologies expected to be implemented in society over the long term, while supporting promising startups from the early stage.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> • Creating global unicorns in the Deep Tech sector through collaboration with overseas VCs. • Enhancing expertise and support capabilities within the domestic startup ecosystem. • Attracting risk capital from overseas investors.

New Enterprise Associates 19, L.P. NEA 19 Venture Growth Equity, L.P.

Date Announced	March 11, 2026
JIC Commitment	Total: USD100 million (NEA19VC: USD60 million, NEA 19VGE: USD40 million)
Fund Amount	<ul style="list-style-type: none"> • Total: USD5.5 billion (target)
Primary Targets, Investment Strategy	<ul style="list-style-type: none"> • Founded in the United States in 1977. The firm has a track record of creating more than 100 unicorns and has the largest total AUM globally. • Provide comprehensive support from the early to growth stages in the technology and healthcare sectors.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none"> • Creating global unicorns through collaboration with overseas VCs. • Enhancing the expertise and support capabilities of domestic players through connections with overseas networks. • Attracting risk capital from overseas investors.

General Atlantic Investment Partners 2025, L.P.

Date Announced	May 19, 2026
JIC Commitment	USD50 million
Fund Amount	Not disclosed
Primary Targets, Investment Strategy	<ul style="list-style-type: none">• Provide capital and strategic support to growing companies, offering hands-on growth support and supporting the overseas expansion of domestic startups by leveraging JIC's global network.
Purpose of JIC LP Investment (Compliance with Investment Criteria)	<ul style="list-style-type: none">• Creating unicorns through collaboration with overseas funds.• Developing the domestic ecosystem through connections with overseas networks.• Attracting risk capital from overseas investors.

Reference⑤

Objectives and Investee Funds by Investment Theme

① Deep Tech

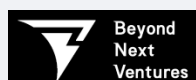
Investment Period: June 2020

Total Investments: 23

Purpose

① Physical technology-based discontinuous innovation that also utilizes digital technology; ② technologies with the potential to have a significant impact on solving societal challenges; and ③ research, development, and social implementation of Deep Tech—which takes a long time and requires substantial funding to go from the R&D stage to market launch.

Investee Funds



② Life Science

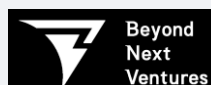
Investment Period: June 2020

Total Investments: 8

Purpose

Supporting innovation in the Life Science sector—including pharmaceuticals, medical devices, health tech, and biotechnology—as well as the development of innovative new drugs through open innovation between startups and pharmaceutical companies.

Investee Funds



③ Growth

Investment Period: June 2020

Total Investments: 11

Purpose

To help growth stage startups achieve unicorn status by providing the large-scale risk capital required to fully scale their businesses.

Investee Funds



④ Industry-Academia

Investment Period: Sept. 2020

Total Investments: 10

Purpose

Supporting R&D-focused startups and similar entities seeking to commercialize outstanding technologies found at regional universities and other institutions, where attracting private risk capital can be challenging.

Investee Funds



⑤ Carve-Out/Roll-Up

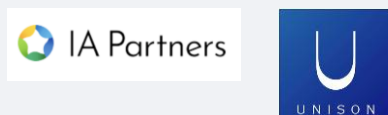
Investment Period: June 2021

Total Investments: 2

Purpose

Promoting industrial and business restructuring through carve-outs and roll-ups targeting large and mid-sized domestic companies, and supporting efforts to improve productivity and strengthen international competitiveness.

Investee Funds



⑥ Open Innovation

Investment Period: Sept. 2021

Total Investments: 14

Purpose

Promoting open innovation through business partnerships and other collaborations between Japanese companies and startups from the United States, Southeast Asia, India, and other regions that possess cutting-edge technologies, thereby supporting the creation of innovative businesses.

Investee Funds



* Total number of investments as of end-March 2026 (excludes JIC Group funds)

⑦ Seed/Pre-Seed

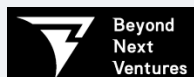
Investment Period: Oct. 2021

Total Investments: 13

Purpose

Supporting Pre-Seed and Seed-stage startups to increase the number of promising startups with the potential to become unicorns.

Investee Funds



mint

KUSABI

archetype*
ventures

NEA

DUAL
BRIDGE
CAPITAL

⑧ Climate Tech

Investment Period: Nov. 2021

Total Investments: 2

Purpose

Supporting groundbreaking innovations and the creation of new businesses in the Climate Tech sector while aiming to link measures against global warming to economic growth and contribute to global decarbonization. To achieve policy objectives through investments in the GX sector, JIC considering new initiatives such as providing growth capital to domestic and international startups and mid-sized companies, and investing in funds focused on buyouts and infrastructure.

Investee Funds



⑨ Secondary

Investment Period: March 2022

Total Investments: 3

Purpose

Support the development of Japan's Secondary market so that the growth of startups aiming to become unicorns is not hindered by the maturity dates of their funding rounds.

Investee Funds



* Total number of investments as of end-March 2026 (excludes JIC Group funds)

⑩ Go Global

Investment Period: Sept. 2022

Total Investments: 18

Purpose

To help Japanese startups enter global markets, JIC is promoting efforts to attract the interest of overseas VCs.

Investee Funds



GLOBIS Capital Partners

Headline



⑪ Engagement

Investment Period: Nov. 2024

Total Investments: 1

Purpose

JIC is considering investing in Engagement funds that target publicly traded companies in business sectors with the potential to be internationally competitive, the aim being to engage in constructive and friendly dialogue with management over the medium to long term regarding business restructuring and the creation of new businesses.

Investee Funds



⑫ Buyout

Target Period: May 2025

Total Investments: 2

Purpose

To promote management reforms at large domestic companies in preparation for industrial and business restructuring, JIC is considering investing in large Buyout funds (generally JPY200 billion or larger) focusing on large domestic companies.

Investee Funds



* Total number of investments as of end-March 2026 (excludes JIC Group funds)

Reference⑥

Market Trends



Japan



US

Startups

- The total amount of funds raised in 2025 reached ¥761.3 billion (current tally), which is roughly in line with the level recorded at the same point the previous year.
- As in the prior year, fundraising in 2025 was driven mainly by SaaS and generative AI-related startups.
- Median per-company deal size from Series A through Series C saw year-on-year growth, a trend driven by a decline in the number of small-scale deals. This may suggest that investors are becoming more selective when choosing startups to back.
- Median post-funding valuations for each stage remained largely flat.
- There were 31 IPOs in 2025, down 18 YoY. While IPO activity typically picks up in the second half of the year, no such seasonality was observed in 2025.
- The number of M&A deals was 232, remaining at a high level relative to the previous year.

- Startups raised a total of \$339 billion in 2025, up 59% YoY.
- Investment in AI-related startups continued to drive overall fundraising.
- Competition surrounding AI infrastructure is intensifying. The evolution of generative AI is likely to bring about structural changes to the business models of existing software industries, including SaaS.
- Median valuations increased for early to growth stage companies. The rising share of fundraising by AI-related startups (in terms of both number of deals and total amount) pushed up median valuations across all stages.
- The number and value of IPOs and M&A deals are on a recovery trend. M&A saw multiple cases of large tech companies acquiring AI startups. Several large unicorns are expected to file IPOs in the second half of 2026.
- M&A activity is also expected to accelerate as financial conditions ease.

Venture Capital

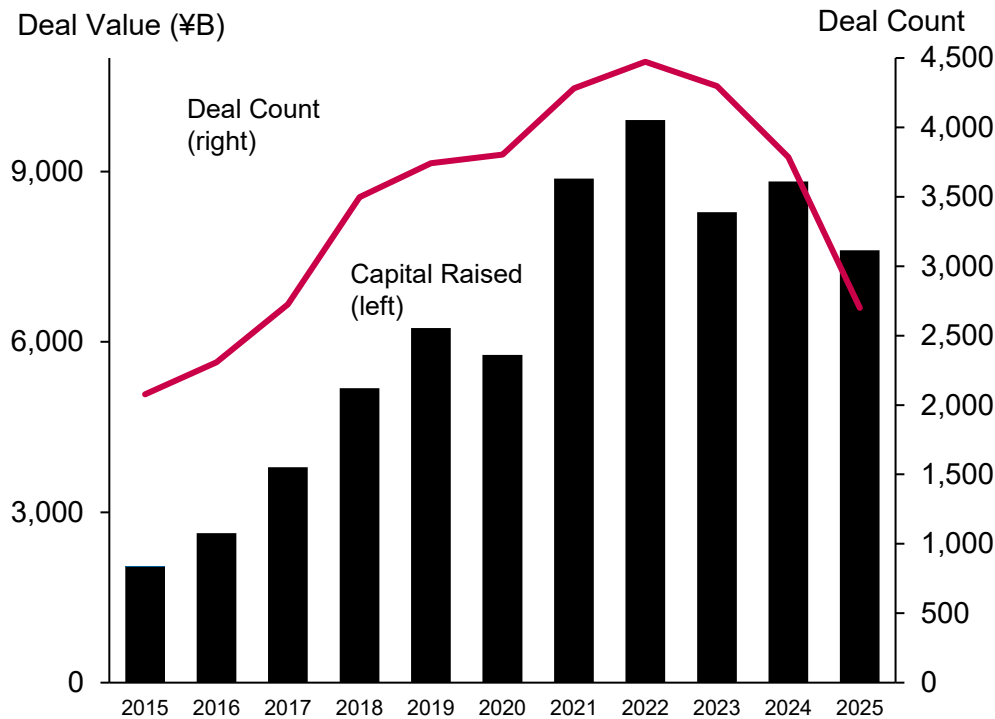
- In 2025, the total amount of funds raised reached ¥474.7 billion, exceeding the ¥387.0 billion recorded for the same period of the previous year. Fundraising figures for VC funds established in 2025 are expected to be revised upward as additional fundraising activities progress.
- By GP type, fundraising by independent VCs was relatively limited in 2025, while fundraising by financial institution-affiliated VCs remained relatively solid.
- At the end of 2025, estimated uncalled commitments (dry powder) was ¥1.3 trillion, down 12% YoY. The ratio of estimated uncalled commitments to annual VC investment declined to 4.1 years, roughly the same level as 2019.

- In 2025, VC fundraising totaled \$66 billion, remaining subdued. While emerging managers continue to face difficulties in fundraising, established VC firms remain on track, leaving the overall dynamic unchanged.
- As exits via IPOs and M&A have yet to fully recover, distributions from VC funds to LP investors remain subdued, leading LPs to hold back on new commitments to VC funds.
- VC dry powder, which had ballooned to an estimated \$300 billion at the end of 2022, has been declining. This likely reflects a sharp slowdown in fundraising while existing funds continue to deploy capital, leading to the gradual drawdown of previously committed capital.

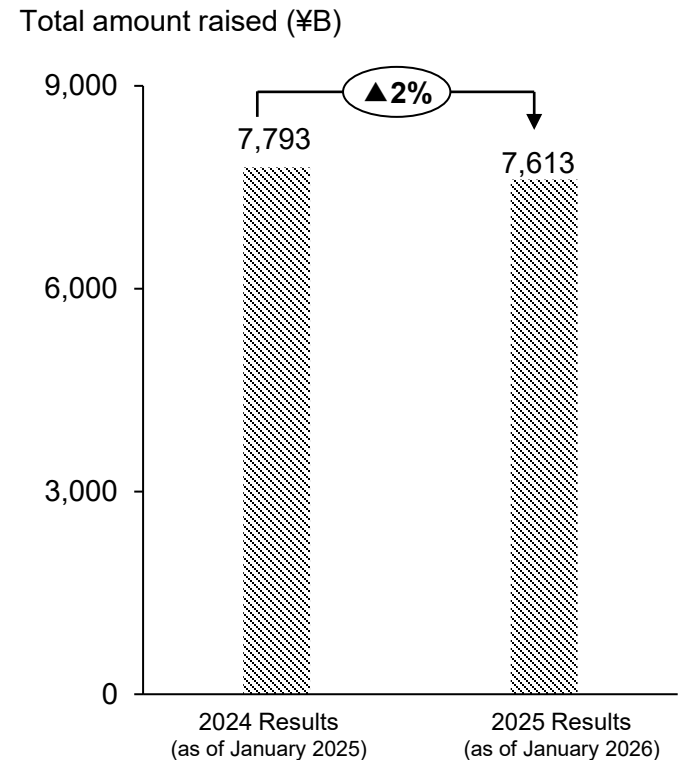
Japan: Deal Activity | Overview

- Startups raised a total of ¥761.3 B (current tally) in 2025. This is almost the same level as the previous year.¹

Deal Activity¹



Year on Year Comparison

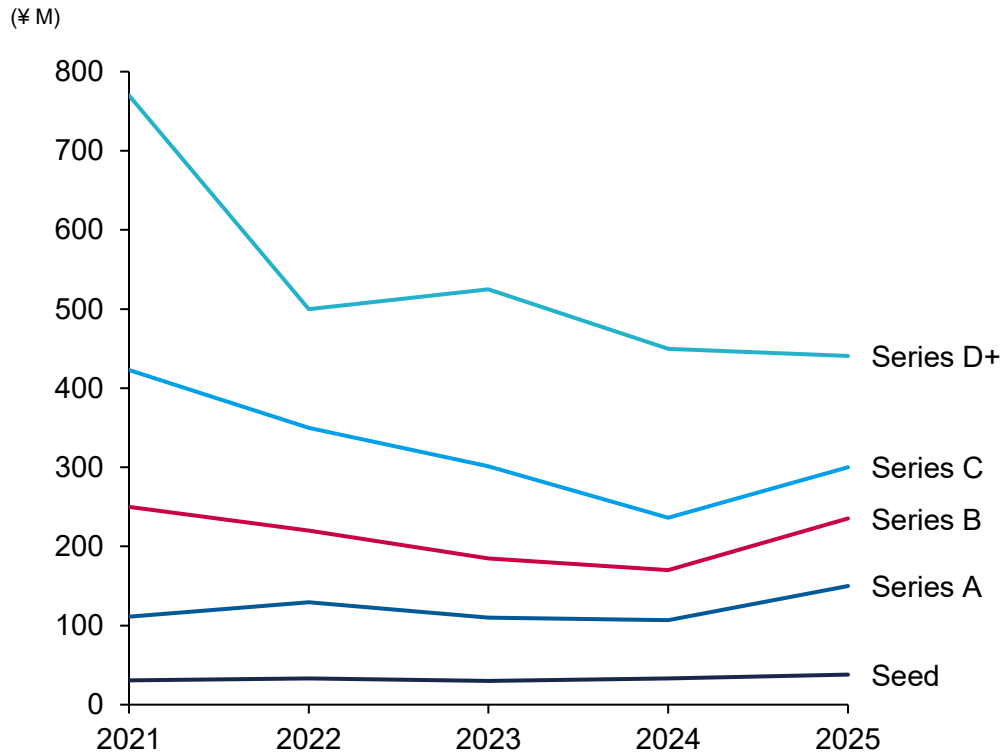


Note 1: The above figures are preliminary results subject to revision as deals are identified retrospectively.
Source : Speeda Startup Information Research

Japan: Deal Activity | Deal Size

- In 2025, median per-company fundraising in Series A, Series B, and Series C funding rounds increased year-over-year due to a decline in the number of small-scale deals.¹
- This suggests that investors may be becoming more selective when choosing startups to back.

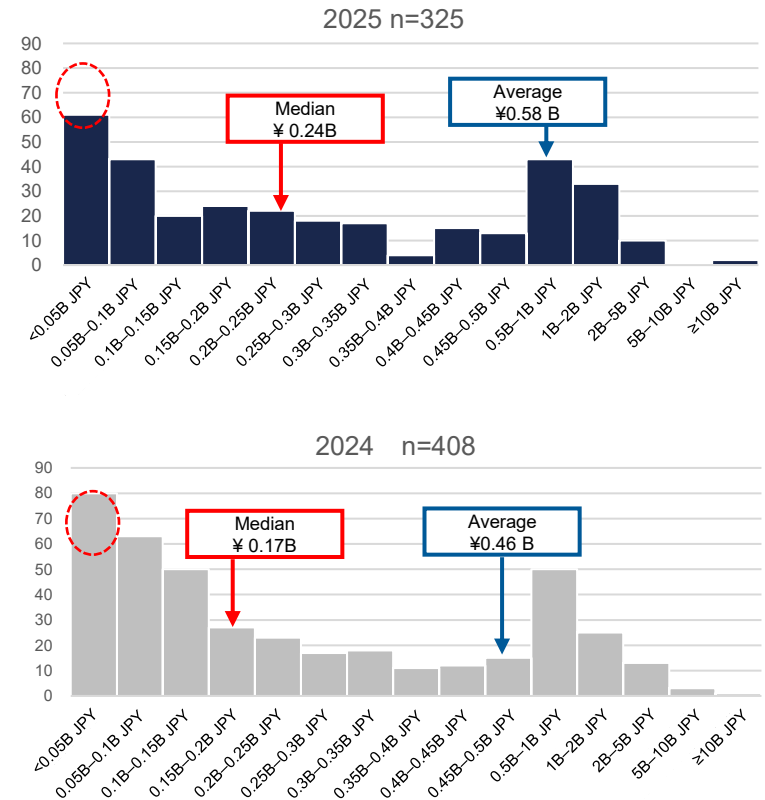
Deal Size by Series (Median)



Note 1: Based on data as of February 2, 2026, broken down and aggregated by company, series, and year. As indicated by the red dashed ellipse in the figure on the right, the number of deals under ¥0.05 B (small-sized fundraising rounds) has decreased.

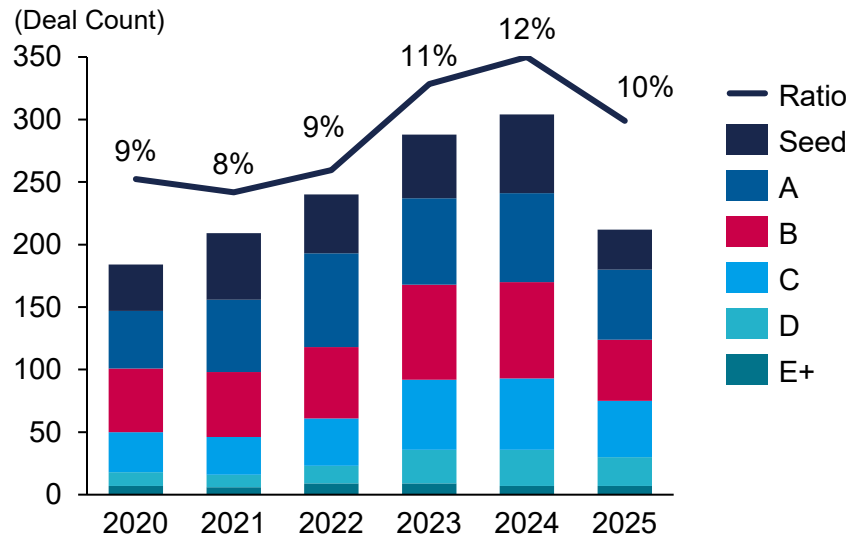
Note 2: The above figures are preliminary results subject to revision as deals are identified retrospectively.

(Ref.) Distribution of Series B Deal Size (2024 and 2025)



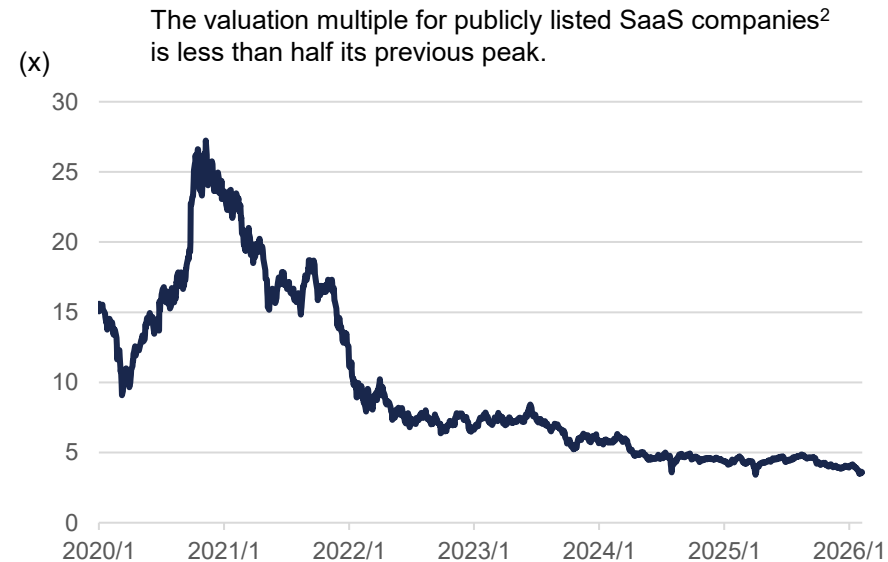
- The share of down rounds, where companies raised funds at a lower valuation than the previous round, began to decline in 2025.
- The share of startup raising funds in down rounds may have peaked. Some startups are being weeded out before reaching a down round.

Down Rounds¹



Note 1: The number of down rounds above was calculated by comparing the valuation at the time of the previous round (post) with the valuation at the time of the current round (pre), and counting the cases where the latter was lower. Separately, there are also cases where the share price of newly issued shares is kept at the same level as the previous round, but existing shareholders who wish to sell their shares offer their shares at a lower price, making the price per share paid by new investors participating in the new round lower than in the previous round, which is essentially a down round. This case has benefits for existing shareholders, investors, and issuers. In other words, existing shareholders who wish to exit are provided with liquidity, investors participating in the new round can invest more cheaply, and issuers can raise funds without dilution.

(Ref) Sales/Price Multiple of Listed SaaS²

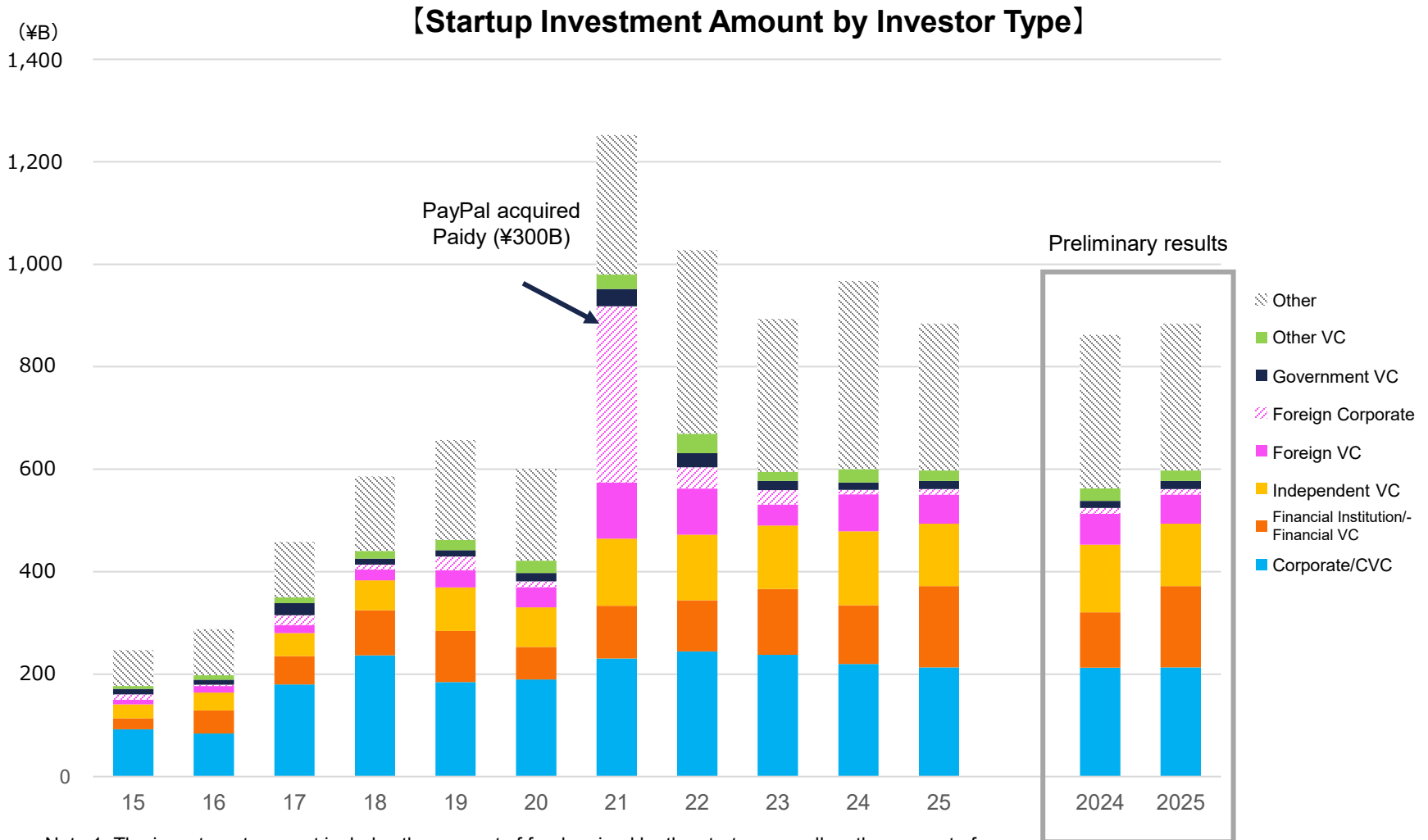


Note 2: Average PSR multiples of 33 representative listed SaaS companies in Japan . Ticker of these listed companies are JT Equity 2477, 5038, 3984, 4071, 4475, 3983, 3923, 4431, 4194, 3991, 4776, 4165, 5621, 4478, 3939, 4811, 4443, 4493, 4180, 2492, 4375, 5033, 7068, 4256, 4192, 4448, 4168, 4397, 4488, 4379, 3994, 147A, 3681.

Source : Speeda Startup Information Research (February 2026) , Bloomberg

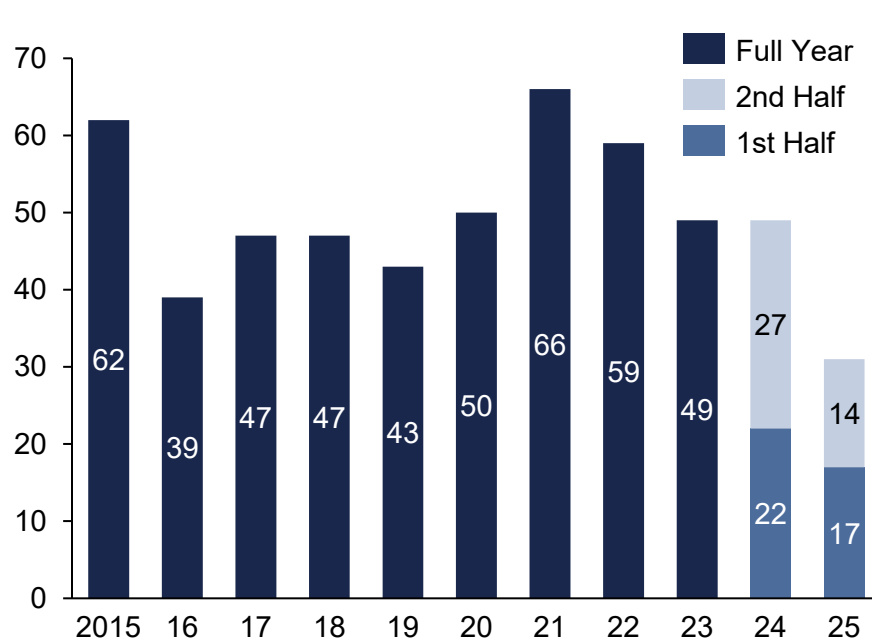
Japan: Deal Activity | Investor Type

- On a year-to-date basis, the composition of investment by investor type is broadly in line with the same period last year, although financial institutions and financial VCs account for a larger share.

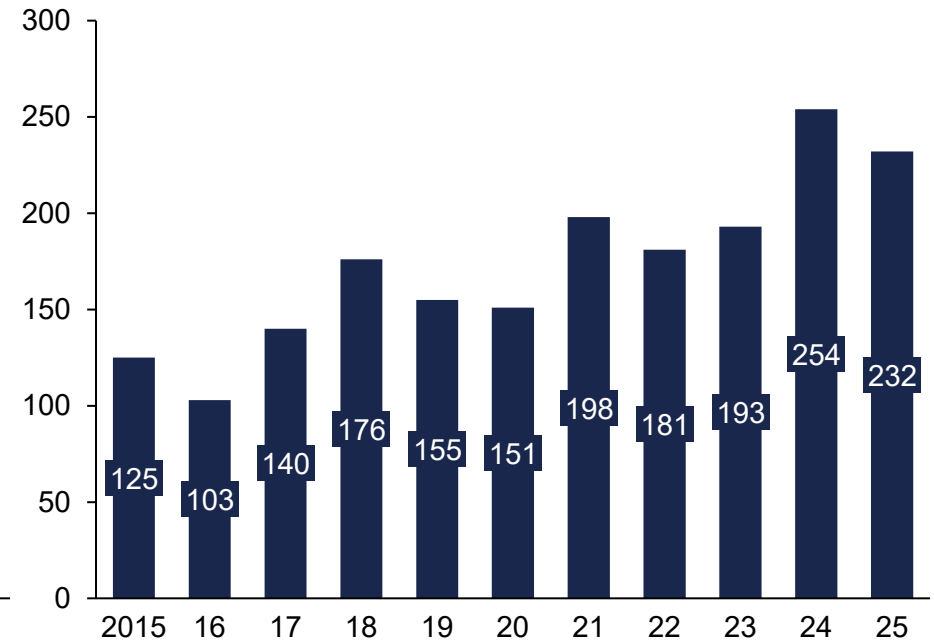


- IPO activity in 2025 came to 31 deals, down 18 year-on-year. Activity was particularly subdued in the second half, due in part to the revision of the Tokyo Stock Exchange's listing maintenance criteria.
- M&A remained strong, following the high level seen in the previous year.

Number of startup IPOs¹



Number of startup M&As²



Note 1: Number of listings on emerging markets. Count limited to startups that received investment from VCs before listing .

Note 2: The total of acquired companies, subsidiaries, acquisition of major shares, and business transfers.

Source: Speeda Startup Information Research

Japan: Exit | Major Startup IPO Deals

- Major IPOs in 2025 are listed below. There were no large-scale IPOs with a market capitalization of ¥50 billion or more based on the offer price.

Company Name	Business Description	IPO Date	New Listing Status			Latest Funding Round			Multiple
			(A) Market Capitalization ¹ (¥B)	Offer Price (¥)	Current Stock Price (¥) ²	Date/Series ³	Valuation (¥B)	(A)÷(B)	
PowerX	Large-scale battery energy & power systems	12/19	392	@1,220	@2,233	2025/7/28	B	550	0.7 x
Infcurion	Embedded finance / payment infrastructure	10/24	314	@1,680	@1,503	2024/9/20	C	303	1.0 x
Dynamic Map Platform	HD maps & positioning for autonomous driving	3/27	226	@1,200	@592	2022/4/26	C	685	0.3 x
Digital Grid	Decarbonization platform for power & environmental value trading	4/22	268	@4,520	@716	2021/12/24	C	153	1.8 x
Cyber Solutions	Enterprise digital communication & cybersecurity services	10/23	207	@1,380	@1,214	-	-	-	-
uSonar	Database & marketing support services	10/17	174	@2,000	@1,867	2022/12/26	-	-	-
Axelspace	Small satellite manufacturing & data services	8/13	163	@375	@556	2023/12/29	D	258	0.6 x
FUNDINNO	Private equity platform for unlisted shares	12/05	143	@620	@934	2025/1/23	E	278	0.5 x
Wellness Communications	Health data platform based on SaaS	6/23	135	@2,480	@1,005	2023/3/27	-	-	-

Note 1: Calculated by multiplying Offer Price and Shares Outstanding right before the IPO.

Note 2: Share price as of February 9, 2026.

Note 3: Series is based on Speeda's definition.

Source : JPX, EDINET, Speeda Startup Information Research, Company disclosures

Japan: Exit | Major Startup M&A Deals

- The main acquisition deals in 2025 were as follows. There were three large acquisitions exceeding ¥10 billion.

Company Name	Business Description	Acquisition Date	Acquisition Info.			Latest Funding Round		Multiple
			Deal Value (¥B) (Equity Stake) ¹	Valuation (¥B)	Acquirer	Date / Series	Valuation (¥B)	(A) ÷ (B) X
UPSIDER	Fintech startup providing corporate cards and business payment solutions	7/29	46.0* (approx. 70%*)	65.7*	Mizuho Bank	2024/10/21 E	76.2	0.9 x
Renalys Pharma	Kidney disease therapeutics development	10/24	150 (100%)	15.0	Chugai Pharmaceutical	2024/7/17 A	11.9	1.3 x
Thinkings	HR tech startup providing applicant tracking systems and recruitment solutions	10/1	140 (100%)	14.0	BizReach	2022/6/30 B	9.1	1.5 x
Axisroot	Holding company for Axis, a cloud-based electronic medical record system	1/23	79 (100%)	7.9	Medley	2023/2/28 B	5.7	1.4 x
YUMEMI	In-house system development & consulting support	12/1	37 (49.8%)	74.3	Accenture	2018/7/3 -	1.6	4.6 x

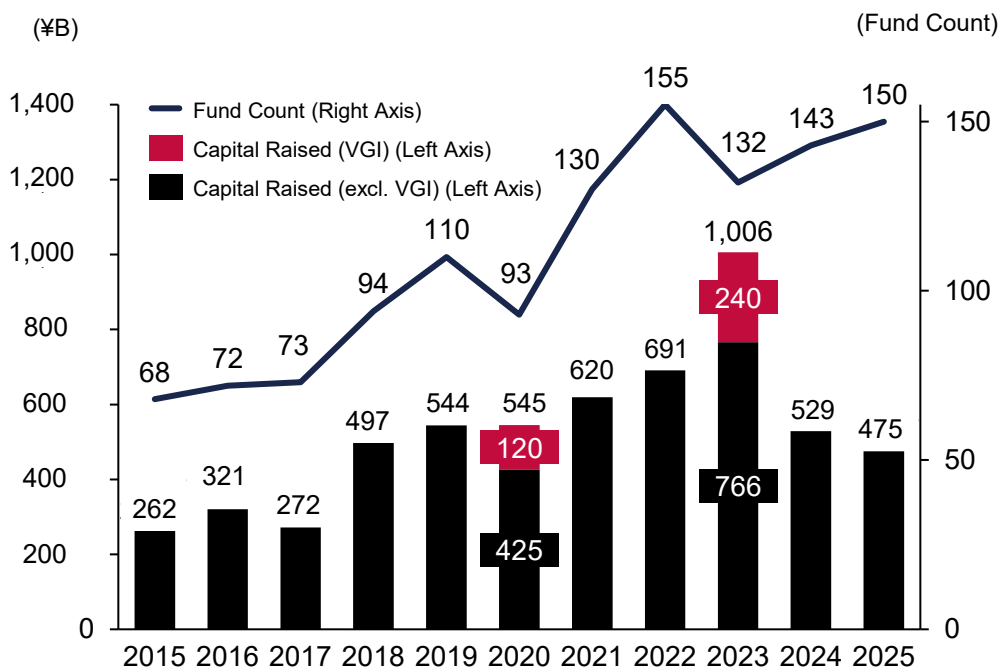
Note 1: Simple estimates based on acquisition price and ratio.

Source: Speeda Startup Information Research (as of February 9, 2026) , news reports, and timely disclosures

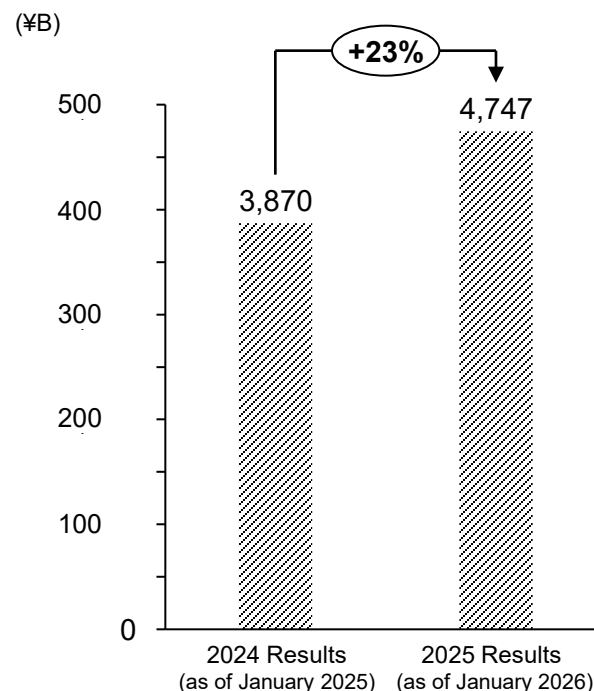
Japan: Fundraising | Overview

- Domestic VC funds formed in 2025 have raised a total of ¥474.7 billion to date, surpassing the ¥387.0 billion in the same period last year.
- As fundraising continues, the total capital raised by 2025 vintage funds is expected to increase further.

Fundraising Trends^{1, 2}



Year on Year Comparison



Note 1: The figures for 2020 and 2023 include funds established by JIC VGI (¥120 billion and ¥240 billion, respectively). As these account for a large proportion of the total – approximately one-quarter in the case of 2023 – JIC reviewed changes in level on a like-for-like basis, excluding these amounts.

Note 2: The figures above are current aggregates based on the year of fund establishment. These aggregate figures are updated each time an established fund conducts a new fundraising round. The figures pertain to funds that primarily invest in domestic startups.

Source: Speeda Startup Information Research (as of January 2026)

- Large-scale funds raised by independent managers remained limited in number.

Top Funds Launched in 2024H1

★ VCs managed by independent manager (not affiliated with any parent organization)

Fund Name (Management company name)	Fund Amount (¥B) ¹	Launch Date
Global Brain No. 9 ★ (Global Brain Corporation)	32.5	2024/04
Japan Private Equity Opportunity 2024 ★ (WM Partners)	30.0	2024/09
Daiwa House Group (Daiwa House Ventures Co., Ltd.)	30.0	2024/01
Coral Capital IV ★ (Coral Capital Co., Ltd.)	25.0	2024/04
Fast Track Initiative No. 4 ★ (Fast Track Initiative Co., Ltd.)	20.0	2024/07
B Dash Fund No. 5 ★ (B Dash Ventures Co., Ltd.)	20.0	2024/10
Japan Post Capital No. 1 (Japan Post Capital Co., Ltd.)	20.0	2024/03
Incubate Fund VI ★ (Incubate Fund Co., Ltd.)	18.4	2024/01
X&KSK I ★ (X&Management Japan LLC)	15.3	2024/02
Spiral Capital Japan Fund No. 3 ★ (Spiral Capital Co., Ltd.)	15.0	2024/04

Top Funds Launched in 2025H1

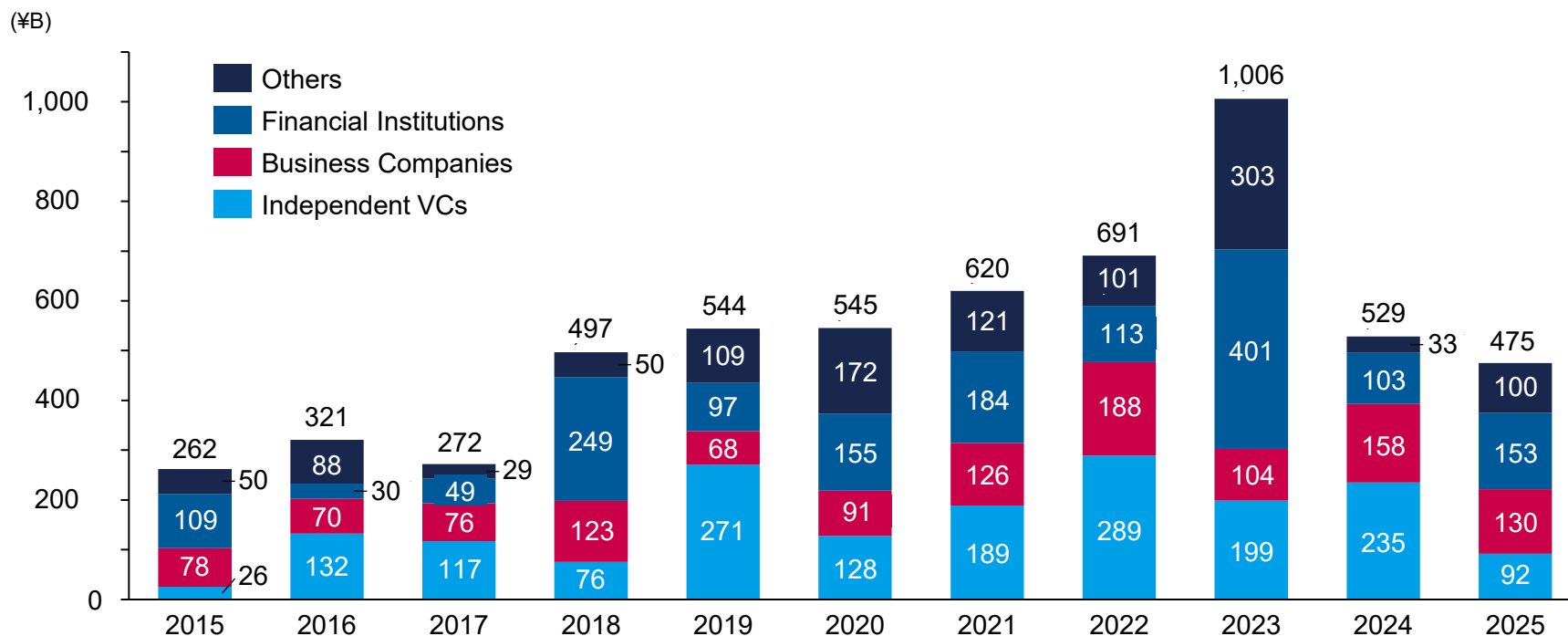
★ VCs managed by independent manager (not affiliated with any parent organization)

Fund Name (Management company name)	Fund Amount (¥B) ¹	Launch Date
Utec No. 6 ★ (University of Tokyo Edge Capital Partners Co., Ltd.)	46.1	2025/04
ZVC No. 2 (Z Venture Capital Co., Ltd.)	30.0	2025/01
SGP NEXUS (SOMPO Growth Partners Co., Ltd.)	30.0	2025/02
Mitsubishi UFJ Capital No. 10 (Mitsubishi UFJ Capital Co., Ltd.)	30.0	2025/04
Angel Bridge Unicorn Fund No. 3 ★ (Angel Bridge Unicorn Fund No. 3 Limited Liability Partnership)	26.0	2025/06
Olympus Innovation Ventures Fund II (Olympus Innovation Ventures, LLC)	23.5	2025/12
DNX Partners IV ★ (DNX Ventures Partners IV)	21.7	2025/03
ALPHA-1 ★ (Alpha Co., Ltd.)	20.0	2025/05
MF-GB No. 3 (Global Brain Co., Ltd.)	15.0	2025/10
Fujitsu Ventures Fund No. 2 (Fujitsu Ventures Limited)	15.0	2025/07

Note 1: Includes CVCs. The total amount raised is aggregated by fund establishment year.
Source : Speeda Startup Information Research (data as of February 10, 2026).

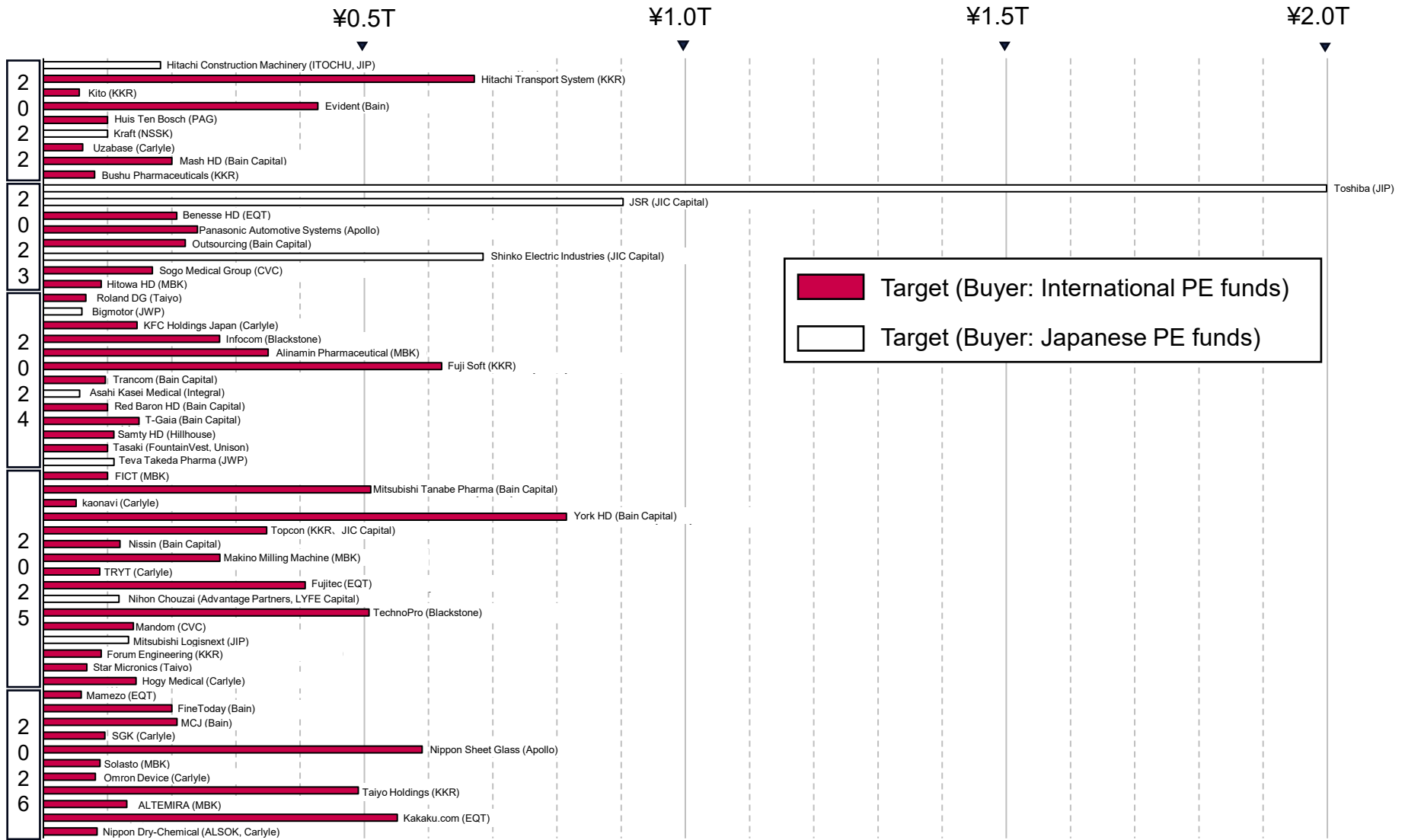
- By GP category, fundraising by independent VCs was relatively subdued in the first half of 2025, whereas fundraising by financial institution-affiliated funds remained solid.

Fundraising Trends by GP Type



Large PE Deals Since 2021 (Deal size: ¥50B+)

- Historically, most large PE transactions in Japan have been closed by international PE funds, and the same trend continued in 2025.

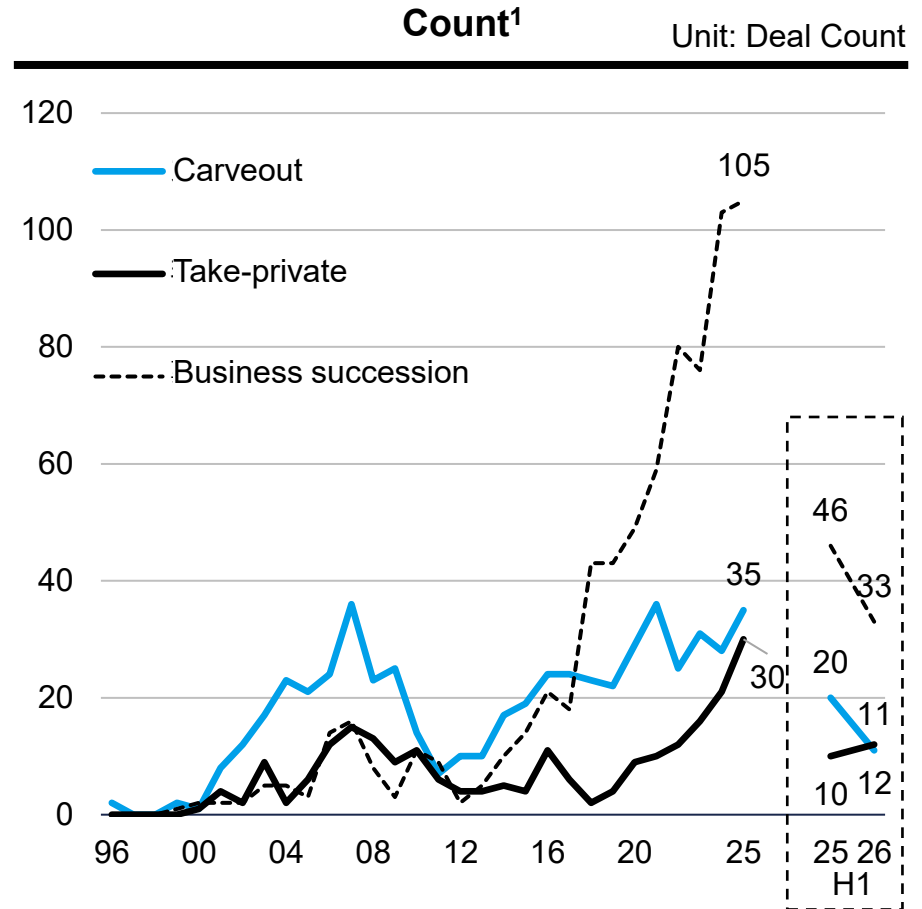
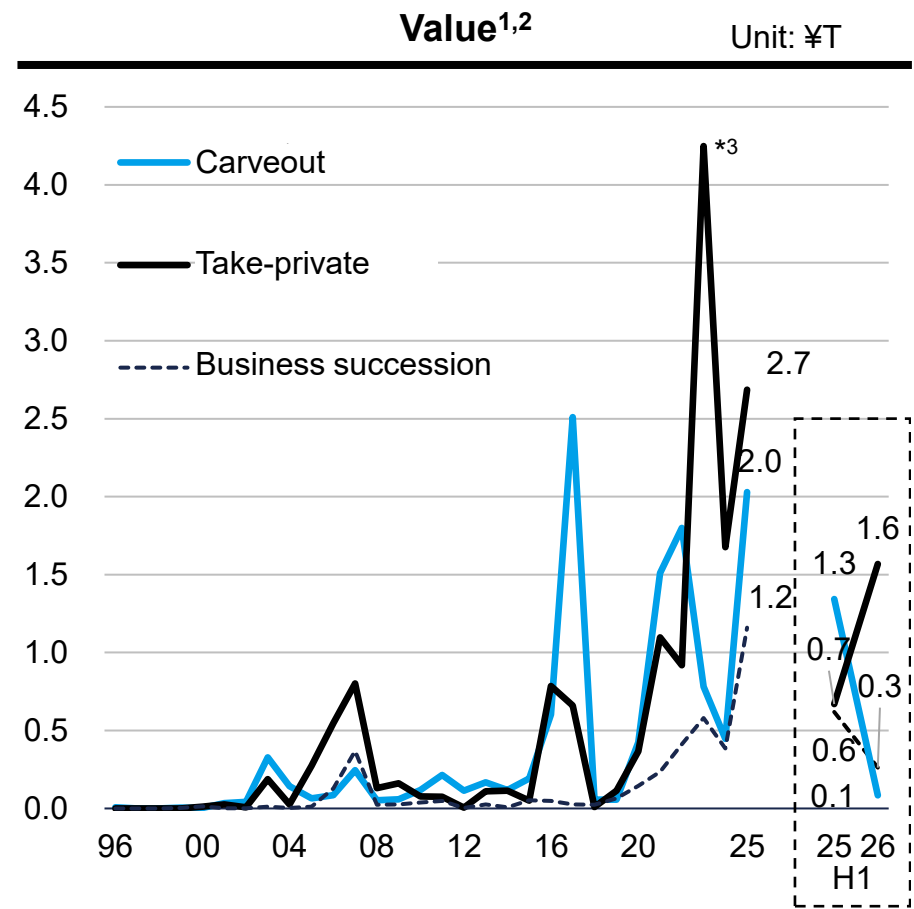


Target (Buyer: International PE funds)
 Target (Buyer: Japanese PE funds)

Source: Corporate disclosures, Media reports

PE Deal Trends (Carveout, Take-private)

- Carveouts increased year-on-year in both value and count; however, large transactions were limited (only one large-scale deal exceeded ¥50 B).
- Take-privates also increased year-on-year in both value and count, likely driven by governance reforms and activist pressure.

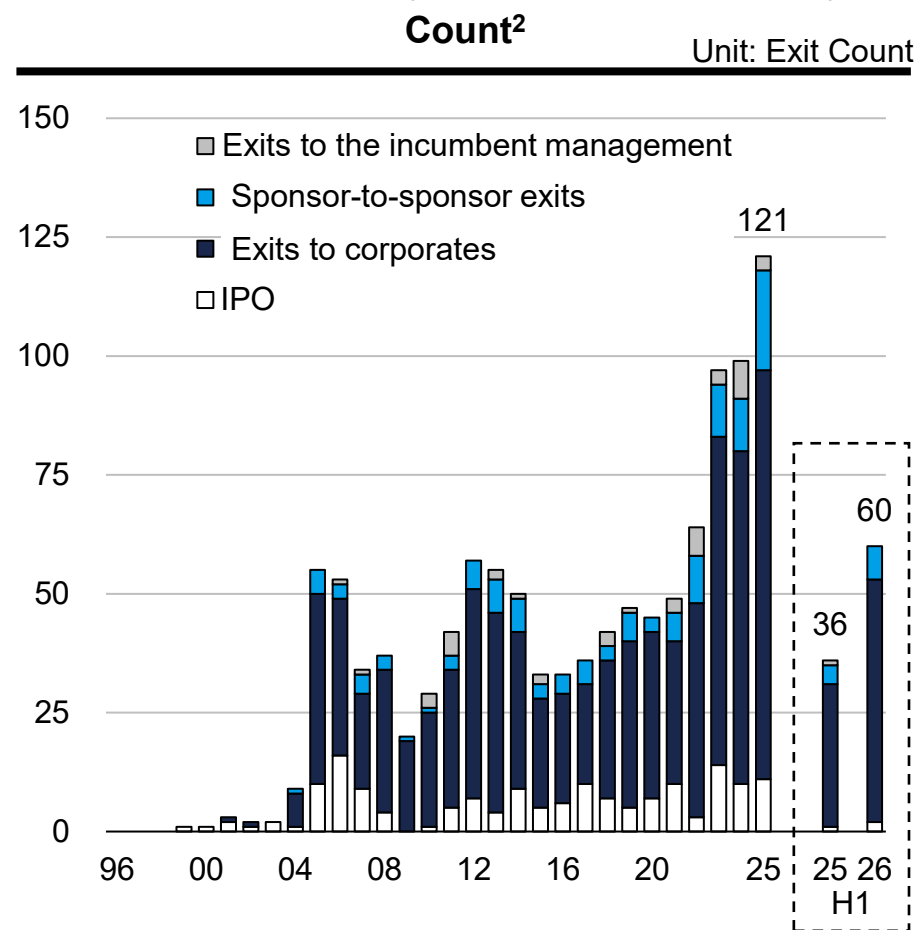
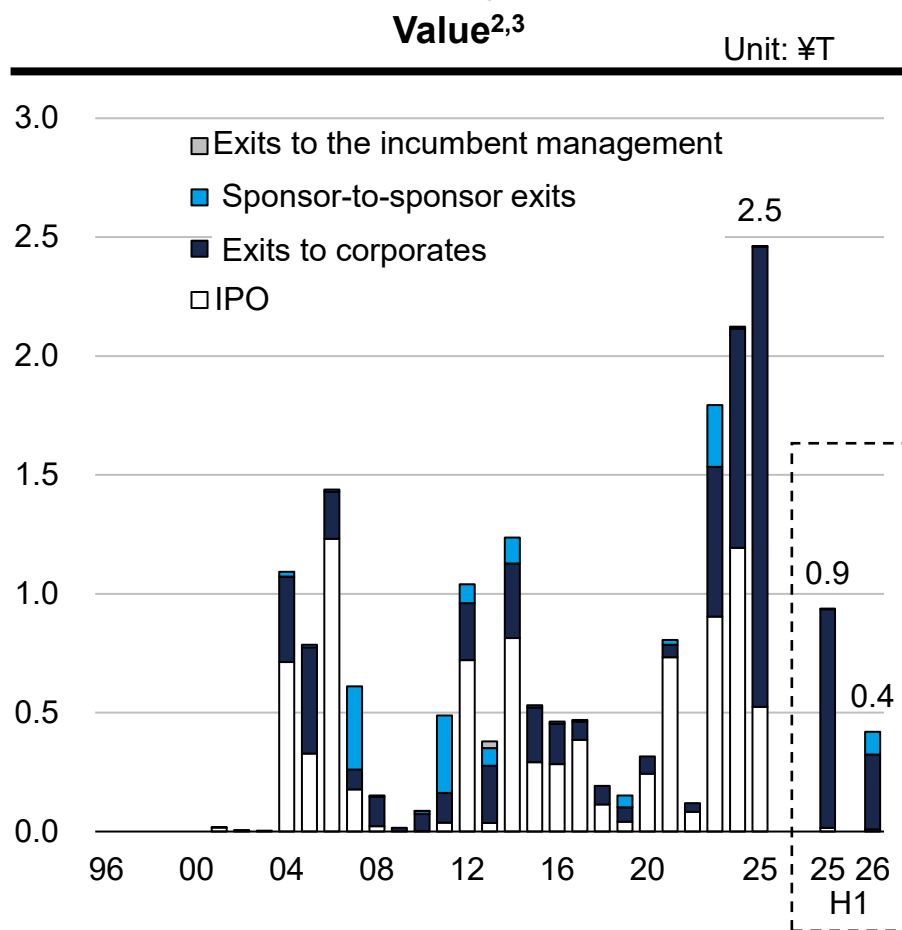


1: Excludes real estate and hotel deals, activist minority investments, venture capital investments, and cross-shareholding transactions. Based on date of announcement. As of May 19, 2026.
 2: Excludes transactions where deal values have not been officially disclosed in press releases or other public sources.
 3: Key deals in 2023 were Toshiba (Buyer: Japan Industrial Partners, Deal value: ¥2T), JSR (Buyer: JIC Capital, Deal value: ¥904B), and Shinko Electric Industries, Deal value: ¥685B).

Source: Recof Data MARR Pro

PE Exit Trends in Japan

- There were 60 total exits¹ (both M&A and IPO) in 2026 H1, a pace exceeding 2025 H1, which went on to be a record year.
 - Of these, 58 were M&A exits. The majority were sales to corporates, with only a few fund-to-fund transactions.
 - There were 2 IPO exits, but no large-scale IPOs exceeding ¥50B.
- In terms of value, three large-scale fund-to-fund transactions exceeded ¥50B (some were not disclosed).



1: Includes partial exits(e.g., divestment of business units of portfolio companies).

2: IPOs are based on completed transactions. Other figures are based on public announcement date (as of May 21, 2026). Excludes real estate and hotel projects.

3: Excludes deals for which values have not been disclosed.

Source: [PitchBook](#), a Morningstar company, Compiled by JIC based on data from Recof Data's Recof M&A Database

Top 10 Private Equity Exits in 2026 H1

- Large-scale exits through M&A were mostly sales to PE funds and to domestic and international corporates.
- No major exits were via IPO.

	Target name (sector)	Exit type	PE owner	Deal value ¹	Holding Period	Buyer
1	FineToday HD (Cosmetics, Daily Necessities)	Sponsor-to-sponsor	CVC	Not disclosed (¥200B)	5 years	Bain
2	ALTEMIRA HD (aluminum products)	Sponsor-to-sponsor	Apollo	Not disclosed (¥130B)	5 years	MBK
3	27% ² stake in Rigaku HD (Optical Equipment)	Exit to corporate	Carlyle	¥112.9B	- ²	Onto Innovation (U.S.)
4	SGK HD (temporary equipment rental)	Sponsor-to-sponsor	ORIX	¥95.8	6 years	Carlyle
5	Iwasaki Electric (lighting equipment)	Exit to corporate	Carlyle	¥70.3B	3 years	Stanley Electric
6	Senqcia (building materials)	Exit to corporate	Lone Star	¥69.0B	4 years	Noritsu Koki
7	C-United (coffee shop chain)	Exit to corporate	Longreach	¥44.1B	8 years	Colowide
8	KANAMEL (video production)	Exit to corporate	Carlyle	¥39.3B	5 years	Nippon TV Holdings
9	61% ² stake in Mamezo (software)	Sponsor-to-sponsor	Integral	¥36.0B	- ²	EQT
10	Triton partial sale (construction staffing business)	Exit to corporate	Carlyle	¥29.4B	- ³	COPRO-HOLDINGS

1: Amounts shown in parentheses are based on media reports.

2: Has already gone public.

3: Sale of a portion of the business or a portion of the equity.

Source: Corporate disclosures, Media reports

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