

Survey on Trends in Venture Capital Investment

2010

January 2011

Venture Enterprise Center, Japan

## Preface

We have compiled and hereby present our *Survey on Trends in Venture Capital Investment* and *Survey on Benchmarks for Funds Including Venture Capital* for fiscal year 2009 (April 1, 2009 through March 31, 2010).

In preparing the latest reports, we have incorporated the changes we made in the previous survey and made some adjustments in accordance with the responses to our survey as well as general conditions in Japan.

The number of Venture Capital companies that responded to our survey increased from the previous 90 to 95. In the benchmark survey, the number of responding funds increased from 480 to 513, and the number of funds for which the internal rate of return was calculated increased from 414 to 437.

We wish to express our gratitude to respondents who took the time and trouble to provide us with valuable responses. It would be our utmost pleasure if readers of the reports find our survey useful in understanding the status of venture investment as well as buyout/turnaround investment in Japan.

Venture Enterprise Center, Japan  
Study Group on Venture Business Trends

List of responding venture capital companies (95 in total)

Company Names	Company Names
Agribusiness Investment & Consultation Ltd.	Nagoya Small and Medium Business Investment & Consultation Co., Ltd.
Angel Capital Co., Ltd.	Neostella Capital Co., Ltd.
Angel Securities Co., Ltd.	New Business Investment Co., Ltd.
Ant Capital Partners Co., Ltd.	Nippon Angels Investment Co., Ltd.
Aozora Investment Co., Ltd.	Nippon Mirai Capital Co., Ltd.
Asahi Life Capital Co., Ltd.	Nippon Technology Venture Partners Ltd.
BioFrontier Partners, Inc.	Nippon Venture Capital Co., Ltd.
Bio-Sight Capital, Inc.	Nissay Capital Co., Ltd.
Chushin Venture Capital Co. Ltd.	Nomura Principal Finance Co., Ltd.
CyberAgent Investment Inc.	Oita Venture Capital Co., Ltd.
Daiwa Corporate Investment Co., Ltd.	ORIX Capital Corporation
Daiwa PI Partners Co., Ltd.	Osaka Small and Medium Business Investment & Consultation Co., Ltd.
Daiwa Securities SMBC Principal Investments Co., Ltd.	Sagin Venture Capital Co., Ltd.
DBJ Capital Co., Ltd.	Sansei Capital Investment Co., Ltd.
DOGAN Advisors, Inc.	Sapporo Hokuyo Leasing Co., Ltd.
Energy & Environment Investment, Inc.	SBI Holdings, Inc.
FGC	Seibu Shinkin Capital Corporation
Fidea Venture Capital, Ltd.	Shigagin Lease & Capital Co., Ltd.
Future Venture Capital Co., Ltd.	Shinkin Capital Co., Ltd.
Gifushin Sogo Finance Co., Ltd.	Shizuoka Capital Company Limited
Global Venture Capital Inc.	SK Ventures Co., Ltd.
Globis Capital Partners & Co.	Sojitz Private Equity, Inc.
Hibishin Capital Co., Ltd.	Strategic Investment Partners Inc.
Higin Capital Co., Ltd.	Sun Capital Management Corp.
HIMEGIN Lease Co., Ltd.	SunBridge Corporation
Hiroshima Venture Capital Co., Ltd.	T・Hands On Investment, Inc.
Hokkaido Venture Capital, Inc.	The Chugin Lease Company, Limited
ICP Inc.	The Daishi Management Consulting Co., Ltd.
Inspire Investment, Inc.	The Gogin Capital Co. Ltd.
INTEC IT Capital, Inc.	The Juroku Capital Co., Ltd.
iSigma Capital Corporation	The Kiyu Lease & Capital Co., Ltd.
ITOCHU Technology Ventures, Inc.	The Shigin Capital And Research Co., Ltd.
JAFSCO Co., Ltd.	The Shoko Chukin Bank Institute of Commerce, Industry & Economics, Ltd.
Japan Asia Investment Co., Ltd.	The Tottori Capital Co., Ltd.
JVIC Venture Capital Inc.	Tohoku Innovation Capital Corporation
Kagawagin Capital Co., Ltd.	Tokai Tokyo Investment Co., Ltd.
Kirayaka Capital Co., Ltd.	Tokio Marine Capital Co., Ltd.
KSP, Inc.	Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
Kyoritsu Capital Co., Ltd.	Toyo Capital Co., Ltd.
Kyushu Venture Partners Co., Ltd.	TSUNAMI Network Partners Corporation
MC Capital Asia Pacific Ltd.	Valiant Partners Co., Ltd.
Mezzanine Corporation	Watervein Partners
Mitsubishi UFJ Capital Co., Ltd.	Will Capital Management Co., Ltd
MITSUI SUMITOMO INSURANCE Venture Capital Co., Ltd.	Works Capital Inc.
Miyagin Venture Capital Co., Ltd.	Yasuda Enterprise Development Co., Ltd.
Mizuho Capital Co., Ltd.	Yokohama Capital Co., Ltd.
Mizuho Securities Investment Services Co., Ltd.	
Mobile Internet Capital, Inc.	
MU Hands-on Capital Ltd.	

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## How to read the charts in this report (points of note)

The charts contained in this report were created based on the results of our survey, which was conducted to find out trends in venture capital and turnaround/buyout investment activities. The following are some points to note in reading the charts.

- “Company(ies)” indicates investment by a venture capital company’s(ies’) own account. “Partnership(s)” or “Fund(s)” indicates investment through a fund(s).
- For turnaround/buyout investment, the aggregate of investment and loans made by both companies and through funds are given.
- Unless otherwise stated, “N” below the tables indicates the number of companies whose responses were incorporated in the charts.
- The year-on-year rates of change were calculated based on responses from companies that provided data for both the previous and latest business years.
- When the denominator is 0 and the value cannot be calculated, “NA” is given.
- In the results of the survey (I-6 and II-4), companies that did not provide a response were accounted for as zero.
- The “clean technology” in the industry classification overlaps with other industries.

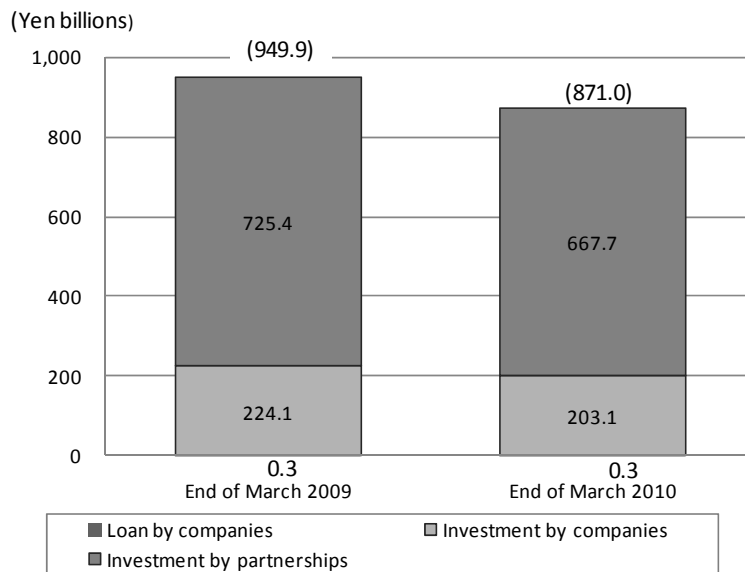
# I . Venture Capital Investment

## 1. Outstanding Balance of Investment and loans

### (1) Status of the outstanding balance of investment and loans

Chart 1-1 illustrates the change in the outstanding balance of venture capital investment and loans over the two most recent fiscal years. The breakdown between investment and loans for the most recent fiscal year is shown in Chart 1-2, and the breakdown between investment and loans in terms of the number of recipient companies is given in Chart 1-3. The amounts of investment (investment and loans, loans) and the numbers of recipient companies were obtained by simply adding up the figures provided in the responses.

**Chart 1-1: Change in outstanding balance of VC investment and loans**



(Note 1) Numbers in parentheses indicate the sum of investment and loans

(Note 2) Numbers above are solely based on the latest survey, and do not include turnaround/buyout investment.

**Chart 1-2: Outstanding balance of investment and loans (as of end of March 2010)**

(Yen millions)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
Investment	203,072	-9.4%	667,702	-8.0%	870,774	-8.3%
Loans	250	-10.7%	-	-	250	-10.7%
<b>Total</b>	<b>203,322</b>	<b>-9.4%</b>	<b>667,702</b>	<b>-8.0%</b>	<b>871,024</b>	<b>-8.3%</b>

N: No. of responding companies      N=56      N=54      N=79      N=77      N=86      N=82

(Note 1) Numbers above were obtained by simply adding the figures in the replies

(Note 2) Numbers above refer to VC companies that provided the amount of investment/loans

(Note 3) y/y changes are based on replies from VC companies that provided figures for both 2009 and 2010 (ending in March)

(Note 4) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 5) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Chart 1-3: Number of recipients of investment and loans (as of end of March 2010)**

(Number of recipients)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
Investment	5,167	-9.7%	6,761	-11.4%	11,928	-10.6%
Loans	3	0.0%	-	-	3	0.0%
<b>Total recipients</b>	<b>5,170</b>	<b>-9.7%</b>	<b>6,761</b>	<b>-11.4%</b>	<b>11,931</b>	<b>-10.6%</b>

N: No. of responding companies      N=58      N=55      N=81      N=79      N=87      N=85

(Note 1) Numbers above were obtained by simply adding the figures given in the replies

(Note 2) Numbers above refer to VC companies that provided the number of recipients

(Note 3) y/y changes are based on replies from VC companies that provided figures for both 2009 and 2010 (ending in March)

(Note 4) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 5) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(2) Outstanding balance of investment and loans per recipient**

Chart 1-4 “Outstanding balance of investment and loans per recipient” refers to companies that provided both the outstanding balance and the number of recipients of investment and loans. Total figures for outstanding balance and the number of recipients were computed, and the former was divided by the latter to arrive at the per-recipient figure.

**Chart 1-4: Outstanding balance of investment and loans per recipient (as of March 2010)**

(Number of recipients, Yen millions)

	End of March 2009		End of March 2010		y/y change	
	Company	Partnership	Company	Partnership	Company	Partnership
No. of investment recipients	5,705	7,594	5,151	6,736		
Investment balance	223,646	699,203	202,648	645,750		
I/B per recipient	39.2	92.1	39.3	95.9	0.4%	4.2%
No. of loan recipients	3	-	3	-		
Loan balance	280	-	250	-		
L/B per recipient	93.3	-	83.3	-	-10.7%	-
Total recipients	5,708	7,594	5,154	6,736		
Total outstanding balance	223,927	699,203	202,898	645,750		
Total O/B per recipient	39.2	92.1	39.4	95.9	0.4%	4.2%

N: No. of responding companies N=55 N=76 N=55 N=78 N=53 N=76

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Outstanding balance of investment and loans per recipient (Company and fund, as of the end of March 2010)**

(Number of recipients, Yen millions)

	End of March 2009		End of March 2010		y/y change	
	Company	Partnership	Company	Partnership	Company	Partnership
No. of investment recipients	13,299		11,857			
Investment balance	922,849		842,032			
I/B per recipient	69.4		71.0		2.9%	
No. of loan recipients	3		3			
Loan balance	280		250			
L/B per recipient	93.3		83.3		-10.7%	
Total recipients	13,302		11,860			
Total outstanding balance	923,130		842,282			
Total O/B per recipient	69.4		71.0		2.9%	

N: No. of responding companies N=82 N=83 N=81

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply



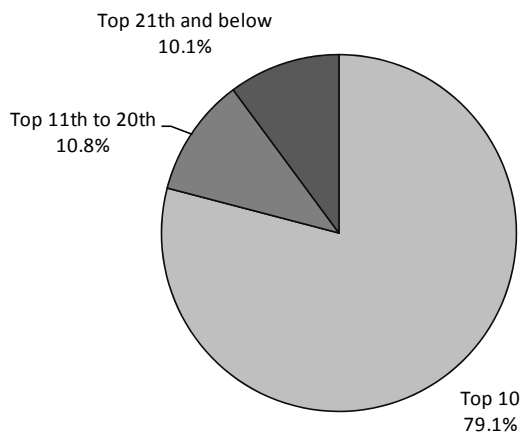
**(3) Distribution of VC companies by amount of investment and loans**

The following chart shows the distribution of VC companies by the size of the outstanding balance of investment and loans made by company as well as through fund. Chart 1-5 shows the number of VC companies, total outstanding balance of investment and loans and the percentage composition for each of the ranges of outstanding balance. Chart 1-6 compares the share of the top ten companies and companies ranking 11<sup>th</sup> to the 20<sup>th</sup> to the rest of the companies in terms of the outstanding balance of investment and loans.

**Chart 1-5: Distribution of the VC companies by outstanding balance of investment and loans (as of the end of March 2010)**

Outstanding balance (Yen billions)	No. of VC companies	Total O/B	
		(Yen bil)	Percentage
1 and below	36	20.1	2.3%
1 ~ 5	30	72.5	8.3%
5 ~ 10	5	30.0	3.4%
10 ~ 50	9	202.9	23.3%
50 ~ 100	3	184.9	21.2%
over 100	2	360.6	41.4%
Total	85	871.0	100.0%

**Chart 1-6: Share of the top 10 and 20 companies in terms of outstanding balance of investment and loans**



**(4) Distribution of recipients and outstanding balance by region**

Charts 1-7 to 1-9 illustrate the outstanding balance of investment and loans by companies and funds categorized by the region where the recipients of investment and loans are based.

**Chart 1-7: Outstanding balance of investment and loans Breakdown by region (Company and fund, as of the end of March 2010)**

	No. of recipients		Amount	
		Percentage	(Yen mil)	Percentage
<b>Japan total</b>	<b>10,014</b>	<b>91.3%</b>	<b>609,175</b>	<b>75.9%</b>
Hokkaido	215	2.2%	7,582	1.2%
Tohoku	229	2.4%	9,674	1.5%
Kanto (excl. Tokyo)	965	9.9%	52,423	8.2%
Tokyo	3,484	35.7%	250,724	39.0%
Chubu	1,277	13.1%	45,903	7.1%
Kinki	1,760	18.0%	59,183	9.2%
Chugoku	303	3.1%	5,222	0.8%
Shikoku	149	1.5%	5,223	0.8%
Kyushu and Okinawa	434	4.4%	14,761	2.3%
<b>Overseas total</b>	<b>955</b>	<b>8.7%</b>	<b>193,433</b>	<b>24.1%</b>
Asia Pacific	408	4.2%	101,974	15.9%
Europe	62	0.6%	24,678	3.8%
North America	465	4.8%	64,107	10.0%
Other	11	0.1%	1,893	0.3%
<b>Total</b>	<b>10,969</b>	<b>100.0%</b>	<b>802,612</b>	<b>100.0%</b>

N: No. of responding companies

N=77

N=75

(Note 1) Numbers above refer to VC companies that provided the number of recipients or amount of investment and loans

(Note 2) The "Total" is the sum of Japan total and overseas total

(Note 3) The breakdown figures may not necessarily add up correctly due to rounding and cases of no reply

**Chart 1-8: Outstanding balance of investment and loans Year-on-year change by region (Company and fund, as of the end of March 2010)**

	No. of recipients		Amount	
		y/y change	(Yen mil)	y/y change
<b>Japan total</b>	<b>10,014</b>	<b>-10.5%</b>	<b>609,175</b>	<b>-8.5%</b>
Hokkaido	215	-6.9%	7,582	-11.1%
Tohoku	229	-1.3%	9,674	-9.5%
Kanto (excl. Tokyo)	965	-12.8%	52,423	-13.5%
Tokyo	3,484	-15.1%	250,724	-10.6%
Chubu	1,277	-4.7%	45,903	-8.4%
Kinki	1,760	-7.3%	59,183	-9.1%
Chugoku	303	-4.1%	5,222	-10.2%
Shikoku	149	-12.4%	5,223	-17.9%
Kyushu and Okinawa	434	-4.2%	14,761	-2.1%
<b>Overseas total</b>	<b>955</b>	<b>-7.0%</b>	<b>193,433</b>	<b>-2.8%</b>
Asia Pacific	408	-2.4%	101,974	4.2%
Europe	62	-11.6%	24,678	-4.8%
North America	465	-11.6%	64,107	-13.3%
Other	11	10.0%	1,893	-41.8%
<b>Total</b>	<b>10,969</b>	<b>-</b>	<b>802,612</b>	<b>-</b>

N: No. of responding companies

N=77

N=75

N=75

N=73

(Note 1) Numbers above refer to VC companies that provided the number of recipients or amount of investment and loans

(Note 2) The "Total" is the sum of Japan total and overseas total

(Note 3) y/y change refers to companies that provided the number of recipients or amount of investment and loans for both 2009 and 2010 (ending in March)

(Note 4) The breakdown figures may not necessarily add up correctly due to rounding and cases of no reply

**Chart 1-9: Outstanding balance of investment and loans per recipient by region (as of the end of March 2010)**

(Yen millions)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
<b>Japan total</b>	<b>32.5</b>	<b>1.0%</b>	<b>82.2</b>	<b>2.3%</b>	<b>61.7</b>	<b>2.0%</b>
Hokkaido	23.3	-5.6%	41.1	-3.9%	33.7	-5.0%
Tohoku	25.7	-12.7%	56.5	-6.5%	40.1	-8.3%
Kanto (excl. Tokyo)	29.4	13.1%	70.2	-5.2%	51.6	-0.5%
Tokyo	38.2	5.5%	79.1	2.3%	62.9	2.6%
Chubu	27.9	-5.4%	50.2	-5.9%	34.3	-6.6%
Kinki	31.2	0.7%	57.4	-0.6%	48.7	0.1%
Chugoku	15.3	-14.1%	25.8	-2.6%	22.1	-4.7%
Shikoku	19.0	-6.0%	59.0	1.1%	43.3	0.7%
Kyushu and Okinawa	19.6	-0.9%	50.3	2.8%	41.3	4.0%
<b>Overseas total</b>	<b>162.1</b>	<b>1.1%</b>	<b>212.6</b>	<b>4.7%</b>	<b>197.8</b>	<b>4.0%</b>
Asia Pacific	161.5	11.5%	280.6	2.0%	240.9	5.2%
Europe	504.8	3.1%	304.2	10.5%	404.6	7.7%
North America	72.5	-31.0%	156.0	4.0%	135.7	-1.9%
Other	213.6	1235.0%	136.0	-4.9%	171.3	85.7%

N: No. of responding companies      N=49      N=47      N=68      N=68      N=74      N=72

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment and loans

(Note 2) y/y changes are based on replies from companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

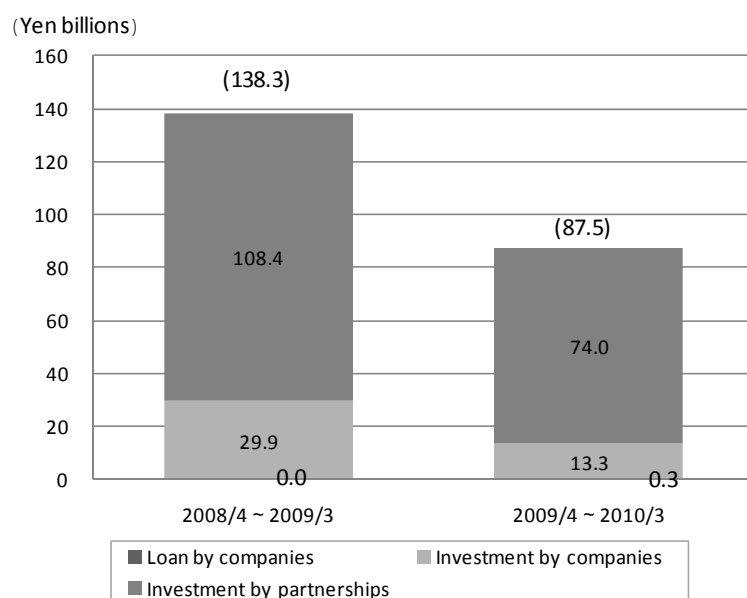
(Note 3) The breakdown figures may not necessarily add up correctly due to cases of no reply

## 2. Amount of Investment and Loans Made During the Year

### (1) Status of the amount of investment and loans made during the year

Chart 2-1 shows the change in the amount of investment and loans that were made during the two most recent financial years, respectively. The breakdown of the amount of investment and loans made during the most recent fiscal year is shown in Chart 2-2, and the breakdown of the recipients of investment and loans is shown in Chart 2-3. The amounts of investment (investment and loans, or loans) and the numbers of recipients in the charts are the result of simply adding up the figures given in the responses.

**Chart 2-1: Change in the amount of VC investment and loans made during the year**



(Note 1) Numbers in parentheses indicate the total amount of investment and loans made during the year

(Note 2) Numbers above are solely based on the latest survey, and do not include turnaround/buyout investment

**Chart 2-2: Amount of investment and loans made during the year (April 2009 - March 2010)**

(Yen millions)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
Common stocks	8,431	-43.2%	55,489	-18.1%	63,920	-20.4%
Classified stocks	780	-10.0%	7,739	-29.9%	8,519	-25.3%
Bonds	1,317	-72.9%	4,072	6.4%	5,389	-37.6%
Other	894	-47.9%	983	-91.1%	1,877	-84.9%
Total investment	13,287	-55.9%	73,955	-31.6%	87,242	-36.9%
Loans	270	1250.0%	-	-	270	1,250.0%
Total investment and loans	13,557	-55.0%	73,955	-31.6%	87,512	-36.8%

N: No. of responding companies      N=48      N=45      N=73      N=70      N=80      N=77

(Note 1) Numbers above are the result of simply adding up the figures given in replies

(Note 2) Numbers above refer to VC companies that provided the amount of investment/loans

(Note 3) y/y change refers to VC companies that provided the amounts for both Apr. 2008    Mar. 2009 and Apr. 2009    Mar. 2010

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Chart 2-3: Number of recipients of investment and loans during the year (April 2009 – March 2010)**

(Number of recipients)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
Common stocks	70	-14.3%	484	-27.2%	554	-21.2%
Classified stocks	33	32.0%	104	8.9%	137	19.1%
Bonds	8	-27.3%	52	22.0%	60	15.4%
Other	32	-15.8%	32	-62.9%	64	-41.7%
Total investment	222	-32.3%	768	-23.2%	990	-26.0%
Loans	1	0.0%	-	-	1	0.0%
Total investment and loans	223	-32.2%	768	-23.2%	991	-25.9%

N: No. of responding companies      N=49      N=46      N=76      N=73      N=83      N=79

(Note 1) Numbers of recipients above are the result of simply adding up the figures given in the replies

(Note 2) Numbers above refer to VC companies that provided the number of recipients

(Note 3) y/y change refers to VC companies that provided the number of recipients for both Apr. 2008    Mar. 2009 and Apr. 2009    Mar. 2010

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(2) Amount of investment and loans made during the year per recipient**

Chart 2-4 “Amount of investment and loans per recipient” refers to companies that provided both the outstanding balance of investment and loans and the number of recipients, and shows the figures arrived at by dividing the former by the latter.

**Chart 2-4: Amount of investment and loans made during the year per recipient (April 2009 – March 2010)**

(Number of recipients, Yen millions)

	Apr. 2008	Mar. 2009	Apr. 2009	Mar. 2010	y/y change	
	Company	Partnership	Company	Partnership	Company	Partnership
No. of recipients	324	1,022	222	765		
Amount of investment	29,923	108,406	13,287	73,955		
Per recipient	92.4	106.1	59.9	96.7	-34.8%	-11.2%
No. of recipients	1	-	1	-		
Amount of loans	20	-	270	-		
Per recipient	20.0	-	270.0	-	1,250.0%	-
No. of recipients	325	1,022	223	765		
Amount of investment and loans	29,943	108,406	13,557	73,955		
Per recipient	92.1	106.1	60.8	96.7	-33.7%	-11.2%

N: No. of responding companies N=53 N=76 N=46 N=73 N=44 N=70

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Amount of investment and loans made during the year per recipient (Company and fund, April 2009 – March 2010)**

(Number of recipients, Yen millions)

	Apr. 2008	Mar. 2009	Apr. 2009	Mar. 2010	y/y change	
	No. of recipients		1,340		972	
Amount of investment		138,150		87,028		
Per recipient		103.1		89.5		-15.7%
No. of recipients		1		1		
Amount of loans		20		270		
Per recipient		20.0		270.0		1,250.0%
No. of recipients		1,341		973		
Amount of investment and loans		138,170		87,298		
Per recipient		103.0		89.7		-15.5%

N: No. of responding companies N=81 N=80 N=76

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(3) Distribution of VC companies by amount of investment and loans during year**

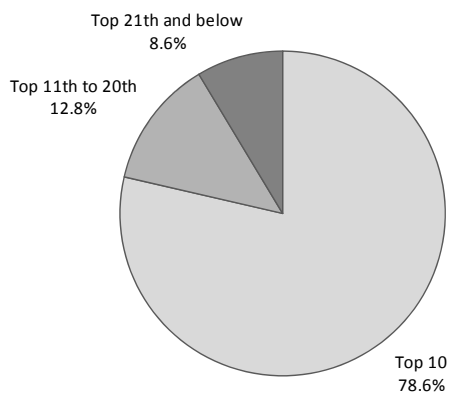
Shown below is the distribution of VC companies classified by the amount of investment and loans they made during the year, either by the company or through fund. Chart 2-5 shows the number of VC companies, total amount of investment and loans made during the year and the percentage composition for each range of the investment amount. Chart 2-6 compares the share of the top ten companies and companies ranking 11th to 20th to that of the rest of the companies in terms of the amount of investment amount and loans.

**Chart 2-5: Distribution of VC companies by amount of investment and loans during the year (April 2009 - March 2010)**

Amount of investment and loans	No. of VC companies	Total investment and loans	
		(Yen bil)	Percentage
0	13	0.0	0.0%
1 and below	53	11.3	12.9%
1 ~ 5	12	26.2	29.9%
5 ~ 10	1	7.5	8.5%
10 ~ 20	1	18.3	20.9%
over 20	1	24.3	27.8%
Total	81	87.5	100.0%

(Note) Investment/loans of 0 means that there was an outstanding balance but no additional investment or loans were made during the year.

**Chart 2-6: Share of the top 10 and 20 companies in terms of amount of investment and loans made during the year**



#### (4) New investment and additional investment

Charts 2-7 to 2-9 show, with respect to companies that responded with the amount of new and additional investment or the number of recipients, the simple sum of the amount of the investment or the number of recipients, percentage change on the year, and the amount of investment per recipient.

#### Chart 2-7: Amount of new and additional investment (April 2009 – March 2010)

(Yen millions)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
New investment	3,689	-65.0%	35,820	-34.1%	39,327	-42.9%
Additional investment	4,437	-31.5%	11,501	-52.3%	15,906	-49.8%
Total	13,287	-55.9%	73,955	-31.6%	87,028	-36.9%

N: No. of responding companies N=46 N=44 N=71 N=67 N=79 N=75

(Note 1) Numbers above refer to VC companies that provided the amount of both new and additional investment

(Note 2) y/y change refers to VC companies that provided the amounts for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

#### Chart 2-8: Number of recipients of new and additional investment (April 2009 – March 2010)

(Number of recipients)

	Company		Partnership		Total	
		y/y change		y/y change		y/y change
New investment	152	-29.5%	433	-25.8%	585	-29.6%
Additional investment	60	-37.5%	221	-31.9%	281	-35.5%
Total	222	-32.3%	768	-23.2%	990	-26.0%

N: No. of responding companies N=47 N=45 N=74 N=70 N=82 N=77

(Note 1) Numbers above refer to VC companies that provided both the number of recipients of new investment and the number of recipient of additional investment

(Note 2) y/y change refers to VC companies that provided the number of recipients for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

#### Chart 2-9: Amount of new and additional investment per recipient (Company and fund, April 2009 – March 2010)

(Number of recipients, Yen millions)

	Apr. 2008	Mar. 2009	Apr. 2009	Mar. 2010	y/y change	
	New	Additional	New	Additional	New	Additional
No. of recipients	827	440	571	277		
Amount of investment	68,586	31,943	39,327	15,906		
Per recipient	82.9	72.6	68.9	57.4	-19.6%	-22.9%
No. of recipients	1	0	1	0		
Amount of loans	20	0	270	0		
Per recipient	20.0	NA	270.0	NA	1,250.0%	NA
No. of recipients	828	440	572	277		
Amount of investment and loans	68,606	31,943	39,597	15,906		
Per recipient	82.9	72.6	69.2	57.4	-19.1%	-22.9%

N: No. of responding companies N=78 N=79 N=74

(Note 1) Numbers above refer to VC companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) Investment includes purchases of stocks and bonds (including bonds with warrants) as well as investment in funds managed by other companies

(Note 4) The breakdown figures may not add up correctly due to rounding and cases of no reply



### (5) Distribution of recipient companies by development stage

Charts 2-10 to 2-12 show, with respect to companies that provided the number of recipients and/or amount of investment (by company and through fund) classified by the development stage of recipient companies, the total figures of such recipients and of amount of investment, percentage change on the year, and amount of investment per recipient, separately for “new” “additional” and “new and additional” classifications.

#### Chart 2-10: Distribution of recipients of new investment by development stage

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
Seed	25	8.2%	1,207	8.0%	50.3
Early stage	112	36.8%	5,376	35.7%	48.0
Expansion	94	30.9%	4,633	30.8%	49.3
Later stage	73	24.0%	3,834	25.5%	52.5
Total	304	100.0%	15,050	100.0%	-

N: No. of responding companies N=59 N=58 N=58

(Note 1) “N” indicates VC companies that provided the number of recipients or/and amount of investment and loans  
(Note 2) “Per recipient” refers to VC companies that provided the number of recipients and amount of investment categorized by stage

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

#### Chart 2-11: Distribution of recipient companies of additional investment by development stage

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
Seed	5	3.1%	47	0.5%	15.7
Early stage	69	42.9%	2,597	26.0%	37.6
Expansion	66	41.0%	2,652	26.5%	40.2
Later stage	21	13.0%	4,711	47.1%	224.3
Total	161	100.0%	10,007	100.0%	-

N: No. of responding companies N=44 N=43 N=43

(Note 1) “N” indicates VC companies that provided the number of recipients or/and amount of investment and loans  
(Note 2) “Per recipient” refers to VC companies that provided both the number of recipients and amount of investment categorized by stage

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

#### Chart 2-12: Distribution of recipients of new and additional investment by development stage

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
Seed	30	6.5%	1,254	5.0%	46.4
Early stage	181	38.9%	7,973	31.8%	44.0
Expansion	160	34.4%	7,285	29.1%	45.5
Later stage	94	20.2%	8,545	34.1%	90.9
Total	465	100.0%	25,058	100.0%	-

N: No. of responding companies N=62 N=61 N=61

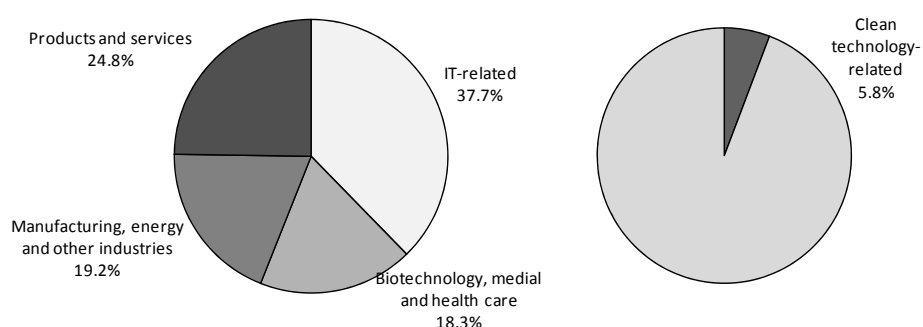
(Note 1) “N” indicates VC companies that responded with the number of recipients or/and amount of investment and  
(Note 2) “Per recipient” refers to VC companies that provided both the number of recipients and amount of investment categorized by stage

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(6) Distribution of recipient companies by industry**

Chart 2-14 divides all recipient companies into four industry categories and shows the breakdown of the amount of new investment by those categories. Charts 2-14 to 2-16 show, with respect to companies that provided the number of recipients and/or amount of investment (by company and through fund) classified by industry, the total figures of such recipients and of amount of investment, percentage change on the year and the amount of investment per recipient, separately for each of the “new,” “additional” and “new and additional” classifications.

**Chart 2-13: Distribution of recipients by industry category (amount of investment)**



**Chart 2-14: Distribution of recipients of new investment by industry**

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
<b>IT-related</b>	<b>117</b>	<b>35.2%</b>	<b>6,733</b>	<b>37.7%</b>	<b>57.5</b>
Telecommunications/networking and equipment	13	3.9%	1,435	8.0%	110.4
Computers and peripherals/IT services	43	13.0%	2,745	15.4%	63.8
Software	27	8.1%	1,072	6.0%	39.7
Semiconductors and Electronics	34	10.2%	1,481	8.3%	43.6
<b>Biotechnology, medical and healthcare</b>	<b>48</b>	<b>14.5%</b>	<b>3,273</b>	<b>18.3%</b>	<b>68.2</b>
Biotechnology and medicine	44	13.3%	3,123	17.5%	71.0
Medical device and equipment/healthcare-related	4	1.2%	150	0.8%	37.5
<b>Industrial/Energy/Other</b>	<b>95</b>	<b>28.6%</b>	<b>3,430</b>	<b>19.2%</b>	<b>36.5</b>
<b>Products and services</b>	<b>72</b>	<b>21.7%</b>	<b>4,424</b>	<b>24.8%</b>	<b>61.4</b>
Media and entertainment/retailing/distribution	43	13.0%	2,316	13.0%	53.9
Business and financial services	29	8.7%	2,107	11.8%	72.7
<b>Clean technology-related contained above</b>	<b>24</b>	<b>7.2%</b>	<b>1,028</b>	<b>5.8%</b>	<b>44.7</b>
<b>Total</b>	<b>332</b>	<b>100.0%</b>	<b>17,863</b>	<b>100.0%</b>	<b>-</b>

N: No. of responding companies

N=60

N=59

N=59

(Note 1) “N” indicates VC companies that provided the number of recipients or/and amount of investment and loans

(Note 2) “Per recipient” refers to VC companies that provided both the number of recipients and amount of investment categorized by industry

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Chart 2-15: Distribution of recipients of additional investment by industry**

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
<b>IT-related</b>	<b>70</b>	<b>42.4%</b>	<b>3,129</b>	<b>30.7%</b>	<b>45.3</b>
Telecommunications/networking and equipment	9	5.5%	270	2.6%	33.7
Computers and peripherals/IT services	16	9.7%	664	6.5%	41.5
Software	16	9.7%	628	6.2%	39.2
Semiconductors and Electronics	29	17.6%	1,568	15.4%	54.1
<b>Biotechnology, medical and healthcare</b>	<b>45</b>	<b>27.3%</b>	<b>1,930</b>	<b>19.0%</b>	<b>43.9</b>
Biotechnology and medicine	31	18.8%	1,359	13.3%	45.3
Medical device and equipment/healthcare-related	14	8.5%	571	5.6%	40.8
<b>Industrial/Energy/Other</b>	<b>24</b>	<b>14.5%</b>	<b>1,169</b>	<b>11.5%</b>	<b>48.7</b>
<b>Products and services</b>	<b>26</b>	<b>15.8%</b>	<b>3,957</b>	<b>38.9%</b>	<b>152.2</b>
Media and entertainment/retailing/distribution	19	11.5%	3,713	36.5%	195.4
Business and financial services	7	4.2%	244	2.4%	34.9
<b>Clean technology-related contained above</b>	<b>5</b>	<b>3.0%</b>	<b>395</b>	<b>3.9%</b>	<b>79.0</b>
<b>Total</b>	<b>165</b>	<b>100.0%</b>	<b>10,184</b>	<b>100.0%</b>	<b>-</b>

N: No. of responding companies

N=45

N=44

N=44

(Note 1) "N" indicates VC companies that provided the number of recipients or/and amount of investment and loans

(Note 2) "Per recipient" refers to VC companies that provided both the number of recipients and amount of investment categorized by industry

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Chart 2-16: Distribution of investment of new and additional investment by industry**

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yen mil)	Percentage	
<b>IT-related</b>	<b>187</b>	<b>37.6%</b>	<b>9,862</b>	<b>35.2%</b>	<b>53.0</b>
Telecommunications/networking and equipment	22	4.4%	1,704	6.1%	81.2
Computers and peripherals/IT services	59	11.9%	3,409	12.2%	57.8
Software	43	8.7%	1,700	6.1%	39.5
Semiconductors and Electronics	63	12.7%	3,049	10.9%	48.4
<b>Biotechnology, medical and healthcare</b>	<b>93</b>	<b>18.7%</b>	<b>5,203</b>	<b>18.6%</b>	<b>56.6</b>
Biotechnology and medicine	75	15.1%	4,483	16.0%	60.6
Medical device and equipment/healthcare-related	18	3.6%	721	2.6%	40.0
<b>Industrial/Energy/Other</b>	<b>119</b>	<b>23.9%</b>	<b>4,599</b>	<b>16.4%</b>	<b>39.0</b>
<b>Products and services</b>	<b>98</b>	<b>19.7%</b>	<b>8,380</b>	<b>29.9%</b>	<b>85.5</b>
Media and entertainment/retailing/distribution	62	12.5%	6,029	21.5%	97.2
Business and financial services	36	7.2%	2,351	8.4%	65.3
<b>Clean technology-related contained above</b>	<b>29</b>	<b>5.8%</b>	<b>1,423</b>	<b>5.1%</b>	<b>50.8</b>
<b>Total</b>	<b>497</b>	<b>100.0%</b>	<b>28,048</b>	<b>100.0%</b>	<b>-</b>

N: No. of responding companies

N=63

N=62

N=62

(Note 1) "N" indicates VC companies that provided the number of recipients or/and amount of investment and loans

(Note 2) "Per recipient" refers to VC companies that provided both the number of recipients and amount of investment categorized by industry

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

### 3. Overview of Funds

#### (1) Overall status of funds

Chart 3-1 shows the general status of funds set up by the venture capital companies. Chart 3-2 shows the distribution of venture capital companies in terms of the number of funds currently managed by them or the total amount of money invested in such funds. Chart 3-3 shows the number of funds set up or matured during the year as well as the number of limited partners and the total amount of committed capital with respect to those funds.

**Chart 3-1: Status of funds**

	End of Mar. 2009	End of Mar. 2010	y/y change
Number of funds	461	435	-4.8%
Total number of limited partners	3,356	3,294	-1.4%
Committed capital in funds (Yen billions)	1,777	1,681	-4.9%
Average number of limited partners	11.6	11.9	2.2%
Average committed capital (Yen billions)	3.9	3.9	-0.1%

N: No. of responding companies

(avg. no. of limited partners)

N=65

N=64

N=64

(avg. committed capital)

N=77

N=76

N=76

(Note 1) Average figures are computed as regards VC companies that provided both the number of funds and the number of limited partners, or both the number of funds and the amount of committed capital

(Note 2) y/y changes are based on replies from VC companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

**Chart 3-2: Distribution of VC companies by the number of funds/size of committed capital (as of the end of March 2010)**

Number of funds	Number of VC companies	Committed capital in funds (Yen billions)	Number of VC companies
5 and below	56	10 and below	52
5 ~ 10	12	10 ~ 50	16
10 ~ 20	3	50 ~ 100	5
20 ~ 30	2	100 ~ 200	0
Over 30	3	Over 200	3
Total	76	Total	76

**Chart 3-3: The number of limited partners and amount of committed capital per fund, for funds established or matured during the year (April 2009 – March 2010)**

	Established	Matured
Number of funds	15	31
Total number of limited partners	28	70
Committed capital (Yen billions)	47.4	94.7
Average number of limited partners	9.3	5.4
Average committed capital (Yen billions)	3.2	3.1

N: No. of responding companies

(avg. no. of limited partners)

N=39

N=40

(avg. committed capital)

N=45

N=46

(Note 1) "N" refers to VC companies that own at least one fund as of the end of March 2009, and that have responded with regards funds established or matured during the year

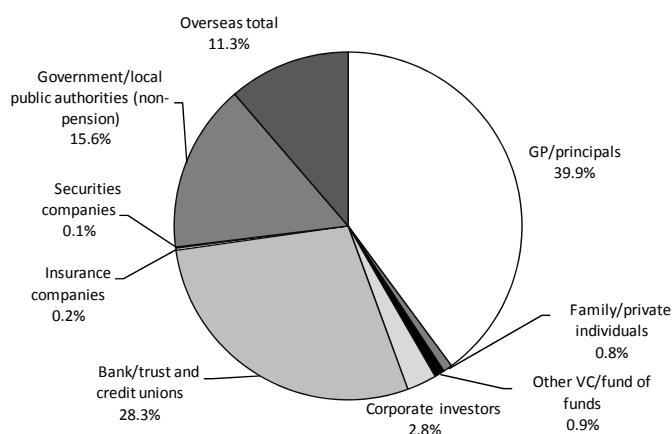
(Note 2) Averages are computed as regards VC companies that provided both the number of funds and the number of limited partners, or both the number of funds and of the amount of committed capital

(Note 3) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

**(2) Breakdown of investor type**

Chart 3-4 shows the breakdown of investors to newly established funds by the type of entities in terms of the amount invested. Details are given in Chart 3-5.

**Chart 3-4: Breakdown of investors (by amount invested)**



**Chart 3-5: Detailed breakdown of investors**

Investor type	No. of investors		Amount (Yen mil)		Per investor
		Percentage		Percentage	
<b>GP/principals</b>	8	13.3%	7,806	39.9%	975.7
<b>Domestic total</b>	40	66.7%	9,560	48.8%	239.0
Family/private individuals	11	18.3%	164	0.8%	14.9
Other VC/fund of funds	1	1.7%	186	0.9%	186.0
Corporate investors	16	26.7%	540	2.8%	33.8
Bank/trust and credit unions	5	8.3%	5,550	28.3%	1,110.0
Insurance companies	1	1.7%	40	0.2%	40.0
Securities companies	1	1.7%	20	0.1%	20.0
Pension funds	0	0.0%	0	0.0%	NA
Government/local public authorities (non-pension)	5	8.3%	3,060	15.6%	612.0
Academic/university endowment	0	0.0%	0	0.0%	NA
Other domestic	0	0.0%	0	0.0%	NA
<b>Overseas total</b>	12	20.0%	2,214	11.3%	184.5
<b>Total</b>	60	100.0%	19,580	100.0%	326.3

N : No. of responding companies

N=4

N=4

N=4

(Note 1) Numbers above refer to VC companies that provided the number of subscribers or amount of subscriptions (excludes companies that replied that there was no investment from any type of investor)

(Note 2) The per-investor figures refer to VC companies that provided both the number of investors and the amount

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

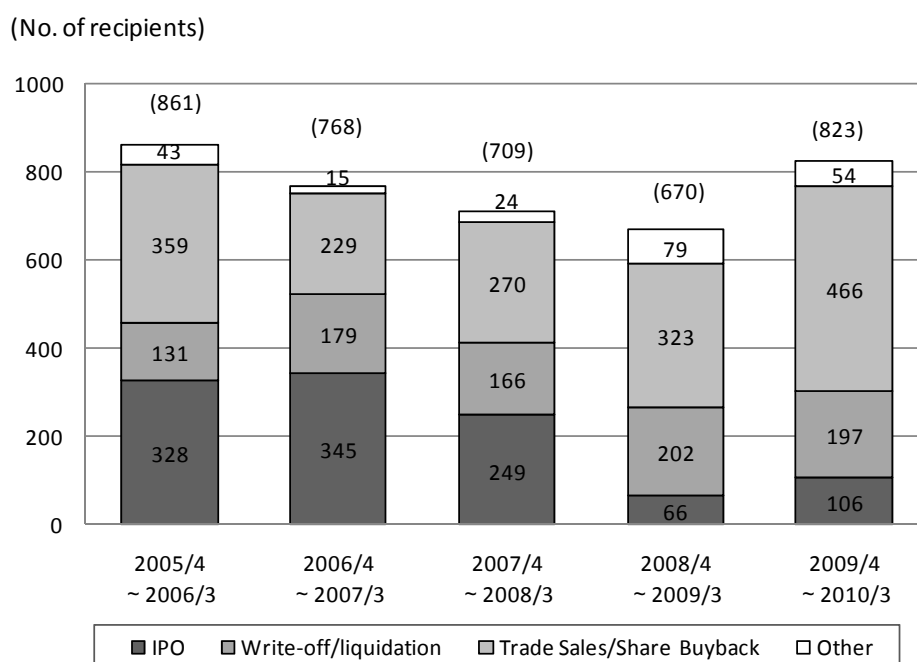
(Note 4) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

(Note) There were six companies that set up one fund or more during the year, and four of those companies responded with the breakdown of fund subscribers.

#### 4. Exit (collection of investment) Status

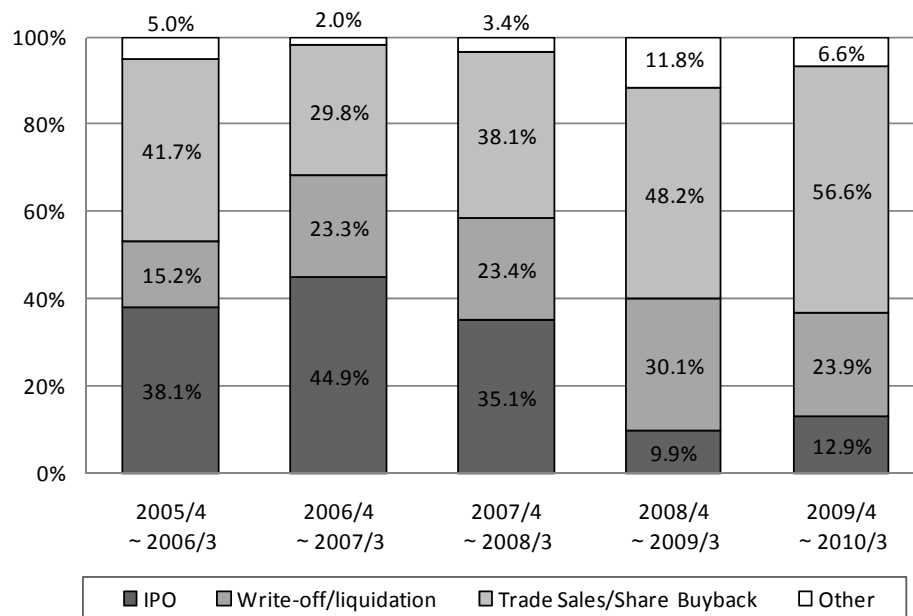
Chart 4-1 shows the number of recipient companies that exited venture capital investment in the last five years broken down by the manner of exit. Chart 4-2 shows the percentage breakdown of such cases of exit. Charts 4-1 and 4-2 are simply based on the results of the survey. “Sale/sold back to management and other” encompasses cases where the recipient was sold back to original holder such as the management, to a secondary fund, and to a third party.

**Chart 4-1: Number of exited recipients in the last five years**



Sources: Reports pertaining to respective years

**Chart 4-2: Percentage breakdown of the exited recipients in the last five years**

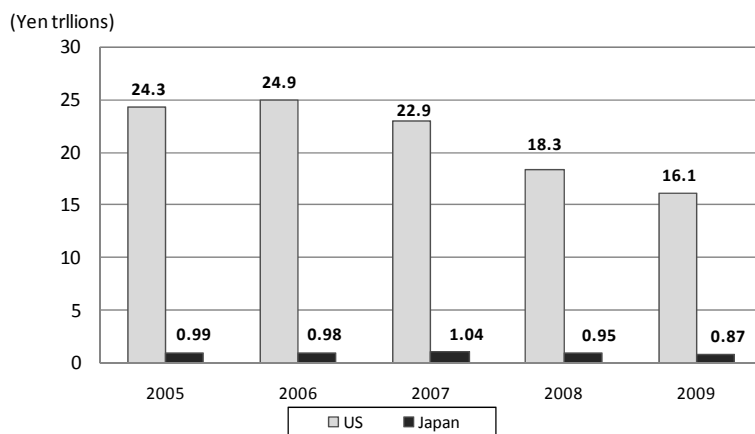


Sources: Reports pertaining to respective years

## 5. Comparison of venture capital investment trends among Japan, US and EU

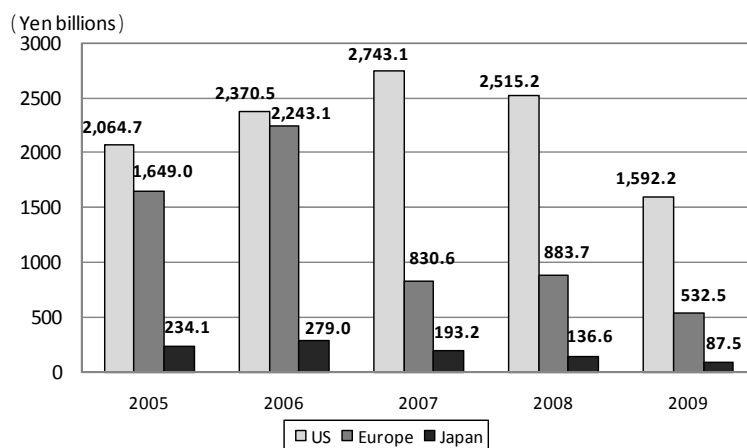
Chart 5-1 compares the outstanding balance of venture capital investment over the last five years between Japan and the US. Chart 5-2 compares the yearly amount of investment by venture capital companies among Japan, the US and the EU.

**Chart 5-1: Outstanding balance in VC investment in the last five years, US vs. Japan**



Sources: US – NVCA Yearbook 2010 (\$ converted at 90 yen)  
Japan – reports pertaining to respective years

**Chart 5-2: Annual investment by VC companies over the last five years, US vs. EU vs. Japan**



Sources: US – NVCA YEARBOOK 2010 (\$ converted at 90 yen)  
EU – 2010 EVCA Yearbook (euro converted at 130 yen)  
Japan – reports pertaining to respective years

(Note 1) Business years are based on the calendar year for the US and EU, but start on April 1 for Japan.

(Note 2) Above charts comprise only of VC investment, and do not include turnaround/buyout investment. The figures for Japan include loans. The figures for US represent only domestic investment, while those for EU and Japan include overseas investment.



## 6. Results of the Survey

**Chart 6-1: Outstanding balance of investment and loans by VC companies**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
Investment	5,721	224,126	5,167	203,072
Loans	3	280	3	250
Total	5,724	224,469	5,170	203,322

No. of responding companies

58

56

**Chart 6-2: Outstanding balance of investment through funds**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
Investment	7,620	725,412	6,761	667,702

No. of responding companies

81

79

**Chart 6-3: Outstanding balance of investment and loans by VC companies and through funds**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
Investment	13,341	949,538	11,928	870,774
Loans	3	280	3	250
Total	13,344	949,881	11,931	871,024

No. of responding companies

87

86

(Note) Breakdown figures may not add up correctly due to cases of no reply.

**Chart 6-4: Distribution of recipients of investment by companies by region**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
<b>Japan total</b>	<b>5,213</b>	<b>142,934</b>	<b>4,706</b>	<b>127,421</b>
Hokkaido	93	2,300	89	2,078
Tohoku	125	3,674	122	3,130
Kanto (excl. Tokyo)	510	13,271	439	12,920
Tokyo	1,599	57,752	1,379	52,564
Chubu	932	27,486	908	25,330
Kinki	1,003	13,064	953	11,433
Chugoku	158	1,652	150	1,236
Shikoku	82	1,151	76	854
Kyushu and Okinawa	205	2,155	192	1,862
<b>Overseas total</b>	<b>313</b>	<b>50,616</b>	<b>283</b>	<b>45,863</b>
Asia Pacific	145	21,386	136	21,960
Europe	31	15,186	29	14,640
North America	133	13,979	113	8,193
Other	4	64	5	1,068
<b>Total</b>	<b>5,526</b>	<b>193,551</b>	<b>4,989</b>	<b>173,286</b>

No. of responding companies

51

49

**Chart 6-5: Distribution of recipients of investment through funds by region**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
<b>Japan total</b>	<b>5,982</b>	<b>524,416</b>	<b>5,308</b>	<b>481,754</b>
Hokkaido	138	6,226	126	5,505
Tohoku	107	7,013	107	6,545
Kanto (excl. Tokyo)	597	47,311	526	39,503
Tokyo	2,505	222,754	2,105	198,160
Chubu	408	22,631	369	20,573
Kinki	897	52,009	807	47,751
Chugoku	158	4,166	153	3,986
Shikoku	88	5,213	73	4,369
Kyushu and Okinawa	248	12,918	242	12,899
<b>Overseas total</b>	<b>712</b>	<b>148,258</b>	<b>672</b>	<b>147,570</b>
Asia Pacific	270	76,354	272	80,014
Europe	39	10,736	33	10,038
North America	393	59,977	352	55,914
Other	6	3,186	6	825
<b>Total</b>	<b>6,694</b>	<b>672,676</b>	<b>5,980</b>	<b>629,326</b>

No. of responding companies

69

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**Chart 6-6: Distribution of recipients of investment by companies and through funds by region**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
<b>Japan total</b>	<b>11,195</b>	<b>667,350</b>	<b>10,014</b>	<b>609,175</b>
Hokkaido	231	8,526	215	7,582
Tohoku	232	10,687	229	9,674
Kanto (excl. Tokyo)	1,107	60,583	965	52,423
Tokyo	4,104	280,506	3,484	250,724
Chubu	1,340	50,117	1,277	45,903
Kinki	1,900	65,073	1,760	59,183
Chugoku	316	5,817	303	5,222
Shikoku	170	6,364	149	5,223
Kyushu and Okinawa	453	15,073	434	14,761
<b>Overseas total</b>	<b>1,025</b>	<b>198,873</b>	<b>955</b>	<b>193,433</b>
Asia Pacific	415	97,740	408	101,974
Europe	70	25,921	62	24,678
North America	526	73,956	465	64,107
Other	10	3,250	11	1,893
<b>Total</b>	<b>12,220</b>	<b>866,228</b>	<b>10,969</b>	<b>802,612</b>

No. of responding companies

77

75

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-7: Breakdown of investment and loans made by companies during the year**

	April 2008		March 2009		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	50	2,739	14	3,249	78	14,652
II Classified stocks	23	826	2	40	25	866
III Bonds	4	219	2	59	11	4,863
IV Other	4	770	34	945	38	1,716
Total investment (I+II+III+IV)	210	10,197	98	6,536	324	29,923
Loans	1	20	0	0	1	20
Total (investment + loans)	211	10,217	98	6,536	325	29,943
No. of responding companies					55	55

	April 2009		March 2010		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	50	1,188	12	3,252	70	8,431
II Classified stocks	29	726	4	54	33	780
III Bonds	3	94	2	54	8	1,317
IV Other	3	54	30	840	32	894
Total investment (I+II+III+IV)	152	3,689	60	4,437	222	13,287
Loans	1	270	0	0	1	270
Total (investment + loans)	153	3,959	60	4,437	223	13,557
No. of responding companies					49	48

**Chart 6-8: Breakdown of investment and loans through funds made during the year**

	April 2008		March 2009		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	377	34,684	160	11,896	612	64,204
II Classified stocks	36	6,114	45	3,133	90	10,544
III Bonds	13	1,105	25	1,489	43	3,805
IV Other	14	522	9	143	70	10,341
Total investment (I+II+III+IV)	623	58,519	345	25,456	1,025	108,406
No. of responding companies					78	76

	April 2009		March 2010		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	283	25,347	119	6,557	484	55,489
II Classified stocks	48	4,268	43	2,513	104	7,739
III Bonds	23	1,289	17	1,018	52	4,072
IV Other	9	345	15	313	32	983
Total investment (I+II+III+IV)	433	35,820	221	11,501	768	73,955
No. of responding companies					76	73

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-9: Breakdown of investment and loans by companies and through funds made during the year**

	April 2008		March 2009		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	427	37,423	174	15,145	690	78,856
II Classified stocks	59	6,940	47	3,173	115	11,410
III Bonds	17	1,324	27	1,548	54	8,668
IV Other	18	1,292	43	1,088	108	12,057
Total investment (I+II+III+IV)	833	68,716	443	31,992	1,349	138,329
Loans	1	20	0	0	1	20
Total (investment + loans)	834	68,736	443	31,992	1,350	138,349
No. of responding companies					83	82

	April 2009		March 2010		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	333	26,535	131	9,808	554	63,920
II Classified stocks	77	4,994	47	2,566	137	8,519
III Bonds	26	1,383	19	1,072	60	5,389
IV Other	12	399	45	1,153	64	1,877
Total investment (I+II+III+IV)	585	39,509	281	15,938	990	87,242
Loans	1	270	0	0	1	270
Total (investment + loans)	586	39,779	281	15,938	991	87,512
No. of responding companies					83	80

**Chart 6-10: Establishment and maturity of funds**

	End of March 2009	April 2009	March 2010	End of March 2010
		Established	Matured	
Number of funds	461	15	31	435
Total number of limited partners	3,356	28	70	3,294
Committed capital (Yen millions)	1,777,009	47,412	94,748	1,680,694
No. of responding companies	77			

(Note 1) Due to cases of incomplete reply, the term-end figures may not agree with arithmetic result of the changes during the period

(Note 2) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

**Chart 6-11: Types of investors established between April 2009 and March 2010**

Investor type	April 2009	March 2010
	No. of investors	Amount(Yen mil)
I GP/principals	8	7,806
II (Domestic total)	40	9,560
Family/private individuals	11	164
Other VC/fund of funds	1	186
Corporations (non-pension)	16	540
Banks/trust and credit unions	5	5,550
Insurance companies	1	40
Securities companies	1	20
Pension funds	0	0
Government/local public authorities (non-pension)	5	3,060
Academic/university endowment	0	0
Other domestic	0	0
III (Overseas total)	12	2,214
Total (I+II+III)	60	19,580

No. of responding companies

4

(Note) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-12: Distribution of recipients of new investment by companies by industry and by development stage (number of recipients in each cross section)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	5	0	0	5
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	3	1	0	4
5.Biotechnology and medicine	0	0	0	0	1
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	0	2	5	17	25
8.Media and entertainment/retailing/distribution	1	1	2	0	5
9.Business and financial services	1	0	1	1	5
10.Clean technology-related contained above	0	1	0	0	1
Total	2	11	9	18	45

No. of responding companies

35

**Chart 6-13: Distribution of recipients of additional investment by companies by industry and by development stage (number of recipients in each cross section)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	0	0	0	0
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	1	0	0	1
5.Biotechnology and medicine	0	1	1	1	3
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	1	2	2	2	7
8.Media and entertainment/retailing/distribution	0	0	1	1	2
9.Business and financial services	0	0	1	0	1
10.Clean technology-related contained above	0	1	0	0	1
Total	1	4	5	4	14

No. of responding companies

28

**Chart 6-14: Distribution of recipients of new and additional investment by companies by industry and by development stage (number of recipients in each cross section)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	5	0	0	5
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	4	1	0	5
5.Biotechnology and medicine	0	1	1	1	4
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	1	4	7	19	32
8.Media and entertainment/retailing/distribution	1	1	3	1	7
9.Business and financial services	1	0	2	1	6
10.Clean technology-related contained above	0	2	0	0	2
Total	3	15	14	22	59

No. of responding companies

35

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-15: Distribution of amount invested for recipients of new investment by companies by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	89	0	0	89
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	21	10	0	31
5.Biotechnology and medicine	0	0	0	0	75
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	0	69	86	225	414
8.Media and entertainment/retailing/distribution	12	5	9	0	74
9.Business and financial services	2	0	30	30	68
10.Clean technology-related contained above	0	19	0	0	19
Total	14	184	135	255	753

No. of responding companies

35

**Chart 6-16: Distribution of amount invested for recipients of additional investment by companies by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	0	0	0	0
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	13	0	0	13
5.Biotechnology and medicine	0	28	5	27	60
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	12	65	35	28	140
8.Media and entertainment/retailing/distribution	0	0	0	2,992	2,992
9.Business and financial services	0	0	7	0	7
10.Clean technology-related contained above	0	60	0	0	60
Total	12	106	47	3,047	3,213

No. of responding companies

28

**Chart 6-17: Distribution of amount invested for recipients of new and additional investment by companies by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	0	0	0	0
2.Computers and peripherals/IT services	0	89	0	0	89
3.Software	0	0	0	0	0
4.Semiconductors and electronics	0	34	10	0	44
5.Biotechnology and medicine	0	28	5	27	135
6.Medical device and equipment/healthcare-related	0	0	0	0	0
7.Industrial/Energy/Other	12	134	121	253	554
8.Media and entertainment/retailing/distribution	12	5	9	2,992	3,066
9.Business and financial services	2	0	37	30	75
10.Clean technology-related contained above	0	79	0	0	79
Total	26	290	182	3,302	3,966

No. of responding companies

35

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-18: Distribution of recipients of new investment through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	3	9	0	13
2.Computers and peripherals/IT services	4	13	12	5	38
3.Software	2	9	10	3	27
4.Semiconductors and electronics	2	13	8	6	30
5.Biotechnology and medicine	2	20	5	13	43
6.Medical device and equipment/healthcare-related	1	1	1	1	4
7.Industrial/Energy/Other	6	24	22	15	70
8.Media and entertainment/retailing/distribution	5	13	10	6	38
9.Business and financial services	1	5	8	6	24
10.Clean technology-related contained above	4	9	7	3	23
Total	23	101	85	55	287

No. of responding companies

53

**Chart 6-19: Distribution of recipients of additional investment through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	2	3	4	0	9
2.Computers and peripherals/IT services	0	7	7	1	16
3.Software	0	7	8	1	16
4.Semiconductors and electronics	0	13	12	3	28
5.Biotechnology and medicine	2	15	8	3	28
6.Medical device and equipment/healthcare-related	0	7	5	2	14
7.Industrial/Energy/Other	0	5	8	2	17
8.Media and entertainment/retailing/distribution	0	6	6	4	17
9.Business and financial services	0	2	3	1	6
10.Clean technology-related contained above	0	1	3	0	4
Total	4	65	61	17	151

No. of responding companies

42

**Chart 6-20: Distribution of recipients of new and additional investment through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	2	6	13	0	22
2.Computers and peripherals/IT services	4	20	19	6	54
3.Software	2	16	18	4	43
4.Semiconductors and electronics	2	26	20	9	58
5.Biotechnology and medicine	4	35	13	16	71
6.Medical device and equipment/healthcare-related	1	8	6	3	18
7.Industrial/Energy/Other	6	29	30	17	87
8.Media and entertainment/retailing/distribution	5	19	16	10	55
9.Business and financial services	1	7	11	7	30
10.Clean technology-related contained above	4	10	10	3	27
Total	27	166	146	72	438

No. of responding companies

56

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-21: Distribution of amount invested for recipients of new investment through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	611	812	0	1,435
2.Computers and peripherals/IT services	444	953	585	249	2,656
3.Software	79	313	482	82	1,072
4.Semiconductors and electronics	62	569	475	345	1,450
5.Biotechnology and medicine	51	1,121	305	1,021	3,048
6.Medical device and equipment/healthcare-related	10	20	50	70	150
7.Industrial/Energy/Other	335	862	953	770	3,016
8.Media and entertainment/retailing/distribution	163	502	647	745	2,242
9.Business and financial services	50	241	190	298	2,039
10.Clean technology-related contained above	100	499	248	162	1,009
Total	1,193	5,192	4,498	3,579	17,110

No. of responding companies

52

**Chart 6-22: Distribution of amount invested for recipients of additional investment through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	10	90	170	0	270
2.Computers and peripherals/IT services	0	355	240	32	664
3.Software	0	294	316	17	628
4.Semiconductors and electronics	0	672	351	531	1,555
5.Biotechnology and medicine	25	351	393	530	1,299
6.Medical device and equipment/healthcare-related	0	316	103	153	571
7.Industrial/Energy/Other	0	207	512	250	1,028
8.Media and entertainment/retailing/distribution	0	157	417	67	721
9.Business and financial services	0	50	103	84	237
10.Clean technology-related contained above	0	30	305	0	335
Total	35	2,491	2,605	1,664	6,972

No. of responding companies

41

**Chart 6-23: Distribution of amount invested for recipients of new and additional investment through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	10	701	981	0	1,704
2.Computers and peripherals/IT services	444	1,308	824	281	3,320
3.Software	79	607	799	100	1,700
4.Semiconductors and electronics	62	1,242	826	875	3,005
5.Biotechnology and medicine	76	1,472	698	1,551	4,347
6.Medical device and equipment/healthcare-related	10	335	153	223	721
7.Industrial/Energy/Other	335	1,068	1,465	1,020	4,044
8.Media and entertainment/retailing/distribution	163	659	1,064	812	2,963
9.Business and financial services	50	291	293	382	2,276
10.Clean technology-related contained above	100	529	553	162	1,344
Total	1,228	7,683	7,103	5,243	24,082

No. of responding companies

55

(Note) Breakdown figures may not add up correctly due to cases of no reply



**Chart 6-24: Distribution of recipients or new investment by companies and through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	3	9	0	13
2.Computers and peripherals/IT services	4	18	12	5	43
3.Software	2	9	10	3	27
4.Semiconductors and electronics	2	16	9	6	34
5.Biotechnology and medicine	2	20	5	13	44
6.Medical device and equipment/healthcare-related	1	1	1	1	4
7.Industrial/Energy/Other	6	26	27	32	95
8.Media and entertainment/retailing/distribution	6	14	12	6	43
9.Business and financial services	2	5	9	7	29
10.Clean technology-related contained above	4	10	7	3	24
Total	25	112	94	73	332

No. of responding companies

61

**Chart 6-25: Distribution of recipients of additional investment by companies and through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	2	3	4	0	9
2.Computers and peripherals/IT services	0	7	7	1	16
3.Software	0	7	8	1	16
4.Semiconductors and electronics	0	14	12	3	29
5.Biotechnology and medicine	2	16	9	4	31
6.Medical device and equipment/healthcare-related	0	7	5	2	14
7.Industrial/Energy/Other	1	7	10	4	24
8.Media and entertainment/retailing/distribution	0	6	7	5	19
9.Business and financial services	0	2	4	1	7
10.Clean technology-related contained above	0	2	3	0	5
Total	5	69	66	21	165

No. of responding companies

46

**Chart 6-26: Distribution of recipients of new and additional investment by companies and through funds by industry and development stage (number of recipients)**

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	2	6	13	0	22
2.Computers and peripherals/IT services	4	25	19	6	59
3.Software	2	16	18	4	43
4.Semiconductors and electronics	2	30	21	9	63
5.Biotechnology and medicine	4	36	14	17	75
6.Medical device and equipment/healthcare-related	1	8	6	3	18
7.Industrial/Energy/Other	7	33	37	36	119
8.Media and entertainment/retailing/distribution	6	20	19	11	62
9.Business and financial services	2	7	13	8	36
10.Clean technology-related contained above	4	12	10	3	29
Total	30	181	160	94	497

No. of responding companies

64

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-27: Distribution of amount invested for recipients of new investment by companies and through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	0	611	812	0	1,435
2.Computers and peripherals/IT services	444	1,042	585	249	2,745
3.Software	79	313	482	82	1,072
4.Semiconductors and electronics	62	590	485	345	1,481
5.Biotechnology and medicine	51	1,121	305	1,021	3,123
6.Medical device and equipment/healthcare-related	10	20	50	70	150
7.Industrial/Energy/Other	335	931	1,039	995	3,430
8.Media and entertainment/retailing/distribution	175	507	656	745	2,316
9.Business and financial services	52	241	220	328	2,107
10.Clean technology-related contained above	100	518	248	162	1,028
Total	1,207	5,376	4,633	3,834	17,863

No. of responding companies 60

**Chart 6-28: Distribution of amount invested for recipients of additional investment by companies and through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	10	90	170	0	270
2.Computers and peripherals/IT services	0	355	240	32	664
3.Software	0	294	316	17	628
4.Semiconductors and electronics	0	686	351	531	1,568
5.Biotechnology and medicine	25	379	398	557	1,359
6.Medical device and equipment/healthcare-related	0	316	103	153	571
7.Industrial/Energy/Other	12	272	547	278	1,169
8.Media and entertainment/retailing/distribution	0	157	417	3,059	3,713
9.Business and financial services	0	50	110	84	244
10.Clean technology-related contained above	0	90	305	0	395
Total	47	2,597	2,652	4,711	10,184

No. of responding companies 45

**Chart 6-29: Distribution of amount invested for recipients of new and additional investment by companies and through funds by industry and development stage (amount of investment)**

(Yen mil)

Industry	Ari. 2009 Mar. 2010				Total
	Seed	Early stage	Expansion	Later stage	
1.Telecommunications/networking and equipment	10	701	981	0	1,704
2.Computers and peripherals/IT services	444	1,397	824	281	3,409
3.Software	79	607	799	100	1,700
4.Semiconductors and electronics	62	1,276	836	875	3,049
5.Biotechnology and medicine	76	1,500	703	1,578	4,483
6.Medical device and equipment/healthcare-related	10	335	153	223	721
7.Industrial/Energy/Other	347	1,202	1,586	1,273	4,599
8.Media and entertainment/retailing/distribution	175	664	1,073	3,804	6,029
9.Business and financial services	52	291	330	412	2,351
10.Clean technology-related contained above	100	608	553	162	1,423
Total	1,254	7,973	7,285	8,545	28,048

No. of responding companies 63

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 6-30: Exit status of recipients of investment by companies**

	April 2009		March 2010	
	No. of recipients	Amount (Yen mil)	Realized gain/loss (Yen mil)	Unrealized gain/loss(Yen mil)
IPO	26	161	402	-467
Sale to a secondary fund	2	2	1	
Sale to another third party	20	170	-201	
Write-off/liquidation	57	173	-112	
Buyback	70	634	-244	
Other	29	724	-41	

No. of responding companies

38

**Chart 6-31: Exit status of recipients of investment through funds**

	April 2009		March 2010	
	No. of recipients	Amount (Yen mil)	Realized gain/loss (Yen mil)	Unrealized gain/loss(Yen mil)
IPO	80	2,318	776	66
Sale to a secondary fund	11	56	25	
Sale to another third party	129	3,305	-110	
Write-off/liquidation	140	3,382	-2,845	
Buyback	234	4,007	-1,720	
Other	25	594	123	

No. of responding companies

59

**Chart 6-32: Exit status of recipients of investment by companies and through funds**

	April 2009		March 2010	
	No. of recipients	Amount (Yen mil)	Realized gain/loss (Yen mil)	Unrealized gain/loss(Yen mil)
IPO	106	2,478	1,178	-401
Sale to a secondary fund	13	58	26	
Sale to another third party	149	3,475	-311	
Write-off/liquidation	197	3,555	-2,957	
Buyback	304	4,641	-1,964	
Other	54	1,318	82	

No. of responding companies

65

(Note) Breakdown figures may not add up correctly due to cases of no reply

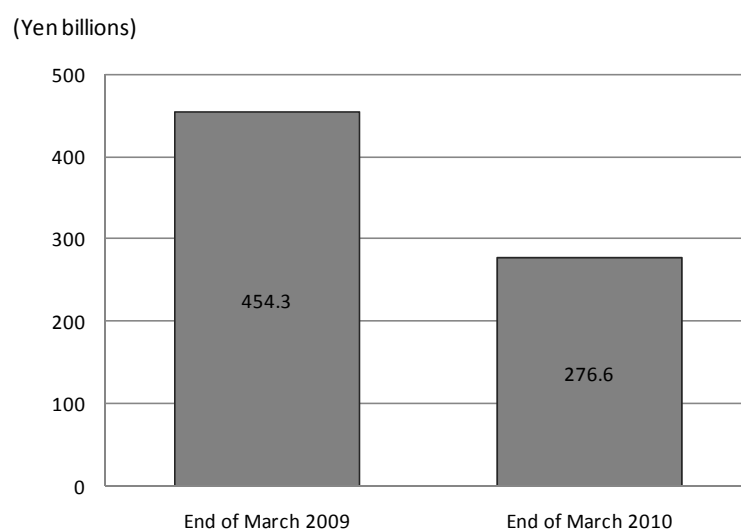
## II . Turnaround / Buyout Investment

### 1. Outstanding Balance of Investment and Loans

#### (1) Status of the outstanding balance of investment and loans

Chart 1-1 illustrates the change in the outstanding balance of turnaround/buyout investment and loans over the two most recent fiscal years. The breakdown of the outstanding balance and the number of recipients between investment and loans are given in Chart 1-2. The amounts of investment (investment and loans, loans) and the numbers of recipient companies found in the charts were obtained by simply adding up the figures provided in the responses.

**Chart 1-1: Change in outstanding balance of turnaround/buyout investment and loans (as of the end of March 2010)**



(Note) The figures above are solely based on the most recent survey

**Chart 1-2: Number of recipients and outstanding balance (as of the end of March 2010)**

	Total recipients		Total outstanding balance	
		y/y change	(Yen mil)	y/y change
Investment	105	2.4%	82,291	7.5%
Loans	38	-18.2%	11,684	-27.9%
Total	216	-2.3%	276,632	-39.1%

N: No. of recipients

N=29

N=29

N=26

N=26

(Note 1) Numbers above refer to PE companies that provided the number of recipients or amount of investment/loan  
 (Note 2) y/y changes are based on replies from PE companies that provided the number of recipients or amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(2) Outstanding balance of investment and loans per recipient**

Chart 1-3 “Outstanding balance of investment and loans per recipient” refers to companies that provided both the outstanding balance and the number of recipients of investment and loans. Total figures for the outstanding balance and the number of recipients were computed, and the former was divided by the latter to arrive at the per-recipient figure.

**Chart 1-3: Outstanding balance of investment and loans per recipient (As of the end of March 2010)**

(Number of recipients, Yen millions)

	End of March 2009	End of March 2010	y/y change
No. of investment recipients	71	92	
Investment balance	72,734	82,291	
I/B per recipient	1,024.4	894.5	7.5%
No. of loan recipients	44	38	
Loan balance	15,679	11,684	
L/B per recipient	356.3	307.5	-11.8%
Total recipients	210	203	
Total outstanding balance	454,287	276,632	
Total O/B per recipient	2,163.3	1,362.7	-37.0%

N: No. of responding companies

N=26

(Note 1) Numbers above refer to PE companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from PE companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

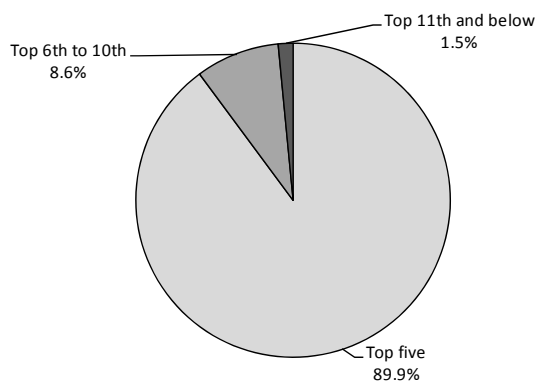
### (3) Distribution of recipients by the outstanding balance of investment and loans

The following shows the distribution of turnaround/buyout investment companies (PE companies) by the size of outstanding balance of investment and loans. Chart 1-4 shows the number of PE companies, total outstanding balance of investment and loans and the percentage composition for each of the ranges of outstanding balance. Chart 1-5 compares the share of the top five companies and the companies ranking sixth to tenth to the rest of the companies in terms of the outstanding balance of investment and loans.

**Chart 1-4: Distribution of PE companies by the outstanding balance of investment and loans (as of the end of March 2010)**

Outstanding balance (Yen billions)	No. of PE companies	Total O/B (Yen bil)	
			Percentage
1 and below	5	2.9	1.1%
1 ~ 5	5	12.5	4.5%
5 ~ 10	0	0.0	0.0%
10 ~ 50	5	91.2	33.0%
Over 50	1	170.0	61.5%
Total	16	276.6	100.0%

**Chart 1-5: Share of the top 5 and 10 companies in terms of outstanding balance of investment and loans**

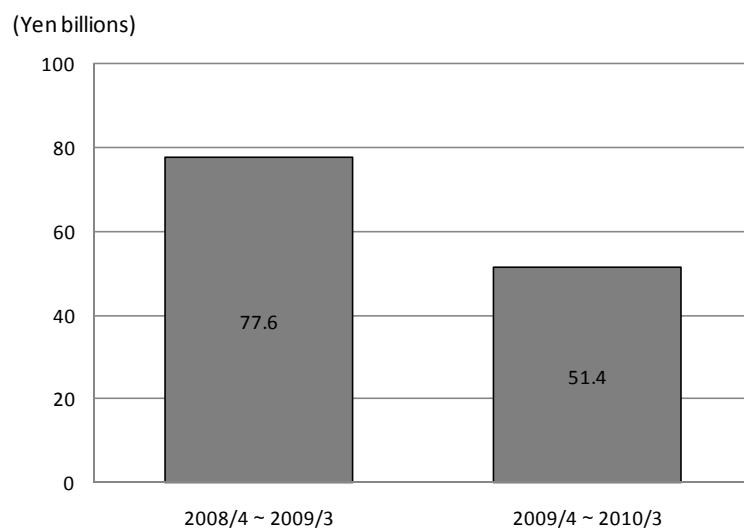


## 2. Amounts of Investment and Loans Made During the Year

### (1) Status of amount of investment and loans made during the year

Chart 2-1 shows the change in the overall amount of investment and loans that were made during the two most recent financial years respectively. The breakdown of the number of recipients and the amount of investment loans made during the year for the most recent year are shown in Chart 2-2. The amounts of investment (investment and loans, loans) and the numbers of recipients in the charts are the result of simply adding up the figures given in the responses.

**Chart 2-1: Change in the amount of PE investment and loans made during the year (April 2009 – March 2010)**



(Note) The figures above are solely based on the recent survey.

**Chart 2-2: Number of recipients and amount of investment and loans made during the year (April 2009 – March 2010)**

	No. of recipients		Amount	
		y/y change	(Yen mil)	y/y change
Common stock	21	50.0%	7,691	27.1%
Classified stocks	3	0.0%	5,101	-15.4%
Bonds	4	-20.0%	1,410	-26.0%
Other	8	33.3%	308	-37.3%
Total investment	50	22.5%	18,456	36.0%
Loans	47	-8.0%	32,948	-40.9%
Total	97	-5.9%	51,405	-33.7%

N: No. of responding companies

N=22

N=19

(Note 1) Numbers above refer to PE companies that provided the number of recipients or amount of investment/loans

(Note 2) y/y changes are based on replies from PE companies that provided the number of recipients or amount of investment/loans for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**(2) Amount of investment and loans made during the year per recipient**

Chart 2-3 “Amount of investment and loans per recipient” refers to companies that responded with both the amount of investment and loans and the number of recipients, and shows the figures arrived at by dividing the former by the latter.

**Chart 2-3: Amount of investment and loans made during the year per recipient (April 2009 – March 2010)**

(Number of recipients, Yen millions)

	Apr. 2008	Mar. 2009	Apr. 2009	Mar. 2010	y/y change
No. of recipients		39		45	
Amount of investment		13,407		18,456	
Per recipient		343.8		410.1	20.6%
No. of recipients		50		47	
Amount of loans		55,670		32,948	
Per recipient		1,113.4		701.0	-35.7%
No. of recipients		103		92	
Amount of investment and loans		77,570		51,405	
Per recipient		753.1		558.7	-26.4%

N: No. of responding companies

N=18

(Note 1) Numbers above refer to PE companies that provided both the number of recipients and amount of investment/loans

(Note 2) y/y changes are based on replies from PE companies that provided the number of recipients and amount of investment/loans for both Apr. 2008 Mar. 2009 and Apr. 2009 Mar. 2010

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply



### (3) Distribution of PE companies by amount of investment and loans during year

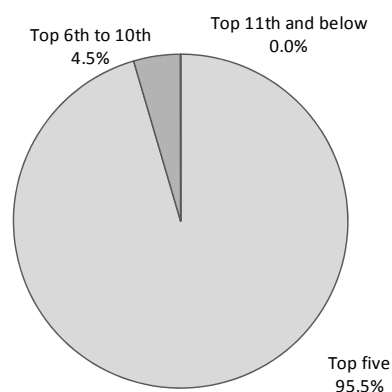
Shown below is the distribution of PE companies classified by the amount of investment and loans they made during the year. Chart 2-4 shows the number of PE recipients, total amount of investment and loans made during the year and percentage composition for each range of the investment amount. Chart 2-5 compares the share of top five companies and companies ranking sixth to tenth to that of the rest of the companies in terms of the amount of investment and loans during the year.

**Chart 2-4: Distribution of PE companies by amount of investment and loans during the year (April 2009 – March 2010)**

Amount of investment and loans (Yen bil)	No. of PE companies	Total investment and loans	
		(Yen bil)	Percentage
0	2	0.0	0.0%
0 ~ 1	5	0.6	1.2%
1 ~ 5	5	15.6	30.3%
5 ~ 10	0	0.0	0.0%
10 ~ 20	0	0.0	0.0%
Over 20	1	35.2	68.5%
Total	13	51.4	100.0%

(Note) Investment/loans of 0 means that there was an outstanding balance but no additional investment or loans were made during the year.

**Chart 2-5: Share of the top 5 and 10 companies in terms of amount of investment and loans made during the year**



#### (4) New Investment and additional investment

Chart 2-6 shows, with respect to companies that responded with the amount of new and additional investment and/or the number of recipients, the simple sum of the amount of investment or the number of recipients, percentage change on the year, and the amount of investment per recipient.

**Chart 2-6: Number of new and additional recipients, and amount of new and additional investment**

	No. of investment recipients		Amount of investment	
		y/y change	(Yen mil)	y/y change
New investment	26	-27.8%	14,175	-10.3%
Additional investment	21	90.9%	1,754	-41.0%
<b>Total</b>	<b>50</b>	<b>22.5%</b>	<b>18,456</b>	<b>36.0%</b>

N: No. of responding companies

N=21

N=18

(Note 1) Numbers above refer to PE companies that provided the number of the recipients of or amount of new investment and additional investment

(Note 2) y/y change refers to PE companies that responded with the number of recipients for both Apr. 2008 – Mar. 2009 and Apr. 2009 – Mar. 2010

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

#### (5) Distribution of recipients by industry

Charts 2-7 and 2-8 show, with respect to companies that provided the amount of investment and/or number of recipients categorized by industry, the number of recipients of new investment, the number of recipients of new and additional investment and the amount of investment as well as the sum of each of these items, year-on-year change, and the amount of investment per recipient.

**Chart 2-7: Distribution of recipients of new investment by industry (April 2009 – March 2010)**

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yem mil)	Percentage	
<b>IT-related</b>	<b>3</b>	<b>12.0%</b>	<b>3,342</b>	<b>26.0%</b>	<b>21.0</b>
Telecommunications/networking and equipment	2	8.0%	3,320	25.8%	20.0
Computers and peripherals/IT services	0	0.0%	0	0.0%	NA
Software	1	4.0%	22	0.2%	22.0
Semiconductors and Electronics	0	0.0%	0	0.0%	NA
<b>Biotechnology, medical and healthcare</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>NA</b>
Biotechnology and medicine	0	0.0%	0	0.0%	NA
Medical device and equipment/healthcare-related	0	0.0%	0	0.0%	NA
<b>Industrial/Energy/Other</b>	<b>10</b>	<b>40.0%</b>	<b>2,648</b>	<b>20.6%</b>	<b>331.0</b>
<b>Products and services</b>	<b>12</b>	<b>48.0%</b>	<b>6,878</b>	<b>53.4%</b>	<b>859.7</b>
Media and entertainment/retailing/distribution	8	32.0%	5,514	42.9%	1,102.9
Business and financial services	4	16.0%	1,363	10.6%	454.4
<b>Clean technology-related contained above</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>NA</b>
<b>Total</b>	<b>25</b>	<b>100.0%</b>	<b>12,868</b>	<b>100.0%</b>	<b>-</b>

N: No. of responding companies

N=18

N=15

N=14

(Note 1) Numbers above refer to PE companies that provided the number of recipients or/and amount of investment and loans

(Note 2) "Per recipient" refers to PE companies that provided both the number of recipients and amount of investment categorized by industry

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

**Chart 2-8: Distribution of recipients of new and additional investment by industry  
(April 2009 – March 2010)**

(Yem mil)

	No. of recipients		Amount		Amount per recipient
		Percentage	(Yem mil)	Percentage	
<b>IT-related</b>	<b>3</b>	<b>6.5%</b>	<b>3,342</b>	<b>22.6%</b>	<b>21.0</b>
Telecommunications/networking and equipment	2	4.3%	3,320	22.5%	20.0
Computers and peripherals/IT services	0	0.0%	0	0.0%	NA
Software	1	2.2%	22	0.1%	22.0
Semiconductors and Electronics	0	0.0%	0	0.0%	NA
<b>Biotechnology, medical and healthcare</b>	<b>1</b>	<b>2.2%</b>	<b>31</b>	<b>0.2%</b>	<b>30.5</b>
Biotechnology and medicine	1	2.2%	31	0.2%	30.5
Medical device and equipment/healthcare-related	0	0.0%	0	0.0%	NA
<b>Industrial/Energy/Other</b>	<b>20</b>	<b>43.5%</b>	<b>3,791</b>	<b>25.7%</b>	<b>223.0</b>
<b>Products and services</b>	<b>22</b>	<b>47.8%</b>	<b>7,598</b>	<b>51.5%</b>	<b>422.1</b>
Media and entertainment/retailing/distribution	11	23.9%	5,634	38.2%	704.3
Business and financial services	11	23.9%	1,964	13.3%	196.4
<b>Clean technology-related contained above</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>NA</b>
<b>Total</b>	<b>46</b>	<b>100.0%</b>	<b>14,761</b>	<b>100.0%</b>	<b>-</b>

N: No. of responding companies

N=19

N=16

N=16

(Note 1) Numbers above refer to PE companies that provided the number of recipients or/and amount of investment and loans

(Note 2) "Per recipient" refers to PE companies that provided both the number of recipients and amount of investment categorized by industry

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

### 3. Overview of Funds

#### (1) Overall status of funds

Chart 3-1 shows the result of a questionnaire with respect to the general status of individual funds. Chart 3-2 shows the distribution of PE companies as to the current number of funds under management as well as committed capital. Chart 3-3 shows the number of funds that were established or matured during the year, the number of limited partners and the committed capital.

**Chart 3-1: Status of funds**

	End of Mar. 2009	End of Mar. 2010	y/y change
Number of funds	54	48	-5.9%
Total number of limited partners	157	146	-5.8%
Committed capital in funds (Yen billions)	428.3	304.9	-14.7%
Average number of limited partners	8.3	8.6	-0.3%
Average committed capital (Yen billions)	8.7	7.1	-8.8%

N: No. of responding companies

(avg. no. of limited partners)

N=13

N=12

N=12

(avg. committed capital)

N=17

N=15

N=15

(Note 1) Average figures are computed as regards PE companies that provided both the number of funds and the number of limited partners, or both the number of funds and the amount of committed capital

(Note 2) y/y changes are based on replies from PE companies that provided the number of recipients and amount of investment/loans for both 2009 and 2010 (ending in March)

(Note 3) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

**Chart 3-2: Distribution of PE companies by number of funds under management and by size of committed capital (as of the end of March 2010)**

Number of funds	Number of PE companies	Committed capital in funds (Yen billions)	Number of PE companies
1	7	10 and below	7
2	6	10 ~ 50	8
3	0	50 ~ 100	0
Over 3	5	Over 100	0
Total	18	Total	15

**Chart 3-3: Number of funds, limited partners and committed capital per fund for funds that were established and matured (April 2009 – March 2010)**

	設立した組合	期間満了の組合
Number of funds	3	6
Total number of limited partners	10	26
Committed capital in funds (Yen billions)	8.1	94.8
Average number of limited partners	10.0	13.0
Average committed capital (Yen billions)	2.7	15.8

N: No. of responding companies

(avg. no. of limited partners)

N=6

N=7

(avg. committed capital)

N=9

N=10

(Note 1) "N" refers to PE companies that own at least one fund as of the end of March 2009, and that have responded with regards funds established or matured during the year

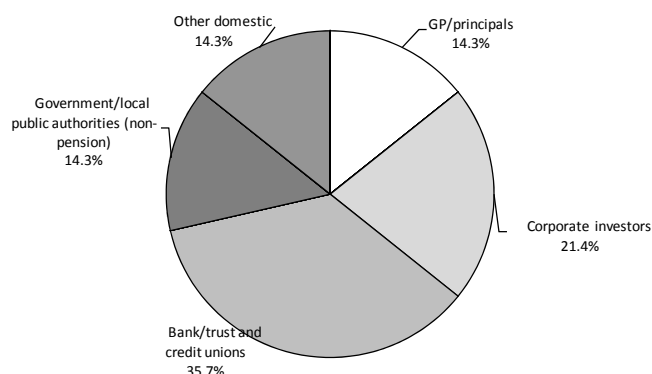
(Note 2) Averages are PE computed as regards companies that provided both the number of funds and the number of limited partners, or both the number of funds and of the amount of committed capital

(Note 3) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

## (2) Breakdown of investor type

Chart 3-4 shows the breakdown of investors to funds by type of entity in terms of the amount of investment. Chart 3-5 shows the details.

**Chart 3-4: Breakdown of investors (by amount invested)**



**Chart 3-5: Detailed breakdown of investors**

investor type	No. of investors		Amount (Yen mil)		Per investor
		Percentage		Percentage	
<b>GP/principals</b>	2	14.3%	1,040	19.2%	520.0
<b>Domestic total</b>	12	85.7%	4,380	80.8%	365.0
Family/private individuals	0	0.0%	0	0.0%	NA
Other VC/fund of funds	0	0.0%	0	0.0%	NA
Corporate investors	3	21.4%	250	4.6%	83.3
Bank/trust and credit unions	5	35.7%	1,400	25.8%	280.0
Insurance companies	0	0.0%	0	0.0%	NA
Securities companies	0	0.0%	0	0.0%	NA
Pension funds	0	0.0%	0	0.0%	NA
Government/local public authorities (non-pension)	2	14.3%	2,700	49.8%	1,350.0
Academic/university endowment	0	0.0%	0	0.0%	NA
Other domestic	2	14.3%	30	0.6%	15.0
<b>Overseas total</b>	0	0.0%	0	0.0%	NA
<b>Total</b>	14	100.0%	5,420	100.0%	387.1

N : No. of responding companies

N=2

N=2

N=2

(Note 1) Numbers above refer to PE companies that provided the number of subscribers or/and amount of subscriptions (excludes companies that replied that there was no investment from any type of investor)

(Note 2) The per-investor figures refer to PE companies that provided both the number of investors and the amount

(Note 3) The breakdown figures may not add up correctly due to rounding and cases of no reply

(Note 4) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

(Note) There were three companies that set up one fund or more during the year, and two of those companies responded with the breakdown of fund subscribers.

## 4. Results of the Survey

**Chart 4-1: Outstanding balance of investment and loans by PE companies**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
Investment	82	72,734	105	82,291
Loans	44	15,679	38	11,684
<b>Total (investment + loans)</b>	<b>221</b>	<b>454,287</b>	<b>216</b>	<b>276,632</b>

No. of responding companies

29

**Chart 4-2: Outstanding balance of investment and loans by region**

	As of the end of March 2009		As of the end of March 2010	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
<b>Japan total</b>	<b>207</b>	<b>106,265</b>	<b>205</b>	<b>106,335</b>
Hokkaido	0	0	1	5
Tohoku	2	1,142	2	1,142
Kanto (excl. Tokyo)	21	4,063	17	4,728
Tokyo	65	32,626	61	33,620
Chubu	9	6,649	11	7,832
Kinki	13	8,882	15	9,101
Chugoku	19	1,710	22	1,761
Shikoku	0	0	0	0
Kyushu and Okinawa	29	5,869	31	6,941
<b>Overseas total</b>	<b>9</b>	<b>652</b>	<b>7</b>	<b>296</b>
Asia Pacific	9	652	7	296
Europe	0	0	0	0
North America	0	0	0	0
Other	0	0	0	0
<b>Total</b>	<b>216</b>	<b>453,917</b>	<b>212</b>	<b>106,631</b>

No. of responding companies

32

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 4-3: Breakdown of investment and loans made during the year**

	April 2008		March 2009		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	9	4,534	0	0	14	6,051
II Classified stocks	3	6,032	0	0	3	6,032
III Bonds	3	240	1	165	5	1,905
IV Other	6	491	0	0	6	491
Total investment (I+II+III+IV)	36	15,808	11	2,971	40	13,407
Loans	4	843	1	190	50	55,670
Total (investment + loans)	40	16,651	12	3,161	104	77,570

No. of responding companies

23

	April 2009		March 2010		Total (New/additional)	
	New investment/loans		Additional investment/loans		Total (New/additional)	
	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)	No. of recipients	Amount(Yen mil)
I Common stocks	15	6,044	4	120	21	7,691
II Classified stocks	3	5,101	0	0	3	5,101
III Bonds	2	50	1	360	4	1,410
IV Other	2	57	6	251	8	308
Total investment (I+II+III+IV)	26	14,175	21	1,754	50	18,456
Loans	1	148	2	140	47	32,948
Total (investment + loans)	27	14,323	23	1,894	97	51,405

No. of responding companies

23

**Chart 4-4: Status of funds**

	End of March 2009	April 2009	March 2010	End of March 2010
		Established	Matured	
Number of funds	54	3	6	48
Total number of limited partners	157	10	26	146
Committed capital (Yen millions)	428,282	8,120	94,754	304,867

No. of responding companies

20

(Note 1) Due to cases of incomplete reply, the term-end figures may not agree with arithmetic result of the changes during the period

(Note 2) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

**Chart 4-5: Types of investors established between April 2009 and March 2010**

Investor type	April 2009	March 2010
	No. of investors	Amount(Yen mil)
I GP/principals	2	1,040
II (Domestic total)	12	4,380
Family/private individuals	0	0
Other VC/fund of funds	0	0
Corporations (non-pension)	3	250
Banks/trust and credit unions	5	1,400
Insurance companies	0	0
Securities companies	0	0
Pension funds	0	0
Government/local public authorities (non-pension)	2	2,700
Academic/university endowment	0	0
Other domestic	2	30
III (Overseas total)	0	0
Total (I+II+III)	14	5,420

No. of responding companies

2

(Note) Committed capital is based on the amounts committed for the funds (in the absence of a committed amount, then on the amount actually paid into the funds)

(Note) Breakdown figures may not add up correctly due to cases of no reply

**Chart 4-6: Breakdown of recipients of new investment by industry**

Industry	Ari. 2009	Mar. 2010
	No. of recipients	Amount(Yen mil)
1.Telecommunications/networking and equipment	2	3,320
2.Computers and peripherals/IT services	0	0
3.Software	1	22
4.Semiconductors and electronics	0	0
5.Biotechnology and medicine	0	0
6.Medical device and equipment/healthcare-related	0	0
7.Industrial/Energy/Other	10	2,648
8.Media and entertainment/retailing/distribution	8	5,514
9.Business and financial services	4	1,363
10.Clean technology-related contained above	0	0
<b>Total</b>	<b>25</b>	<b>9,568</b>

No. of responding companies

18

**Chart 4-7: Breakdown of recipients of additional investment by industry**

Industry	Ari. 2009	Mar. 2010
	No. of recipients	Amount(Yen mil)
Telecommunications/networking and equipment	0	0
Computers and peripherals/IT services	0	0
Software	0	0
Semiconductors and electronics	0	0
Biotechnology and medicine	1	31
Medical device and equipment/healthcare-related services	0	0
Manufacturing, energy and other industries	10	1,143
Media and entertainment, retailing and distribution	3	120
Business and financial services	7	601
Clean technology-related contained above	0	0
<b>Total</b>	<b>21</b>	<b>1,894</b>

No. of responding companies

15

**Chart 4-8: Breakdown of recipients of new and additional investment by industry**

Industry	Ari. 2009	Mar. 2010
	No. of recipients	Amount(Yen mil)
Telecommunications/networking and equipment	2	3,320
Computers and peripherals/IT services	0	0
Software	1	22
Semiconductors and electronics	0	0
Biotechnology and medicine	1	31
Medical device and equipment/healthcare-related services	0	0
Manufacturing, energy and other industries	20	3,791
Media and entertainment, retailing and distribution	11	5,634
Business and financial services	11	1,964
Clean technology-related contained above	0	0
<b>Total</b>	<b>46</b>	<b>11,461</b>

No. of responding companies

19

(Note) Breakdown figures may not add up correctly due to cases of no reply



**Chart 4-9: Manner of acquisition**

	Ari. 2009	Mar. 2010
Continued Listing		0
Secondary buyout		1
Bankruptcy		3
Public to Private		3
Business Succession		5
Other Capitalization Strategy		5

No. of responding companies 7

**Chart 4-10: Manner of exit by recipients**

	Ari. 2009 Mar. 2010		
	No. of recipients	Realized gain/loss (Yen mil)	Unrealized gain/loss(Yen mil)
IPO	0	0	0
Sale to a secondary fund	0	0	
Sale to another third party	4	0	
Write-off/liquidation	0	0	
Buyback	5	35	
Other	12	757	

No. of responding companies 4

(Note) Breakdown figures may not add up correctly due to case of no reply