



JIC makes LP investment in New Enterprise Associates 18, L.P. and NEA 18 Venture Growth Equity, L.P.

- Creating opportunities for collaboration between domestic/overseas VC to create global startups
- Introducing global standards/practices to domestic market
- Appealing to foreign investors who can bring risk capital to the domestic market

Tokyo, January 31, 2023 – Japan Investment Corporation (“JIC”) has announced its decision to make an LP investment of USD50 million in New Enterprise Associates 18, L.P. (“NEA18”) and USD50 million in NEA 18 Venture Growth Equity, L.P. (“NEA18VGE”), for a total investment of USD100 million. NEA18 and NEA18VGE are managed by New Enterprise Associates (“NEA”) which is headquartered in the US and has a long track record of investing in innovative companies at all stages.

JIC aims to stimulate a virtuous cycle of risk capital to support next-generation industries in Japan. To achieve this vision, JIC promotes open innovation as a means for supporting growth and enhancing the international competitiveness of businesses. JIC approaches these challenges by stimulating private sector investments in open innovation together with JIC’s own investment, while fostering investment professionals.

About LP investment in NEA18 and NEA18VGE

(1) JIC investment criteria

JIC’s investment criteria* identifies “Creating unicorn startups” as one of its focus areas. A long-term, large supply of risk capital is required for the creation of unicorns—defined as privately held companies with an enterprise value of \$1 billion or more—which can grow business sustainably with competitive global economic strength.

[*https://www.j-ic.co.jp/en/investment/criteria/](https://www.j-ic.co.jp/en/investment/criteria/)

(2) Current status of investment market

With the size of the domestic market shrinking amid a declining birthrate and aging population, it has become important to enter global markets to grow startups with the corporate value of unicorns or greater. Successful business expansion in the global market can be facilitated by receiving support from VCs who make investments globally, based on the knowledge and experience they have gained addressing regulations, business practices, and other issues that differ by country and region. To become a global unicorn, consistent VC support throughout the growth stages, including support for the development of multimarket business models, global standard capital policy/organizational structures and investment contract terms, and growth financing is helpful.

(3) About NEA18 and NEA18VGE

NEA, founded in the US in 1977, has funded more than 100 billion-dollar-plus businesses and is one of the largest global venture capital firms in terms of total assets under management.

Throughout many years of fund management, NEA has focused on technology and healthcare, developing a competitive investment team, domain expertise and strong sector networks, and providing consistent support as a lead investor from early stage to growth stage business development.

NEA18 has a strategy of early--stage investment, while NEA18VGE invests in the later stages and beyond. NEA aims to offer companies full-lifecycle support in the technology and healthcare areas through NEA18 and NEA18VGE.

From its perspective as a global investor, in the current international and economic environment NEA considers the Japanese startup market to have strong potential. "Go Global" is listed as one of the JIC's priority investment areas, and the organization is committed to investing in overseas VCs to strengthen ties between domestic VCs/startups and overseas VCs.

JIC, through its investments in NEA18 and NEA18VGE, aims to create opportunities for collaboration between NEA and domestic VCs, to learn from NEA's investment experience, and to introduce global standard practices to the domestic market. JIC hopes that these efforts will lead to increased interest in the Japanese market by other foreign investors.

Overview of NEA18

Name: New Enterprise Associates 18, L.P.
Established: 2022
Duration: 12 years (with a possible extension of 3 years)
GP: NEA Partners 18, L.P.

Overview of NEA18VGE

Name: NEA 18 Venture Growth Equity, L.P.
Established: 2022
Duration: 12 years (with a possible extension of 3 years)
GP: NEA Partners 18 VGE, L.P.

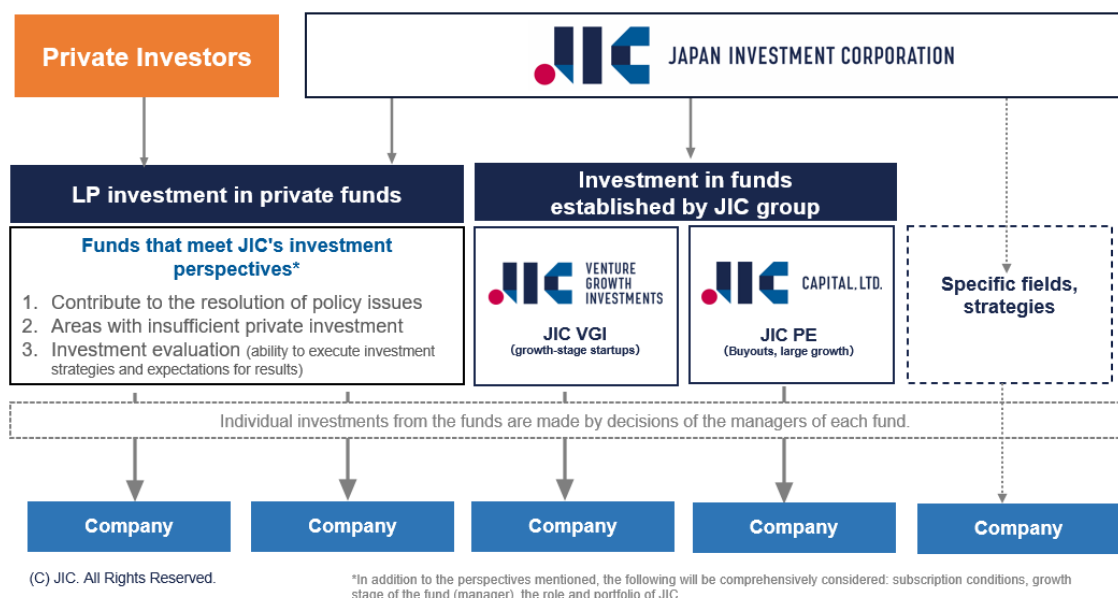
Overview of management company

Name: New Enterprise Associates
Established: 1977
Address: US (California, Washington DC, New York, Maryland)
Representatives: Scott Sandell, Tony Florence, Mohamad Makhzoumi

(For reference)
JIC's fund investment strategy

JIC's Fund Investment Strategy (overall) 株式会社産業革新投資機構

- JIC aims to provide risk capital to enhance the growth of next-generation companies and competitiveness based on its philosophy and its principle of complementing the private sector.
- JIC's investment strategy includes 1) investment in funds established under JIC's initiative and 2) LP investments in private funds.



(For reference)
Objectives of JIC's LP investments

1. Stimulate the supply of risk capital to help companies grow and to enhance their competitiveness
JIC intends to provide capital to areas that are essential from the perspective of strengthening industrial competitiveness but lack private investment capital (investment strategies, sectors, stages, regions, etc.) with the aim of stimulating private investment capital in the short term and medium-long term.
2. Create diverse investment teams, professionals, and strategies to support a virtuous cycle of risk capital
 - 1) Investment teams
JIC promotes growth of the investee funds as a leader in the intermediary of risk capital provided by institutional investors (pension funds, foreign investors, etc.) towards the establishment of future funds. This will be achieved by expanding experience and track records among its fund investment team (management company) and by further improving its ability to respond to institutional investors.
 - 2) Investment professionals
With the cooperation of industry organizations such as JVCA, institutional investors, and investee managers, JIC supports the research and introduction of best practices of managers and the development of human resources serving as investment professionals.
 - 3) Investment strategy

JIC will add diversity and depth to the market by making an LP investment in funds even for those with strategies that are not common in Japan yet, in response to their fund raising, including at the time of its establishment.

About Japan Investment Corporation (JIC)

Japan Investment Corporation (“JIC”) was established on September 25, 2018 under the Industrial Competitiveness Enhancement Act. JIC’s investment focus areas are driving the creation of new businesses for Society 5.0, creating "unicorn startups", leveraging promising untapped regional technologies and promoting business consolidation across industries and organizations. JIC provides risk capital to these areas through funds independently established by JIC and LP investment in private funds to promote open innovation and contribute to strengthening the competitiveness of Japanese industries and expanding the investment ecosystem.

URL: <https://www.j-ic.co.jp/en/>

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