

## Japan in Figures

### Population

**124.4 million**

12<sup>th</sup> in the world, 2023\*

### GDP

**\$4.2 trillion USD**

4<sup>th</sup> in the world, 2023\*\*

### Fortune 500

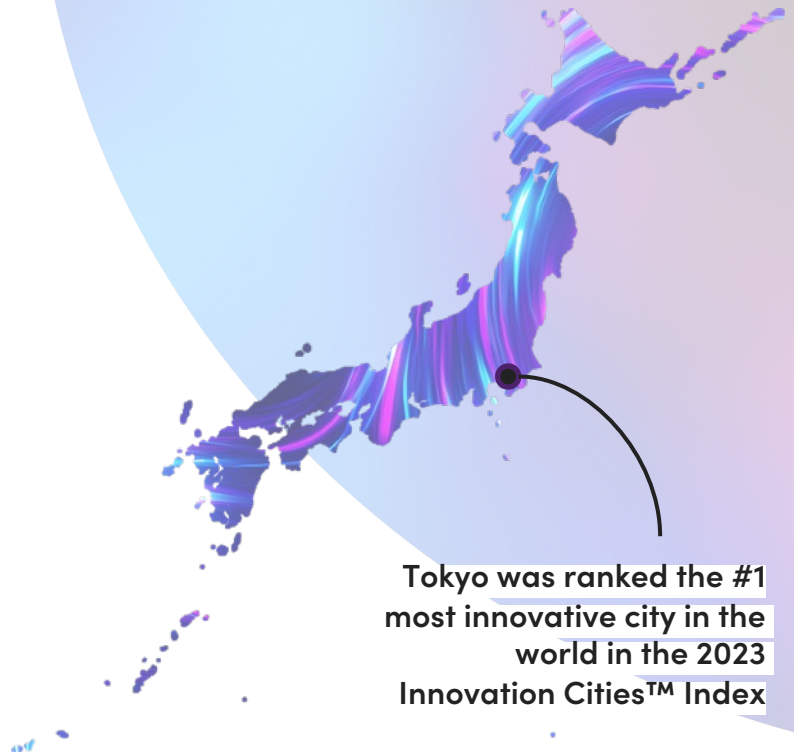
**40 companies**

3<sup>rd</sup> in the world, 2024†

### EU Exports to Japan

**€64.0bn / €36.3bn**

Trade in Goods/Services, 2023‡



**Tokyo was ranked the #1  
most innovative city in the  
world in the 2023  
Innovation Cities™ Index**

\* Statistical Handbook of Japan 2024

\*\* World Bank † Fortune Global 500 2023 ‡ Eurostat

## Japan and Europe – a strong collaborative relationship

There is a strong precedent for Japanese corporates to engage with the European startup and innovation ecosystem. This has been particularly seen in recent times in the form of acquisitions – with a total of 22 acquisitions of European startups and SMEs by Japanese companies in the first three quarters of 2024. Investment levels have also remained relatively high amid the global downturn in VC funding in 2023, with Japanese corporates participating in over 97 funding rounds in 2023.

Innovation and R&D is another area of strong collaboration between Japan and Europe. Japan has long been an active participant in the EU's Horizon Europe programme and its predecessors, with additional partnerships formed to promote collaboration in specific fields – such as the Advanced Materials Partnership, which was confirmed in April 2024. This initiative will see stronger collaboration in areas such as semiconductors, EV batteries, and renewable energies – key sectors that are critical for both Japanese and European economies.

Trade between both regions also remains strong. In 2023, Japan was the sixth-largest trading partner for EU export goods (2.5%) and the eighth-largest trading partner for EU import goods (2.8%). EU exports to Japan totalled 64 billion EUR. The Japan-EU Summit has been held most years since 1991, and the relationship has been further expanded in recent years through the Japan-EU Economic Partnership Agreement in 2019, the Japan-EU Green Alliance in 2021, and the Japan-EU Digital Partnership in 2022.

The upcoming World Expo, to be next held in Osaka in April 2025, will also offer a valuable opportunity for the EU and Japan to highlight the strong political, economic, and sociocultural ties that the two regions share.

**Did you know?** Five of the top 10 most active CVCs worldwide in Q4 2023 were Japanese corporates. Japanese investors, excluding Softbank, participated in a total of 97 European startup funding rounds in 2023

## Japan's increased focus on international startup investments

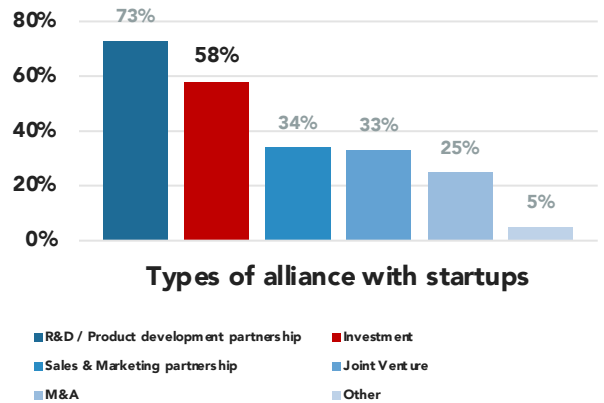
As reported in a 2024 article by [Sifted](#), 2023 was a record year for Japanese investment in Europe, with Japanese capital involved in a record 97 funding rounds – up from 55, five years before.

According to Sifted, Japanese interest in Europe is driven by several factors. The barriers to accessing Silicon Valley deals and funds are high, and the US ecosystem is too mature for its insights to be directly applicable to early-stage teams in Japan. As a result, companies naturally turn to Europe instead.

This trend is borne out in the data we've seen in the preparation of this report – with a notable increase in the number of Japanese companies seeing 'investment' as one of the ways in which they seek to engage with startups – with 37 of the 64 companies in the directory of this report (58%) answering as such.

Rising investment activity is just one aspect of Japan's growing interest in international startup collaboration. Several initiatives have also emerged to directly support international startups in a more physical capacity in the Japanese market, as highlighted below:

### Types of alliance with startups



### Tokyo Innovation Base

Tokyo Innovation Base (TIB) is part of the Tokyo Metropolitan Government's push to become a more startup-friendly city. Acting as a combined startup campus and business hub, TIB aims to foster innovation and entrepreneurship in the very heart of Tokyo in Marunouchi – close to Tokyo Station.

The initiative, which comprises a startup campus and business networking hub, aims to provide a range of services to new startups or entrepreneurs who are new to Japan. More information can be seen on the official website here: <https://tib.metro.tokyo.lg.jp>



### STATION Ai

Opened in October 2024 in Nagoya – Aichi Prefecture – STATION Ai is Japan's largest innovation base.

More than 700 startups, partner companies, VCs and other support organizations, and universities from Japan and abroad are participating in the initiative to create new business and promote open innovation.

## Spotlight: Japanese investment into Europe – 2024

Japanese investors were active across Europe in 2024, with over 50 different startups invested into across a wide range of sectors, funding amounts, and startup stages. The UK was a notable hub for Japanese interest, representing nearly half of all companies invested in last year.

Overall, Japanese investors were most inclined to invest in earlier-stage startups – with Series A the most common round invested in. Investment is distributed across a range of sectors, but sustainable technologies and technologies in the life sciences / medical categories featured prominently.

Source: Crunchbase data extracted in January 2025. Results are not guaranteed to be comprehensive.

| Company                   | Location                    | Raised   | Series      | Investor  | Description                          |
|---------------------------|-----------------------------|----------|-------------|---|--------------------------------------|
| Wayve                     | London, United Kingdom      | \$1.00bn | Series C    | SoftBank  | AI for autonomous driving            |
| HysetCo                   | Saint-denis, France         | \$214m   | Series A    | Toyota  | Hydrogen mobility solutions          |
| INERATEC                  | Karlsruhe, Germany          | \$128m   | Series B    | Emerald Technology Ventures, Honda, TDK                           | Sustainable fuels provider           |
| Tokamak Energy            | Oxford, United Kingdom      | \$125m   | Undisclosed | Furukawa Electric   | Fusion power development             |
| AALTO HAPS                | Farnborough, United Kingdom | \$100m   | Undisclosed | Development Bank of Japan, Mizuho Bank, NTT DoCoMo, Space Compass | Solar-powered 5G connectivity        |
| Solaris                   | Berlin, Germany             | \$62m    | Series F    | SBI Group   | Embedded finance solutions           |
| Reverion                  | Eresing, Germany            | \$62m    | Series A    | Honda   | Carbon-negative power plants         |
| GridBeyond                | Dublin, Ireland             | \$55m    | Series C    | Yokogawa Electric Corp.   | Energy management systems            |
| Grover                    | Berlin, Germany             | \$54m    | Undisclosed | Cool Japan Fund   | Tech rental subscriptions            |
| Global Screening Services | London, United Kingdom      | \$46m    | Series A    | Mitsubishi UFJ Financial Group                                    | Financial transaction screening      |
| Cambridge Mechatronics    | Cambridge, United Kingdom   | \$40m    | Undisclosed | Sony Innovation Fund  | High-tech design solutions           |
| Candi                     | Zurich, Switzerland         | \$38m    | Series C    | Kyuden International  | Rooftop solar solutions              |
| 44.01                     | London, United Kingdom      | \$37m    | Series A    | Sumitomo  | CO2 removal via mineralization       |
| CLicare                   | Montpellier, France         | \$22m    | Series A    | Shionogi  | Hearing disorder treatments          |
| Klim                      | Berlin, Germany             | \$22m    | Series A    | Norinchukin Capital   | Regenerative agriculture             |
| Flower                    | Stockholm, Sweden           | \$21m    | Series A    | Sony Innovation Fund  | Electricity flexibility AI           |
| Pollination               | London, United Kingdom      | \$20m    | Undisclosed | Mizuho Bank   | Climate advisory and investment      |
| Pliant                    | Berlin, Germany             | \$19m    | Series A    | SBI Investment  | Business credit card solutions       |
| neoplas med               | Greifswald, Germany         | \$18m    | Undisclosed | NGK Spark Plug  | Medical product innovation           |
| Diabeloop                 | Grenoble, France            | \$16m    | Undisclosed | Terumo Corporation  | Diabetes closed-loop management      |
| COMPREDICT                | Darmstadt, Germany          | \$15m    | Series B    | Woven Capital   | AI-based vehicle insights            |
| Urban Jungle              | London, United Kingdom      | \$14m    | Undisclosed | Sony Innovation Fund  | Affordable tech-enabled insurance    |
| Anaphite                  | Bristol, City of            | \$13m    | Series A    | Energy & Environment Investment                                   | Li-ion battery materials             |
| tozero                    | Munich, Germany             | \$11m    | Seed        | Global Brain, Honda, Nordic Ninja                                 | Lithium battery recycling            |
| natcap                    | London, United Kingdom      | \$10m    | Series A    | Norinchukin Capital   | Nature intelligence solutions        |
| GEMESYS                   | Bochum, Germany             | \$9.0m   | Pre-Seed    | Sony Innovation Fund  | Analog AI hardware                   |
| Scinviso                  | Amsterdam, The Netherlands  | \$5.1m   | Undisclosed | Santec Corporation  | Optical biopsy technology            |
| Silveray                  | Stockport, United Kingdom   | \$5.1m   | Seed        | Hamamatsu Ventures  | X-ray detector development           |
| Vizcab                    | Lyon, France                | \$4.9m   | Series A    | Global Brain  | Digital construction solutions       |
| Valpas                    | Helsinki, Finland           | \$4.3m   | Seed        | Canon, Global Brain   | Hospitality bed bug safety           |
| Mirra                     | Whitburn, United Kingdom    | \$4.0m   | Series A    | Kyoritsu Seiyaku  | Veterinary diagnostics               |
| Signal                    | London, United Kingdom      | \$3.3m   | Undisclosed | Mitsui OSK Lines  | Behavior-driven emission reduction   |
| ILC Therapeutics          | Newhouse, United Kingdom    | \$3.3m   | Undisclosed | Medical Incubator Japan   | Innate immune system biotech         |
| Soccerverse               | London, United Kingdom      | \$3.2m   | Seed        | Square Enix   | Football management MMO              |
| Flock.io                  | London, United Kingdom      | \$3.0m   | Undisclosed | OKCoin Japan  | AI privacy with federated learning   |
| PLAY                      | Gibraltar, Gibraltar        | \$3.0m   | Seed        | NEO Tokyo   | Protocol for AI gaming agents        |
| HIVED                     | London, United Kingdom      | \$2.6m   | Undisclosed | Global Brain, Kuroneko Innovation Fund                            | Sustainable parcel delivery          |
| Bumper                    | London, United Kingdom      | \$2.5m   | Series B    | Marubeni Ventures, Suzuki Global Ventures                         | Automotive payment solutions         |
| Blue Skies Space          | London, United Kingdom      | \$2.5m   | Undisclosed | SPARX Group   | Scientific satellite data            |
| Levellr                   | London, United Kingdom      | \$1.8m   | Seed        | COLOPL Next   | Messaging community management       |
| Artio                     | London, United Kingdom      | -        | Pre-Seed    | Lifetime Ventures   | Carbon credit delivery insurance     |
| Varjo                     | Helsinki, Finland           | -        | Series D    | Nishikawa Communications  | Industrial VR/XR solutions           |
| Cambrium                  | Berlin, Germany             | -        | Seed        | DG Daiwa Ventures   | High-performance protein engineering |
| Javelin                   | London, United Kingdom      | -        | Undisclosed | ITOCHU Corporation  | Commodity trading solutions          |
| SuperLight Photonics      | Enschede, The Netherlands   | -        | Seed        | Hamamatsu Ventures  | Supercontinuum laser development     |
| S64 Capital Innovation    | London, United Kingdom      | -        | Series A    | Sumitomo Mitsui Trust Bank  | Investment advisory services         |
| Delivers AI               | Istanbul, Turkey            | -        | Seed        | Japan Post Capital  | Autonomous delivery systems          |
| Luffy AI                  | Abingdon, United Kingdom    | -        | Undisclosed | Sumitomo  | Adaptive robotics AI                 |
| DLC.link                  | Budapest, Hungary           | -        | Seed        | CGV FoF   | Bitcoin for DeFi applications        |
| Joba Network              | Kingstown, United Kingdom   | -        | Seed        | Decima Fund   | Blockchain-based work identities     |
| NMKR                      | Zurich, Switzerland         | -        | Seed        | EMURGO  | NFT infrastructure tools             |
| Corvus Energy             | Bergen, Norway              | -        | Series B    | Woven Capital   | Maritime energy storage systems      |

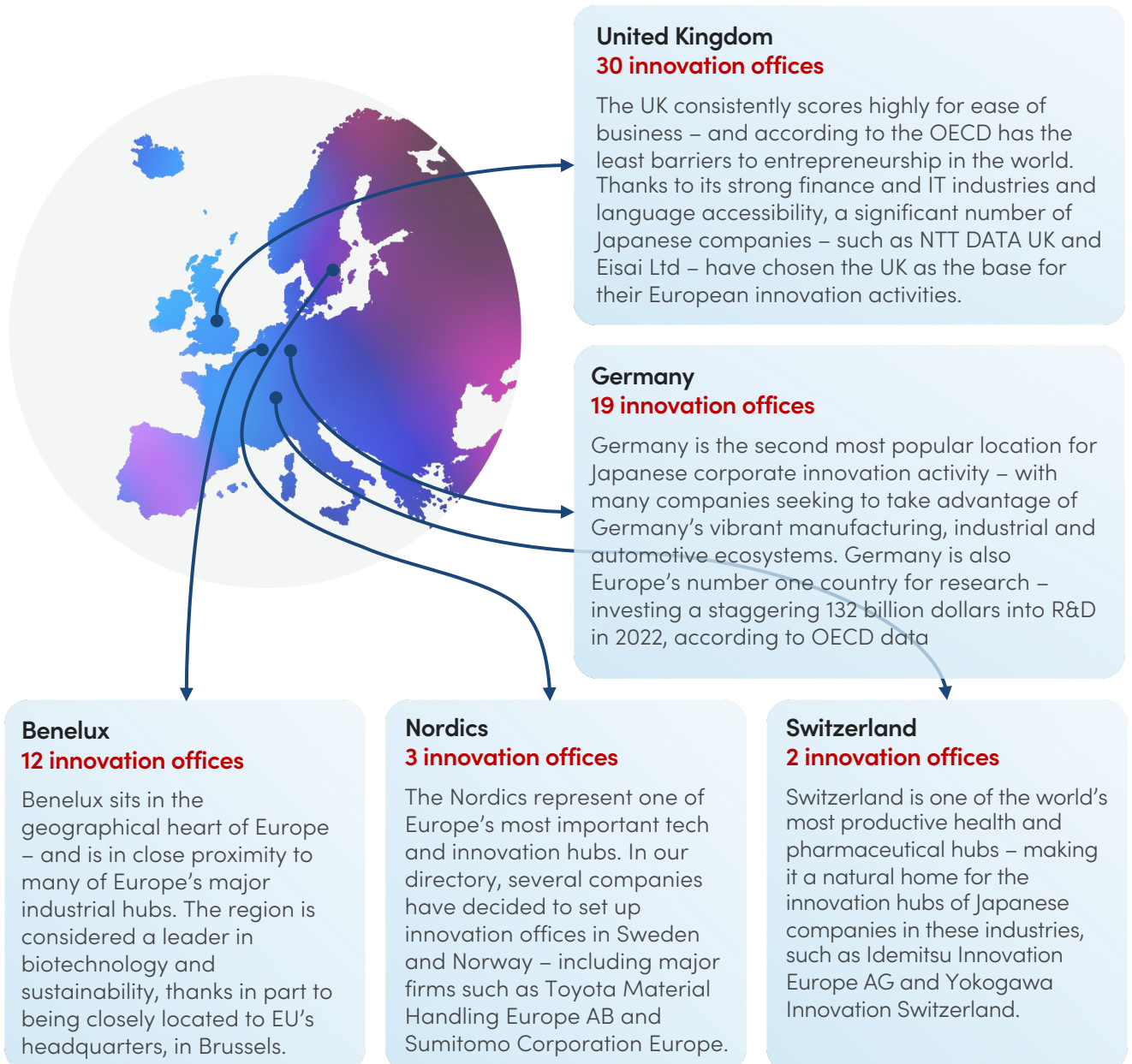


## Where are Japanese Innovators in Europe?

According to JETRO's 2023 survey into Japanese companies in Europe ([link](#)), there are now as many as 1,457 Japanese companies with a presence in the European market. The majority of these businesses are located in Europe's largest economies – with 31.3% of businesses in Germany, 11.8% in the UK, 10.1% in the Netherlands and 8.4% located in France.

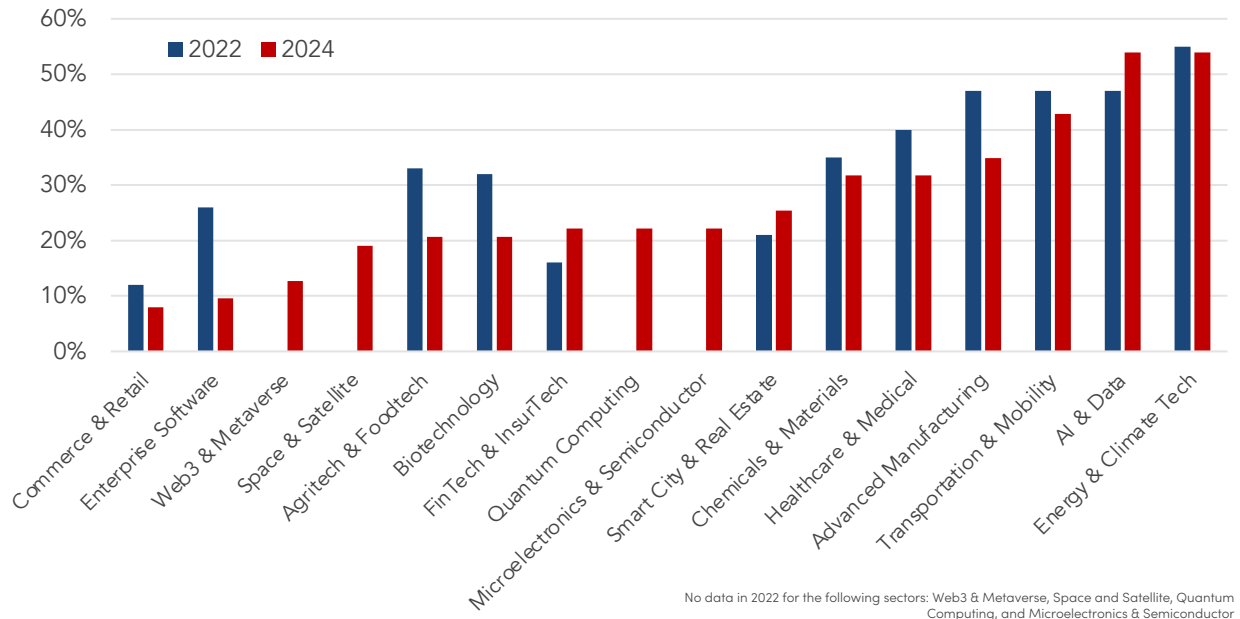
While many of these offices serve as sales and manufacturing bases, this report focuses on 64 major Japanese corporations that have also established 'innovation-focused' offices in Europe. Our discussions with these companies confirm that Europe's leading economies remain the most popular locations, with the United Kingdom accounting for nearly half of all offices among those consulted for this report.

At the same time, Japanese firms are keen to set up innovation offices in hubs with ecosystems that align strongly with their strategic interests. For example, automotive giants like Toyota and AISIN have chosen to set up base in Belgium – a key automotive market with a central location in Europe, providing proximity to other major automotive hubs such as Germany and the Netherlands.

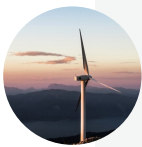


## Focus Areas of Japanese Companies in This Report

During our interviews with the 64 companies consulted for this report, we asked them to identify all their areas of interest related to corporate innovation activity. From the 16 comprehensive areas provided, the responses we gathered are listed as follows:



This year's responses make it clear that while Japan's core industries – automotive, manufacturing, and chemicals – are well represented, the dominant themes are the mega-trends of 'AI & Data' and 'Energy & Climate Tech'. Both were selected by over 50% of respondents, with 'AI & Data' seeing a particularly notable surge since 2022, driven by growing adoption and interest in generative AI and other AI solutions.



### Energy & Climate Tech

Japan has joined the ranks of countries targeting carbon neutrality by 2050 – a move that has ignited corporate activity in climate tech at companies in all sectors. To support this goal, the Government of Japan has established its "Innovative Environmental Innovation Strategy," outlining 16 technological challenges with cost targets across five key fields: energy transformation, transportation, industry, business, and agriculture.



### AI & Data

Artificial Intelligence continues to receive widespread interest from Japanese companies across all industry sectors, with enthusiasm further amplified by growing global awareness of new technologies such as generative AI.

The most recent AI strategy set by the Japanese government – "AI Strategy 2022 – places a strong emphasis on initiatives for sustainable development and the broader application of AI technologies. It aims to make Japan "the world's most capable country in the AI era by developing human resources and attracting human resources from around the world," recognising the importance of increasing joint R&D and collaborative projects between Japan and overseas to achieve this goal.