

Cool Japan Fund Inc.  
Tokyo, June 15, 2017

## **LP Investment in a Fund Supporting Startups with a Global Vision**

Cool Japan Fund has decided to invest a maximum of 10 million USD through an LP investment in 500 Startups JP, L.P. (500JP), which is operated by the Japan division of 500 Startups, an American venture capital firm focusing on investing in seed stage startups (i.e. seed investments).

500 Startups is a prominent venture capital firm headquartered in Silicon Valley. It has been described as the most active seed stage venture capital firm in the world<sup>1</sup>. The strength of 500 Startups lies in its global network of entrepreneurs and mentors, as well as its ecosystem development initiatives to help local entrepreneurs.

This investment marks the first collaboration between Cool Japan Fund and an American venture capital firm. Through this investment, Cool Japan Fund will be able to support seed stage startups in the area of “Cool Japan” that strive to compete globally. Through such seed investments, Cool Japan Fund intends to increase the number of prominent “Cool Japan” related companies, and contribute to the sustainable development of “Cool Japan.”

500 Startups is headquartered in Silicon Valley, and is the most active seed stage venture capital firm in the world. Outside of the United States, it has also established 13 regional funds in Central and South America, Southeast Asia, Korea, Thailand, and Turkey, and has made over 1,800 seed investments in 60 countries. In addition to venture capital investment, it also nurtures startups through their seed investment program. The training program is supported by over 300 mentors who provide valuable and practical advice to startups. 500 Startups has representatives stationed in over twenty countries around the world who can serve as bridges to local companies, venture capital firms, and media to support portfolio companies expanding overseas.

To date, 500 Startups has invested in over 35 companies in Japan. Some Japanese startups have even joined the 500 Seed Program in Silicon Valley, which provides mentorship and access to US companies and investors. Amidst these activities, 500 Startups established its Japan fund in February 2016 to accelerate seed investment in Japan and support overseas expansion for local startups. It has also contributed to the globalization of the Japanese startup community by hosting events such as the 500 Kobe Accelerator - a shortened version of its Silicon Valley training program – and publishing a localized version of its Silicon Valley-style investment contract for anyone to freely use.

To support the growth and global expansion of startups in the area of “Cool Japan.” Cool Japan Fund has decided to invest a maximum of 10 million USD through an LP investment in 500JP.

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<sup>1</sup> National Venture Capital Association, Venture Monitor 4Q.2016

As the nature of seed investment differs from that of standard venture capital investment in terms of risk profile and support needed, Cool Japan Fund will provide “Cool Japan” related startups with funding through its investment in this fund. Moreover, Cool Japan Fund will also collaborate with the 500 Startups’ global network of mentors to support the overseas expansions of startups.

Through this fund, Cool Japan Fund will provide funding to “Cool Japan” related startups and increasing the number of prominent “Cool Japan” related companies. Cool Japan Fund also anticipates that the training program, mentorship, as well as the sharing of Silicon Valley best practices will help build a cooperative environment in Japan for startups to launch and scale globally.

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[About 500 Startups JP, L.P.]

Launch Date:	February 17, 2016
General Partner:	500 Startups JP, L.L.C.
Managing Partner:	James Riney, Yohei Sawayama
Fund Size:	35 million USD
Fund Term:	10 years from the launch date

[About 500 Startups]

Establishment Date:	February 2010
Headquarters:	California, US
Representative:	Dave McClure
Outline of Business:	Venture capital business
Assets under Management:	Approximately 350 million USD
Global Homepage:	<a href="https://500.co/">https://500.co/</a>
Japanese Homepage:	<a href="https://500startups.jp/">https://500startups.jp/</a>

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