

Sakana AI raises ¥20bn at a valuation of about \$2.65bn

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As U.S. giants like Google, OpenAI, and Anthropic race to develop the large language models that underpin their AI products, startups such as Sakana AI , Mistral AI , DeepSeek , and AI21 Labs are carving out their own niche with specialized models designed for specific regions, industries, or unique features.

In pursuit of that goal, Tokyo-based Sakana AI has closed a ¥20 billion (approximately \$135 million) Series B funding round, which values the company at \$2.65 billion post-money, up from a pre-money valuation of \$2.5 billion, CEO David Ha told TechCrunch.

Founded in 2023 by former Google researchers Llion Jones, Ren Ito, and Ha, Sakana AI makes affordable generative AI models that work well with small datasets and are optimized for the Japanese language and culture.

The Series B round drew a mix of new and returning investors, combining Japan's financial heavyweights like Mitsubishi UFJ Financial Group (MUFG) with global venture players such as Khosla Ventures, Macquarie Capital, NEA, Lux Capital, and In-Q-Tel (IQT).

"We plan to deploy the new capital for not only R&D, including [AI] model development, but also to expand our workforce for engineering, sales, and distribution teams in Japan," Ha said. This year, Sakana has expanded its presence in Japan, teaming up with leading local enterprises, including Daiwa and MUFG , and developing AI solutions .

Ha, who previously led research at Stability AI and worked at Google and Goldman Sachs, also said Sakana plans to expand its enterprise business beyond finance into the industrial, manufacturing, and government sectors in 2026.

Looking ahead, the company is eyeing the defense, intelligence, and manufacturing sectors. The two-year-old startup also said it will be "actively pursuing strategic investment, partnerships, and M&A for long-term global growth."

Sakana says it sees strong global demand for sovereign AI solutions that reflect "national cultures and values." The Japanese startup added that focusing its R&D efforts on AI products after LLMs are trained helps it efficiently build advanced models tailored to Japan, taking a path distinct from the large-scale AI model race.

This funding round comes roughly a year after the company's Series A round, in which it raised about ¥30 billion (\$214 million) at a \$1.5 billion valuation. Sakana had raised roughly \$244 million in total as of March 2025, according to PitchBook, so this round would take that total to about \$379 million.

Topics

AI , Asia , David Ha , Fundraising , Japan , sakana ai

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