



# Consolidated Financial Results for the Fiscal Year to 31 August 2023

Last One Mile Co., Ltd.  
(9252: JPX Growth Market)

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# 01 Corporate Profile

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## | Company name

Last One Mile Co., Ltd.

## | Place

Owl Tower 3F, 4-21-1, Higashi-Ikebukuro, Toshima-ku, Tokyo

## | Credo

Be a team in which all employees will ultimately be able to make economically rational decisions.

## | Subsidiaries

Broadband Connection Co., Ltd.  
CAREER Co., Ltd.

## | Established

June 4, 2012

## | Registered capital

JPY. 354,015,800.-

## | Number of employees

230

※ As of August 2023

# Management

On September 1, 2023, Mr. Mitsuichi Matsunaga, Director of Premium Water Holdings, Inc. was appointed as Executive Officer.

Representative Director,  
President  
**Makoto Watanabe**



Director  
**Kohei Ichikawa**



Director  
**Kenji Kudo**



Director  
**Tadachika Gounome**



Director  
**Miwa Kukimiya**



External Director  
**Ryoji Baba**



External Director  
**Yohei Hagio**



External Statutory Auditor  
(Full time)  
**Tomoharu Ogawa**



External Statutory Auditor  
**Mitsuru Ozaki**



External Statutory Auditor  
**Rintaro Ishigami**



Executive Officer  
**Koichi Matsunaga**



Executive Officer  
**Takuya Yanagida**



Executive Officer  
**Keisuke Tada**



Executive Officer  
**Takunori Shibutani**



※ As of September 2023

# History

**2012** Best Effort Co., Ltd. Established (Currently “Last One Lime Co., Ltd.”)

**2016** Started in-house service “Best Hikari” (currently “Marutto Hikari.”)

**2018** Started "Last One Mile Business"

Started providing "Zenkoku Jutaku Denki" (currently "Marutto Denki").

Acquired “Call & System Co., Ltd” through a share exchange and made it a consolidated subsidiary.

Best Effort Co., Ltd. merged with Nippon Sogo Information & Communication Co. and renamed “Last One Mile Co., Ltd.”

**2019** Standardized the name of in-house service to "Marutto Series" and Started providing "Marutto WATER" and "Marutto Gas."

**2021** Listed on the Mothers market (currently Growth market) of the Tokyo Stock Exchange (Securities code: 9252)

**2022** Broadband Connection Inc. became a consolidated subsidiary

Capital and business alliance with Premium Water Holdings, Inc.

Absorbed and merged with Marutto Change Co., Ltd. and IT Support Co. Ltd.

Makoto Watanabe appointed as President and Representative Director

**2023** Issuance of Paid-in Stock Option (with exercise conditions) to Makoto Watanabe

Tender offer for the Company's share by Premium Water Holdings, Inc.

Introduction of trust-type stock options

CAREER Co., Ltd. becomes a consolidated subsidiary.

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# 02 Business

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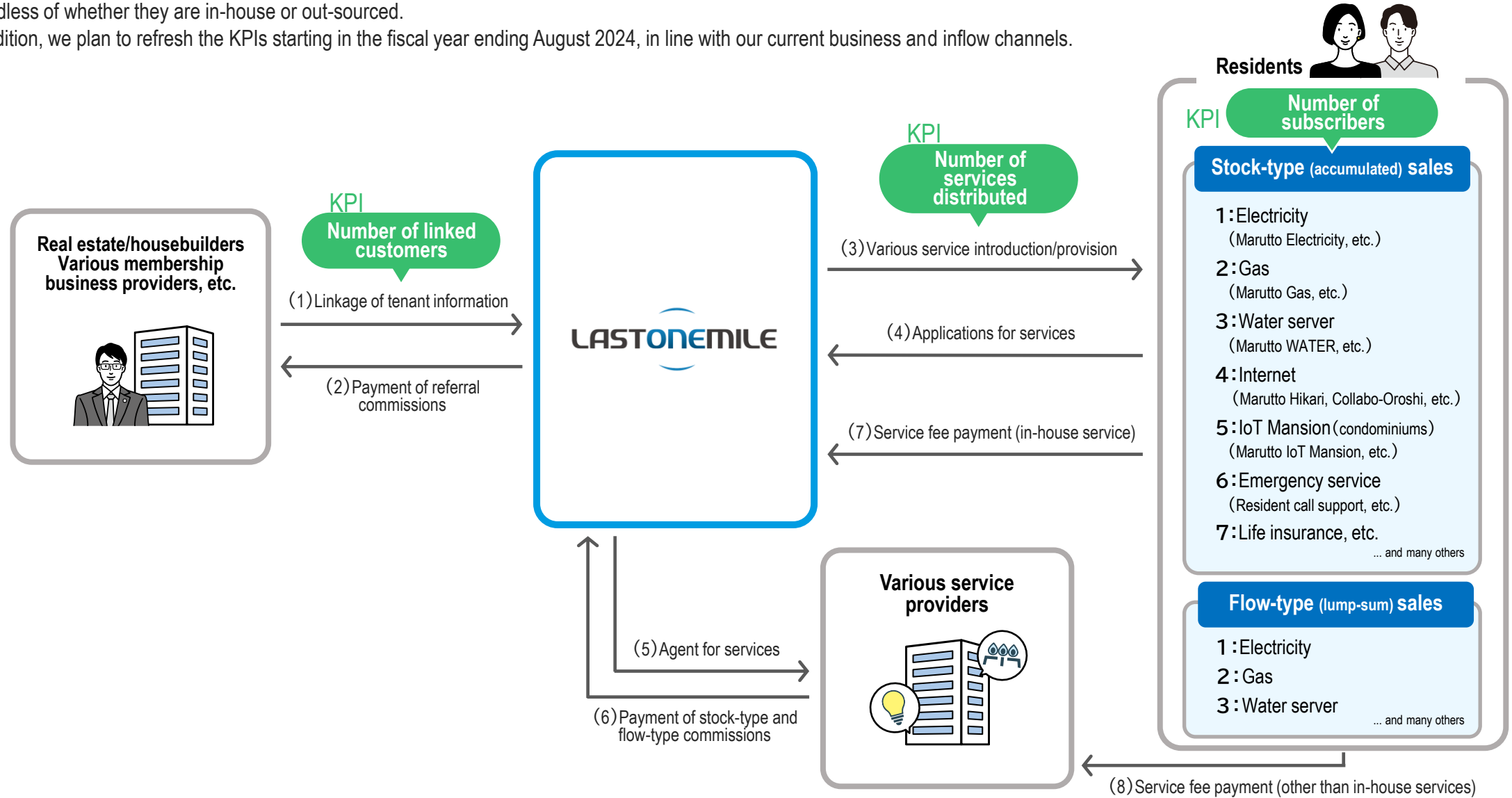
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# Business diagram – relevance between revenue and KPI

Previously, the concept of stock-type sales was nearly equal to in-house services (Marutto Series). Since stock-type sales other than in-house services are also increasing, the term "stock-type sales" will be used to refer to all accumulated sales, regardless of whether they are in-house or out-sourced. In addition, we plan to refresh the KPIs starting in the fiscal year ending August 2024, in line with our current business and inflow channels.

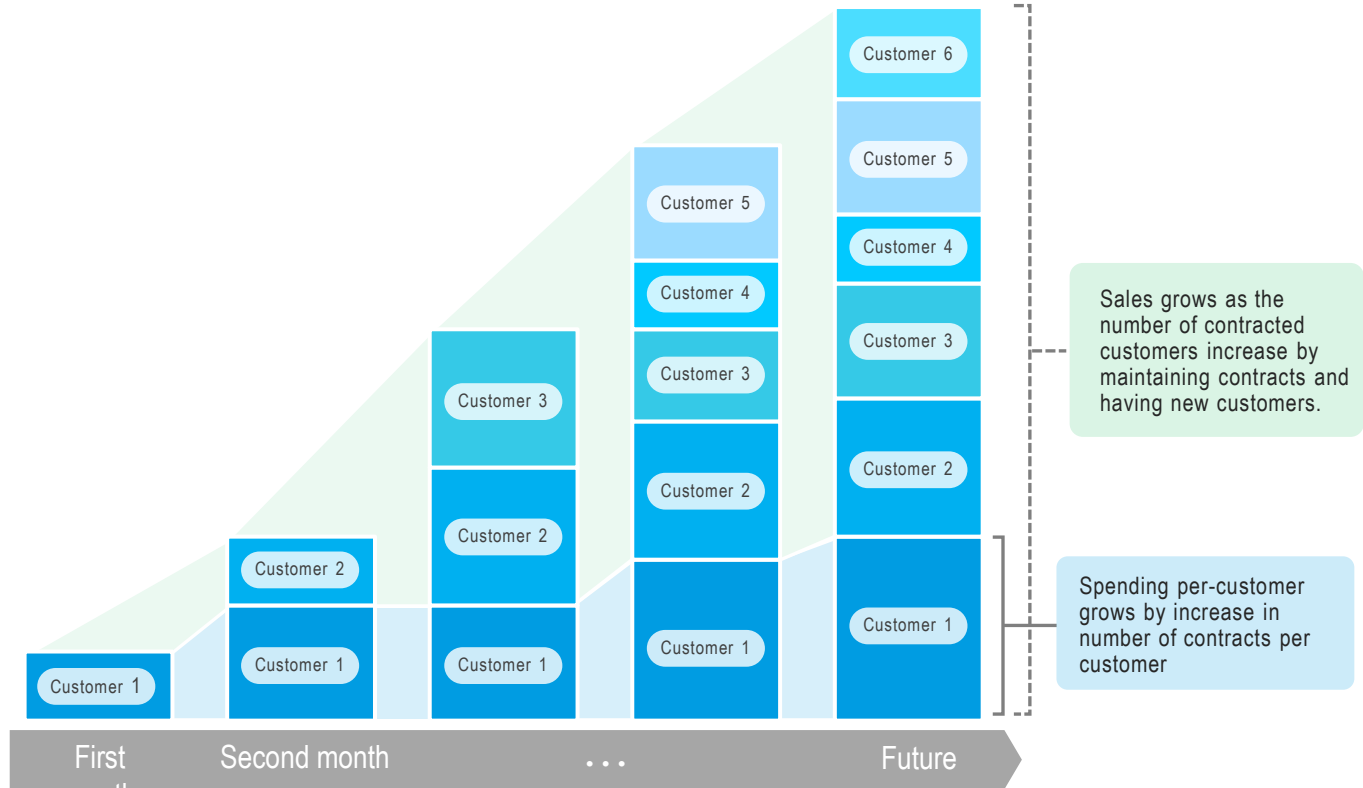


# Revenue capture by Sales Model

We earn revenue in two ways: a stock model that enables continuous revenue and a flow model that has a large initial impact. We also offer some services based on a double-income model.

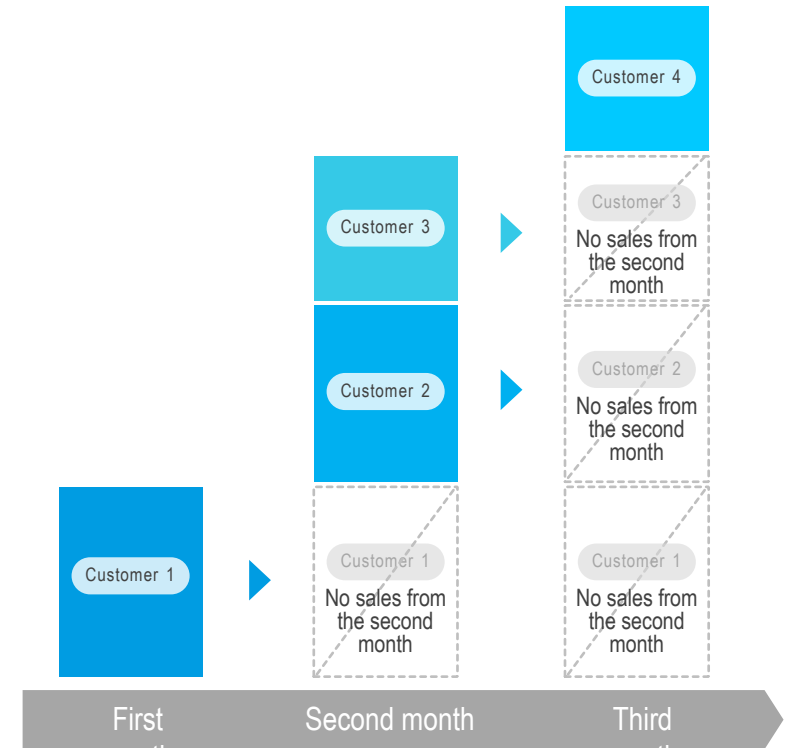
## Stock-type revenue model

As long as customers continue to contract with us, we can expect to earn continuous sales and increase the unit price through cross-selling and other customer development activities. It is also less susceptible to external factors, enabling the revenue more stable.



## Flow-Type Profit Model

We can earn sales commission per contract and the initial impact is higher than in the stock model, however the timing of earning revenue is limited to once in the first month of the contract.





# List of main services

種別	№	対象		自社サービス	サービス名	種別	№	対象		自社サービス	サービス名	種別	№	対象		自社サービス	サービス名
		個人	法人					個人	法人					個人	法人		
Electricity	1	○			まるっとでんき	Internet	8	○			J:COM NET	Others	7	○			オートロック(集合玄関)
Electricity	2	○			東京ガスでんき	Internet	9	○			auひかり	Others	8	○			スマートロック(玄関キー)
Electricity	3	○			関西電力	Internet	10	○			NTT0H0	Others	9	○			ランドリール(室内物干し)
Electricity	4	○			たのしいでんき	W-Fi	1	○			Softbank Air	Others	10	○			地デジ/BS・CSアンテナ
Electricity	5	○			くらしエナジー	W-Fi	2	○			hi-ho Let's Wi-Fi	Others	11	○			複合機
Electricity	6	○			オクトパスエナジー	Outsourcing	1		○		24時間365日コールセンター	Others	12	○			BizMoネット
Electricity	7	○			九州電力	Outsourcing	2		○		不動産管理会社向けコールセンター	Others	13	○			ITサポート&セキュリティ
Electricity	8	○			楽々でんき	Outsourcing	3		○		官公庁向けコールセンター	Others	14	○			ギガらくWi-Fi
Electricity	9	○			Loopでんき	Outsourcing	4		○		美容系サポートセンター	Others	15	○			ギガらくカメラ
Gas	1	○			まるっとガス	Outsourcing	5		○		住宅設備修理受付	Others	16	○			ビジネスホン
Gas	2	○			東京ガス	Outsourcing	6		○		秘書代行	Others	17	○			UTM(統合脅威管理)
Gas	3	○			東京ガス電気セット	Outsourcing	7		○		各サービス休眠顧客掘り起こし業務受託	Others	18	○			RPA(自動化ロボット)
Gas	4	○			関西電力ガスセット	Outsourcing	8		○		各サービス顧客に向けたフォローコール受託	Others	19	○			業務用エアコン
Gas	5	○			九州電力ガスセット	Outsourcing	9		○		BtoB向けサービス契約に向けたアポイント獲得コール受託	Others	20	○			業務用冷蔵庫
Gas	6	○			東邦ガス	Outsourcing	10		○		BtoC向けサービス契約に向けた営業代行	Others	21	○			プロバイダ
Gas	7	○			ガスワン	Outsourcing	11		○		市場調査・アンケートコール受託	Others	22	○			24時間出張修理オプション
WTS	1	○	○		まるっとWATER	Outsourcing	12		○		入居者向け会員制駆けつけサービスの運営	Others	23	○			ITSS(ITスキル標準)
WTS	2	○	○		プレミアムウォーター	Outsourcing	13		○		駆けつけサービス会員数を増やすスキームの提供	Others	24	○			エアコン
WTS	3	○	○		Locca	Outsourcing	14		○		投げる消火器ファイテック販売	Others	25	○			業務用Wi-Fi
WTS	4	○	○		さくっとウォーター	Outsourcing	15		○		事務代行業務(リスト作成、リスト精査、パンチング、封入・封緘・発送など)	Others	26	○			コワークストレージ
Internet	1	○			まるっとひかり	Outsourcing	16		○		DTPデザイン(チラシ、パンフレット、名刺など)	Others	27	○			サポートパック
Internet	2	○	○		NTTフレッツ光	Others	1	○	○		まるっとIoTマンション	Others	28	○			カラオケレンタル(DAM)
Internet	3	○			Softbank光	Others	2	○			まもりんぐ	Others	29	○			カラオケレンタル(JOYSOUND)
Internet	4	○			S0-net光	Others	3		○		クラウドボックス(宅配トランクルーム・クラウドストレージ)	Others	30	○			おまかせサイバーみまもり
Internet	5	○			ドコモ光	Others	4		○		インターネット無料マンション	Others	31	○			防犯カメラ
Internet	6	○			BIGLOBE光	Others	5		○		宅配BOX	Others	32	○			弱電工事
Internet	7	○			OCN光	Others	6		○		集合ポスト	Others	33	○			家族信託(㈱ファミトラ提供)

※WTS=Water server

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## Initiatives and Topics in this 3rd Quarter

As a result of the focused implementation of "Growth Strategy (1): Review of existing business operations and profit structure" disclosed in the financial results presentation for the first quarter of this fiscal year, the progress in this quarter is as follows

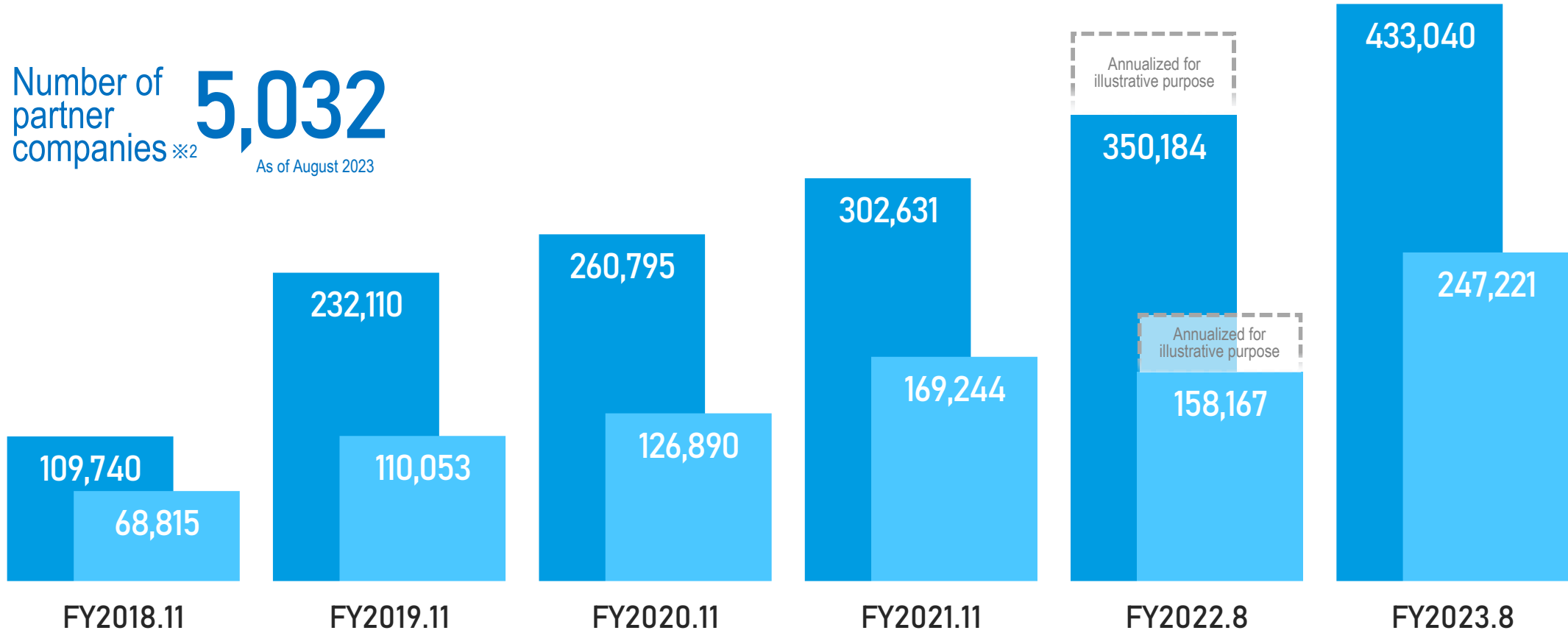
No	Item	Implementation	Progress Rate		Evaluation
			3Q	Full year	
1	<b>Promotion of organizational management (promotion of delegation of authority)</b>	Implemented training for all employees so that they can execute their daily operations with the same standards of judgment. Penetration of the Last One Mile Group Management Theory (booklet).	60%	80%	Achieved full-year target of 80%. Meetings are held weekly for all departments based on the management theory, and each employee's understanding of the theory is deepening.
2	<b>Increase in variable cost ratio</b>	Promote conversion of fixed costs (SG&A) into variable costs (Cost of Sales) to the greatest extent possible.	60%	80%	Achieved full-year target of 80%. Outsourcing of items with seasonal factors, and drastic reduction of operational schemes and personnel in each department.
3	<b>Review of sales costs for each alliance sales channel</b>	Modification of contracts and schemes in order to make selling costs in line with sales.	70%	90%	Achieved full-year target of 90%. Not implemented for annual (long-term) contracts.

Key KPIs "number of services distributed" and "number of affiliated clients (unit: number)"

The quality of the affiliated customer list was improved by excluding outbound lists with low closing rates, and the acquisition of web-inflow customers was strengthened, although the number of linked customers decreased slightly from the previous year, the number of services distributed increased 20.2% over the previous year, and the closing rate has improved. (Comparing December 2021 to August 2022 and December 2022 to August 2023 due to the irregular nine-month accounting period in the previous year)

- Number of linked customers\*1 (number of prospective customers introduced by partner companies)
- Number of service distribution (number of new customers acquired regardless of whether they are from our own or other companies' products)

Number of partner companies ※2 **5,032**  
As of August 2023



\*1: The number of customers from out-band lists and web inflows are not counted.

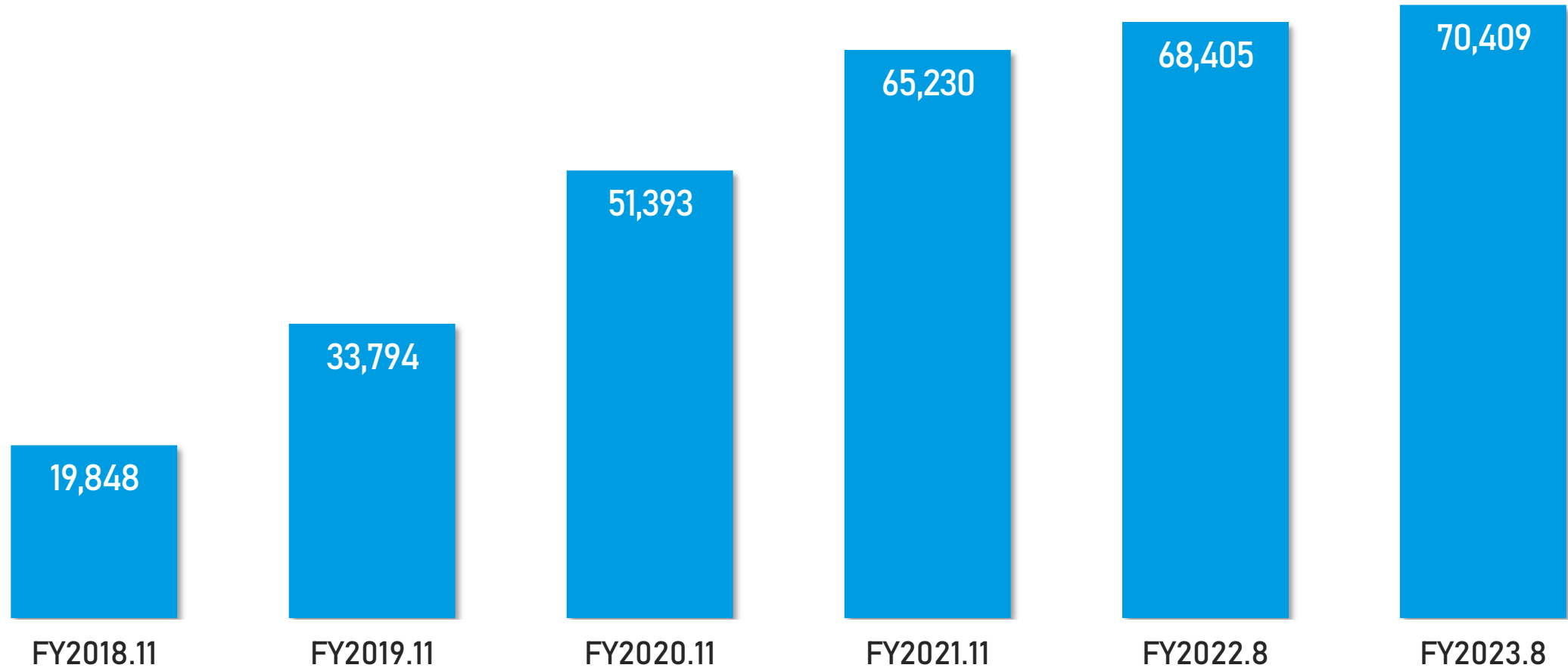
\*2: The number of linked companies is the total of direct contracts and those via agents.

※ the irregular nine-month accounting period in the previous year

## Number of subscriptions to in-house services (Unit: Number of Contracts)

Slight resulted in 103% of last year, mainly due to continued growth in the number of contracts over the year, mainly for Marutto WATER.

In addition, the Group selects and sells products that generate medium- to long-term profits by comprehensively considering recent commission trends and other factors to the extent that they do not contradict customer needs.



※ : The number of subscriptions is calculated based on the total number of "Marutto Series" services offered by our Group, and when one customer subscribes to multiple services, each service is counted as one subscription.

Record Sales

## Net sales

JPY. **9,426,816** thousand

## Operating income

JPY. **198,168** thousand

## Duplication in SG&A

Approximately

JPY. **85,000** thousand

## Topics

- (1) Consolidated sales for the full year reached a record high.
- (2) Makoto Watanabe assumed the position of Representative Director on November 25, 2022, and management reform will be implemented under the new structure from December 2022.
- (3) (i) The reduction of sales commissions due to soaring costs in the electricity market and (ii) the pressure on profit margins due to the fixed cost of customer referral commissions (those two factors brought the loss in the previous fiscal year), will be eliminated in the current fiscal year as planned..
- (4) Cost duplication was incurred from 3Q (from Mar. 2011) due to the transfer of the main frame. The transfer was completed as planned.
- (5) Broadband Connection Co., Ltd. (hereinafter "BBC"), a subsidiary, changed its fiscal year end from June to August, resulting in net sales of JPY. 264,149 thousand and operating income of JPY.13,597 thousand for the extra two months due to the irregular 14-month accounting period.

## FY2023.4Q/Year-to-date Consolidated accounting period results

In the 4Q, sales remained steady and accounted for 24.4% of total sales for the year. For the full year, while reforms to improve profits have progressed since the 2Q, profit margin improved significantly from the previous period. The previous fiscal year (ending August 31, 2022) was an irregular nine-month accounting period, so the percentage increase/decrease from the previous year is not shown.

※ the irregular nine-month accounting period in the previous year

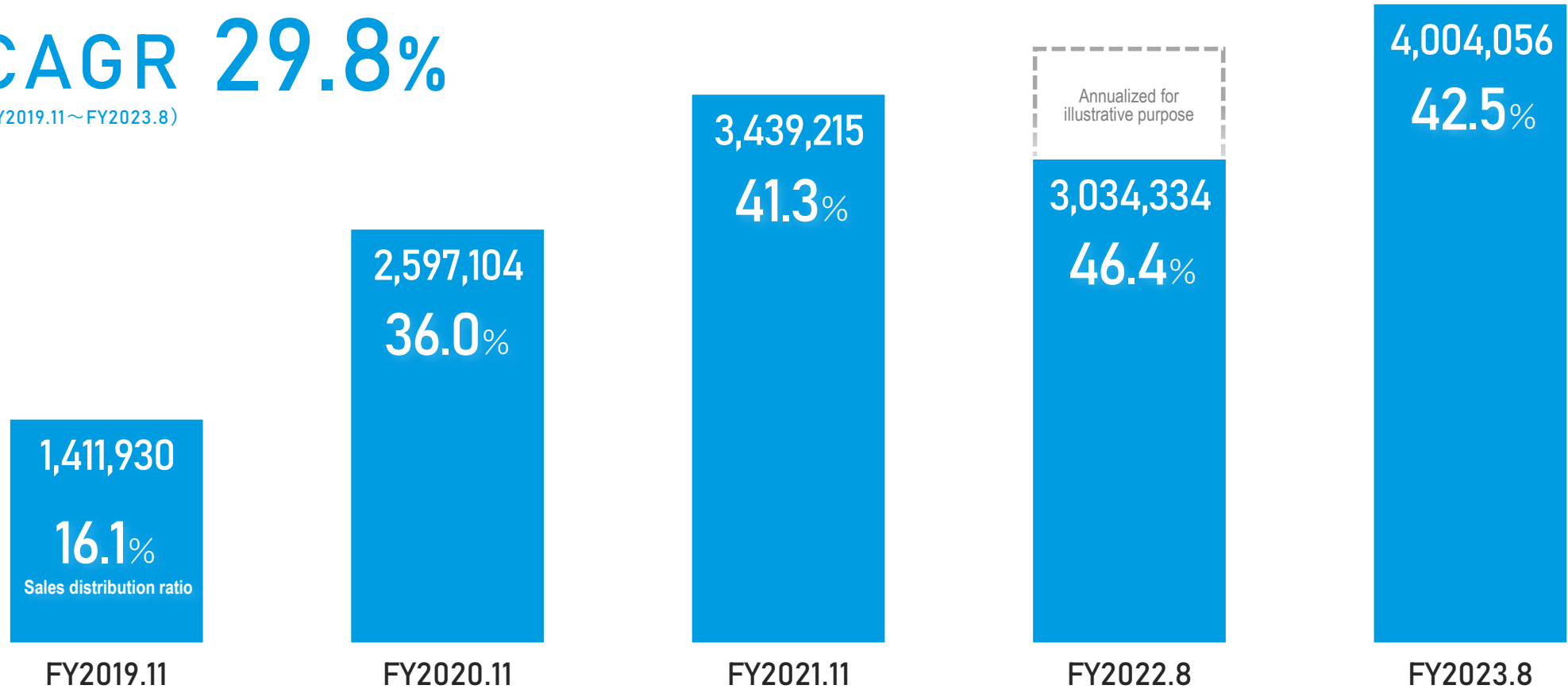
(Thousand of yen)	FY2023.4Q (2023.6~2023.8)	FY2023 TTL (2022.9~2023.8)	FY2022 TTL (2021.12~2022.8)
Net sales	2,295,593	9,426,816	6,544,460
Gross profit	774,744	3,463,964	2,573,068
SG&A expenses	1,446,166	5,764,683	4,003,653
Operating income	74,683	198,168	△ 32,261
Ordinary income	79,061	243,162	△ 30,070
Net income	141,513	362,568	△ 54,468

※Due to the change in the fiscal year end, BBC has an irregular 14 month accounting period. The extra two months of sales, operating income, and ordinary income resulting from BBC's irregular accounting period will be JPY.264,149 thousand, 13,597 thousand yen, and JPY.9,320 thousand, respectively.○

## Trends in stock-type sales (Until:Thousand of yen)

The currently business plan assumes a mixed revenue of flow-type and stock-type, but we intend to increase the proportion of stock-type revenues while securing flow-type revenues in the future. From the next fiscal year, we plan to report stock-type sales as the most important KPI.

**CAGR 29.8%**  
(FY2019.11~FY2023.8)



※ the irregular nine-month accounting period in the previous year



## Differences between the forecast and results

The Company made an upward revision on October 13, 2012, because the percentage change in ordinary income and net income was more than 30% from the forecast disclosed on April 14, 2023. Specifically, ordinary income increased by 43.0% due to the recording of the insurance cancellation refund of BBC and the recovery of a portion of receivables that had been bad debt loss prior to the consolidation of BBC, and net income increased by 101.7% due to the recording of deferred tax assets and income tax adjustments for the loss carried forward by Marutto Change Co. Ltd. and IT Support Co. Ltd., which were merged into the Company in September 2022.

(Millions of yen)	Net sales	Operating income	Ordinary income	Net income belonging to parent company stockholder	Net income per share
Previous forecast (A) (Announced on April 14, 2023)	8,830	160	170	162	60.29 yen
Actual results this time (B)	9,426	198	243	326	121.44 yen
Change (B-A)	596	38	73	164	—
Percentage change (%)	6.8	23.9	43.0	101.7	—
(Reference) Results for the previous period (FY2022)	6,544	△32	△30	△54	△20.20 yen

※ Due to a change in the fiscal year end, the fiscal year ended August 31, 2022 is a nine-month period from December 2021 to August 2022. Therefore, percentage change from the previous period is not shown.

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## 1. Expansion of existing business

- (1) Establish a “blue ocean” through new sales techniques (e.g., test marketing underway at Rakuten Communications Corp.)
- (2) Establish a digitalized call center that is a preferred outsourcing choice not only in the leasing industry, but also among peer companies in the same industry.

## 2. Entry into new businesses

- (1) Establish businesses highly synergistic with existing businesses  
(e.g., businesses using call centers or businesses that can reuse existing customer data)
- (2) Businesses that can use the existing web, media, and listings, even if they are in a different industry.

## 3. Challenging M&A

- (1) Actively invest in businesses and companies with potential synergies with existing businesses
- (2) Investing in a target with potentially high returns, even if there is some risk, by way of setting the upper limit amount and disclosing the risk.

## Forecast for coming year

In the fiscal year ending August 2024.8, we plan to focus on acquiring stock-type earnings while increasing flow-type sales.

(Millions of yen)	Net sales	Operating income	Ordinary income	Net income belonging to parent company stockholder	Net income per share
Results for the previous period (A) (FY2023)	9,426	198	243	326	121.44 yen
Forecast this time (B) (FY2024)	10,100	300	293	192	69.14 yen
Change (B-A)	674	102	50	△134	—
Percentage change (%)	7.2	51.4	20.5	△41.0	—

## Test Marketing Results and Future Direction

Full-fledged business = Businesses that have a certain scale of sales and are judged to be included in the annual budget from the next fiscal year onward.

No	Test marketing business name	Results and future direction
1	<b>Housing Equipment EC Business</b> (Selling products related to housing equipment such as faucets, hoses, etc. through Amazon.com)	Result : Success because sales of 100 million yen were achieved. Future Direction : Target annual sales growth of 20% or more compared to the previous year, while aiming to improve profit margins as an EC division. The subsidiary BBC is in charge of this division.
2	<b>Listing ad media business</b>	Result : Success with sales of 80 million yen. Future direction : Target annual sales of 300 million yen or more as a web marketing division.
3	<b>Life insurance agency business</b>	Result : Cannot be determined because it has only been two months. Future Direction : We will conduct test marketing for the next six months to determine whether or not to expand the scale of the business.
4	<b>Sales of negative-pressure exhaust /air purifier units</b> (transient sales due to subsidy)	Result : Success because a customer base with 80 million yen in annual sales has been established. Future Direction : Will continue as long as government subsidies are available.
New 5	<b>Joint business with Rakuten Communications Corp.</b>	Future Direction : Test marketing a completely new sales approach to the existing real estate market. If the company is able to expand nationwide, it will become one of the major pillars of stock-based earnings.

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# 05 Appendix

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No	Date of release	Applicable Quarter	Title
1	1/13	2023.2Q	Notice of Issuance of Subscription Rights (Paid-in Stock Options)
2	3/18	2023.2Q	Notice of Results of Tender Offer for Shares of the Company by Premium Water Holdings, Inc. and Change in Major Shareholder
3	3/30	2023.2Q	Notice of Business Alliance with CoLife Co.
4	4/14	2023.2Q	Notice of Revision of Earnings Forecast
5	5/26	2023.3Q	Started providing "negative pressure exhaust/air purifier unit" to reduce the risk of spreading contaminants and infection [linked to Grant for Comprehensive Emergency Assistance for Infectious Diseases]
6	6/29	2023.4Q	Notice of Issuance of 9th Series of Stock Acquisition Rights by Third Party Allotment in connection with Introduction of Trust-type Stock Option
7	7/19	2023.4Q	Notice of Acquisition of Shares of CAREER Co., Ltd. (Making it a Subsidiary)
8	8/25	2023.4Q	8 8/25 2023.4Q Notice of Business Alliance with Rakuten Communications Corp.
8	8/25	2023.4Q	Notice of Business Alliance with Rakuten Communications Corp.
9	9/8	2024.1Q	Notice of Launch of "JyuSeikatsu 110" Call Center for Resolving Moral Complaints for Management Companies
10	10/13	2024.1Q	Notice of Recognition of Deferred Tax Assets and Reversal of Bad Debt Impairment and Differences between Forecast and Actual Results
12	10/13	2024.1Q	Notice of Introduction of Shareholder Benefit Plan
13	10/13	2024.1Q	Notice of Voluntary Adoption of International Financial Reporting Standards (IFRS)

# Notice Concerning Introduction of Shareholder Benefit Plan

## 1. Reason for introduction of shareholder benefit plan

We have decided to introduce a shareholder special benefit plan with the aim of expressing our gratitude to our shareholders for their ongoing support and encouraging to hold our shares over the medium to long term by way of increasing the attractiveness of our stock and encouraging more people to deepen their understanding of our business.

## 2. Outline of Shareholder Benefit Plan

<p>(1) Eligible shareholders</p>	<p>Shareholders who satisfy both conditions (1) and (2) below</p> <p><b>(i) The number of shares held must be at least one share and the same shareholder number must be verified for two consecutive terms.</b>          (e.g., for gifts confirmed in February 2024, both the shareholders' register as of the end of August 2023 and the shareholders' register as of the end of February 2024. (Shareholders whose ownership of the Company's shares can be confirmed with the same shareholder number)</p> <p><b>(ii) You must be able to provide us with your e-mail address.</b>          Since we plan to distribute gift certificates by e-mail, disclosure of the shareholder's e-mail address is required.</p>			
<p>(2) Details of Shareholder Benefits</p>	<p><b>Gift certificates will be presented twice a year according to the number of shares held by eligible shareholders as shown in the table below.</b></p> <table border="1" data-bbox="535 811 2043 939"> <tr> <td data-bbox="535 811 1217 876" rowspan="2">Number of shares held : Amount of gift</td> <td data-bbox="1217 811 2043 876">1-99 shares (less than one unit) : 1,000 yen</td> </tr> <tr> <td data-bbox="1217 876 2043 939">100 shares or more (1 unit or more) : 5,000 yen</td> </tr> </table> <p>*Please note that the details of the special offers are subject to change.</p>	Number of shares held : Amount of gift	1-99 shares (less than one unit) : 1,000 yen	100 shares or more (1 unit or more) : 5,000 yen
Number of shares held : Amount of gift	1-99 shares (less than one unit) : 1,000 yen			
	100 shares or more (1 unit or more) : 5,000 yen			
<p>(3) Time of presentation</p>	<p><b>The distribution will be made twice a year within three months of the vesting date, with the last day of February and the last day of August as the record dates.</b></p>			

## 3. Start of shareholder benefit plan

The program will begin for shareholders listed or recorded in the Company's shareholder registry as of February 29, 2024, who are eligible for the program described in "(1) Outline of Shareholder Benefit Program" in "2.

We will consider paying dividends depending on profits for the current fiscal year (FY2024.8).





## Notice

This material is prepared for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy or sell securities of the Company. Forward-looking statements contained in this material are based on the Company's judgments and assumptions and the information currently available to the Company.

Forward-looking statements include our business plans, market size, competitive conditions, industry information, growth potential, financial indicators and forecasts. Forward-looking statements are only as of the date they are made and are subject to change later. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results or performance to differ materially from those expressed or implied by such forward-looking statements.

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