

Business Review

Commercial Business

Financial Performance*

Corporate segment

Revenue

Corporate segment revenue for 2017 was AED 4,049.8 million, an increase of 6.0 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, Corporate segment revenue for 2017 would have increased by 18.6 percent compared to 2016 mainly due to oil price increases, in addition to the sales volume increase.



Gross Profit

Corporate segment gross profit for 2017 was AED 771.7 million, a decrease of 10.4 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, Corporate segment gross profit for 2017 decreased by 7.0 percent compared to 2016, mainly due to lower fuel margins in 2017 compared to 2016 resulting from competitive pressures.

EBITDA

Corporate segment EBITDA for 2017 was AED 599.4 million, a decrease of 11.0 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, EBITDA for 2017 would have decreased by 8.0 percent, mainly due to lower fuel margins resulting from competitive pressures.

Aviation segment

Revenue

Aviation segment revenue for 2017 was AED 1,696.9 million, an increase of 27.7 percent compared to 2016.

The increase was mainly due to the increase in volume and higher oil prices in 2017 compared to 2016. During the fourth quarter of 2017, Aviation segment revenue also includes revenue generated under the new Aviation Services Agreement with ADNOC.

Gross Profit

Aviation segment gross profit for 2017 was AED 539.0 million, an increase of 27.9 percent compared to 2016, mainly due to increased volumes and the positive impact of rising oil prices on our inventory.

EBITDA

Aviation segment EBITDA for 2017 was AED 349.5 million, an increase of 15.2 percent compared to 2016, mainly due to the higher volumes sold, in addition to the positive impact of rising oil prices on our inventory.

Corporate segment

Key Financials (AED million)	2017	2016	Percent change
Revenue	4,049.8	3,819.4	6.0%
Gross profit	771.7	861.2	-10.4%
EBITDA	599.4	673.8	-11.0%
Operating profit	580.6	658.1	-11.8%
Capital expenditure	0.9	1.1	-19.6%

Aviation segment

Key Financials (AED million)	2017	2016	Percent change
Revenue	1,696.9	1,328.5	27.7%
Gross profit	539.0	421.3	27.9%
EBITDA	349.5	303.4	15.2%
Operating profit	335.0	294.1	13.9%
Capital expenditure	16.2	29.2	-44.6%

Corporate segment

gross profit (AED million)



771.7m

Aviation segment

gross profit (AED million)



539.0m