

## Business Review

### Retail Business

#### Financial Performance\*

##### Retail segment

###### Revenue

Retail segment revenue for 2017 was AED 13,746.3 million, an increase of 11.8 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, Retail segment revenue for 2017 would have been 15.6 percent higher than in 2016.



Retail segment fuel revenue for the 2017 was AED 12,990.9 million, an increase of 12.1 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, Retail segment fuel revenue for 2017 would have been 16.3 percent higher than in 2016, mainly due to higher oil prices than in 2016. Retail segment non-fuel revenue for 2017 was AED 755.4 million, an increase of 5.6 percent compared to 2016, mainly due to increased revenue in our convenience stores.

###### Gross profit

Retail segment gross profit for 2017 was AED 2,869.3 million, an increase of 4.9 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, Retail segment gross profit for 2017 would have been 8.2 percent higher than in 2016, mainly as a result of the positive impact experienced in the fourth quarter resulting primarily from our new supply agreement with ADNOC.

##### Retail segment

Key Financials (AED million)	2017	2016	Percent change
Revenue	<b>13,746.3</b>	12,299.8	11.8%
Gross profit – fuel	<b>2,603.2</b>	2,497.4	4.2%
Gross profit – non-fuel	<b>266.1</b>	238.0	11.8%
EBITDA	<b>1,253.6</b>	1,064.1	17.8%
Operating profit	<b>901.3</b>	810.4	11.2%
Capital expenditure	<b>437.8</b>	852.4	-48.6%

##### Allied Services segment

Key Financials (AED million)	2017	2016	Percent change
Revenue	<b>183.7</b>	154.6	18.8%
Gross profit	<b>183.7</b>	154.6	18.8%
EBITDA	<b>84.5</b>	45.1	87.4%
Operating profit	<b>63.1</b>	25.1	151.4%
Capital expenditure	<b>21.8</b>	0.6	3,361.6%

##### EBITDA

Retail segment EBITDA for 2017 was AED 1,253.6 million, an increase of 17.8 percent compared to 2016. Excluding the impact of the Emarat Dubai transaction, EBITDA for 2017 would have been 20.4 percent higher than in 2016, mainly due to higher fuel margins.

##### Allied Services segment

###### Revenue

Allied Services segment revenue for 2017 was AED 183.7 million, an 18.8 percent increase compared to 2016. The increase in Allied Services segment revenue resulted mainly from an increase in vehicle inspection prices which took effect in June 2017.

##### EBITDA

Allied Services segment EBITDA in 2017 was AED 84.5 million, an increase of 87.4 percent compared to 2016. The increase in Allied Services segment EBITDA resulted mainly from the increase in vehicle inspection prices.

##### Convenience store

###### sales revenue (AED million)



# 660.7m

##### Allied Services segment

###### gross profit (AED million)



# 183.7m