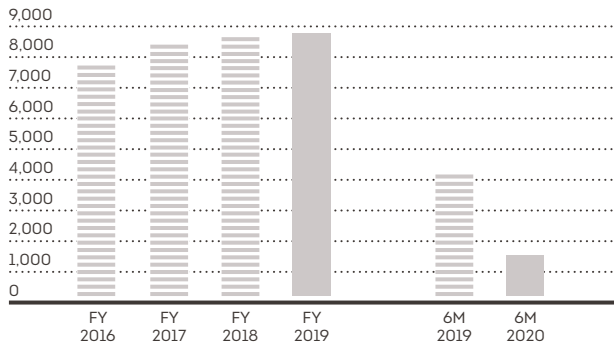


DUFRY AT A GLANCE YTD

TURNOVER

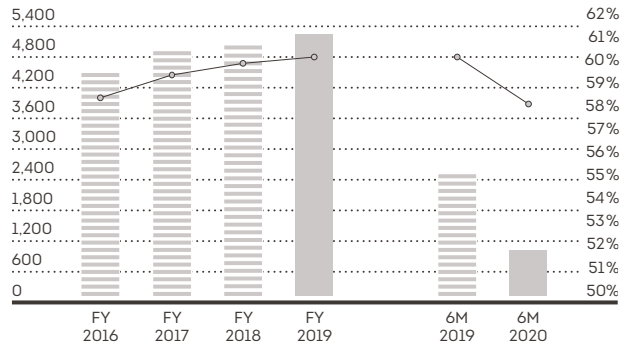
IN MILLIONS OF CHF



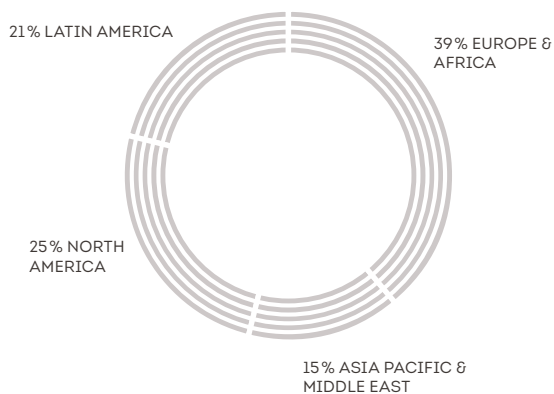
GROSS PROFIT

IN MILLIONS OF CHF

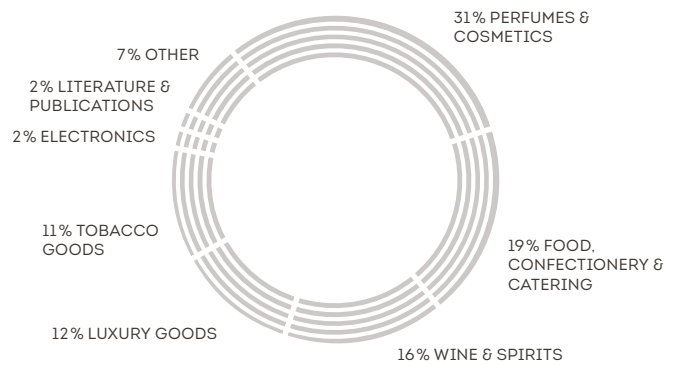
MARGIN



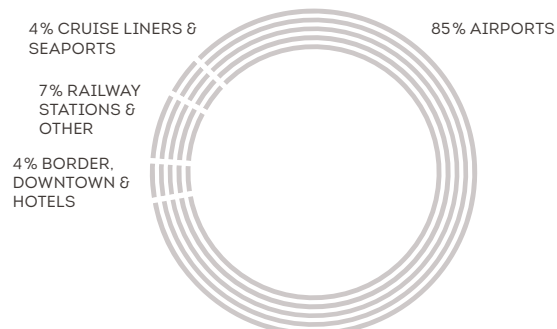
NET SALES BY DIVISION



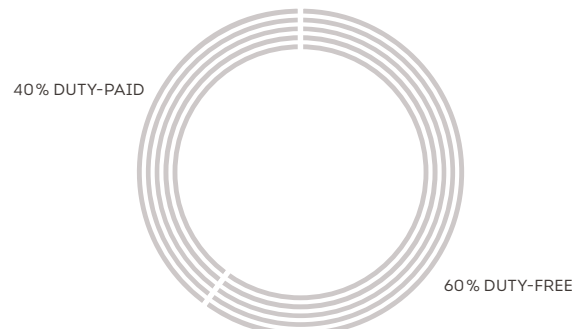
NET SALES BY PRODUCT CATEGORIES



NET SALES BY CHANNEL



NET SALES BY MARKET SECTOR



INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS JUNE 2020

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INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	NOTE	Unaudited 6M 2020	Restated* Unaudited 6M 2019
Net sales	5	1,531.3	4,068.6
Advertising income		55.6	111.5
Turnover		1,586.9	4,180.1
Cost of sales		(666.4)	(1,665.0)
Gross profit		920.5	2,515.1
Lease (expenses)/income	6	(75.7)	(633.8)
Personnel expenses	7	(423.0)	(618.6)
Other expenses		(186.2)	(297.1)
Other income		17.3	15.9
Depreciation, amortization and impairment	8,9	(1,185.5)	(858.4)
Operating profit/(loss)		(932.6)	123.1
Finance income	10	21.5	43.4
Finance expenses	10	(177.5)	(205.2)
Foreign exchange gain/(loss)	10	43.6	(12.4)
Profit/(loss) before taxes		(1,045.0)	(51.1)
Income tax	11	40.4	(35.0)
Net profit/(loss)		(1,004.6)	(86.1)
ATTRIBUTABLE TO			
Non-controlling interests		(101.4)	21.2
Equity holders of the parent		(903.2)	(107.3)
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Basic earnings/(loss) per share in CHF		(17.41)	(2.15)
Diluted earnings/(loss) per share in CHF		(17.41)	(2.15)

* The amounts presented differ from the information reported in the interim consolidated financial statements for the period ended June 30, 2019 due to correction of an error identified in the accounting adopted on transition to IFRS 16 Leases. For details please refer to the Group's interim consolidated financial statements for the nine months ended September 30, 2019 (note 2.3).

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Net profit / (loss)	(1,004.6)	(86.1)
OTHER COMPREHENSIVE INCOME		
Changes in the fair value of equity investments at FVOCI	-	(0.3)
Remeasurements of post-employment benefit plans	(4.1)	17.0
Income tax	0.3	(1.3)
Items not being reclassified to net profit in subsequent periods, net of tax	(3.8)	15.4
Exchange differences on translating foreign operations	(195.0)	(29.0)
Net gain / (loss) on hedge of net investment in foreign operations	24.9	0.2
Changes related to foreign exchange contracts held as fair value hedges	-	(1.1)
Share of other comprehensive income of associates	0.2	(0.6)
Items to be reclassified to net profit in subsequent periods, net of tax	(169.9)	(30.5)
Total other comprehensive income / (loss), net of tax	(173.7)	(15.1)
Total comprehensive income / (loss), net of tax	(1,178.3)	(101.2)
ATTRIBUTABLE TO		
Non-controlling interests	(115.4)	22.2
Equity holders of the parent	(1,062.9)	(123.4)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2020

IN MILLIONS OF CHF	NOTE	Unaudited 30.06.2020	31.12.2019
ASSETS			
Property, plant and equipment		564.6	627.1
Right-of-use assets		4,991.2	4,328.1
Intangible assets		2,701.7	3,236.1
Goodwill		2,384.1	2,611.3
Investments in associates		28.2	31.9
Deferred tax assets		146.3	122.1
Net defined benefit asset		3.1	3.4
Other non-current assets		270.4	303.1
Non-current assets		11,089.6	11,263.1
Inventories		1,030.7	1,050.0
Trade and credit card receivables		18.1	44.2
Other accounts receivable		422.0	422.0
Income tax assets		33.1	26.1
Cash and cash equivalents		737.4	553.5
Current assets		2,241.3	2,095.8
Total assets		13,330.9	13,358.9
LIABILITIES AND SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the parent	14	1,762.2	2,645.3
Non-controlling interests		338.1	462.7
Total equity		2,100.3	3,108.0
Borrowings	15	4,352.8	3,602.2
Lease obligations		3,973.7	3,319.0
Deferred tax liabilities		363.7	396.8
Provisions		39.6	41.1
Net defined benefit obligations		46.6	47.4
Other non-current liabilities		71.0	88.3
Non-current liabilities		8,847.4	7,494.8
Trade payables		468.3	645.6
Borrowings	15	44.0	53.2
Lease obligations		1,175.2	1,085.7
Income tax payables		65.8	87.9
Provisions		123.7	56.6
Other liabilities		506.2	827.1
Current liabilities		2,383.2	2,756.1
Total liabilities		11,230.6	10,250.9
Total liabilities and shareholders' equity		13,330.9	13,358.9

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						TOTAL	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
	Share capital	Share premium	Treasury shares	Employee benefit reserve	Trans- lation reserves	Retained earnings			
Balance at January 1, 2020	252.8	3,475.5	(92.5)	(32.5)	(329.9)	(628.1)	2,645.3	462.7	3,108.0
Profit/(loss) of the period	-	-	-	-	-	(903.2)	(903.2)	(101.4)	(1,004.6)
Other comprehensive income/(loss)	-	-	-	(3.8)	(155.9)	-	(159.7)	(14.0)	(173.7)
Total comprehensive income/(loss) for the period	-	-	-	(3.8)	(155.9)	(903.2)	(1,062.9)	(115.4)	(1,178.3)
TRANSACTIONS WITH OR DISTRIBUTIONS TO SHAREHOLDERS									
Dividends to non-controlling interests	-	-	-	-	-	-	-	(11.9)	(11.9)
Issuance of shares	25.0	112.5	-	-	-	-	137.5	-	137.5
Related transactions costs	-	(4.4)	-	-	-	-	(4.4)	-	(4.4)
Sale of treasury shares	-	-	68.8	-	-	-	68.8	-	68.8
Share-based payments	-	-	22.4	-	-	(26.5)	(4.1)	(1.6)	(5.7)
Loss on sale of treasury shares	-	-	-	-	-	(55.1)	(55.1)	-	(55.1)
Equity component of convertible bond	-	-	-	-	-	32.9	32.9	-	32.9
Tax effect on equity transactions	-	-	-	-	-	(0.2)	(0.2)	(0.1)	(0.3)
Total transactions with or distributions to owners	25.0	108.1	91.2	-	-	(48.9)	175.4	(13.6)	161.8
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES									
Put-option held by non-controlling interests	-	-	-	-	-	(0.1)	(0.1)	3.5	3.4
Other changes in participation of non-controlling interests	-	-	-	-	-	4.5	4.5	0.9	5.4
Balance at June 30, 2020	277.8	3,583.6	(1.3)	(36.3)	(485.8)	(1,575.8)	1,762.2	338.1	2,100.3

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT							TOTAL	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
	Share capital	Share premium	Treasury shares	Employee benefit reserve	Hedging & revaluation reserves	Trans- lation reserves	Retained earnings			
Balance at January 1, 2019	269.4	4,060.6	(520.8)	(18.1)	(0.3)	(324.1)	(567.9)	2,898.8	442.9	3,341.7
Profit/(loss) of the period	-	-	-	-	-	-	(107.3)	(107.3)	21.2	(86.1)
Other comprehensive income/(loss)	-	-	-	15.7	(1.2)	(30.6)	-	(16.1)	1.0	(15.1)
Total comprehensive income/(loss) for the period	-	-	-	15.7	(1.2)	(30.6)	(107.3)	(123.4)	22.2	(101.2)
TRANSACTIONS WITH OR DISTRIBUTIONS TO SHAREHOLDERS:										
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(26.5)	(26.5)
Dividends to shareholders	-	(199.8)	-	-	-	-	-	(199.8)	-	(199.8)
Share-based payments	-	-	26.4	-	-	-	(24.5)	1.9	(2.1)	(0.2)
Tax effect on equity transactions	-	-	-	-	-	-	(0.3)	(0.3)	(0.2)	(0.5)
Total transactions with or distributions to owners	-	(199.8)	26.4	-	-	-	(24.8)	(198.2)	(28.8)	(227.0)
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES:										
Changes in participation of non-controlling interests	-	-	-	-	-	-	0.1	0.1	4.6	4.7
Balance at June 30, 2019*	269.4	3,860.8	(494.4)	(2.4)	(1.5)	(354.7)	(699.9)	2,577.3	440.9	3,018.2

* The amounts presented differ from the information reported in the interim consolidated financial statements for the period ended June 30, 2019 due to correction of an error identified in the accounting adopted on transition to IFRS 16 Leases. For details please refer to the Group's interim consolidated financial statements for the nine months ended September 30, 2019 (note 2.3).

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	Unaudited 6M 2020	Restated* Unaudited 6M 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxes	(1,045.0)	(51.1)
ADJUSTMENTS FOR:		
Depreciation, amortization and impairment	1,185.5	858.4
Increase/(decrease) in allowances and provisions	91.5	25.5
Other non-cash items	(3.3)	1.6
Loss/(gain) on sale of non-current assets	1.2	0.3
Loss/(gain) on foreign exchange differences	(43.6)	12.1
Relief of lease obligations	(161.8)	-
Finance expense	177.5	203.8
Finance income	(21.5)	(43.4)
Cash flow before working capital changes	180.5	1,007.2
Decrease/(increase) in trade and other accounts receivable	2.3	(19.9)
Decrease/(increase) in inventories	(30.1)	(69.0)
Increase/(decrease) in trade and other accounts payable	(446.1)	72.1
Cash generated from operations	(293.4)	990.4
Income tax paid ¹	(31.9)	(27.6)
Net cash flows from operating activities	(325.3)	962.8
CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(61.0)	(113.2)
Purchase of intangible assets	(7.9)	(14.6)
Purchase of financial assets	(0.5)	-
Purchase of interest in associates	-	(2.1)
Proceeds from lease income	2.7	1.4
Payment of loans receivable granted	-	(1.0)
Proceeds from loans receivable repaid	1.0	0.1
Proceeds from sale of property, plant and equipment	8.9	2.5
Proceeds from sale of financial assets	2.3	-
Interest received	10.9	15.1
Net cash flows used in investing activities	(43.6)	(111.8)

* The amounts presented differ from the information reported in the interim consolidated financial statements for the period ended June 30, 2019 due to correction of an error identified in the accounting adopted on transition to IFRS 16 Leases. For details please refer to the Group's interim consolidated financial statements for the nine months ended September 30, 2019 (note 2.3).

¹ Income tax paid in 2019 includes a refund of CHF 17.7 (EUR 15.1) million from Spanish tax authorities.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE 6 MONTHS ENDED JUNE 30, 2020

IN MILLIONS OF CHF	Unaudited 6M 2020	Restated* Unaudited 6M 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Transaction costs for financial instruments	(14.6)	-
Proceeds from convertible bonds	350.0	-
Proceeds from borrowings	481.7	92.6
Repayment of borrowings	(3.2)	(9.1)
Issuance of shares	137.5	-
Dividends paid to shareholders of the parent	-	(199.7)
Dividends paid to non-controlling interests	(11.3)	(25.2)
Proceeds from sale of treasury shares	13.7	-
Contributions from non-controlling interests	(2.1)	1.0
Lease payments ¹	(286.7)	(599.5)
Interest paid	(70.0)	(86.9)
Net cash flows (used in) / from financing activities	595.0	(826.8)
Currency translation on cash	(42.2)	(16.6)
Decrease / Increase in cash and cash equivalents	183.9	7.6
CASH AND CASH EQUIVALENTS AT THE		
- beginning of the period	553.5	538.2
- end of the period	737.4	545.8

* The amounts presented differ from the information reported in the interim consolidated financial statements for the period ended June 30, 2019 due to correction of an error identified in the accounting adopted on transition to IFRS 16 Leases. For details please refer to the Group's interim consolidated financial statements for the nine months ended September 30, 2019 (note 2.3).

¹ Lease payments includes CHF 83.7 million interests accrued on lease obligation (note 10)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDED JUNE 30, 2020

1. CORPORATE INFORMATION

Dufry AG (the “Company”) is a publicly listed company with headquarters in Basel, Switzerland. The Company is the world’s leading travel retail company. It operates around 2,400 shops worldwide. The shares of the Company are listed on the SIX Swiss Exchange in Zürich.

The interim consolidated financial statements of Dufry AG and its subsidiaries (“Dufry” or the “Group”) for the period ended June 30, 2020 were authorized for public disclosure in accordance with a resolution of the Board of Directors of the Company dated July 29, 2020.

2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim consolidated financial statements for the period ended June 30, 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Dufry’s annual consolidated financial statements as of December 31, 2019.

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of Dufry’s annual consolidated financial statements as of December 31, 2019, except for the following new or revised Standards and Interpretations adopted in these interim consolidated financial statements (effective January 1, 2020).

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period:

- Definition of Material – amendments to IAS 1 and IAS 8
- Definition of a Business – amendments to IFRS 3
- Revised Conceptual Framework for Financial Reporting
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7
- Covid-19 Related Rent Concessions – amendment to IFRS 16

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Covid-19 related rent concessions - Amendment to IFRS 16

On May 28, 2020 the IAS-Board issued an amendment to IFRS 16 providing lessees with an exemption from assessing whether a Covid-19 related relief of lease obligations is a lease modification, requiring lessees that apply the exemption to account for Covid-19 related rent concessions as if they were not lease modifications. Dufry adopted this amendment applying it for the full year 2020. The exemption applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic and subject to certain conditions. Dufry recognized in the current six-month period 2020, a net relief of lease obligations of CHF 161.8 million presented as lease (expense)/income (see note 6).

Other amendments and interpretations

These apply for the first time in 2020, but do not have an impact on the interim condensed consolidated financial statements of the Group.

3. SEGMENT INFORMATION

Dufry's risks and returns are predominantly affected by the fact that Dufry operates in different countries. Therefore, Dufry presents the segment information as it does internally to the Group Executive Committee, using geographical segments and the distribution centers as an additional segment.

The Group is presenting as performance indicator an Adjusted Operating Profit to its chief operating decision maker. This indicator is calculated from the operating profit plus amortizations of intangible assets identified during previous acquisitions.

Turnover per Division 6M

IN MILLIONS OF CHF	2020				2019			
	TURNOVER			Adjusted Operating Profit	TURNOVER			Adjusted Operating Profit*
	with external customers	with other divisions	TOTAL		with external customers	with other divisions	TOTAL	
Europe and Africa	558.9	-	558.9	(249.1)	1,725.5	-	1,725.5	101.0
Asia Pacific and Middle East	236.0	-	236.0	(39.1)	623.8	-	623.8	34.9
North America	392.2	-	392.2	(116.1)	954.5	-	954.5	72.7
Central and South America	329.6	-	329.6	(63.3)	761.8	-	761.8	62.8
Distribution Centers	70.2	296.3	366.5	3.0	114.5	758.4	872.9	5.6
Total divisions	1,586.9	296.3	1,883.2	(464.6)	4,180.1	758.4	4,938.5	277.0
Eliminations	-	(296.3)	(296.3)	-	-	(758.4)	(758.4)	-
Dufry	1,586.9	-	1,586.9	(464.6)	4,180.1	-	4,180.1	277.0

* based on restated amounts in Q3 2019 in relation to Q2 2019

Adjusted Operating Profit

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Operating profit / (loss)	(932.6)	123.1
Adjusted for:		
Amortization of concession rights from acquisitions	141.8	153.9
Impairment of concession rights from acquisitions	194.7	-
Impairment of Goodwill	131.5	-
Adjusted Operating Profit / (loss)	(464.6)	277.0

Segment assets and liabilities

IN MILLIONS OF CHF	30.06.2020		31.12.2019	
	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL ASSETS	TOTAL LIABILITIES
Europe and Africa	6,026.7	3,450.2	5,554.7	2,661.0
Asia Pacific and Middle East	1,248.2	909.7	1,427.3	1,025.4
North America	2,262.6	1,421.8	2,863.6	1,533.7
Central and South America	1,703.9	730.5	2,421.7	915.8
Distribution Centers	948.4	330.4	773.9	390.9
Total divisions	12,189.8	6,842.6	13,041.2	6,526.8
Unallocated positions	1,141.1	4,388.0	317.7	3,724.1
Dufry	13,330.9	11,230.6	13,358.9	10,250.9

4. SEASONALITY

Usually Dufry has its strongest months of net sales and operating profit between July and September corresponding to the summer time in the Northern hemisphere, whereas the first quarter is the weakest. These seasonality effects are more prominent on the operating profit level than in net sales. The straight-line depreciation of right-of-use assets further accentuated the volatility of operating profit. As a consequences of Covid-19 pandemic it is not possible to provide an accurate indication of the seasonality for 2020.

5. NET SALES

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Perfumes and Cosmetics	467.1	1,278.0
Food, Confectionery and Catering	285.6	747.3
Wine and Spirits	244.0	658.4
Luxury goods	185.3	528.9
Tobacco goods	176.1	492.4
Electronics	34.9	90.7
Literature and Publications	30.0	86.7
Other	108.3	186.2
Total	1,531.3	4,068.6

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Duty-free	921.5	2,486.2
Duty-paid	609.8	1,582.4
Total	1,531.3	4,068.6

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Airports	1,302.6	3,585.2
Border, downtown and hotel shops	64.7	132.3
Cruise liners and seaports	61.2	142.9
Railway stations and other	102.8	208.2
Total	1,531.3	4,068.6

6. LEASE (EXPENSES)/INCOME

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Lease expenses ¹	(213.3)	(646.7)
Lease expenses short-term contracts	(1.8)	(2.6)
Lease expenses low value contracts	(0.4)	(0.2)
Sublease income from right-of-use assets	3.5	7.7
Relief of lease obligation	161.8	-
Lease expenses relating to relief of lease obligation (variable)	(18.0)	-
Change in provision for onerous contract	(7.5)	8.0
Total	(75.7)	(633.8)

¹ Lease expenses include only variable Lease expenses. Fixed and in substance fixed commitments are recognized in accordance with lease accounting as depreciation of Right of use assets or interest on lease obligations.

7. PERSONNEL EXPENSES

In 2020, some governments initiated actions to reduce the financial implications to companies affected by the Covid-19 pandemic. Certain Dufry subsidiaries have been able to apply for government grants provided to reduce the burden of personnel expenses during the lock-down period. In this respect, Dufry has accrued CHF 34.4 million during the first six months 2020.

Additionally, Dufry took the initiative to adapt the Company to the current business environment by, reducing personnel expenses between 20% and 35% based on the expected decline in sales of the respective subsidiaries. The reduction in personnel expenses includes early retirements, hold-backs of seasonal staff employment as well as the reduction of positions across the Group. The Company has decided on and announced the respective plans to implement these measures in June 2020 and expects these to be effective by October 2020. The Company has recognized a provision in the amount CHF 62.7 million for related expenses as of June 30, 2020.

In relation with the aforementioned measures, for the affected Swiss defined benefit plan, the Company contemporaneously recognized a curtailment reducing the related defined benefit obligation at the provisionally estimated amount of CHF 5.7 million.

8. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Depreciation of RoU	(586.7)	(579.1)
Impairment of RoU	(3.5)	-
Subtotal Right-of-Use Assets (see note 12)	(590.2)	(579.1)
Depreciation of Property, Plant and Equipment	(85.4)	(91.3)
Impairment of Property, Plant and Equipment	(6.9)	(4.2)
Subtotal Property, Plant and Equipment	(92.3)	(95.5)
Amortization of Intangibles	(172.8)	(182.8)
Impairment of Intangibles	(330.2)	(1.0)
Subtotal Intangible Assets	(503.0)	(183.8)
Total	(1,185.5)	(858.4)

9. AGGREGATED INFORMATION OF IMPAIRMENTS PER DIVISION (SEGMENT)

IN MILLIONS OF CHF	Unaudited 6M 2020			Unaudited 6M 2019	
	Right-of-Use Assets	Property, Plant and Equipment	Intangible Assets	Property, Plant and Equipment	Intangible Assets
Europe and Africa	-	(0.1)	(56.9)	(3.4)	-
Asia Pacific & Middle East	-	-	(7.2)	-	(1.0)
North America	(3.5)	(5.7)	(50.1)	(0.8)	-
Central & South America	-	(1.1)	(216.0)	-	-
Total	(3.5)	(6.9)	(330.2)	(4.2)	(1.0)

There have been no reversals of impairments during 2019 or 2020.

As a consequence of the Covid-19 pandemic, nearly all Dufry shops worldwide were required to close between mid of March and beginning of April. Although the Company took several actions to mitigate the effects during the closing as well as during the recovery time which in most locations started in June 2020, the cash flow projections have been materially adversely impacted (see also note 13). Consequently, the Company recognized impairments of depreciable and amortizable assets as well as of goodwill. Impairments comprise of North America CHF 50.1 million and Central & South America CHF 81.4 million.

10. FINANCE COSTS – NET

Finance income

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
INCOME ON FINANCIAL ASSETS		
Interest income on short-term deposits	10.5	14.6
Other finance income	12.7	26.6
Interest income on financial assets	23.2	41.2
INCOME FROM FINANCIAL INVESTMENTS AND ASSOCIATES		
Share of result in associates	(4.0)	2.2
Gain on disposal of financial investments	2.2	-
Income from financial investments and associates	(1.7)	2.2
Total finance income	21.5	43.4

Finance expenses

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
EXPENSES ON FINANCIAL LIABILITIES		
Interest expense	(152.0)	(182.5)
of which bank interest	(65.2)	(78.4)
of which bank commitment fees	-	(2.4)
of which bank guarantees commission expense	(2.2)	(2.1)
of which lease interest	(83.7)	(99.0)
of which related to other financial liabilities	(0.9)	(0.6)
Amortization / write off of arrangement fees and waiver fees	(8.2)	(3.3)
Other finance costs	(16.2)	(18.0)
Interest expense on financial liabilities	(176.4)	(203.8)
EXPENSES ON NON-FINANCIAL LIABILITIES		
Interest and other finance costs	(1.1)	(1.4)
Total finance expenses	(177.5)	(205.2)
Foreign exchange gain / (loss)	43.6	(12.5)
Financial result	(112.4)	(174.3)

11. INCOME TAX

IN MILLIONS OF CHF	Unaudited 6M 2020	Unaudited 6M 2019
Current income tax	(3.5)	(54.6)
Deferred income tax	43.9	19.6
Total	40.4	(35.0)

Due to the profit/(loss) before tax recognized in the first half year 2020 as a consequence of the Covid-19 pandemic, Dufry's current income tax expenses decreased compared to the same period in 2019. Deferred tax income increased for the period, as many subsidiaries generated losses usable in the future, except where subsidiaries have insufficient future taxable profits and respective deferred tax assets have been partly or fully allowed for.

12. RIGHT OF USE ASSETS MOVEMENT SCHEDULE

2020 IN MILLIONS OF CHF	SHOPS	OTHER BUILDINGS	VEHICLES	OTHER	TOTAL
AT COST					
Balance at January 1	5,251.9	212.6	4.6	1.4	5,470.5
Additions ³	1,469.7	10.1	0.4	0.7	1,480.9
Disposals ¹	(705.7)	(0.8)	(0.1)	-	(706.6)
Reclassification from intangible assets ²	103.4	-	-	-	103.4
Currency translation adjustments	(121.4)	(5.5)	(0.2)	(0.1)	(127.2)
Balance at June 30	5,997.9	216.4	4.7	2.0	6,221.0
ACCUMULATED DEPRECIATION					
Balance at January 1	(1,108.1)	(32.5)	(1.2)	(0.6)	(1,142.4)
Additions (note 7)	(568.8)	(17.1)	(0.6)	(0.2)	(586.7)
Disposals ¹	511.0	0.8	0.1	-	511.9
Reclassification from intangible assets ²	(42.2)	-	-	-	(42.2)
Currency translation adjustments	32.0	1.1	-	-	33.1
Balance at June 30	(1,176.1)	(47.7)	(1.7)	(0.8)	(1,226.3)
IMPAIRMENT					
Balance at January 1	-	-	-	-	-
Impairment	(3.5)	-	-	-	(3.5)
Balance at June 30	(3.5)	-	-	-	(3.5)
CARRYING AMOUNT					
At June 30, 2020	4,818.3	168.7	3.0	1.2	4,991.2

¹ Early termination of leases² CHF 61.3 million transfers from carrying amount of Concession rights to correct IFRS 16 opening balance in Central & South America³ Primarily relates to the renewal of the concession contract in Spain

13. IMPAIRMENT TEST OF INTANGIBLE ASSETS

Brands and goodwill are subject to impairment testing on annual basis or indicators of impairment exist. Concession rights are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

Based on the fact that nearly all Dufry shops worldwide were closed during March 2020 to help curb the spread of Covid-19 and there being no assurance as to how long these closures may remain in effect, management performed impairment tests as of March 31, 2020 where indicators of impairment were identified. Although the Company has no concrete basis to estimate the duration of the lock-downs imposed by most of the countries, as well as how the business performance will be affected thereafter, management assumed for impairment test purposes that sales will be severally impacted in 2020 and the international air traffic will start recovering stepwise as of the second half of 2020. In 2021, management assumed that most sales levels will come closer, but still not achieving the level of 2019.

IMPAIRMENT TEST OF GOODWILL

For the purpose of impairment testing, goodwill recognized from business combinations has been allocated to the following groups of cash generating units (CGUs). These CGUs also reflect the reportable segments that are expected to benefit from the synergies of the business combinations:

IN MILLIONS OF CHF	30.06.2020	31.12.2019
Europe & Africa	1,466.5	1,527.9
Asia Pacific & Middle East	86.2	86.8
North America	294.1	311.2
Central & South America	638.6	643.7
Distribution Centers	42.0	41.7
Total carrying amount of goodwill	2,527.4	2,611.3

The recoverable amounts of each CGU is determined based on value-in-use calculations which require the use of assumptions (see table with key assumptions below). The calculations use cash flow projections based on financial forecasts approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using a steady growth rate that does not exceed the long-term average growth rate for the respective market and are consistent with forecasted growth included in travel retail industry reports. The financial results of the distribution centers have been broken down by CGU and allocated accordingly.

The key assumptions used for determining the recoverable amounts of goodwill are:

CASH GENERATING UNITS IN PERCENTAGE (%)	POST TAX DISCOUNT RATES		PRE TAX DISCOUNT RATES		GROWTH RATES FOR NET SALES	
	2020	2019	2020	2019	2020	2019
Europe and Africa	6.95	6.95	8.06	8.06	(50.9)-90.1	3.3-5.4
Asia Pacific & Middle East	8.27	8.27	9.35	9.35	(49.1)-82.8	4.9-7.3
North America	7.81	7.39	9.82	10.32	(52.4)-54.4	1.9-7.4
Central & South America	8.66	8.66	9.61	10.33	(54.9)-112.2	4.4-5.9

The Company used the same weighted average cost of capital (WACC) applied in December 2019 for the calculation of the discounted values at March 31, 2020. While certain inputs such as the risk-free-rate for USD dropped, for other input parameters such as the company and country risk premiums data points reflecting current facts and circumstances were not yet fully available but assessed to be higher than in December 2019. The risk free interest rates have been derived from the past 5-year average of prime 10-year bonds rates as follows: CHF -0.32%, EUR 0.25%, USD 2.17% (2019: CHF -0.32%, EUR 0.25%, USD 2.17%). For the calculation of the discount rates and WACC, the Company used the following re-levered beta:

	2020	2019
Beta factor	1.01	1.01

Sensitivity analysis to changes in assumptions

With regard to the assessment of value-in-use, Dufry believes that no reasonably possible change (+/- 1%) in any of the key assumptions would cause the recoverable amount of a CGU to materially fall below its carrying amount, except for the good-will allocated to the division:

- Central and South America, where the carrying amount would exceed the value in use by CHF 288.4 million, if the interest rate increases by 1%, or by CHF 113.2 million if the sales drop 1%, or by CHF 252.3 million if the operating profit margin is 1% lower and
- North America, where the carrying amount would exceed the value-in-use by CHF 215.1 million, if the interest rate increases by 1%, or by CHF 54.6 million, if the sales drop 1%, or by CHF 252.9 million, if the operating profit margin is 1% lower.

KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS

The calculation of value-in-use is most sensitive to the following assumptions:

- Sales growth
- Growth rate used to extrapolate
- Gross margin and suppliers prices
- Lease expense and lease payments
- Discount rates

Sales growth

Although the Company has no concrete basis to estimate the duration of the travel restrictions imposed by most of the countries, as well as how the business performance will be thereafter, management assumed for impairment test purposes that sales will be severally impacted in 2020 and the international air traffic will start recovering stepwise as of the second half of 2020. In 2021, management assumed that sales levels will come closer to, but still not reach the sales levels achieved in 2019.

Growth rates used to extrapolate

For the period after 5 years, Dufry has used growth rates between 0.0% - 1.5% (2019: 0.0% - 2.0%) to extrapolate the cash flow projections.

Gross margins

The expected gross margins are based on average product assortment values achieved on historical results. These values are maintained over the planning period except for 2020, where specific actions are planned which may decrease gross margins by up to 1% compared to this historical data. The gross margins are also affected by supplier's prices. At present, management is in negotiations with the main suppliers in order to jointly plan the promotions and advertising policies to be applied during the recovery period.

Lease expense and lease payments

The Company uses the internal lease database to extract future fixed payments and to estimate variable lease payments based on expected sales developments. For 2020, management assumed that most of the lessors will provide the Company with a ratable relief of minimal annual guarantee payments for a period of 3 months, but keep the variable lease payments based on sales. Where the contractual terms of certain operations come to an end during the projected periods, the Company has analyzed the renewal conditions and the market situation and assumed renewals where the situation/conditions are favorable.

Discount rates

Several factors affect the discount rates:

- For the borrowings part, the rate is based on the average interest of the past 5 years of the respective ten-year government bonds and is increased by the Company's effective bank spread and adjusted by the income tax rate and country risk of the respective group of CGU.
- For the equity part, a 5% equity risk premium is added to the base rate commented above and adjusted by the Beta factor of Dufrey's peer group.

The same methodology is used by the management to determine the discount rate used in discounted cash flow (DCF) valuations, which are a key instrument to assess business potential of new or additional investment proposals.

14. EQUITY

IN MILLIONS OF CHF	NOTE	30.06.2020	30.06.2019
Attributable to equity holders of the parent			
Share capital	14.1	277.8	269.4
Share premium	14.1	3,583.6	3,860.8
Treasury shares		(1.3)	(494.4)
Employee benefit reserve		(36.3)	(2.4)
Hedging and revaluation reserves		-	(1.5)
Translation reserves		(485.8)	(354.7)
Retained earnings		(1,575.8)	(699.9)
Total		1,762.2	2,577.3
Non-controlling interests		338.1	440.9
Total Equity		2,100.3	3,018.2

14.1 FULLY PAID ORDINARY SHARES

IN MILLIONS OF CHF	NUMBER OF SHARES	SHARE CAPITAL	SHARE PREMIUM
Balance at January 1, 2019	53,871,707	269.4	4,060.6
Redeemed shares	(3,304,541)	(16.6)	(385.3)
Distribution to shareholders	-	0.0	(199.8)
Balance at December 31, 2019	50,567,166	252.8	3,475.5
Share capital increase from authorized capital	5,000,000	25.0	112.5
Share issuance costs	-	-	(4.4)
Balance at June 30, 2020	55,567,166	277.8	3,583.6

On April 20, 2020, Dufry has issued and placed 5,000,000 new shares out of the authorized capital at CHF 27.50 per share and the net proceeds from the placement are CHF 133.1 million.

14.2 AUTHORIZED AND CONDITIONAL SHARE CAPITAL

AUTHORIZED SHARE CAPITAL	NUMBER OF SHARES	IN THOUSANDS OF CHF
Balance at January 1, 2019	-	-
Balance at December 31, 2019	5,000,000	25,000
Share capital increase from authorized capital	(5,000,000)	(25,000)
Balance at June 30, 2020	-	-

CONDITIONAL SHARE CAPITAL	NUMBER OF SHARES	IN THOUSANDS OF CHF
Balance at January 1, 2019	888,432	4,442
Balance at December 31, 2019	888,432	4,442
Increase of conditional share capital	11,811,568	59,058
Balance at June 30, 2020	12,700,000	63,500

15. BORROWINGS AND LEASE OBLIGATIONS, NET

IN MILLIONS OF CHF	CASH AND CASH EQUIVALENTS	LEASE OBLIGATIONS	BORROWINGS CURRENT	BORROWINGS NON-CURRENT	TOTAL
Balance at January 1, 2020	553.5	4,404.7	53.2	3,602.2	7,506.6
Cash flows from operating, financing and investing activities	226.1	-	-	-	(226.1)
Repayment of 3 rd party loans payables	-	-	-	(0.1)	(0.1)
Proceeds from convertible bonds	-	-	-	350.0	350.0
Proceeds from borrowings	-	-	(1.9)	483.6	481.7
Repayment of borrowings	-	-	(3.2)	-	(3.2)
Transaction costs	-	-	-	(10.1)	(10.1)
Repayments of lease obligations	-	(286.7)	-	-	(286.7)
Cash flow	226.1	(286.7)	(5.1)	823.4	305.5
Additions to lease obligations	-	1,481.3	-	-	1,481.3
Interest on lease obligations	-	83.7	-	-	83.7
Relief of lease obligations	-	(161.8)	-	-	(161.8)
Equity component of convertible bonds	-	-	-	(32.9)	(32.9)
Amortization of arrangement fees	-	-	-	2.8	2.8
Early termination of lease obligations	-	(195.5)	-	-	(195.5)
Foreign exchange adjustments	(42.2)	(176.8)	(4.1)	(42.7)	(181.4)
Other movements	(42.1)	1,030.9	(4.1)	(72.8)	996.1
Balance at June 30, 2020	737.4	5,148.9	44.0	4,352.8	8,808.3

IN MILLIONS OF CHF	CASH AND CASH EQUIVALENTS	LEASE OBLIGATIONS	BORROWINGS CURRENT	BORROWINGS NON-CURRENT	TOTAL
Balance at January 1, 2019	538.2	-	58.0	3,766.3	3,286.1
Lease obligation at January 1, 2019	-	4,784.3	-	-	4,784.3
Balance including lease obligation at January 1, 2019	538.2	4,784.3	58.0	3,766.3	8,070.4
Cash flows from operating, financing and investing activities	24.2	-	-	-	(24.2)
Proceeds from 3 rd party loans payable	-	-	0.5	6.9	7.4
Proceeds from borrowings	-	-	0.2	85.0	85.2
Repayment of borrowings	-	-	(3.1)	(6.0)	(9.1)
Repayments of lease obligations	-	(599.6)	-	-	(599.6)
Cash flow	24.2	(599.6)	(2.4)	85.9	(540.3)
Additions to lease obligations	-	276.8	-	-	276.8
Interest on lease obligations	-	98.9	-	-	98.9
Arrangement fees amortization	-	-	-	3.3	3.3
Early termination of lease obligations	-	(27.0)	-	-	(27.0)
Foreign exchange adjustments	(16.6)	(20.8)	0.8	(75.0)	(78.4)
Other movements	(16.6)	327.9	0.8	(71.7)	273.6
Balance at June 30, 2019	545.8	4,512.6	56.4	3,780.5	7,803.7

On May 4, 2020 Dufrey, via its subsidiary Dufrey One B. V., placed CHF 350 million in convertible bonds due 2023, conditionally convertible into shares of the Company. The convertible bonds have been issued at par with a denomination of CHF 200,000 and carry a coupon of 1.0%, payable semi-annually in arrears. At maturity on May 4, 2023 the bonds will be redeemed at par. During such time bondholders can opt to convert the bonds at a price of CHF 33.00 per share. Such shares will be sourced from conditional capital or from existing shares. On May 18, 2020, the General Assembly approved the respective increase of the conditional share capital by 12.7 million shares (at nominal value of CHF 5.00 each, CHF 63.5 million).

16. FAIR VALUE MEASUREMENT

FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTIZED COST

Except as detailed in the table Quantitative disclosures fair value measurement hierarchy for assets and liabilities below, Dufry considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

The following tables provide the fair value measurement hierarchy of Dufry's assets and liabilities, that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures fair value measurement hierarchy for assets

FAIR VALUE MEASUREMENT AT JUNE 30, 2020 USING					
JUNE 30, 2020 IN MILLIONS OF CHF	TOTAL	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	BOOK VALUES
ASSETS MEASURED AT FAIR VALUE					
Derivative financial assets					
Foreign exchange swaps contracts - EUR	0.2	-	0.2	-	0.2
Options - USD	0.2	-	0.2	-	0.2
Total	0.4	-	0.4	-	0.4
ASSETS FOR WHICH FAIR VALUES ARE DISCLOSED					
Loans and receivables					
Credit card receivables	1.9	-	1.9	-	2.0
Total	1.9	-	1.9	-	2.0
FAIR VALUE MEASUREMENT AT DECEMBER 31, 2019 USING					
DECEMBER 31, 2019 IN MILLIONS OF CHF	TOTAL	Quoted prices in active markets (Level 1)	Significant ob- servable inputs (Level 2)	Significant unob- servable inputs (Level 3)	BOOK VALUES
ASSETS MEASURED AT FAIR VALUE					
Derivative financial assets					
Foreign exchange forward contracts - USD	0.2	-	0.2	-	0.2
Foreign exchange swaps contracts - EUR	3.5	-	3.5	-	3.5
Foreign exchange swaps contracts - OTHER	0.1	-	0.1	-	0.1
Cross currency swaps contracts - GBP	1.2	-	1.2	-	1.2
Options - GBP	3.4	-	3.4	-	3.4
Total	8.4	-	8.4	-	8.4
ASSETS FOR WHICH FAIR VALUES ARE DISCLOSED					
Loans and receivables					
Credit card receivables	11.7	-	11.7	-	12.0
Total	11.7	-	11.7	-	12.0

Quantitative disclosures fair value measurement hierarchy for liabilities

FAIR VALUE MEASUREMENT AT JUNE 30, 2020 USING					
JUNE 30, 2020 IN MILLIONS OF CHF	TOTAL	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	BOOK VALUES
LIABILITIES MEASURED AT FAIR VALUE					
Derivative financial liabilities					
Foreign exchange swaps contracts - EUR	0.5	-	0.5	-	0.5
Foreign exchange swaps contracts - OTHER	0.2	-	0.2	-	0.2
Put option Dufrey Staer Holding Ltd	52.3	-	-	52.3	52.3
Total	53.0	-	0.7	52.3	53.0
LIABILITIES FOR WHICH FAIR VALUES ARE DISCLOSED					
At amortized cost					
Senior Notes EUR 800	701.2	701.2	-	-	845.4
Senior Notes EUR 750	618.4	618.4	-	-	795.9
Convertible bond CHF 350	369.4	369.4	-	-	309.1
Total	1,689.0	1,689.0	-	-	1,950.4
Floating rate borrowings USD	1,141.4	-	1,141.4	-	1,073.7
Floating rate borrowings CHF	1,341.4	-	1,341.4	-	1,286.5
Total	2,482.8	-	2,482.8	-	2,360.2
FAIR VALUE MEASUREMENT AT DECEMBER 31, 2019 USING					
DECEMBER 31, 2019 IN MILLIONS OF CHF	TOTAL	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	BOOK VALUES
LIABILITIES MEASURED AT FAIR VALUE					
Derivative financial liabilities					
Foreign exchange forward contracts - OTHER	0.1	-	0.1	-	0.1
Foreign exchange swaps contracts - EUR	2.9	-	2.9	-	2.9
Cross currency swaps contracts - GBP	15.7	-	15.7	-	15.7
Put option Dufrey Staer Holding Ltd	55.7	-	-	55.7	55.7
Other options	3.7	-	3.7	-	3.7
Total	78.1	-	22.4	55.7	78.1
Financial liabilities valued at FVPL					
Interest rate swaps	2.0	-	2.0	-	2.0
Total	2.0	-	2.0	-	2.0
LIABILITIES FOR WHICH FAIR VALUES ARE DISCLOSED					
At amortized cost					
Senior Notes EUR 800	892.6	892.6	-	-	864.1
Senior Notes EUR 700	823.2	823.2	-	-	794.3
Total	1,715.8	1,715.8	-	-	1,658.4
Floating rate borrowings USD	716.8	-	716.8	-	671.8
Floating rate borrowings CHF	53.4	-	53.4	-	50.0
Floating rate borrowings GBP	1,068.1	-	1,068.1	-	1,210.0
Total	1,838.3	-	1,838.3	-	1,931.8

For our bank loans which are listed as Level 2, we used a present-value model where the key-inputs are interest rate and credit spread.

17. PRINCIPAL EXCHANGE RATES

IN CHF PER	AVERAGE RATES		CLOSING RATES	
	6M 2020	30.06.2020		
1 USD	0.9675	0.9471		
1 EUR	1.0671	1.0640		
1 GBP	1.2389	1.1746		
IN CHF	6M 2019	30.06.2019	31.12.2019	
1 USD	0.9966	0.9760		0.9678
1 EUR	1.1319	1.1099		1.0853
1 GBP	1.2985	1.2392		1.2844

18. EVENTS AFTER REPORTING DATE**18.1 RELIEF OF MINIMAL GUARANTEED LEASE OBLIGATIONS**

After recognizing the adverse effects Covid-19 will have on the Company's operations, Dufry's management started immediately negotiations with lessors to amend the contractual terms and conditions of all its leases. Up to June 30, 2020, the Company was able to close several agreements releasing partially or totally about CHF 161.8 millions of minimal guaranteed amounts (MAG), meanwhile the management remains in negotiations with other lessors reviewing the lease terms in order to accommodate these also to the market circumstances beyond June 30, 2020 created by Covid-19. In relation with these on-going negotiations Dufry received already offers granting further relieves of MAG in relation to the first half of 2020 for CHF 137.0 million, which, if and when such rent concessions are signed, will result in a de-recognition of lease obligations in the same amount.



To the Board of Directors of
Dufry AG, Basel

Basel, 3 August 2020

Report on the review of interim consolidated financial statements



Introduction

We have reviewed the interim condensed consolidated financial statements (statement of profit and loss, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes, pages 3 to 25) of Dufry AG, Basel for the period from 1 January 2020 to 30 June 2020. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.



Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting".

Ernst & Young Ltd

/s/ Jolanda Dolente

Jolanda Dolente
 Licensed audit expert
 (Auditor in charge)

/s/ Siro Bonetti

Siro Bonetti
 Licensed audit expert

DUFRY'S ALTERNATIVE PERFORMANCE MEASURES

Dufry believes that disclosing adjusted results of the Group's performance enhances the financial markets' understanding of the company because the adjusted results enable better comparison across years. Adjusted results exclude exceptional expenses and income such as acquisitions, divestitures, impairments and amortization of acquisition-related intangible assets, which can differ significantly from year to year, as well as recurring solely IFRS 16 accounting-related items such as interest on lease obligations. For this same reason, Dufry uses these adjusted results in addition to IFRS as important factors in internally assessing the Group's performance.

Organic growth

IN MILLIONS OF CHF

	6M 2020	6M 2019
Like-for-like ¹	(57.6%)	(0.6%)
Net new concessions ²	(3.0%)	2.8%
Organic Growth	(60.6%)	2.2%

Adjusted operating profit

(see note 3. Segment information in financial report)

Adjusted net profit

IN MILLIONS OF CHF

	6M 2020	6M 2019
Net profit / (loss) attributable to equity holders of the parent	(903.2)	(107.3)
Amortization of concession rights ³	141.8	153.9
Impairment of concession rights ³	194.7	-
Impairment of goodwill	131.5	-
Interest on lease obligations	83.7	99.0
Income tax on above lines	(181.3)	(49.1)
Minority interest on above lines	(49.4)	(30.8)
Adjusted net profit	(582.2)	65.7
Weighted average number of ordinary shares outstanding	51.9	49.8
Adjusted EPS in Swiss Francs	(11.2)	1.3

Net debt

IN MILLIONS OF CHF

	6M 2020	6M 2019
Borrowings (current and non-current)	4,396.8	3,836.9
Less cash and cash equivalents	737.4	545.8
Net debt	3,659.4	3,291.1

¹ Sales on same space as previous comparable period

² Store openings minus store closings in the period under review

³ Related to acquisitions

Core net working capital

IN MILLIONS OF CHF	6M 2020	6M 2019
Inventories	1,030.7	1,106.2
Trade and credit card receivables	18.1	70.0
Less trade payables	468.3	731.7
Core net working capital	580.5	444.5

Capex

IN MILLIONS OF CHF	6M 2020	6M 2019
Purchase of property, plant and equipment	(61.0)	(113.2)
Purchase of intangibles	(7.9)	(14.6)
Proceeds from sale of property, plant and equipment	8.9	2.5
Capex	(60.0)	(125.3)

Adjusted operating cash flow

IN MILLIONS OF CHF	6M 2020	6M 2019
Cash flow before working capital changes	180.5	1,007.2
Lease payments	(286.7)	(599.5)
Proceeds from lease income	2.7	1.4
Adjusted operating cash flow	(103.5)	409.1

Equity free cash flow

IN MILLIONS OF CHF	6M 2020	6M 2019
Net cash flow from operating activities	(325.3)	962.8
Lease payments	(286.7)	(599.5)
Proceeds from lease income	2.7	1.4
Capex	(60.0)	(125.3)
Interest received	10.9	15.1
Free cash flow	(658.4)	254.5
Interest paid	(70.0)	(86.9)
Cash flow related to minorities	(13.4)	(26.3)
Purchase of interest in associates	-	(2.1)
Dividends paid to non-controlling interest	(11.3)	(25.2)
Contributions from non-controlling interests	(2.1)	1.0
Other financial assets	(7.3)	(0.9)
Purchase of financial assets	(0.5)	-
Proceeds from sale of financial assets	2.3	-
Proceeds from loans receivable repaid	1.0	0.1
Payment of loans receivable granted	-	(1.0)
Transaction costs for financial instruments	(10.1)	-
Equity free cash flow	(749.1)	140.4