CORTICEIRA AMORIM, S.G.P.S., S.A.

CONSOLIDATED ACCOUNTS
(Interim – Unaudited)

1st Quarter 2011
(1Q11)

CORTICEIRA AMORIM; S.G.P.S., S.A.
Sociedade Aberta

Capital Social: EUR 133 000 000,00
C.R.C. Sta. Maria da Feira
NIPC e Matrícula n.º: PT 500 077 797

Edifício Amorim I
Rua de Meladas, n.º 380
Apartado 20
4536-902 MOZELOS VFR
PORTUGAL

Tel.: 22 747 54 00
Fax: 22 747 54 07

Internet: www.corticeiraamorim.com
E-mail: corticeira.amorim@amorim.com

Shareholders of CORTICEIRA AMORIM,

According to Law, as adopted by CORTICEIRA AMORIM, SGPS, S.A, a public company, presents:

CONSOLIDATED MANAGEMENT REPORT INTERIM

1. SUMMARY OF ACTIVITY

In the first quarter of 2011 (1Q11) CORTICEIRA AMORIM's most important export markets continued to show growth rates which, on the whole, can be considered as moderate. The effects of the crisis felt during the 2008/2009 Great Recession seem to have definitely vanished from the Company's most representative markets.

CORTICEIRA AMORIM recorded its fifth consecutive quarter of consolidate sales growth:

1Q11 / 1Q10:	+6.3%
4Q10 / 4Q09:	+10.2%
3Q10 / 3Q09:	+11.5%
2Q10 / 2Q09:	+7.7%
1Q10 / 1Q09:	+10.9%
4Q09 / 4Q08:	-3.8%

However, given the high growth rates recorded by the Company over the four successive quarters of 2010, it is expected that growth rates in 2011 will slow slightly.

Worth to mention is that the sales recovery almost matched the figures of 1Q08, a record year for the sales of CORTICEIRA AMORIM products. The €3.2 million sales decrease in 1Q11 compared to 1Q08 is fully justified by the €4.6 million drop in sales of non-cork floor and wall coverings (wood) between these two time periods.

Thanks to a good operating performance, the EBITDA / Sales ratio reached 14.2%, which compares favorably with 13.4% in 1Q10 and amounted, in absolute terms, to €17.1 million (1Q11) and €15.2 million (1Q10), respectively, a growth of 12.1%.

2. SALES AND RESULTS

Consolidated sales amounted to €120.4 million, a growth of 6.3% compared to 1Q10.

With the exception of the Floor and Wall Coverings BU, whose sales decline was driven by decreases in its wood business, all the other BUs recorded an increase in sales either by taking advantage of the economic upturn or by gaining market share and, in most cases, as a result of these two factors.

With about 96% of its sales volume directed to CORTICEIRA AMORIM's value chain, the Raw Materials BU was in line with the growth of the Group's productive activity, with about a 20% increase in sales. Such rise in sales spread beyond the manufacturing plants existing in Portugal and Spain and has also extended to factories in Morocco and Tunisia. The exception was the manufacturing unit situated in Algeria. The Amorim factories in North Africa have managed to overcome difficulties brought about by social unrest which could be detrimental to their normal operation.

The sales of the Cork Stoppers BU reached €71.4 million, an increase of 8.5% compared to 1Q10. The sales of this BU account now for 58% of the consolidated sales to end customers, an increase of about one percentage point over the same period in 2010. Sales of all types of cork stoppers grew both in quantity and value once again. As for markets, growth was also widespread, with one or two exceptions.

Sales of Champagne corks grew by 24% and all major bottling markets recorded substantial sales increases. Also noteworthy was the sales performance improvement of agglomerated corks (+43%) and Neutrocork® stoppers (+28%). Natural cork stoppers and TwinTop® stoppers maintained a moderate growth trend similar to the one recorded in the 2010 financial year, thus confirming a reversal in declining sales over the past years. In line with 2010, growth in 1Q11 continued to be mainly driven by higher sales volumes. Sales quantities increased 90 million in 1Q11 versus 1Q10 and the milestone of 800 million of cork units sold was surpassed.

The Floor and Wall Coverings BU recorded a 1.7% decrease in sales driven by a sharp drop in sales of non-cork floor and wall coverings (-20%). Sales of cork floor and wall coverings – the prime product manufactured by this BU - showed an increase of 4.6%. Although sales to the German market have reached a plateau, this positive record was driven by rising sales to markets such as Spain, Italy and even to Far Eastern markets (China, Japan and Korea). The U.S. market was affected by the termination of financial incentives for construction. In terms of products, the LVT (Luxury Vinyl Tile) flooring is worth a special mention.

The Composite Cork BU showed the highest increase in sales (+16.6%). All major product families recorded significant sales increases ranging from 6.4% in products for the construction industry to 21% in sealing products (rubber cork products). The exception to the rule was the Home & Office product range. The U.S. market – this BU's most important export market – has also managed to maintain in 1Q11 its good level of performance as recorded in the 2010 financial year. The volume effect accounted for about three-quarters of the increase in sales, with the remainder of the increase being due to the price effect and exchange rate effects.

The Insulation Cork BU showed also a remarkable sales increase (7.6%). The sales of insulation corkboard – the prime product manufactured by this BU - recorded a sales growth of +12%, almost entirely justified by an increase in sales volume. Worthy of mention is this BU's performance in the Middle East market (+76%), making it the third most important export market of this BU, not far behind its major markets (France and Italy).

Consolidated gross margin reached 51.4% in 1Q11, an amount approximately equal to that recorded in both 1Q10 and the entire 2010 year.

Processing cork with good value for money has contributed to offset pressures both on cork stopper prices and composite cork prices. The continuous devaluation of the US dollar (25%) since mid-2010 has put squeeze on the profit margins of these two BUs because of the weight of this currency in their international trade transactions.

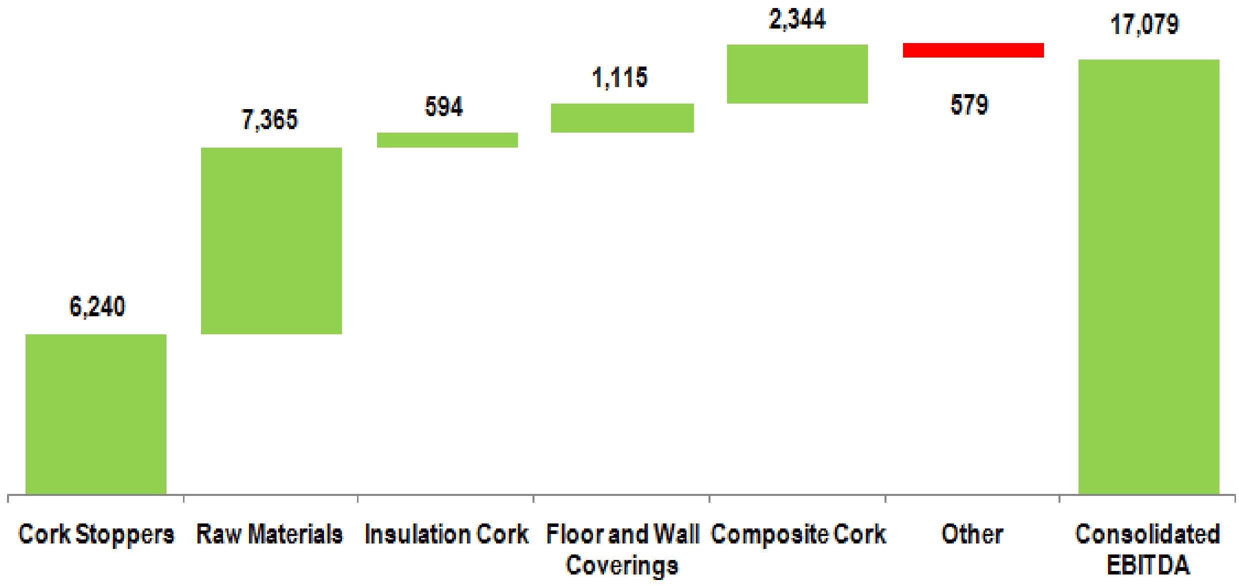
The maintenance of the gross margin percentage has permitted that its absolute value growth (totalling €66.4 million) was in line with a sales increase of some €7 million.

The 9.2% growth in operating expenses, excluding depreciation, lower than the 11.6% increase in production, was adversely affected in an amount of -€1.8 million relating to foreign exchange losses. It should be stressed that approximately €1.2 million of such €1.8 million relate to losses undergone by two subsidiaries (Argentina and Chile) where there is limited scope for hedging against foreign exchange risk.

The transport and electric power sub-accounts performed poorly. The increase in these two items included in the external supplies and services account was higher than the growth of the activity itself, which increase was due to higher purchase prices.

As far as promotional costs is concerned, the expenses (€0.5 million) incurred by the Company in the preparation of the next launch of the 2012 collection by the Floor and Wall Coverings BU as well as the amount of €1.2million relating to CORTICEIRA AMORIM's sharing of expenses related to the international cork campaign promoted by APCOR (Portuguese Cork Association) are worthy of mention.

Current EBITDA reached €17.1 million, a 12.1% increase over the first quarter of 2010. EBITDA to sales ratio rose to 14.2%, showing an improvement compared to the ratio of 1Q10 (13.4%).



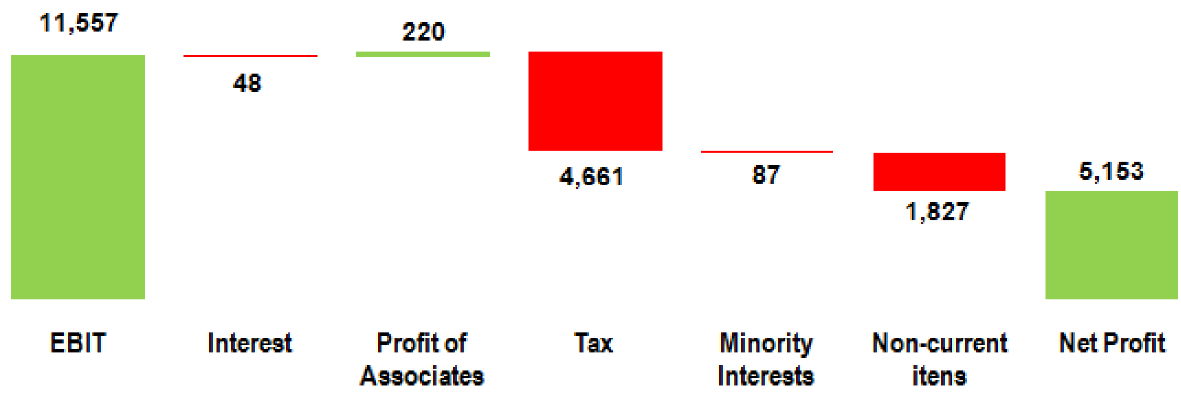
EBIT reached €11.6 million (+19.4%).

Deteriorating transactions with our associated company "USFloors" led us to record an additional impairment of its goodwill in the amount of €1.8 million as a nonrecurring expense.

Net financial costs benefited from the appreciation in the amount of €0.8 million of the swap entered into in the first quarter of 2010.

Income tax estimate was affected by the fact that, as a precaution, we set up a provision relating to fiscal proceedings initiated in the 1997 financial year (€0.6 million).

Net profit attributable to CORTICEIRA AMORIM's shareholders was €5.154 million, a 20.3% increase compared to €4.285 million in 1Q10.



3. STATEMENT OF THE CONSOLIDATED FINANCIAL POSITION OF CORTICEIRA AMORIM (CONSOLIDATED BALANCE SHEET)

The consolidated balance sheet totalled €598 million at the end of 1Q11, an increase of €36 million compared to the end of 2010. This improvement may be explained by a growth in sales of about €10 million over 4Q10 and an increase in cash and cash equivalents (€24 million).

In terms of Current Assets it is especially noteworthy a €14 million increase in Trade Receivables (as a result of a growth in sales) and a reduction of some €5 million in Inventory, to which a natural decrease in the value of the stock of raw materials has largely contributed. While the use of cork is continuous, the bulk purchases of this natural raw material are made at the time of cork harvest from May to August. Raw materials stocks decreased by about €13 million in 1Q11, while stocks of finished goods and work in progress increased about €8 million.

In terms of Liabilities, it should be emphasized that net debt at the end of the quarter was similar to that at the end of 2010, i.e. some €102 million. Gross debt rose by €24 million, an amount equivalent to the increase in cash and cash equivalents.

The remaining difference in Liabilities is explained by variations in accounts payable to the State and to other creditors.

The 45.7% decrease in equity to total assets ratio is explained by the inflation of certain Balance Sheet figures published earlier. If such inflated amount (in the region of €50 million) was excluded, equity to total assets ratio would be 49.8%.

expressed

4. CONSOLIDATED INDICATORS

		1Q11	1Q10	Variation
Sales		120.416	113.280	6,3%
Gross Margin – Value		66.369	59.622	11,3%
	1)	51,4%	51,6%	-0,13 p.p.
Operating Costs - current		54.812	49.943	9,75%
EBITDA - current		17.079	15.233	12,1%
EBITDA/Sales		14,2%	13,4%	+ 0,7 p.p.
EBIT - current		11.557	9.679	19,4%
Non-current costs	2)	1.827	0	N/A
Net Income		5.153	4.285	20,26%
Earnings per share		0,041	0,033	23,36%
Net Bank Debt		102.509	127.283	- 24.774
Net Bank Debt/EBITDA (x)	4)	1,51	2,64	-1,13 x
EBITDA/Net Interest (x)	3)	34,65	22,05	12,60 x
Equity/Net Assets		45,7%	48,1%	-2,427 p.p.

1) Related to Production

2) Goodwill impairment

3) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions)
2009 indicator was changed in accordance

4) Current EBITDA of the last four quarters

5. SUBSEQUENT EVENTS

In the General Shareholders Meeting held at April 1, 2011, a shareholder's proposal of a 10 cents of an euro dividend per share was approved. The payment was made May 2.

Mozelos, May 2, 2011

The Board of CORTICEIRA AMORIM, S.G.P.S., S.A.

António Rios de Amorim
Chairman of the Board of Directors ____

Joaquim Ferreira de Amorim
Vice-President of the Board of Directors ____

Nuno Filipe Vilela Barroca de Oliveira
Member of the Board of Directors ____

Luísa Alexandra Ramos Amorim
Member of the Board of Directors ____

José da Silva Carvalho Neto
Member of the Board of Directors ____

André de Castro Amorim
Member of the Board of Directors ____

Fernando José de Araújo dos Santos Almeida
Member of the Board of Directors ____

FINANCIAL REPORT INTERIM

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

thousand euros

	March 2011	December 2010	March 2010
Assets			
Property, plant and equipment	167.260	168.430	173.428
Investment property	7.630	7.733	9.297
Goodwill	13.447	15.099	18.704
Investments in associates	5.582	5.362	5.368
Intangible assets	533	612	1.450
Other financial assets	2.189	1.995	2.707
Deferred tax assets	6.982	7.742	7.742
Other non current assets	**203.624**	**206.973**	**218.696**
Inventories	180.287	184.798	163.364
Trade receivables	124.307	110.311	114.778
Current tax assets	18.924	16.595	13.582
Other current assets	13.614	9.777	5.742
Cash and cash equivalents	56.964	33.312	8.404
Current assets	**394.096**	**354.793**	**305.870**
Total Assets	**597.720**	**561.766**	**524.566**
Equity			
Share capital	133.000	133.000	133.000
Own shares	-6.247	-6.247	-4.680
Other reserves	130.088	109.126	108.544
Net Income	5.153	20.535	4.285
Minority interest	11.095	12.131	11.249
Equity	**273.089**	**268.545**	**252.399**
Liabilities			
Interest-bearing loans	32.751	14.239	87.474
Other borrowings and creditors	1.349	1.160	1.739
Provisions	15.228	14.557	5.311
Deferred tax liabilities	5.858	5.982	5.572
Non-current liabilities	**55.187**	**35.938**	**100.095**
Interest-bearing loans	126.722	121.496	48.213
Trade payables	94.922	97.787	73.695
Other borrowings and creditors	31.862	26.941	38.037
Tax liabilities	15.938	11.059	12.127
Current liabilities	**269.444**	**257.283**	**172.072**
Total Liabilities and Equity	**597.720**	**561.766**	**524.566**

CONSOLIDATED INCOME STATEMENT

thousand euros

	March 2011	March 2010
Sales	120.416	113.280
Costs of goods sold and materials consumed	62.689	56.028
Change in manufactured inventories	8.642	2.370
Gross Margin	**66.369**	**59.622**
	51,4%	51,6%
Third party supplies and services	22.800	19.282
Staff costs	24.188	23.999
Impairments of assets	474	1.294
Other gains	1.838	1.458
Other costs	3.665	1.272
Current EBITDA	**17.079**	**15.233**
Depreciation	5.522	5.554
Current EBIT	**11.557**	**9.679**
Non-current costs	1.827	0
Net financial costs	-48	-1.282
Share of (loss)/profit of associates	220	137
Profit before tax	**9.901**	**8.534**
Income tax	4.661	3.866
Profit after tax	**5.239**	**4.668**
Non-controlling Interest	87	383
Net Income attributable to the equity holders of Corticeira Amorim	**5.153**	**4.285**
Earnings per share - Basic e Diluted (euros per share)	**0,041**	**0,033**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

thousand euros

	March 2011	March 2010
Net Income (before Min. Interest)	**5.239**	**4.668**
Change in derivative financial instruments fair value	410	-163
Change in translation differences	17	-255
Net Income directly registered in Equity	**427**	**-418**
Total Net Income registered	**5.666**	**4.250**
Attributable to:		
Corticeira Amorim Shareholders	5.579	3.867
Non-controlling interests	87	383

CONSOLIDATED STATEMENT OF CASH FLOW

thousand euros

	March 2011	March 2010
OPERATING ACTIVITIES		
Collections from customers	109.037	104.521
Payments to suppliers	-112.307	-71.991
Payments to employees	-22.153	-23.416
Operational cash flow	-25.423	9.114
Payments/collections - income tax	-96	497
Other collections/payments related with operational	33.274	6.769
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**7.755**	**16.380**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	185	675
Investment property	0	0
Others assets	152	0
Interests and similar gains	81	44
Investment subsidies	69	0
Dividends	0	0
Payments due to:		
Tangible assets	-6.353	-2.526
Financial investments	-15	0
Intangible assets	0	0
Others assets	-8	0
CASH FLOW FROM INVESTMENTS	**-5.889**	**-1.807**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	11.275	0
Others	0	178
Payments due to:		
Loans	0	-10.666
Interests and similar expenses	-900	-1.179
Dividends	-613	0
Acquisition of treasury stock	0	-1.879
Others	-166	-127
CASH FLOW FROM FINANCING	**9.596**	**-13.673**
Change in cash	11.493	900
Exchange rate effect	-375	180
Perimeter effect	-	-
Cash at beginning	18.944	1.552
Cash at end	30.062	2.632

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

thousand euros

	Balance Beginning	Appropriation of N-1 profit	Dividends	Net Profit N	Increases / Decreases	Translation Differences	End Balance
Março 31, 2011							
Equity:							
Share Capital	133.000	-	-	-	-	-	133.000
Treasury Stock - Face Value	-6.787	-	-	-	-	-	-6.787
Treasury Stock - Discounts and Premiums	541	-	-	-	-	-	541
Paid-in Capital	38.893	-	-	-	-	-	38.893
IFRS Transition Adjustments	-8.635	-	-	-	-	67	-8.568
Hedge Accounting	-164	-	-	-	410	-	246
Reserves							
Legal Reserve	10.887	-	-	-	-	-	10.887
Other Reserves	68.634	20.535	-	-	12	-	89.181
Translation Difference	-490	-	-	-	-	-62	-552
	235.879	**20.535**	**0**	**0**	**422**	**5**	**256.841**
Net Profit for the Year	20.535	-20.535	-	5.153	-	-	5.153
Minority interests	12.131	-	-599	87	-	-523	11.095
Total Equity	**268.545**	**0**	**-599**	**5.240**	**422**	**-518**	**273.089**
Março 31, 2010							
Equity:							
Share Capital	133.000	-	-	-	-	-	133.000
Treasury Stock - Face Value	-3.088	-	-	-	-2.039	-	-5.127
Treasury Stock - Discounts and Premiums	287	-	-	-	160	-	447
Paid-in Capital	38.893	-	-	-	-	-	38.893
IFRS Transition Adjustments	-8.560	-	-	-	-	-60	-8.620
Hedge Accounting	36	-	-	-	-163	-	-127
Reserves							
Legal Reserve	8.558	2.330	-	-	-	-	10.887
Other Reserves	66.877	2.781	-	-	98	-	69.756
Translation Difference	-1.953	-	-	-	-	-293	-2.246
	234.050	**5.111**	**0**	**0**	**-1.944**	**-353**	**236.864**
Net Profit for the Year	5.111	-5.111	-	4.285	-	-	4.285
Minority interests	10.684	-	-	383	-	182	11.249
Total Equity	**249.845**	**0**	**0**	**4.668**	**-1.944**	**-171**	**252.398**

I. INTRODUCTION

At the beginning of 1991, Corticeira Amorim, S.A. was transformed into CORTICEIRA AMORIM, S.G.P.S., S.A., the holding company for the cork business sector of the Amorim Group. In this report, CORTICEIRA AMORIM will be the designation of CORTICEIRA AMORIM, S.G.P.S., S.A., and in some cases the designation of CORTICEIRA AMORIM, S.G.P.S. together with all of its subsidiaries.

CORTICEIRA AMORIM, directly or indirectly, holds no interest in land properties used to grow and explore cork tree. Cork tree is the source of cork, the main raw material used by CORTICEIRA AMORIM production units. Cork acquisition is made in an open market, with multiple agents, both in the demand side as in the supply side.

CORTICEIRA AMORIM is mainly engaged in the acquisition and transformation of cork into a numerous set of cork and cork related products, which are distributed worldwide through its network of sales company.

CORTICEIRA AMORIM is a Portuguese company with a registered head office in Mozelos, Santa Maria da Feira. Its share capital amounts to 133 million euros, and is represented by 133 million shares, which are publicly traded in the Euronext Lisboa – Sociedade Gestora de Mercados Regulamentados, S.A.

These financial statements were approved in the Board Meeting of May 2, 2011.

Except when mentioned, all monetary values are stated in thousand euros (Thousand euros = K euros = K€).

Some figures of the following notes may present very small differences not only when compared with the total sum of the parts, but also when compared with figures published in other parts of this report. These differences are due to rounding aspects of the automatic treatment of the data collected.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

a. Basis of presentation

Consolidated statements were prepared based on a going concern basis and using the records as stated in the companies' books, which adopted Portuguese general accepted accounting principles. Accounting adjustments and reclassifications were made in order to comply with accounting policies followed by the IFRS, as adopted by the European Union (IAS – International Accounting Standards and the IFRS – International Financial Reporting Standards) and legal for use as of January 1, 2011. The transition date from the local GAAP was January 1, 2004.

b. Consolidation

- Group companies

Group companies, often designated as subsidiaries, are entities over which CORTICEIRA AMORIM has a shareholding of more than one-half of its voting rights, or has the power to govern its management, namely its financial and operating policies.

Group companies are consolidated line by line, being the position of third-party interests in the shareholding of those companies stated in the balance sheet in the "Non-controlling interest" account. Date of first consolidation or de-consolidation is, in general, the beginning or the end of the quarter when the conditions for that purpose are fulfilled.

Losses for the period that are attributable to Non-controlling interest will be debited to the Non-controlling interest account until its balance equals to zero, being all subsequent losses fully attributed to CORTICEIRA AMORIM. In subsequent reversal of losses, all profits will be attributed to CORTICEIRA AMORIM up to the full recovery of prior losses appropriated. Afterwards the usual appropriation of results between CORTICEIRA AMORIM and third-party interests will be reassumed.

In the rare case where the minority part has the obligation to share its portion for the losses after its balance sheet account is cancelled, a receivable will be recorded in the consolidated Balance sheet.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred.

- Equity companies

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group’s investment in associates includes goodwill. Future impairments of goodwill will be adjusted against the carrying amount of investments The Group’s share of its associates post-acquisition profits or losses is recognised in the income statement, in the “Gain/(losses) in associates” account, and its share of post-acquisition movements in reserves is recognised in reserves. The carrying amount is also adjusted by dividends received. When the Group’s share of losses in an associate equals or exceeds its interest in the associate, the group does not recognise further losses, unless it has incurred obligation on behalf of the associate, in this case the liabilities will be recorded in a “Provisions” account.

c. Foreign currency translation

Consolidated financial statements are presented in thousands of euros. Euro is the legal currency of CORTICEIRA AMORIM, S.G.P.S., S.A., and is the currency in which two thirds of its business is made and so Euro is considered to be its functional and presentation currency.

Assets and liabilities denominated in foreign currency are translated to euros using year-end exchange rates. Net exchange differences arising from the different rates used in transactions and the rate used in its settlements is recorded in the income statement.

Assets and liabilities from non-euro subsidiaries are translated at the balance sheet date exchange rate, being its costs and gains from the income statement translated at the average exchange rate for the period / year.

d. Tangible Fixed Assets

Tangible fixed assets are originally their respective historical cost (including attributable expenses) or production cost, including, whenever applicable, interest costs incurred throughout the respective construction or start-up period, which are capitalised until the asset begins operating.

As part of the allocation of the fair value to the identifiable assets and liabilities in an acquisition process (IFRS 3), land and buildings of the subsidiaries as of January 1, 1991, were revalued by independent experts. Same procedure was followed for companies acquired later than that date.

Under IFRS 1, 16, and as of January 1, 2004, some of the relevant industrial equipment, fully, or in the near-term, depreciated, and of which is expected a medium or long term use, was subject to a revaluation process.

Depreciation is calculated on the straight-line basis, over the following years, which represent a reasonable estimate of the useful lives:

	Number of years
Buildings	20 to 50
Plant machinery	6 to 10
Motor vehicles	4 to 7
Office equipment	4 to 8

Depreciation is charged since the beginning of the financial year in which the asset is brought into use, except for big investment projects where depreciation begins with the start-up of production. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Current maintenance on repair expenses are charged to the actual income statement in which they occurred. Cost of operations that can extend the useful expected life of an asset, or from which are expected higher and significative future benefits, are capitalized.

An asset's carrying amount is written down to its recoverable amount and charged to the income statement if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses and disposals are included in the income statement. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to reserves.

e. Investment property

Includes land and buildings not used in production.

f. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. If positive, will be included as an asset in the "goodwill" account. If negative, it will be registered as a gain for the period.

Goodwill will be tested annually for impairment; impairment losses will be charged to the income statement and, consequently, its carrying amount adjusted.

g. Inventories

Inventories are valued at the lower of acquisition cost or production cost and net realisable value. Acquisition cost includes direct and indirect expenses incurred in order to have those inventories at its present condition and place. Where the net realisable value is lower than production cost, an adjustment is made to reduce inventories to this lower value. This adjustment will be reversed or reduced whenever the impairment situation no longer takes place.

Year-end quantities are determined based on the accounting records, which are confirmed by the physical inventory taking. Raw materials, consumables and by-products are valued at weighted average cost, and finished goods and work-in-progress at the average production cost which includes direct costs and indirect costs incurred in production.

h. Trade and other receivables

Trade and other receivables are registered initially at cost, adjusted for any subsequent impairment losses which will be charged to the income statement.

Medium and long-term receivables will be measured at amortised cost using the effective interest rate of CORTICEIRA AMORIM for similar periods.

i. Cash and cash equivalents

Cash includes cash in hand, deposits held at call in banks, time deposits and other no-risk short-term investments with original maturities of three months or less. In the Consolidated Statement of Cash Flow, this caption includes Bank overdrafts.

j. Interest bearing loans

Includes interest bearing loans amounts. Any costs attributable to the lender, will be deducted to the loan amount and charged, during its life, using the effective interest rate.

Interests are usually charged to the income statement as they occur. Interests arising from loans related with capital expenditure for periods longer than 12 months will be capitalised and charged to the specific asset under construction. Capitalisation will cease when the project is complete or suspended.

k. Income taxes – current and deferred

Except for companies included in groups of fiscal consolidation, income tax is calculated separately for each subsidiary, on the basis of its net result for the period adjusted according to tax legislation.

In the consolidated financial statements differences between the tax due for the current period and prior periods and the tax already paid or to be paid by each of the group companies are registered whenever it is likely that, on an individual company basis, a deferred tax will have to be paid or to be recovered in the foreseeable future (liability method).

l. Employee benefits

CORTICEIRA AMORIM Portuguese employees benefit exclusively from the national welfare plan. Employees from foreign subsidiaries (about 25% of total CORTICEIRA AMORIM) or are covered exclusively by local national welfare plans or benefit from complementary plans, being it defined contribution plans or defined benefit plans.

As for the defined contribution plans, contributions are recognised as employee benefit expense when they are due. The liability recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation, less the fair value of plan assets, as calculated annually by pension fund experts.

CORTICEIRA AMORIM recognises a liability and an expense for bonuses attributable to a large number of directors. These benefits are based on estimations that take in account the accomplishment of both individual goals and a pre-established CORTICEIRA AMORIM level of profits.

m. Provisions

Provisions are recognised when CORTICEIRA AMORIM has a present legal or constructive obligation as a result of past events, when it is more likely than not an outflow of resources will be required to settle the obligation and when a reliable estimation is possible.

Provisions are not recognised for future operating losses. Restructuring provisions are recognised with a formal detail plan and when third parties affected are informed.

n. Revenue recognition

Revenue comprises the value of the consideration received or receivable for the sale of goods and finished products. Revue is shown, net of value-added tax, returns, rebates, and discounts, including cash discounts. Revenue is also adjusted by any prior period's sales corrections.

Services rendered are immaterial and, generally, are refunds of costs related with finish product sales.

Sales revenue is recognised when the significant risk and rewards of ownership of the goods are transferred to the buyer and its amount can be reliably measured. Revenue receivable after one year will be discounted to its fair value.

o. Government grants

Grants received are related generally with fixed assets expenditure. No-repayable grants are present in the balance sheet as deferred income, and recognised as income on a systematic basis over the useful life of the related asset. Repayable interest bearing grants are presented as interests bearing debt; if no-interest bearing, they are presented as "Other borrowings". Noncurrent no-interest bearing repayable grants are presented with its net present value, using an interest discount rate similar to CORTICEIRA AMORIM interest bearing debt for same period.

p. Leasing

When a contract indicates that the significant risks and rewards of the ownership of the asset are transferred to CORTICEIRA AMORIM, leasing contracts will be considered as financial leases.

All other leasing contracts are treated as operating leases. Payments made under operating leases are charged to the income statement.

q. Derivative financial instruments

CORTICEIRA AMORIM uses derivatives financial instruments as forward and spot exchange rate contracts, options and swaps; these are intended to hedge its business financial risks and are not used for speculative purposes. CORTICEIRA AMORIM accounts for these instruments as hedge accounting, following all its standards. Dealing is carried out by a central treasury department (dealing room) on behalf of the subsidiaries, under policies approved by the Board of Directors.

Derivatives are initially recorded at cost and subsequently re-measured at their fair value.

The method of recognising is as follows:

- Fair value hedge

Changes in the fair value of derivatives that qualify as fair value hedges and that are expected to be highly effective, are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

- Cash flow hedge

Changes in the fair value of derivatives that qualify as cash flow edges and that are expected to be highly effective, are recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement.

- Net investment hedge

For the moment, CORTICEIRA AMORIM is not considering any foreign exchange hedge over its net investments in foreign units (subsidiaries).

CORTICEIRA AMORIM has fully identified the nature of its activities' risk exposure and documents entirely and formally each hedge; uses its information system to guarantee that each edge is supported by a description of: risk policy, purpose and strategy, classification, description of risk, identity of the instrument and of the risk item, description of initial measurement and future efficiency, identification of the possible derivative portion which will be excluded from the efficiency test. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, or the forecasted transaction no longer remains highly provable or simply is abandoned, or the decision to consider the transaction as a hedge, the company will de-recognised the instrument.

III. COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company		Head Office	Country	1Q11
Raw Materials				
Amorim Natural Cork, S.A.		**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**
Amorim & Irmãos, S.A. (Matérias Primas)	(a)	Ponte Sôr	PORTUGAL	100%
Amorim Florestal, S.A.	(g)	Ponte Sôr	PORTUGAL	100%
Amorim Florestal España, SL		San Vicente Alcántara	SPAIN	100%
Amorim Tunisie, S.A.R.L.		Tabarka	TUNISIA	100%
Comatral - C. Marocaine de Transf. du Liège, S.A.		Skhirat	MOROCCO	100%
Cork International, SARL		Tabarka	TUNISIA	100%
SIBL - Société Industrielle Bois Liége		Jijel	ALGERIA	51%
Société Nouvelle du Liège, S.A. (SNL)		Tabarka	TUNISIA	100%
Société Tunisienne d'Industrie Bouchonnière	(e)	Tabarka	TUNISIA	45%
Cork Stoppers				
Amorim & Irmãos, SGPS, S.A.		**Santa Maria Lamas**	**PORTUGAL**	**100%**
Amorim & Irmãos, S.A.	(a)	Santa Maria Lamas	PORTUGAL	100%
Amorim Argentina, S.A.		Tapiales - Buenos Aires	ARGENTINA	100%
Amorim Australasia		Adelaide	AUSTRALIA	100%
Amorim Cork América, Inc.		California	U. S. AMERICA	100%
Amorim Cork Austrália, Pty Ltd		Vic	AUSTRALIA	100%
Amorim Cork Beijing		Beijing	CHINA	100%
Amorim Cork Bulgaria EOOD		Plovdiv	BULGARIA	100%
Amorim Cork Deutschland GmbH & Co KG		Mainzer	GERMANY	100%
Amorim Cork Itália, SPA		Conegliano	ITALY	100%
Amorim Cork South Africa		Cape Town	SOUTH AFRICA	100%
Amorim France, S.A.S.		Champfleury	FRANCE	100%
Carl Ed. Meyer Korken		Delmenhorst	GERMANY	100%
Chapuis, S.L.		Girona	SPAIN	100%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%
FP Cork, Inc.		California	U. S. AMERICA	100%
Francisco Oller, S.A.		Girona	SPAIN	87%
Hungarocork, Amorim, RT		Budapeste	HUNGARY	100%
Indústria Corchera, S.A.	(f)	Santiago	CHILE	50%
Korken Schiesser Ges.M.B.H.		Viena	AUSTRIA	69%
Olimpiadas Barcelona 92, S.L.		Girona	SPAIN	100%
Portocork América, Inc.		California	U. S. AMERICA	100%
Portocork France		Bordéus	FRANCE	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%
Portocork Itália		Conegliano	ITALY	100%
S.A. Oller et Cie		Reims	FRANCE	87%
S.C.I. Friedland		Céret	FRANCE	100%
Société Nouvelle des Bouchons Trescases	(e)	Perpignan	FRANCE	50%
Victor y Amorim, Sl	(f)	Navarrete - La Rioja	SPAIN	50%

Company		Head Office	Country	1Q11
Floor & Wall Coverings				
Amorim Revestimentos, S.A.		**Lourosa**	**PORTUGAL**	**100%**
Amorim Benelux, BV - AR	(b)	Tholen	NETHERLAND	100%
Amorim Cork Distribution Netherlands BV		Tholen	NETHERLAND	100%
Amorim Cork GmbH		Delmenhorts	GERMANY	100%
Amorim Deutschland, GmbH & Co. KG - AR	(d)	Delmenhorts	GERMANY	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%
Amorim Flooring Investments, Inc.		Hanover - Maryland	U. S. AMERICA	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%
Amorim Flooring North America Inc		Hanover - Maryland	U. S. AMERICA	100%
Amorim Japan Corporation		Tóquio	JAPAN	100%
Amorim Revestimientos, S.A.		Barcelona	SPAIN	100%
Cortex Korkvertriebs GmbH		Fürth	GERMANY	100%
Corticeira Amorim - France SAS - AR	(c)	Lavardac	FRANCE	100%
Dom KorKowy, Sp. Zo. O.	(f)	Kraków	POLAND	50%
Inter Craft Coatings		S. Paio de Oleiros	PORTUGAL	50%
US Floors, Inc.	(e)	Dalton - Georgia	U. S. AMERICA	25%
Zodiac Kork- und Holzprodukte GmbH		Fürth	GERMANY	100%
Composites Cork				
Amorim Cork Composites, S.A.		**Mozelos**	**PORTUGAL**	**100%**
Amorim (UK) Ltd.		Horsham West Sussex	U.K.	100%
Amorim Benelux, BV - ACC	(b)	Tholen	NETHERLAND	100%
Amorim Cork Composites Inc.		Trevor Wisconsin	U. S. AMERICA	100%
Amorim Deutschland, GmbH & Co. KG - ACC	(d)	Delmenhorts	GERMANY	100%
Amorim Industrial Solutions - Imobiliária, S.A.		Corroios	PORTUGAL	100%
Chinamate (Xi'an) Natural Products Co. Ltd		Xi'an	CHINA	100%
Chinamate Development Co. Ltd		Hong Kong	CHINA	100%
Corticeira Amorim - France SAS - ACC	(c)	Lavardac	FRANCE	100%
Drauvil Europea, SL		San Vicente Alcantara	SPAIN	100%
Dyn Cork - Technical Industry, Lda		Paços de Brandão	PORTUGAL	50%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%
Samorim (Joint Stock Company Samorim)	(e)	Samara	RUSSIA	50%
Spheroil - Materiais Compósitos, Lda		Mozelos	PORTUGAL	100%
Insulation Cork				
Amorim Isolamentos, S.A.		**Vendas Novas**	**PORTUGAL**	**80%**
Holding				
Corticeira Amorim, SGPS, S.A.		**Mozelos**	**PORTUGAL**	**100%**
Amorim Benelux, BV - A&I	(b)	Tholen	NETHERLAND	100%
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%
Ginpar, S.A. (Générale d'Invest. et Participation)		Skhirat	MOROCCO	100%
Soc. Portuguesa de Aglomerados de Cortiça, Lda		Montijo	PORTUGAL	100%
Vatrya - Serviços de Consultadoria, Lda		Funchal - Madeira	PORTUGAL	100%

(a) – One single company: Amorim & Irmãos, S.A.

(b) – One single company: Amorim Benelux, BV.

(c) – One single company: Corticeira Amorim - France SAS.

(d) – One single company: Amorim Deutschland, GmbH & Co. KG.

(e) – Equity method consolidation.

(f) – CORTICEIRA AMORIM controls the operations of the company – line-by-line consolidation method.

(g) – Set-up during 1Q11. They will be included in consolidation starting 1H11.

IV. EXCHANGE RATES USED IN CONSOLIDATION

Consolidation		March 31, 2011	Average 1Q11	March 31, 2010	Average 1Q10
Argentine Peso	ARS	5,73930	5,49190	5,22982	5,30434
Australian Dollar	AUD	1,37360	1,36135	1,47410	1,52929
Lev	BGN	1,95570	1,95560	1,95600	1,95600
Brazilian Real	BRL	2,30580	2,27993	2,40430	2,48287
Canadian Dollar	CAD	1,37850	1,34838	1,36870	1,43829
Swiss Franc	CHF	1,30050	1,28714	1,43160	1,46379
Chilean Peso	CLP	676,330	659,112	708,600	717,002
Yuan Renminbi	CNY	9,27570	9,00810	9,22300	9,44633
Danish Krone	DKK	7,45670	7,45499	7,44470	7,44265
Algerian Dinar	DZD	101,981	98,4525	97,8948	98,6149
Euro	EUR	1	1	1	1
Pound Sterling	GBP	0,88370	0,85386	0,88980	0,88511
Hong Kong Dollar	HDK	11,0176	10,6628	10,4894	10,7415
Forint	HUF	265,720	272,428	265,750	268,522
Yen	JPY	117,610	112,570	125,930	125,485
Moroccan Dirham	MAD	11,2783	11,2033	11,1979	11,2214
Zloty	PLN	4,01060	3,94598	3,86730	3,98694
Tunisian Dinar	TND	1,96280	1,93310	1,89250	1,88890
US Dollar	USD	1,42070	1,36799	1,34790	1,38291
Rand	ZAR	9,65070	9,58753	9,89220	10,3852

V. SEGMENT REPORT

CORTICEIRA AMORIM is organised in the following Business Units (BU):

- Cork Stoppers
- Raw Materials
- Floor and Wall Coverings
- Composite Cork
- Insulation Cork

For purposes of this Report, the Business approach was selected as the primary segment. This is consistent with the formal organization and evaluation of business. The following table shows the main indicators of the said units, and, whenever possible, the reconciliation with the consolidated indicators (values in thousand EUR):

thousand euros

1Q2011	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	800	70.155	28.125	18.854	2.264	218	-	120.416
Other BU Sales	26.822	1.195	858	3.429	143	306	-32.754	-
Total Sales	**27.623**	**71.350**	**28.982**	**22.284**	**2.407**	**524**	**-32.754**	**120.416**
Current EBIT(i)	**6.582**	**3.965**	**-359**	**1.510**	**450**	**-658**	**66**	**11.557**
Assets	**87.822**	**270.691**	**114.659**	**69.961**	**11.470**	**48.197**	**-5.080**	**597.720**
Liabilities	**22.703**	**79.956**	**28.437**	**22.265**	**1.678**	**13.411**	**156.181**	**324.631**
Capex	**324**	**3.321**	**1.102**	**1.983**	**106**	**-**	**-**	**6.836**
Depreciation	**-783**	**-2.275**	**-1.474**	**-834**	**-144**	**-12**	**-**	**-5.522**
Non-cash cost (ii)	**-29**	**-292**	**-2.070**	**-181**	**-26**	**-**	**-**	**-2.598**
Gains/Losses in associated companies	**9**	**211**	**-**	**-**	**-**	**-**	**-**	**220**

1Q2010	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	1.003	64.505	28.965	16.758	2.047	2	-	113.280
Other BU Sales	22.020	1.284	517	2.348	190	283	-26.642	-
Total Sales	**23.023**	**65.789**	**29.482**	**19.106**	**2.237**	**285**	**-26.642**	**113.280**
Current EBIT(i)	**3.649**	**7.258**	**478**	**892**	**373**	**-2.583**	**-388**	**9.679**
Assets	**87.622**	**252.267**	**114.498**	**69.398**	**11.448**	**3.036**	**-13.703**	**524.566**
Liabilities	**18.661**	**71.493**	**26.007**	**17.992**	**1.782**	**7.158**	**129.073**	**272.166**
Capex	**67**	**1.617**	**1.571**	**454**	**125**	**-**	**-**	**3.834**
Depreciation	**-847**	**-2.104**	**-1.609**	**-828**	**-155**	**-11**	**-**	**-5.554**
Non-cash cost (ii)	**233**	**-512**	**162**	**-180**	**10**	**-800**	**-206**	**-1.293**
Gains/Losses in associated companies	**9**	**135**	**-7**	**-**	**-**	**-**	**-**	**137**

Notes:

Adjustments = eliminations inter-BU and amounts not allocated to BU

EBIT =Profit before interests, minorities and income tax.

Provisions and asset impairments were considered the only relevant material cost.

Segments assets do not include DTA (deferred tax asset) and non-trade group balances.

Segments liabilities do not include DTL (deferred tax liabilities), bank loans and non-trade group balances.

The decision to report EBIT figures allows a better comparison of the different BU performances, disregarding the different financial situations of each BU. This is also coherent with the existing Corporate Departments, as the Financial Department is responsible for the bank negotiations, being the tax function the responsibility of the Holding Company.

Cork Stoppers BU main product is the different kinds of existing cork stoppers. The main markets are the bottling countries, from the traditional ones like France, Italy, Germany, Spain and Portugal, to the new markets like USA, Australia, Chile, South Africa and Argentina.

Raw Materials BU is, by far, the most integrated in the production cycle of CORTICEIRA AMORIM, with 90% of its sales to others BU, specially to Cork Stoppers BU. Main products are bark and discs.

The remaining BU produce and sell a vast number of cork products made from cork stoppers waste. Main products are cork floor tiles, cork rubber for the automotive industry and antivibratic systems, black agglomerates for insulation and acoustic purposes, technical agglomerates for civil construction and shoe industry, as well as granulates for agglomerated, technical and champagne cork stoppers.

Major markets for flooring and insulation products are in Europe. Major production sites are in Portugal, where most of the invested capital is located. Products are distributed in practically all major markets through a fully owned network of sales companies. About 70% of total consolidated sales are achieved through these companies.

VI. SELECTED NOTES

Data to be included in the interim notes, materially relevant, which is not included in prior chapters:

- These interim financial statements were prepared using similar accounting policies as those used when preparing prior year-end statements;
- CORTICEIRA AMORIM business are spread through a large basket of products, throughout the five continents and more than a hundred countries; so, it is not considered that its activity is subjected to any particular form of seasonality. Anyway it has been registered a higher first half activity, mainly during the second quarter; third and fourth usually exchange as the weakest quarter;
- As of April 1, 2011, Shareholders Meeting approved 2010 Accounts.

Mozelos, May 2, 2011

The Board of Directors of CORTICEIRA AMORIM, S.G.P.S., S.A.

António Rios de Amorim
Chairman of the Board of Directors ______________________

Joaquim Ferreira de Amorim
Vice-President of the Board of Directors ______________________

Nuno Filipe Vilela Barroca de Oliveira
Member of the Board of Directors ______________________

Luísa Alexandra Ramos Amorim
Member of the Board of Directors ______________________

José da Silva Carvalho Neto
Member of the Board of Directors ______________________

André de Castro Amorim
Member of the Board of Directors ______________________

Fernando José de Araújo dos Santos Almeida
Member of the Board of Directors ______________________