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

CONSOLIDATED ACCOUNTS
(Interim – Non Audited)

Year to date 2009
(9M09)

3rd Quarter 2009
(3Q09)

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

Capital Social: EUR 133 000 000,00
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Shareholders of CORTICEIRA AMORIM,

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

CONSOLIDATED MANAGEMENT REPORT INTERIM

1. INTRODUCTION

During Q3, the signs of a reverse in the economic slowdown as original seen in Q2, were confirmed. Confidence levels and the stock market evolution were the main indicators to support the reverse of the activity sign.

Sales decreased 11,6%, similar to the second quarter register. This variance continues to be caused, largely, by a volume effect and by a less favourable sales mix. Year to date variance improved to -13,5% reaching 315,8 million euro (M€), mainly driven by a volume effect and a less favourable sales mix.

In Q3, fist line effect of the USD devaluation was aggravated. In terms of the last line of the profit and loss account that effect was neutral in practical terms, due to the exchange rate hedging of the USD orders received.

As a whole, activity has benefited again from the operating and debt cost reductions. This way, Q3 2009 posted an EBIT similar to Q3 2008 (9,1M€), regardless of lower sales. After financial costs, results reached 8,3M€, a 19% increase from correspondent 2008 levels. As a consequence, profit for the quarter reached 5,735M€, a 60,5% jump from same quarter 2008.

Third quarter performance anticipated one quarter the year end goal of a positive result for the full 2009, as announced in the semester report.

2. ACTIVITY BY BUSINESS UNIT (BU)

RAW-MATERIALS

Reversing the negative trend of the first two quarters, Raw-materials BU registered a positive Q3 result (EBIT totalled 0,6M€). Operating cost reductions and higher cork transformation yields, were the two main reasons for the upturn. Cork piles transformed during the third quarter, registered better yields than those laboured in the first half.

As referred in the semester report, the cork harvesting season ended, in practical terms, during Q3. Cork volume for the 2010 production was acquired at an average price that allows for a smooth performance of this BU during next year.

CORKSTOPPERS

The Corkstoppers BU continued to outperform the other BU of CORTICEIRA AMORIM. Although sales in Q3 were lower than a year ago (-6,1%), Gross Margin and operating costs evolution had a very positive impact in the results. EBIT rose 41% in Q3 to 7,7M€. Accumulated EBIT fell just short of 9M08 (15,5M€ versus 16,4M€), even considering the restructuring costs as announced at the beginning of the year.

In Q3, the same emphasis to Neutrocork® and Colmated stoppers sales, namely the Acquamark® new corkstopper. Sales of other stoppers families were still below prior year corresponding period, although a slowdown in the pace of the drop was observed as compared to the register at the end of the semester.

Sales to the French market declined by about 10%. France is the most important market, not only for the cork industry as a whole, but also for CORTICEIRA AMORIM. Worth pointing out that this market decline as a whole was estimated to be higher than the 10% registered by CORTICEIRA AMORIM. Sales to the US market - the second most important for CORTICEIRA AMORIM- remained stable in volume, but its value decreased slightly by 3%, as a result of a less favourable sales mix. Sales to other markets were, broadly speaking, in line with the sales trend of the BU.

FLOORINGS

The floor and wall cork coverings BU´s EBIT improved significantly in Q3 (-0,4M€). This value compares favourably with the values of -2,2M€ in Q1 and -1,7M€ in Q2. Accumulated EBIT reached thus -4,3M€. EBIT improvement in Q3 was essentially triggered by a more favourable sales mix and a decrease in operating costs. In fact, the significant drop in Q3 sales (-21%) was almost entirely due to a sharp fall (-78%) of non-cork products. This way, as far as cork floor and wall coverings are concerned - the highest value added product of this BU - sales in Q3 reached the same volume as in Q3 2008, and where only below 3% in value terms.

This important change in sales mix, on top of the quarterly cork coverings sales evolution, had a significant impact in the Gross Margin, which in percentual terms, increased more than 5% versus 3Q08. Impairments totalled 0,8M€ in the third quarter, due to a prudent approach to customers unpaid balances. This contingency was particularly based on Portuguese construction companies, a well known case of treasury difficulties.

As far as markets are concerned, the most significant declines were observed in Eastern Europe and Nordic countries. Sales of wood products to these markets have traditionally a much greater importance than to other markets. Some 13M€ out of a global drop in sales of 20M€ are the result of a decrease in sales to the above regions.

COMPOSITE CORK

After high losses in Q1, due to the upcoming of various negative effects (very low sales, high severance costs and receivables impairments), Composite cork BU has been improving, both in terms of cumulative sales, as well as in results. Year to date sales maintained a significant drop (-19,7%), better than 1H (-20,6%) and Q1 (-24,9%). As for the EBIT, its register benefited from the said sales evolution and from the operating costs reduction (-4,1M€ in Q1, +0,3M€ in Q2 and +2,0M€ in Q3). Even in comparison with Q3 2008, third quarter 2009 EBIT shows a positive trend (+2,0M€ versus +1,5M€).

As with other BU´s, the US market was also one of the least hit by the world crisis (sales decreased by 9,3%). On the other hand, the Russian market, in particular, and the Eastern market in general, were among the most negatively affected markets (-51%). As for applications, it can be said that all of them were hit negatively. Year to date sales to the value added Group chain fell by some 30%.

INSULATION

Insulation BU managed to obtain a similar 9M09 EBIT as 9M08 (1,1M€), regardless of the 11,5% sales drop.

A higher percentual Gross Margin offset exactly the loss due to less volume. In face of flat operating costs, EBIT registered the same value as 9M08 (1,1M€).

3. RESULTS

As disclosed before, sales evolution was not the reason behind the surge in profits registered in Q2 and Q3. As referenced in 1H report, second half planning was based in flat demand for CORTICEIRA AMORIM products and in the continuity of operating costs reduction. It can be said that the plan has been accomplished. As for sales, it was already emphasized that its drop has been stabilized (17,2% in Q1, 11,4% in Q2 and 11,6% in Q3). As for operating costs, apart from those arising from the restructuring registered during Q1 and Q2, the reduction was a fact: -5,8% in Q1, -8,3% in Q2 and -8,8% in Q3, when compared with correspondent quarters of 2008. Year to date comparisons show a decrease totalling 10,9M€ (-7,6%).

As a consequence of the good Q3 performance, cumulative EBIT (excluding restructuring costs) amounted to 12,7M€, meaning 48% of 9M08 register. Worth pointing out that this ratio was only 22% as at the end of the semester.

The second most important reason for the profit improvement is due to the financial part of the results, or in other words, the interest costs. Interest rates relentlessly decrease, as seen during the first three quarters, was the main reason behind the interest cost reduction. And this was possible even with higher interest rates spreads imposed by all of the banks that conduct business with CORTICEIRA AMORIM. The other reason for the interest costs decrease was the sharp reduction in interest-bearing debt. As at the end of September, net interest bearing debt was 154,7M€, its lowest since far away 1997.

It is estimated that 80% of the interest costs reduction was due to interest rates drop, and 20% to the debt fall.

After equity gains, income tax accrual and minority interests in not fully owned subsidiaries, year to date net profit reached 2,249M€. This cumulative profit was positive for the first time since the beginning of the year, but compares unfavourable with a 10,462M€ registered during 9M08.

4. FINANCIAL POSITION

Cash generated from working capital reduction, together with the cash from results, were used, broadly speaking, in CAPEX (12,8M€) and in interest bearing debt reduction (68M€). Working capital generated cash was due to a close inventory control, leveraged by a decrease in price of some of the raw-materials items. But the main contribution comes from the Suppliers account. Longer payments terms and, mainly, the use of confirming since the end of Q2, were the reason behind the variation in the said account (+38,7M€).

As of a consequence of a lower Balance Sheet, CORTICEIRA AMORIM equity/assets ratio improved again, registering 44,5% as at the end of September 2009.

5. KEY INDICATORS

		3Q09	3Q08	Var.	9M09	9M08	Var.
Sales		103 307	116 818	-11.57%	315 780	364 942	-13,47%
Gross Margin		47 681	52 658	-9,45%	146 739	171 293	-14,33%
	1)	49,41%	49,89%	-0,48 p.p.	-47,11 %	-47,62 %	-0,51 p.p.
Operating Costs -Current	2)	38 579	42 313	-8,82%	134 044	114 993	-7,55%
EBITDA Current		13 167	14 974	-12,07%	27 817	43 151	-35,54%
EBIT Current		9 102	10 345	-12,02%	12 695	26 300	-51,73%
Restructuring costs		0	0	N/A	4 515	0	N/A
Net Income		5 735	3 573	+60,51%	2 249	10 462	-78,50%
Earnings per share	3)	0,044	0,027	+60,13%	0,017	0,080	-78,46%
EBITDA/Net Interest (x)		14,49	4,25	+10,23 x	5,63	4,30	1,33 x
Equity/Net Assets		-	-	-	44,48%	41,68%	+ 3,00 p.p.
Net Bank Debt		-	-	-	154 714	223 308	-30,72%

1) *Related to Production*
2) *Includes financial costs and revenues other than interest, and extraordinary*
3) *Net Income / Average outstanding shares (euro/share)*

Mozelos, November 2, 2009

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

António Rios de Amorim

Joaquim Ferreira de Amorim

Nuno Filipe Vilela Barroca de Oliveira

Luísa Alexandra Ramos Amorim

José da Silva Carvalho Neto

André de Castro Amorim

Fernando José de Araújo dos Santos Almeida

FINANCIAL REPORT INTERIM

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (NON AUDITED)

thousand euro

	September 2009	December 2008	September 2008
Assets			
Property, plant and equipment	177.269	179.777	178.557
Investment property	9.319	9.349	9.360
Goodwill	18.613	13.498	14.728
Investments in associates	5.506	10.427	3.355
Intangible assets	753	808	540
Other financial assets	2.385	2.490	2.834
Deferred tax assets	9.753	8.224	8.447
Non-current assets	**223.598**	**224.573**	**217.821**
Inventories	183.473	205.659	219.194
Trade receivables	109.003	103.423	117.260
Current tax assets	15.888	20.322	23.537
Other current assets	10.679	16.148	15.173
Cash and cash equivalents	10.115	4.596	5.269
Current assets	**329.158**	**350.149**	**380.433**
Total Assets	**552.756**	**574.722**	**598.254**
Equity			
Share capital	133.000	133.000	133.000
Own shares	-2.800	-2.501	-2.501
Other reserves	103.445	100.480	98.105
Net Income	2.249	6.153	10.462
Minority interest	9.960	9.593	10.305
Total Equity	**245.854**	**246.724**	**249.370**
Liabilities			
Interest-bearing loans	122.478	118.266	121.674
Other borrowings and creditors	6.296	7.728	9.555
Provisions	5.248	4.732	4.672
Deferred tax liabilities	5.257	5.002	5.289
Non-current liabilities	**139.279**	**135.728**	**141.191**
Interest-bearing loans	42.351	109.292	106.903
Trade payables	71.936	33.267	42.076
Other borrowings and creditors	43.470	37.955	43.962
Tax liabilities	9.866	11.756	14.751
Current liabilities	**167.622**	**192.270**	**207.693**
Total Liabilities and Equity	**552.756**	**574.722**	**598.254**

CONSOLIDATED INCOME STATEMENT – 9 MONTHS (NON AUDITED)

thousand euro

	September 2009	September 2008
Sales	315.780	364.942
Costs of goods sold and materials consumed	-164.719	-188.396
Change in manufactured inventories	-4.322	-5.252
Gross Margin	**146.739**	**171.293**
	47,1%	47,6%
Third party supplies and services	53.469	58.729
Staff costs	65.206	68.708
Impairments of assets	2.298	944
Other gains (+) and cost (-)	2.051	238
Current EBITDA	**27.817**	**43.151**
Depreciation	15.122	16.851
Current EBIT	**12.695**	**26.300**
Reestructuring costs	4.515	0
Net interest	-4.939	-10.025
Share of (loss)/profit of associates	568	579
Profit before tax	**3.809**	**16.853**
Income tax	973	5.505
Profit after tax	**2.835**	**11.348**
Minority interest	586	885
Net Income attributable to the equity holders of Corticeira Amorim	**2.249**	**10.462**
Earnings per share - Basic e Diluted (euros per share)	**0,017**	**0,080**

CONSOLIDATED INCOME STATEMENT – 3RD QUARTER (NON AUDITED)

thousand euro

	3Q2009	3Q2008
Sales	103.307	116.818
Costs of goods sold and materials consumed	-48.823	-52.896
Change in manufactured inventories	-6.803	-11.264
Gross Margin	**47.681**	**52.658**
	49,4%	49,9%
Third party supplies and services	16.492	18.909
Staff costs	17.438	18.881
Impairments of assets	883	581
Other gains (+) and cost (-)	299	686
Current EBITDA	**13.167**	**14.973**
Depreciation	4.065	4.629
Current EBIT	**9.102**	**10.345**
Net interest	-909	-3.521
Share of (loss)/profit of associates	90	135
Profit before tax	**8.283**	**6.959**
Income tax	2.297	3.096
Profit after tax	**5.986**	**3.864**
Minority interest	251	291
Net Income attributable to the equity holders of Corticeira Amorim	**5.735**	**3.573**
Earnings per share - Basic e Diluted (euros per share)	**0,044**	**0,027**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – 9 MONTHS (NON AUDITED)

thousand euro

	September 2009	September 2008
Net Income (before Min. Interest)	**2.835**	**11.348**
Change in derivative financial instruments fair value	-2.941	233
Change in translation differences	-245	416
Net Income directly registered in Equity	**-3.186**	**649**
Total Net Income registered	**-351**	**11.997**
Attributable to:		
Corticeira Amorim Shareholders	-937	11.112
Minority Interests	586	885

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – 3RD QUARTER (NON AUDITED)

thousand euro

	3º TRIM. 2009	3º TRIM. 2008
Net Income (before Min. Interest)	**5.986**	**3.863**
Change in derivative financial instruments fair value	-591	103
Change in translation differences	-599	1.292
Net Income directly registered in Equity	**-1.190**	**1.395**
Total Net Income registered	**4.796**	**5.258**
Attributable to:		
Corticeira Amorim Shareholders	4.545	4.967
Minority Interests	251	291

CONSOLIDATED STATEMENT OF CASH FLOW – 9 MONTHS (NON AUDITED)

thousand euro

	9M09	9M08
OPERATING ACTIVITIES		**reexpresso**
Collections from customers	321.683	383.994
Payments to suppliers	-204.196	-296.315
Payments to employees	-69.420	-69.618
Operational cash flow	48.068	18.061
Payments/collections - income tax	-2.516	-2.289
Other collections/payments related with operational	38.567	8.488
CASH FLOW BEFORE EXTRAORDINARY ITEMS (1)	**84.119**	**24.260**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	190	1.062
Investment property	22	415
Interests and similar gains	340	122
Investment subsidies	3.733	2.514
Dividends	100	100
Payments due to:		
Tangible assets	-12.837	-20.009
Financial investments	-46	-1.013
Intangible assets	-15	-20
CASH FLOW FROM INVESTMENTS (2)	**-8.512**	**-16.829**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	0	13.963
Others	129	269
Payments due to:		
Loans	-61.035	0
Interests and similar expenses	-5.527	-9.661
Dividends	-437	-8.217
Acquisition of treasury stock	-299	0
Others	-637	-465
CASH FLOW FROM FINANCING (3)	**-67.806**	**-4.111**
Change in Cash (1) + (2) + (3)	7.801	3.320
Exchange rate effect	-20	-40
Perimeter effect	-	-
Cash at beginning	-2.488	-2.835
Cash at end	5.291	445

CONSOLIDATED STATEMENT OF CASH FLOW – 3RD QUARTER (NON AUDITED)

thousand euro

	3Q2009	3Q2008
OPERATING ACTIVITIES		**restatement**
Collections from customers	108.649	137.455
Payments to suppliers	-62.582	-88.377
Payments to employees	-21.949	-24.399
Operational cash flow	24.119	24.679
Payments/collections - income tax	-420	-447
Other collections/payments related with operational	11.183	-18.526
CASH FLOW BEFORE EXTRAORDINARY ITEMS (1)	**34.882**	**5.706**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	78	89
Investment property	0	2
Interests and similar gains	89	-7
Investment subsidies	81	-57
Dividends	100	0
Payments due to:		
Tangible assets	-3.082	-7.031
Financial investments	-25	325
Intangible assets	-7	-5
CASH FLOW FROM INVESTMENTS (2)	**-2.765**	**-6.684**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	0	8.501
Others	51	187
Payments due to:		
Loans	-25.556	0
Interests and similar expenses	-711	-2.809
Dividends	-260	-130
Acquisition of treasury stock	0	38
Others	-251	-150
CASH FLOW FROM FINANCING (3)	**-26.727**	**5.637**
Change in Cash (1) + (2) + (3)	5.390	4.659
Exchange rate effect	-61	309
Perimeter effect	-	-
Cash at beginning	-36	-4.523
Cash at end	5.291	445

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

thousand euro

	Balance Beginning	Appropriation of N-1 profit	Dividends	Net Profit N	Increases / Decreases	Translation Differences	End Balance
September 30, 2009							
Equity:							
Share Capital	133.000	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.589	-	-	-	-499	-	-3.088
Treasury Stock - Discounts and Premiums	88	-	-	-	199	-	287
Paid-in Capital	38.893	-	-	-	-	-	38.893
IFRS Transition Adjustments	-8.675	-	-	-	-	45	-8.630
Hedge Accounting	3.272	-	-	-	-2.941	-	331
Reserves							
Legal Reserve	7.445	-	-	-	-	-	7.445
Other Reserves	62.037	6.153	-	-	-66	-267	67.857
Translation Difference	-2.493	-	-	-	-	43	-2.450
	230.978	**6.153**	**0**	**0**	**-3.307**	**-179**	**233.645**
Net Profit for the Year	6.153	-6.153	-	2.249	-	-	2.249
Minority interests	9.593	-	-486	586	-181	448	9.960
Total Equity	**246.724**	**0**	**-486**	**2.835**	**-3.488**	**269**	**245.854**
September 30, 2008							
Equity:							
Share Capital	133.000	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.568	-	-	-	-21	-	-2.589
Treasury Stock - Discounts and Premiums	105	-	-	-	-17	-	88
Paid-in Capital	38.893	-	-	-	-	-	38.893
IFRS Transition Adjustments	-12.312	-	-	-	3.694	-34	-8.652
Hedge Accounting	-219	-	-	-	233	-	14
Reserves							
Legal Reserve	7.445	-	-	-	-	-	7.445
Other Reserves	49.909	23.245	-7.825	-	-3.419	-	61.910
Translation Difference	-1.681	-	-	-	-	175	-1.506
	212.572	**23.245**	**-7.825**	**0**	**470**	**141**	**228.603**
Net Profit for the Year	23.245	-23.245	-	10.462	-	-	10.462
Minority interests	9.573	-	-367	885	463	-250	10.305
Total Equity	**245.390**	**0**	**-8.192**	**11.348**	**933**	**-109**	**249.370**

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 November 2, 2009.

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, 2008. 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 "Minority Interests" 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 Minority Interests will be debited to the Minority 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". Medium and long-term 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	9M09
Raw Materials				
Amorim Natural Cork, S.A.		**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**
Amorim & Irmãos - IV, S.A.		Alcântara	SPAIN	100%
Amorim & Irmãos, S.A. (Matérias Primas)	(a)	Ponte Sôr	PORTUGAL	100%
Amorim Florestal Catalunya, SL		Cassa de la Selva - Girona	SPAIN	100%
Amorim Florestal España, SL		San Vicente Alcántara	SPAIN	100%
Amorim Florestal Espanha, S.A.		San Roque Cádiz	SPAIN	100%
Amorim Tunisie, S.L.		Tabarka	TUNISIA	100%
Comatral - C. de 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 Fabrique Liège de Tabarka, S.A.		Tabarka	TUNISIA	100%
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 Benelux, BV - A&I	(b)	Tholen	NETHERLAND	100%
Amorim Cork América, Inc.		California	U. S. A.	100%
Amorim Cork Austrália, Pty Ltd		Vic	AUSTRALIA	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%
Aplifin - Aplicações Financeiras, S.A.		Mozelos	PORTUGAL	100%
Carl Ed. Meyer Korken		Delmenhorst	GERMANY	100%
Chapuis, S.L.	(h)	Girona	SPAIN	100%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%
FP Cork, Inc.		California	U. S. A.	100%
Francisco Oller, S.A.		Girona	SPAIN	87%
Hungarocork, Amorim, RT		Budapeste	HUNGRIA	100%
Indústria Corchera, S.A.	(f)	Santiago	CHILE	50%
KHB - Kork Handels Beteiligung, GMBH		Delmenhorst	GERMANY	100%
Korken Schiesser Ges.M.B.H.	(i)	Viena	AUSTRIA	69%
Llosent & Forschner Korken GmbH	(i)	Oberwaltersdorf	AUSTRIA	69%
M. Clignet & Cie		Bezannes	FRANCE	100%
Olimpiadas Barcelona 92, S.L.	(h)	Girona	SPAIN	100%
Portocork América, Inc.		California	U. S. A.	100%
Portocork France		Bordéus	FRANCE	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%
Portocork Italia		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	9M09
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. A.	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%
Amorim Flooring North America Inc		Hanover - Maryland	U. S. A.	100%
Amorim Japan Corporation	(g)	Tokyo	JAPAN	100%
Amorim Revestimientos, S.A.		Barcelona	SPAIN	100%
Amorim Wood Suplies, GmbH		Bremen	GERMANY	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, Lda.		S. Paio de Oleiros	PORTUGAL	50%
US Floors, Inc.	(e)	Dalton - Georgia	U. S. A.	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. KINGDOM	100%
Amorim Benelux, BV - ACC	(b)	Tholen	NETHERLAND	100%
Amorim Cork Composites Inc.		Trevor Wisconsin	U. S. A.	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%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%
Samorim (Joint Stock Company Samorim)	(e)	Samara	RUSSIA	50%
Insulation Cork				
Amorim Isolamentos, S.A.		**Vendas Novas**	**PORTUGAL**	**80%**
Holding				
Corticeira Amorim, SGPS, S.A.		**Mozelos**	**PORTUGAL**	**100%**
Ginpar, S.A. (Générale d' Investiss. et Participation)		Skhirat	MOROCCO	100%
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%
Sopac - Soc. Port. 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) – Consolidated started as of January 1, 2009

(h) – In a merger process with Francisco Oller, S.A.

(i) – Llosent was merged with Korken Schiesser as of 3Q09.

Immaterial companies Amorim Cork Bulgaria, Moldamorim, Amorim Cork Beijing were not consolidated.

Amorim & Irmãos VII, SRL subsidiary was liquidated during the 1st quarter.

IV. EXCHANGE RATES USED IN CONSOLIDATION

Consolidation September 30, 2009		Year to date	Average
Argentine Peso	ARS	5,62127	5,06424
Australian Dollar	AUD	1,65960	1,82296
Brazilian Real	BRL	2,605	2,83419
Canadian Dollar	CAD	1,57090	1,59331
Swiss Franc	CHF	1,50780	1,51045
Chilean Peso	CLP	803,460	780,288
Yuan Renminbi	CNY	9,98990	9,33625
Danish Krone	DKK	7,44430	7,44754
Algerian Dinar	DZD	103,8823	98,1034
Euro	EUR	1	1
Pound Sterling	GBP	0,90930	0,88621
Hong Kong Dollar	HDK	11,34	10,5931
Forint	HUF	269,700	283,543
Yen	JPY	131,070	129,535
Moroccan Dirham	MAD	11,2938	11,1872
Metical	MZM	40,24	36,18
Norwegian Krone	NOK	8,4600	8,84172
Zloty	PLN	4,22950	4,37972
Ruble	RUB	43,9545	44,3134
Swedish Kronor	SEK	10,23200	10,71031
Tunisian Dinar	TND	1,8948	1,865
US Dollar	USD	1,46430	1,36648
Rand	ZAR	10,89840	11,87716

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 euro

9M2009	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Ajustments	Consolidated
Trade Sales	5.484	181.972	82.003	40.273	6.039	9	-	315.780
Other BU Sales	57.010	2.889	1.650	7.691	505	503	-70.248	-
Total Sales	**62.494**	**184.861**	**83.653**	**47.964**	**6.544**	**512**	**-70.248**	**315.780**
EBIT	**-723**	**17.424**	**-4.293**	**993**	**1.130**	**-1.970**	**134**	**12.695**
Assets	**110.097**	**242.658**	**121.719**	**70.022**	**11.879**	**6.016**	**-9.635**	**552.756**
Liabilities	**31.262**	**64.330**	**30.433**	**14.981**	**1.793**	**4.129**	**159.974**	**306.902**
Capex	**801**	**5.276**	**4.641**	**1.665**	**398**	**27**	**-**	**12.808**
Year Depreciation	**-2.212**	**-6.343**	**-3.845**	**-2.238**	**-438**	**-46**	**-**	**-15.122**
Non-cash cost	**-108**	**-615**	**-1.627**	**-542**	**-114**	**2**	**-**	**-3.004**
Gains/Losses in associated companies	**2**	**335**	**231**	**-**	**-**	**-**	**-**	**568**

9M2008	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Ajustments	Consolidated
Trade Sales	4.950	202.012	102.343	48.811	6.709	117		364.942
Other BU Sales	73.066	3.209	1.653	10.939	693	380	-89.940	
Total Sales	**78.016**	**205.221**	**103.996**	**59.750**	**7.401**	**497**	**-89.940**	**364.942**
EBIT	**4.593**	**16.362**	**5.913**	**1.083**	**1.127**	**-2.216**	**-562**	**26.300**
Assets	**142.830**	**268.080**	**118.326**	**84.128**	**11.511**	**6.276**	**-31.296**	**599.854**
Liabilities	**36.372**	**52.995**	**25.939**	**18.567**	**1.973**	**8.220**	**204.818**	**348.884**
Capex	**620**	**5.894**	**10.012**	**2.724**	**540**	**29**	**-**	**19.819**
Year Depreciation	**-2.370**	**-7.113**	**-4.113**	**-2.797**	**-412**	**-45**	**-**	**-16.851**
Non-cash cost	**-163**	**-145**	**-397**	**270**	**-29**	**-46**	**-**	**-510**
Gains/Losses in associated companies	**9**	**570**	**-**	**-**	**-**	**-**	**-**	**579**

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;

Mozelos, November 2, 2009

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

António Rios de Amorim

Joaquim Ferreira de Amorim

Nuno Filipe Vilela Barroca de Oliveira

Luísa Alexandra Ramos Amorim

José da Silva Carvalho Neto

André de Castro Amorim

Fernando José de Araújo dos Santos Almeida