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

CONSOLIDATED ACCOUNTS
(Interim – Unaudited)

1st Quarter 2012
(1Q12)

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,

In accordance with the law, the Directors of CORTICEIRA AMORIM S.G.P.S., S.A., a public company, present their

CONSOLIDATED MANAGEMENT REPORT INTERIM

1. INTRODUCTION

The first quarter of 2012 (1Q12) proved to be very positive for CORTICEIRA AMORIM, both in terms of sales and profitability. Our Company recorded its ninth consecutive quarter of consolidated sales growth in the range of 5% to 10%.

The growth in the wine market as well as the increase in CORTICEIRA AMORIM's market share are factors that continue to justify increased sales by the Cork Stoppers Business Unit (BU).

The strong sales growth in the Floor and Wall Coverings BU was mainly driven by a burgeoning demand for these products from new markets.

Taking advantage of the upward momentum in some markets, the sales performance of the Cork Composites BU was noteworthy - although to a lesser extent -, a fact that we are delighted to stress.

The EBITDA to sales ratio maintained its high level (14.3%) contributing to a rise in the absolute value of EBITDA that totaled 18.7 million Euros (M €).

Net income for the first quarter 2012 amounted to € 5,761 M, which represents an increase of 11.8% compared to € 5.153 M in the same quarter last year.

2. SALES AND RESULTS

Consolidated sales amounted to € 131.3 M, an increase of about € 11 M (+ 9%) compared to the same quarter in 2011.

The highlight goes to our two most important Business Units (BU). In fact, both the Cork Stoppers BU and the Floor and Wall Coverings BU showed noteworthy sales performance. The 7.2% increase in sales made by the Cork Stoppers BU as well as the 14.8% sales increase of the Floor and Wall Coverings BU contributed decisively to a positive trend in consolidated sales.

Raw Materials BU

First quarter sales increased by about 19% as compared to 1Q11. Sales to the chain value of the Group jumped by 17% in Q1 of 2012. This performance of the Raw Materials BU is the result of the manufacture of high quantities of cork acquired in 2011 as well as an enhanced integration into the production cycle of CORTICEIRA AMORIM.

The increase in the price paid for cork harvested in 2011 started to have an adverse impact on the margins of this BU when such cork began to be manufactured.

Although our plants in North Africa have managed to overcome without significant difficulties the social unrest that raged in 2011, the incidents taking place in this region continue to be a cause of concern for our Raw Materials BU.

Even though the 2012 cork harvest has not started yet, CORTICEIRA AMORIM's involvement in the cork purchasing market ran as planned in the quarter under review. As usual, the weather will play a decisive role in both cork's quality and quantity and the then resulting price of cork.

Cork stoppers BU

With a total of € 76.5 M (+7.2%) in 1Q12, the sales of the Cork Stoppers BU maintained a growth pace similar to that observed in recent quarters.

The contribution of natural cork wine stoppers to this increase continues to be relevant (+10.7%). The sales of natural cork stoppers accounted for more than 40% of total sales of cork closures in 1Q12.

As regards the other families of cork stoppers, the increase in the sales of Neutrocork® (+18%) and capsulated cork stoppers (+22%) is worth a special mention. The sales of other types of cork stoppers rose less significantly.

The sales increase in the Cork Stoppers BU was to a great extent due to the behaviour of its two most important markets, i.e. France (+7.2%) and the USA (+10.4%). Together, these two markets account for almost half of this BU's sales.

Floor and Wall Coverings BU

This BU reported a significant growth in sales (€ 33.3 M: +14.8%). The increase in the sales of both manufactured products and trade products - in particular, wood veneered floor and wall coverings - neared the total sales of this BU. The inclusion of Timbermam in the consolidation scope of Corticeira Amorim from 3Q11 had a positive effect on 1Q12 performance.

The rise in sales resulted mainly from an increase in the quantities of products sold. Both manufactured products and wood veneered floor and wall coverings recorded increases in their gross margins.

Sales to our traditional central European markets continued to show no signs of growth. In contrast, the new markets in North America, Eastern Europe and China were responsible for the sales growth in this BU. As regards products, the LVT vinyl flooring deserves a special mention.

Cork Composites BU

1Q12 sales of the Cork Composites BU increased slightly, reaching € 22.6 M (+1.3%). However, sales to end users grew about 5%, a reflection of a greater strength of foreign markets and, therefore, a somewhat decreased sales activity within the group.

Sales of cork composites for industrial use (the most important segment) remained constant. The sales of this product to the building industry, especially to the U.S. market, as well as the sales to the flooring market recorded a positive growth.

Insulation Cork BU

The sales of the Insulation Cork BU remained at roughly the same level as in 1Q11 (€ 2.4 M: -1.2%). The start of the financial year was greatly affected by the postponement of projects. The French and Italian markets - the most important markets for this BU - showed a decrease which, by itself, justifies the dropping sales numbers in this BU.

Some recovery was felt in March 2012 and even in April 2012, suggesting a possible reversal of the trend recorded in 1Q12.

The gross margin percentage fell by about 2 percentage points. The increase in the price of cork raw materials - that affected particularly the Raw Materials BU and the Cork Composites BU - is the main reason behind such decrease. The rise in sales led, however, to an increase in the absolute value of Gross Margin, that totaled € 67.8 M for the quarter, approximately € 1.5 M higher than in 1Q11.

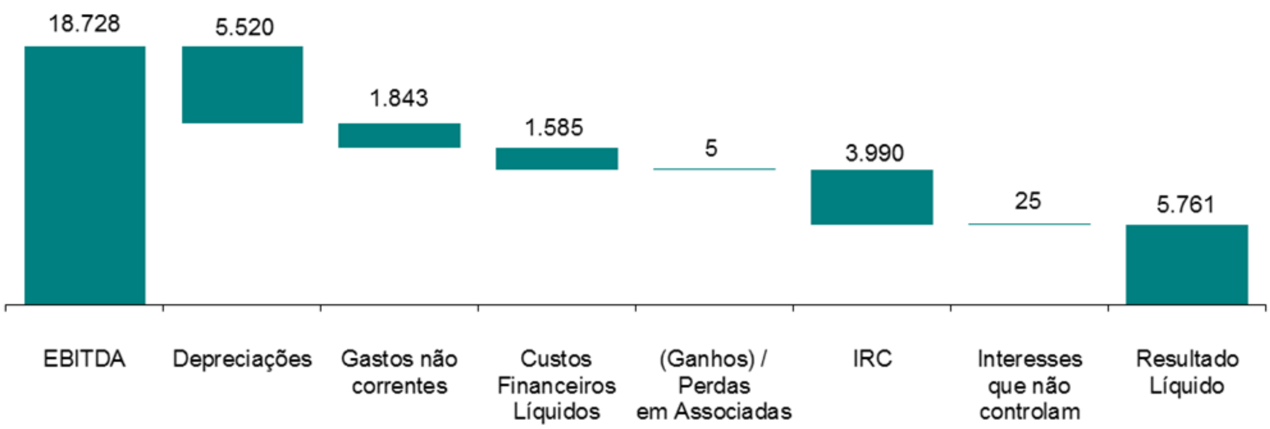
Despite a 6% increase in production and a 9% rise in sales, operating costs maintained the same absolute value as in 1Q11 (€ 49.1 M). It must be taken into account that a number of items of the supply and services accounts had significant increases, in particular those related to the transport and the energy in general. On the other hand, it is worth pointing out that an amount of € 1.2 M relating to CORTICEIRA AMORIM cooperation in an international advertising campaign for natural cork led by APCOR was recorded in 1Q11.

EBITDA amounted to € 18.7 M in 1Q12 while EBIT totalled € 13.2 M in the first 3 months of 2012, representing a 9.6% and a 14.3% increase, respectively, compared to the same period in 2011.

In the quarter under review we recorded an impairment of VAT receivable by Amorim's subsidiary in Argentina. The recent events taking place in Argentina were taken into account when that decision was made. The impairment amounted to € 1.8 M and was considered as a non-recurring expense.

Despite a decrease in net debt, financial costs increased in 1Q12. Rising banking spreads began to have an impact on CORTICEIRA AMORIM's interest rates only from 2Q11. In fact, the lowest interest rate was got by our Company in the first quarter of 2011. Then, interest rates started to rise and this, in addition to the reversal of the positive effect on interest rate swaps in 1Q11, turned the negligible cost in 1Q11 into an amount of € 1.6 M in 1Q12.

Based upon a tax estimate on a € 4 M income, net income amounted to € 5.761 M, an 11.8% increase compared to € 5.153 M a year ago.



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

Total assets stood at € 622 M at the end of 1Q12, an increase compared to € 605 M at the end of 2011 and € 598 M at the end of 1Q11. Excluding the cash position effect, total assets remained virtually unchanged from the closing value of the previous year. The net financial position rose by € 44 M from the same quarter in 2011. This growth is largely due to an increase in the stocks of raw materials, in particular cork, whose value at the end of 1Q12 was approximately € 32 M higher than at the end of the comparable quarter last year. This increase is justified by higher purchases of cork in 2011 and rising cork prices.

As a result of higher sales in 1Q12 compared to 4Q11, there was an increase in the average value of customer transactions. This, in addition to a decrease in the value of suppliers' transactions (especially those related to the supply of cork) as well as the Company's CAPEX in the period, prevented a greater decrease in net interest bearing debt, which fell by about € 3 M compared to the closing value of the previous year.

In the quarter under review CORTICEIRA AMORIM negotiated a line of credit facility in the amount of € 20 M, thus enabling it to extend the average maturity of its debt and to increase the weight of the non-current component of its total interest bearing debt. On the quarter's closing date, the weight of the non-current interest bearing debt accounted for about 55% of total debt (45% in December 2011).

Equity to total assets ratio was 46.5% at March 31, 2012, approximately equal to that at December 31, 2011.

4. CONSOLIDATED INDICATORS

		1Q12	1Q11	Variation
Sales		131.276	120.416	9,0%
Gross Margin – Value		67.856	66.369	2,2%
	1)	49,5%	51,4%	-1,88 p.p.
Operating Costs - current		54.647	54.812	-0,30%
EBITDA - current		18.728	17.079	9,7%
EBITDA/Sales		14,3%	14,2%	+ 0,1 p.p.
EBIT - current		13.208	11.557	14,3%
Non-current costs	2)	1.843	1.827	N/A
Net Income		5.761	5.153	11,80%
Earnings per share		0,046	0,041	11,80%
Net Bank Debt		114.237	102.509	11.728
Net Bank Debt/EBITDA (x)	4)	1,54	1,51	0,03 x
EBITDA/Net Interest (x)	3)	16,3	34,7	-18,36 x
Equity/Net Assets		46,5%	45,7%	+0,78 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)
4) Current EBITDA of the last four quarters

5. SUBSEQUENT EVENTS

At the Annual General Meeting held on March 29, 2012 it was resolved to approve a motion brought forward by a shareholder to distribute a dividend of 6.5 cents per share. The dividend was paid on April 30, 2012.

Mozelos, May 4, 2012

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

António Rios de Amorim
Chairman ____________________

Joaquim Ferreira de Amorim
Vice-President ____________________

Nuno Filipe Vilela Barroca de Oliveira
Member ____________________

Luísa Alexandra Ramos Amorim
Member ____________________

Jorge Manuel Seabra de Freitas
Member ____________________

André de Castro Amorim
Member ____________________

Fernando José de Araújo dos Santos Almeida
Member ____________________

FINANCIAL REPORT INTERIM

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

thousand euros

	March 2012	December 2011	March 2011
Assets			
Property, plant and equipment	170.982	172.372	167.260
Investment property	7.428	7.576	7.630
Goodwill	11.719	11.849	13.447
Investments in associates	6.229	5.967	5.582
Intangible assets	391	427	533
Other financial assets	3.530	3.573	2.189
Deferred tax assets	5.725	6.105	6.982
Other non current assets	**206.003**	**207.869**	**203.624**
Inventories	216.892	224.922	180.287
Trade receivables	128.092	116.758	124.307
Current tax assets	23.142	23.662	18.924
Other current assets	11.317	10.160	13.614
Cash and cash equivalents	36.791	21.681	56.964
Current assets	**416.234**	**397.183**	**394.096**
Total Assets	**622.237**	**605.053**	**597.720**
Equity			
Share capital	133.000	133.000	133.000
Own shares	-6.247	-6.247	-6.247
Other reserves	143.953	117.827	130.088
Net Income	5.761	25.274	5.153
Minority interest	12.665	12.439	11.095
Equity	**289.133**	**282.292**	**273.089**
Liabilities			
Interest-bearing loans	82.537	62.464	32.751
Other borrowings and creditors	9.573	10.525	1.349
Provisions	18.514	16.700	15.228
Deferred tax liabilities	5.759	6.103	5.858
Non-current liabilities	**116.383**	**95.792**	**55.187**
Interest-bearing loans	68.491	76.641	126.722
Trade payables	90.637	105.939	94.922
Other borrowings and creditors	36.529	30.565	31.862
Tax liabilities	21.065	13.824	15.938
Current liabilities	**216.722**	**226.969**	**269.444**
Total Liabilities and Equity	**622.237**	**605.053**	**597.720**

CONSOLIDATED INCOME STATEMENT

thousand euros

	March 2012	March 2011
Sales	131.276	120.416
Costs of goods sold and materials consumed	69.097	62.689
Change in manufactured inventories	5.677	8.642
Gross Margin	**67.856**	**66.369**
	49,5%	51,4%
Third party supplies and services	22.420	22.800
Staff costs	25.460	24.188
Impairments of assets	1.180	474
Other gains	3.004	1.838
Other costs	3.073	3.665
Current EBITDA	**18.728**	**17.079**
Depreciation	5.520	5.522
Current EBIT	**13.208**	**11.557**
Non-current costs	1.843	1.827
Net financial costs	-1.585	-48
Share of (loss)/profit of associates	-5	220
Profit before tax	**9.776**	**9.901**
Income tax	3.990	4.661
Profit after tax	**5.786**	**5.239**
Non-controlling Interest	25	87
Net Income attributable to the equity holders of Corticeira Amorim	**5.761**	**5.153**
Earnings per share - Basic e Diluted (euros per share)	**0,046**	**0,041**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

thousand euros

	March 2012	March 2011
Net Income (before Min. Interest)	**5.786**	**5.239**
Change in derivative financial instruments fair value	311	410
Change in translation differences	541	17
Net Income directly registered in Equity	**852**	**427**
Total Net Income registered	**6.638**	**5.666**
Attributable to:		
Corticeira Amorim Shareholders	6.613	5.579
Non-controlling interests	25	87

CONSOLIDATED STATEMENT OF CASH FLOW

thousand euros

	March 2012	March 2011
OPERATING ACTIVITIES		
Collections from customers	134.773	109.037
Payments to suppliers	-126.559	-112.307
Payments to employees	-22.823	-22.153
Operational cash flow	-14.609	-25.423
Payments/collections - income tax	-264	-96
Other collections/payments related with operational activities	23.475	33.274
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**8.602**	**7.755**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	88	185
Others assets	43	152
Interests and similar gains	165	81
Investment subsidies	1.731	69
Payments due to:		
Tangible assets	-3.694	-6.353
Financial investments	0	-15
Intangible assets	-6	0
Others assets	0	-8
CASH FLOW FROM INVESTMENTS	**-1.673**	**-5.889**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	5.317	11.275
Others	97	0
Payments due to:		
Interests and similar expenses	-1.367	-900
Dividends	0	-613
Others	-771	-166
CASH FLOW FROM FINANCING	**3.276**	**9.596**
Change in cash	10.205	11.493
Exchange rate effect	-48	-375
Cash at beginning	6.731	18.944
Cash at end	16.888	30.062

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
March 31, 2012							
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	-8.332	-	-	-	-240	26	-8.546
Hedge Accounting	-11	-	-	-	311	-	300
Reserves							
Legal Reserve	12.243	-	-	-	-	-	12.243
Other Reserves	76.469	25.274	-	-	-868	-	101.428
Translation Difference	-1.435	-	-	-	1.234	389	-365
	244.580	**25.274**	**0**	**0**	**437**	**415**	**270.706**
Net Profit for the Year	25.274	-25.274	-	5.761	-	-	5.761
Minority interests	12.439	-	0	25	-27	228	12.665
Total Equity	**282.293**	**0**	**0**	**5.786**	**410**	**643**	**289.132**
March 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**

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 4, 2012.

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, 2012. 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.

Profit or loss is allocated to the shareholders of the mother company and to the non-controlling interest in proportion of their correspondent parts of capital, even in the case that non-controlling interest become negative.

IFRS 3 is applied to all business combinations past January 1, 2010, according to Regulamento no. 495/2009, of June 3, as adopted by the European Commission. When acquiring subsidiaries the purchasing method will be followed. According to the revised IFRS, the acquisition cost will be measured by the given fair value assets, by the assumed liabilities and equity interest issued. Transactions costs will be charged as incurred and the services received. The exceptions are the costs related with debt or capital issued. These must be registered according to IAS 32 and IAS 39. Identifiable purchased assets and assumed liabilities will be initially measured at fair value. The acquirer shall recognized goodwill as of the acquisition date measured as the excess of (i) over (ii) below:

(i) the aggregate of:

- the consideration transferred measured in accordance with this IFRS;
- the amount of any Non-controllable interest in the acquiree; and
- In a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.

(ii) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed

In the case that (ii) exceeds (i), a difference must be registered as a gain.

Non-controlling Interest are recorded at fair value or in the proportion of the percentage held in the net asset of the acquiree, as long as it is effectively owned by the entity. The others components of the non-controlling interest are registered at fair value, except if other criteria is mandatory.

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.

In Business combinations after January 1, 2010, Goodwill will be calculated as referred in b).

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	1Q12
Raw Materials				
Amorim Natural Cork, S.A.		**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**
Amorim Florestal, S.A.		Ponte Sôr	PORTUGAL	100%
Amorim Florestal España, SL		San Vicente Alcántara	SPAIN	100%
Amorim Florestal Mediterrâneo, SL		Cádiz	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	(d)	Tabarka	TUNISIA	45%
Cork Stoppers				
Amorim & Irmãos, SGPS, S.A.		**Santa Maria Lamas**	**PORTUGAL**	**100%**
Amorim & Irmãos, S.A.		Santa Maria Lamas	PORTUGAL	100%
Amorim Argentina, S.A.		Tapiales - Buenos Aires	ARGENTINA	100%
Amorim Australasia Pty Ltd		Adelaide	AUSTRALIA	100%
Amorim Cork América, Inc.		Napa, CA	U. S. AMERICA	100%
Amorim Cork Beijing Ltd		Beijing	CHINA	100%
Amorim Cork Bulgaria EOOD		Plovdiv	BULGARIA	100%
Amorim Cork Deutschland GmbH & Co KG		Bingen am Rhein	GERMANY	100%
Amorim Cork España, S.L.		San Vicente Alcántara	SPAIN	100%
Amorim Cork Itália, SPA		Conegliano	ITALY	100%
Amorim Cork South Africa (Pty) Ltd		Cape Town	SOUTH AFRICA	100%
Amorim France, S.A.S.		Eysines	FRANCE	100%
Carl Ed. Meyer Korken		Delmenhorst	GERMANY	100%
Chapuis, S.L.		Girona	SPAIN	100%
Corchos de Argentina, S.A.	(d)	Mendoza	ARGENTINA	50%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%
FP Cork, Inc.		Napa, CA	U. S. AMERICA	100%
Francisco Oller, S.A.		Girona	SPAIN	87%
Hungarocork, Amorim, RT		Budapeste	HUNGARY	100%
Indústria Corchera, S.A.	(e)	Santiago	CHILE	50%
Korken Schiesser Ges.M.B.H.		Viena	AUSTRIA	69%
Olimpiadas Barcelona 92, S.L.		Girona	SPAIN	100%
Portocork América, Inc.		Napa, CA	U. S. AMERICA	100%
Portocork France		Bordeaux	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	(d)	Perpignan	FRANCE	50%
Victor y Amorim, SL	(e)	Navarrete - La Rioja	SPAIN	50%

Company		Head Office	Country	1Q11
Floor & Wall Coverings				
Amorim Revestimentos, S.A.		**Lourosa**	**PORTUGAL**	**100%**
Amorim Benelux, BV - AR	(a)	Tholen	NETHERLAND	100%
Amorim Deutschland, GmbH - AR	(c)	Delmenhorts	GERMANY	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%
Amorim Flooring Investments, Inc.		Hanover, MD	U. S. AMERICA	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%
Amorim Flooring North America Inc		Hanover, MD	U. S. AMERICA	100%
Amorim Japan Corporation		Tokyo	JAPAN	100%
Amorim Revestimientos, S.A.		Barcelona	SPAIN	100%
Cortex Korkvertriebs GmbH		Fürth	GERMANY	100%
Corticeira Amorim - France, SAS - AR	(b)	Lavardac	FRANCE	100%
Dom KorKowy, Sp. Zo. O.	(e)	Kraków	POLAND	50%
Timberman Denmark A/S		Hadsund	DENMARK	51%
US Floors, Inc.	(d)	Dalton, GA	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	(a)	Tholen	NETHERLAND	100%
Amorim Cork Composites Inc.		Trevor Wisconsin	U. S. AMERICA	100%
Amorim Deutschland, GmbH - ACC	(c)	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	(b)	Lavardac	FRANCE	100%
Drauvil Europea, SL		San Vicente Alcantara	SPAIN	100%
Dyn Cork - Technical Industry, Lda	(d)	Paços de Brandão	PORTUGAL	50%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%
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) –

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

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

(c) – One single company: Amorim Deutschland, GmbH

(d) – Equity method consolidation.

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

IV. EXCHANGE RATES USED IN CONSOLIDATION

Consolidation		March 31, 2012	Average 1Q12	March 31, 2011	Average 1Q11
Argentine Peso	ARS	5,84010	5,68910	5,73930	5,4919
Australian Dollar	AUD	1,28360	1,24247	1,37360	1,36135
Lev	BGN	1,95570	1,95566	1,95570	1,95560
Brazilian Real	BRL	2,43230	2,31688	2,30580	2,27993
Canadian Dollar	CAD	1,33110	1,31280	1,37850	1,34838
Swiss Franc	CHF	1,20450	1,20799	1,30050	1,28714
Chilean Peso	CLP	651,270	641,018	676,330	659,112
Yuan Renminbi	CNY	8,40280	8,27641	9,27570	9,00810
Danish Krone	DKK	7,43990	7,43497	7,45670	7,45499
Algerian Dinar	DZD	98,098	97,7263	101,9808	98,4525
Euro	EUR	1	1	1	1
Pound Sterling	GBP	0,83390	0,83448	0,88370	0,85386
Hong Kong Dollar	HDK	10,3616	10,1782	11,0176	10,6628
Forint	HUF	294,920	296,847	265,720	272,428
Yen	JPY	109,560	103,993	117,610	112,570
Moroccan Dirham	MAD	11,1325	11,1185	11,2783	11,2033
Zloty	PLN	4,15220	4,23293	4,01060	3,94598
Tunisian Dinar	TND	2,00190	1,97500	1,96280	1,93310
US Dollar	USD	1,33560	1,31082	1,42070	1,36799
Rand	ZAR	10,2322	10,1730	9,65070	9,5875

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

1Q2012	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	1.948	74.806	32.415	19.703	2.202	202	-	131.276
Other BU Sales	30.904	1.671	868	2.863	175	307	-36.789	-
Total Sales	**32.852**	**76.477**	**33.283**	**22.566**	**2.378**	**509**	**-36.789**	**131.276**
Current EBITDA(i)	**4.583**	**9.606**	**3.441**	**1.904**	**616**	**-1.099**	**-322**	**18.728**
Assets	**116.674**	**285.878**	**113.304**	**80.715**	**12.799**	**28.550**	**-15.682**	**622.237**
Liabilities	**29.432**	**91.152**	**29.003**	**20.173**	**1.938**	**17.687**	**143.719**	**333.105**
Capex	**478**	**2.114**	**108**	**902**	**266**	**-**	**-**	**3.868**
Depreciation	**-510**	**-2.661**	**-1.410**	**-785**	**-144**	**-10**	**-**	**-5.520**
Non-cash cost (ii)	**5**	**-4.158**	**-339**	**-73**	**-16**	**-**	**-**	**-4.581**
Gains/Losses in associated companies	**-1**	**105**	**-43**	**-67**	**-**	**-**	**-**	**-5**

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 EBITDA(i)	**7.365**	**7.207**	**1.115**	**2.344**	**594**	**-646**	**66**	**17.079**
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**

Notes:

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

EBITDA =Profit before depreciation, interests, non-controlling interest 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 EBITDA 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 March 29, 2012, Shareholders Meeting approved 2011 Accounts.

Mozelos, May 4, 2012

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

António Rios de Amorim
Chairman

Joaquim Ferreira de Amorim
Vice-President

Nuno Filipe Vilela Barroca de Oliveira
Member

Luísa Alexandra Ramos Amorim
Member

José da Silva Carvalho Neto
Member

André de Castro Amorim
Member

Fernando José de Araújo dos Santos Almeida
Member