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

CONSOLIDATED ACCOUNTS
(Interim – Unaudited)

1st Quarter 2014
(1Q14)

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 signs of economic recovery and confidence indices remained firm during the first quarter of 2014 (1Q14). Among CORTICEIRA AMORIM's major markets, the performance of the U.S. market is worth a special mention. The European markets continue to grow at a quite modest pace.

Elsewhere in the world, the economic climate remains positive, although the stars of emerging markets are turning pale for a few quarters now.

CORTICEIRA AMORIM has been benefiting from the economic recovery that is taking place since the second half of 2013. The continued good performance of its Cork Stoppers Business Unit (BU) and Cork Composites BU in the U.S. market as well as of its Cork Stoppers BU in some European markets and its Floor and Wall Covering BU in eastern European markets and China was instrumental for a 3.8% increase in its consolidated sales in 1Q14. The volume effects more than offset the adverse impact of the devaluation of almost all currencies of the countries in which CORTICEIRA AMORIM operates. On the whole, this exchange rate effect during the period is estimated at € 2.5 M, adversely impacting the sales of the Company by almost 2%.

	Average rate exchange 1Q14	Average rate exchange 1Q13	Increase/ Decrease
USD	1.3696	1.3206	-3.6%
CLP (Chile)	756	623	-18%
ZAR (South Africa)	14.88	11.83	-20%
AUD (Australia)	1.52	1.27	-16%

CORTICEIRA AMORIM's net sales in 1Q14 were € 138.6 million (€ M), a 3.8% increase over € 133.6 M in 1Q13.

All BUs increased its sales. The sales performance of the Cork Stoppers BU was noteworthy (+ 5.2%) and, given its importance within the CORTICEIRA AMORIM group, contributed greatly to the increase in the group's consolidated accounts.

The adverse strong exchange rate impacted also the net profit, which includes the effect on the profit margins and on the exchange rate gains/losses, as well as some asset impairments; this, in addition to the costs incurred with restructuring the manufacturing process impacted the EBITDA for the quarter (€ 16.5 M), a 2.3% increase compared to 1Q13.

CORTICEIRA AMORIM continues to implement measures aimed at increasing operational efficiency as well as investing in cutting-edge technology with a view to allowing each BU to leverage its products and competitive capabilities.

A further improvement in the finance function, lower debt levels, lower interest rates as well as a positive contribution from Associates led to a net profit before tax higher than that reported in 1Q13 (€ 8.9 M vs 1Q14: € 9.1 M).

After deducting the corporate income tax and the net income attributable to non-controlling interest, CORTICEIRA AMORIM's net income attributable to shareholders at the end of 1Q14 was € 5,982 M, a 13% increase compared to € 5,294 M last year.

2. SALES AND RESULTS

Raw Materials BU

In line with CORTICEIRA AMORIM business activity, particularly its Cork Stoppers BU, a substantial increase in production (16%) was recorded by the Raw Materials BU. Sales to the Group member companies grew even more (23%) as a result of the BU selling off some of its stocks as well as some increase in business from BUs.

Total sales growth was not so high (21%) due to the BU's ongoing and planned reduction in sales to non-Group customers.

Augusta Cork - a cork disc manufacturing and production facility – ceased to be part of the Cork Stoppers BU and is now being managed by the Raw Materials BU.

Thus, the business carried out by Augusta Cork is now part of the BU which better matches Augusta Cork's main business, i.e., the acquisition and preparation of cork to be supplied to the Cork Stoppers BU.

We believe that significant efficiency gains will be reaped from the inclusion of the Augusta Cork's business in the Raw Materials BU.

The effect of the above inclusion is shown in the figures set out above and below.

The inclusion of the Augusta Cork's business in the Raw Materials BU led to a 24% increase in operating costs. However, that inclusion did not have a significant impact on EBITDA. As a result of the manufacture of some raw cork batches with a poor price/quality ratio, the gross margin percentage declined and practically nullified the benefits of an increased activity level.

EBITDA for the quarter was € 5.6 M, up 3.9% on a YoY basis (1Q13: € 5.4 M).

The preparation for the new cork buying season began as planned.

Cork stoppers BU

Despite an adverse strong exchange rate effect, the sales performance of the Cork Stoppers BU is worth a special mention. Sales rose by 5.2% to € 85.9 M thanks to the good performance of some markets, in particular the US market and the Chilean market. Higher sales volume and a positive price and mix effect have more than offset the adverse impact of exchange rate effect. On the negative side, we have to mention China. Recent restrictions on representation expenses by state organizations undermined the wine industry in general and, in particular, the spirits industry. These policies have affected not only the direct sales of cork stoppers to the Chinese market but also the indirect sales of corks to bottlers with growing sales to the Chinese market. The French wine industry was undoubtedly the hardest hit by all these measures.

In general, there was an increase in sales of all kinds of cork stoppers. The continuous rise in sales of Neutrocork© stoppers - one of the most effective weapons against synthetic products – is worth a special mention. The positive sales development of Twintop© cork stoppers – which stand up against the attacks by synthetic wine stoppers – should be pointed out.

Because operating costs grew less than the increase in sales and, in particular, the increase in production, EBITDA reached € 9.9 M in 1Q14, a change by more than 15% compared to the first quarter of 2013.

Floor and Wall Coverings BU

Total sales of the Floor and Wall Coverings BU amounted to € 31.1 M in 1Q14, a slight increase of 1% over the same period last year. The sales of products manufactured by the BU remained even with 2013 levels, both in terms of volume and value.

The reduction in sales to its US associate as well as a slight drop in sales to the German market were offset by a positive development of the Chinese market and the eastern markets.

Efficiency measures for operating costs helped to offset a somewhat stagnant business in 1Q14 and thus EBITDA reached € 3.3 M in 1Q14, a 28% increase compared to 1Q13.

Cork Composites BU

Drauvil (a facility engaged in the production of granulated cork to be supplied to the Cork Stoppers BU) was closed down in 1Q14. This was the first step toward restructuring the BU's manufacturing process, which should lead the BU to achieve profitability levels in line with those shown in CORTICEIRA AMORIM's consolidated accounts.

If the Drauvil effect is excluded, total sales in 1Q14 were slightly below last year's level. However, if sales only to foreign markets are taken into consideration, then sales performance improved by 4.4%, and that's even considering the impact of adverse movements in exchange rates, which in this BU is the exchange rate of the US Dollar against the Euro.

The North American market is making good progress. Products for the transportation industry and cork flooring products - in particular products intended for use in a sports facility context - deserve a special mention.

EBITDA was adversely impacted by the disbursement of compensation related to restructuring the BU's manufacturing process. For the quarter ended March 31, 2014, EBITDA was € 0.5 M, an amount below the € 1.4 M reported in 1Q13.

Insulation Cork BU

After consecutive quarters of decline, the Insulation Cork BU's sales resumed growth in 1Q14, with a 22.6% increase to € 2.6 M compared to 1Q13. However, if sales of non-manufactured goods were not taken into consideration in this study, then sales would have grown by 11%.

Sales of expanded insulation cork board increased by 13%, almost entirely as a result of the volume effect. The Middle Eastern markets and the Asian market more than offset the impact of decreasing sales in Europe.

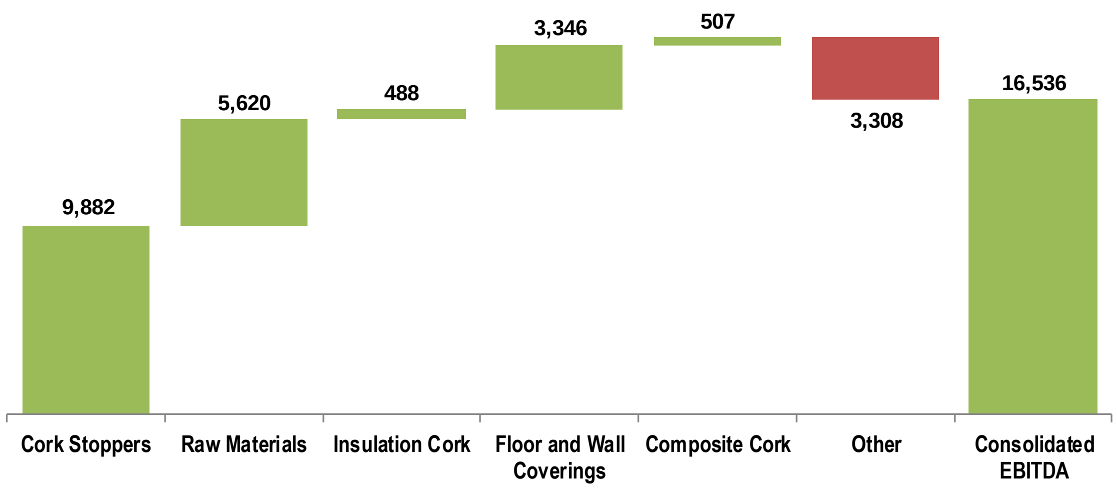
The BU's EBITDA was € 0.5 M, thus reversing the negative sign in 1Q13 to positive in 1Q14.

Company Results

More sales and a constant gross margin percentage led to an increase of about € 4 M in CORTICEIRA AMORIM's absolute gross margin percentage.

As noted above, the exchange rate effect also had a significant impact on the EBITDA figure of approximately € 2 M.

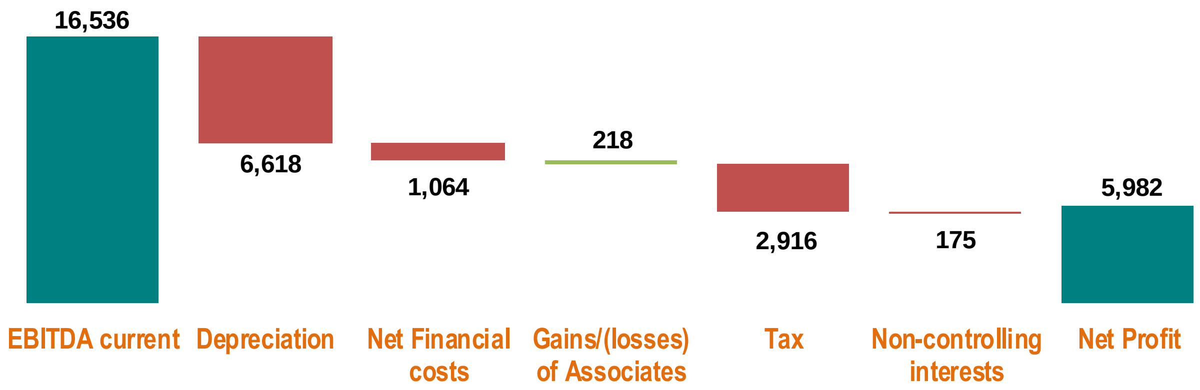
The increase in production (+6.1%) was accompanied by a more than proportional increase in operating costs. However, if impairment related decreases, foreign currency exchange losses and restructuring costs were not taken into consideration in this study, then operating costs increased substantially less than did production. EBITDA for the quarter was € 16.5 M, approximately a 2.3% increase compared to 1Q13.



The finance function continues to benefit from the decline in debt and interest rates. Net financial expenses amounted to € 1.06 M in 1Q14, a significant increase compared to € 1.3 M in 1Q13.

It is worth mentioning the positive contribution from Associates which reversed the negative sign in 1Q13 (€ -0.1 M) to positive in 1Q24 (€+0.2 M). This improvement was particularly due to the inclusion of the US Floor Covering associate's net income in CORTICEIRA AMORIM's accounts.

After deducting an estimate of € 2.9 M for corporate income tax, CORTICEIRA AMORIM net profit amounted to € 5,982 M in 1Q14, a 13% increase compared to the first quarter of 2013.



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

Total assets stood at € 624 M at the end of 1Q14, an amount virtually unchanged from the closing value of December 31, 2013, but € 24 M less than the amount reported for 1Q13. Particular attention should be drawn to the fact that Total Assets on March 31, 2013 were still boosted by the availability of large amounts of cash, a policy adopted by CORTICEIRA AMORIM during the period of financial instability experienced by Portugal.

An overview of the inventory for the three months ended March 31, 2014, as compared to the three months ended March 31, 2013 shows an increase in inventory, which was mainly due to the cork buying season in 2013, which materialized mostly in the second half of 2013, the effects of which are still felt on the Balance Sheet as at 31 March 2014.

Net interest bearing debt amounted to € 102.5 M at the end of March 2014, a decrease of about € 2 M over December 31, 2013 and € 14 M compared to March 31, 2013.

CORTICEIRA AMORIM's capital expenditure (CAPEX) was € 3.9 M at the end of 1Q14.

As of March 31, 2014, shareholders' equity amounted to € 292 M, while equity to total assets ratio stood at 46.7% (December 31, 2013: 48.1%). This decrease resulted essentially from the fact that the dividends approved by the Annual General Meeting on March 24, 2014 were reported on the Balance Sheet as a liability towards CORTICEIRA AMORIM's shareholders.

4. CONSOLIDATED INDICATORS

		1Q14	1Q13	Variation
Sales		138,596	133,557	3.8%
Gross Margin – Value		70,500	66,410	6.2%
	1)	48.5%	48.5%	+0. p.p.
Operating Costs - current		60,582	56,063	8.06%
EBITDA - current		16,536	16,168	2.3%
EBITDA/Sales		11.9%	12.1%	-0.17 p.p.
EBIT - current		9,918	10,347	-4.1%
Net Income		5,982	5,294	12.99%
Earnings per share		0.047	0.042	12.99%
Net Bank Debt		102,571	116,736	- 14,165
Net Bank Debt/EBITDA (x)	3)	1.27	1.46	-0.19 x
EBITDA/Net Interest (x)	2)	21.5	16.5	4.98 x
Equity/Net Assets		46.7%	46.5%	+0.25 p.p.

1) Related to Production

2) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions)

3) Current EBITDA of the last four quarters

5. SUBSEQUENT EVENTS

In line with a motion put forward by the CORTICEIRA AMORIM board, at the Annual General Meeting held on March 24, 2014, it was decided that a dividend of € 0.12 per share would be paid. The dividend will be paid on April 23, 2014.

Mozelos, May 5, 2014

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

António Rios de Amorim
Chairman

Nuno Filipe Vilela Barroca de Oliveira
Vice-President

Fernando José de Araújo dos Santos Almeida
Member

Cristina Rios de Amorim Baptista
Member

Luísa Alexandra Ramos Amorim
Member

Juan Ginesta Viñas
Member

FINANCIAL REPORT INTERIM

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

thousand euros

	March 2014	December 2013	March 2013
Assets			
Property, plant and equipment	180,571	184,661	181,402
Investment property	5,052	5,249	5,931
Goodwill	5,255	5,255	5,865
Investments in associates	8,667	8,129	7,910
Intangible assets	647	693	512
Other financial assets	2,535	2,373	5,595
Deferred tax assets	7,182	6,384	7,601
Other non current assets	**209,908**	**212,744**	**214,816**
Inventories	237,713	244,063	219,881
Trade receivables	136,958	121,069	135,497
Current tax assets	2,695	8,026	2,880
Other current assets	30,785	33,616	36,546
Cash and cash equivalents	5,982	7,788	38,582
Current assets	**414,133**	**414,562**	**433,387**
Total Assets	**624,041**	**627,307**	**648,203**
Equity			
Share capital	133,000	133,000	133,000
Own shares	-7,197	-7,197	-7,197
Other reserves	146,978	132,587	155,100
Net Income	5,982	30,339	5,294
Minority interest	12,830	13,009	15,041
Equity	**291,593**	**301,737**	**301,239**
Liabilities			
Interest-bearing loans	31,879	33,623	52,250
Other borrowings and creditors	8,954	10,448	12,699
Provisions	24,969	25,085	21,425
Deferred tax liabilities	7,509	7,282	6,312
Non-current liabilities	**73,311**	**76,438**	**92,685**
Interest-bearing loans	76,674	78,612	103,068
Trade payables	114,843	125,203	87,302
Other borrowings and creditors	63,408	42,822	53,967
Tax liabilities	4,213	2,495	9,942
Current liabilities	**259,138**	**249,132**	**254,279**
Total Liabilities and Equity	**624,041**	**627,307**	**648,203**

CONSOLIDATED INCOME STATEMENT

thousand euros

	March 2014	March 2013
Sales	138,596	133,557
Costs of goods sold and materials consumed	74,780	70,493
Change in manufactured inventories	6,684	3,346
Gross Margin	**70,500**	**66,410**
	48.5%	48.5%
Third party supplies and services	24,186	23,836
Staff costs	28,538	26,683
Impairments of assets	424	236
Other gains	1,307	1,953
Other costs	2,123	1,440
Current EBITDA	**16,536**	**16,168**
Depreciation	6,618	5,821
Current EBIT	**9,918**	**10,347**
Financial costs	1,151	1,694
Financial income	87	385
Share of (loss)/profit of associates	218	-108
Profit before tax	**9,073**	**8,930**
Income tax	2,916	3,571
Profit after tax	**6,157**	**5,359**
Non-controlling Interest	175	65
Net Income attributable to the equity holders of Corticeira Amorim	**5,982**	**5,294**
Earnings per share - Basic e Diluted (euros per share)	**0.047**	**0.042**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

thousand euros

	March 2014	March 2013
Net Income (before Min. Interest)	**6,157**	**5,359**
Itens that could be reclassified through income statement:		
Change in derivative financial instruments fair value	19	-327
Change in translation differences	-293	989
Net Income directly registered in Equity	**-274**	**662**
Total Net Income registered	**5,883**	**6,021**
Attributable to:		
Corticeira Amorim Shareholders	5,994	5,644
Non-controlling interests	-111	377

CONSOLIDATED STATEMENT OF CASH FLOW

thousand euros

	March 2014	March 2013
OPERATING ACTIVITIES		
Collections from customers	133,919	136,457
Payments to suppliers	-127,112	-116,934
Payments to employees	-22,124	-24,796
Operational cash flow	-15,317	-5,273
Payments/collections - income tax	-1,755	-173
Other collections/payments related with operational activities	22,821	15,178
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**5,749**	**9,732**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	141	89
Others assets	68	130
Interests and similar gains	95	331
Investment subsidies	767	5
Payments due to:		
Tangible assets	-3,014	-4,522
Financial investments	-499	-16
Intangible assets	-5	0
CASH FLOW FROM INVESTMENTS	**-2,446**	**-3,983**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	0	1,194
Others	163	401
Payments due to:		
Loans	-5,133	0
Interests and similar expenses	-1,307	-1,270
Dividends	-113	0
Acquisition of treasury stock	0	-28
Others	-116	-131
CASH FLOW FROM FINANCING	**-6,505**	**166**
Change in cash	-3,203	5,915
Exchange rate effect	-76	163
Cash at beginning	-6,195	19,846
Cash at end	-9,474	25,925

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, 2014							
Equity:							
Share Capital	133,000	-	-	-	-	-	133,000
Treasury Stock - Face Value	-7,399	-	-	-	-	-	-7,399
Treasury Stock - Discounts and Premiums	201	-	-	-	-	-	201
Paid-in Capital	38,893	-	-	-	-	-	38,893
Hedge Accounting	10	-	-	-	19	-	28
Reserves							
Legal Reserve	12,243	-	-	-	-	-	12,243
Other Reserves	82,886	30,339	-15,960	-	0	-	97,265
Translation Difference	-1,445	-	-	-	-7	-	-1,452
	258,389	**30,339**	**-15,960**	**0**	**12**	**0**	**272,779**
Net Profit for the Year	30,339	-30,339	-	5,982	-	-	5,982
Minority interests	13,009	-	-68	175	-14	-272	12,830
Total Equity	**301,737**	**0**	**-16,028**	**6,157**	**-3**	**-272**	**291,592**
March 31, 2013							
Equity:							
Share Capital	133,000	-	-	-	-	-	133,000
Treasury Stock - Face Value	-7,384	-	-	-	-15	-	-7,399
Treasury Stock - Discounts and Premiums	216	-	-	-	-14	-	202
Paid-in Capital	38,893	-	-	-	-	-	38,893
Hedge Accounting	186	-	-	-	-327	-	-141
Reserves							
Legal Reserve	12,243	-	-	-	-	-	12,243
Other Reserves	71,762	31,055	-	-	-34	-	102,783
Translation Difference	611	-	-	-	34	677	1,322
	249,527	**31,055**	**0**	**0**	**-356**	**677**	**280,903**
Net Profit for the Year	31,055	-31,055	-	5,294	-	-	5,294
Minority interests	14,665	-	0	64	0	312	15,041
Total Equity	**295,247**	**0**	**0**	**5,358**	**-356**	**989**	**301,239**

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 Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. held 67,830,000 shares of CORTICEIRA AMORIM as of March 31, 2014 corresponding to 51.00 % of its share capital (December 2013: 67,830,000 shares). Amorim Capital - Sociedade Gestora de Participações Sociais, S.A. was fully owned by Amorim family.

These financial statements were approved in the Board Meeting of May 5, 2014.

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 December 31, 2013, namely IAS 34 (Interim Report).

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 consolidated financial position 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.

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

- Non-controlling interest

Non-controlling Interest are recorded at fair value or in the proportion of the percentage held in the net asset of the acquire, 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.

Transactions with Non-controlling interests are treated as transactions with Group Equity holders.

In any acquisition from non-controlling interests, the difference between the consideration paid and the accounting value of the share acquired is recognised in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss.

- 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.

- Exchange rate effect

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.

In non-euro subsidiaries, all 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.

Exchange differences are registered in an equity account "Translation differences" which is part of the line "Other reserves".

Whenever and a non-euro subsidiary is sold or liquidated, accumulated translation differences recorded in equity is registered as a gain or a loss in the consolidated income statement by nature.

c. 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 is ready for its projected use.

Tangible fixed assets are subsequently measured at acquisition cost, deducted from cumulative depreciations and impairments.

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 moment in which the asset is ready to use. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting 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.

d. Intangible assets

Research expenditures are recognised in the income statement as incurred.

Development expenditure is recognised as intangible asset when the technical feasibility being developed can be demonstrated and the Group has the intention and capacity to complete their development and start trading or using them and that future economic benefits will occur.

Amortisation of the intangible assets is calculated by the straight-line method, and recorded as the asset qualifies for its required purpose:

	Number of years
Industrial Property	10 to 20
Software	3 to 6

The estimated useful life of assets are reviewed and adjusted when necessary, at the balance sheet date.

e. Investment property

Includes land and buildings not used in production.

Investment property are initially registered at acquisition cost plus acquisition or production attributable costs, and when pertinent financial costs during construction or installation. Subsequently are measured at acquisition cost less cumulative depreciations and impairment.

Periods and methods of depreciation are as follows in d) note for tangible fixed asset.

Properties are derecognized when sold. When used in production are reclassified as tangible fixed asset. When land and buildings are no mores used for production, they will be reclassified from tangible fixed asset to investment property.

f. Goodwill

Goodwill arises from acquisition of subsidiaries and represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired at the date of acquisition. If positive, it 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).

For impairment tests purposes, goodwill is allocated to the cash-generating unit or group of cash-generating units that are expected to benefit from the upcoming synergies.

Goodwill will be tested annually for impairment, or whenever an evidence of such occurs; impairment losses will be charged to the income statement and, consequently, its carrying amount adjusted.

g. Non-financial assets impairment

Assets with indefinite useful lives are not amortised but are annually tested for impairment purposes.

Assets under depreciation are tested for impairment purposes whenever an event or change of circumstances indicates that its value cannot be recovered. Impairment losses are recognized as the difference between its carrying amount and its recoverable amount. Recoverable corresponds to the higher of its fair value less sales expenses and its value for use. Non-financial assets, except goodwill, that generated impairment losses are valued at each reporting date regarding reversals of said losses.

h. Other financial assets

Relates, mainly, to financial applications corresponding to equity instruments measured at cost.

i. 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. Production cost includes used raw material costs, direct labour, other direct costs and other general fixed production costs (using normal capacity utilisation).

Where the net realisable value is lower than production cost, an inventory impairment is registered. 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.

j. 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 the debtor for similar periods.

k. Financial assets impairment

At each reporting date, the impairment of financial assets at amortised cost is evaluated. Financial asset impairment occurs if after initial register, unfavourable cash flows from that asset can be reasonably estimated.

Financial asset impairment occurs if after initial register, unfavourable cash flows from that asset can be reasonably estimated.

Impairment losses are recognized as the difference between its carrying amounts and expected future cash flows (excluding future losses that yet have not occurred), discounted at the initial effective interest rate of the asset. The calculated amount is deducted to the carrying amount and loss recognised in the earnings statement.

l. 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.

m. Suppliers, other borrowings and creditors

Debts to suppliers and other borrowings and creditors are initially registered at fair value. Subsequently are measured at amortised cost using effective interest rate method. They are classified as current liabilities, except if CORTICEIRA AMORIM has full discretion to defer settlement for at least another 12 months from the reporting date

n. 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 ready for use or suspended.

o. Income taxes – current and deferred

Income tax includes current income tax and deferred income tax. Except for companies included in groups of fiscal consolidation, current income tax is calculated separately for each subsidiary, on the basis of its net result for the period adjusted according to tax legislation. Management periodically addresses the effect of different interpretations of tax law.

Deferred taxes are calculated using the liability method, reflecting the temporary differences between the carrying amount of consolidated assets and liabilities and their correspondent value for tax purposes.

Deferred tax assets and liabilities are calculated and annually registered using actual tax rates or known tax rates to be in vigour at the time of the expected reversal of the temporary differences.

Deferred tax assets are recognized to the extent that it is probable sufficient future taxable income will be available utilisation. At the end of each year an analysis of the deferred tax assets is made. Those that are not likely to be used in the future will be derecognised.

Deferred taxes are registered as an expense or a gain of the year, except if they derive from values that are booked directly in equity. In this case, deferred tax is also registered in the same line.

p. Employee benefits

CORTICEIRA AMORIM Portuguese employees benefit exclusively from the national welfare plan. Employees from foreign subsidiaries (about one third of total CORTICEIRA AMORIM) or are covered exclusively by local national welfare plans or benefit from complementary contribution plans.

As for the defined contribution plans, contributions are recognised as employee benefit expense when they are due.

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.

q. 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.

When there is a present obligation, resulting from a past event, but it is not probable that an out flow of resources will be required, or this cannot be estimated reliably, the obligation is treated as a contingent liability. This will be disclosed in the financial statements, unless the probability of a cash outflow is remote.

r. 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.

s. 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". Reimbursable grants with "out of market" interest rates are measured at fair value when they are initially recognised. Difference between nominal and fair value at initial recognition is treated as an income to be recognised. This will be presented in other gains during the useful life span of the said asset. Subsequently, these grants are measured at amortised cost.

t. 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.

u. 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 in the consolidated statements of financial position 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.

v. Equity

Ordinary shares are included in equity.

When CORTICEIRA AMORIM acquires own shares, acquisition value is recognised deducting from equity in the line treasury stock.

III. COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company		Head Office	Country	1Q14	2013
Raw Materials					
Amorim Natural Cork, S.A.		**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**	**100%**
Amorim Florestal, S.A.		Ponte Sôr	PORTUGAL	100%	100%
Amorim Florestal España, SL		San Vicente Alcántara	SPAIN	100%	100%
Amorim Florestal Mediterrâneo, SL		Cádiz	SPAIN	100%	100%
Amorim Tunisie, S.A.R.L.		Tabarka	TUNISIA	100%	100%
Augusta Cork, S.L.	(d)	San Vicente Alcántara	SPAIN	91%	-
Comatral - C. Marocaine de Transf. du Liège, S.A.		Skhirat	MOROCCO	100%	100%
Cork International, SARL		Tabarka	TUNISIA	100%	100%
SIBL - Société Industrielle Bois Liége		Jijel	ALGERIA	51%	51%
Société Nouvelle du Liège, S.A. (SNL)		Tabarka	TUNISIA	100%	100%
Société Tunisienne d'Industrie Bouchonnière	(b)	Tabarka	TUNISIA	45%	45%
Vatrya - Serviços de Consultadoria, Lda		Funchal - Madeira	PORTUGAL	100%	100%
Cork Stoppers					
Amorim & Irmãos, SGPS, S.A.		**Santa Maria Lamas**	**PORTUGAL**	**100%**	**100%**
Agglotap, SA		Girona	SPAIN	91%	91%
Amorim & Irmãos, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Amorim Argentina, S.A.		Tapiales - Buenos Aires	ARGENTINA	100%	100%
Amorim Australasia Pty Ltd		Adelaide	AUSTRALIA	100%	100%
Amorim Cork América, Inc.		Napa, CA	U. S. AMERICA	100%	100%
Amorim Cork Beijing Ltd		Beijing	CHINA	100%	100%
Amorim Cork Bulgaria EOOD		Plovdiv	BULGARIA	100%	100%
Amorim Cork Deutschland GmbH & Co KG		Bingen am Rhein	GERMANY	100%	100%
Amorim Cork España, S.L.		San Vicente Alcántara	SPAIN	100%	100%
Amorim Cork Itália, SPA		Conegliano	ITALY	100%	100%
Amorim Cork South Africa (Pty) Ltd		Cape Town	SOUTH AFRICA	100%	100%
Amorim France, S.A.S.		Eysines	FRANCE	100%	100%
Augusta Cork, S.L.	(d)	San Vicente Alcántara	SPAIN	-	91%
Bouchons Prioux		Epernay	FRANCE	91%	91%
Carl Ed. Meyer Korken		Delmenhorst	GERMANY	100%	100%
Chapuis, S.L.		Girona	SPAIN	100%	100%
Corchos de Argentina, S.A.	(b)	Mendoza	ARGENTINA	50%	50%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%	100%
FP Cork, Inc.		Napa, CA	U. S. AMERICA	100%	100%
Francisco Oller, S.A.		Girona	SPAIN	92%	92%
Hungarocork, Amorim, RT		Budapeste	HUNGARY	100%	100%
Indústria Corchera, S.A.	(c)	Santiago	CHILE	50%	50%
Korken Schiesser Ges.M.B.H.		Viena	AUSTRIA	69%	69%
Olimpiadas Barcelona 92, S.L.		Girona	SPAIN	100%	100%
Portocork América, Inc.		Napa, CA	U. S. AMERICA	100%	100%
Portocork France, S.A.S.		Bordeaux	FRANCE	100%	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Portocork Itália		Conegliano	ITALY	100%	100%
Sagrera et Cie		Reims	FRANCE	91%	91%
S.A. Oller et Cie		Reims	FRANCE	92%	92%
S.C.I. Friedland		Céret	FRANCE	100%	100%
S.C.I. Prioux		Epernay	FRANCE	91%	91%
Société Nouvelle des Bouchons Trescases	(b)	Perpignan	FRANCE	50%	50%
Trefinos Australia		Adelaide	AUSTRALIA	91%	91%
Trefinos Italia, SRL		Treviso	ITALY	91%	91%
Trefinos, S.L		Girona	SPAIN	91%	91%
Victor y Amorim, SL	(c)	Navarrete - La Rioja	SPAIN	50%	50%
Wine Packaging & Logistic, S.A.	(b)	Santiago	CHILE	50%	50%

Company		Head Office	Country	1Q14	2013
Floor & Wall Coverings					
Amorim Revestimentos, S.A.		**S. Paio de Oleiros**	**PORTUGAL**	**100%**	**100%**
Amorim Benelux, BV		Tholen	NETHERLAND	100%	100%
Amorim Deutschland, GmbH - AR	(a)	Delmenhorts	GERMANY	100%	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%	100%
Amorim Flooring Investments, Inc.		Hanover, MD	U. S. AMERICA	100%	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%	100%
Amorim Flooring North America Inc		Hanover, MD	U. S. AMERICA	100%	100%
Amorim Japan Corporation		Tokyo	JAPAN	100%	100%
Amorim Revestimientos, S.A.		Barcelona	SPAIN	100%	100%
Cortex Korkvertriebs GmbH		Fürth	GERMANY	100%	100%
Dom KorKowy, Sp. Zo. O.	(c)	Kraków	POLAND	50%	50%
Timberman Denmark A/S		Hadsund	DENMARK	51%	51%
US Floors, Inc.	(b)	Dalton, GA	U. S. AMERICA	25%	25%
Zodiac Kork- und Holzprodukte GmbH		Fürth	GERMANY	100%	100%
Composites Cork					
Amorim Cork Composites, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Amorim (UK) Ltd.		Horsham West Sussex	U.K.	100%	100%
Amorim Compcork, Lda		Mozelos	PORTUGAL	100%	100%
Amorim Cork Composites Inc.		Trevor Wisconsin	U. S. AMERICA	100%	100%
Amorim Deutschland, GmbH - ACC	(a)	Delmenhorts	GERMANY	100%	100%
Amorim Industrial Solutions - Imobiliária, S.A.		Corroios	PORTUGAL	100%	100%
Chinamate (Shaanxi) Natural Products Co. Ltd		Shaanxi	CHINA	100%	100%
Chinamate Development Co. Ltd		Hong Kong	CHINA	100%	100%
Corticeira Amorim - France, SAS		Lavardac	FRANCE	100%	100%
Drauvil Europea, SL	(e)	San Vicente Alcantara	SPAIN	-	100%
Dyn Cork - Technical Industry, Lda	(b)	Paços de Brandão	PORTUGAL	50%	50%
Florconsult – Consultoria e Gestão, Lda		Mozelos	PORTUGAL	100%	100%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%	100%
Insulation Cork					
Amorim Isolamentos, S.A.		**Vendas Novas**	**PORTUGAL**	**80%**	**80%**
Holding					
Corticeira Amorim, SGPS, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%	100%
Drauvil Europea, SL	(e)	San Vicente Alcantara	SPAIN	100%	-
Ginpar, S.A. (Générale d'Invest. et Participation)		Skhirat	MOROCCO	100%	100%
Soc. Portuguesa de Aglomerados de Cortiça, Lda		Montijo	PORTUGAL	100%	100%

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

(b) – Equity method consolidation.

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

(d) – Augusta Cork.

(e) – Drauvil.

IV. EXCHANGE RATES USED IN CONSOLIDATION

Consolidation		March 31, 2014	Average 1Q14	March 31, 2013	Average 1Q13
Argentine Peso	ARS	11.01600	10.43899	6.56141	6.61725
Australian Dollar	AUD	1.49410	1.52746	1.23080	1.27137
Lev	BGN	1.95570	1.95570	1.95570	1.95571
Brazilian Real	BRL	3.12760	3.23995	2.57030	2.63677
Canadian Dollar	CAD	1.52250	1.51068	1.30210	1.33131
Swiss Franc	CHF	1.21940	1.22370	1.21950	1.22840
Chilean Peso	CLP	754.900	756.234	603.950	623.012
Yuan Renminbi	CNY	8.56000	8.36000	7.96420	8.21754
Danish Krone	DKK	7.46590	7.46249	7.45530	7.45893
Algerian Dinar	DZD	107.8260	106.4938	101.1336	103.0410
Euro	EUR	1	1	1	1
Pound Sterling	GBP	0.82820	0.82787	0.84560	0.85111
Hong Kong Dollar	HDK	10.6807	10.6312	9.9478	10.2407
Forint	HUF	307.180	307.932	304.420	296.501
Yen	JPY	142.420	140.798	120.870	121.795
Moroccan Dirham	MAD	11.1797	11.2019	11.0730	11.1312
Zloty	PLN	4.17190	4.18431	4.18040	4.15584
Tunisian Dinar	TND	2.17680	2.19407	2.04260	2.06453
US Dollar	USD	1.37880	1.36963	1.28050	1.32063
Rand	ZAR	14.5875	14.8866	11.8200	11.8264

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

1Q2014	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	975	85,105	30,886	19,167	2,137	326	-	138,596
Other BU Sales	33,058	800	244	1,475	432	2,836	-38,845	-
Total Sales	**34,033**	**85,905**	**31,130**	**20,642**	**2,569**	**3,162**	**-38,845**	**138,596**
Current EBITDA(i)	**5,620**	**9,882**	**3,346**	**507**	**488**	**-1,519**	**-1,788**	**16,536**
Assets	**148,833**	**302,182**	**104,927**	**83,084**	**13,866**	**3,703**	**-32,554**	**624,042**
Liabilities	**31,717**	**103,729**	**41,767**	**29,034**	**2,593**	**12,853**	**110,757**	**332,449**
Capex	**145**	**1,565**	**1,782**	**248**	**128**	**0**	**-**	**3,868**
Depreciation	**-1,405**	**-2,927**	**-1,278**	**-792**	**-164**	**-53**	**-**	**-6,618**
Non-cash cost (ii)	**20**	**-417**	**85**	**-149**	**49**	**-**	**0**	**-412**
Gains/Losses in associated companies	**0**	**157**	**62**	**0**	**-**	**-**	**-**	**218**

1Q2013	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	1,282	80,666	30,019	19,700	1,875	15	-	133,557
Other BU Sales	26,927	964	804	3,430	219	331	-32,674	-
Total Sales	**28,209**	**81,630**	**30,822**	**23,130**	**2,094**	**345**	**-32,674**	**133,557**
Current EBITDA(i)	**5,410**	**8,545**	**2,601**	**1,429**	**-56**	**-907**	**-855**	**16,168**
Assets	**106,165**	**312,098**	**105,132**	**84,679**	**13,160**	**31,215**	**-4,246**	**648,203**
Liabilities	**25,608**	**91,555**	**39,135**	**20,854**	**2,455**	**18,659**	**148,699**	**346,964**
Capex	**516**	**1,665**	**370**	**1,876**	**17**	**7**	**-**	**4,449**
Depreciation	**-491**	**-3,044**	**-1,254**	**-856**	**-162**	**-13**	**-**	**-5,821**
Non-cash cost (ii)	**-30**	**-118**	**-407**	**-778**	**-406**	**-**	**846**	**-893**
Gains/Losses in associated companies	**0**	**81**	**-189**	**0**	**-**	**-**	**-**	**-108**

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 is 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, May 5, 2014

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

António Rios de Amorim
Chairman ________________________

Nuno Filipe Vilela Barroca de Oliveira
Vice-President ________________________

Fernando José de Araújo dos Santos Almeida
Member ________________________

Cristina Rios de Amorim Baptista
Member ________________________

Luísa Alexandra Ramos Amorim
Member ________________________

Juan Ginesta Viñas
Member ________________________