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

CONSOLIDATED ACCOUNTS
(Interim – Non Audited)

3rd Quarter 2008 (3Q08)

Statement available on the company website: www.corticeiraamorim.com

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

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Shareholders of CORTICEIRA AMORIM,

According to Law and to IAS 34, as adopted by CORTICEIRA AMORIM, SGPS, S.A, a public company, presents:

CONSOLIDATED MANAGEMENT REPORT
INTERIM

1. HIGHLIGHTS

- Consolidated sales rose to 364,9 M€ (+3,4%), in spite of the export currency devaluation.
- Special note to Corkstoppers BU (+5,2%), Coverings (+5,8%) and Insulation (+13,6%). Corkstoppers and Covering reaped the benefits from Oller (since January) and Cortex (since July) entry in the Consolidation perimeter.
- EBITDA reached 43,2 M€ (-3,3% vs -4,9% in H1).
- Fin Net profit was 10,462 M€, slowing down 29% from 9M07.
- Equity / Assets ratio reached 41,7%.

2. ACTIVITY AND RESULTS

During Q3, Raw-materials BU practically completed its planned cork acquisition for later manufacturing. Average price acquisition both in Portuguese and Spanish markets, remained stable. As in previous quarters, a prudent policy regarding cork sales to outside customers was followed. EBIT reached 4,6 M€, same value as 9M07.

Corkstoppers BU showed a positive Q3 in terms of volume. All of its product families, but natural and Twin Top® corkstoppers, registered a sales growth. YTD sales rose 5,2% to 205,2 M€, driven by the newly consolidated Oller. Export currencies devaluation continued to hit Corkstoppers performance. Estimated drop in sales due to the said devaluation rose to 6,4 M€, meaning a 3,3% decrease in this performance indicator. EBIT was up 2,7%, registering 16,4 M€.

Corkflooring BU sales amounted to 104 M€, maintaining the 5,8% increase registered at the end of 1H08. EBIT posted 5,9 M€ (-22%). In general, the justifications for this drop are the same as those for the semester and, in general, are associated with the increase of woodfloorings (NCFC) in total sales of the BU.

The new Composite Cork BU had a favourable Q3, turning around the results disclosed at the end of H1. This was due, mainly, to a Q3 good sales register and to the usual decrease in fixed costs due to the two plants August planned shutdown. Sales fell short of 9M07 (-5,2% vs -9,5% in 1H08) totalling 59,8 M€. Reaching 1,1 M€, EBIT is close to 9M07 pro-forma (1,3 M€). As in Corkstoppers, this BU was deeply affected by the USD devaluation.

Insulation BU registered a good Q3. Sales soared to 7,4 M€ (+13,6% vs +8,5% in H1). EBIT was up 8,1% to 1,1 M€.

CORTICEIRA AMORIM consolidated sales for the first nine months totalled 365 M€ (+3,4%). Despite the economic slowdown and the export currencies devaluation, responsible for the estimated 10,5 M€ loss in sales (3% of total sales), Q3 performance allowed for a recovery in the first half indicators (sales and results). The increase in Gross Margin was not so sound due to the said devaluation and to the increase of non cork products (namely in Corkflooring BU) in total CORTICEIRA AMORIM sales.

Due to higher operating costs, mostly due to costs from newly consolidated companies, EBIT was 7,1% down (26,3 M€). EBITDA reached 43,2 M€ (-3,3%). Nevertheless, Q3 performance allowed for a recovery from H1 values (-9,7% for the EBIT and -4,9% for the EBITDA indicators).

Interest costs totalled 10,0 M€ (+20%). This increase was due, mainly, to an hike in interest rates, as average debt was not so different from 9M07, even taking in account the acquisitions and the effect of the newly consolidated companies.

After the register of the gain in Equity companies, earnings before tax reached 16,9 M€ (-17,7% vs -24,6% in 1H).

Income tax estimate was impacted unfavourably by a 1,6 M€ reversal of a tax benefit. This benefit was registered in prior years and it is related with capacity investments.

After estimated taxes and minority interests, 9M08 profit totalled 10,462 M€ (-29%).

3. CONSOLIDATED BALANCE SHEET

Total Balance amounts to 598 M€, not very different from the end of H1. The only material variance in its lines refers to net interest bearing debt, which was reduced by some 8,5 M€ from December last year, and by 15,6 M€ from June 2008. Credit collection performance was the main explanation for this variation. Net interest bearing debt reached 223,3 M€ at the end of September 2008.

At 41,7% equity/assets ration maintaining a sound register as of that date.

4. ESTIMATES FOR 2008

Actual financial conditions and uncertainties on how they will affect “real” economy, make it hard to forecast the evolution of any Global company, as CORTICEIRA AMORIM.

Amid the pessimistic view, two positive factors for CORTICEIRA AMORIM must be highlighted: the most recent and strong USD valuation and its sound Balance sheet. And on top of these two positive factors impacting its future, we can add the actual benefits arising from the restructuring that led to the new Composite Cork BU and the benefits from R&D activity.

All of this, together with a better management, will reinforce CORTICEIRA AMORIM ability to cope with the said financial crisis. Estimates for full 2008 are in tune with disclosed figures for 9M08, meaning a moderate decrease from 2007 results.

5. KEY INDICATORS

Non-Audited indicators as of September, 30

(Thousand euros)

		3Q08	3Q07	Variation	9M08	9M07	Variation
Sales		116.818	110.629	+ 5,59%	364.942	352.858	+ 3,42%
Gross Margin – Value		52.658	51.520	+ 2,21%	171.293	168.981	+ 1,37%
%	1)	49,89	50,26	-0,37 p.p.	47,62	48,48	-0,86 p.p.
Operating Costs	2)	42.313	40.860	+ 3,56%	144.993	140.660	+ 3,08%
EBITDA		14.974	15.029	- 0,37%	43.151	44.645	- 3,35%
EBIT		10.345	10.660	- 2,95%	26.300	28.320	- 7,13%
Net Income		3.573	5.590	- 36,09%	10.462	14.735	- 29,00%
Earnings per share	3)	0,0274	0,0429	- 36,07%	0,0802	0,1130	- 28,98%
EBITDA/Net Interest (x)		4,25	4,76	- 0,51 X	4,30	5,33	- 1,03 X
Equity /Net Assets		-	-	-	41,68%	41,09%	+ 0,59 p.p.
Net Bank Debt		-	-	-	223.308	222.599	+ 0,32%

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

FINANCIAL REPORT INTERIM

a) Consolidated Balance sheet

Thousand euros

	September 2008	December 2007	September 2007
Assets			
Property, plant and equipment	178.557	176.130	163.864
Investment property	9.360	9.709	9.704
Goodwill	14.728	13.304	13.249
Investments in associates	3.355	2.906	3.160
Intangible assets	540	632	156
Other financial assets	2.834	2.265	2.082
Deferred tax assets	8.447	9.225	8.812
Other non current assets	1	0	105
Non-current assets	**217.821**	**214.171**	**201.130**
Inventories	219.194	227.415	226.468
Trade receivables	117.260	114.132	116.222
Current tax assets	23.537	20.981	25.371
Other current assets	15.173	12.922	12.891
Cash and cash equivalents	5.269	6.393	6.307
Current assets	**380.433**	**381.843**	**387.259**
Total Assets	**598.254**	**596.014**	**588.389**
Equity			
Share capital	133.000	133.000	133.000
Own shares	-2.501	-2.463	-2.427
Other reserves	98.104	82.036	82.268
Net Income	10.462	23.245	14.735
Minority interest	10.305	9.573	7.076
Equity	**249.370**	**245.390**	**234.652**
Liabilities			
Interest-bearing loans	121.674	162.994	164.283
Other borrowings and creditors	9.555	6.521	2.867
Provisions	4.672	5.202	5.264
Deferred tax liabilities	5.289	4.827	3.690
Non-current liabilities	**141.191**	**179.544**	**176.104**
Interest-bearing loans	106.903	75.180	64.623
Trade payables	42.076	49.155	62.819
Other borrowings and creditors	43.962	36.344	36.857
Tax liabilities	14.751	10.402	13.334
Current liabilities	**207.693**	**171.081**	**177.633**
Total Liabilities and Equity	**598.254**	**596.014**	**588.389**

b) Earnings statement
Cumulative 9 months

Thousands euros

	9M2008	9M2007
Sales	364.942	352.858
Costs of goods sold and materials consumed	188.396	179.595
Change in manufactured inventories	-5.252	-4.283
Gross Margin	**171.293**	**168.981**
	47,62%	*48,48%*
Third party supplies and services	58.729	56.251
Staff costs	68.708	65.614
Depreciation	16.851	16.325
Impairments of assets	944	1.382
Other gains (+) and cost (-)	238	-1.088
EBIT	**26.300**	**28.320**
Net interest	-10.025	-8.377
Share of (loss)/profit of associates	579	524
Profit before tax	**16.853**	**20.468**
Income tax	5.505	4.620
Profit after tax	**11.348**	**15.847**
Minority interest	885	1112
Net Income attributable to the equity holders of Corticeira Amorim	**10.462**	**14.735**
Earnings per share - Basic e Diluted (euros per share)	**0,080**	**0,113**

Third quarter

Thousands euros

	3Q2007	3Q2006
Sales	116.818	110.629
Costs of goods sold and materials consumed	52.896	50.985
Change in manufactured inventories	-11.264	-8.124
Gross Margin	**52.658**	**51.520**
	49,89%	*50,26%*
Third party supplies and services	18.908	17.450
Staff costs	18.881	17.947
Depreciation	4.629	4.369
Impairments of assets	581	777
Other gains (+) and cost (-)	686	-316
EBIT	**10.345**	**10.660**
Net interest	-3.521	-3.157
Share of (loss)/profit of associates	135	112
Profit before tax	**6.959**	**7.615**
Income tax	3.096	1.689
Profit after tax	**3.864**	**5.927**
Minority interest	291	336
Net Income attributable to the equity holders of Corticeira Amorim	**3.573**	**5.590**
Earnings per share - Basic e Diluted (euros per share)	**0,027**	**0,043**

c) Consolidated Cash Flow Statement

Thousands euros

	9M2008	9M2007
OPERATING ACTIVITIES		
Collections from customers	383 994	342 869
Payments to suppliers	- 296 315	- 269 825
Payments to employees	- 69 618	- 66 486
Operational cash flow	**18 061**	**6 558**
Payments/collections - income tax	- 2 289	- 3 632
Other collections/payments related with operational activities	8 488	27 497
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**24 260**	**30 423**
INVESTMENT ACTIVITIES		
Collections due to:		
Tangible assets	1 062	517
Investment property	415	118
Interests and similar gains	122	164
Investment subsidies	2 514	267
Dividends	100	81
Payments due to:		
Tangible assets	- 20 009	- 16 588
Financial investments	- 1 013	- 1 529
Intangible assets	- 20	- 155
CASH FLOW FROM INVESTMENTS	**- 16 829**	**- 17 125**
FINANCIAL ACTIVITIES		
Collections due to:		
Loans	9 597	5 924
Others	269	118
Payments due to:		
Loans	0	0
Interests and similar expenses	- 9 661	- 7 202
Dividends	- 8 217	- 9 045
Acquisition of treasury stock	0	0
Others	- 465	- 690
CASH FLOW FROM FINANCING	**- 8 477**	**- 10 895**
Change in cash	**- 1 046**	**2 403**
Exchange rate effect	**- 40**	**- 93**
Perimeter effect	**0**	**0**
Cash at beginning	**6 393**	**3 997**
Cash at end	**5 269**	**6 307**

d) Changes in Equity – Consolidated Statement

Thousands euros

	Balance Beginning	Appropriation of N-1 profit	Dividends	Net Profit N	Increases	Decreases	Translation Differences	Change in Consolidation Method	End Balance
September 30, 2007									
Equity:									
Share Capital	133.000	-	-	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.548	-	-	-	-	-1	-	-	-2.549
Treasury Stock - Discounts and Premiums	123	-	-	-	-	-1	-	-	122
Paid-in Capital	38.893	-	-	-	-	-	-	-	38.893
IFRS Transition Adjustments	-12.866	-	-	-	449	-	82	-	-12.335
Hedge Accounting	-177	-	-	-	-	-13	-	-	-190
Reserves									
Legal Reserve	7.445	-	-	-	-	-	-	-	7.445
Other Reserves	37.120	20.104	-7.169	-	119	-	-	-	50.174
Translation Difference	-982	-	-	-	-	-	-738	-	-1.720
	200.008	20.104	-7.169	0	568	-15	-656	0	212.840
Net Profit for the Year	20.104	-20.104	-	14.735	-	-	-	-	14.735
Minority interests	10.648	-	-1.980	1.112	198	-2.811	-90	-	7.077
Total Equity	230.760	0	-9.149	15.847	766	-2.826	-746	0	234.652
September 30, 2008									
Equity:									
Share Capital	133.000	-	-	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.568	-	-	-	-	-21	-	-	-2.589
Treasury Stock - Discounts and Premiums	105	-	-	-	-	-17	-	-	88
Paid-in Capital	38.893	-	-	-	-	-	-	-	38.893
IFRS Transition Adjustments	-12.312	-	-	-	3.694	-	-34	-	-8.653
Hedge Accounting	-219	-	-	-	233	-	-	-	14
Reserves									
Legal Reserve	7.445	-	-	-	-	-	-	-	7.445
Other Reserves	49.909	23.245	-7.825	-	-3.419	-	-	-	61.910
Translation Difference	-1.681	-	-	-	-	-	175	-	-1.506
	212.572	23.245	-7.825	0	508	-38	141	0	228.603
Net Profit for the Year	23.245	-23.245	-	10.462	-	-	-	-	10.462
Minority interests	9.573	-	-367	885	463		-250	-	10.305
Total Equity	245.390	0	-8.192	11.348	971	-38	-109	0	249.370

e) Notes to the consolidated financial statements as of September 30, 2008

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 millions euros, and is represented by 133 millions shares, which are publicly traded in the Euronext Lisboa – Sociedade Gestora de Mercados Regulamentados, S.A.

These financial statements were approved in the Board Meeting of November 3, 2008.

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 International Accounting Standards (IFRS) as of January 1, 2008, particularly IAS 34 (interim report). The transition date from the local GAAP was January 1, 2004.

b. Consolidation

▪ Group companies

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

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

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

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

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

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

▪ Equity companies

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

c. Foreign currency translation

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

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

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

d. Tangible Fixed Assets

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

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

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

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

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

Depreciation is charged since the beginning of the financial year in which the asset is brought into use. 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 the value of 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 it refers to a subsidiary; if it refers to an associate it will be included in the amount of the cost of acquisition. If negative, it will be registered as a gain for the period.

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

g. Inventories

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

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

h. Trade receivables

Trade receivables are registered initially at cost, adjusted for any subsequent impairment losses which, when occurred, 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. Bank overdrafts are recorded within the interest bearing loans line in the current liabilities on the balance sheet.

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

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

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

m. Provisions

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

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

n. Revenue recognition

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

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

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

o. Government grants

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

p. Leasing

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

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

q. Derivative financial instruments

CORTICEIRA AMORIM uses derivatives financial instruments as forward and spot exchange rate contracts, options and swaps; these are intended to hedge its business financial risks and are not used for speculative purposes. CORTICEIRA AMORIM accounts for these instruments as hedge accounting, following all its standards. Dealing is carried out by a central treasury department (dealing room) on behalf of the subsidiaries, under policies approved by the Board of Directors. Derivatives are initially recorded at cost and subsequently re-measured at their fair value. The method of recognising is as follows:

- **Fair value hedge**

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

- **Cash flow hedge**

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

- **Net investment hedge**

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

CORTICEIRA AMORIM has fully identified the nature of its activities' risk exposure and documents entirely and formally each hedge; uses its information system to guarantee that each edge is supported by a description of: risk policy, purpose and strategy, classification, description of risk, identity of the instrument and of the risk item, description of initial measurement and future efficiency, identification of the possible derivative portion which will be excluded from the efficiency test.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, or the forecasted transaction no longer remains highly provable or simply is abandoned, or the decision to consider the transaction as a hedge, the company will de-recognised the instrument.

I. Companies included in the consolidated financial statements

COMPANY		HEAD OFFICE	COUNTRY	9M08
Raw Materials				
Amorim Florestal Espanha, S.A.		San Roque Cádiz	SPAIN	100%
Amorim Florestal - Indústria, Comércio e Exploração, S.A.		Vale de Cortiças - Abrantes	PORTUGAL	100%
Amorim Florestal Catalunya, SL		Cassa de la Selva Girona	SPAIN	100%
Amorim & Irmãos VII, SRL		Tempio Pausania	ITALY	100%
Amorim & Irmãos, S.A. (Matérias Primas)	(a)	Ponte Sôr / Coruche	PORTUGAL	100%
Amorim Tunisie	(g)	Tabarka	TUNISIA	100%
Amorim & Irmãos - IV, S.A.		Alcântara	SPAIN	100%
Cork Consulting		Tabarka	TUNISIA	100%
Cork International, SARL		Tabarka	TUNISIA	100%
Comatral - C. de Marocaine de Transf. du Liège, S.A.		Skhirat	MOROCCO	100%
Société Fabrique Liège de Tabarka, S.A.		Tabarka	TUNISIA	100%
SIBL - Société Industrielle Bois Liége		Jijel	ALGERIA	51%
Société Nouvelle du Liège, S.A. (SNL)		Tabarka	TUNISIA	100%
Société Tunisienne d'Industrie Bouchonnière	(e)	Tabarka	TUNISIA	45%
Amorim Florestal España, SL		San Roque Cádiz	SPAIN	100%
Cork Stoppers				
Amorim Australasia		South Australia	AUSTRALIA	100%
Amorim Benelux, BV - A&I	(b)	Tholen	NETHERLANDS	100%
Amorim Cork Deutschland GmbH & Co KG		Mainzer	GERMANY	100%
Amorim Cognac, S.A.S.		Cognac	FRANCE	100%
Amorim Cork South Africa		Cape Town	SOUTH AFRICA	100%
Amorim France, S.A.S.		Champfleury	FRANCE	100%
Amorim & Irmãos, SGPS, S.A.		Santa Maria Lamas	PORTUGAL	100%
Amorim & Irmãos, S.A.	(a)	Santa Maria Lamas	PORTUGAL	100%
Aplifin - Aplicações Financeiras, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Amorim Argentina, S.A.		Tapiales - Provincia de Buenos Aires	ARGENTINA	100%
Chapuis, S.L.		Girona	SPAIN	100%
Champcork - Rolhas de Champanhe, S.A.		Santa Maria de Lamas	PORTUGAL	100%
M. Clignet & Cie		Bezannes	FRANCE	100%
Carl Ed. Meyer Korken		Delmenhorst	GERMANY	100%
Indústria Corchera, S.A.	(f)	Santiago	CHILE	50%
Amorim Cork Austrália, Pty Ltd		Vic	AUSTRALIA	100%
Equipar - Indústria de Cortiça, S.A.		Coruche	PORTUGAL	100%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%
Equipar - Rolha Natural, S.A.		Coruche	PORTUGAL	100%
Amorim Cork América, Inc.		California	UNITED STATES	100%
Francisco Oller, S.A.		Girona	SPAIN	87%
FP Cork, Inc.		California	UNITED STATES	100%
Hungarocork, Amorim, RT		Budapeste	HUNGARY	100%
Inter Champanhe - Fabricante de rolhas de Champanhe, S.A.		Montijo	PORTUGAL	100%
Amorim Cork Itália, SPA		Conegliano	ITALY	100%
KHB - Kork Handels Beteiligung, GMBH		Delmenhorst	GERMANY	100%
Korken Schiesser Ges.M.B.H.		Viena	AUSTRIA	69%
Olimpiadas Barcelona 92, S.L.		Girona	ESPANHA	100%
S.A. Oller et Cie		Girona	ESPANHA	87%
Portocork France		Bordéus	FRANCE	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%
Portocork América, Inc.		California	UNITED STATES	100%

COMPANY		HEAD OFFICE	COUNTRY	9M08
Cork Stoppers				
S.C.I. Friedland		Céret	FRANCE	100%
Société Nouvelle des Bouchons Trescases	(e)	Perpignan	FRANCE	50%
Victor y Amorim, Sl	(f)	Navarrete - La Rioja	SPAIN	50%
Floor & Wall Coverings				
Amorim Benelux, BV - AR	(b)	Tholen	NETHERLANDS	100%
Amorim Cork GmbH		Delmenhorts	GERMANY	100%
Amorim Cork Distribution Netherlands BV		Tholen	NETHERLANDS	100%
Amorim Revestimentos, S.A.		Lourosa	PORTUGAL	100%
Amorim Wood Suplies, GmbH		Bremen	GERMANY	100%
Corticeira Amorim - France SAS - AR	(c)	Lavardac	FRANCE	100%
Amorim Revestimientos, S.A.		Barcelona	SPAIN	100%
Amorim Deutschland, GmbH & Co. KG - AR	(d)	Delmenhorts	GERMANY	100%
Cortex Korkvertriebs GmbH	(i)	Fürth	ALEMANHA	100%
Dom KorKowy, Sp. Zo. O.	(f)	Kraków	POLAND	50%
Inter Craft Coatings, Lda.	(g)	S. Paio de Oleiros	PORTUGAL	50%
Amorim Flooring North America Inc		Hanover - Maryland	UNITED STATES	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%
Zodiac Kork und Holzprodukte GmbH	(i)	Fürth	ALEMANHA	100%
Composite Cork				
Amorim Benelux, BV - ACC	(b)	Tholen	NETHERLANDS	100%
Amorim (UK) Ltd.		Horsham West Sussex	UNITED KINGDOM	100%
Corticeira Amorim - France SAS - ACC	(c)	Lavardac	FRANCE	100%
Amorim Cork Composites, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Amorim Deutschland, GmbH & Co. KG - ACC	(d)	Delmenhorts	GERMANY	100%
Chinamate Development Co. Ltd		Hong Kong	HONG KONG	100%
Chinamate (Xi'an) Natural Products Co. Ltd		China	CHINA	100%
Amorim Industrial Solutions - Ind. de Cortiça e Borracha I, S.A.		Corroios	PORTUGAL	100%
Drauvil Europea, SL		San Vicente Alcantara	SPAIN	100%
Amorim Industrial Solutions Inc.		Trevor Wisconsin	UNITED STATES	100%
Amorim Flooring Austria GesmbH - CAI		Viena	AUSTRIA	100%
Samorim (Joint Stock Company Samorim)	(e)	Samara	RUSSIAN FEDERATION	50%
Insulation Cork				
Amorim Isolamentos, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	80%
Holding				
Corticeira Amorim, SGPS, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Ginpar, S.A. (Générale d' Investissements et Participation)		Skhirat	MOROCCO	100%
Amorim Cork Research, Lda.	(h)	Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Sopac - Soc. Portuguesa de Aglomerados de Cortiça, Lda		Montijo	PORTUGAL	100%
Vatrya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%

(a) – One single company: Amorim & Irmãos, S.A.
(b) – One single company: Amorim Benelux, BV.
(c) – One single company: Corticeira Amorim - France SAS.
(d) – One single company: Amorim Deutschland, GmbH & Co. KG.
(e) – Equity method consolidation.
(f) – CORTICEIRA AMORIM controls the operations of the company – line-by-line consolidation method.
(g) – Set-up during 2008.
(h) – Company name change (ex-Labcork).
(i) – Acquired during 2008.

During 2008, the following company was fully acquired and will consolidate as of December:

COMPANY		HEAD OFFICE	COUNTRY
Cork Stoppers			
Llosent & Forschner Korken GmbH	(i)	Oberwaltersdorf	AUSTRIA

II. 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):

Thousands euros

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

Thousands euros

9M2007	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	7.518	191.822	96.470	51.276	5.731	42		352.858
Other BU Sales	72.371	3.300	1.849	11.728	784	422	-90.454	
Total Sales	79.889	195.121	98.319	63.004	6.515	464	-90.454	352.858
EBIT	4.576	15.926	7.621	1.301	1.043	-2.549	403	28.320
Assets	160.557	242.483	104.462	82.026	9.729	4.716	-15.584	588.389
Liabilities	46.609	39.197	22.000	18.508	1.762	25.518	200.143	353.737
Capex	544	6.764	5.974	3.540	645	78	-	17.545
Year Depreciation	-2.519	-6.513	-3.580	-3.235	-433	-45	-	-16.325
Non-cash cost	7	-1.233	-687	21	-2	-	0	-1.894
Gains/Losses in associated companies	3	521	-	-	-	-	-	524

NOTES:

EBIT =Profit before interests, minorities and income tax.

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

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

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

Composite Cork 1H07 was recalculated in order to reflect the merger of the Agglomerate Cork and Rubbercork BUs.

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

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

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

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

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

Capex was concentrated in Portugal. Assets in foreign subsidiaries totalize more than 200 million euros, and are mostly composed by inventories and customers balances in sales companies.

III. 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;

During the General Shareholders Meeting of March, 28, 2008, a gross dividend of 6,0 cents of euro per share was approved; this dividend was paid as of April, 28, 2008.

Mozelos, November 3, 2008
The Board of CORTICEIRA AMORIM, S.G.P.S., S.A.