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

CONSOLIDATED ACCOUNTS
(Interim – Non Audited)

1st Quarter 2007 (1Q07)

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

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According to Regulatory Act (CE) nr. 1606/2002 of the European Parliament and Council, as of July, 19, 2002, relative to the application of the international accounting standards, namely its article nr. 4, which adopts the said standards in the preparation of the consolidated accounts for listed companies, CORTICEIRA AMORIM, SGPS, S.A. (Public Company), as required by IAS 34, submits:

CONSOLIDATED MANAGEMENT REPORT INTERIM

1. HIGHLIGHTS

- Consolidated Sales reached 117,6 millions euros (M€), up 2,7%. Special contribution of Corkstoppers BU activity (+5,4%).
- First quarter activity adversely impacted by a weak USD (9% devaluation).
- EBITDA (13,1 M€) and EBIT (7,1 M€) registered an increase of 2,5% and 2,6% respectively.
- Net profit reached 4,302 M€ (+4,9%).
- Net profit attributable to CORTICEIRA AMORIM shareholders rose to 3,874 M€, up 2,4% when compared to 1Q06.

2. CONSOLIDATED EARNINGS STATEMENT

All Business Units (BU) registered a Sales increase during 1Q07, except Raw materials BU which had a 11% decrease. This drop was caused by a substantial reduction in raw materials sales to external customers. This trend was initiated a few quarters ago, and it is justified by the need to reduce the credit risk. Taking in consideration only the BU downstream to raw materials, consolidated sales increased 5,1%. To be noted the negative impact in sales, and even in some degree in profits, that the USD devaluation caused. With an average rate of 1.31 against the euro, the devaluation reached 9% when compared with average same quarter 2006. This devaluation, associated with the price rigidity in face of exchange rate variations that is usual in the north american market has made very hard to conduct business in this very important market.

Sales reached 117,6 M€, up 2,7% from the 114,5 M€ of 1Q06. Special contribution from the Corkstoppers BU (+5,4%), which reaped the full benefits from the integration of the newly acquired associated company Trescases. Capsulated and champagne corkstoppers good performance, recovering from last year weak registers. As planned Neutrocork® Corkstoppers sales increase offset Twintop® and agglomerated corkstoppers sales decrease. Once more, the french and the US market were among the best performers.

Corkfloor coverings maintained a regular and continuous sales increase, registering 4% during the quarter. This increase was due to the performance of its core products (corkfloor and wall coverings) with a 7% jump. Sales to Russia were affected by the lack of capacity of St. Petersburg harbour.

The remaining BU registered the planned increase to external customers (Corkcomposition (+7,9%), Corkrubber (+1,7%) and Insolution (+6,5%)).

Gross Margin in percentage registered a 1% increase. This was due to the favourable evolution in the Corkstoppers BU, more than offsetting the decrease shown by the Corkcomposition, Corkrubber and Raw Materials BU's. Those two first BU's were hit by the USD devaluation, the latter being penalized by low quality cork manufactured during March. The Corkstoppers BU higher Gross Margin was, nevertheless, hit also by the said USD devaluation, as well as by the devaluation of two of its most important invoicing currencies: south african rand (28%) and chilean peso (11%).

At the operating level the main costs were stable (staff costs, external supplies and services and depreciation), reaching 49,7 M€ in both comparable quarters. The other two operating costs were not so favourable. The one million euros variance seen in Impairment costs was due, mainly, to the fact that during 1Q06 the register of impairment reversals (customers and inventories) was 0,8 M€ higher than 1Q07, and not so much to the impairment costs themselves. The other variation (Other operating gains and costs) was due in part to the variation in forex results (0,5 M€ unfavourable potential forex variation) and to other operating gains that were not booked during 1Q07.
These two unfavourable variations, which are expected to be diluted during the following quarters, almost entirely cancelled the gains registered in the Gross Margin line and the effect of the stabilization of the direct operating costs. At the end of the quarter EBITDA reached 13,1 M€ (+2,5%) and EBIT reached 7,1 M€ (+2,6%).

Net interest costs amounted to 2,3 M€, up 0,4 M€, due totally to interest rate increase. Net profit before minority interests reached 4,302 M€ (+4,9%).

Net profit attributable to CORTICEIRA AMORIM shareholders stood at 3,874 M€, up 2,4% from the 3,782 M€ registered during 1Q06.

3. CONSOLIDATED BALANCE SHEET

Consolidate Balance sheet amounted to 556 M€, a 5 M€ decrease from 2006 year end and a 4M€ increase when compared to March 2006. These variations, being immaterial, were due, mainly, to working capital fluctuations.

In terms of Equity and Liabilities, the only material change was due to the 7,315 M€ dividend approved at the March 30, Shareholders General Meeting. As its payment was made in April 30, that amount is registered in the Current Liabilities caption.

CORTICEIRA AMORIM Equity/Assets ratio kept a strong register (40,4% at March 31, 2007 Balance Sheet).

4. KEY INDICATORS

CORTICEIRA AMORIM, SGPS, SA
Non Audited Indicators as of March, 31

(thousands euros)

		1Q07	1Q06	Variation
Sales		117 561	114 487	+ 2,69%
Gross Margin – Value		57 507	55 023	+ 4,51%
%	1)	48,15	46,90	+1,25 p.p.
Operating Costs	2)	50 417	48 111	+ 4,79%
EBITDA		13 078	12 763	+ 2,47%
EBIT		7 090	6 913	+ 2,56%
Net Income		3 874	3 782	+ 2,43%
Earnings per share	3)	0,030	0,029	+ 2,44%
EBITDA/Net Interest (x)		5,72	6,84	- 1,12 X
Equity /Net Assets		40,43%	39,01%	+1,4 p.p.
Net Bank Debt		222 852	218 121	+ 2,17%

Related to Production

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

FINANCIAL REPORT INTERIM

a) Consolidated Balance sheet

Thousand euros

	March 2007	December 2006	March 2006
Assets			
Property, plant and equipment	169.377	175.719	170.527
Investment property	2.459	2.519	2.271
Goodwill	13.251	13.253	14.010
Investments in associates	2.903	2.717	230
Intangible assets	0	0	12
Other financial assets	2.267	2.053	866
Deferred tax assets	8.720	9.719	12.120
Other non current assets	388	306	616
Non-current assets	**199.367**	**206.285**	**200.652**
Inventories	196.841	212.139	197.403
Trade receivables	115.965	104.761	109.574
Current tax assets	22.322	21.311	24.406
Other current assets	17.985	13.094	12.368
Cash and cash equivalents	3.776	3.997	8.120
Current assets	**356.890**	**355.302**	**351.871**
Total Assets	**556.256**	**561.588**	**552.523**
Equity			
Share capital	133.000	133.000	133.000
Own shares	-2.425	-2.425	-2.405
Other reserves	82.309	69.433	70.589
Net Income	3.874	20.104	3.782
Minority interest	8.125	10.648	10.562
Equity	**224.883**	**230.760**	**215.528**
Liabilities			
Interest-bearing loans	148.137	153.115	122.811
Other borrowings and creditors	2.142	3.172	5.868
Provisions	4.443	4.386	4.578
Deferred tax liabilities	3.865	4.009	4.380
Non-current liabilities	**158.587**	**164.682**	**137.637**
Interest-bearing loans	78.491	76.213	103.430
Trade payables	35.388	43.965	40.013
Other borrowings and creditors	48.527	36.520	46.151
Tax liabilities	10.381	9.449	9.763
Current liabilities	**172.787**	**166.147**	**199.358**
Total Liabilities and Equity	**556.256**	**561.588**	**552.523**

b) Earnings statement

Thousands euros

	1Q2007	1Q2006
Sales	117.561	114.487
Costs of goods sold and materials consumed	-61.921	-62.293
Change in manufactured inventories	1.866	2.830
Gross Margin	**57.507**	**55.023**
	48,2%	*46,9%*
Third party supplies and services	19.599	19.218
Staff costs	24.178	24.611
Depreciation	5.988	5.850
Impairments of assets	673	-277
Other gains (+) and cost (-)	21	1.291
EBIT	**7.090**	**6.913**
Net interest	-2.286	-1.866
Share of (loss)/profit of associates	187	58
Profit before tax	**4.990**	**5.105**
Income tax	688	1003
Profit after tax	**4.302**	**4.102**
Minority interest	429	320
Net Income attributable to the equity holders of Corticeira Amorim	**3.874**	**3.782**
Earnings per share - Basic e Diluted (euros per share)	**0,030**	**0,029**

c) Consolidated Cash Flow Statement

Thousands euros

OPERATING ACTIVITIES:	MARCH 2007		MARCH 2006	
Collections from customers	106 103		103 402	
Payments to suppliers	- 84 900		- 80 110	
Payments to employees	- 22 528		- 22 920	
Operational cash flow	- 1 325		372	
Payments/collections - income tax	- 1 003		- 780	
Other collections/payments related with operational activities	12 744		9 181	
Cash flow before extraordinary items		**10 416**		**8 774**
INVESTMENT ACTIVITIES:				
Collections due to:				
Tangible assets	153		164	
Investment property	180		64	
Interests and similar gains	59		-	
Dividends	17		-	
Investment subsidies	171	580	0	228
Payments due to:				
Tangible assets	- 4 864		- 6 481	
Financial investments	- 1 525	- 6 389	- 971	- 7 452
Cash flow from investments		**- 5 809**		**- 7 223**
FINANCIAL ACTIVITIES:				
Payments due to:				
Loans	- 3 083		- 483	
Interests and similar expenses	- 1 572		- 1 179	
Dividends	-		- 274	
Acquisition of treasury stock	-		- 3	
Others	- 152	- 4 807	-	- 1 939
Cash flow from financing		**- 4 807**		**- 1 939**
Change in cash		**- 200**		**- 388**
Exchange rate effect		**- 21**		**-157**
Cash at beginning		**3 997**		**8 666**
Cash at end		**3 776**		**8 120**

d) Changes in Equity – Consolidated Statement

Thousands euros

	Balance Beginning	New Cies	Appropriation of N-1 profit	Dividends	Net Profit N	Increases	Decreases	Translation Differences	Change in Consolidation Method	End Balance
March 31, 2007										
Equity:										
Share Capital	133.000	-	-	-	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.548	-	-	-	-	-	-	-	-	-2.548
Treasury Stock - Discounts and Premiums	123	-	-	-	-	-	-	-	-	123
Paid-in Capital	38.893	-	-	-	-	-	-	-	-	38.893
IFRS Transition Adjustments	-12.866	-	-	-	-	458	-	17	-	-12.391
Hedge Accounting	-177	-	-	-	-	284	-103	-	-	4
Reserves										
Legal Reserve	7.445	-	-	-	-	-	-	-	-	7.445
Other Reserves	37.120	-	20.104	-7.315	-	-	-232	-	-	49.677
Translation Difference	-982	-	-	-	-	-	-	-338	-	-1.320
	200.008	0	20.104	-7.315	0	742	-335	-321	0	212.883
Net Profit for the Year	20.104	-	-20.104	-	3.874	-	-	-	-	3.874
Minority interests	10.648	-2.790	-	-	429	-	-	-161	-	8.126
Total Equity	230.760	-2.790	0	-7.315	4.303	742	-335	-482	0	224.883
March 31, 2006										
Equity:										
Share Capital	133.000	-	-	-	-	-	-	-	-	133.000
Treasury Stock - Face Value	-2.535	-	-	-	-	-2	-	-	-	-2.537
Treasury Stock - Discounts and Premiums	134	-	-	-	-	-1	-	-	-	133
Paid-in Capital	38.893	-	-	-	-	-	-	-	-	38.893
IFRS Transition Adjustments	-13.020	-	-	-	-	-	-	29	-	-12.992
Hedge Accounting	18	-	-	-	-	-	-	-	-	18
Reserves										
Legal Reserve	7.445	-	-	-	-	-	-	-	-	7.445
Other Reserves	28.051	-	15.747	-6.650	-	-	-6	-	-	37.142
Translation Difference	698	-	-	-	-	-	-	-617	-	81
	192.684	0	15.747	-6.650	0	-3	-6	-588	0	201.184
Net Profit for the Year	15.747	-	-15.747	-	3.782	-	-	-	-	3.782
Minority interests	11.752	-	-	-254	320	-	-	-338	-917	10.562
Total Equity	220.184	0	0	-6.904	4.102	-3	-6	-926	-917	215.529

e) Notes to the consolidated financial statements as of March 31, 2007

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 May 4, 2007.

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

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

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Basis of presentation

Consolidated statements were prepared based on a going concern basis and using the records as stated in the companies' books, which adopted Portuguese general accepted accounting principles. Accounting adjustments and reclassifications were made in order to comply with accounting policies followed by the IFRS, as adopted by the European Union (IAS – International Accounting Standards and the IFRS – International Financial Reporting Standards) and legal for use as of January 1, 2006. The transition date from the local GAAP was January 1, 2004.

b. Consolidation

▪ Group companies

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

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

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

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

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

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

▪ Equity companies

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

c. Foreign currency translation

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

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

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

d. Tangible Fixed Assets

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

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

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

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

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

Depreciation is charged since the 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. 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.

f. 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.

g. Trade receivables

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

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

h. 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.

i. 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.

j. 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).

k. 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.

l. 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.

m. 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.

n. 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.

o. 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.

p. Derivative financial instruments

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

- Fair value hedge

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

- Cash flow hedge

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

- Net investment hedge

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

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

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

III. Companies included in the consolidated financial statements

COMPANY		HEAD OFFICE	COUNTRY	1T07
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 & 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%
Matagalpa	(g)	Madeira	PORTUGAL	100%
SIBL - Société Industrielle Bois Liége		Jijel	ALGERIA	51%
Société Nouvelle du Liège, S.A. (SNL)		Tabarka	TUNISIA	100%
Société Tunisienne d'Industrie Bouchonnière	(i)	Tabarka	TUNISIA	45%
Amorim Florestal España, SL		San Roque Cádiz	SPAIN	100%
Cork Stoppers				
Amorim Benelux, BV - A&I	(b)	Tholen	NETHERLANDS	100%
Amorim Cork Deutschland GmbH & Co KG		Mainzer	GERMANY	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%
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.	(i)	Santiago	CHILE	50%
Amorim Cork Austrália, Pty Ltd		Vic	AUSTRALIA	100%
Equipar - Indústria de Cortiça, S.A.	(h)	Coruche	PORTUGAL	100%
Equipar, Participações Integradas, Lda.	(h)	Coruche	PORTUGAL	100%
Equipar - Rolha Natural, S.A.	(h)	Coruche	PORTUGAL	100%
Amorim Cork América, Inc.		California	UNITED STATES	100%
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%
Oenorope		Aix-en-Provence	FRANCE	100%
Portocork France	(g)	Bordéus	FRANCE	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%
Portocork América, Inc.		California	UNITED STATES	100%
S.C.I. Friedland		Céret	FRANCE	100%
Société Nouvelle des Bouchons Trescases	(l)	Perpignan	FRANCE	50%
Victor y Amorim, Sl	(j)	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%
Dom KorKow y, Sp. Zo. O.	(j)	Kraków	POLAND	50%
Amorim Flooring North America Inc		Hanover - Maryland	UNITED STATES	100%
Amorim Flooring Austria GesmbH - AR	(f)	Viena	AUSTRIA	100%
Amorim Flooring Nordic A/s		Greve	DENMARK	100%
Amorim Flooring (Sw itzerland) AG		Zug	SWITZERLAND	100%
Composite Cork				
Amorim Benelux, BV - CAI	(b)	Tholen	NETHERLANDS	100%
Corticeira Amorim - France SAS - CAI	(c)	Lavardac	FRANCE	100%
Corticeira Amorim Indústria, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Amorim Deutschland, GmbH & Co. KG - CAI	(d)	Delmenhorts	GERMANY	100%
Drauvil Europea, SL		San Vicente Alcantara	SPAIN	100%
Amorim Industrial Solutions Inc. - CAI	(e)	Trevor Wisconsin	UNITED STATES	100%
Amorim Flooring Austria GesmbH - CAI	(f)	Viena	AUSTRIA	100%
Cork Rubber				
Amorim (UK) Ltd.		Horsham West Sussex	UNITED KINGDOM	100%
Amorim Industrial Solutions - Ind. de Cortiça e Borracha II, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Amorim Industrial Solutions - Ind. de Cortiça e Borracha I, S.A.		Corroios	PORTUGAL	100%
Amorim Industrial Solutions Inc. - BOR	(e)	Trevor Wisconsin	UNITED STATES	100%
Samorim (Joint Stock Company Samorim)	(i)	Samara	RUSSIAN FEDERATION	50%
Amorim Industrial Solutions, SGPS, S.A.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Insulation Cork				
Amorim Isolamentos II, Lda.		Mozelos - Sta. Maria da Feira	PORTUGAL	80%
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%
Labcork - Laboratório Central do Grupo Amorim, Lda.		Mozelos - Sta. Maria da Feira	PORTUGAL	100%
Moraga - Comércio e Serviços, S.A.		Funchal - Madeira	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) – One single company: Amorim Industrial Solutions, Inc.
(f) – One single company: Amorim Flooring Austria GesmbH.
(g) – Set-up during 2006.
(h) – Equipar group was acquired in the beginning of 2005 (50%). At the beginning of 2006 the remaining 50% was acquired.
(i) – Equity method consolidation.
(j) – CORTICEIRA AMORIM controls the operations of the company – line-by-line consolidation method.
(l) – Acquired during 2006. Equity method consolidation.

IV. Segment report

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

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

1Q2007	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Cork Rubber	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	2.871	62.493	31.711	11.694	6.867	1.923	1		117.561
Other BU Sales	24.762	1.245	752	4.534	882	311	113	-32.599	
Total Sales	27.633	63.738	32.464	16.228	7.749	2.234	114	-32.599	117.561
EBIT(i)	1.602	4.583	2.261	369	-697	334	-1.330	-31	7.090
Assets	129.120	250.854	101.700	54.344	28.789	9.965	3.533	-22.048	556.256
Liabilities	14.821	54.703	21.190	12.943	16.145	2.807	25.299	183.466	331.374
Capex	184	2.221	1.312	738	485	265	65	-	5.271
Year Depreciation	-1.037	-2.299	-1.371	-720	-405	-141	-16	-	-5.988
Non-cash cost (ii)	-4	-36	-596	34	165	-41	-	0	-478
Gains/Losses in associated companies	1	186	-	-	-	-	-	-	187

Thousands euros

1Q2006	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Cork Rubber	Insulation Cork	Holding	Adjustments	Consolidated
Trade Sales	5.306	59.255	30.536	10.833	6.750	1.805	1		114.487
Other BU Sales	25.879	1.226	677	5.600	1.093	218	122	-34.815	
Total Sales	31.185	60.482	31.213	16.433	7.843	2.023	123	-34.815	114.487
EBIT(i)	2.646	2.038	2.519	810	-290	223	-757	-275	6.913
Assets	145.314	232.579	97.218	53.968	27.823	9.952	N/M	-14.331	552.524
Liabilities	22.086	59.228	21.610	13.496	11.109	2.531	N/M	206.934	336.995
Capex	1.169	3.461	1.327	192	261	71	0	0	6.481
Year Depreciation	-987	-2.232	-1.373	-734	-415	-95	-15	0	-5.850
Non-cash cost (ii)	15	334	314	21	-138	-40	-20	0	487
Gains/Losses in associated companies	4	0	0	0	54	0	0	0	58

NOTES:

(i) *EBIT =Profit before interests, minorities and income tax.*

(ii) *Provisions and asset impairments were considered the only relevant material cost.*

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 80% 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 and for cork rubber products the USA. 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 150 million euros, and are mostly composed by inventories and customers balances in sales companies.

V. 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, 30, 2007, a gross dividend of 5,5 cents of euro per share was approved; this dividend was paid as of April, 30, 2007.

Mozelos, May 4, 2007
The Board of CORTICEIRA AMORIM, S.G.P.S., S.A.