



AMORIM

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

Consolidated results

First Half 2012

Summary

Consolidated results

- Highlights
- Consolidated key indicators

Raw Materials

- Key indicators
- Highlights

Cork Stoppers

- Key indicators
- Highlights

Floor & Wall Coverings

- Key indicators
- Highlights

Cork Composites

- Key indicators
- Highlights

Insulation Cork

- Key indicators
- Highlights

Appendices

- Consolidated indicators

Consolidated results

- Highlights
- Consolidated key indicators

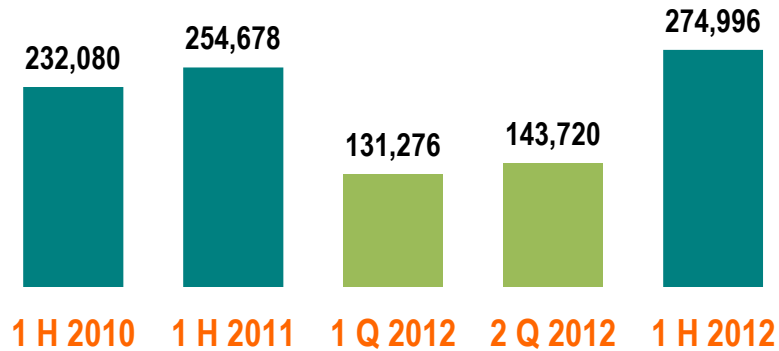
Unit: thousands of euros

Highlights

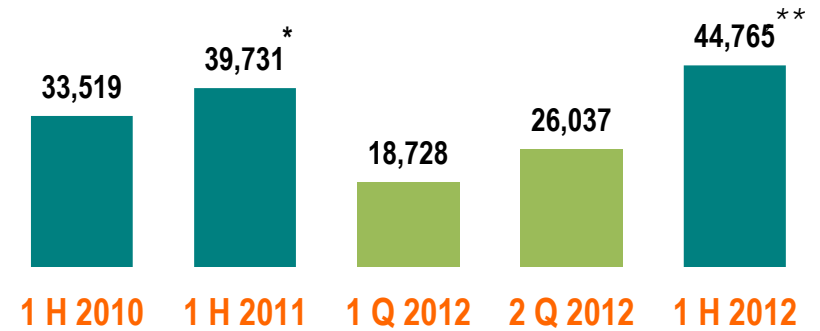
- ❑ First half 2012 (1H12) consolidated sales reached 275 million euros (M€), up 20M€ (8%);
- ❑ Sales increase for the tenth quarter in a row (comparable quarters);
- ❑ All Business Units (BU) recorded higher sales (except for the flat sales of Insulation BU);
- ❑ Current EBITDA (44.8M€) and current EBIT (33.9M€) up 12,7% and 19,2% from same period 2011;
- ❑ Ratio EBITDA / Sales: 1H12 = 16.3%, 2Q12 = 18.1% are historical record;
- ❑ Non-current costs: 4.6 M€ (impairments: goodwill North Africa 2M€, Montijo land 1M€, Argentina TVA receivable 1.6M€);
- ❑ 1H12 net profit totalled 17.7M€, increasing 28% from last year comparable of 13.8M€ (2Q12 net profit = 11.9M€ »» +38%);
- ❑ Dividends paid during second quarter reached 8.2M€;
- ❑ Acquisition of Trefinos (15.1M€), delayed receivable TVA: June = 9.2M€ (Dec. =3.1M€)
- ❑ Net debt (124.8M€) increases 7.4M€ since December 2011.

Consolidated key indicators

Sales



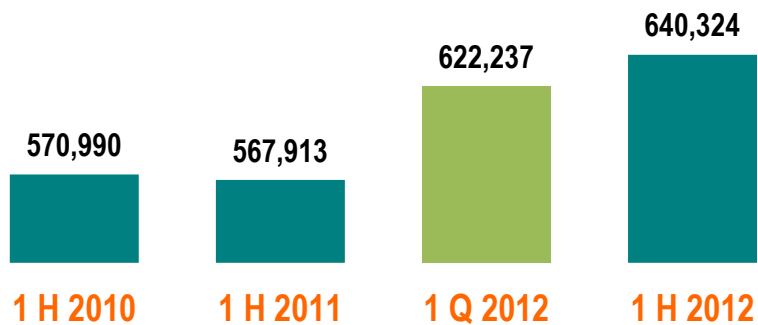
EBITDA



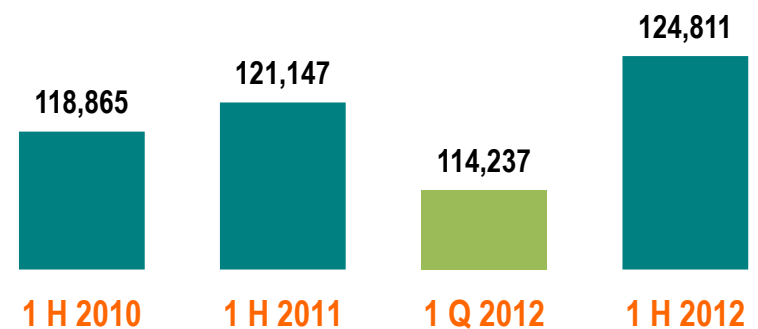
* Excludes 3,563 K€ (1Q11: 1,827 and 2Q11: 1,736) due to impairment

** Excludes 4,619 K€ (1Q12: 1,843 and 2Q12: 2,776) due to impairment

Total Assets



Net debt



Business Unit:

Raw Materials

- Key indicators
- Highlights

Unit: thousands of euros

Highlights and key indicators

Procurement

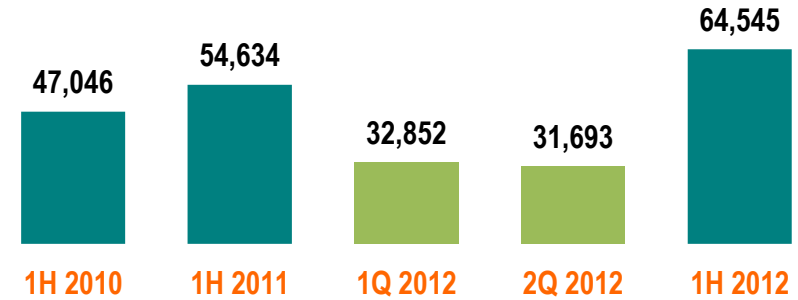
- Cork harvest for the year penalised by adverse weather conditions. Campaign with low quantities. It is expected that this event will not have adverse material effects for the 2013 results;

Operating activity

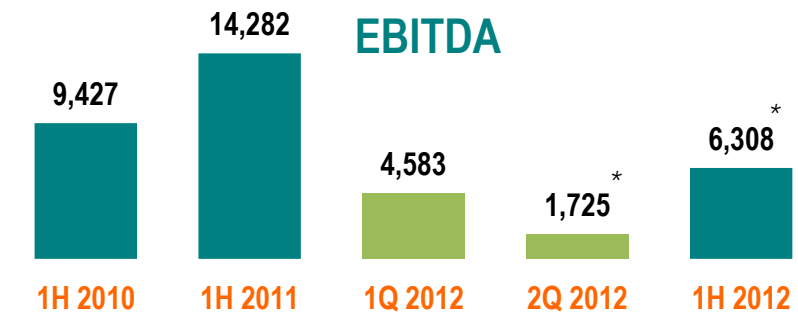
- Sales jumped 16,5%:
 - As a part of the value added chain to the Group, this BU accompanied the growth of activity of the BU's downstream, registering a 14% increase in sales to the chain;
- EBITDA decreased to 6.3M€ from 14.3M€ in 1H11:
 - lower margins due to higher cork prices in the 201 campaign;
 - Operating costs hit by energy and transportation rising costs.

Write-off of North Africa Goodwill 2.0M€ (booked as non-current costs)

Sales

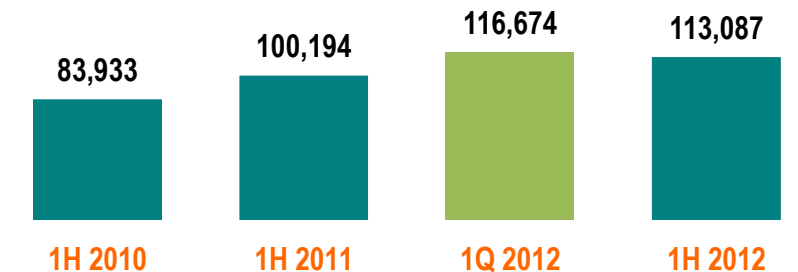


EBITDA



* Excludes 1,995 K€ (2Q12) due to goodwill impairment

Total Assets*



* Excludes Deferred Taxes and non-trade balances with Group Companies.

Business Unit:

Cork Stoppers

- Key indicators
- Highlights

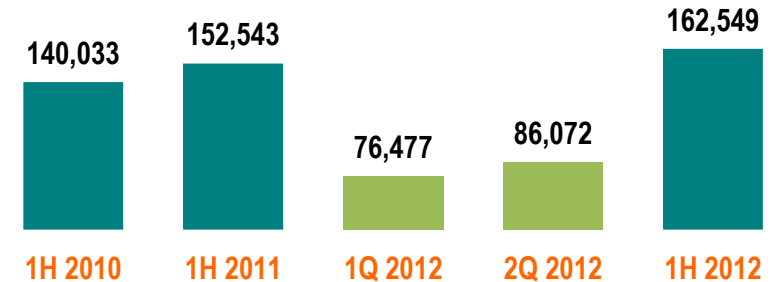
Unit: thousands of euros

☐ Sales – 6.6% increase in 1H12 (162.5M€)

- A good growth rate was maintained during 2Q12 (6,0%):
 - A growing wine world market, namely in the new consuming countries (USA and China);
 - Market share gains (leadership, service, quality and variety of products);
 - Increase of 78 million of corks sold (+4,5%);
 - Positive exchange rate effect (USD);
 - Plastic stoppers fall-off;
 - Champagne cork stoppers sales fall for the first time in years.

• Performance by product family:

- Natural Cork Stoppers:
 - Increase of 6% justified by volume;
 - Except for the Switzerland and Spain, all markets recorded increases.
- Champagne Cork Stoppers:
 - Decrease (1%) softened by a price increase;
 - Decrease in France and Italy.
- Neurocork®:
 - Increase of 19% justified by volume (15%);
 - All markets registered increases.
- Twin Top®:
 - Increase of 10% justified by volume (8%);
 - US market saw important growth.



• Markets:

- Growth in the three main markets (France 7%, USA 10% and Italy 3%);
- USA sales benefits from a strong USD.
- New approach to the Argentinean market (joint-venture with Corchos Argentina):

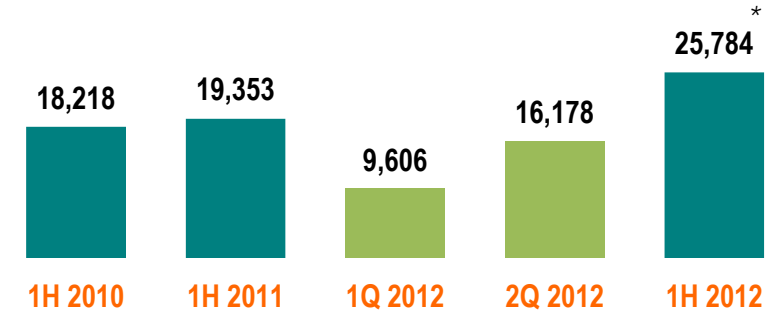
Highlights and key indicators (2)

Operating activity

- Percentual gross margin profits from a strong USD (average 1H12: 1.296 vs. 1H11: 1.403);
- Staff costs and External Supplies and Services up 7% in 1H12 vs. Production up 9%;
- Operating costs benefits from exchange differences (1.3M€) (3.2M€ when comparing with 1H11);
- EBITDA increased by 33%, reaching 25.8%

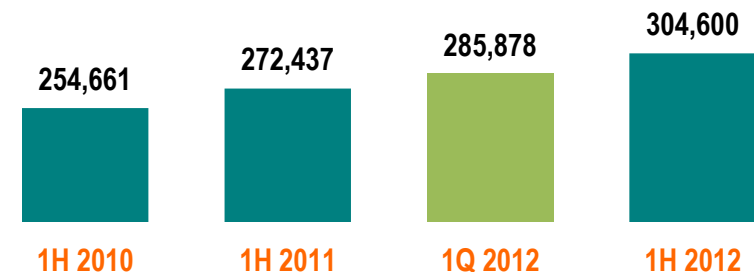
Impairments totalled 2.6M€ (Montijo land: 1M€ and Argentinean TVA receivable 1.6M€) (booked as non-current costs)

EBITDA



* Excludes 2,624 K€ (1Q12: 1,843 and 2Q12: 781) due to impairment

Total Assets*



* Excludes Deferred Taxes and non-trade balances with Group Companies.



AMORIM

Business Unit:

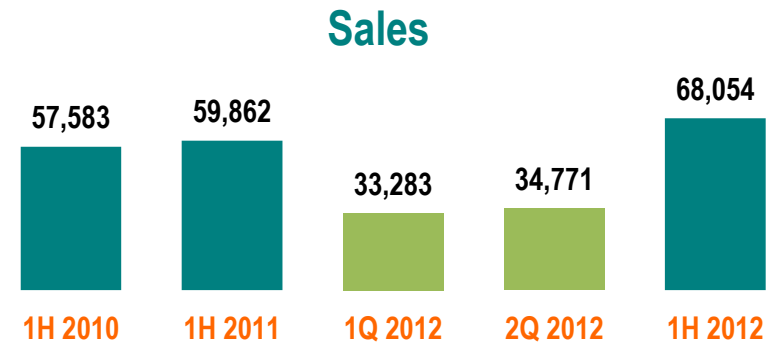
Floor & Wall Coverings

- Key indicators
- Highlights

Unit: thousands of euros

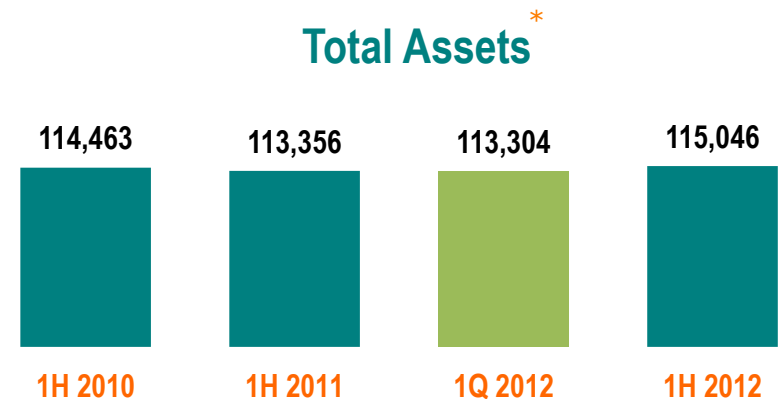
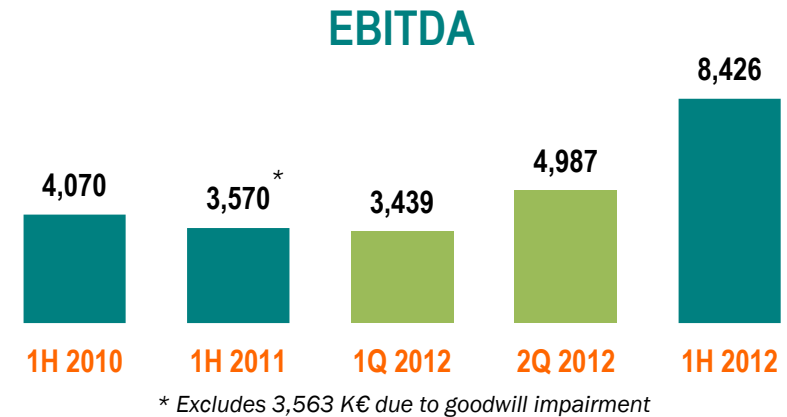
☐ Sales increase of 13.7% (own products: +12%)

- Trade sales profited from Timberman entry (+5% effect in total sales and +22% in trade sales).
Without Timberman, 1H12 trade sales would drop by 6% (a strong USD hits trade sales)
 - Good performance in North America and Eastern Europe markets;
 - Sluggish main central european markets (except LVT in Germany);
 - Highlights for the Cork Style (+5%) and LVT (25%).



□ Operating activity

- Strong increase in the percentual gross margin (49.5% vs. 45.4%):
 - Favourable product mix (higher weight of own finished products and Timberman entry with a higher margin);
 - Positive impact of a strong USD (in own products);
- EBITDA reached 8.4M€, more than doubling 1H11 values.



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Business Unit:

Cork Composites

- Key indicators
- Highlights

Unit: thousands of euros

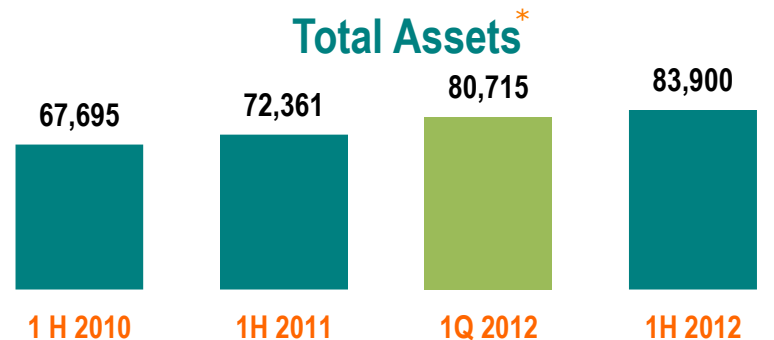
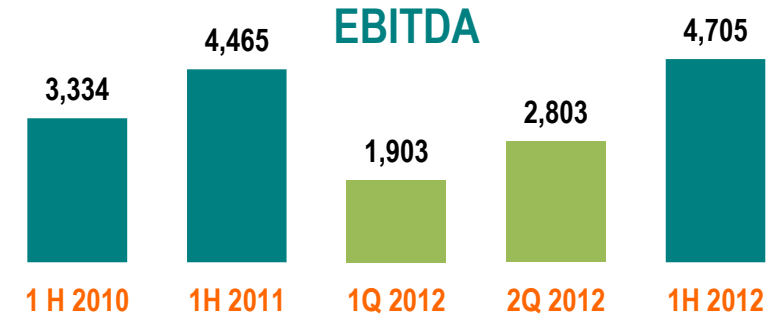
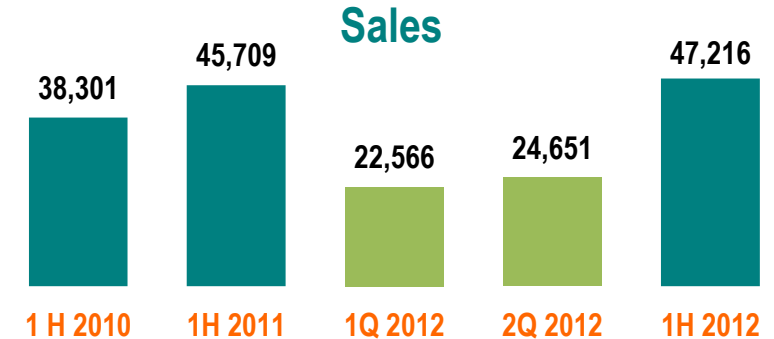
Highlights and key indicators

☐ Sales increase of 3.3% (market sales +6%)

- Sales increase: half part due to price and half part due to a strong USD
- Industry: most important segment with +5% (USA);
- Sealing: flat sales benefiting from a strong USD (USA is the main market)
- Construction: positive performance in Russia and Germany.

☐ Operating activity

- Percentual gross margin hit by raw-materials price increase (namely cork waste and polyurethane and rubber);
- As in other Bus, operating costs hit by energy and transportation price increases;
- EBITDA reached 4.7M€ (+5%);
- New press in tests during 2Q.



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Business Unit:

Insulation Cork

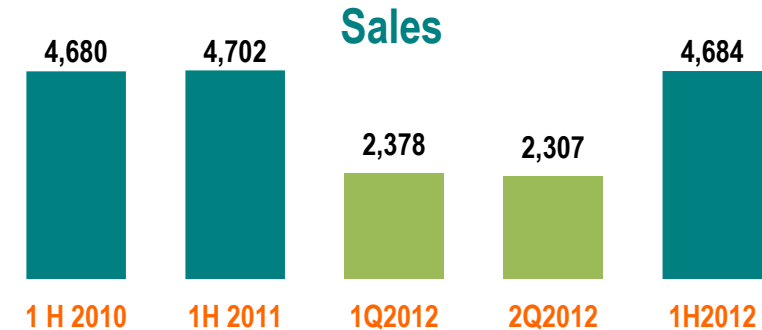
- Key indicators
- Highlights

Unit: thousands of euros

Highlights and key indicators

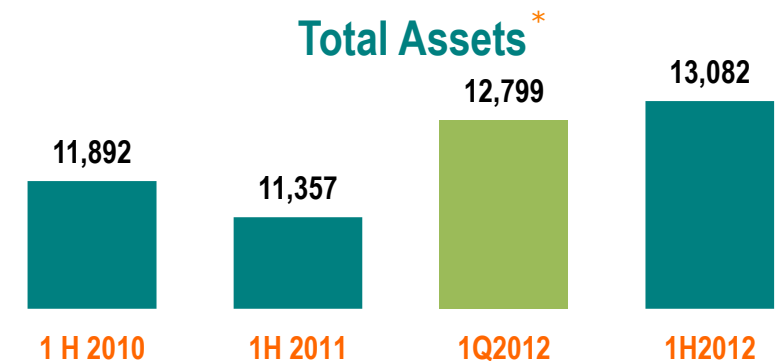
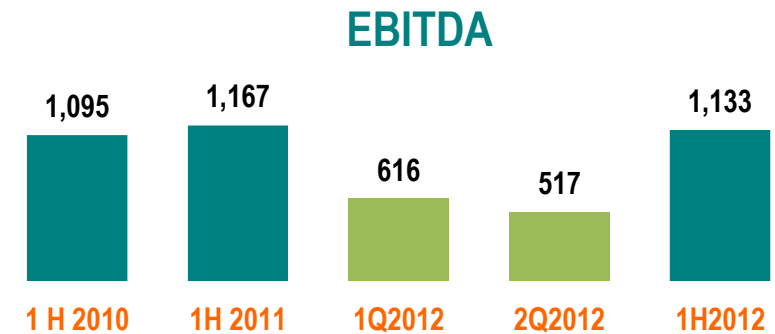
☐ Sales flat (-0,3%)

- Sales suffered from the postponing of a few projects;
- 2Q12 allowed a recovery from 1Q12 soft drop in sales;
- Sales price increase +6% levelled drop in quantities sold of expanded cork agglomerate (-7%);
- Flat sales in the main market (France);
- Falloff of the second most important market (Italy).



☐ Operating activity

- Increase in percentual gross margin (sales price increase);
- Stable EBITDA (1.1M€).



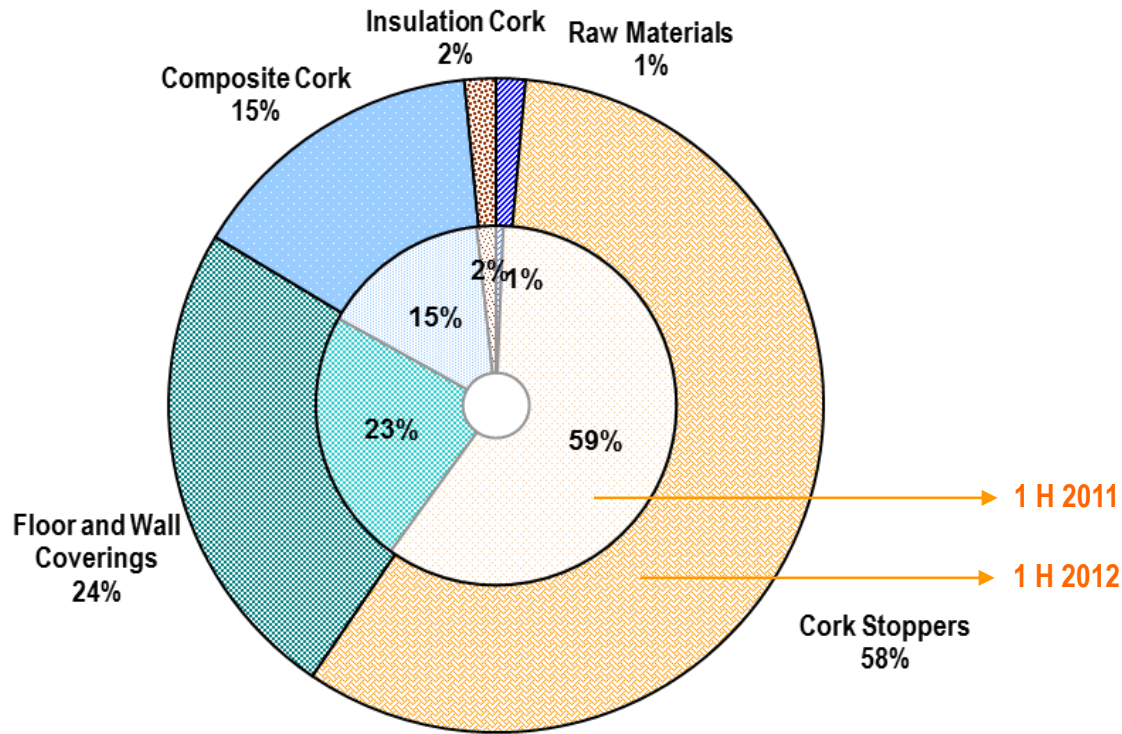
^{*} Excludes Deferred Taxes and non-trade balances with Group Companies.

Appendices

- Consolidated indicators

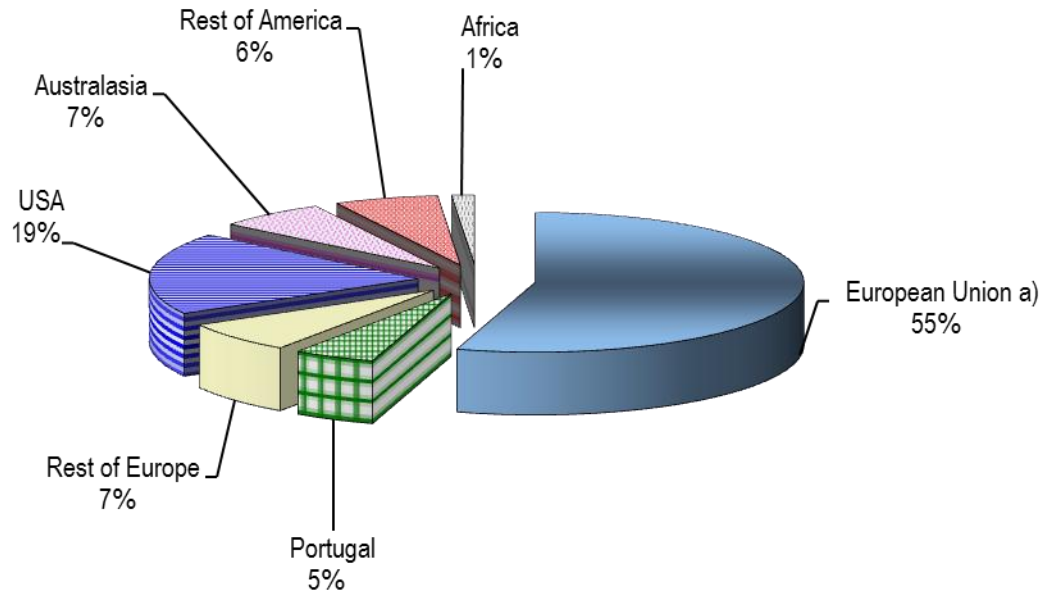
Unit: thousands of euros

Breakdown Sales by Business Unit



	1 H 2010	1 H 2011	1 H 2012
Raw Materials	0.9%	0.6%	1.4%
Cork Stoppers	59.1%	59.3%	58.1%
Floor and Wall Coverings	24.2%	23.0%	24.1%
Composite Cork	13.9%	15.2%	14.8%
Insulation Cork	1.9%	1.7%	1.6%

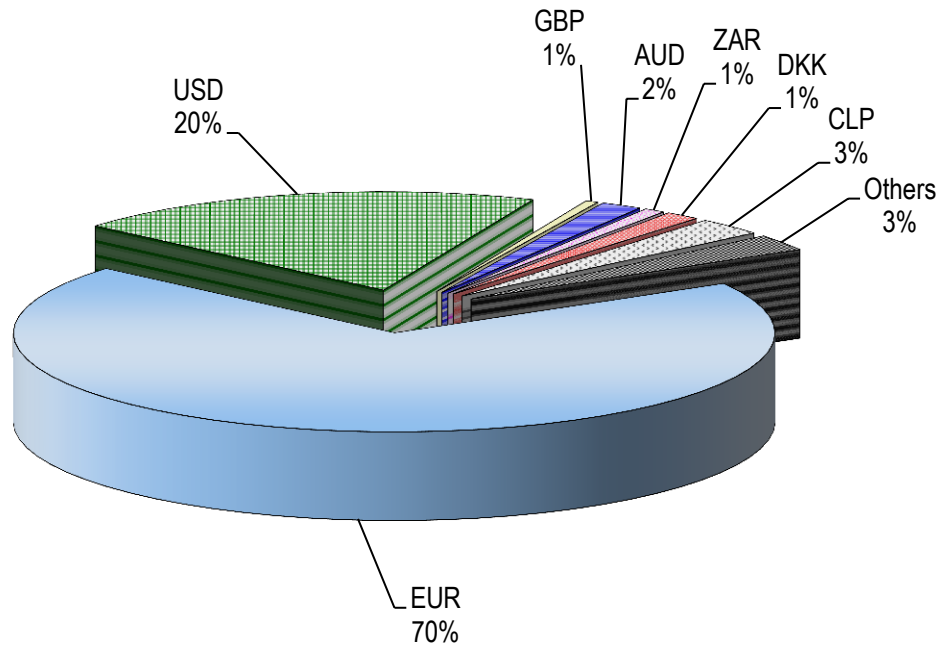
Breakdown Sales by Geographic Areas



	1 H 2010	1 H 2011	1 H 2012
European Union a)	58.4%	57.2%	54.5%
Portugal	4.7%	4.8%	4.9%
Rest of Europe	5.1%	5.5%	7.1%
USA	16.8%	17.8%	19.0%
Australasia	6.4%	6.2%	6.5%
Rest of America	7.0%	6.8%	6.2%
Africa	1.6%	1.5%	1.3%

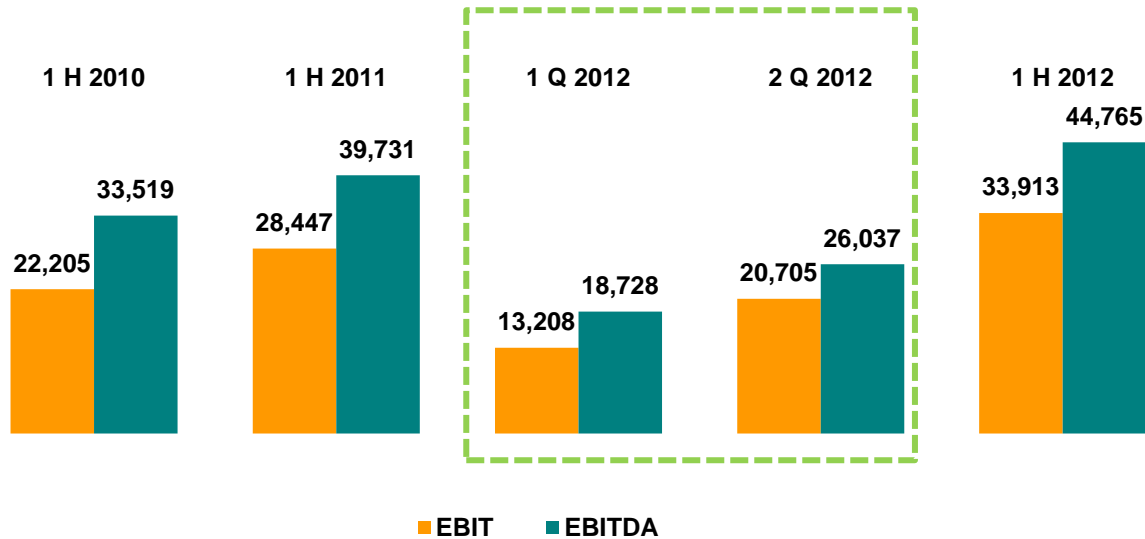
a) Includes Switzerland and Norway and excludes Portugal.

Breakdown Sales by Currency



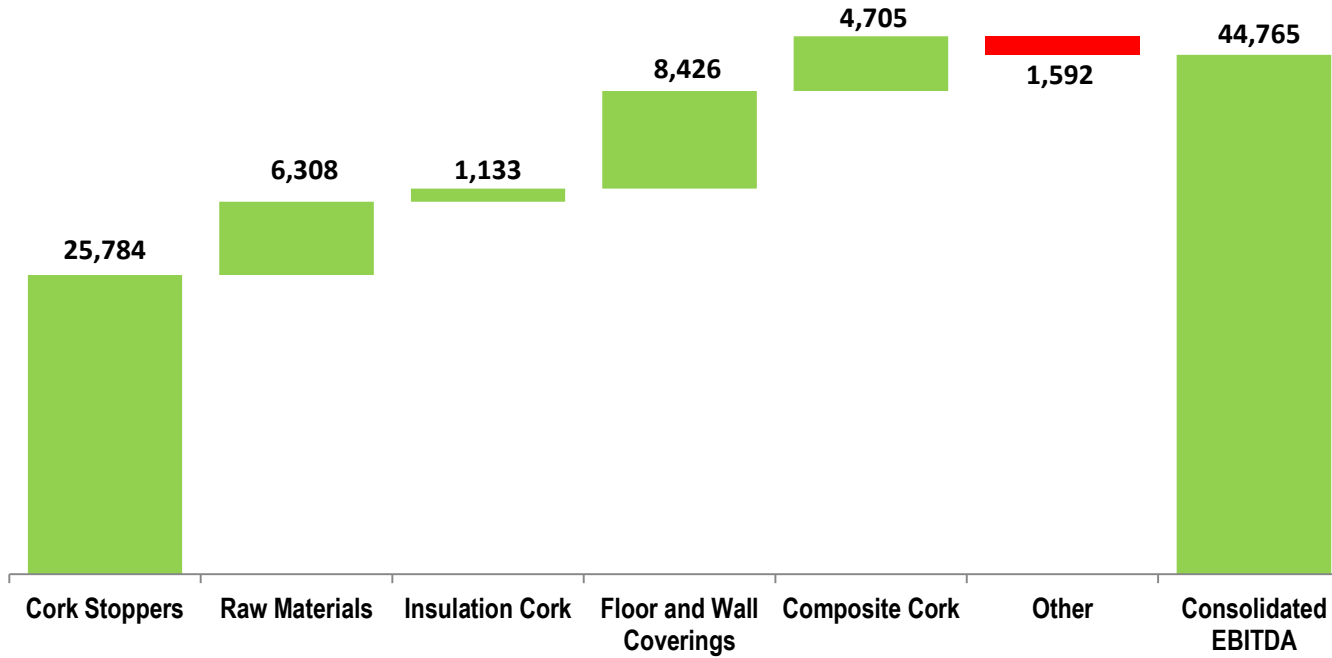
	1 H 2010	1 H 2011	1 H 2012
EUR	70.7%	71.5%	69.7%
USD	17.9%	18.0%	20.1%
GBP	0.6%	0.6%	0.5%
AUD	1.8%	1.5%	1.7%
ZAR	0.9%	0.7%	0.9%
DKK	0.4%	0.3%	1.5%
CLP	3.8%	3.2%	2.9%
Others	3.9%	4.2%	2.7%

EBIT & EBITDA evolution



	1 H 2010	1 H 2011	1 Q 2012	2 Q 2012	1 H 2012
Gross Margin	121,571	133,965	67,856	72,453	140,309
Other operating costs (current)	96,761	102,912	54,647	51,748	106,395
EBIT	22,205	28,447	13,208	20,705	33,913
EBITDA	33,519	39,731	18,728	26,037	44,765

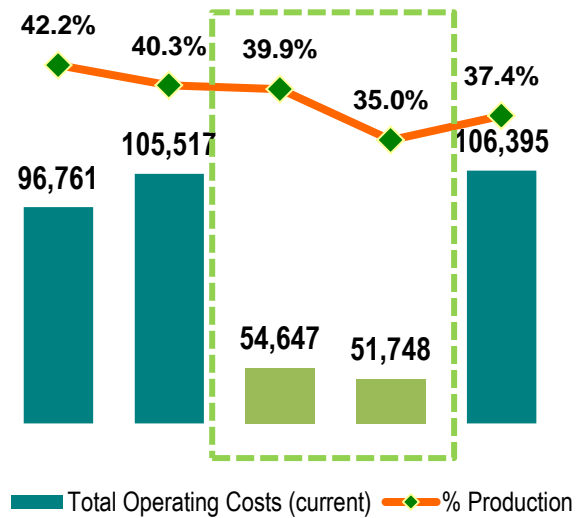
Breakdown EBITDA by Business Unit



	1 H 2010	1 H 2011	1 Q 2012	2 Q 2012	1 H 2012
Raw Materials	26%	33%	23%	7%	14%
Cork Stoppers	50%	45%	48%	62%	56%
Floor and Wall Coverings	11%	8%	17%	19%	18%
Composite Cork	9%	10%	9%	11%	10%
Insulation Cork	3%	3%	3%	2%	2%

Operating Costs Breakdown

Value and % (Production):

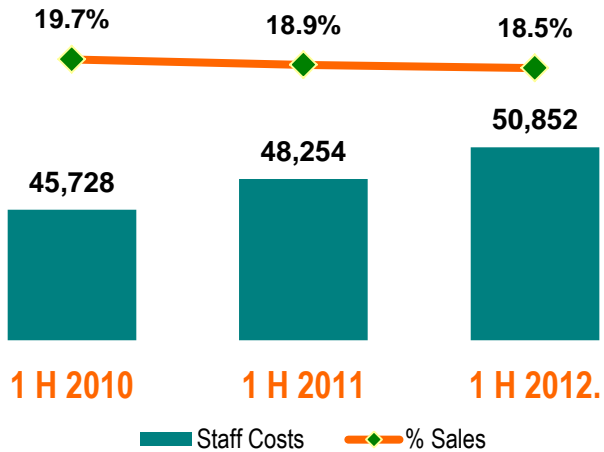


	1 H 2010	1 H 2011	1 Q 2012	2 Q 2012	1 H 2012
External supplies	38,803	44,446	22,420	23,926	46,346
Staff costs	45,728	48,254	25,460	25,393	50,852
Depreciation	11,314	11,284	5,520	5,332	10,851
Provisions	2,334	1,087	1,180	-489	691
Other operating expenses and profits	1,419	-446	-68	2,413	2,345
Total Operating Costs (current)	96,761	105,517	54,647	51,748	106,395
% Production	42.2%	40.3%	39.9%	35.0%	37.4%

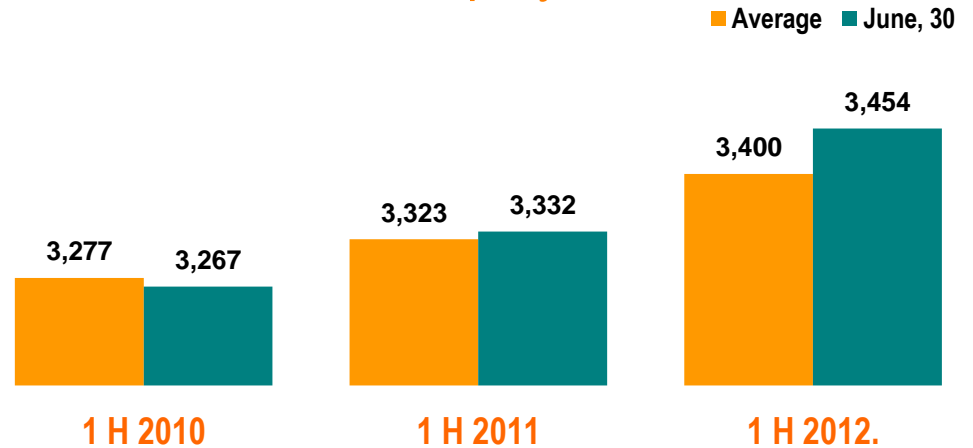
Staff Costs *

* Excluding charges with reorganization

Value and % (sales):



Number of employees:

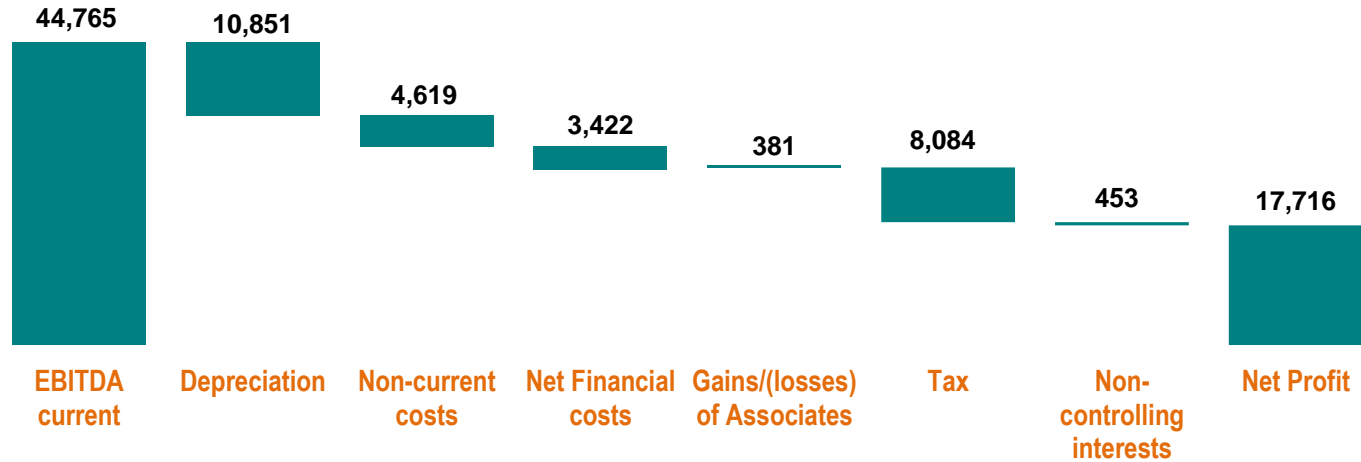


Comparison *:

	%
+ Accounting Variance	5.4%
- Exchange Rate Impact	0.4%
- Impact due to consolidation range	1.0%
- Headcount Impact	2.0%
= Adjusted Variance	2.0%

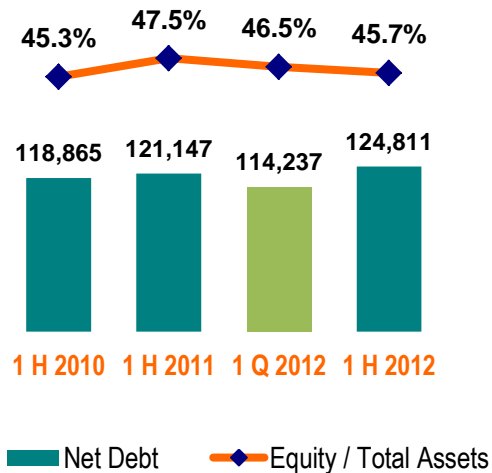
* Staff Costs variance: 1H12 vs 1H11

Net Profit



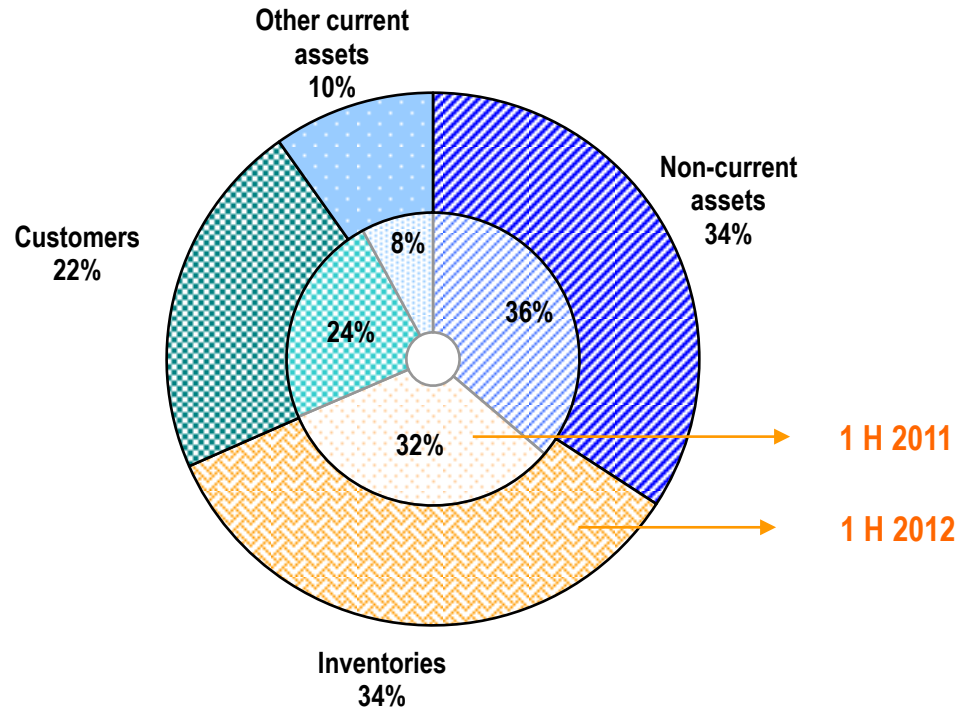
	1 H 2010	1 H 2011	1 Q 2012	2 Q 2012	1 H 2012
EBIT current	22,205	28,447	13,208	20,705	33,913
Interest	2,298	1,372	1,585	1,837	3,422
Non-current costs	0	3,563	1,843	2,776	4,619
(loss)/profit of associates	416	547	-5	386	381
EBT	20,323	24,059	9,775	16,478	26,254
Tax	7,977	9,890	3,990	4,094	8,084
Minority interests	746	356	25	428	453
Net Profit	11,599	13,814	5,761	11,955	17,716

Net debt and Equity/ Total Assets:



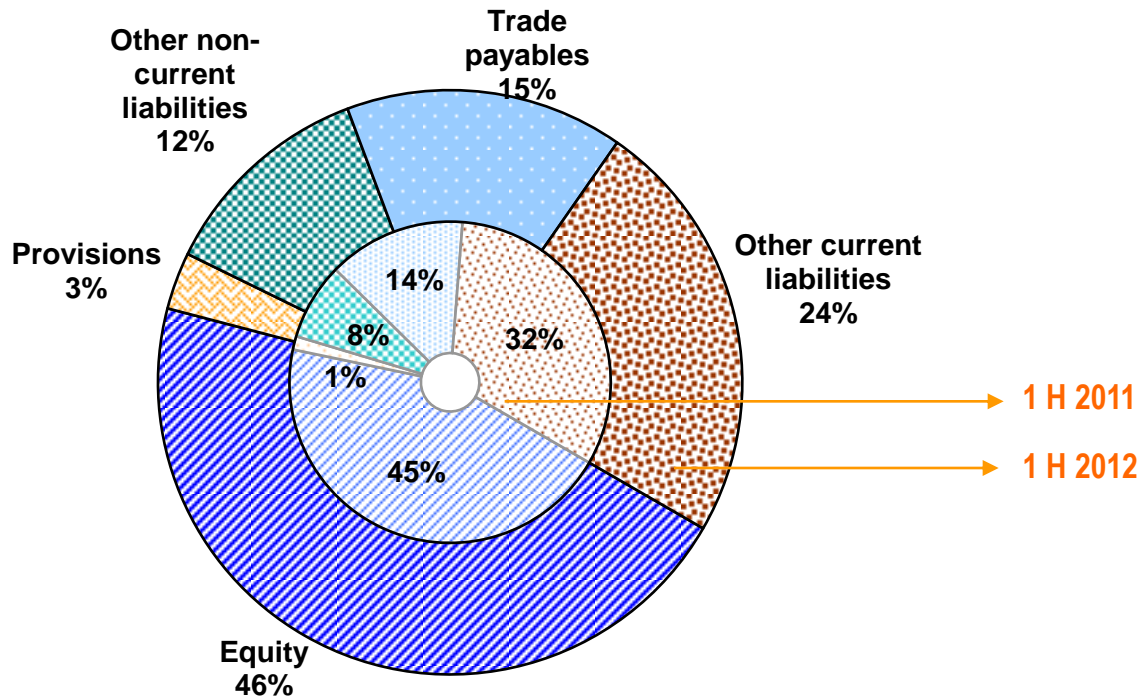
	1 H 2010	1 H 2011	1 Q 2012	1 H 2012
Net Debt	118,865	121,147	114,237	124,811
Equity and Minority interests	258,445	269,792	289,133	292,883
EBITDA / Interest	23.3	34.7	16.3	17.8
Equity / Total Assets	45.3%	47.5%	46.5%	45.7%
Gearing	46.0%	44.9%	39.5%	42.6%

Total Assets



	1 H 2010	1 H 2011	1 H 2012
Non-current assets	217,781	205,650	218,759
Inventories	165,954	183,726	219,295
Customers	123,135	133,318	139,477
Other current assets	68,213	45,219	62,795
Total Assets	570,990	567,913	640,324
Capex	6,904	13,494	8,686

Equity and Liabilities



	1 H 2010	1 H 2011	1 H 2012
Equity	258,445	269,792	292,883
Provisions	7,770	14,659	20,256
Other non-current liabilities	44,567	55,350	77,173
Trade payables	79,734	92,843	98,611
Other current liabilities	184,567	135,268	151,402
Total Liabilities	316,638	298,120	347,442

Consolidated Statement of Financial Position

	June 2012	December 2011	June 2011
Non-current assets	218,759	207,869	205,650
Current assets			
Inventories	219,295	224,922	183,726
Other current assets	202,271	172,262	178,537
Total current assets	421,566	397,184	362,263
Total Assets	640,324	605,053	567,913
Equity (M. I. included)	292,883	282,292	269,792
Non-current liabilities			
Bank borrowings	58,323	62,464	48,567
Other non-current liabilities	39,106	33,328	21,443
Total non-current liabilities	97,429	95,792	70,009
Current liabilities			
Bank borrowings	90,195	76,641	84,755
Other current liabilities	159,818	150,328	143,356
Total current liabilities	250,013	226,969	228,111
Total Liabilities and Equity	640,324	605,053	567,913

Key Figures

	1H12	1H11	Variation	2Q12	2Q11	Variation	
Sales	274,996	254,678	8.0%	143,721	134,262	7.0%	
Gross Margin – Value	140,309	133,965	4.7%	72,453	67,596	7.2%	
	1)	49.3%	51.1%	-1.82 p.p.	49.1%	50.8%	-1.76 p.p.
Operating Costs - current	106,395	105,517	0.83%	51,748	50,705	2.06%	
EBITDA - current	44,765	39,732	12.7%	26,037	22,653	14.9%	
EBITDA/Sales	16.3%	15.6%	+ 0.7 p.p.	18.1%	16.9%	+ 1.2 p.p.	
EBIT - current	33,914	28,448	19.2%	20,705	16,891	22.6%	
Non-current costs	2)	4,619	3,563	N/A	2,776	1,736	N/A
Net Income	17,716	13,814	28.25%	11,954	8,661	38.02%	
Earnings per share	0.140	0.109	28.25%	0.095	0.069	38.02%	
Net Bank Debt	124,811	121,147	3,664	-	-	-	
Net Bank Debt/EBITDA (x)	4)	1.61	1.68	-0.07 x	-	-	-
EBITDA/Net Interest (x)	3)	17.75	26.62	-8.86 x	18.98	22.66	-3.67 x
Equity/Net Assets	45.7%	47.5%	-1.77 p.p.	-	-	-	

1) Related to Production

2) 1H12 refers to Goodwill impairment (1995), land impairment (1000) and receivable TVA impairment (1624). 1H11 refers to Goodwill impairment.

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

4) Current EBITDA of the last four quarters



AMORIM

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

Rua de Meladas, nº 380
P.O. Box 20
4536-902 MOZELOS VFR
PORTUGAL

Tel.: +351 22 747 54 00
Fax: +351 22 747 54 07

Email: corticeira.amorim@amorim.com
<http://www.corticeiraamorim.com>
www.corkfacts.com