



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

Consolidated results
September, 30

2016





2016

1. CONSOLIDATED RESULTS

Organizational chart

Highlights

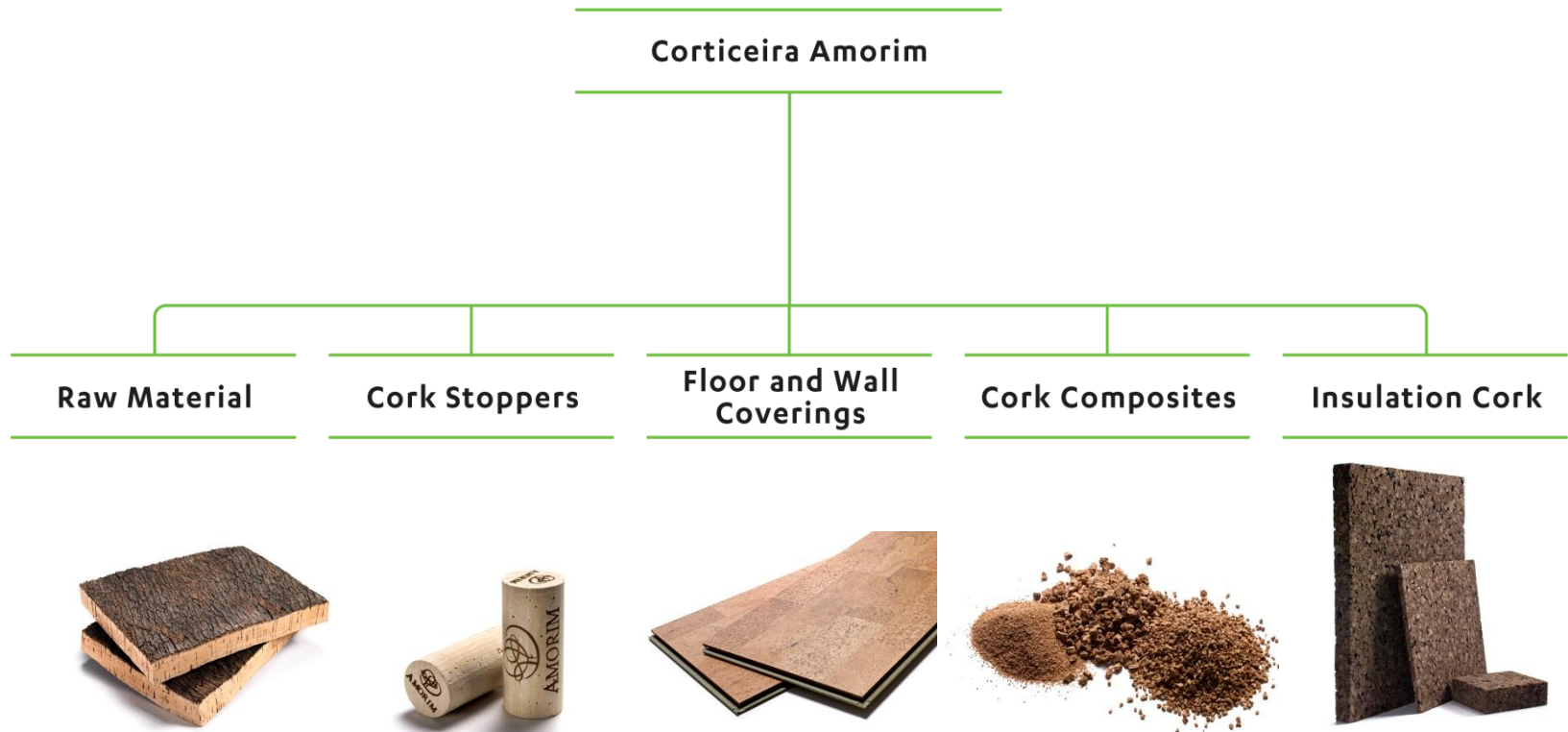
Consolidated key indicators
(thousand euros)



AMORIM

2016

INTEGRAL VERTICALISATION





2016

HIGHLIGHTS

- Consolidated sales reached 491 million euros (M€) plus 28 M€ (+6%);
- Growth justified by the effect of volume and mix. Exchange rate effect with little impact on sales. All Business Units (BU) registered more sales.
- Highlight for Cork Stoppers BU (+7.4%) and Floor and Wall Coverings BU (+6.4%). This BU managed to regain the positive trend of its sales;
- Slower growth rate in Q3 (1H16: 8% vs. 9M16: 6%): one-off destocking effect in the US in the Cork Stoppers BU and comparison difficult with 3Q15 in Cork Composites BU (3Q15 registered a sales increase of 27%);
- NDTech® sales initiated (with materiality) in the semester;
- Growing importance of Hydrocork® in Floor and Wall Coverings BU; promising start to Authentica® sales.



2016

HIGHLIGHTS

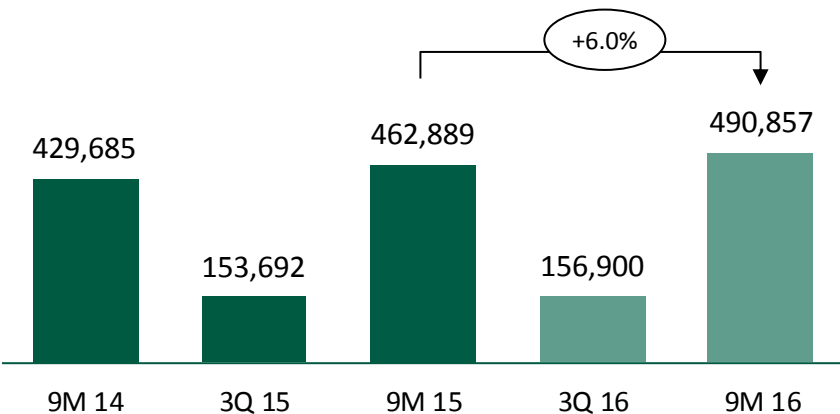
- Increased sales, more favorable mix, improves percentual gross margin and lower operating costs justify an increase of 19.1% in EBITDA (95.5 M€ vs. 80.2 M€);
- EBITDA/Sales 9M16: 19.4% (9M15: 17.3%);
- EBITDA/Sales 9M16 for Raw Materials + Cork Stoppers: 21.8% (9M15: 20.4%);
- Positive effect of 1.8 M € in the financial function resulting from the favorable resolution of a tax dispute concerning the stamp duty;
- Net Profit of 55.224 M€ (+32.7%);
- The Board of Directors decided to propose to the Shareholders General Meeting the distribution of a dividend of € 0.08 per share, on the top of the € 0.16 per share payed during 2016 first half;
- Disclosure of the sale of US Floors associate, to be made during 4Q16, without effect in 9M16 accounts.



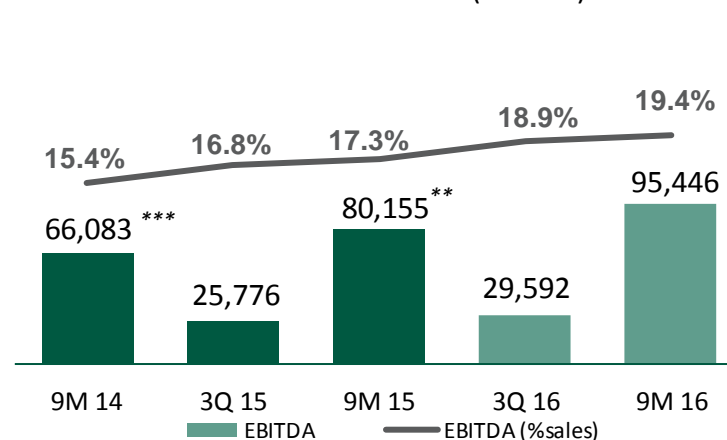
2016

CONSOLIDATED KEY INDICATORS

SALES

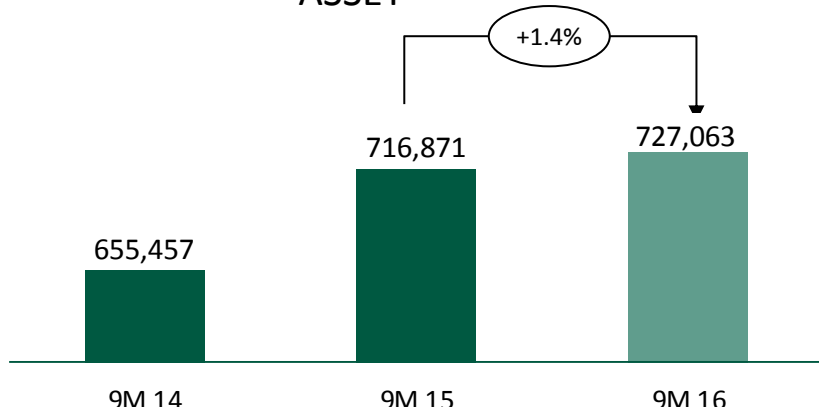


EBITDA (current)

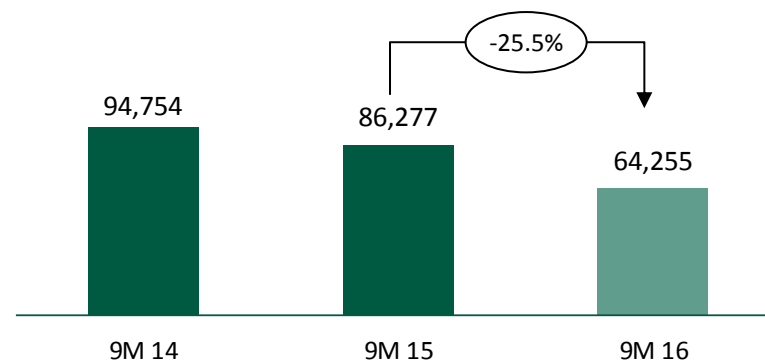


* excludes 3730 K€ due to non-current results
** excludes 2907 K€ due to a Goodwill impairment
*** excludes 3514 K€ due to an industrial reorganization

ASSET



NET DEBT





2016

2. HIGHLIGHTS AND KEY INDICATORS BY BUSINESS UNIT
(thousand euros)

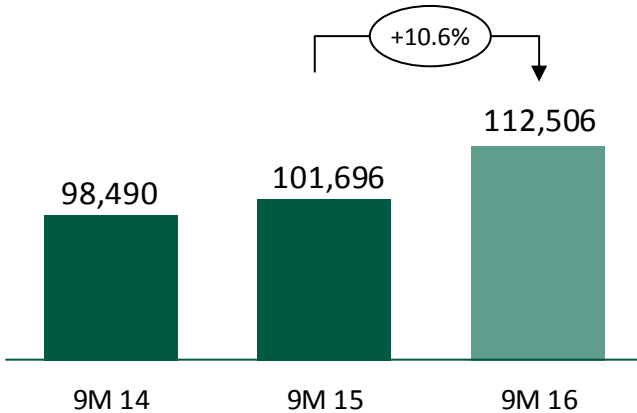


AMORIM



2016

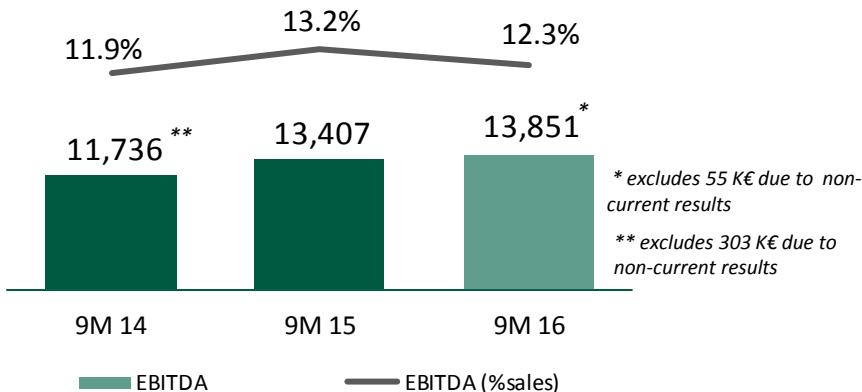
SALES



Activity increase 10.6%

- Sales for the value chain increased 9% slightly above the increase of activity of the Cork Stoppers, its main customer);
- EBITDA reached 13.9 M€, a increase of 3.3% compared to 13.4 M€ in the 9M15;
- Impact of increased price of the cork year 2014 and 2015 offset by increased activity and improving operating efficiency;
- Campaign 2016 (Portugal / Spain) was held as planned;

EBITDA (current)





2016

HIGHLIGHTS AND KEY INDICATORS: CORK STOPPERS BU



Increased sales by 7.4%

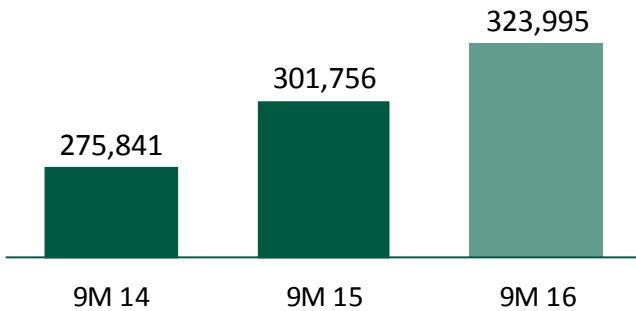
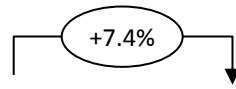
- Sales reached 324 M€ (9M15: 302 M€) driven by volume and by the mix effect (more natural cork stoppers + NDtech®);
- One-off effect: destocking USA (wine industry consolidation) with a material impact in Q3;
- Highlighting the favorable performance of Natural and Neutrocork® stoppers;
- First sales, with materiality, of cork stoppers treated with the innovative NDtech® technology;
- Relevant performance in the traditional European markets;
- Sales growth higher than growth market pace;
- EBITDA reached 58.6 M€ (+21%): increased sales and better mix led to EBITDA/Sales to move from 16% (9M15) to 18.1% (9M16);
- EBITDA/Sales of Cork Stoppers + Raw Materials reached 21.7% (9M15: 20.4%).



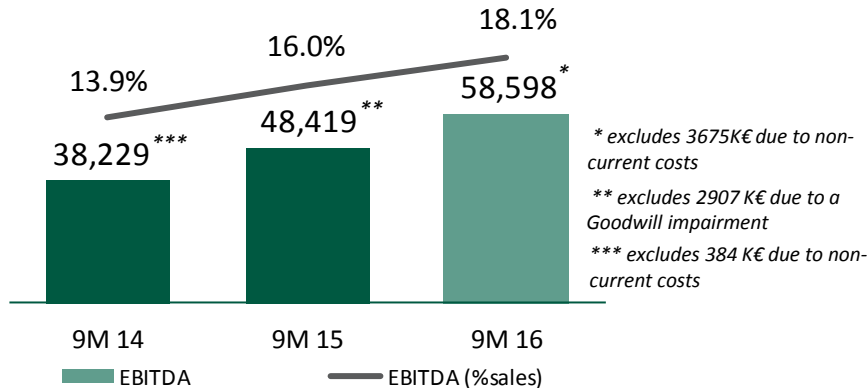
2016

HIGHLIGHTS AND KEY INDICATORS: CORK STOPPERS BU

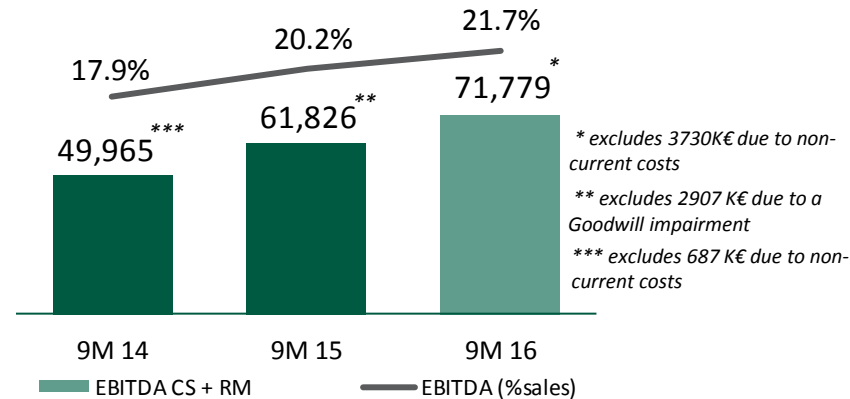
SALES Cork stoppers



EBITDA (current) Cork Stoppers



EBITDA (current) Cork Stoppers + Raw Materials

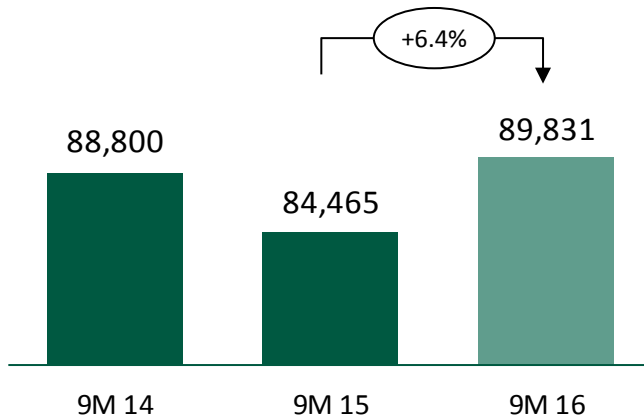




2016

HIGHLIGHTS AND KEY INDICATORS: FLOOR & WALL COVERINGS BU

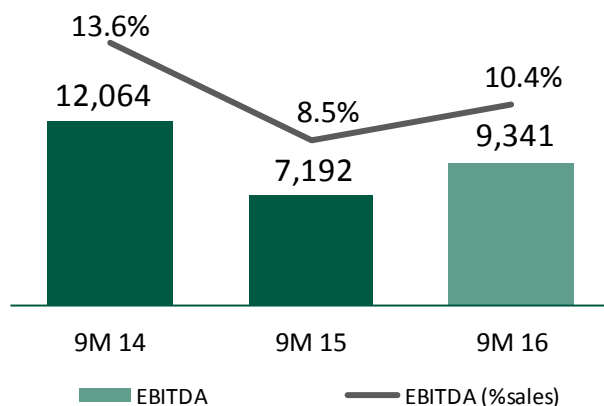
SALES



Sales increase of 6.4% (manufactured products: +7.3%)

- Sales reached 89.8 M€;
- Upturn confirmed in sales growth;
- Hydrocork® increases weight in total sales and promising early Authentica® sales;
- Recovery of sales in the US; negative impact on the Russian market continues;
- Sales growth and reduced operating costs more than offset less favorable mix: EBITDA reaches 9.3 M€ (29.9% higher than 9M15).

EBITDA (current)

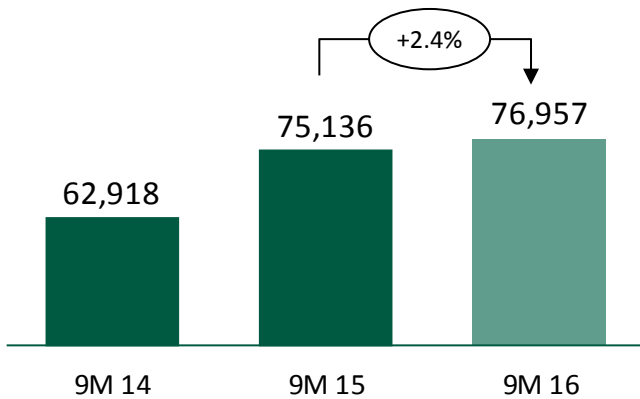




2016

HIGHLIGHTS AND KEY INDICATORS: CORK COMPOSITES BU

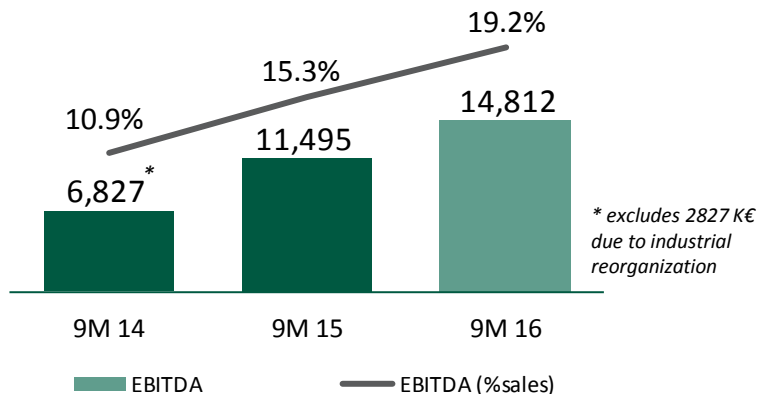
SALES



Increased sales: 2.4%

- Sales reached 77 M€;
- Increase in sales is mainly due to volume effect, with currency effects much lower than in recent quarters;
- Sales of 3Q16 decrease 3.4%, resulting from exceptional comparative 3Q15 (3Q15 sales: +27%);
- Highlight for Retail, Industry and Construction and Inlay (Hydrocork®);
- Asian market and US with good performance;
- Better percentual gross margin (lower price and better performance of some raw materials), stable operating costs and increased activity justify EBITDA growth (9M16: 14.8 M€ vs 9M15: 11.5 M€).

EBITDA (current)

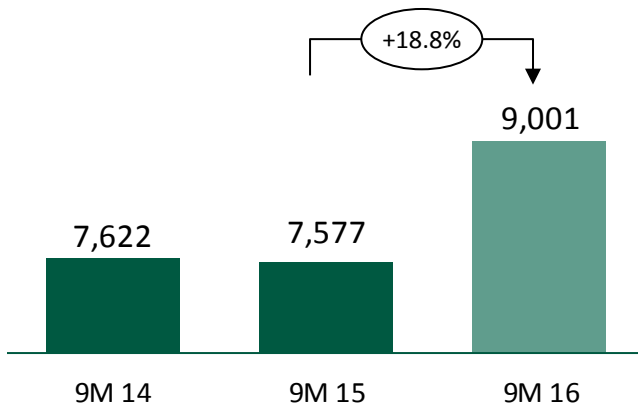




2016

HIGHLIGHTS AND KEY INDICATORS: INSULATION CORK BU

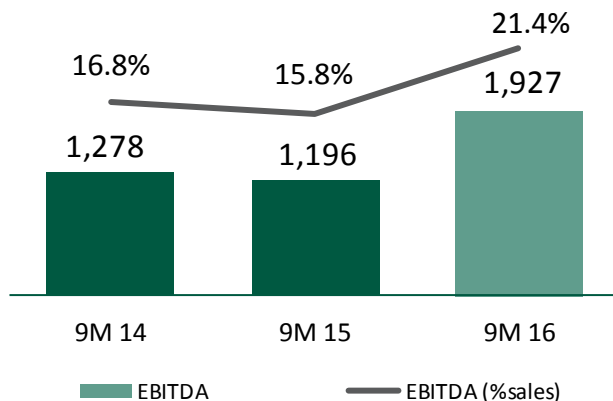
SALES



Sales increase: +18.8%

- Sales reached 9 M€;
- Sales growth influenced by the supply of crushed cork to Composite Cork BU;
- Sales increase of the main product (expanded corkboard) justified by volume (+2%);
- Increase in sales of specialties (MDFaçade + regranulates);
- EBITDA reached 1.9 M€ (+61%);
- EBITDA/Sales: 21.4%, comparing to 15.8% registered on 9M15.

EBITDA (current)





2016

3. APPENDICES
Consolidated indicators
(thousand euros)

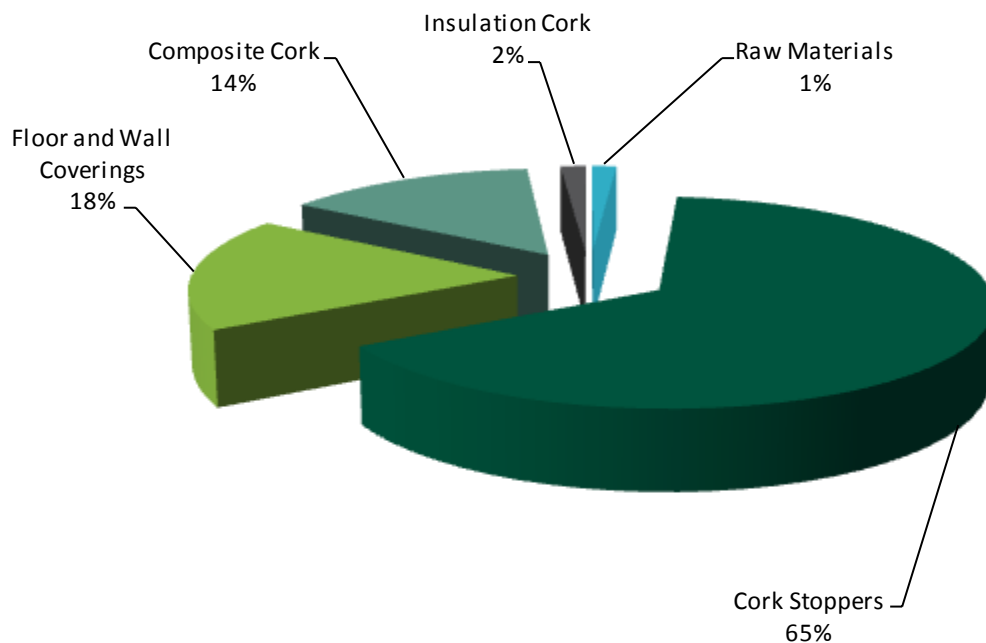


AMORIM



2016

BREAKDOWN SALES BY BUSINESS UNIT

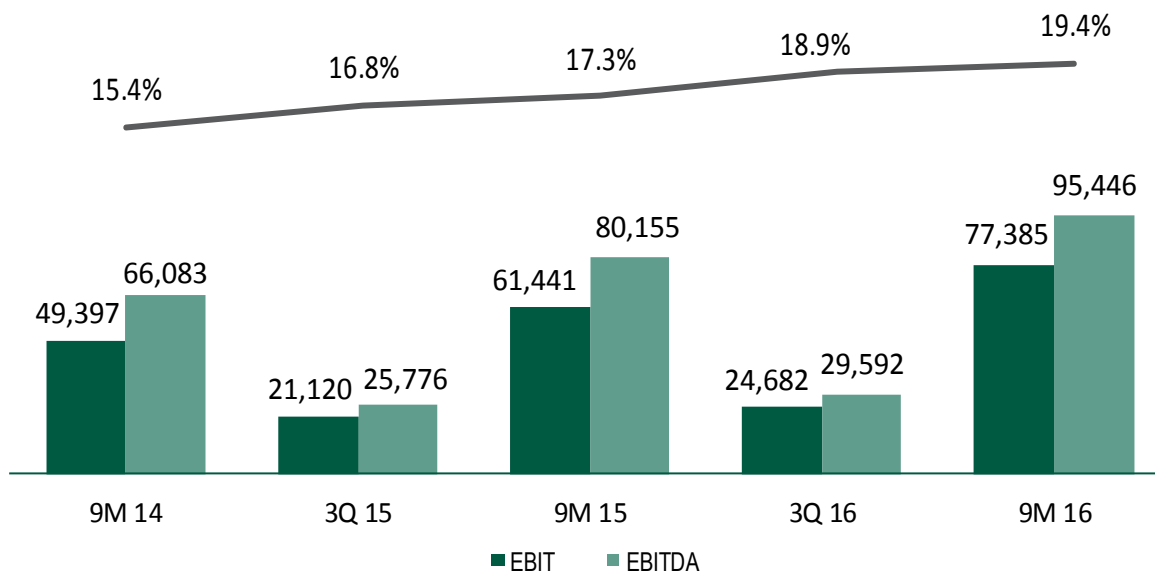


	9M 14	9M 15	9M 15
Raw Materials	1%	1%	1%
Cork Stoppers	64%	65%	65%
Floor and Wall Coverings	20%	18%	18%
Composite Cork	14%	15%	14%
Insulation Cork	1%	1%	1%



2016

EBIT & EBITDA EVOLUTION



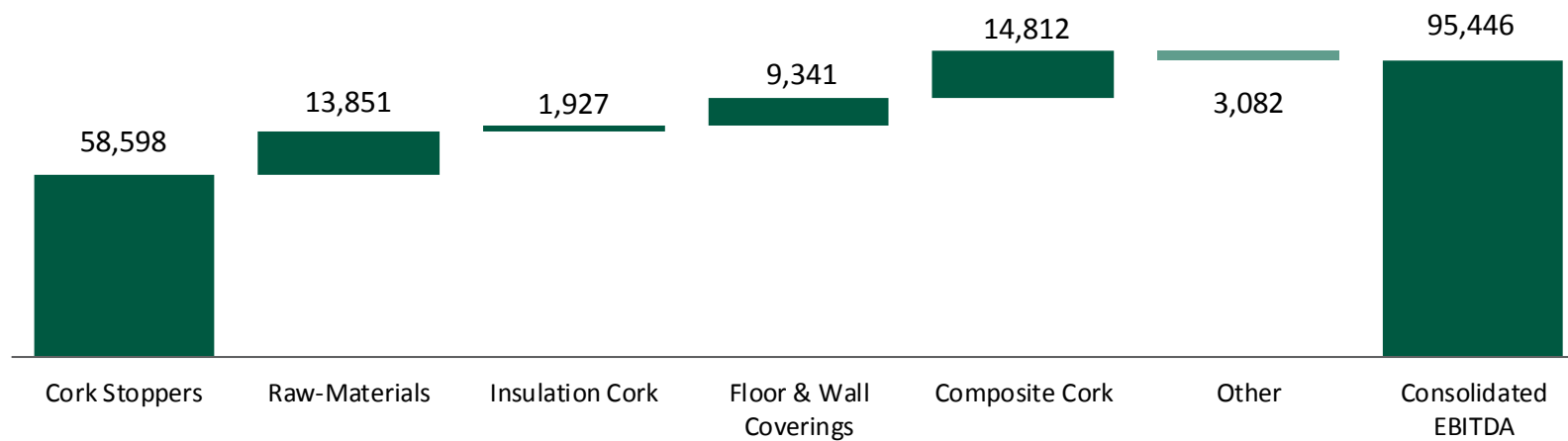
	9M 14	3Q 15	9M 15	3Q 16	9M 16
Gross Margin	213,126	77,080	242,339	79,899	256,175
Other operating costs (current)	163,729	55,960	180,898	55,217	178,791
EBIT	49,397	21,120	61,441	24,682	77,385
EBITDA	66,083	25,776	80,155	29,592	95,446



AMORIM

2016

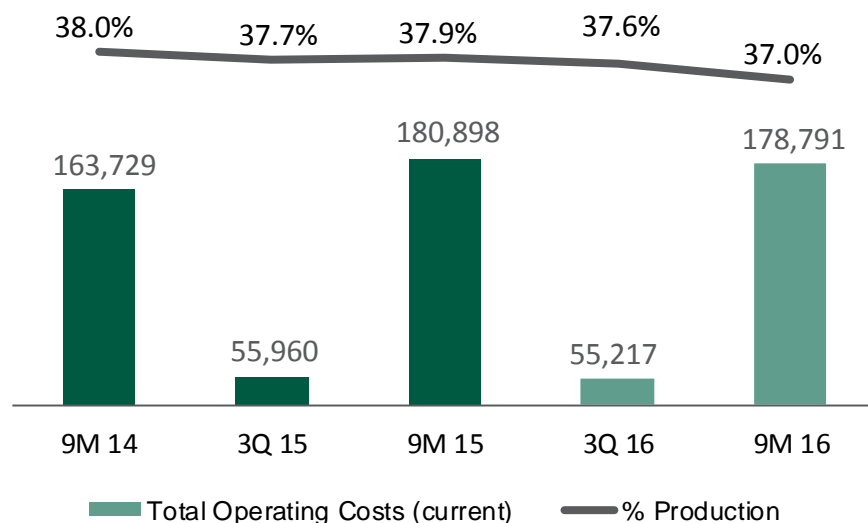
BREAKDOWN EBITDA BY BUSINESS UNIT





2016

OPERATING COSTS BREAKDOWN



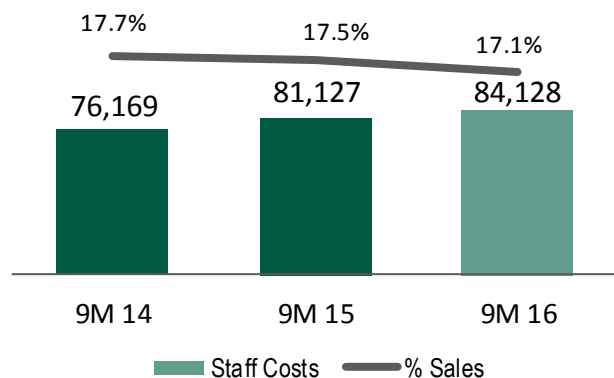
	9M 14	3Q 15	9M 15	3Q 16	9M 16
External supplies	71,731	25,012	76,425	25,071	77,187
Staff costs	76,169	23,918	81,127	24,898	84,128
Depreciation	16,687	4,657	18,715	4,910	18,061
Provisions	1,315	1,865	2,692	1,042	2,022
Other operating (-) expenses and (+) profits	2,173	-509	-1,940	703	2,607
Total Operating Costs (current)	163,729	55,960	180,898	55,217	178,791
% Production	38.0%	37.7%	37.9%	37.6%	37.0%



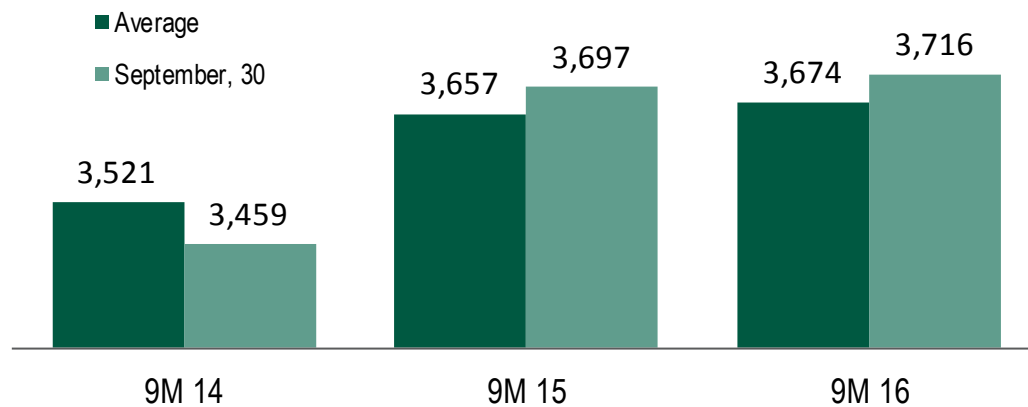
2016

STAFF COSTS

VALUE AND % (SALES)



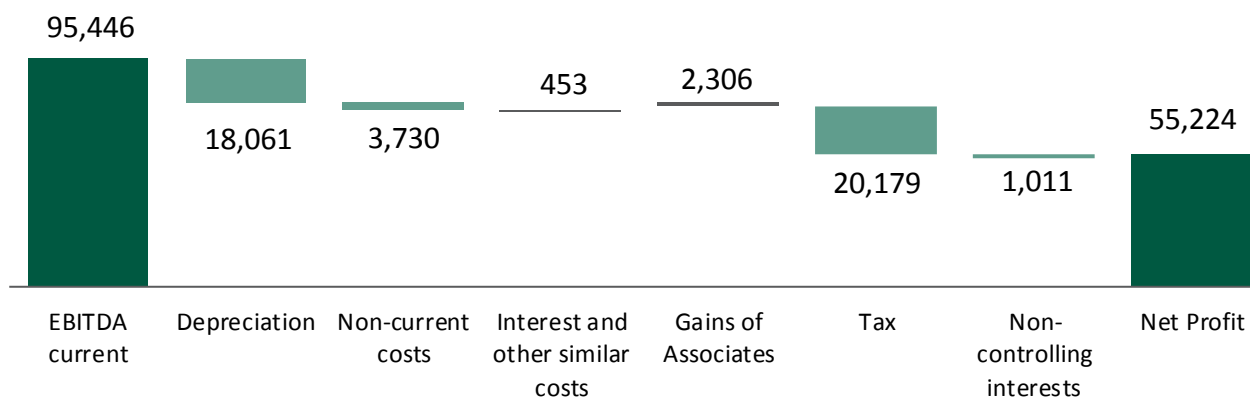
NUMBER OF EMPLOYEES





2016

NET PROFIT

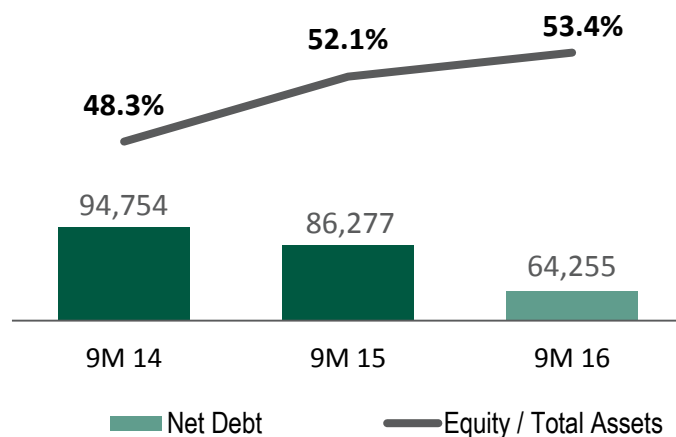


	9M 14	3Q 15	9M 15	3Q 16	9M 16
EBIT current	49,397	21,120	61,441	24,682	77,385
Net financial costs	3,154	558	1,696	-1,405	-453
Non-current costs	3,514	-5	2,907	0	3,730
Gains of associates	926	956	2,040	1,365	2,306
EBT	43,655	21,522	58,878	27,453	76,414
Tax	13,926	6,006	17,088	7,100	20,179
Minority interests	695	128	181	274	1,011
Net Profit	29,034	15,388	41,610	20,078	55,224



2016

DEBT AND GEARING

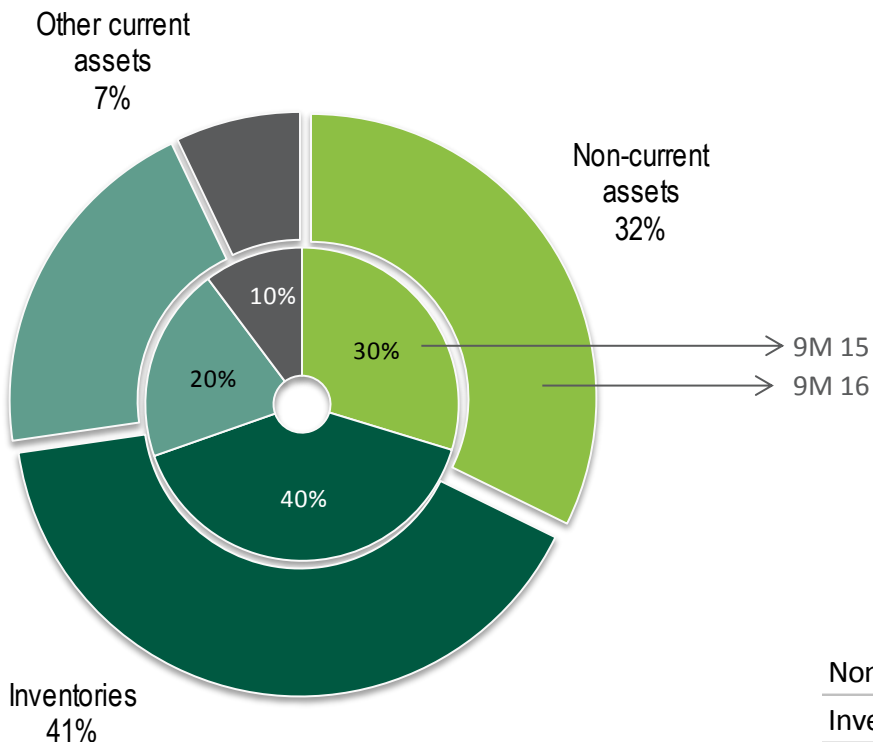


	9M 14	9M 15	9M 16
Net Debt	94,754	86,277	64,255
Equity and Minority interests	316,650	373,217	388,455
EBITDA / Net Interest	29.1	69.5	105.6
Equity / Total Assets	48.3%	52.1%	53.4%
Gearing	29.9%	23.1%	16.5%
Net interest bearing debt / EBITDA	1.14	0.86	0.55



2016

TOTAL ASSETS

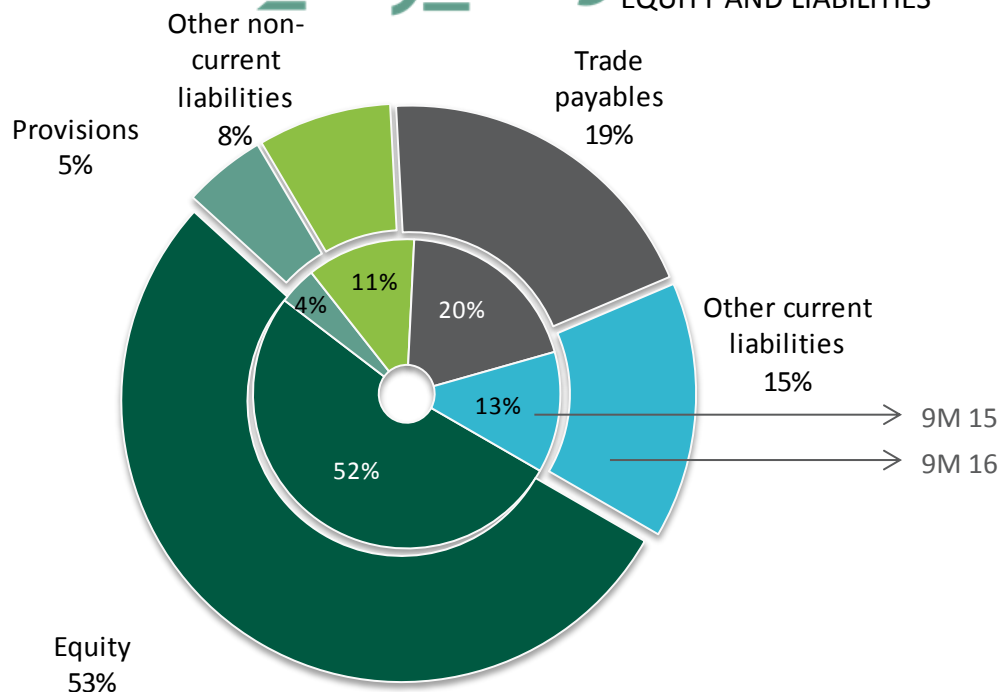


	9M 14	9M 15	9M 16
Non-current assets	213.438	213.041	234.505
Inventories	257.934	286.153	294.198
Customers	137.649	144.287	146.836
Other current assets	46.436	73.390	51.524
Total Assets	655.457	716.871	727.063
Capex	15.023	16.681	22.281



2016

EQUITY AND LIABILITIES



	9M 14	9M 15	9M 16
Equity	316,650	373,217	388,455
Provisions	24,596	28,653	34,478
Other non-current liabilities	53,634	81,617	55,752
Trade payables	125,948	142,109	141,313
Other current liabilities	134,629	91,275	107,065
Total Liabilities	338,807	343,654	338,607



2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	September 2016	December 2016	September 2015
Non-current assets	234,505	223,689	213,041
Current assets			
Inventories	294,198	271,705	286,153
Other current assets	198,360	171,824	217,677
Total current assets	492,558	443,530	503,830
Total Assets	727,063	667,219	716,871
Equity (M. I. included)	388,455	354,133	373,217
Non-current liabilities			
Bank borrowings	38,160	41,211	61,521
Other non-current liabilities	52,070	48,985	48,749
Total non-current liabilities	90,230	90,196	110,270
Current liabilities			
Bank borrowings	36,019	50,146	29,059
Other current liabilities	212,359	172,744	204,325
Total current liabilities	248,378	222,890	233,384
Total Liabilities and Equity	727,063	667,219	716,871



2016

KEY FIGURES

		9M16	9M15	Variation	3Q16	3Q15	Variation
Sales		490,857	462,889	6.0%	156,900	153,692	2.1%
Gross Margin – Value		256,175	242,339	5.7%	79,899	77,080	3.7%
	1)	53.0%	50.7%	+ 2.3 p.p.	54.4%	52.0%	+ 2.4 p.p.
Operating Costs - current		178,790	180,899	-1.2%	55,217	55,961	-1.3%
EBITDA - current		95,446	80,155	19.1%	29,592	25,777	14.8%
EBITDA/Sales		19.4%	17.3%	+ 2.1 p.p.	18.9%	16.8%	+ 2.1 p.p.
EBIT - current		77,385	61,440	26.0%	24,682	21,120	16.9%
Non-current costs	2)	3,730	2,907	N/A	0	-5	N/A
Net Income		55,224	41,610	32.7%	20,078	15,388	30.5%
Earnings per share		0.415	0.330	25.9%	0.151	0.122	23.8%
Net Bank Debt	3)	64,255	86,277	-22,022	-	-	-
Net Bank Debt/EBITDA (x)	4)	0.55	0.86	-0.31 x	-	-	-
EBITDA/Net Interest (x)	5)	105.6	69.5	36.12 x	46.5	62.5	-16.05 x
Equity/Net Assets		53.4%	52.1%	+ 1.4 p.p.	-	-	-

1) Related to Production

2) Figures refer to the provision for labor and customs litigation in Amorim Argentina, deferred costs concerning business started in the previous year and adjustments related to non-controlling interests (2016) and write-off of Goodwill (2015)

3) 9M 15: Excluding the value of the dividend proposal of the Board of Directors to the GSM amounting to 32.6 M € to be paid in November

4) Current EBITDA of the last four quarters

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



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