

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

Consolidated results March, 31







Organizational chart

Highlights

Consolidated key indicators

- 2. HIGHLIGHTS AND KEY INDICATORS BY BUSINESS UNIT
- 3. APPENDICES

Key Figures





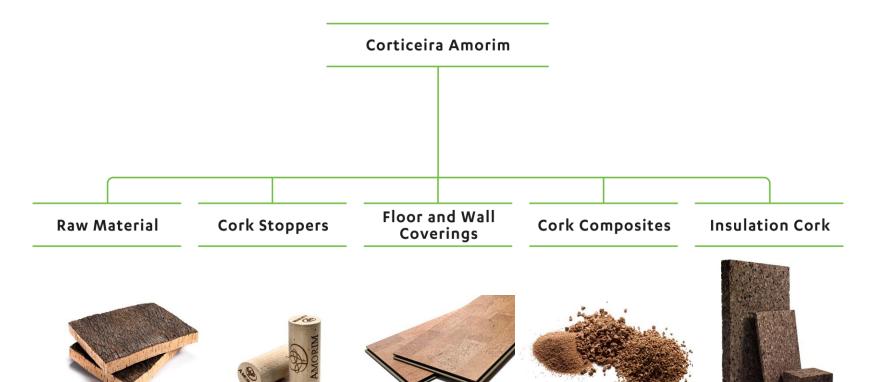
1. CONSOLIDATED RESULTS

Organizational chart Highlights Consolidated key indicators (thousand euros)









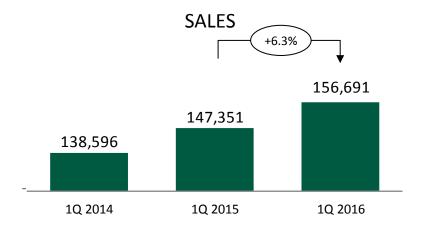


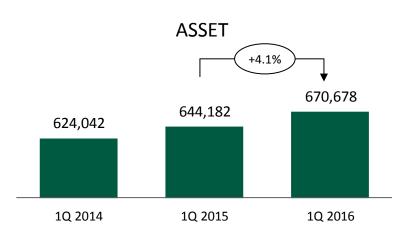
2(0,16) HIGHLIGHTS 1Q

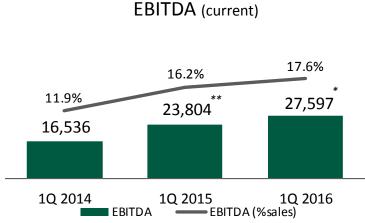
- Consolidated sales reached 156.7 million euros (M€), an increase of 9.3 M€ (+6.3%);
- Growth justified by the volume and mix effect. Exchange rate effect with residual impact on sales;
- All Business Units (BU) registered sales growth, either total or to end customers. Especially Cork Stoppers BU (+7.8%) and Floor & Wall Coverings BU (+4.1%), and this BU managed to regain a positive trend of its sales;
- Increased sales and flat operating costs justifies an increase of 15.9% in EBITDA (27.6 M€ vs. 23.8 M€);
- **EBITDA / Sales: 17.6%** (1Q15 = 16.2% and 2015 = 16.7%); Improvement coming from Cork Stoppers + RM ratio, in particular improvement of the ratio of the Floor & Wall Coverings and Cork Composites;
- Net profit reached 13,913 M€ (+64.7%).



2016 CONSOLIDATED KEY INDICATORS 1Q

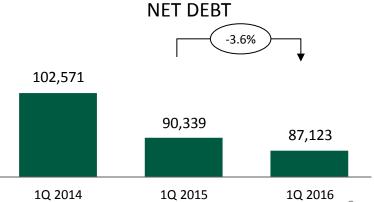






* excludes 1680 K€ due to a non-current costs

^{**} excludes 2909 K€ due to a Goodwill impairment





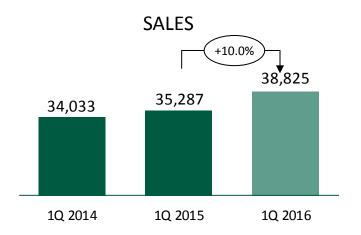
2. HIGHLIGHTS AND KEY INDICATORS BY BUSINESS UNIT (thousand euros)



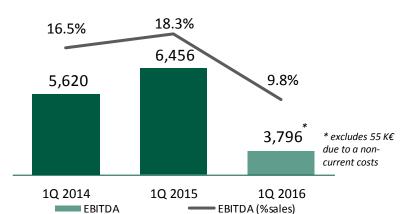




HIGHLIGHTS AND KEY INDICATORS 1Q: RAW MATERIALS



EBITDA (current)



Activity increase to Group: 7.6%

- Sales for the value chain increased 7.6%, following the increase in the Cork Stoppers BU activity, its main client;
- EBITDA reached 3.8 M€. a decrease compared to 6.5 M€ the 1Q15, impacted by the absorption of higher prices of the 2014 cork campaign;
- Campaign 2016 (Portugal / Spain) was held as planned;
- Technological modernization and automation projects continue to be implemented.





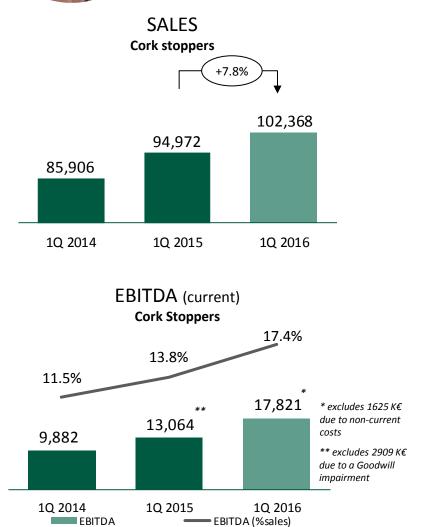
Increased sales by 7.8%

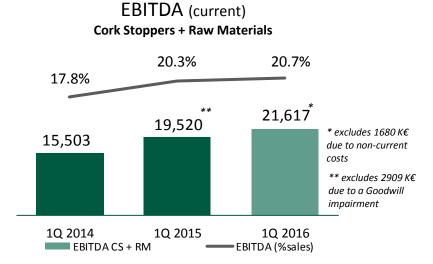
- Sales reached 102.4 M€ (1Q15: 95.0 M€) driven by volume and mix effect mainly (more natural cork stoppers);
- Highlighting the performance of Natural and Neutrocork® stoppers;
- NDtech cork stopper: beginning of sales;
- Relevant Performance in the three major markets (France, USA and Italy);
- EBITDA reached 17.8 M€ (+ 36%): increased sales, better mix and industrial improvements led to EBITDA / Sales ratio to move from 13.8% (1Q15) to 17.4% (1Q16);
- EBITDA / Sales from Cork Stoppers + RM reached 20.7% (1Q15: 20.3%).





HIGHLIGHTS AND KEY INDICATORS 1Q: CORK STOPPERS

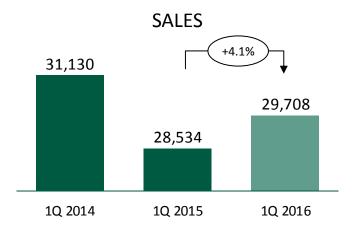




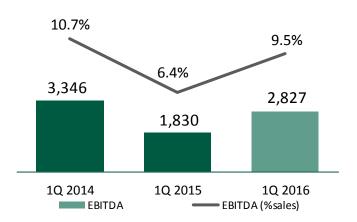




HIGHLIGHTS AND KEY INDICATORS 1Q: FLOOR & WALL COVERINGS



EBITDA (current)



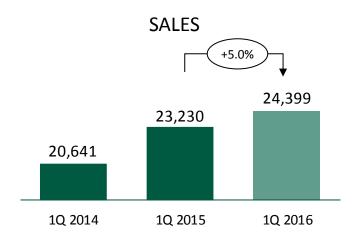
Sales increase of 4.1% (manufactured products: +7%)

- Upturn in sales growth; Russian market still affects negatively sales;
- Compensation of the Russian market for other markets, especially the US market;
- Hydrocork as the event of the quarter;
- Strong emphasis to Hydrocork sales, which represented more than 10% of sales;
- Sales growth and reduced operating costs more than offset less favorable mix: EBITDA reaches 2.8 M€ (1Q15: 1.8 M€);
- Ratio EBITDA / Sales (9.5%) remains well below the consolidated ratio.

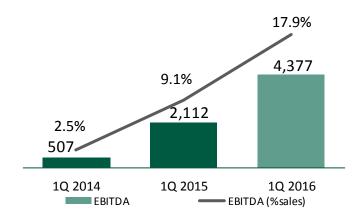




HIGHLIGHTS AND KEY INDICATORS 1Q: CORK COMPOSITES



EBITDA (current)



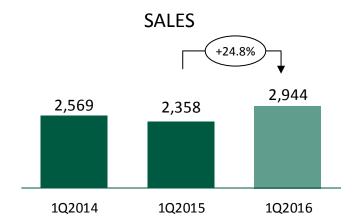
Increased sales: 5%

- Volume effect with exchange rate effect much lower than in recent quarters;
- Highlight for the Furnishing segment (retail), as well as for the Inlay (Hydrocork);
- Asian market with good performance;
- Best gross margin percentage (lower price and better yields of some raw materials), stable operating costs and increased activity justify EBITDA growth (1Q16: 4.4 M € vs 1Q15: 2.1 M €);
- EBITDA / Sales (17.9%) with remarkable growth ceased to weigh negatively on the consolidated ratio.

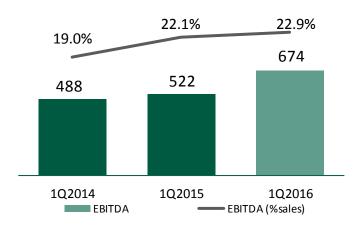




HIGHLIGHTS AND KEY INDICATORS 1Q: INSULATION CORK



EBITDA (current)



Sales increase: +25% (final customers: +11.8%)

- Sales increased influenced by the supply of crushed cork to the Cork Composites BU;
- Sales growth of the main product (expanded corkboard) justified by volume (+ 20%);
- Increase in sales of specialties (MDFachada);
- EBITDA reached 0.7 M€ (+ 29%).

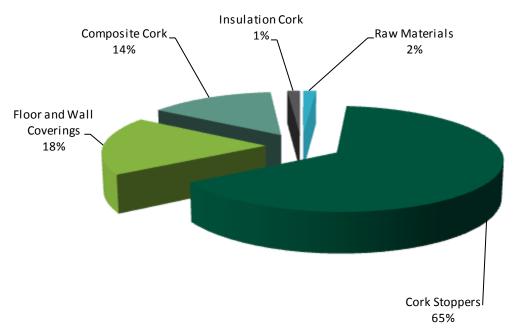


3. APPENDICES
Consolidated indicators
(thousand euros)





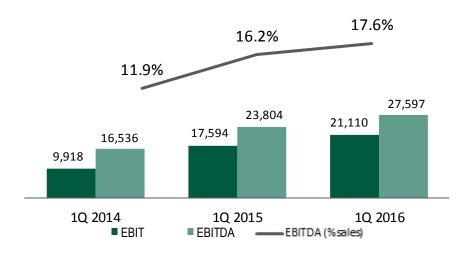
2016 BREAKDOWN SALES BY BUSINESS UNIT 1Q



	1 Q 2014	1 Q 2015	1 Q 2016
Raw Materials	1%	1%	1%
Cork Stoppers	61%	64%	65%
Floor and Wall Coverings	22%	19%	18%
Composite Cork	14%	15%	14%
Insulation Cork	2%	1%	1%



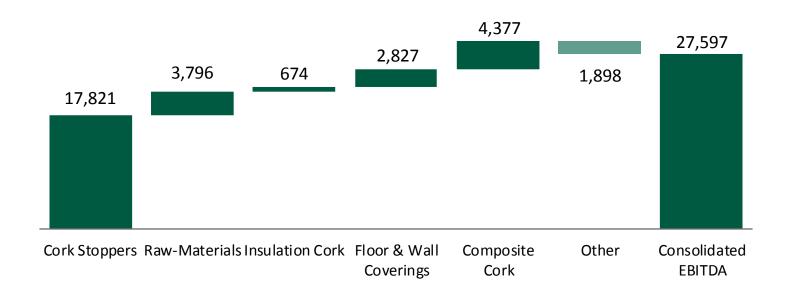
2016 EBIT & EBITDA EVOLUTION 1Q



	1Q 2014	1Q 2015	1Q 2016
Gross Margin	70,500	79,176	82,406
Other operating costs (current)	60,582	61,582	61,295
EBIT	9,918	17,594	21,110
EBITDA	16,536	23,804	27,597

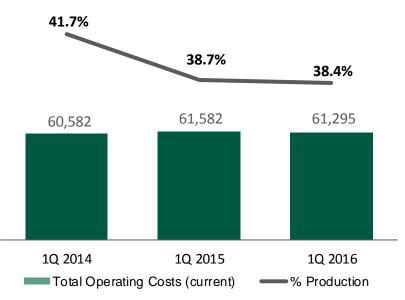


2016 BREAKDOWN EBITDA BY BUSINESS UNIT 1Q





2016 OPERATING COSTS BREAKDOWN 1Q

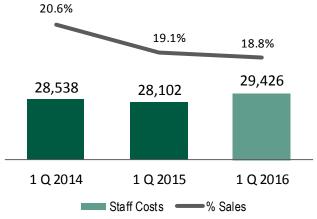


	1Q 2014	1Q 2015	1Q 2016
External supplies	24,186	24,409	23,941
Staff costs	28,538	28,102	29,426
Depreciation	6,618	6,209	6,487
Provisions	424	612	-37
Other operating expenses and profits	-816	-2,250	-1,477
Total Operating Costs (current)	60,582	61,582	61,295
% Production	41.7%	38.7%	38.4%

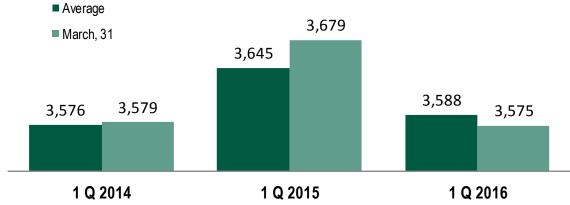


2016 STAFF COSTS 1Q

VALUE AND % (SALES)

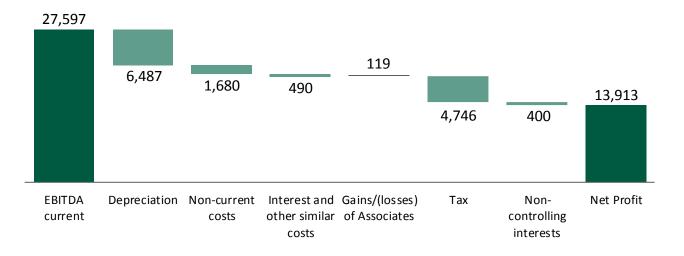


NUMBER OF EMPLOYEES





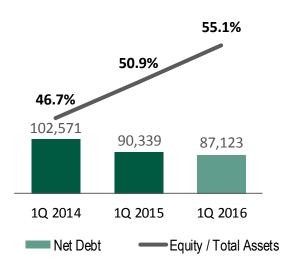
2(016) NET PROFIT 1Q



	1Q 2014	1Q 2015	1Q 2016
EBIT current	9,918	17,594	21,110
Net financial costs	1,064	648	490
Non-current costs	0	2,909	1,680
(loss)/profit of associates	218	368	119
EBT	9,072	14,405	19,060
Tax	2,916	5,806	4,746
Minority interests	175	152	400
Net Profit	5,982	8,446	13,913



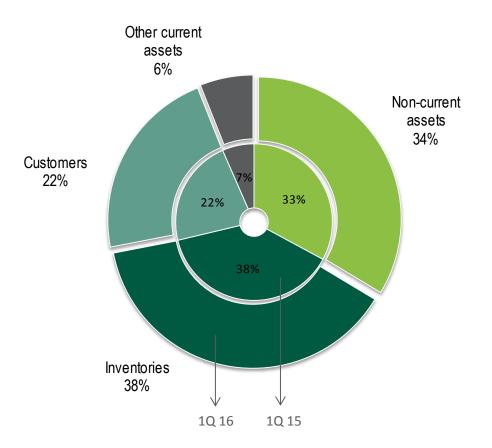
2016 NET DEBT AND GEARING 1Q



	1Q 2014	1Q 2015	1Q 2016
Net Debt	102,571	90,339	87,123
Equity and Minority interests	291,592	328,034	369,430
EBITDA / Net Interest	21.5	54.7	82.3
Equity / Total Assets	46.7%	50.9%	55.1%
Gearing	35.2%	27.5%	23.6%
Net interest bearing debt /EBITDA	6.20	3.80	3.16



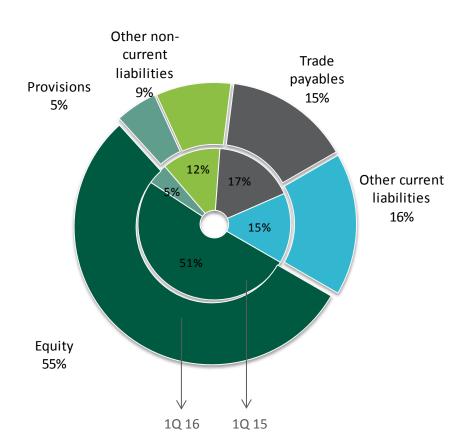
2016 TOTAL ASSETS 1Q



	1Q14	1Q15	1Q16
Non-current assets	209,908	211,849	225,434
Inventories	237,713	247,329	257,194
Customers	136,958	142,808	147,716
Other current assets	39,462	42,196	40,335
Total Assets	624,041	644,182	670,678
Capex	3,869	3,553	5,802



2016 EQUITY AND LIABILITIES 1Q



1Q14	1Q15	1Q16
291,593	328,034	368,540
24,969	28,738	32,789
48,342	80,273	59,067
114,843	111,172	98,648
144,295	95,965	111,635
332,449	316,148	302,139
	291,593 24,969 48,342 114,843 144,295	291,593 328,034 24,969 28,738 48,342 80,273 114,843 111,172 144,295 95,965



2016 CONSOLIDATED STATEMENT OF FINANCIAL POSITION 1Q

	March 31, 2016	December 31, 2015	March 31, 2015
Non-current assets	225,434	223,689	211,849
Current assets			
Inventories	257,194	271,705	247,329
Other current assets	188,051	171,824	185,004
Total current assets	445,244	443,530	432,333
Total Assets	670,678	667,219	644,182
Equity (M. I. included)	368,540	354,133	328,034
Non-current liabilities			
Bank borrowings	41,571	41,211	61,910
Other non-current liabilities	50,284	48,985	47,101
Total non-current liabilities	91,856	90,196	109,011
Current liabilities			
Bank borrowings	54,170	50,146	36,978
Other current liabilities	156,113	172,744	170,159
Total current liabilities	210,283	222,890	207,137
Total Liabilities and Equity	670,678	667,219	644,182



2(0,16) KEY FIGURES 1Q

	1Q16	1Q15	Variation
Sales	156,691	147,351	6.3%
Gross Margin – Value	82,406	79,176	4.1%
1)	51.7%	49.7%	+ 2. p.p.
Operating Costs - current	61,296	61,582	-0.5%
EBITDA - current	27,597	23,803	15.9%
EBITDA/Sales	17.6%	16.2%	+ 1.5 p.p.
EBIT - current	21,110	17,594	20.0%
Non-current costs 2)	1,680	2,909	-42.25%
Net Income	13,913	8,446	64.7%
Earnings per share	0.105	0.067	56.3%
Net Bank Debt	87,123	90,340	- 3,217
Net Bank Debt/EBITDA (x) 3)	0.83	0.96	-0.13 x
EBITDA/Net Interest (x) 4)	82.3	54.7	27.61 x
Equity/Net Assets	55.0%	50.9%	+ 4. p.p.

- 1) Related to Production
- 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) Current EBITDA of the last four quarters
- 4) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions)



2016 2020 MAIN GUIDELINES

Major key drivers: increase turnover through product portfolio competitiveness;

leverage operational efficiency as a pilar for profit growth; CAPEX and working capital needs at a reasonable level;

Raw Materials: assure the quality and quantity of our needs, maintaining stable prices;

invest in process automation;

invest in technology to screen and improve TCA control;

Cork Stoppers: market share increase and innovation;

provide non detectable TCA solutions in our range of products;

focus market efforts in USA, France, Spain and Italy;

Flooring: reinforce a competitive portfolio;

innovation in new visuals and technology;

focus market efforts in North America, Russia, Germany and Scandinavia;

Composite Cork: develop new products/applications to support differentiation and margin

improvement;

new businesses;

focus market efforts in USA.



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