



AMORIM

Corticeira Amorim, S.G.P.S., S.A.

Consolidated results

First Half 2008



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Consolidated results

- Highlights
- Consolidated key indicators

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Raw Materials

- Key indicators
- Highlights

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- Key indicators
- Highlights

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- Key indicators
- Highlights

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- Key indicators
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- Consolidated indicators

Consolidated results

- Highlights
- Consolidated key indicators

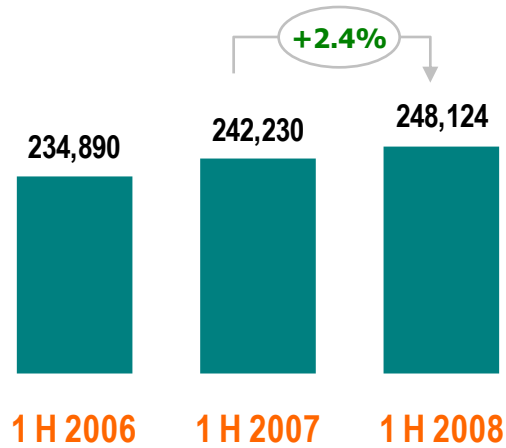
Unit: thousands of euros

Highlights

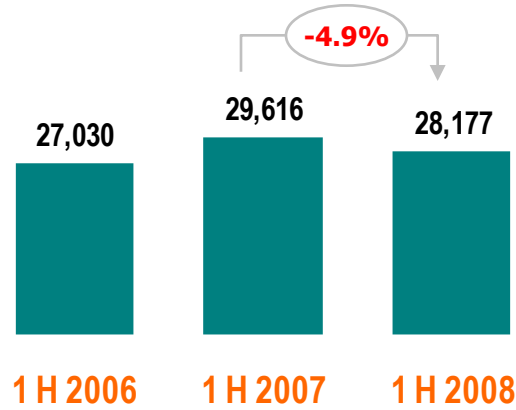
- ❑ Consolidated sales totaled 248.1 million euros (M€) at the end of the half year (+2.4%), despite negative impact of 6.2 M€ due to exchange rate devaluation.
- ❑ Cork Stoppers Business Unit on high registering, a 5.6% jump in sales (142.1 M€), benefiting from the consolidation of Oller acquired last year;
- ❑ EBITDA (28.2 M€) fell 4.86% as a result of to the ongoing economic slowdown and devaluation of currencies
- ❑ Net profit decreased to 6.89 M€
- ❑ Equity / net assets ratio stood at 41%

Consolidated key indicators

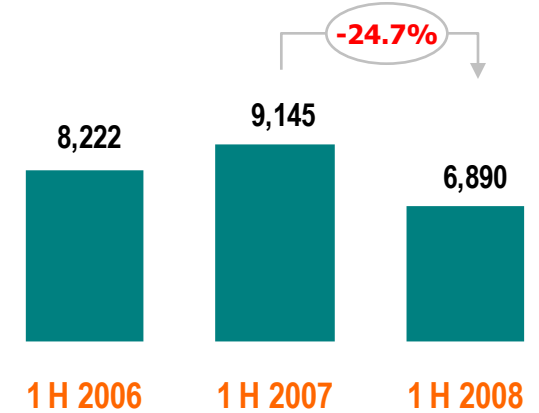
Sales



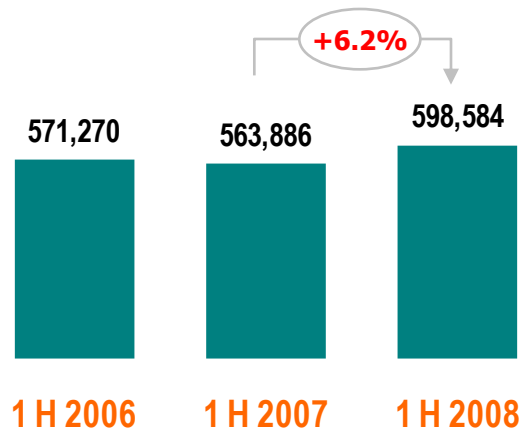
EBITDA



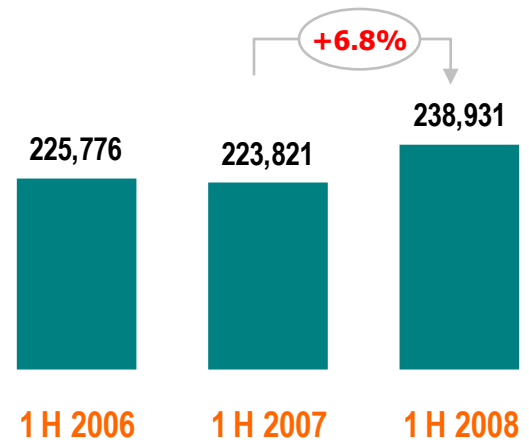
Net Profit



Total Assets



Net debt



Sustainable Development

- Highlights

Unit: thousands of euros

□ CORTICEIRA AMORIM has published its 2007 Sustainability Report. This new edition features achievements on key issues such as:

- New independent research confirmed environmental advantages of cork stoppers and cork flooring, comparing these with the main competing products;
- Ten additional patents submitted for registration - a record number not only for the industry, but also within the Portuguese business framework;
- Forest Stewardship Council (FSC) Certification granted to 8,400 new hectares of Portuguese cork oak forests;
- Increase of 43% on the amount of professional training provided to employees;
- A 4.6% decrease in the CO2 emissions for each kg of processed cork;
- Further reduction in greenhouse gas emissions through increased use of maritime transport.



*CORTICEIRA AMORIM's Sustainability Report (July, 2007)
was distinguished by Corporate Register Reporting Awards
in the Openness and Honesty category*

Business Unit:

Raw Materials

- Key indicators
- Highlights

Unit: thousands of euros

Highlights and key indicators

Procurement

- Purchases in Portugal and Spain decreased compared with 1H07 with average prices maintaining the same level;
- Active participation at North African auctions;

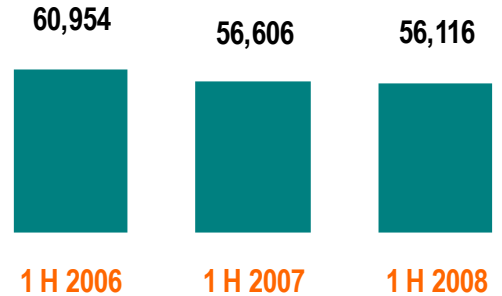
Operating activity

- Sales dropped 0.9% vs 1H07:
 - Decision to reduce sale of raw material outside the Group;
- Gross margin up 1.8%:
 - Cork used up during 1H07 with a better quality/price ratio;
- EBITDA and EBIT respectively 1.8% and 3.5%, above 1H07 levels

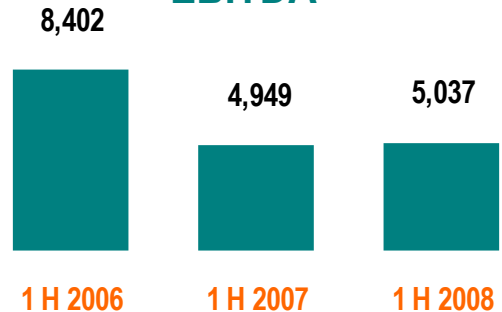
Outlook

- market conditions observed in the 1H08 will go unchanged;

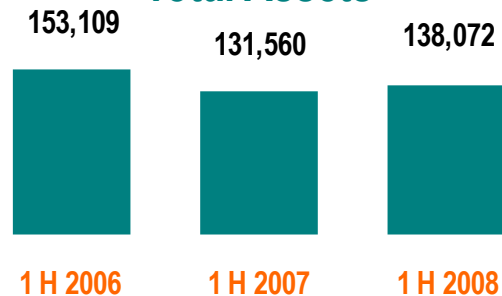
Sales



EBITDA



Total Assets*



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

Business Unit:

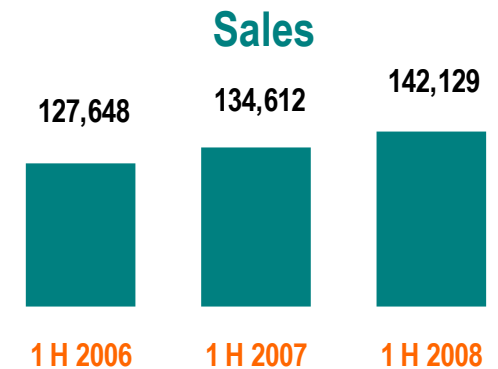
Cork Stoppers

- Key indicators
- Highlights

Unit: thousands of euros

□ Sales – 5.6% increase

- Excluding the impact of the two Oller companies, sales stood at the same level of the previous year
- Negative exchange rate effect (USD, ZAR, etc.) led to -4.4M€ sales vs 1H07:
 - Natural Cork stoppers:
 - decrease of 2.5%;
 - negative contribution of US, partially compensated by the positive contribution of the Italian market;
 - Champagne:
 - 50% growth (increase of 10% without Oller);
 - special reference to good performance registered in France, US, Italy and South Africa ;
 - Neutrocork®:
 - Increase of 7.6%;
 - Growth in main markets
 - Twin Top®:
 - 12.6% drop (15% without Oller);
 - Switch-over effect to Neutrocork®;
 - Losses in Europe and South America;
 - Markets:
 - good performance registered in main European markets more than compensated losses in the US (exchange rate) South Africa and South America.

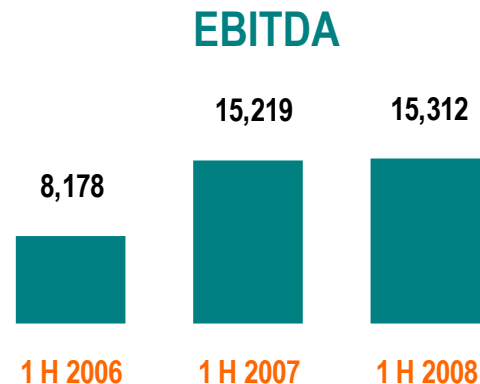




Highlights and key indicators (2)

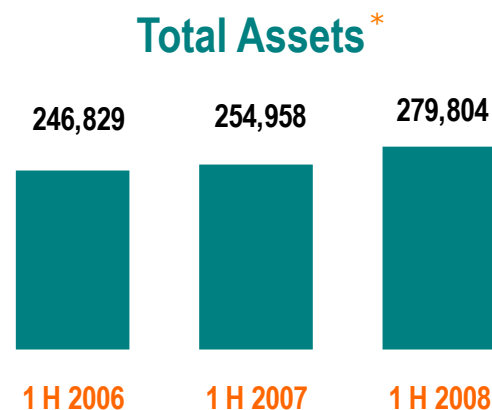
Operating activity

- Gross margin up 5.8% vs 1H07:
- Excluding Oller impact, gross margin practically at 1H07 level:
 - negative exchange rate impact of 9.0% vs 1H07;
 - more than compensated by better quality/price ratio of raw materials;
- Operating costs increased 7.9%
 - due to Oller impact
- EBITDA practically at 1H07 level:



Outlook

- Economic slowdown and exchange rates will continue to have significant negative impact.



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

Business Unit:

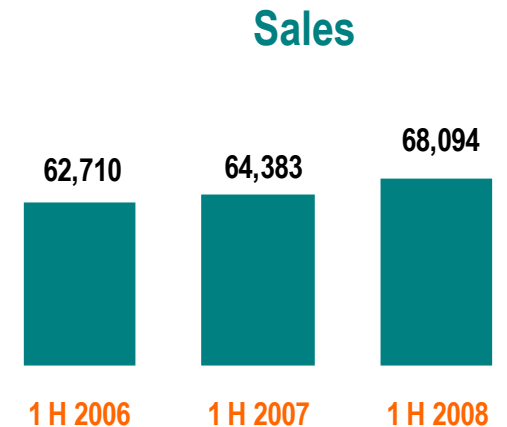
Floor & Wall Coverings

- Key indicators
- Highlights

Unit: thousands of euros

□ Sales – 5.8% Increase

- Negative exchange rate effect responsible for 1% drop in sales vs 1H07
- Sales rose during 1H08 due to good performance of non-cork flooring;
- Sales to traditional markets of Central and South Europe at 1H07 level while the Northern and Eastern European markets grew.

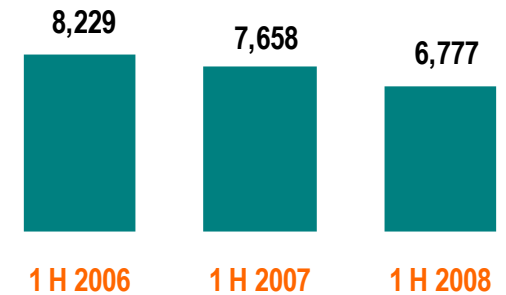


Highlights and key indicators (2)

□ Operating activity

- Gross margin dropped 1% during 1H08:
 - Impact of less expression of cork flooring sales (higher value added products);
- Operating costs up 3% due to exchange losses (USD);
- EBITDA and EBIT register drops of 22% and 11.5% respectively;

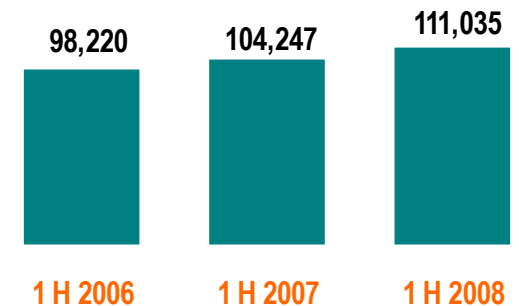
EBITDA



□ Outlook

- Contribution of newly acquired Cortex to the 2H08 consolidation perimeter;
- Cork flooring sales to pick up;
- Investment plan to continue until the end of 2009, ensuring technological modernization and industrial expansion which will allow the BU to reinforce production capacity.

Total Assets*



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

Business Unit:

Cork Composites

- Key indicators
- Highlights

Unit: thousands of euros



Highlights and key indicators

☐ Sales – 9.5% Decrease

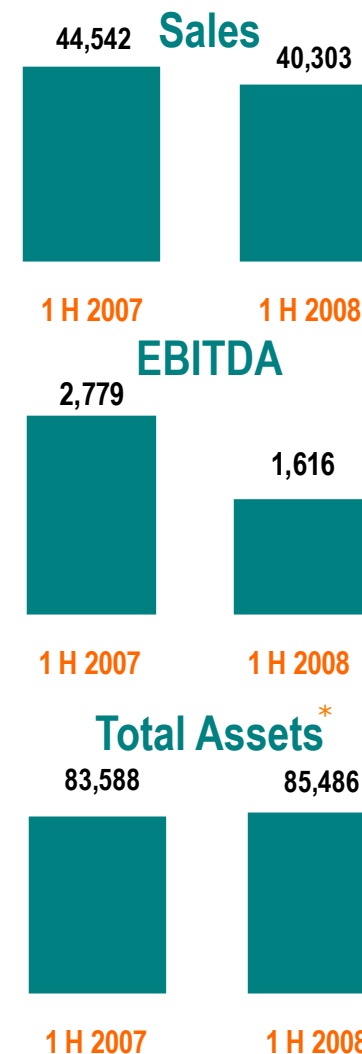
- Negative exchange rate effect responsible for over 4.7% drop in 1H08 sales compared with 1H07;
- Less sales to other BU resulted in 4% drop;

☐ Operating activity

- Gross margin dropped 9.8%:
 - negative impact of USD;
 - effect of less sales to other BU;
- Operational costs decreased more than 5% vs 1H07:
 - Rationalization effort resulted in 5.6% cut in labour costs;
- EBITDA dropped 1.2 M€;

☐ Outlook

- 2H08 to evolve more favourably than 1H08:
 - Part of the effects of the reorganisation process implemented in the BU;
- Significant negative impact of exchange rates to continue.



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



Business Unit:

Insulation Cork

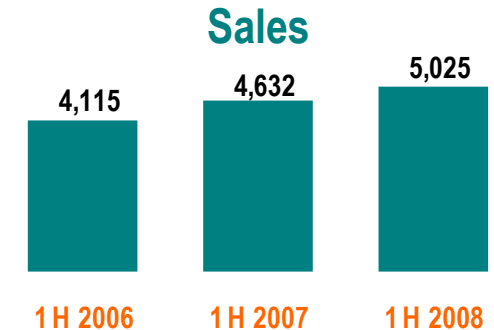
- Key indicators
- Highlights

Unit: thousands of euros

Highlights and key indicators

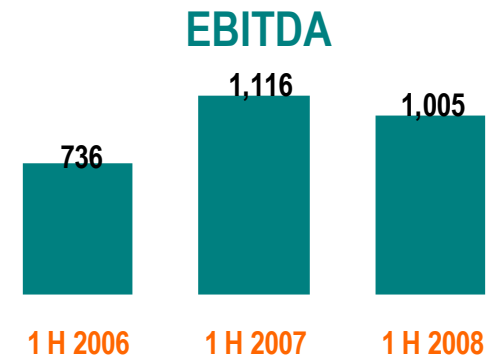
☐ Sales – 8.5% increase

- Primarily due to positive evolution of major European and Middle Eastern markets;
- Due to full use of production capacity, BU forced to commercialise expanded agglomerated corkboard from other producers;



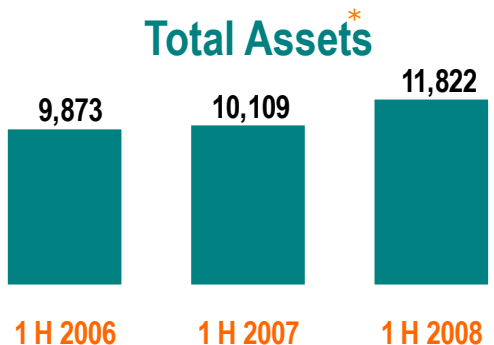
☐ Operating activity

- Gross margin decreased 1% compared with last year:
 - Negative exchange rate effect responsible for over 4% drop;
 - Consumption of raw materials acquired in 2007;
 - commercialised products with negative impact on gross margin (%);
- Operational costs up 3.8% vs 1H07 due to more costs with energy and transportation;
- EBITDA and EBIT dropped 0.1 M€ vs. 1H07;



☐ Outlook

- Ecological features and technical performance of this BU's products, namely thermal and acoustic insulation, should continue to attract demand.



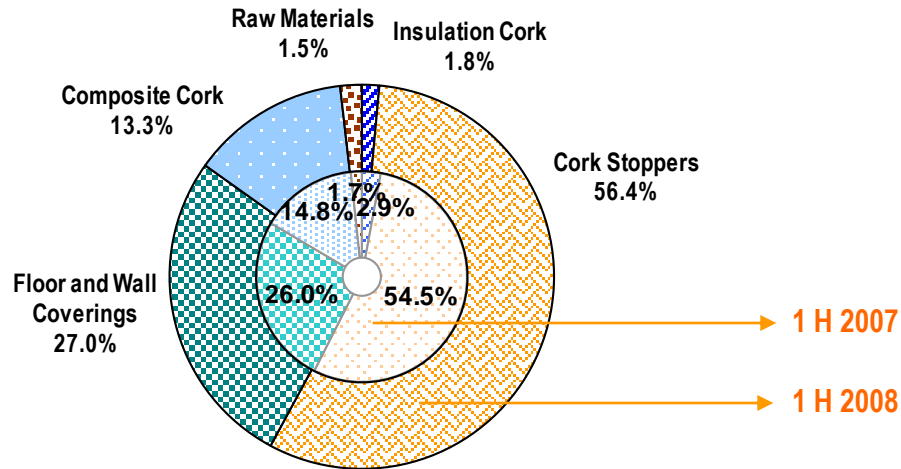
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Appendices

- Consolidated indicators

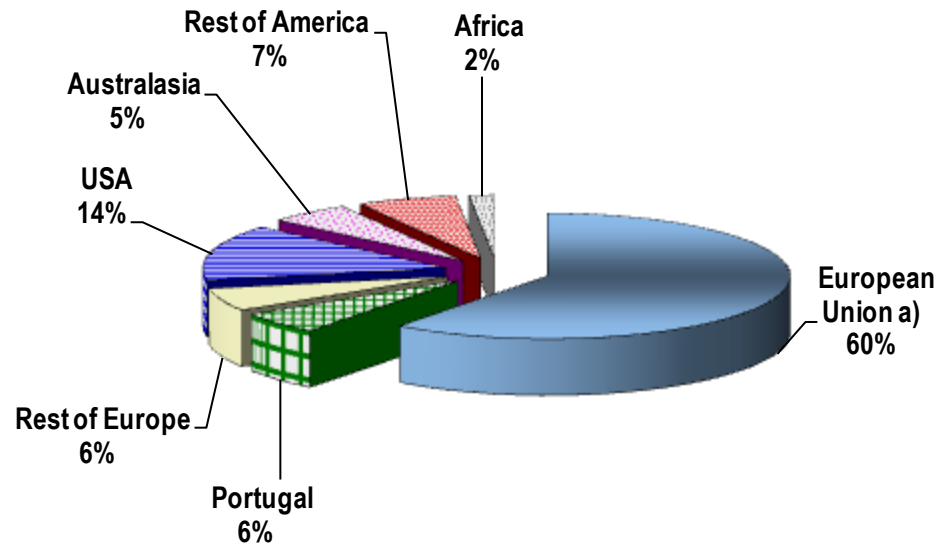
Unit: thousands of euros

Breakdown Sales by Business Unit



	1 H 2006	1 H 2007	1 H 2008
Raw Materials	3.9%	2.9%	1.5%
Cork Stoppers	53.4%	54.5%	56.4%
Floor and Wall Coverings	25.8%	26.0%	27.0%
Composite Cork	15.3%	14.8%	13.3%
Insulation Cork	1.5%	1.7%	1.8%

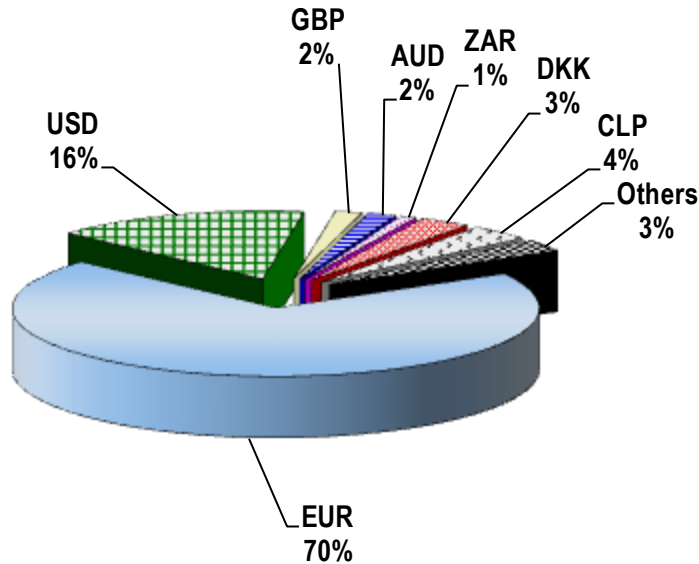
Breakdown Sales by Geographic Areas



	1 H 2006	1 H 2007	1 H 2008
European Union a)	56%	60%	60%
USA	18%	16%	14%
Portugal	7%	6%	6%
Australasia	7%	5%	5%
Rest of America	6%	7%	7%
Rest of Europe	4%	5%	6%
Africa	2%	2%	2%

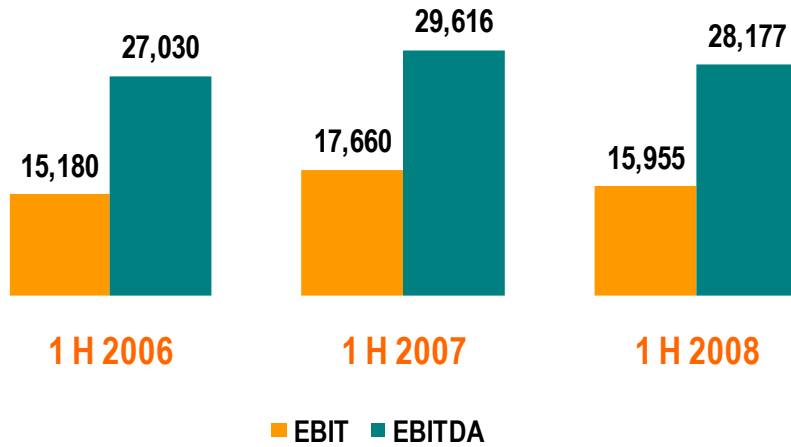
a) Includes Switzerland and Norway and excludes Portugal.

Breakdown Sales by Currency



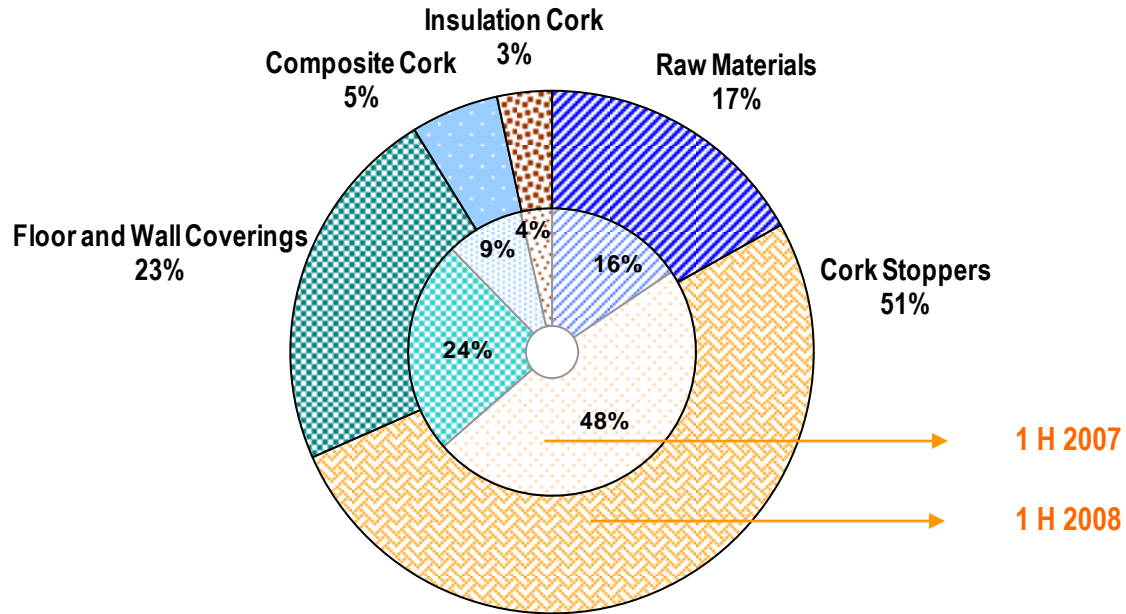
	1 H 2006	1 H 2007	1 H 2008
EUR	64.9%	67.9%	70.1%
USD	20.4%	18.1%	15.7%
GBP	1.4%	1.3%	1.7%
AUD	1.3%	1.1%	1.8%
ZAR	1.6%	1.7%	1.0%
DKK	2.9%	2.6%	3.1%
CLP	3.0%	3.7%	3.7%
Others	4.4%	3.7%	2.9%

EBIT & EBITDA evolution



	1 H 2006	1 H 2007	1 H 2008
Gross Margin	114,700	117,461	118,635
Other operating costs	97,061	98,685	100,778
EBIT	15,180	17,660	15,955
EBITDA	27,030	29,616	28,177

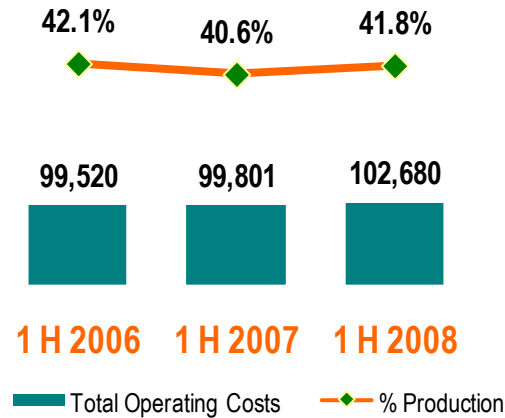
Breakdown EBITDA by Business Unit



	1 H 2006	1 H 2007	1 H 2008
Raw Materials	28%	16%	17%
Cork Stoppers	28%	48%	51%
Floor and Wall Coverings	28%	24%	23%
Composite Cork	14%	9%	5%
Insulation Cork	2%	4%	3%

Operating Costs Breakdown

Value and % (Production):



	1 H 2006	1 H 2007	1 H 2008
External supplies	38,449	38,800	39,820
Staff costs (current)	47,304	46,551	47,925
Staff costs (reorganization)	2,460	1,116	1,902
Depreciation	11,850	11,956	12,222
Provisions	372	605	363
Other operating expenses and profits	914	-772	-448
Total Operating Costs	99,520	99,801	102,680
% Production	42.1%	40.6%	41.8%

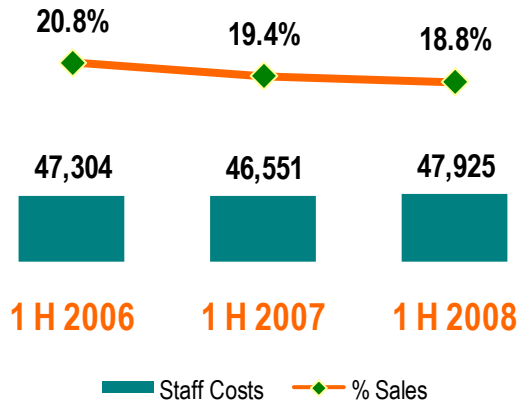
New Oller companies with 2.6 M€ impact on total operating costs



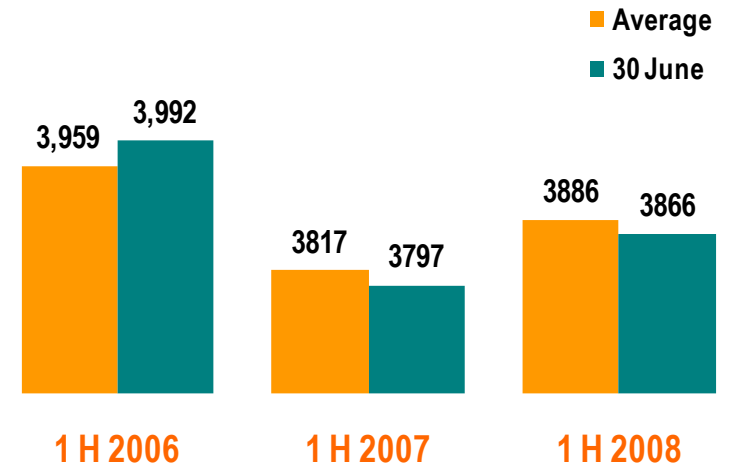
Staff Costs *

* Excluding charges with reorganization

Value and % (sales):



Number of employees:

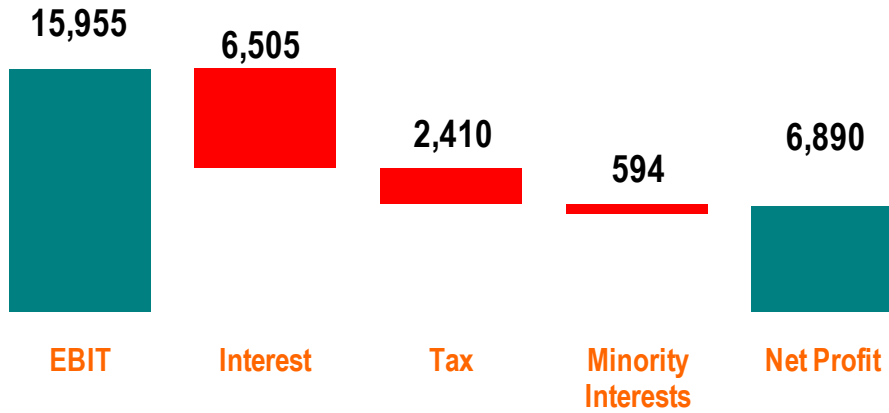


New Oller account for 120 additional workers

* Staff Costs variance: 1H08 vs 1H07

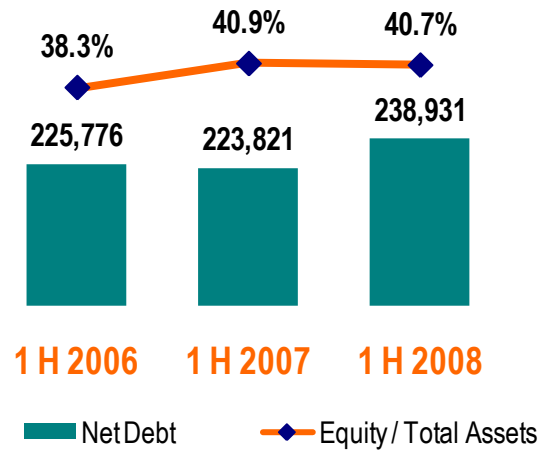
Comparison *:		%
+	Accounting Variance	3.0%
-	Exchange Rate Impact	-0.9%
-	Impact due to consolidation range	3.1%
=	Adjusted Variance	0.8%

Net Profit



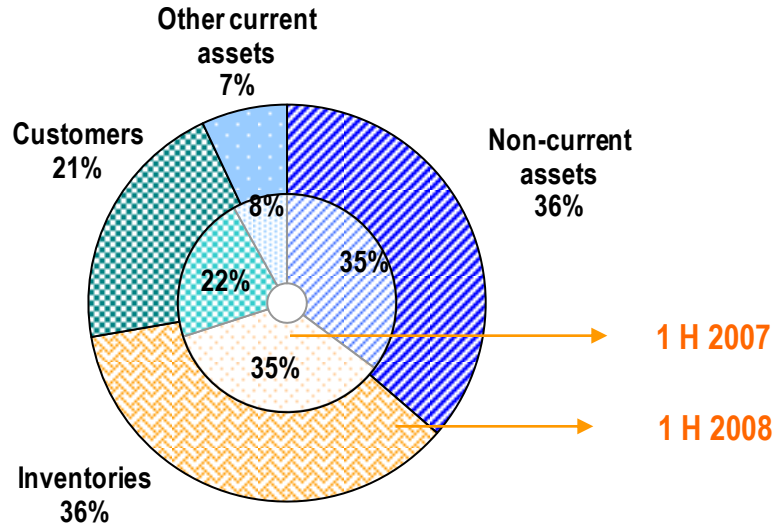
	1 H 2006	1 H 2007	1 H 2008
EBIT	15,180	17,660	15,955
Interest	4,007	5,220	6,505
EBT	11,239	12,852	9,894
Tax	2,266	2,932	2,410
Minority interests	752	776	594
Net Profit	8,222	9,145	6,890

Net debt and Equity/ Total Assets:



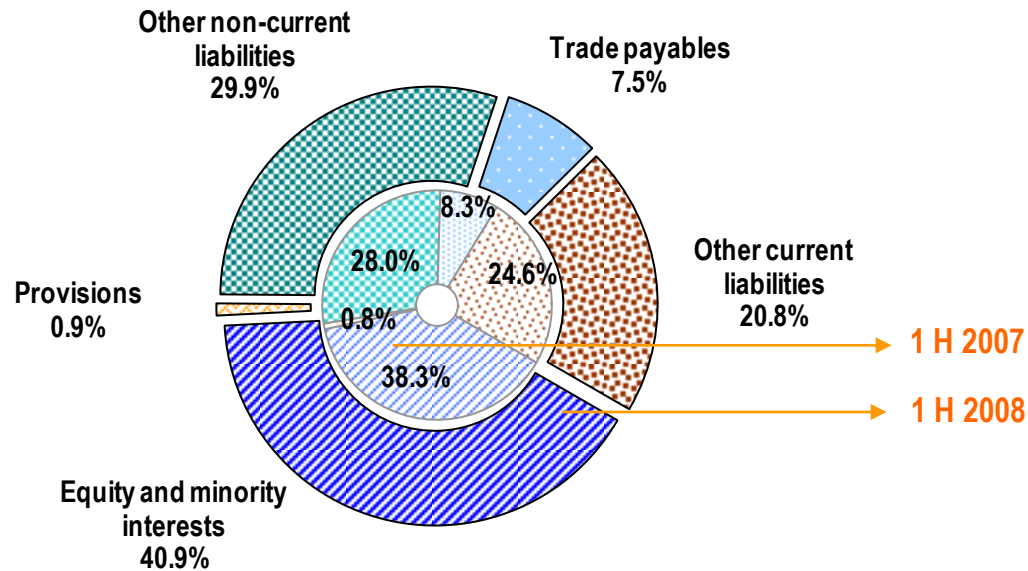
	1 H 2006	1 H 2007	1 H 2008
Net Debt	225,776	223,821	238,931
Equity and Minority interests	218,749	230,433	243,592
EBITDA / Interest	6.7	5.7	4.3
Equity / Total Assets	38.3%	40.9%	40.7%
Gearing	103.2%	97.1%	98.1%

Total Assets



	1 H 2006	1 H 2007	1 H 2008
Non-current assets	203,832	198,361	217,642
Inventories	196,371	196,515	214,952
Customers	117,413	123,444	124,247
Other current assets	53,654	45,566	41,743
Total Assets	571,270	563,886	598,584
Capex	13,818	10,407	12,445

Equity and Liabilities



	1 H 2006	1 H 2007	1 H 2008
Equity and minority interests	218,749	230,433	243,592
Provisions	4,601	5,248	4,597
Other non-current liabilities	160,154	168,875	144,301
Trade payables	47,214	42,236	32,033
Other current liabilities	140,552	117,093	174,062
Total Liabilities	352,521	333,452	354,993



Market information



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