



**AMORIM**

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

Public company

Registered office: Rua de Meladas, 380 – Mozelos – Santa Maria da Feira – Portugal

Share capital: € 133,000,000

Registration number and corporation tax ID number: 500 077 797

A company incorporated in Santa Maria da Feira – Portugal

### **CLARIFICATION**

Following Mr António Rios de Amorim (Chairman of the Board of Directors of CORTICEIRA AMORIM, S.G.P.S., S.A.) today's interview with Reuters, the Company hereby announces and clarifies as follows:

#### **I. Corticeira Amorim invests EUR 60 million over three years**

CORTICEIRA AMORIM invests some EUR 20 million every year in maintenance, renovation and expansion of its business; in line with the trend observed in a number of factors (markets, products, requirements from industrial units), such an investment has been directed at strategic business areas generating a higher value added potential.

Thus, it is planned that such an investment be channelled over the next three years into cork's main applications, i.e.: natural cork stoppers, cork for building and decoration purposes as well as for industrial applications.

Despite the fact that no acquisitions are in progress, the adverse macroeconomic framework conditions that are hitting hard most companies may offer acquisition opportunities for CORTICEIRA AMORIM in the distribution business segment, a fact to be examined on a case-by-case basis.

## **II. Floor and wall coverings business unit**

As shown in the Company's financial reports, the good performance that has been achieved by this business unit over the last few years justifies an investment with a view to doubling this Business Unit's production capacity. Such an investment may amount to EUR 30 million (from 2007 to 2009 inclusive). We estimate that by the end of 2009 this business unit will have managed to meet the demands from new geographical markets such as the USA, the Middle East, Eastern Europe and the eco-building business.

## **III. Business and results from operations**

The volume of business for the six months ended June 30, 2008 was similar to that reported for the comparable period last year. Despite a devaluating US dollar – a penalising factor for our Company – the measures that have been taken so far (including euro invoicing in international trade in non-USA markets and the use of foreign exchange risk mitigation tools) shall contribute to minimize the adverse impacts of such a devaluation. As far as results from operations for the year ended 2008 is concerned, our Company is committed to reaching year's figures in line with those reported in 2007, despite a devaluating US dollar and an adverse economic framework.

## **IV. Non-operating assets**

The Company is considering to dispose of some properties (land and buildings), whose book value is approx. EUR 10 million.

Mozelos (Portugal), 7 July 2008

The Board of Directors of CORTICEIRA AMORIM, S.G.P.S., S.A.