



AMORIM

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

Consolidated results

September 30, 2013

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Consolidated results

- Highlights
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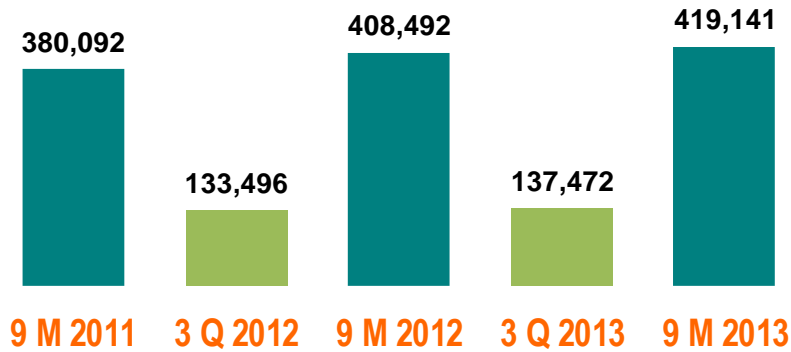
Unit: thousands of euros

Highlights

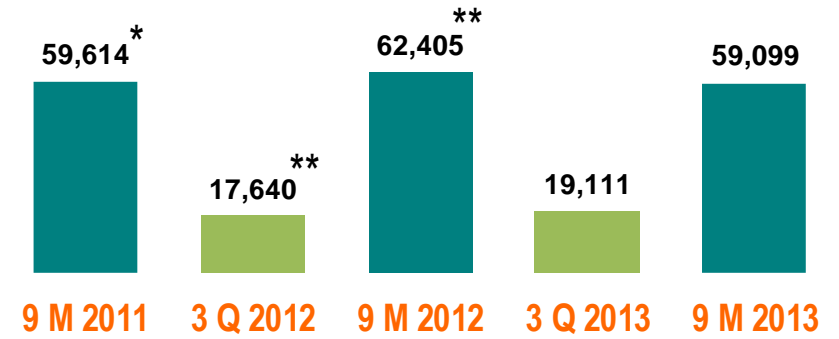
- ❑ September YTD sales (9M13) reached 419.1 million euros (M€), up 2.6% from same period 2012 (408.5M€). Without Trefinos effect (21.8M€) sales decreased 0.9% (like-for-like);
- ❑ Like-for-like sales decrease due largely to wood-flooring sales in Cork floor coverings BU (-4.4M€) and to exchange rate (-4.2M€);
- ❑ Current EBITDA (59.1M€) and current EBIT (43.2M€) decreased 5.3% and 8.6%; Exchange rate effect (-4.7M€) explains more than the said decrease;
- ❑ EBITDA / Sales reached 14.1% (9M12 = 15.3%); 3Q13 = 13.9% (3Q12 = 13.2%), impacted by Trefinos entry (EBITDA Trefinos = 6.4%);
- ❑ Profit before tax (39.5M€) overcome 9M12 (38,2M€);
- ❑ Net profit reached 25.1 M€, down 5.1% from 9M12 (26.5M€) with net profit for 3Q13 = 8.6M€ (-2.1%);
- ❑ Dividends distributed in 2Q totaled 12M€;
- ❑ Net debt (105.4M€) 16.2M€ lower than December 2012 and 9.8M€ lower than Setember 2012;

Consolidated key indicators

Sales

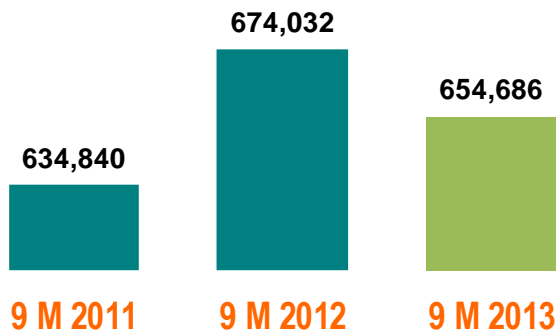


EBITDA

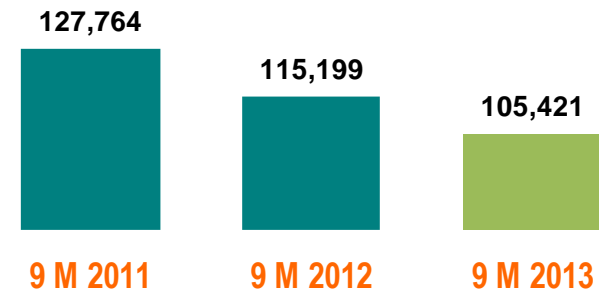


* Excludes 5,763 K€ (3Q11: 2,200K€) due to impairment
 ** Excludes 4,594 K€ (2Q12: -25K€) due to impairment

Total Assets



Net debt





AMORIM

Highlights and key indicators by Business Unit

Unit: thousands of euros

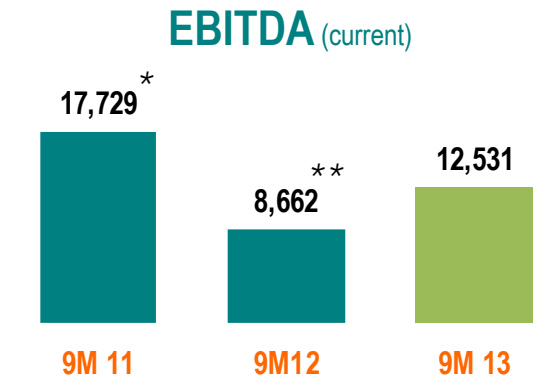
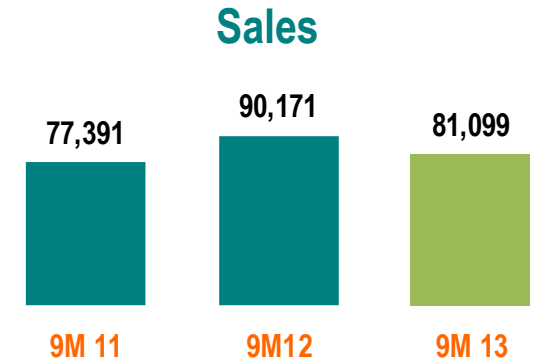


Highlights and key indicators

Raw Materials

❑ Sales drop by 10%

- Sales to the value chain of the group decreased by 8.8% (2012 cork harvesting campaign lower than average);
- Margins and yields increased;
- EBITDA reached 12.5M€ (+44.7%);
- Better weather conditions provided a good 2013 cork harvesting;
- On the date of this report, raw material needs for 2014 are entirely secured in conditions similar to the 2012 campaign; .



* Excludes 2,000 K€ (3Q11) due to impairment

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



Highlights and key indicators

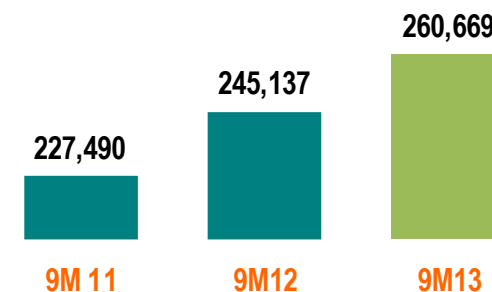
Cork Stoppers

☐ Sales: 6.3% increase (without Trefinos: 0.5%)

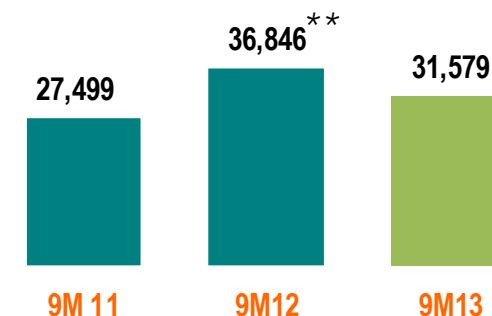
- Good performance in 3Q13, specially in September, reverses negative tendency in the first two quarters (like-for-like);
- Drop in TwinTop® stoppers (USA and France);
- Special note to natural, champagne and Netrocork® stoppers;
- Unfavourable exchange rate effect more than offset by volume and price effect.

- EBITDA reached 31.6€ (-14.3%), hit by exchange variation (-3.4M€) and less raw material quality.

Sales



EBITDA (current)



** Excludes 2,599 K€ (1Q12 and 2Q12) due to impairment



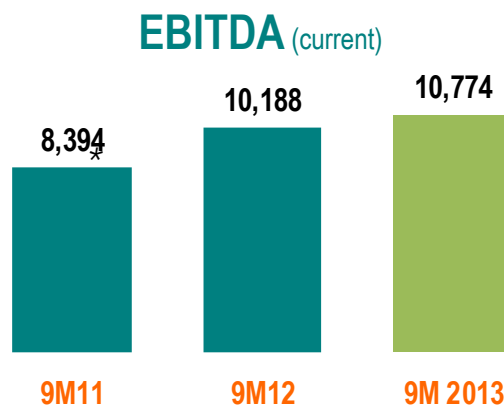
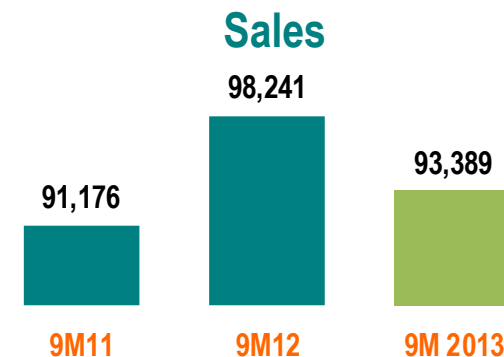
Highlights and key indicators

Floor & Wall Coverings

□ Sales: 4.9% decrease (cork products: -1.0%)

- Sales of cork products (-1.0%) hit by USD devaluation, late orders from eastern Europe and stock clearing in the Chinese market.
- Good performance in North American and Scandinavian markets;
- Special note to continuous LVT sales growth;
- High decrease in trade sales (-4.4M€: -25%);

- EBITDA increased 6% (0.6M€).



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



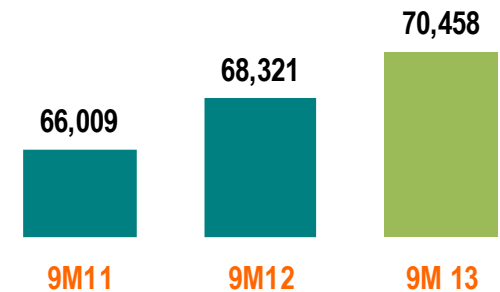
Highlights and key indicators

Cork Composites

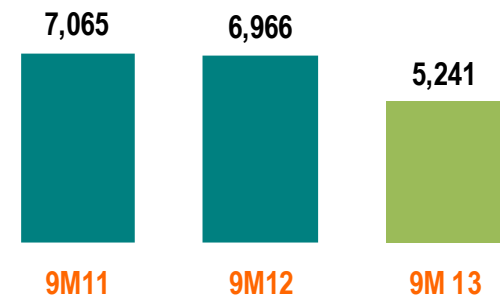
☐ Sales: 3.1% increase (final customers -2%)

- Sales to final costumers of manufactured products dropped by 2% (1H13: -3%)
- Sales of goods (cork waste) compensated decrease of sales of manufactured products;
- Sales to Industry (the most important sector), Sealing and Construction decrease (except USA);
- Sales to construction: highlight for American markets;

Sales



EBITDA (current)



- EBITDA decreased by 1.7M€ (-25%) but shows an improvement compared to semester;
- Launching of the new press machine still hurting results.

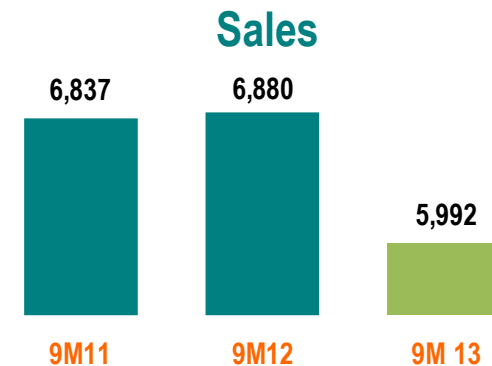


Highlights and key indicators

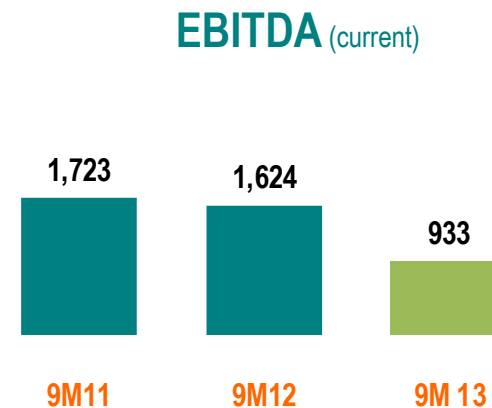
Insulation Cork

❑ Sales: 13% decrease

- postponement of construction projects;
- Sales decrease justified by volume;
- Sales increase to Asian markets not enough to offset drop in sales to France (most important market), Italy and middle east.



- EBITDA decreased 0.9M€ (9M12: 1.6M€)

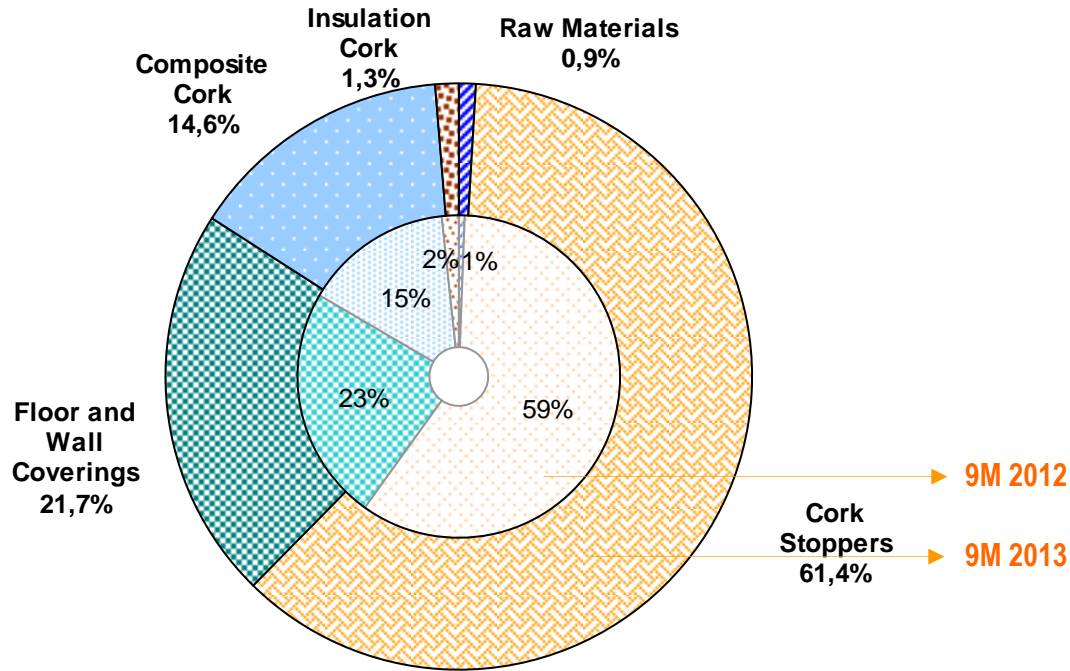


Appendices

- Consolidated indicators

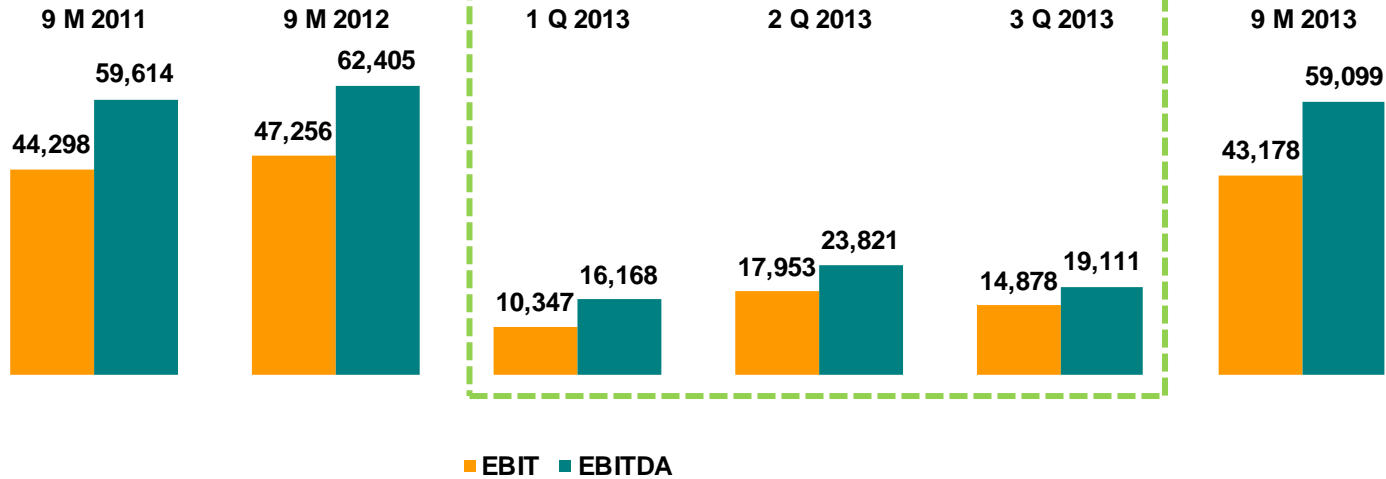
Unit: thousands of euros

Breakdown Sales by Business Unit



	9M 2011	9M 2012	9M 2013
Raw Materials	0.6%	1.4%	0.9%
Cork Stoppers	59.3%	59.0%	61.4%
Floor and Wall Coverings	23.5%	23.4%	21.7%
Composite Cork	14.9%	14.7%	14.6%
Insulation Cork	1.7%	1.6%	1.3%

EBIT & EBITDA evolution

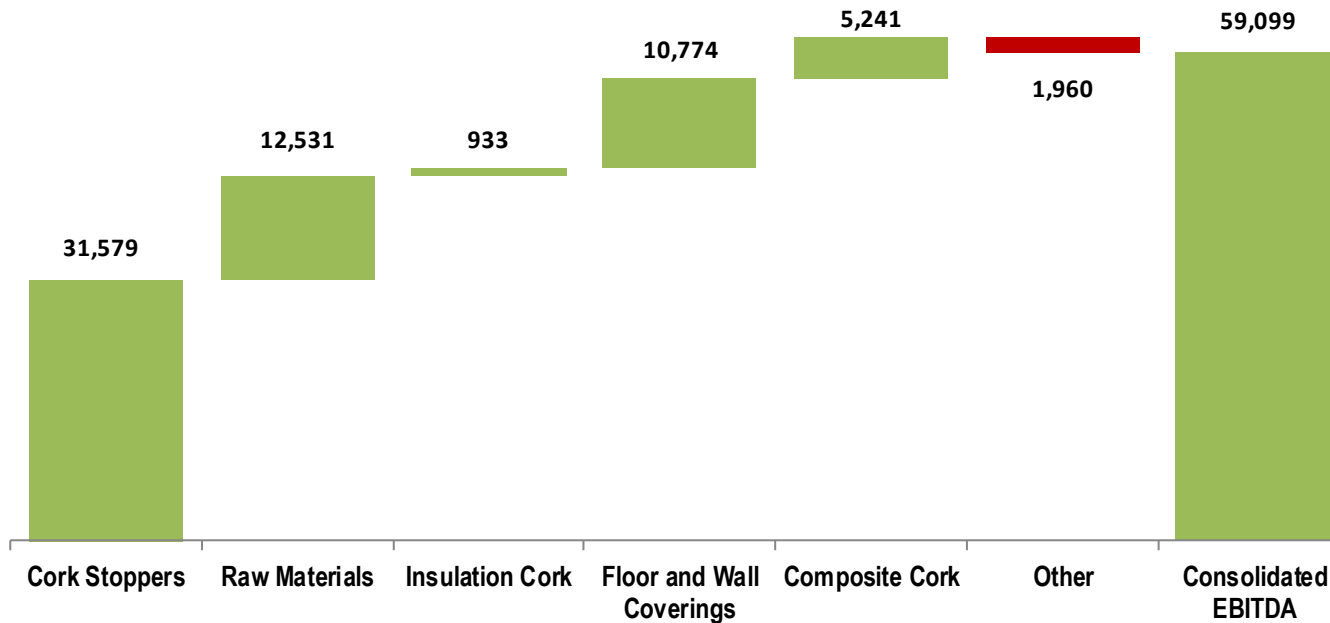


	9 M 2011	9 M 2012	1 Q 2013	2 Q 2013	3 Q 2013	9 M 2013
Gross Margin	196,043	207,765	66,410	76,446	66,862	209,718
Other operating costs (current)	150,823	160,509	56,062	58,493	51,984	166,539
EBIT*	44,298	47,256	10,347	17,953	14,878	43,178
EBITDA*	59,614	62,405	16,168	23,821	19,111	59,099

* Excludes restructuring costs

Breakdown EBITDA by Business Unit

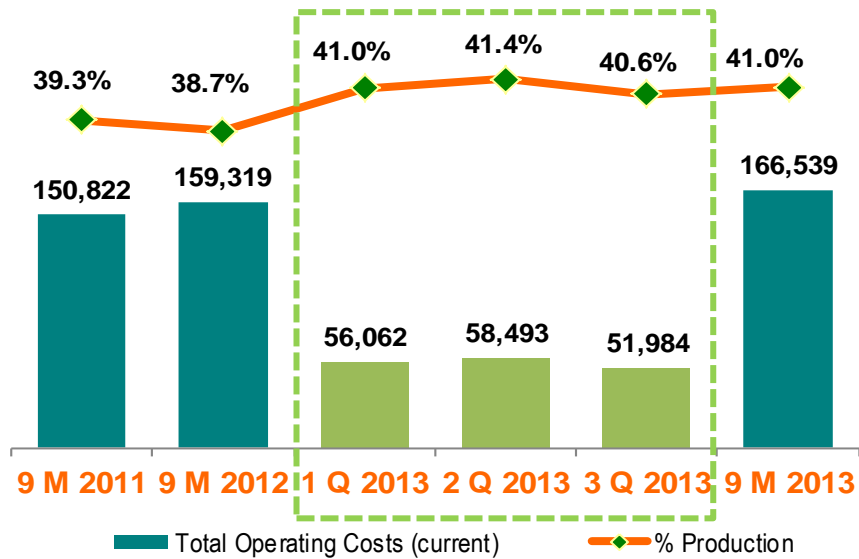
Current EBITDA



	9 M 2011	9 M 2012	1 Q 2013	2 Q 2013	3 Q 2013	9 M 2013
Raw Materials	28%	13%	30%	18%	15%	21%
Cork Stoppers	44%	57%	48%	53%	54%	52%
Floor and Wall Coverings	13%	16%	15%	21%	17%	18%
Composite Cork	11%	11%	8%	5%	13%	9%
Insulation Cork	3%	3%	0%	3%	2%	2%

Operating Costs Breakdown

Value and % (Production):



	9 M 2011	9 M 2012	1 Q 2013	2 Q 2013	3 Q 2013	9 M 2013
External supplies	65,386	70,063	23,836	26,383	22,872	73,090
Staff costs*	66,974	71,799	26,683	26,947	22,244	75,874
Depreciation	15,315	15,149	5,821	5,868	4,233	15,921
Provisions	1,477	2,646	236	416	1,615	2,267
Other operating expenses and profits	-1,670	337	513	1,121	-1,020	613
Total Operating Costs (current)	150,822	159,319	56,062	58,493	51,984	166,539
% Production	39.3%	38.7%	41.0%	41.4%	40.6%	41.0%

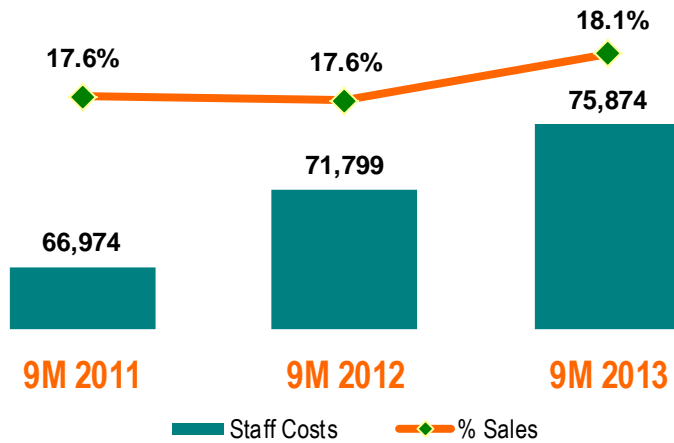
* Excludes restructuring costs



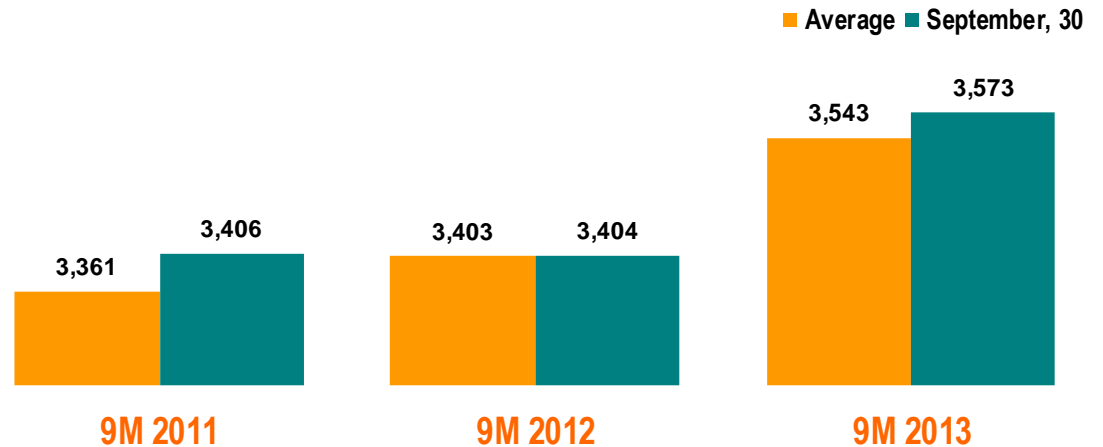
Staff Costs *

* Excluding charges with reorganization

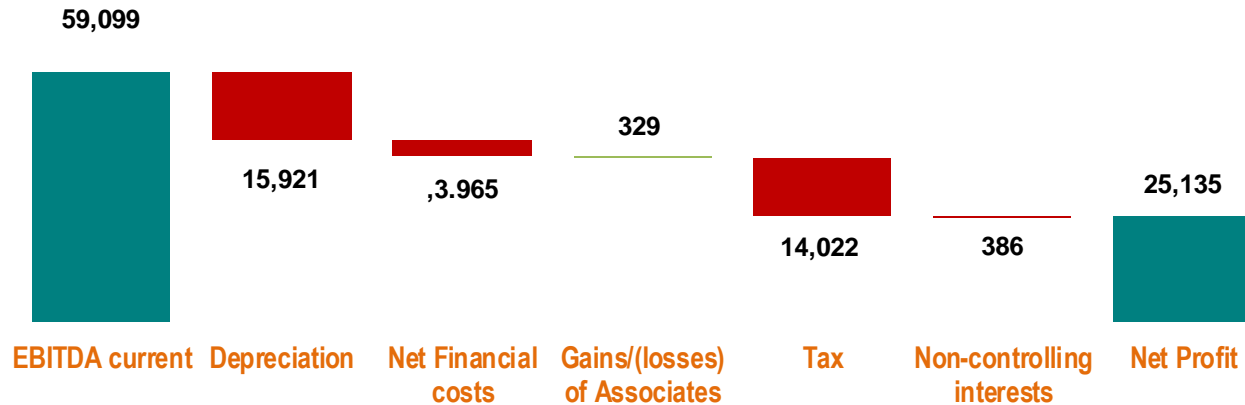
Value and % (sales):



Number of employees:

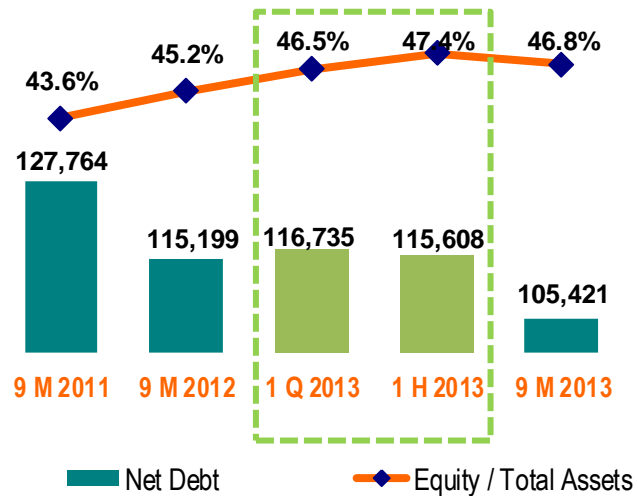


Net Profit



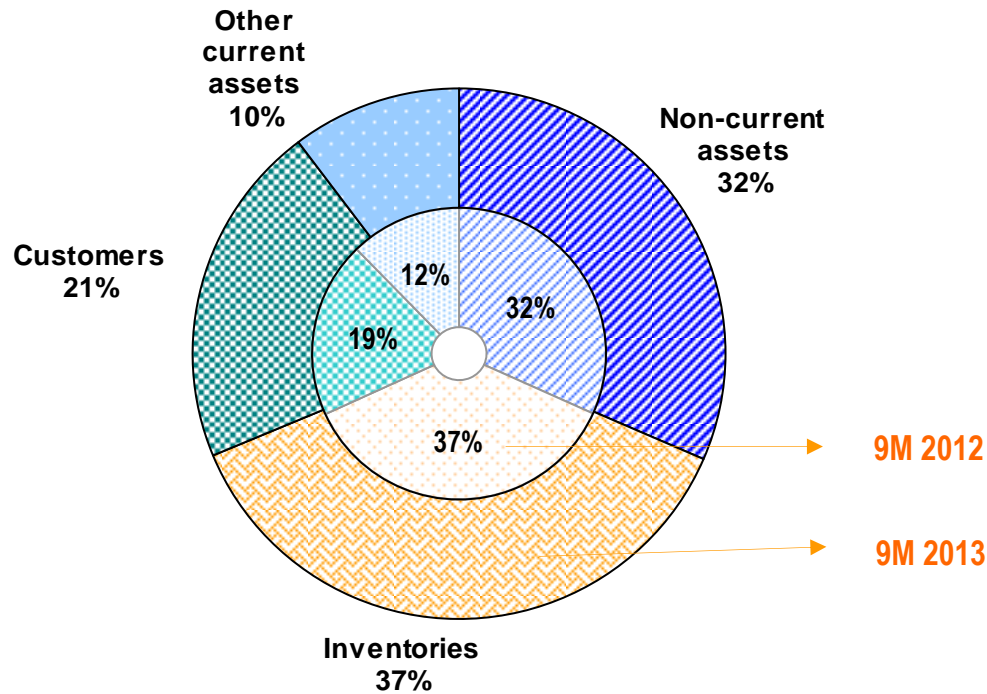
	9 M 2011	9 M 2012	1 Q 2013	2 Q 2013	3 Q 2013	9 M 2013
EBIT current	44,298	47,256	10,347	17,953	14,878	43,178
Interest	3,572	4,892	1,309	1,672	984	3,965
Restructuring costs	5,763	4,594	0	0	0	0
(loss)/profit of associates	372	395	-108	597	-160	329
EBT	35,334	38,166	8,930	16,878	13,734	39,542
Tax	13,186	10,949	3,571	5,459	4,992	14,022
Minority interests	715	730	65	168	153	386
Net Profit	21,434	26,487	5,294	11,251	8,589	25,135

Net debt and Equity/ Total Assets:



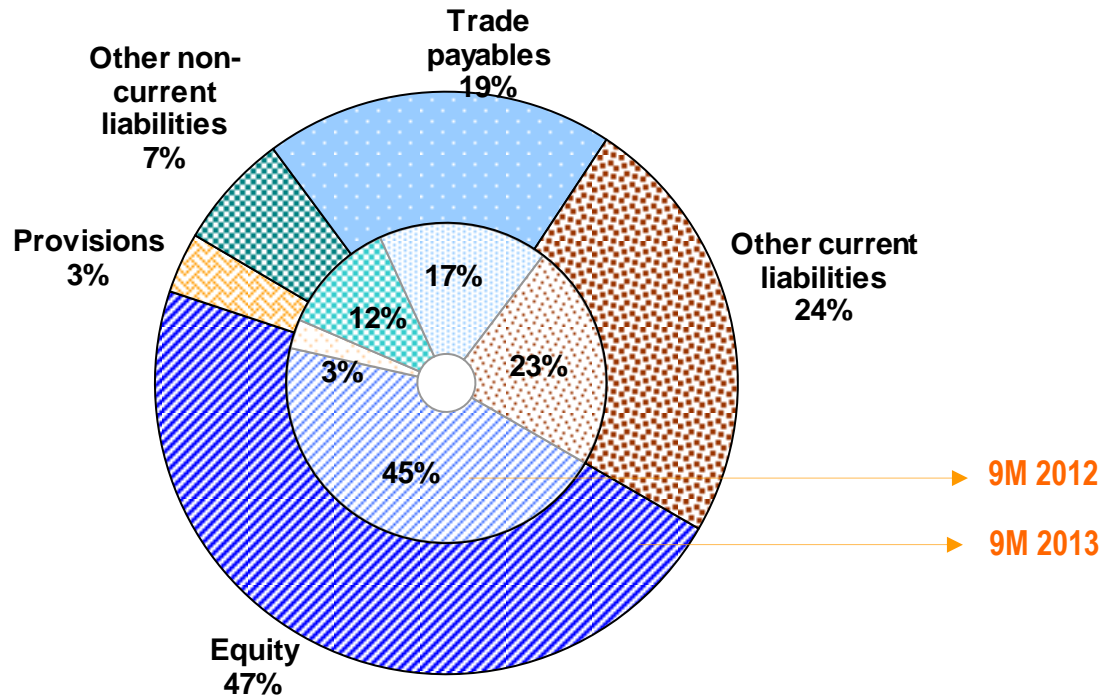
	9 M 2011	9 M 2012	1 Q 2013	1 H 2013	9 M 2013
Net Debt	127,764	115,199	116,735	115,608	105,421
Equity and Minority interests	276,720	304,494	301,239	298,083	306,160
EBITDA / Interest	23.8	16.3	16.5	20.0	19.7
Equity / Total Assets	43.6%	45.2%	46.5%	47.4%	46.8%
Gearing	46.2%	37.8%	38.8%	38.8%	34.4%

Total Assets



	9M11	9M12	9M13
Non-current assets	201,835	213,584	206,115
Inventories	229,717	246,350	244,003
Customers	128,778	130,916	136,913
Other current assets	74,510	83,182	67,655
Total Assets	634,840	674,032	654,686
Capex	17,230	13,597	12,518

Equity and Liabilities



	9M11	9M12	9M13
Equity	276,720	304,494	306,160
Provisions	15,334	19,862	22,000
Other non-current liabilities	50,638	79,165	41,934
Trade payables	116,327	115,521	126,970
Other current liabilities	175,821	154,990	157,621
Total Liabilities	358,119	369,538	348,525

Consolidated Statement of Financial Position

	September 2013	December 2012	September 2012
Non-current assets	206,115	213,168	213,584
Current assets			
Inventories	244,003	231,211	246,350
Other current assets	204,568	199,388	214,098
Total current assets	448,571	430,600	460,448
Total Assets	654,686	643,767	674,032
Equity (M. I. included)	306,160	295,247	304,494
Non-current liabilities			
Bank borrowings	27,366	52,363	63,812
Other non-current liabilities	36,569	40,755	35,215
Total non-current liabilities	63,935	93,118	99,027
Current liabilities			
Bank borrowings	91,460	108,231	92,592
Other current liabilities	193,132	147,171	177,919
Total current liabilities	284,592	255,402	270,511
Total Liabilities and Equity	654,686	643,767	674,032

Key Figures

		9M13	9M12	Variation	3Q13	3Q12	Variation
Sales		419,141	408,492	2.6%	137,472	133,496	3.0%
Gross Margin – Value		209,718	207,765	0.9%	66,862	67,457	-0.9%
	1)	51.7%	50.5%	+1.2 p.p.	52.3%	53.1%	-0.86 p.p.
Operating Costs - current		166,540	160,510	3.76%	51,985	54,115	-3.94%
EBITDA - current		59,099	62,404	-5.3%	19,110	17,639	8.3%
EBITDA/Sales		14.1%	15.3%	-1.18 p.p.	13.9%	13.2%	+0.7 p.p.
EBIT - current		43,178	47,255	-8.6%	14,878	13,342	11.5%
Non-current costs	2)	0	4,594	N/A	0	-25	N/A
Net Income		25,135	26,487	-5.10%	8,588	8,770	-2.08%
Earnings per share		0.199	0.210	-5.10%	0.068	0.069	-2.08%
Net Bank Debt		105,421	115,199	- 9,778	-	-	-
Net Bank Debt/EBITDA (x)	4)	1.30	1.53	-0.23 x	-	-	-
EBITDA/Net Interest (x)	3)	19.7	16.3	3.37 x	19.1	13.5	5.58 x
Equity/Net Assets		46.8%	45.2%	+1.59 p.p.	-	-	-

1) Related to Production

2) Goodwill / land and TVA receivable 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

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