



**CORTICEIRA AMORIM ANNOUNCES**  
**A REVISED GOVERNANCE MODEL**

**“A NEW ORGANISATION TO FACE NEW CHALLENGES”**

Mozelos, Portugal, 20th December, 2007 – **CORTICEIRA AMORIM, SGPS, S.A.** [Euronext Lisbon: **COR**; ISIN: **PTCOR0AE0006**], worldwide leading cork manufacturer, in accordance with the terms of article 248, paragraph 1 – a) of the Securities Market Code (Código dos Valores Mobiliários), hereby notifies the public in general and its shareholders in particular of the following:

**HIGHLIGHTS**

CORTICEIRA AMORIM announces the creation of two macro-divisions through which its business strategy will be run:

- **Amorim Natural Cork**, for the Raw Material (Forest) and Cork Stopper activities;
- **Amorim Cork Composites**, encompassing all the agglomerated cork technical applications whether products or solutions;

A new horizontal support area is also created – **Amorim Cork Research** – whose purpose is to meet the “innovation” challenge.

Executive and operational management of the business will remain organised as is, that is, as Raw Material, Cork Stopper, Composite Cork, Floor and Wall Covering and Insulation Corkboard Business Units.

Statement available on the company website: [www.corticeiraamorim.com](http://www.corticeiraamorim.com).

## **A NEW ORGANISATION TO FACE NEW CHALLENGES**

### **Business Value Creation - “Evolving in the Value Chain”**

CORTICEIRA AMORIM, following its annual strategic review for the period of 2008-2010, concluded that it was beneficial to adopt a new management and corporate governance model, aiming for a more integrated approach to business management, at both strategic and operational levels, while improving its response to market challenges from a “cork-integrated value chain” perspective.

As of 2008, the management model of CORTICEIRA AMORIM will be structured in three differentiated integration levels:

1. the first level, the Executive Commission of CORTICEIRA AMORIM, will provide leadership and substance to an organizational and management concept in which CORTICEIRA AMORIM assumes itself as a group of companies/business units with an interconnected business activity and a need to manage, in an integrated manner, cork’s value chain, with synergies shared throughout the different Business Units with a long-term view. Since 2002, it was the Shareholder’s choice to implement in the Group a management model based on a concept of strategic-operational holding, in which the Executive Committee aims to deliver the right balance between strategic control and operational autonomy/initiative and influence both the Group’s executive management and the Business Units through defined business objectives. This is achieved through an integrated vision, implemented across the board, that creates and maximises, through direction and interaction, synergies between the organizational units;
2. the second level of strategic guidance and management concentrates the activities developed according to the specific critical analysis/intervention areas. In this new level of aggregate management, the business will now be structured according to two macro-areas: Amorim Natural Cork e Amorim Cork Composites;
3. the third, foundational, level is where the business variables specific to each business line and/or product line will be aligned. As a result, the current operational and performance reporting units, Raw Materials (Forest), Cork Stoppers, Composite Cork, Floor and Wall Covering and Insulation, will be organisationally placed at this level

Without significant changes at this third level, or at the strategic-operational holding level, the relevant organisational change occurs, therefore, with the creation of macro-areas for the strategic management of the business. These macro-areas have a scope of intervention defined by the inter-relation of the fundamental parameters of each business. As such:

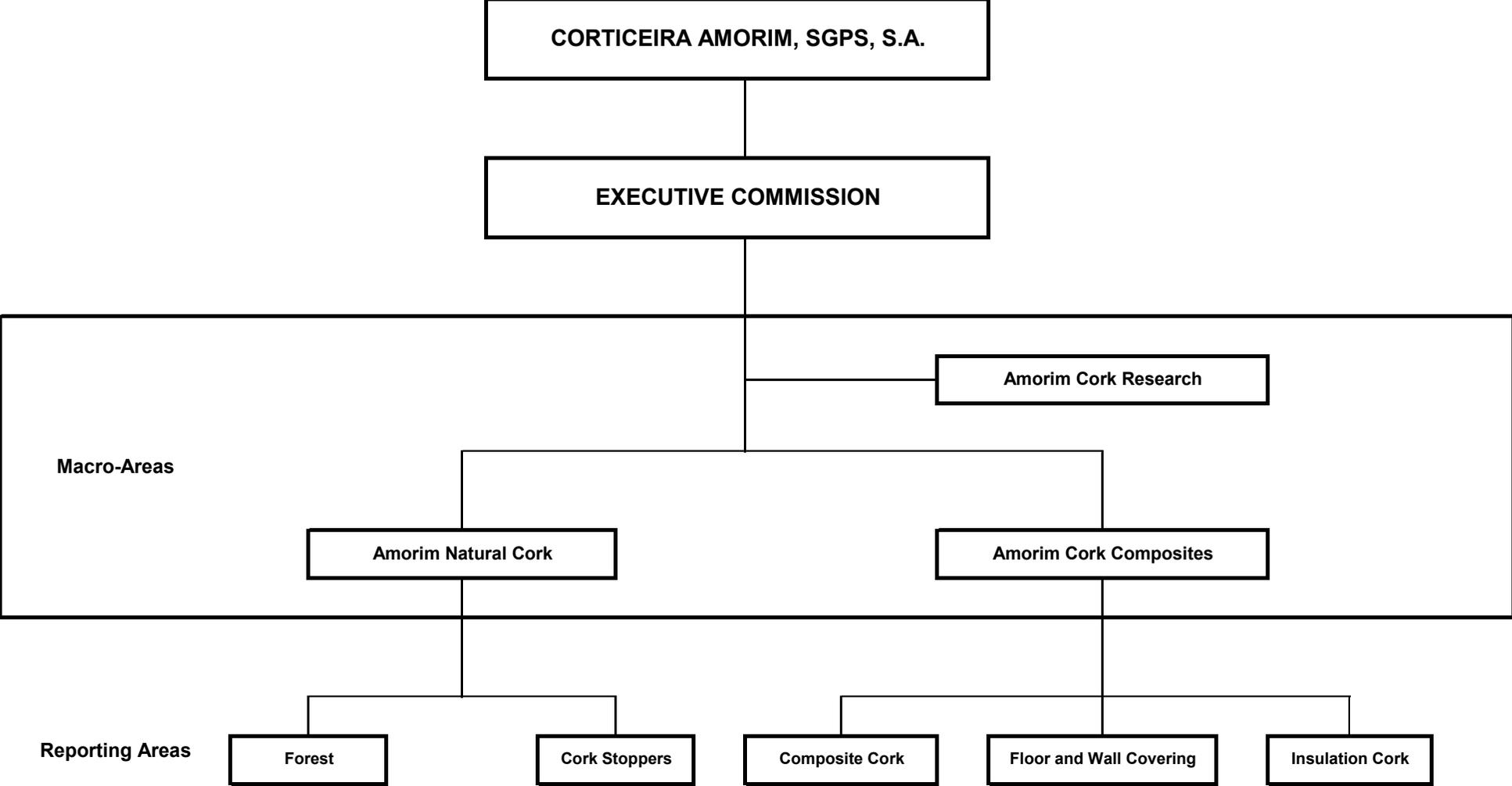
**Amorim Natural Cork** is responsible for the management of Cork Raw Materials (Forest) and Stoppers. The strategic challenge of these units is clearly interconnected,

as the knowledge of, and design of, cork purchasing policies (quality, quantity, pricing) are the most relevant factors in these two crucial areas;

**Amorim Cork Composites** is responsible for the management of all technical applications of agglomerate cork in both products and solutions, meaning Composite Cork, Flooring and Insulation. The across-the-board business focus of these units, generically defined as the optimisation of the utilization of cork non-transformable into stoppers, challenges this area of business to permanently develop technical composite cork applications that, combined or not with other materials, increase the value-added of products and solutions with/of cork, broadening its applicability to new segments

Also noteworthy is the creation of **Amorim Cork Research**. This is a support structure, comprehensive to the whole CORTICEIRA AMORIM, that is responsible for articulating the combined response to the “innovation” challenge, including the research of new applications for cork and its structural components, as well as achieving quality incremental processes that are relevant for the business. The activity of this area will be decisive to achieve three major objectives: development of new products and/or innovative solutions, the registering of associated patents (new techniques, technologies or processes) and the development of a global brand portfolio. In organisational terms, it is expected that this area takes the role of an advanced innovation centre, encompassing R&D and resulting Intellectual Property.

Through this organizational change, CORTICEIRA AMORIM, as a Group of Units and/or Companies with interconnected – the transformation and promotion of cork –, ensures a more efficient management of cork’s integrated value chain and potential synergies, sharing, with a long-term perspective, these advantages with the entire organisation, guaranteeing the balance between strategic control and operational autonomy/initiative.



**CORTICEIRA AMORIM, SGPS, S.A.**

Tel.: + 351 22 747 5400

E-mail: [corticeira.amorim@amorim.com](mailto:corticeira.amorim@amorim.com)

[www.corticeiraamorim.com/en](http://www.corticeiraamorim.com/en)

***About CORTICEIRA AMORIM, SGPS, S.A.:***

*While tracing its roots to the XIX Century, CORTICEIRA AMORIM, SGPS, S.A. has become the world's largest cork and cork-derived company in the world, generating over Euro 440 million in sales throughout 103 countries. CORTICEIRA AMORIM, SGPS, S.A. and its subsidiaries are an integral part of a conservationist effort to guarantee the survival of hundreds of thousand of cork trees throughout the Mediterranean Basin. We are proud of our contribution to the correct utilisation of these important forests that represents a key role in the CO<sub>2</sub> retention, contributing this way to preserve biodiversity and preventing desertification. We encourage you to learn more by visiting informative websites such as [corkfacts.com](http://corkfacts.com) or [www.apcor.pt](http://www.apcor.pt).*

**CORTICEIRA AMORIM, SGPS, SA**

Public limited company

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

Share capital: € 133,000,000

Corporation tax ID number: 500 077 797

A company registered in the land registry office in Santa Maria da Feira – Portugal