AMORIM

CORTICEIRA AMORIM

Consolidated Financial Statement June 30, 2019

First half 2019 (1H19) (Audited)
Second quarter 2019 (2Q19) (Non-audited)

Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails

Dear Shareholders,

In accordance with the law, CORTICEIRA AMORIM, S.G.P.S., S.A., a public company, presents its:

CONSOLIDATED MANAGEMENT REPORT

1. SUMMARY OF ACTIVITY

Concerns relating to the longevity of the economic cycle, trade disputes and political instability persisted during the second quarter of 2019, affecting the confidence of economic agents, particularly financial market players. Protectionist measures implemented by a number of countries, most importantly the US, impacted international trade and are likely to have led to supply chain changes. The US recorded economic growth of 2.1% for the quarter, a slower rate of expansion than during the previous three months, but, nevertheless, stronger than expected. The Euro Zone registered quarterly growth of 0.2%, half the rate of the first three months. Following a stronger performance at the beginning of 2019, the downward growth trend that has prevailed since mid-2018 returned amid fears that the German economy may have contracted.

CORTICEIRA AMORIM lifted total sales to €412.2 million, representing growth of 3.1%. The price effect was largely responsible for the increase. The foreign exchange component (mainly the US dollar) also helped leverage sales growth. In terms of sales by Business Unit (BU), the Cork Stopper (+4.7%), Composite Cork (+4.0%) and Insulation Cork (+15.6%) BUs made the most positive contributions.

EBITDA totalled €68.3 million, a reduction of 11.8% compared with the first half of 2018. The EBITDA-sales ratio also fell in comparison with the same period of the previous year (from 19.4% to 16.6%). In a context of greater pressure on the gross margin resulting from the increased price of raw material cork, the Group continued to implement measures to increase operating efficiency alongside rigorous cost controls and a reduction in impairments.

Adopting IFRS 16 – Leasing standards did not have a significant impact on Corticeira Amorim's financial statements. As of June 30, 2019, the main impacts were: a €0.8 million increase in EBITDA, a €0.8 million increase in depreciations and a €5.1 million increase in debt.

Net debt totalled €149.9 million at the end of the first half of 2019, compared with €139.0 million at the end of 2018. Excluding the effect of adopting IFRS 16, this debt would have totalled €144.8 million at the end of June. In spite of dividend payments, investments in tangible assets and working capital, the liquidity generated by business activities almost fully covered the Group's funding needs in the first six months of 2019.

After earnings attributable to non-controlling interests, net income totalled €40.4 million, a reduction of 2.1% compared with the €41.2 million recorded for the first six months of 2018.

In compliance with the decision of the General Shareholders' Meeting held on April 12, a dividend of €0.185 per share, totalling €24.6 million, was distributed on April 30.

2. OPERATING ACTIVITIES – FIRST HALF 2019

The **Raw Materials BU** recorded sales of €106.9 million, an increase of 12% compared with the first half of 2018. This was mainly attributable to increased activity and higher prices. The BU's sales are mainly targeted at others companies within the Corticeira Amorim group.

EBITDA totalled €12.2 million, a reduction in comparison with the same period of the previous year (1H18: €18.5 million). Pressure on margins reflected the consumption of raw material cork acquired at higher prices as well as the lower yield of the cork consumed and increased operational costs.

Despite being affected by weather conditions, the 2019 cork purchasing campaign is progressing as expected, with an increase in the quantities available and a slight reduction in prices.

The BU's projects for increasing automation and improving sensorial quality are moving ahead according to plan.

The **Cork Stopper BU** recorded sales of €295.7 million, an increase of 4.7% compared with the first half of 2018.

Led by the US, Italy and Spain, sales growth in terms of geographical markets was balanced. In the French market, sales reflected the weak harvest of 2017, particularly in regard to Bordeaux wines. Sales of NDTech® services stoppers rose to 31 million units in the first half (1H18: 25 million units).

The BU's EBITDA rose to €55.7 million (+3.0% compared with the same period of 2018). The EBITDA margin remained stable at 18.8% (1H18: 19.1%). Increased raw material yields and efficiency gains practically offset increases in the price of raw material cork and in operational expenses, with the EBITDA margin decreasing only slightly.

The BU completed SAP (Systems, Applications and Products) implementation for its spirits and sparkling sector segment without any significant impact to business activities. SAP implementation for its still wine segment is planned for the third quarter of 2019.

First-half sales by the **Composite Cork BU** totalled €53.4 million, up 4% on the same period of 2018. Sales growth was supported by the favourable EUR/USD exchange rate and market price increases.

In terms of segments, sales growth in the areas of resilient and engineering flooring manufacture as well as sport surfaces stood out, reflecting the BU's efforts to develop and launch new products. Sales decreased in the heavy construction, multi-purpose seals and gaskets and office products segments.

Sales growth to Europe, the Middle East and Africa (EMEA) remains the most notable aspect in regard to geographical markets. The BU maintains, and will continue to maintain, its principle focus on the circular economy, specifically the reuse and recycling of waste produced by other industries.

First-half EBITDA totalled €6.1 million, while the EBITDA margin rose to 11.5% (1H18: 10.4%) as a result of increased final product prices, improved cork grinding yields and the evolution of exchange rates.

Sales by the **Floor and Wall Coverings BU** fell 2.2% to €56.1 million. Sales trends to the US, Russian and Chinese markets remained negative, but were partially offset by increased sales to Scandinavia and Italy.

The BU's recorded a negative EBITDA of €2.1 million, reflecting spending related to the launch of the new line of WISE products (essentially development and marketing expenses). The BU's negative performance also reflects a need for additional efficiency measures. These are already being implemented, in areas such as logistics and industrial operations in order to reverse the trend observed during this period.

Key factors for reversing the downward trend in the BU's results include repositioning the brand, rationalising the product portfolio and measures for increasing productivity and operational efficiency.

Sales by the **Insulation BU** totalled €7 million, an increase of 15.6% compared with the first six months of 2018. Greater activity levels and price increases supported the increase. The increase in granulate sales was of particular note. In terms of geographical markets, increased sales in Europe (especially Italy and France) offset decreased sales in Asia.

EBITDA totalled -€0.4 million (1H18: €0.8 million). In spite of the increase in sales, the consumption of higher-priced raw materials, as well as increased impairments and compensation payments negatively impacted the BU's profitability.

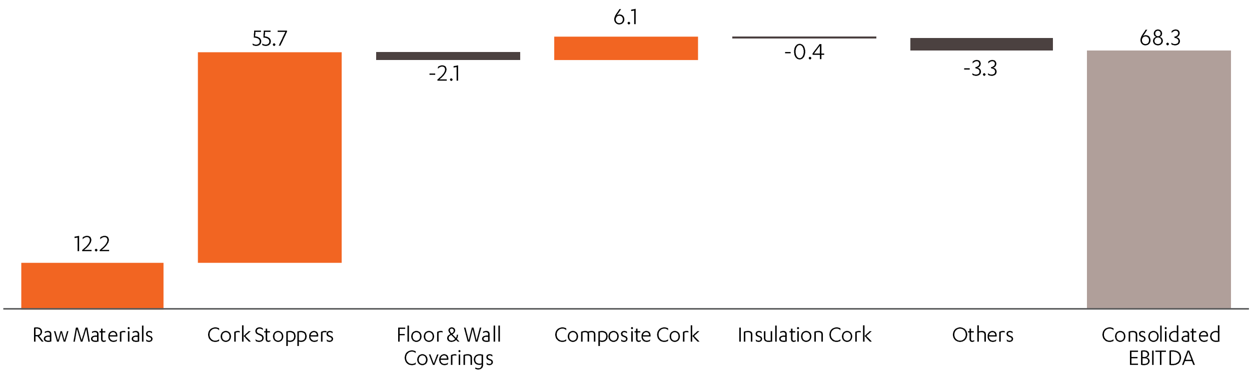
3. CONSOLIDATED PROFIT AND LOSS ACCOUNT AND FINANCIAL POSITION

The increase in sales resulted largely from increased prices and the evolution of exchange rates, increased sales volumes having only a residual impact. The change in the percentage gross margin over production (from 49.3% to 48.0%) reflects an increase in production costs mainly due to the increased cost of raw materials.

In terms of operating costs, the increase of about €3.7 million in staff costs (+5.2%) is largely due to an increase in the average number of employees, an increase needed to support the growth in business activity, as well as to the moving in-house of part of the purchases made on the secondary market. The costs of external supplies and services increased 3.3%. This reflects an increase in maintenance and repair costs, which was partially offset by a reduction in energy costs. The value recorded under impairments was close to zero.

The negative change in other operating income/expenses with an impact in EBITDA rose to about €1 million. The impact of exchange rate differences on assets receivable and liabilities payable, together with the respective foreign exchange hedging measures included under other operating income/gains was negative in the amount of approximately €0.2 million (H118: €0.3 million).

Due to the drop in profitability and the other changes previously referred to, EBITDA decreased by 11.8% to €68.3 million. The EBITDA-sales ratio was 16.6% (1H18: 19.4%).



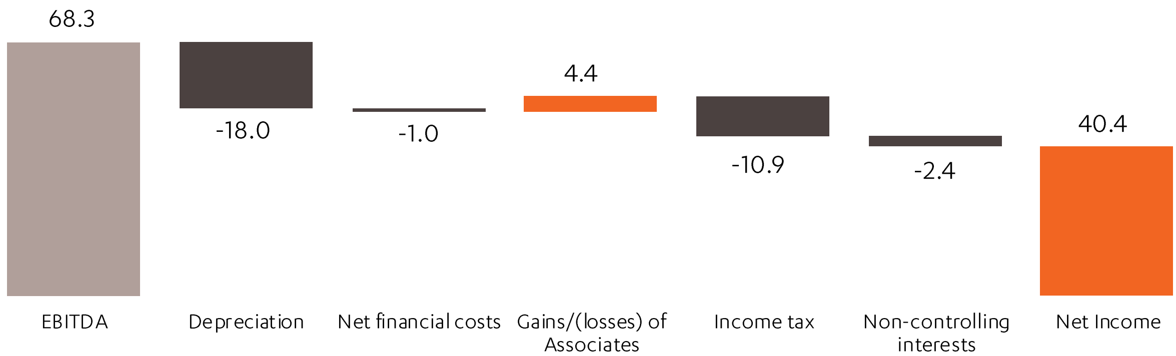
First-half financial expenses reflect the updating of Bourrassé's financial liabilities. The effect was positive due to a revision of Bourrassé's 2019 earnings forecast. In spite of the higher level of interest rates costs due to an increase in average debt, the positive Bourrassé effect resulted in a decrease in financial expenses in comparison with the first half of 2018.

Income from associate companies totalled €4.4 million. The increase in relation to the same period of 2018 (1H18: €1.3 million) reflects the recognition as earnings of the final part of the contingent amount receivable from the sale of US Floors (€2.3 million) and an improvement in the contribution from Trescasses (€1.3 million).

In regard to taxation, the Group benefitted from the reversal of provisions, mainly resulting from the final inspection that allowed the use of tax losses at a Spanish subsidiary and the recognition of 2018 investment tax benefits, the value of which was only determined in 2019.

After income tax of €10.9 million and the allocation of profits to non-controlling interests, total net income attributable to CORTICEIRA AMORIM shareholders totalled €40.4 million, a decrease of 2.1% compared with the income of €41.2 million recorded for the first half of 2018.

Earnings per share were €0.303, compared with €0.310 for the same period of the previous year.



Total net assets at the end of June 2019 amounted to €1,017 million. Compared to December 2018 (€966 million) notable changes included customers (+€26 million due to increased activity) and other operating assets (+€27 million, mainly due to the on-going cork purchasing campaign). These were offset by a reduction in inventories (-€19 million).

The change in the second balance sheet item (equity and liabilities) reflects the recognition of net income for the period (+€40.4 million). This was offset by the dividends distributed (-€24.6 million) as well as by the increase in remunerated debt (+€13.4 million), tax on earnings (+€13.5 million) and other operating liabilities (+€7.3 million).

At the end of the first half of 2019, net interest-bearing debt totalled €149.9 million (12M18: €139.0 million). Excluding the impact of adopting IFRS 16, as mentioned above, net interest-bearing debt would have totalled €144.8 million. EBITDA generated by business activities was offset by capital investment and working capital requirements. Excluding any extraordinary factors, net interest-bearing debt is expected to decrease in the second half of 2019, mainly due to a reduction in cash flow needs related to working capital.

At the end of June 2019, the Group's shareholder equity totalled €516 million. The financial autonomy ratio stood at 50.8%.

4. KEY CONSOLIDATED INDICATORS

		1H18	1H19	yoy	2Q18	2Q19	qoq
Sales		399,865	**412,243**	3.1%	214,505	**209,920**	-2.1%
Gross Margin – Value		206,977	**204,219**	-1.3%	107,023	**101,502**	-5.2%
	1)	49.3%	**48.0%**	-1.3 p.p.	47.9%	**46.4%**	-1.52 p.p.
Operating Costs - current		146,034	**153,929**	5.4%	74,828	**76,838**	2.7%
EBITDA - current		77,424	**68,287**	-11.8%	40,583	**33,503**	-17.4%
EBITDA/Sales		19.4%	**16.6%**	-2.8 p.p.	18.9%	**16.0%**	-3. p.p.
EBIT - current		60,943	**50,290**	-17.5%	32,195	**24,663**	-23.4%
Non-current results	2)	681	**0**	N/A	820	**0**	N/A
Net Income		41,214	**40,352**	-2.1%	22,393	**21,742**	-2.9%
Earnings per share		0.310	**0.303**	-2.1%	0.178	**0.173**	-2.9%
Net Bank Debt		102,134	**149,912**	47,778	-	**-**	-
Net Bank Debt/EBITDA (x)	3)	0.73	**1.20**	0.47 x	-	**-**	-
EBITDA/Net Interest (x)	4)	136.6	**81.8**	-54.87 x	145.3	**73.1**	-72.22 x

1) Related to Production

2) Figures refer to the reversal of provisions for Amorim Argentina, Amorim Revestimentos restructuring and transaction costs for subsidiaries acquisition

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)

5. OUTLOOK FOR THE SECOND HALF OF 2019

The impact of using raw material cork acquired at higher prices is expected to continue during the second half of 2019. Increased product prices and improved operational efficiency are the main ways of mitigating this trend in order to ensure that profitability does not fall below the levels recorded for the first half.

To achieve the goal set out in the previous paragraph, it will be important to reverse the negative results recorded by the Floor and Wall Coverings BU and to that the exchange rates issue is not a constraining factor.

CORTICEIRA AMORIM is expected to maintain its level of business activity to leverage its growth.

6. BUSINESS RISKS AND UNCERTAINTIES

Provided the Group's cork needs are met during the coming year, only a rapid deterioration of economic activity or a significant devaluation of the USD could adversely affect CORTICEIRA AMORIM's performance over the next six months.

7. OWN SECURITIES

During the first half of 2019, CORTICEIRA AMORIM did not acquire or dispose of any treasury shares.

As of June 30, 2019, CORTICEIRA AMORIM held no treasury shares.

8. SHAREHOLDERS' EQUITY

List of shareholders owning qualifying holdings, as of June 30, 2019:

Shareholder	Shares Held (quantity)	Participation (%)	Voting Rights (%)
Qualifying interests:			
Amorim Investimentos e Participações, S.A.	67,830,000	51.000%	51.000%
Investmark Holdings, B.V.	13,725,157	10.320%	10.320%
Amorim International Participations, B.V.	13,414,387	10.086%	10,086%
Freefloat (a)	38,030,456	28.594%	28.594%
Total	**133,000,000**	**100.000%**	**100.000%**

(a) (Includes the participation of investment funds managed by Santander Asset Management, S.A., S.G.I.I.C. which, as of June 5, 2019, held 3,045,823 shares, corresponding to 2.29% of Corticeira Amorim's share capital and voting rights, distributed as follows: SANTANDER SMALL CAPS ESPAÑA Fund, FI: 1,239,138 shares, corresponding to 0.932% of the share capital and voting rights; SANTANDER SOSTENIBLE 1 FI Fund: 347,948 shares, corresponding to 0.262% of the share capital and voting rights; SANTANDER SOSTENIBLE 2 FI Fund: 408,581 shares, corresponding to 0.307% of the share capital and voting

rights; SANTANDER SOSTENIBLE ACCIONES FI Fund: 465,126 shares, corresponding to 0.350% of the share capital and voting rights; SANTANDER SMALL CAPS EUROPE Fund, FI: 541,432 shares, corresponding to 0.407% of the share capital and voting rights; SANTANDER SMALL EQUALITY ACCIONES Fund, FI: 43,598 shares, corresponding to 0.033% of the share capital and voting rights.

Shareholder Amorim Investimentos e Participações, SGPS, S.A. *(b)*	Shares held	% of Share capital with voting rights
Directly	67,830,000	51.000%
Total attributable	**67,830,000**	**51.000%**

(b) The capital of Amorim Investimentos e Participações, SGPS, S.A is wholly owned by three companies (Amorim Holding Financeira, SGPS, SA (5.63%), Amorim Holding II SGPS, SA (44.37%) and Amorim-Sociedade Gestora de Participações Sociais, SA (50%)) without any of them having a controlling stake in the company, thereby terminating in this, the imputation chain, under the terms of Article 20 of Cod.VM. The share capital and voting rights of the three companies are held, respectively, in the case of the first two companies, directly and indirectly (through Imoeuro SGPS, SA and Oil Investment0, BV) by Ms Maria Fernanda Ramos Oliveira Amorim and daughters, and, in the case of the third, by Mr. António Ferreira de Amorim, wife and children.

Shareholder Investmark Holding BV	Shares held	% of Share capital with voting rights
Directly	13,725,157	10.320%
Total attributable	**13,725,157**	**10.320%**

Shareholder Great Prime S.A. (c)	Shares held	% of Share capital with voting rights
Directly	-	-
Through Investmark Holding BV, which controls 100%	13,725,157	10.320%
Total attributable	**13,725,157**	**10.320%**

Maria Fernanda Ramos Oliveira Amorim (c)	Shares held	% of Share capital with voting rights
Directly	-	-
Through the shareholder Great Prime, S.A., which controls	13,725,157	10.320%
Total attributable	**13,725,157**	**10.320%**

(c) (c) As of June 30, 2019, the share capital of Great Prime, SA was wholly owned by three companies (Amorim Participações Internacionales, SGPS, SA (33.3%), Vintage Prime, SGPS, SA (33.3%) and Stock Price, SGPS, SA (33.3%), companies which in turn are controlled by Mrs. Maria Fernanda Oliveira Ramos de Amorim, who holds 95% of the respective share capital and voting rights.

(d) Following the corporate reorganisation of July 2, 2019 (a transaction announced to the market on July 7, 2019), the voting rights attributable to Great Prime, SA changed: the share capital of Great Prime, SA is now fully owned by three companies: Porta da Lua, SA (60.4%), API Amorim Participacoes Internacionales, SGPS, SA (19.8%) and Vintage Prime, SGPS, SA (19.8%), companies whose control continues to be attributable to Ms. D. Maria Fernanda Ramos Oliveira Amorim because of her participation in their respective share capitals: Porta da Lua, SA (100%), API Amorim International Participations, SGPS, SA (95%) and Vintage Prime, SGPS, SA (95%).

Shareholder Amorim International Participations, BV	Shares held	% of Share capital with voting rights
Directly	13,414,387	10.086%
Total attributable	**13,414,387**	**10.086%**

Shareholder Amorim, Sociedade Gestora de Participações Sociais, S.A. *(d)*	Shares held	% of Share capital with voting rights
Directly	-	-
Through Amorim International Participations BV, which controls 100%	13,414,387	10.086%
Total attributable	**13,414,387**	**10.086%**

(e) *The capital of Amorim, Holding Company, S.A. is owned by Mr. António Ferreira de Amorim and his wife and children. None of them holds a controlling interest in the company.*

9. TRANSACTIONS BY DIRECTORS AND OFFICERS

In compliance with the provisions of paragraphs 6 and 7 of article 14 of CMVM Regulation No. 5/2008, it is stated that during the first half of 2019 the following transaction of CORTICEIRA AMORIM shares was carried out by one of its directors:

- Investmark Holdings, BV, a company in which Luísa Alexandra Ramos Amorim, a member of the Board of Directors of Corticeira Amorim and a member of the Board of Directors of Investmark Holdings, BV, which holds a qualified holding in Corticeira Amorim, announced the launch of a private offer to sell up to 4,600,000 shares representing the capital of Corticeira Amorim, SGPS, SA, addressed exclusively to institutional investors through an accelerated book building (ABB) mechanism. At the conclusion of the offer, on June 4, 2019, it sold 4,600,000 shares representing 3.5% of the share capital of Corticeira Amorim, SGPS, SA (placement price: €9.50 per share; total deposit: €43,700,000). As a result of this transaction, Investmark Holdings, BV now holds 13,725,157 shares representing 10.32% of the share capital and 10.32% of the voting rights of Corticeira Amorim, SGPS, SA, a situation that remained unchanged as of June 30, 2019.

There were no transactions in financial instruments related to securities issued by the Company, either by its directors, or by the companies that dominate CORTICEIRA AMORIM, or by persons closely related to them.

10. LIST OF SHAREHOLDERS OWNING MORE THAN ONE TENTH OF THE COMPANY'S SHARE CAPITAL

i. Amorim Investimentos e Participações, SA held 67,830,000 Corticeira Amorim shares, corresponding to 51% of its share capital and 51% of the voting rights;
ii. Investmark Holdings, B.V. held 13,725,157 Corticeira Amorim shares, corresponding to 10.32% of its share capital and 10.32% of the voting rights;
iii. Amorim International Participations, B.V. held 13,414,387 Corticeira Amorim shares, corresponding to 10.086% of its share capital and 10.086% of the voting rights.

These were the verified shareholdings as of 30 June, 2019. They remained unchanged on the date of publication of this report.

11. SUBSEQUENT EVENTS

According to a statement to the market on July 25, 2019, CORTICEIRA AMORIM, SGPS, SA, through its subsidiary Amorim & Irmãos, SA, entered into an agreement to acquire 50% of the company VINOLOK, a.s., headquartered in Jablonec nad Nisou in the Czech Republic.
Under the terms of the agreement, 50% of the share capital of VINOLOK, a.s., in the amount of €10.988 million, was acquired from PRECIOSA Group, which will retain the remaining 50%, ensuring the joint management of the acquired company. In the year ending on March 31, 2019, VINOLOK, which has a highly specialised team of around 170 employees, recorded a turnover of approximately €16 million and an EBITDA of €5.3 million.
Another transaction involved the purchase of an additional 10% of Bourrassé for €5 million, as provided for in the purchase agreement.
Other than these events and as of the date of this report, no other material facts were recorded that could materially affect the financial position and future results of CORTICEIRA AMORIM or the affiliated companies included in its consolidated group.

12. STATEMENT OF RESPONSIBILITY

In accordance with the requirements of Section 246.1(c) of the Portuguese Securities Market Act, the directors state that, to the best of their knowledge, the financial statements for the half year ended June 30, 2019 and all other accounting documents have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of CORTICEIRA AMORIM, SGPS, SA and the undertakings included in the consolidation taken as a whole. The directors further state that the Directors' Report faithfully describes the development, performance and position of CORTICEIRA AMORIM's business and the undertakings included in the consolidation taken as a whole. The Directors' Report contains a special section describing the main risks and uncertainties that could impact our business in the next six months.

Mozelos, July 29, 2019

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

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

thousand euros

	Notes	June 30, 2019	December 31, 2018	June 30, 2018
Assets				
Tangible assets	VII	263,680	259,433	235,597
Intangible assets	VIII	8,401	7,585	4,627
Right of use	VII	6,848	-	-
Goodwill	VIII	13,621	13,987	14,000
Biological assets		203	240	-
Investment property	IX	5,413	5,481	5,582
Investments in associates and joint ventures	VI & X	11,566	9,537	10,300
Other financial assets		1,635	1,632	2,282
Deferred tax assets	XI	12,736	13,346	12,215
Other debtors	XIII	4,536	4,844	-
Non-current assets		**328,641**	**316,084**	**284,604**
Inventories	XII	387,093	406,090	356,690
Trade receivables		200,726	174,483	202,817
Income tax assets		11,826	8,915	14,167
Other debtors	XIII	63,034	35,704	47,727
Other current assets	XIII	1,925	3,103	3,441
Cash and cash equivalents	XIV	24,215	21,695	22,461
Current assets		**688,819**	**649,989**	**647,303**
Total Assets		**1,017,459**	**966,074**	**931,907**
Equity				
Share capital	XV	133,000	133,000	133,000
Other reserves	XV	309,026	255,974	268,614
Net Income		40,352	77,389	41,214
Non-Controlling Interest	XVI	34,072	31,871	32,221
Total Equity		**516,450**	**498,234**	**475,049**
Liabilities				
Interest-bearing loans	XVII	58,512	39,503	40,897
Other financial liabilities	XIX	29,951	30,263	37,038
Provisions	XXII	39,586	43,081	37,959
Post-employment benefits		1,637	1,621	1,517
Deferred tax liabilities	XI	7,121	7,737	6,550
Non-current liabilities		**136,807**	**122,205**	**123,961**
Interest-bearing loans	XVII	115,615	121,200	83,697
Trade payables	XVIII	164,562	165,008	160,616
Other financial liabilities	XIX	44,945	41,039	44,646
Other liabilities	XIX	23,693	16,464	25,288
Income tax liabilities		15,387	1,924	18,651
Current liabilities		**364,202**	**345,635**	**332,897**
Total Liabilities and Equity		**1,017,459**	**966,074**	**931,907**

(this statement should be read with the attached notes to the consolidated financial statements)

CONSOLIDATED INCOME STATEMENT BY NATURE

thousand euros

2Q19 (non audited)	2Q18 (non audited)		Notes	1H19	1H18
209,920	214,505	Sales	VI	412,243	399,865
106,685	116,209	Costs of goods sold and materials consumed		217,707	213,154
-1,733	8,727	Change in manufactured inventories		9,684	20,265
31,471	31,364	Third party supplies and services		63,216	61,188
37,674	35,854	Staff costs		74,664	70,964
496	289	Impairments of assets	XX	-45	349
2,777	2,641	Other income and gains		4,766	5,734
1,135	1,574	Other costs and losses		2,863	2,786
33,502	**40,583**	**Operating Cash Flow (current EBITDA)**		**68,287**	**77,424**
8,840	8,388	Depreciation	VI, VII, VIII e IX	17,997	16,481
24,663	**32,195**	**Operating Profit (current EBIT)**		**50,290**	**60,943**
0	820	Non-recurrent results	XX	0	681
320	1,347	Financial costs		1,056	1,756
35	12	Financial income		45	44
1467	514	Share of (loss)/profit of associates and joint-ventures	X	4,412	1,348
25,844	**32,194**	**Profit before tax**		**53,691**	**61,260**
2,914	7,691	Income tax	XI	10,908	16,302
22,931	**24,503**	**Profit after tax**		**42,783**	**44,958**
1,188	2,109	Non-controlling Interest	XVI	2,431	3,743
21,742	**22,394**	**Net Income** attributable to the equity holders of Corticeira Amorim		**40,352**	**41,214**
0.163	**0.168**	**Earnings per share** - Basic e Diluted (euros per share)	**XXV**	**0.303**	**0.310**

(this statement should be read with the attached notes to the consolidated financial statements)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

thousand euros

2Q19 (non audited)	2Q18 (non audited)		Notes	1H19	1H18
22,930	**24,503**	**Net Income**		**42,783**	**44,958**
		Itens that may be reclassified through income statement:			
323	-330	Change in derivative financial instruments fair value	XIV	126	-745
-1,614	-416	Change in translation differences and other	XIV	286	-667
25	-426	Share of other comprehensive income of investments accounted for using the equity method	XIV	-26	-1,275
-148	621	Other comprehensive income	XIV	-138	602
-1,413	**-551**	**Other comprehensive income (net of tax)**		**249**	**-2,085**
21,517	**23,952**	**Total Net compreensive income**		**43,032**	**42,873**
		Attributable to:			
20,746	21,489	Corticeira Amorim Shareholders		40,620	38,895
771	2,463	Non-controlling Interest		2,412	3,978

(this statement should be read with the attached notes to the consolidated financial statements)
(items in this Statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note XI)

CONSOLIDATED STATEMENT OF CASH FLOW

thousand euros

2Q19 (non audited)	2Q18 (non audited)		Notes	1H19	1H18
		OPERATING ACTIVITIES			
198,809	188,032	Collections from customers		386,518	370,069
-148,244	-124,418	Payments to suppliers		-306,639	-284,220
-33,620	-25,077	Payments to employees		-67,501	-57,754
16,945	**38,537**	**Operational cash flow**		**12,378**	**28,095**
-1,817	-1,261	Payments/collections - income tax		-2,706	-984
12,785	-14,781	Other collections/payments related with operational activities		23,763	13,568
27,913	**22,496**	**CASH FLOW FROM OPERATING ACTIVITIES**		**33,435**	**40,679**
		INVESTMENT ACTIVITIES			
		Collections due to:			
282	153	Tangible assets		841	218
1	3	Intangible assets		1	43
104	83	Financial investments		2,509	850
69	95	Other assets		198	141
81	80	Interests and similar gains		131	149
0	0	Dividends		0	0
		Payments due to:			
-11,469	-13,848	Tangible assets		-22,795	-21,734
-440	-250	Financial investments		-505	-4,662
-223	-521	Intangible assets		-425	-841
-11,610	**-14,205**	**CASH FLOW FROM INVESTMENTS**		**-20,060**	**-25,835**
		FINANCIAL ACTIVITIES			
		Collections due to:			
13,794	16,115	Loans		23,144	0
2,328	1,900	Government grants		2,377	1,997
728	97	Others		1,418	1,445
		Payments due to:			
8,850	0	Loans		0	7,521
-516	-334	Interests and similar expenses		-1,184	-932
-24,815	-25,374	Dividends		-24,815	-25,374
-2,018	-607	Government grants		-2,018	-925
-117	-124	Others		-213	-244
-1,766	**-8,327**	**CASH FLOW FROM FINANCING**		**-1,291**	**-16,510**
14,537	**-36**	**Change in Cash**		**12,084**	**-1,666**
-69	**-57**	**Exchange rate effect**		**157**	**-159**
0	**0**	**Perimeter variation**		**0**	**0**
-40,967	**-7,080**	**Cash at beginning**	**XIV**	**-38,740**	**-5,348**
-26,499	**-7,173**	**Cash at end**	**XIV**	**-26,499**	**-7,173**

(this statement should be read with the attached notes to the consolidated financial statements)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

thousand euros

	Notes	Attributable to owners of Corticeira Amorim, SGPS, S.A.							Non-controlling interests	Total Equity
		Share capital	Paid-in Capital	Hedge Accounting	Translation Difference	Legal reserve	Other reserves	Net income		
Balance sheet as at January 1, 2018		133,000	38,893	468	-1,045	18,770	167,353	73,027	29,524	459,991
Profit for the year	XV	-	-	-	-	2,725	70,303	-73,027	-	0
Dividends	XV	-	-	-	-	-	-24,605	-	-770	-25,375
Changes in the percentage of interest retaining control	XVI	-	-	-	-	-	-1,928	-	-511	-2,439
Consolidated Net Income for the period	XV & XVI	-	-	-	-	-	-	41,214	3,743	44,958
Change in derivative financial instruments fair value	XV	-	-	-745	-	-	-	-	-	-745
Change in translation differences	XV & XVI	-	-	-	-377	-	-	-	-290	-667
Other comprehensive income of associates	X	-	-	-	-2,177	-	902	-	-	-1,275
Other comprehensive income		-	-	-	-	-	78	-	524	602
Total comprehensive income for the period		0	0	-745	-2,554	0	980	41,214	3,978	42,873
Balance sheet as at June 30, 2018		133,000	38,893	-277	-3,599	21,495	212,102	41,214	32,221	475,049
Balance sheet as at January 1, 2019		133,000	38,893	6	-4,060	21,495	199,642	77,389	31,871	498,234
Profit for the year	XV	-	-	-	-	2,977	74,412	-77,389	-	0
Dividends	XV	-	-	-	-	-	-24,605	-	-210	-24,815
Consolidated Net Income for the period	XV & XVI	-	-	-	-	-	-	40,352	2,431	42,783
Change in derivative financial instruments fair value	XV	-	-	126	-	-	-	-	-	126
Change in translation differences	XV & XVI	-	-	-	76	-	-	-	210	286
Other comprehensive income of associates	X	-	-	-	-159	-	133	-	-	-26
Other comprehensive income		-	-	-	-	-	92	-	-230	-138
		0	0	126	-83	0	225	40,352	2,412	43,032
Balance sheet as at June 30, 2019		133,000	38,893	132	-4,143	24,471	249,674	40,352	34,072	516,450

(this statement should be read with the attached notes to the consolidated financial statements)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I - INTRODUCTION

At the beginning of 1991, Corticeira Amorim, S.A. was transformed into CORTICEIRA AMORIM, S.G.P.S., S.A., the holding company for the cork business sector of the Amorim Group. In this report, CORTICEIRA AMORIM will be the designation of CORTICEIRA AMORIM, S.G.P.S., S.A., and in some cases the designation of CORTICEIRA AMORIM, S.G.P.S. together with all of its subsidiaries.

CORTICEIRA AMORIM is mainly engaged in the acquisition and transformation of cork into a numerous set of cork and cork related products, which are distributed worldwide through its network of sales company.

CORTICEIRA AMORIM is a Portuguese company with a registered head office in Mozelos, Santa Maria da Feira. Its share capital amounts to 133 million euros, and is represented by 133 million shares, which are publicly traded in the Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

Amorim - Investimentos e Participações, S.G.P.S, S.A. held, as of December 31, 2018 and June 30, 2019, 67,830,000 shares of CORTICEIRA AMORIM, corresponding to 51.00% of the capital stock. CORTICEIRA AMORIM consolidates in Amorim – Investimentos e Participações, S.G.P.S., S.A., which is its controlling and Mother Company. Amorim – Investimentos e Participações, S.G.P.S., S.A. is owned by Amorim family.

These financial statements were approved in the Board Meeting of July 29, 2019. Shareholders have the capacity to modify these financial statements even after their release.

Except when mentioned, all monetary values are stated in thousand euros (Thousand euros = K euros = K€).

II - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements as of June 30, 2019 were prepared using accounting policies consistent with International Financial Reporting Standards (IFRS) and in accordance with International Accounting Standard 34 - Interim Financial Reporting, and include the statement of financial position, the income statement, the income statement and other comprehensive income, the statement of changes in equity and the condensed statement of cash flows, as well as the selected explanatory notes. The remaining notes were excluded because they have not suffered any changes in their standards which may affect the understanding of the financial statements.

The accounting policies adopted in the preparation of the consolidated financial statements of CORTICEIRA AMORIM are consistent with those used in the preparation of the financial statements presented for the year ended December 31, 2018, except for the adoption of the new standards whose application became effective on December 1, January 2019 and the application of IFRS 16 implied the changes referred to in the following paragraphs.

The Group's activity is exposed to a variety of financial risks inherent in its activity, and its monitoring and mitigation is carried out throughout the year. During the first six months of 2019, there were no material changes that could significantly affect the risk assessment to which the Group is exposed.

Changes in accounting policies and disclosures

The standards and interpretations that became effective as of 1 January 2019 are as follows:

- **IAS 19 (amendment),** "Plan amendment, curtailment, or settlement" (effective for periods beginning on or after 1 January 2019, and early application is permitted). The objective of the amendment is to harmonise the accounting practices and provide relevant information on decision-making.
- **IAS 28 (amendment),** "Clarification that measuring associates at fair value through profit or los sis a choise that is made for each investment" that is effective for periods beginning on or after 1 January 2019. The improvement clarified that (i) a company that is a risk capital company, or any other qualifying company, might choose to measure, its investments in associates and/or joint ventures at fair value through profit or loss at the moment of initial recognition and in relation to each investment. (ii) If a company that is not itself an investment entity holds an interest in an associate or joint venture that is an investment entity, the company might decide to maintain the fair value that those associates apply when measuring its subsidiaries by the application of the equity method. This option is taken separately for each investment on the later date considering (a) the initial recognition of the investment in that subsidiary; (b) this subsidiary as becoming an investment entity; and (c) when that subsidiary will be a parent company.
- **IFRIC 23 (interpretation),** "Uncertainty over Income Tax Treatments" (effective for periods beginning on or after 1 January 2019). The interpretation addresses accounting for income taxes, when there is uncertainty over income tax treatments that affect the application of the IAS 12. The interpretation is not applicable to taxes and charges that are outside the scope of the IAS 12, nor include specific requirements relating to interest and penalties associated with uncertainty over tax treatments.
- **IFRS 9 (amendment),** "Prepayment features with negative compensation" (effective for periods beginning on or after 1 January 2019). Amendments to IFRS 9 clarify that a financial asset meets the SPPI criteria regardless of the event or circumstances that caused the anticipated termination of the contract and regardless of which party pays or receives reasonable compensation for the early termination of the contract.
- **IFRS 16 (new),** "Leases" (effective for annual periods beginning on or after 1 January 2019, with the option of early application). This standard sets out recognition, presentation, and disclosure of leasing contracts, defining a single accounting model. Aside from lower contracts than 12 months and low value (optional), leases should be accounted as an asset and a liability.
- **Improvements to International Financial Reporting Standards** (2015-2017 cycle) that is effective for periods beginning on or after 1 January 2019. The improvements involve the review of the IFRS 3 Business combination - interest previously held in a joint operation, IFRS 11 Joint arrangements - interest previously held in a joint operation, IAS 12 Income taxes consequences 38 for income tax resulting from payments for financial instruments, which are classified as equity instruments and IAS 23 Borrowing costs - borrowing costs eligible for capitalisation.

Material impacts on the consolidated financial statements of the group of the application of these standards and amendments are not estimated, except for IFRS 16.

Estimated impacts of IFRS 16 Leases

IFRS 16 was issued in October 2017 and should be applied for periods beginning on or after 1 January 2019, being the early adoption permitted. This standard establishes the form of recognition, presentation and disclosure of leases, defining a single model of recognition.

Transition

The new standard will replace all current requirements, principles of recognition, measurement, presentation and disclosure of leases prescribed in IFRS, particularly in IAS 17 - Leases and should be applied retrospectively, adopting one of the following methods:

i) complete retrospective application: it implies the restatement of all comparatives periods; or

ii) modified retrospective application: recognition of the cumulative effect, during the first period of application of the standard, as an adjustment to equity, and during the opening balance of the period when the standard is adopted.

A Corticeira Amorim adopted the new standard on the effective date requested (1 January 2019), using the full retrospective method.

Leases

A lease is defined as a contract, or part of a contract, that transfers the right to use a good (the underlying asset), for a period, in exchange for a value.

At the beginning of each contract, an entity shall evaluate and identify whether it is or contains a lease. This evaluation involves an exercise of judgment on whether each contract depends on a specific asset, if the entity obtains substantially all the economic benefits from the use of that asset and if the entity has the right to control the use of the asset.

In the case of contracts that constitute or contain a lease, entities shall account for each component of the lease contained in the contract as a lease, separately from the other components of the contract that are not leases, unless the entity applies the practical expedient foreseen in the scope of the standard. Corticeira Amorim has not adopted this practical expedient.

IFRS 16 establishes that lessees account for all leases based on a single on-balance model recognition, similarly to the treatment that IAS 17 establishes for financial leases.

The standard allows two exceptions to this model: (1) low value leases and (2) short term leases (with a lease term lower than 12 months). Corticeira Amorim adopted these exceptions.

At the start date of the lease, the lessee recognises the responsibility related to the lease payments (the lease liability) and the asset that represents the right to use the underlying asset during the lease period (the right of use or “ROU”).

Lessees will have to separately recognise the cost of interest on the lease liability and the depreciation of the ROU.

Tenants should also remeasure the lease liability according to the occurrence of certain events (such as a change in the lease period, a change in future payments that result from a change in the reference rate or the rate used to determine such payments). The lessee will recognise the amount of the remeasurement of the lease liability as an adjustment in the ROU.

The impact of adopting IFRS 16 is detailed as follows: recognition of assets and related liability of 5.1 M €; increase in depreciation and reduction of external supplies and services by 0.8 M €. Details of the impact of usage rights on January 1 and June 30 are presented in note VII. The main components of the right of use that have been recognized relate essentially to transport equipment and facilities.

At the date of approval of these financial statements, there are no standards and interpretations endorsed by the European Union, with mandatory application in future financial years

The following standards, interpretations, amendments, and revisions, with mandatory application in future financial years have not yet been endorsed by the European Union, at the date of approval of these financial statements:

- **IAS 1 e IAS 8 (amendment),** “Definition of material" (effective for periods beginning on or after January 1, 2020). The intent of amending the standard is to clarify the definition of material and to align the definition used in international financial reporting standards.

- **IFRS 3 (amendment)**, "Business Combinations" (effective for periods beginning on or after January 1, 2020). The intent of the amendment to the standard is to overcome the difficulties that arise when an entity determines whether it has acquired a business or a set of assets.
- **IFRS 17 (new),** "Insurance Contracts" (effective for periods beginning on or after January 1, 2021). The general objective of IFRS 17 is to provide a more serviceable and consistent accounting model for insurance contracts between entities that issue them globally.
- **Improvements to international financial reporting standards** (issued on March 29, 2018, to be applied for annual periods beginning on or after January 1, 2020). These improvements involve reviewing various standards.

The Group has been evaluating the impact of these amendments. It will apply this standard once it becomes effective or when earlier application is permitted.

III - CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the Group's management to make judgments and estimates that affect the statement of financial position and the reported results. These estimates are based on the best information and knowledge about past and/or present events and on the operations that the Company considers it may implement in the future. However, at the date of completion of such operations, their results may differ from these estimates.

Changes to these estimates that occur after the date of approval of the consolidated financial statements will be corrected in the income statement in a prospective manner, in accordance with IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".

The estimates and assumptions that imply a greater risk of giving rise to a material adjustment in assets and liabilities are described below:

- Entities included in the consolidation perimeter

To determine the entities to be included in the consolidation perimeter, the Group assesses the extent to which it is exposed, or has rights, to variability in return from its involvement with that entity and can take possession of them through the power it holds over this entity.

The decision that an entity must be consolidated by the Group requires the use of judgment, estimates, and assumptions to determine the extent to which the Group is exposed to return variability and the ability to take possession of them through its power.

Other assumptions and estimates could lead to the Group's consolidation perimeter being different, with direct impact on the consolidated financial statements.

- Impairment of non-current assets, excluding goodwill

The determination of a possible impairment loss can be triggered by the occurrence of various events, such as the availability of future financing, the cost of capital or other market, economic and legal changes or changes with an adverse effect on the technological environment, many of which are beyond the Group's control.

The identification and assessment of impairment indicators, the estimation of future cash flows, and the calculation of the recoverable value of assets involve a high degree of judgment by the Board.

- Impairment of goodwill

Goodwill is annually subjected to impairment tests or whenever there are indications of a possible loss of value in accordance with the criteria described in Note II b) of the annual report of December 31, 2018. The recoverable values of the cash-generating units to which goodwill is allocated are determined based on the calculation of current use values. These calculations require the use of estimates by management.

- Intangible and tangible assets

The life of an asset is the period during which the Company expects that an asset will be available for use and this should be reviewed at least at the end of each financial year.

The determination of the useful lives of assets, the amortisation/depreciation method to be applied, and the estimated losses resulting from the replacement of equipment before the end of its useful life due to technological obsolescence is crucial in determining the amount of amortisation/depreciation to be recognised in the consolidated income statement each period.

These three parameters are defined using management's best estimates for the assets and businesses concerned, and taking account of the practices adopted by companies in the sectors in which the Group operates.

- Provisions

The Group periodically reviews any obligations arising from past events, which should be recognised or disclosed. The subjectivity involved in determining the probability and amount of internal resources required to meet obligations may give rise to significant adjustments, either due to changes in the assumptions made, or due to the future recognition of provisions previously disclosed as contingent liabilities.

- Deferred income tax assets

Deferred income tax assets are recognised only when there is strong assurance that there will be future taxable income available to use the temporary differences or when there are deferred tax liabilities whose reversal is expected in the same period in which the deferred tax assets are reversed. The assessment of deferred income tax assets is undertaken by management at the end of each period taking account of the expected future performance of the Group.

- Expected credit loss

The credit risk on the balances of accounts receivable is assessed at each reporting date, through the use of a collection matrix, which is based on the history of past collections adjusted for the future expectation of evolution of collections, to determine the non-receipt rate.

Expected credit losses on accounts receivable are adjusted by the evaluation made, which may differ from the actual risk incurred in the future.

- Fair value of financial assets and liabilities

When the fair value of an asset or liabilities is calculated, on an active market, the respective market price is used. When there is no active market, which is the case with some of Corticeira Amorim financial assets and liabilities, valuation techniques generally accepted in the market, based on market assumptions, are used.

The Group applies evaluation techniques for unlisted financial instruments, such as derivatives, financial instruments at fair value and instruments measured at amortised cost. The most frequently used valorisation models are models of discounted cash flows and option models, which incorporate, for example, interest rate and market volatility curves.

For certain types of more complex derivatives, more advanced valuation models are used containing assumptions and data that are not directly observable in the market, for which the Group uses the proprietary model specified in Note III of the annual report of December 31, 2018.

- Revenue - return rights / quantity discounts

Some contracts give the customer the right to return goods and volume rebates. The right of return and volume discounts give rise to variable remuneration. When estimating the variable consideration, Corticeira Amorim determined that the use of a combination of the most probable quantity method and the value method expected is most appropriate. Before including any amount of variable consideration in the transaction price, Corticeira Amorim considers whether the amount of the variable consideration is restricted. Corticeira Amorim determined that the variable compensation estimates are limited based on their historical experience, forecast of business and economic conditions. In addition, uncertainty over variable consideration will be resolved in a short period of time.

IV - COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company		Head Office	Country	1H19	2018
Raw Materials					
Amorim Natural Cork, S.A.		**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**	**100%**
Amorim Florestal, S.A.		Ponte de Sôr	PORTUGAL	100%	100%
Amorim Florestal II, S.A.		Ponte de Sôr	PORTUGAL	100%	100%
Amorim Florestal III, S.A.		Ponte de Sôr	PORTUGAL	100%	100%
Amorim Florestal España, S.L.		San Vicente Alcántara	SPAIN	100%	100%
Amorim Florestal Mediterrâneo, S.L.		Cádiz	SPAIN	100%	100%
Amorim Tunisie, S.A.R.L.		Tabarka	TUNISIA	100%	100%
Comatral - C. de Maroc. de Transf. du Liège, S.A.		Skhirat	MOROCCO	100%	100%
Cosabe - Companhia Silvo-Agrícola da Beira S.A.		Lisboa	PORTUGAL	100%	100%
SIBL - Société Industrielle Bois Liége		Jijel	ALGERIA	51%	51%
Société Nouvelle du Liège, S.A. (SNL)		Tabarka	TUNISIA	100%	100%
Société Tunisienne d'Industrie Bouchonnière		Tabarka	TUNISIA	55%	55%
Vatrya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%	100%
Cork Stoppers					
Amorim & Irmãos, SGPS, S.A.		**Santa Maria Lamas**	**PORTUGAL**	**100%**	**100%**
ACI Chile Corchos, S.A.		Santiago	CHILE	100%	100%
ACIC USA, LLC		California	U. S. AMERICA	100%	100%
Agglotap, S.A.		Girona	SPAIN	91%	91%
All Closures In, S.A.		Paços de Brandão	PORTUGAL	75%	75%
Amorim & Irmãos, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Amorim Australasia Pty Ltd.		Adelaide	AUSTRALIA	100%	100%
Amorim Bartop, S.A.		Vergada	PORTUGAL	75%	75%
Amorim Champcork, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Amorim Cork América, Inc.		California	U. S. AMERICA	100%	100%
Amorim Cork Beijing Ltd.		Beijing	CHINA	100%	100%
Amorim Cork Bulgaria EOOD		Plovdiv	BULGARIA	100%	100%
Amorim Cork Deutschland GmbH & Co KG		Mainzer	GERMANY	100%	100%
Amorim Cork España, S.L.		San Vicente Alcántara	SPAIN	100%	100%
Amorim Cork Itália, SPA		Conegliano	ITALY	100%	100%
Amorim Cork South Africa (Pty) Ltd.		Cape Town	SOUTH AFRICA	100%	100%
Amorim France, S.A.S.		Champfleury	FRANCE	100%	100%
Amorim Top Series France, S.A.S.		Merpins	FRANCE	100%	100%
Amorim Top Series, S.A.		Vergada	PORTUGAL	75%	75%
Biocape - Importação e Exportação de Cápsulas, Lda.		Mozelos	PORTUGAL	60%	60%
Bouchons Prioux		Epernay	FRANCE	91%	91%
Chapuis, S.L.		Girona	SPAIN	100%	100%
Corchera Gomez Barris	(c)	Santiago	CHILE	50%	50%
Corchos de Argentina, S.A.	(b)	Mendoza	ARGENTINA	50%	50%
Corpack Bourrasse, S.A.		Santiago	CHILE	60%	60%
Elfverson & Co. AB		Paryd	SWEDEN	53%	53%
Equipar, Participações Integradas, Lda.		Coruche	PORTUGAL	100%	100%
S.A.S. Ets Christian Bourassé		Tosse	FRANCE	60%	60%
FP Cork, Inc.		California	U. S. AMERICA	100%	100%
Francisco Oller, S.A.	(e)	Girona	SPAIN	94%	92%
Hungarocork, Amorim, RT		Budapeste	HUNGARY	100%	100%
Indústria Corchera, S.A.	(c)	Santiago	CHILE	50%	50%
Korken Schiesser Ges.M.B.H.		Viena	AUSTRIA	69%	69%
Olimpiadas Barcelona 92, S.L.		Girona	SPAIN	100%	100%
Portocork América, Inc.		California	U. S. AMERICA	100%	100%
Portocork France, S.A.S.		Bordéus	FRANCE	100%	100%
Portocork Internacional, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Portocork Itália, s.r.l		Milão	ITALY	100%	100%
Sagrera et Cie		Reims	FRANCE	91%	91%
S.A. Oller et Cie	(e)	Reims	FRANCE	94%	92%
S.C.I. Friedland		Céret	FRANCE	100%	100%
S.C.I. Prioux		Epernay	FRANCE	91%	91%
Socori, S.A.		Rio Meão	PORTUGAL	60%	60%
Socori Forestal, S.L.		Cáceres	SPAIN	100%	100%
Société Nouvelle des Bouchons Trescases	(b)	Perpignan	FRANCE	50%	50%
TKCork – Advanced Cork Technology, S.A.		Santa Maria Lamas	PORTUGAL	100%	100%
Trefinos Australia		Adelaide	AUSTRALIA	91%	91%
Trefinos Italia, s.r.l		Treviso	ITALY	91%	91%
Trefinos USA, LLC		Fairfield, CA	U. S. AMERICA	91%	91%
Trefinos, S.L.		Girona	SPAIN	91%	91%
Victor y Amorim, S.L.	(c)	Navarrete - La Rioja	SPAIN	50%	50%
Wine Packaging & Logistic, S.A.	(b)	Santiago	CHILE	50%	50%

Company		Head Office	Country	1H19	2018
Floor & Wall Coverings					
Amorim Revestimentos, S.A.		**S. Paio de Oleiros**	**PORTUGAL**	**100%**	**100%**
Amorim Benelux, BV		Tholen	NETHERLANDS	100%	100%
Amorim Deutschland, GmbH	(a)	Delmenhorst	GERMANY	100%	100%
Amorim Flooring, S.A.		S. Paio de Oleiros	PORTUGAL	100%	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%	100%
Amorim Flooring Investments, Inc.		Hanover - Maryland	U. S. AMERICA	100%	100%
Amorim Flooring North America Inc.		Hanover - Maryland	U. S. AMERICA	100%	100%
Amorim Flooring Rus, LLC		Moscovo	RUSSIA	100%	100%
Amorim Flooring Sweden AB	(e)	Mölndal	SWEDEN	84%	52%
Amorim Flooring UK, Ltd.		Manchester	UN. KINGDOM	100%	100%
Amorim Japan Corporation		Tokyo	JAPAN	100%	100%
Cortex Korkvertriebs, GmbH		Fürth	GERMANY	100%	100%
Dom KorKowy, Sp. Zo. O.	(c)	Kraków	POLAND	50%	50%
Timberman Denmark A/S	(d)	Hadsund	DENMARK	90%	100%
Composite Cork					
Amorim Cork Composites, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Amorim (UK), Ltd.		Horsham West Sussex	UN. KINGDOM	100%	100%
Amorim Compcork, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Composites, LLC		Saint Petersburg	RUSSIA	100%	100%
Amorim Cork Composites, GmbH		Delmenhorst	GERMANY	100%	100%
Amorim Cork Composites, Inc.		Trevor - Wisconsin	U. S. AMERICA	100%	100%
Amorim Deutschland, GmbH	(a)	Delmenhorst	GERMANY	100%	100%
Amorim Industrial Solutions - Imobiliária, S.A.		Corroios	PORTUGAL	100%	100%
Amorim Sports & Playgrounds, Lda.		Mozelos	PORTUGAL	100%	100%
Amosealtex Cork Co., Ltd.	(b)	Xangai	CHINA	50%	50%
Chinamate (Shaanxi) Natural Products Co., Ltd.		Shaanxi	CHINA	100%	100%
Chinamate Development Co. Ltd.		Hong Kong	CHINA	100%	100%
Compruss – Investimentos e Participações, Lda.		Mozelos	PORTUGAL	100%	100%
Corticeira Amorim - France, SAS		Lavardac	FRANCE	100%	100%
Florconsult – Consultoria e Gestão, Lda.		Mozelos	PORTUGAL	100%	100%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%	100%
Insulation Cork					
Amorim Isolamentos, S.A.		**Vendas Novas**	**PORTUGAL**	**100%**	**100%**
Holding					
Corticeira Amorim, SGPS, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Ginpar, S.A. (Générale d' Invest. et Participation)		Skhirat	MOROCCO	100%	100%
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Services, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Ventures, Lda.		Mozelos	PORTUGAL	100%	100%
Corecochic - Corking Shoes Investments, Lda.	(b)	Mozelos	PORTUGAL	50%	50%
Gröwancork - Estruturas isoladas com cortiça, Lda.	(b)	Mozelos	PORTUGAL	25%	25%
TDCork - Tapetes Decorativos com Cortiça, Lda.	(b)	Mozelos	PORTUGAL	25%	25%
Soc. Portuguesa de Aglomerados de Cortiça, Lda.		Montijo	PORTUGAL	100%	100%
Supplier Portal Limited		Hong Kong	CHINA	100%	100%

(a) - One single company: Amorim Deutschland, GmbH

(b) - Equity method consolidation.

(c) - CORTICEIRA AMORIM directly or indirectly controls the relevant activities - line-by-line consolidation method.

(d) - Decrease in the percentage of interest.

(e) - Increase in the percentage of interest.

The percentages indicated above are the percentages of interests and not of control.

For entities consolidated by the full consolidation method, the percentage of voting rights held by "Non-Controlling Interests" is equal to the percentage of share capital held.

V - EXCHANGE RATES USED IN CONSOLIDATION

Exchage rates		June 30, 2019	Average 1H 19	Average 2018	December 31, 2018
Argentine Peso	ARS	48.2799	46.8049	32.9179	43.1452
Australian Dollar	AUD	1.6244	1.6003	1.5797	1.6220
Lev	BGN	1.9558	1.9557	1.9557	1.9557
Brazilian Real	BRL	4.3511	4.3417	4.3085	4.4440
Canadian Dollar	CAD	1.4893	1.5069	1.5294	1.5605
Swiss Franc	CHF	1.1105	1.1295	1.1550	1.1269
Chilean Peso	CLP	769.780	762.279	756.762	794.630
Yuan Renminbi	CNY	7.8185	7.6678	7.8081	7.8751
Danish Krona	DKK	7.4636	7.4651	7.4532	7.4673
Algerian Dinar	DZD	134.712	134.084	137.334	135.454
Euro	EUR	1.0000	1.0000	1.0000	1.0000
Pound Sterling	GBP	0.8966	0.8736	0.8847	0.8945
Hong Kong Dollar	HKD	8.8814	8.8574	9.2530	8.9819
Forint	HUF	323.390	320.420	318.890	320.980
Yen	JPY	122.600	124.284	130.396	125.850
Moroccan Dirham	MAD	10.8860	10.8397	11.0770	10.9595
Zloty	PLN	4.2496	4.2920	4.2615	4.3014
Ruble	RUB	71.5975	73.7444	74.0416	79.7153
Swedish Krona	SEK	10.5633	10.5181	10.2583	10.2548
Tunisian Dinar	TND	3.2692	3.3911	3.1079	3.4273
Turkish Lira	TRL	6.5655	6.3562	5.7077	6.0588
US Dollar	USD	1.1380	1.1298	1.1810	1.1450
Rand	ZAR	16.1218	16.0434	15.6186	16.4594

VI - SEGMENT REPORT

CORTICEIRA AMORIM is organised in the following Business Units (BU): Raw Materials, Cork Stoppers, Floor and Wall Coverings, Composite Cork and Insulation Cork.

There are no differences between the measurement of profit and loss and assets and liabilities of the reportable segments, associated to differences in accounting policies or centrally allocated cost allocation policies or jointly used assets and liabilities.

For purposes of this Report, the Business approach was selected as the primary segment. This is consistent with the formal organization and evaluation of business. Business Units correspond to the operating segments of the company and the segment report is presented the same way they are analysed for management purposes by the board of CORTICEIRA AMORIM.

The following table shows the main indicators of the said units, and, whenever possible, the reconciliation with the consolidated indicators:

thousand euros

1H19	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustm.	Consolidated
Trade Sales	8,936	290,631	55,959	50,753	5,727	237	-	412,243
Other BU Sales	97,949	5,047	143	2,597	1,271	900	-107,907	-
Total Sales	**106,885**	**295,678**	**56,101**	**53,351**	**6,998**	**1,137**	**-107,907**	**412,243**
EBITDA (current)	**12,200**	**55,660**	**-2,053**	**6,126**	**-353**	**-1,928**	**-1,366**	**68,287**
Assets (non-current)	**33,706**	**178,855**	**38,383**	**40,831**	**4,180**	**1,457**	**31,228**	**328,641**
Assets (current)	**208,295**	**363,881**	**63,192**	**53,894**	**10,961**	**1,605**	**-13,009**	**688,819**
Liabilities	**62,910**	**189,433**	**41,706**	**35,849**	**2,449**	**17,784**	**150,878**	**501,009**
Capex	**2,808**	**13,055**	**1,998**	**5,147**	**206**	**113**	**0**	**23,327**
Year Depreciation	**-2,133**	**-10,491**	**-3,323**	**-1,684**	**-300**	**-67**	**0**	**-17,997**
Gains/Losses in associated companies	**0**	**1,911**	**2,356**	**150**	**0**	**-5**	**0**	**4,412**

1H18	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustm.	Consolidated
Trade Sales	11,258	278,454	55,707	49,174	5,211	61	-	399,865
Other BU Sales	84,186	4,042	1,644	2,100	840	1,665	-94,479	-
Total Sales	**95,444**	**282,497**	**57,351**	**51,275**	**6,052**	**1,726**	**-94,479**	**399,865**
EBITDA (current)	**18,488**	**54,019**	**1,272**	**5,352**	**830**	**-2,111**	**-427**	**77,424**
Assets (non-current)	**24,128**	**156,188**	**39,537**	**34,007**	**3,998**	**1,264**	**25,481**	**284,604**
Assets (current)	**183,103**	**342,975**	**61,026**	**50,596**	**10,441**	**2,000**	**-2,838**	**647,303**
Liabilities	**45,007**	**197,908**	**41,987**	**40,791**	**2,522**	**25,272**	**103,371**	**456,858**
Capex	**2,666**	**16,106**	**2,110**	**2,302**	**249**	**20**	**0**	**23,452**
Year Depreciation	**-1,820**	**-9,888**	**-2,886**	**-1,541**	**-288**	**-57**	**0**	**-16,481**
Gains/Losses in associated companies	**0**	**582**	**779**	**0**	**0**	**-13**	**0**	**1,348**

Adjustments = eliminations inter-BU and amounts not allocated to BU.

EBITDA = Profit before net financing costs, depreciation, equity method, non-controlling interests, income tax and non-recurrent results.

Provisions and asset impairments were considered the only relevant non-cash material cost.

Segments assets do not include DTA (deferred tax asset) and non-trade group balances.

Segments liabilities do not include DTL (deferred tax liabilities), bank loans and non-trade group balances.

The decision to report EBITDA figures allows a better comparison of the different BU performances, disregarding the different financial situations of each BU. This is also coherent with the existing Corporate Departments, as the Financial Department is responsible for the bank negotiations, being the tax function the responsibility of the Holding Company.

Cork Stoppers BU main product is the different types of existing cork stoppers. The main markets are the bottling countries, from the traditional ones like France, Italy, Germany, Spain and Portugal, to the new markets like USA, Australia, Chile, South Africa and Argentina.

Raw Materials BU is, by far, the most integrated in the production cycle of CORTICEIRA AMORIM, with 85% of its sales to others BU, specially to Cork Stoppers BU. Main products are bark and discs.

The remaining BU produce and sell a vast number of cork products made from cork stoppers waste. Main products are cork floor tiles, cork rubber for the automotive industry and antivibratic systems, expanded agglomerates for insulation and acoustic purposes, technical agglomerates for civil construction and shoe industry, as well as granulates for agglomerated, technical and champagne cork stoppers.

Major markets for flooring and insulation products are in Europe and for composites products the USA. Major production sites are in Portugal, where most of the invested capital is located. Products are distributed in practically all major markets through a fully owned network of sales companies. About 70% of total consolidated sales are achieved through these companies.

Capex was concentrated in Portugal. Assets in foreign subsidiaries totalize 413 M€, and are mostly composed by inventories (142 M€), trade receivables (139 M€) and tangible fixed assets (68 M€).

Sales by markets:

thousand euros

Markets	1H19		1H18	
European Union	272,767	66.2%	268,570	67.2%
From which: Portugal	29,786	7.2%	30,288	7.6%
Other European countries	15,744	3.8%	15,158	3.8%
United States	74,902	18.2%	67,670	16.9%
Other American countries	22,929	5.6%	21,827	5.5%
Australasia	19,984	4.8%	21,528	5.4%
Africa	5,916	1.4%	5,111	1.3%
TOTAL	**412,243**	**100%**	**399,865**	**100%**

The value of sales relates in its entirety, as in 2018, to contracts covered by IFRS 15 - Revenue from contracts with customers.

VII - TANGIBLE ASSETS AND RIGHT OF USE

thousand euros

	Land and Buildings	Machinery	Other	Tangible Fixed Assets in Progress	Total Tangible Assets	Right of use
Gross Value	256,656	402,649	33,620	28,040	720,964	-
Depreciation and impairments	-158,628	-304,938	-29,103	-390	-493,059	0
Opening balance (Jan 1, 2018)	**98,029**	**97,711**	**4,516**	**27,650**	**227,905**	**0**
ACQUISITION OF A SUBSIDIARY	138	903	73	0	1,114	0
INCREASE	2,310	3,045	899	16,354	22,608	0
PERIOD DEPREC. AND IMPAIRMENTS	-2,704	-11,968	-1,113	0	-15,785	0
SALES AND OTHER DECREASES	47	76	-84	-69	-30	0
TRANSFERS AND RECLASSIFICATIONS	-134	816	-15	-1,110	-444	0
TRANSLATION DIFFERENCES	125	-15	-15	87	181	0
Gross Value	**259,432**	**407,123**	**34,017**	**43,300**	**743,872**	**0**
Depreciation and impairments	**-161,622**	**-316,556**	**-29,707**	**-390**	**-508,275**	**0**
Closing balance (Jun 30, 2018)	**97,810**	**90,567**	**4,310**	**42,910**	**235,597**	**0**
Gross Value	273,001	432,314	35,482	40,365	781,162	0
Depreciation and impairments	-163,982	-326,970	-30,777	0	-521,729	0
Opening balance (Jan 1, 2019)	**109,019**	**105,344**	**4,705**	**40,365**	**259,433**	**0**
IFRS 16 adoption						
Gross Value	0	- 2 883	0	0	- 2 883	10 202
Depreciation and impairments	0	914	0	0	914	- 3 473
Openingn after IFRS 16 adoption (Jan 1, 2019)	**109 019**	**103 375**	**4 705**	**40 365**	**257 464**	**6 729**
INCREASE	3,038	7,989	1,112	10,306	22,445	1 091
PERIOD DEPREC. AND IMPAIRMENTS	-3,074	-11,690	-982	0	-15,746	- 972
SALES AND OTHER DECREASES	166	-547	-63	0	-444	0
TRANSFERS AND RECLASSIFICATIONS	622	2,140	-207	-2,737	-182	0
TRANSLATION DIFFERENCES	94	21	8	20	143	0
Gross Value	**277,086**	**437,529**	**35,756**	**47,954**	**798,325**	**11,293**
Depreciation and impairments	**-167,221**	**-336,241**	**-31,183**	**0**	**-534,645**	**-4,445**
Closing balance (Jun 30, 2019)	**109,865**	**101,288**	**4,573**	**47,954**	**263,680**	**6,848**

Impairment losses recognized in 2019 and 2018 were recognised on the "Depreciation/Amortization" line in the consolidated income statement by nature.

Expenses to place the assets in the required location and condition related with tangible fixed assets had no impact.

No interest was capitalised during the period.

VIII - INTANGIBLE ASSETS AND *GOODWILL*

thousand euros

	Intangible Assets	*Goodwill*
Gross Value	10,217	9,848
Depreciation and impairments	-6,140	0
Opening balance (Jan 1, 2018)	**4,077**	**9,848**
ACQUISITION OF A SUBSIDIARY	0	4,152
INCREASE	841	0
PERIOD DEPREC. AND IMPAIRMENTS	-251	0
SALES AND OTHER DECREASES	-42	0
TRANSFERS AND RECLASSIFICATIONS	0	0
TRANSLATION DIFFERENCES	3	0
Gross Value	**10,848**	**14,000**
Depreciation and impairments	**-6,221**	**0**
Closing balance (Jun 30, 2018)	**4,627**	**14,000**
Gross Value	14,424	14,090
Depreciation and impairments	-6,839	-103
Opening balance (Jan 1, 2019)	**7,585**	**13,987**
INCREASE	897	0
PERIOD DEPREC. AND IMPAIRMENTS	-608	3
SALES AND OTHER DECREASES	-29	0
TRANSFERS AND RECLASSIFICATIONS	555	0
TRANSLATION DIFFERENCES	1	-369
Gross Value	**15,834**	**13,721**
Depreciation and impairments	**-7,432**	**-100**
Closing balance (Jun 30, 2019)	**8,401**	**13,621**

Intangible Assets essentially include software, autonomous product development projects and innovative solutions.

With the exception of goodwill, there are no intangible assets of indefinite life.

Detail of goodwill according to the following table:

thousand euros

2018	Initial Balance	Increase	Decrease	End Balance
Bourrassé	9,745			9,745
Elfverson	0	4,242		4,242
Sodiliège	103		103	0
Goodwill	**9,848**	**4,242**	**103**	**13,987**

thousand euros

1H19	Initial Balance	Increase	Decrease	End Balance
Bourrassé	9,745			9,745
Elfverson	4,242		366	3,876
Goodwill	**13,987**	**0**	**366**	**13,621**

As stated in point III, impairment tests are made each year. Cash flows were estimated, based on the budget and plans approved by management. The growth assumptions contemplated the expected growth in the wine, champagne and sparkling wine markets, as well as the evolution of the market share of the subsidiaries in this business. In those tests, growth rates of 4% and 15% were used in Bourrassé and Elfverson, respectively, for the period 2019-2021 and 2% for the following years were used. The discount rate used was 7.8%.

The results of the impairment tests show that the recoverable amounts are sufficiently higher than the accounting values, even in the case of unfavourable developments in the main variables. In the first six months of 2019, there were no circumstances which changed the conclusion of the tests performed in the end of 2018.

IX - INVESTIMENT PROPERTY

thousand euros	Investment Property
Gross Value	22,127
Depreciation and impairments	-16,449
Opening balance (Jan 1, 2018)	**5,678**
ACQUISITION OF A SUBSIDIARY	0
INCREASE	0
PERIOD DEPREC. AND IMPAIRMENTS	-542
SALES AND OTHER DECREASES	-1
TRANSFERS AND RECLASSIFICATIONS	447
TRANSLATION DIFFERENCES	0
Gross Value	**22,119**
Depreciation and impairments	**-16,537**
Closing balance (Jun 30, 2018)	**5,582**
Gross Value	22,071
Depreciation and impairments	-16,589
Opening balance (Jan 1, 2019)	**5,481**
INCREASE	0
PERIOD DEPREC. AND IMPAIRMENTS	-520
SALES AND OTHER DECREASES	-11
TRANSFERS AND RECLASSIFICATIONS	462
TRANSLATION DIFFERENCES	0
Gross Value	**22,050**
Depreciation and impairments	**-16,637**
Closing balance (Jun 30, 2019)	**5,413**

The amount of 5,413 K€, referred as Investment Property (December 2018: 5,481 K€), is due, mainly, to land and buildings that are not used in production.

The fair value of the Investment Property related to the lands and buildings of Corroios (determined on the basis of an independent evaluation) corresponds to the amount recorded in the accounts. This item also includes a property (Interchampagne with a value of 1,442 K€) with a recent valuation that corresponds to the book value. At the end of the year, the management made an analysis of these evaluations considering that they were kept up to date. The remaining Investment Property include a property with an accounting value of 914 K€ whose yield, updated to a market WACC, will correspond approximately to the amount by which they are recorded (cost model) in the financial statements.

These properties are not generating income and conservation and repair costs are insignificant.

X - INVESTIMENTS IN ASSOCIATES AND JOINT-VENTURES

thousand euros

	1H 19	2018	1H 18
Initial Balance	**9,537**	**11,006**	**11,006**
Results	2,056	1,874	569
Dividends	0	-500	0
Foreign Exchange Differences	-159	-2,919	-2,177
Other	133	75	902
End Balance	**11,566**	**9,537**	**10,300**
Equity method	2,056	1,874	569
Gains on disposal of associates	2,356	817	779
Share of (loss)/profit of associates and joint-ventures	**4,412**	**2,691**	**1,348**

The associates and joint-ventures are entities through which the group operates in the markets in which they are based, acting as distribution channels of products.

Gain on the disposal of associates due to the recognition of a portion of the contingent amount receivable from the sale of US Floors occurred in 2016.

thousand euros

	1H19			
	Financial participation	Goodwill	Total	Contribution to net income
Trescases	5,259	1,715	6,974	1,274
Wine Packaging & Logistic	1,308	0	1,308	0
Corchos Argentina	2,891	0	2,891	637
Other	393	0	393	144
End Balance	**9,851**	**1,715**	**11,566**	**2,056**

thousand euros

	1H18			
	Financial participation	Goodwill	Total	Contribution to net income
Trescases	4,730	1,715	6,445	294
Wine Packaging & Logistic	1,243	0	1,243	-50
Corchos Argentina	2,494	0	2,494	460
Outros	118	0	118	-135
Saldo Final	**8,585**	**1,715**	**10,300**	**569**

In addition to the above, the group has significant influence on a set of other individually immaterial associates.

XI - DEFERRED TAX AND INCOME TAX

The difference between the tax due for the current period and prior periods and the tax already paid or to be paid of said periods is registered as “deferred tax” in the consolidated income statement and amounts to -556 K€ (31/12/2018: 1,579 K€).

On the consolidated statement of financial position this effect amounts to 12,736 K€ (31/12/2018: 13,346 K€) as Deferred tax asset, and to 7,121 K€ (31/12/2018: 7,737 K€) as Deferred tax liability.

Deferred tax related with items directly registered in equity was 22 K€ (debit balance) and relates to hedge accounting. No other deferred tax values related with other equity movements were booked.

It is conviction of the Board that, according to its business plan, the amounts registered in deferred tax assets will be recovered as for the tax carry forward losses.

thousand euros

Basis of temporary differences	1S19	2018	1S18
Related with Inventories and third parties	5,950	6,584	5,580
Related with tax losses carry forward	2,257	2,359	1,561
Related with Fixed Tangible Assets / Intang. / Inv. Prop	1,247	1,220	1,360
Related with other deductable temporary differences	3,281	3,182	3,715
Deferred Tax Assets	**12,736**	**13,346**	**12,215**
Related with Fixed Tangible Assets	3,952	3,931	3,839
Related with other taxable temporary differences	3,169	3,806	2,711
Deferred Tax Liabilities	**7,121**	**7,737**	**6,550**
Current Income Tax	-10,352	-20,972	-16,327
Deferred Income Tax	-556	1,579	25
Income Tax	**-10,908**	**-19,393**	**-16,302**

Tax relating to components of other comprehensive income is as follows:

thousand euros

	1H19		
	before tax	tax	after tax
Itens that could be reclassified through income statement:			
Change in derivative financial instruments fair value	104	22	126
Change in foreign exchange	286	0	286
Share of other comprehensive income of investments accounted for using the equity method	-26	0	-26
Other comprehensive income	-138	1	-138
Other comprehensive income	**226**	**22**	**249**

thousand euros

	1H18		
	before tax	tax	after tax
Itens that could be reclassified through income statement:			
Change in derivative financial instruments fair value	-616	-129	-745
Change in foreign exchange	-667	0	-667
Share of other comprehensive income of investments accounted for using the equity method	-1,275	0	-1,275
Other comprehensive income	602	0	602
Other comprehensive income	**-1,956**	**-129**	**-2,085**

XII - INVENTORIES

thousand euros

	1H19	2018	1H18
Goods	18,912	18,387	14,081
Raw materials	203,095	226,922	195,586
Finished products	137,843	135,704	125,045
Work-in-progress	34,812	31,736	29,584
Finished and semi-finished goods impairments	-5,373	-4,986	-5,685
Raw materials impairments	-2,197	-1,673	-1,920
Inventories	**387,093**	**406,090**	**356,690**

thousand euros

Impairment losses	1H19	2018	1H18
Initial Balance	**6,659**	**6,206**	**6,206**
Increases	2,190	1,174	1,914
Decreases	1,279	720	513
End Balance	**7,571**	**6,659**	**7,606**

Raw materials essentially include reproduction cork (“amadia”) and virgin cork from pruning the tree (“falcas”) (Raw Material BU), products and work in progress essentially include boiled cork and discs (Raw

Materials BU) and finished products essentially include a variety of types of cork stoppers (Cork Stoppers BU), coverings (Floor and Wall Coverings BU) and composite products (Composite Cork BU).

Increases and decreases in inventories impairment are booked on Costs of goods sold and materials consumed in the income statement.

XIII - OTHER DEBTORS AND OTHER ASSETS

- **Other debtors**

thousand euros

	1H19	2018	1H18
Advances to suppliers	34,380	7,399	21,092
Hedge accounting assets	85	132	48
VAT	16,988	20,783	20,465
Stamp tax/VAT - special payment (PERES)	2,051	2,051	2,051
Stamp tax/VAT - special payment (PERES) impairment	-2,051	-2,051	-2,051
Others	11,581	7,390	6,121
Other debtors - current	**63,034**	**35,704**	**47,727**

As of June 30, 2019 and 2018 and December 31, 2018, there were no overdue in the amounts of VAT.

Other non-current debtors include advances to suppliers (4,536 K€), which will only be made for more than 12 months.

- **Other assets**

thousand euros

	1H19	2018	1H18
Accrued income	169	330	1,142
Deferred costs	1,756	2,773	2,299
Other assets	**1,925**	**3,103**	**3,441**

XIV - CASH AND EQUIVALENTS

thousand euros

	1H19	2018	1H18
Cash	312	368	329
Bank current account	10,715	13,704	16,262
Term deposits	12,989	7,482	5,639
Others	199	141	230
Cash and cash equivalents as for financial position	**24,215**	**21,695**	**22,461**
Overdrafts	-50,715	-60,435	-29,634
Cash and cash equivalents as for cash flow statement	**-26,499**	**-38,740**	**-7,173**

XV - CAPITAL AND RESERVES

- Share Capital

As of June 30, 2019, the share capital is represented by 133,000,000 ordinary registered shares, conferring dividends, with a par value of 1 Euro.

The Board of CORTICEIRA AMORIM is authorised to raise the share capital, one or more times, respecting the conditions of the commercial law, up to 250,000,000€.

- Treasury stock

As of June 30, 2019, CORTICEIRA AMORIM held no treasury stock.

No purchases were registered during the first half of 2019.

- Legal reserve and share premium

Legal reserve and share premium are under the legal reserve rule and can only be used for (art. 296 CSC - Portuguese commercial law):

- Offset losses in the financial position that cannot be offset by the use of other reserves;
- Offset losses of prior year that cannot be offset by the profit of the year nor the use of other reserves;
- Incorporation in share capital.

Legal reserve and share premium values are originated from Corticeira Amorim, SGPS, S.A. books.

- Other reserves

Value is composed from other reserves account and prior year's results of Corticeira Amorim, SGPS, S.A. books, as well as non-distributed cumulative results of Corticeira Amorim, SGPS, S.A. subsidiaries.

- Dividends

In the Shareholders' General Meeting of April 12, 2019, a dividend distribution of 0.185 euros per share was approved. The dividend was paid at April, 30. The total distributed was 24.6 M€.

thousand euros

	1H19	2018	2017
Approved dividends	24.605	35.910	34.580
Dividends paid	**24.605**	**35.910**	**34.580**

XVI - NON-CONTROLLING INTEREST

thousand euros

	1H19	2018	1H18
Initial Balance	**31.871**	**29.524**	**29.524**
In	0	528	0
Out	-230	-427	-511
Results	2.431	5.220	3.743
Dividends	-210	-2.445	-770
Exchange Differences	210	-530	-290
Others	0	0	524
End Balance	**34.072**	**31.871**	**32.221**

The amount of Dividends corresponds to the amounts paid by the entities to non-controlling interests.

Out value for 2018 related to the acquisition of the remaining 49% of the Timberman subsidiary.

XVII - INTEREST BEARING DEBT

At year-end, current interest bearing loans was as follows:

thousand euros

	1H19	2018	1H18
Overdrafts and bank loans	74.936	85.850	65.340
Leasing	1.680	350	356
Commercial paper	39.000	35.000	18.000
Interest-bearing loans - current	**115.615**	**121.200**	**83.697**

Loans were denominated in euros, except 16% (Dec. 2018: 11%).

Non-current interest bearing loans was as follows:

thousand euros

	1H19	2018	1H18
Bank loans	33.205	37.948	40.317
Reimbursable grants	70	70	94
Leasing	5.237	1.485	486
Commercial paper	20.000	0	0
Interest-bearing loans - non-current	**58.512**	**39.503**	**40.897**

At the end of the period, loans were denominated in euros (Dec. 2018: 100%).

From non-current and current interest bearing debt, 149,127 K€ carries floating interest rates. Remaining 25,000 K€ carries fixed interest rate. Average cost, during 2019, for all the credit utilized was 1.28% (2018: 1.09%).

Commercial paper is recognized as non-current because there is an irrevocable commitment by the financial entity to maintain the program for the three years period.

XVIII - TRADE PAYABLES

thousand euros

	1H19	2018	1H18
Trade payables - current account	65,112	77,584	59,698
Trade payables - confirming	70,152	77,441	87,670
Trade payables - accruals	29,298	9,983	13,247
Trade payables	**164,562**	**165,008**	**160,616**

From the total values, 52% comes from Cork Stoppers BU (Dec. 2018: 58%) and 25% from Raw Materials BU (Dec. 2018: 26%).

XIX - OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

- **Other financial liabilities**

thousand euros

	1H19	2018	1H18
Reimbursable grants	13,759	13,884	16,600
Agreement to acquire non-controlling interests	15,283	15,454	19,985
Other	909	925	453
Other financial liabilities - non current	**29,951**	**30,263**	**37,038**
Reimbursable grants	3,684	3,573	2,430
Agreement to acquire non-controlling interests	4,956	4,956	0
Accrued costs - supplies and services	6,469	3,735	4,709
Accrued costs - others	8,654	8,843	9,290
Deferred income - others	104	139	401
VAT	8,744	6,072	12,023
State and social security - withholding and others	5,160	6,529	4,380
Other	7,173	7,193	11,413
Other financial liabilities - current	**44,945**	**41,039**	**44,646**

In Other financial liabilities, is included a value of 130 K€ (2018: 565 K€), which refers to the value of exchange risk.

The agreement to acquire non-controlling interests results from the purchase of S.A.S. ETS CHRISTIAN BOURRASSÉ, in which 60% of the share capital was first acquired, for the amount of 29 M €. The agreement provides for the subsequent acquisition by 2022 of the remaining 40% ("agreement for acquisition of non-controlling interests") at a price which, based on the value already paid for the first 60%, will also depend on the evolution of BOURRASSÉ's performance in next years. The first tranche of 10% was acquired during July.

- **Other liabilities**

thousand euros

	1H19	2018	1H18
Non-repayable - grants	3,443	3,818	4,629
Accrued costs - staff costs	20,250	12,646	20,658
Other liabilities - current	**23,693**	**16,464**	**25,288**

XX - IMPAIRMENTS OF ASSETS AND NON-RECURRENT RESULTS

- **Impairments of assets**

thousand euros

	1H19	1H18
Receivables	-20	926
Tangible, intangible assets and others	-25	-577
Impairments of assets	**-45**	**349**

Receivables include customers and other debtors.

- **Non-recurrent results**

thousand euros

	1H19	1H18
Reversal of provisions for Amorim Argentina	0	2,000
Amorim Revestimentos restructuring	0	-850
Transaction costs for subsidiaries acquisition	0	-469
Non-current results	**0**	**681**

XXI - RELATED-PARTY TRANSACTIONS

CORTICEIRA AMORIM consolidates directly in AMORIM – INVESTIMENTOS E PARTICIPAÇÕES, S.G.P.S., S.A. with head-office at Mozelos (Santa Maria da Feira, Portugal), Amorim Group holding company.

As of June 30, 2019, financial stake of AMORIM – INVESTIMENTOS E PARTICIPAÇÕES, S.G.P.S., S.A. in CORTICEIRA AMORIM was 51%, corresponding to 51% of the voting rights.

CORTICEIRA AMORIM related party transactions are, in general, due to the rendering of services through some of AIP subsidiaries (Amorim Serviços e Gestão, S.A., Amorim Viagens e Turismo, S.A., OSI – Sistemas Informáticos e Electrotécnicos, Lda.). Total sales of these subsidiaries to the remaining CORTICEIRA AMORIM companies totalled 5,885 K€ (Jun. 2018: 5,279 K€).

Sales from Quinta Nova, S.A., AMORIM - INVESTIMENTOS E PARTICIPAÇÕES, S.G.P.S., S.A. subsidiary to CORTICEIRA AMORIM subsidiaries reached 21 K€ (Jun. 2018: 15 K€). Purchases totaled 243 K€ (Jun. 2018: 109 K€).

Cork acquired during 2019, from companies held by the main indirect shareholders of CORTICEIRA AMORIM, amounted to 533 K€ (Jun. 2018: 517 K€). This corresponds to less than 2% of total acquisitions of that cork raw-material.

Balances at June 30, 2019 and year-end 2018 are those resulting from the usual payment terms (from 30 to 60 days) and so are considered to be immaterial.

Services are usually traded with related parties on a “cost plus” basis in the range of 2% to 5%.

XXII - PROVISIONS AND GUARANTEES

- **Provisions:**

thousand euros

	1H19	2018	1H18
Tax liabilities	37,459	40,829	35,381
Guarantees to customers	582	577	418
Others	1,544	1,675	2,160
Provisions	**39,586**	**43,081**	**37,959**

During the period, the provisions in the Balance Sheet reduced by 3.5 M€. The reduction in the provision for tax contingencies was 3.4 M€ and the provision for other events decreased by 0.1 M€.

CORTICEIRA AMORIM's claims are pending, both in the judicial phase and in the non-contentious phase, and which may adversely affect CORTICEIRA AMORIM, refer to the financial years 1997, 1998, 1999 and 2003 to 2015.The most recent fiscal year analysed by Portuguese tax authorities was 2015.

These tax cases are basically related with questions like non-remunerated guarantees given between group companies, group loans (stamp tax), interest costs of holding companies (SGPS), and with the acceptance as tax costs of losses related with the closing of subsidiaries.

Claims by the tax authorities are related with income tax, stamp tax and marginally VAT.

At the end of each year, an analysis of the tax cases is made. The procedural development of each case is important to decide new provisions, or reverse or reinforce existing provisions. Provisions correspond to situations that, for its procedural development or for doctrine and jurisprudence newly issued, indicate a probability of an unfavourable outcome for CORTICEIRA AMORIM and, if that happens, a cash outflow can be reasonably estimated.

Note that during the year there were no developments worthy of note in the processes mentioned above.

The reduction in provisions is mainly related to the conclusion of the inspection process of the Spanish subsidiary Amorim Florestal Mediterraneo, S.L., which validated the tax losses previously used in the amount of 2.7 M €. The remaining variation relates to the final calculation of tax benefits for the previous year.

The value of tax processes as at 30 June 2019 accounts amounted to 9.2 M€, being fully provisioned.

In addition to the tax provisions referred to above, CORTICEIRA AMORIM has recorded a provision to cover the tax benefits to apply for 2018 and applied in previous years. The certification requirement by ANI of SIFIDE projects, the requirement for maintenance of jobs over five years in RFAI projects as well as other constraints to the realization of benefits, has led CORTICEIRA AMORIM to record provisions in order to take account of future and breaches of such requirements. It should be noted that the determination of the tax benefits can not be concluded, since its constraints extend over several years, in particular as regards the maintenance of jobs.

To note that, still open the provision due to uncertainty about the acceptance by tax authorities of the existence of tax losses in another Spanish subsidiary. The provision at the end of the period was 1.0 M€.

There are no tax proceedings that have not been provisioned, thus, contingent liabilities are zero.

CORTICEIRA AMORIM made in 2013 a payment established by Decree Law 151-A / 2013 (RERD) worth 4.3 M€. This payment does not imply the abandonment of CORTICEIRA AMORIM of the defense of its own interest in these processes. In 2016 the final decision of one of the lawsuits regarding stamp taxes was partially won by CORTICEIRA AMORIM, which received 1.2 M€ of the value paid of 1.7 M€. Accordingly, the amount remaining outstanding of ongoing proceedings paid under the RERD is 2.6 M€.

As already mentioned in 2016, an amount of 7.4 M€ was paid under PERES, which does not imply CORTICEIRA AMORIM's neglecting of the defense of its proceedings.

In addition to these processes, CORTICEIRA AMORIM has a large number of other favourable processes. They refer, in essence, to payments related with autonomous taxation, inspection fees and tax benefits. The value of these processes amounts to 1.5 M€, which is not recorded as part of its assets. Total contingent assets amounts to 11.7 M€.

It is considered correct the total value of 37.5 M€ of provisions related with contingencies regarding income tax and 2.1 M€ regarding other contingencies.

- **Guarantees:**

During its operating activities CORTICEIRA AMORIM issued in favour of third-parties guarantees amounting to 1,485 K€ (Dec. 2018: 2,094 K€).

thousand euros

Beneficiary	Amount	Purpose
Government agencies	1.266	Capex grants / subsidies
Other	219	Miscellaneous guarantees
TOTAL	**1.485**	

XXIII - EXCHANGE RATE CONTRACTS

As of June 30, 2019, options contracts and forward outright related with sales currencies were as follows:

thousand euros

	1H19		2018		1H18	
USD	46.079	97%	45.107	95%	40.692	94%
ZAR	1.084	2%	2.225	5%	2.479	6%
HUF	234	0%	78	0%	80	0%
RUB	0	0%	259	1%	-	-
AUD	306	1%	-	-	-	-
Forward - long positions	**47.704**	**100%**	**47.669**	**100%**	**43.251**	**100%**
USD	1.755	100%	1.746	100%	-	-
Forward - short positions	**1.755**	**100%**	**1.746**	**100%**	**-**	**-**
USD	2.131	100%	11.343	100%	-	-
Options - long positions	**2.131**	**100%**	**11.343**	**100%**	**-**	**-**
USD	-	-	440	100%	-	-
Options - short positions	**-**	**-**	**440**	**100%**	**-**	**-**

XXIV - ACTIVITY DURING THE YEAR

CORTICEIRA AMORIM sales are composed by a wide range of products that are sold through all the five continents, over 100 countries. Due to this notorious variety of products and markets, it is not considered that this activity is concentrated in any special period of the year. Traditionally first half, specially the second quarter, has been the best in sales; third and fourth quarter switch as the weakest one.

XXV - OTHER INFORMATION

a) **Net profit per share calculation used the average number of issued shares deducted by the number of average owned shares. The non-existence of potential voting rights justifies the same net profit per share for basic and diluted.**

	1H19	1H18
Total issued shares	133.000.000	133.000.000
Average nr. of treasury shares	0	0
Average nr. of outstanding shares	133.000.000	133.000.000
Net Profit (thousand euros)	40.352	41.214
Net Profit per share (euros)	0,303	0,310

b) **Financial Assets and Liabilities**

Financial Assets are mainly registered in the Loans and Other Receivables caption. As for Financial Liabilities they are included in the Amortized Liabilities caption.

Detail is as follows:

thousand euros

	Financial assets at amortized cost	Financial assets at fair value	Derivatives as hedging	Derivatives not designated as hedging	Total
Trade receivables	174.483				**174.483**
Other debtors (note XIII)	28.173		132		**28.305**
Other financial assets		1632			**1.632**
Cash and cash equivalents (note XIV)	21.695				**21.695**
Total as of December 31, 2018	**224.351**	**1.632**	**132**	**0**	**226.115**
Trade receivables	200.726				**200.726**
Other debtors (note XIII)	28.569		85		**28.654**
Other financial assets		1.635			**1.635**
Cash and cash equivalents (note XIV)	24.215				**24.215**
Total as of June 30, 2019	**253.510**	**1.635**	**85**	**0**	**255.230**

thousand euros

	Loans and payables	Accounts payable	Agreement to acquire non-controlling interests	Derivatives as hedging	Derivatives not designated as hedging	Total
Interest-bearing loans (note XVII)	160.703					**160.703**
Trade payables (note XVIII)		165.008				**165.008**
Other financial liabilities (note XIX)	17.457	32.870	20.410	457	108	**71.302**
Total as of December 31, 2018	**178.160**	**197.878**	**20.410**	**457**	**108**	**397.013**
Interest-bearing loans (note XVII)	174.127					**174.127**
Trade payables (note XVIII)		164.562				**164.562**
Other financial liabilities (note XIX)	17.443	37.084	20.239	130	0	**74.895**
Total as of June 30, 2019	**191.570**	**201.646**	**20.239**	**130**	**0**	**413.584**

Corticeira Amorim understands that the fair value of the classes of financial instruments presented does not differ significantly from its book value, taking into account the contractual conditions of each of these financial instruments.

Current assets and liabilities, given their short-term nature, have an accounting value similar to fair value

Non-current net debt is mostly payable at a variable rate. The only fixed-rate was contracted during the year 2015. As there were no significant changes in the reference interest rates, the rate does not differ substantially from the current market conditions, and therefore the fair value does not differ significantly from the value Accounting.

In the case of Other financial liabilities (mainly grants with no interest bearing measured at fair value at initial recognition), given the initial adjustment differential for recognizing in income, maturities and current interest rate levels, difference between book value and fair value is not significant.

XXVI - SUBSEQUENT EVENTS

According to he press release of 25 July 2019, CORTICEIRA AMORIM, SGPS, SA, through its subsidiary Amorim & Irmãos, SA, has entered into an agreement to acquire 50% of the company VINOLOK, as, which has its headquartered in Jablonec nad Nisou, Czech Republic.

Under the terms of the agreement, the 50% stake in the share capital of VINOLOK, a.s. were acquired for EUR 10,988 million (M €), from the PRECIOSA Group, which will maintain the ownership of the remaining 50%, ensuring the shared management of the acquired company. In the financial year ended March 31, 2019 the VINOLOK activity, operated by a highly specialized team of around 170 employees, recorded a turnover of around 16 M € and an EBITDA of 5.3 M €.

As stipulated in the acquisition contract, it is also worth mentioning the purchase in July of an additional 10% at Bourrassé, for the amount of 5 M €.

Other than these events and as of the date of this report, there were no other material facts that could materially affect the financial position and future results of CORTICEIRA AMORIM and all the affiliated companies included in the consolidation.

Mozelos, July 29, 2019

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

About Corticeira Amorim SGPS, S.A.:
Tracing its roots back to the 19th century, Amorim has become the world's largest cork and cork-derived company in the world, generating more than Euro 763 million in sales to more than 100 countries through a network of dozens of fully owned subsidiaries.
With a multi-million Euro R&D investment per year, Amorim has applied its specialist knowledge to this centuries-old traditional culture, developing a vast portfolio of 100% sustainable products that are used by blue-chip clients in industries as diverse and demanding as wines & spirits, aerospace, automotive, construction, sports, interior and fashion design.
Amorim's responsible approach to raw materials and sustainable production illustrates the remarkable interdependence between industry and a vital ecosystem - one of the world's most balanced examples of social, economic and environmental development.

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A company incorporated in Santa Maria da Feira
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(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails.)

Limited Review Report on the Consolidated Financial Statements

Introduction

We have performed a limited review on the accompanying consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 30 June 2019 (showing a total of 1.017.459 thousand euros and a total equity of 516.450 thousand euros, including a net profit attributable to equity holders of the Group of 40.352 thousand euros), the Consolidated Statement of Income by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the six months period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Management responsibilities

Management is responsible for the preparation of consolidated financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34), and for the design and maintenance of an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the accompanying consolidated financial statements. We conducted our review in accordance with ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. These standards require that our work is performed in order to conclude whether anything has come to our attention that causes us to believe that the consolidated financial statements are not prepared in all material respects in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

A limited review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries and performing analytical procedures, and evaluating the evidence obtained.

The procedures performed in a limited review are substantially less in scope than those performed in an audit conducted in accordance with International Standards of Audit (ISA). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. as at 30 June 2019, have not been prepared, in all material respects, in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

Porto, 27 September 2019

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Rui Manuel da Cunha Vieira - ROC nr. 1154
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