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Corticeira Amorim, SGPS, S.A.
Public company
Edifício Amorim I
Rua de Meladas, n.º 380
4536-902 Mozelos VFR
Portugal

Share capital: € 133 000 000,00
A company incorporated in
Santa Maria da Feira - Portugal
Registration number and corporation
tax ID number: PT 500 077 797

About Corticeira Amorim SGPS, S.A.:
While tracing its roots to the XIX Century, Corticeira Amorim SGPS has become the world's largest cork and cork-derived company in the world, generating more than Euro half billion in sales throughout 103 countries. Corticeira Amorim SGPS and its subsidiaries are an integral part of a conservationist effort to guarantee the survival of hundreds of thousands of cork trees throughout the Mediterranean Basin. We are proud of our contribution to the correct utilisation of these important forests that are home to several endangered species throughout the region. We encourage you to learn more by visiting informative websites such as www.amorim.com and www.amorimcork.com

Corticeira Amorim reports record sales of EUR 560 million in 2014

- *Sales grow by 3.3% to EUR 560.3 million*
- *EBITDA totals EUR 86.7 million, an increase of 11%*
- *Further improvement in total equity to total assets ratio which exceeds 50% for the first time*
- *The Board will propose to the Annual Geral Meeting to approve a gross dividend of €0.14 per share*

Mozelos, February 19, 2015 - Corticeira Amorim ended the 2014 fiscal year with a net profit of EUR 35.8 million, reflecting a 17.9%-increase over the previous year. Better economic conditions in some of its main export markets combined with the materialization of several investments and a number of initiatives to enhance operational efficiency undertaken in recent years were decisive factors that led to the best year ever in Corticeira Amorim's history.

On a consolidated basis, sales totalled EUR 560.3 million (€ M), an increase of 3.3% compared to the previous year (€ 542.5 M). Attention should be drawn to the positive sales impact (a 6%-increase) on the company's business in the fourth quarter of 2014

(4Q14), resulting in a leveraged annual growth rate of 3.3%. In that context, it is worth mentioning that the performance of the Cork Stoppers Business Unit (BU) was absolutely decisive for that success not only in the 4Q14, but also in the whole year of 2014.

With the exception of the Floor and Wall Coverings BU, all the other BUs reported sales growth for their end-use markets.

In view of the positive performance in sales and operating costs, EBITDA improved significantly and increased by 11% to € 86.7 M. Corticeira Amorim achieved in 2014 the highest ever EBITDA in its history. All BUs reported improvement in that indicator of profitability. EBIT also increased by 13.7% to € 64.4 M.

Total equity to total assets ratio recorded a further improvement in 2014, having exceeded 50% for the first time, reaching 51.1%, compared to 48.1% in 2013.

Despite the evolution of the exchange rate of the US dollar, the fiscal year of 2014, as in 2013, was marked by the negative impact of unfavourable exchange rates - approx. € 4 M in the sales figure - primarily caused by movements in the South African rand and the Chilean peso.

The Board of Directors has decided to recommend to the Annual General Meeting a gross dividend payout of € 0.14 per share.

Consolidated Sales by Business Unit

The good performance of the **Raw Materials Business Unit** (BU) was due to a significant increase in business as a result of a more intense cork buying season in 2013. The BU's turnover rose by 18.2% to € 131.37 million in 2014 compared to the previous year.

2014 was marked by a competitive cork buying season, the consolidation of investments in new production technologies for

manufacturing plants and a continuous commitment to foster R & D in forestry and cork sensory related issues.

In line with what has been reported previously, the **Cork Stoppers BU** recorded a new sales increase – plus 6.9% in value and plus 4.7% in quantity - overcoming the barrier of 4 billion cork stopper units sold and showing an improved sales mix.

As far as cork stopper families is concerned, attention should be drawn to increased sales of natural cork stoppers (8.8%), the most important product manufactured by that BU, as well as growing sales of TwinTop®, Neutrocork® and Champagne cork stoppers. In the 2014 fiscal year, the successful introduction of the innovative Helix cork deserved special mention. Due to the convenience of easy opening and resealing, Helix has met with the approval of consumers. The Helix cork is now available in wine bottles in France, Italy, Spain and Portugal.

EBITDA improved significantly and increased by 8.3%. EBIT grew by 26.9% y-o-y as a result of increased sales and gross margin, in addition to a slight increase in variable costs and the maintenance of fixed costs.

Total sales of the **Floor and Wall Coverings BU** were € 116.36 million, a 4.6%-decrease compared to 2013, largely due to the political and economic situation in Eastern Europe. Despite the decrease in turnover, the BU's EBITDA increased by 2% compared to 2013, a performance that was made possible by the implementation of measures for optimizing operating costs.

The **Cork Composites BU**'s turnover reached € 84.3 million in 2014. Although that indicator shows a negative change compared to the previous year, it does not however show the increase, albeit slight, in sales made to foreign markets (outside the Amorim's group of companies). EBITDA developed favourably in 2014 compared to the prior year (+ 15.2%), increasing by 9.2% in sales for a total of € 7.8 million.

The manufacturing division, which continues to be the most important contributor to turnover, accounted for 57% of sales and recovered the decrease in sales from last year, having recorded a 6%-increase. That increase is largely due to the good performance of NRT products (noise reduction technology solutions for the flooring industry) as well as of the Vibration Control division.

The sales volume of the **Insulation Cork BU** increased by 23% in 2014 compared to the previous year. That trend is due to increased sales of expanded insulation cork board - the main product manufactured by that BU - and CorkSorb absorbents.

Gross margin for the year rose 8% compared to 2013 as a result of increased business activity levels.

Consolidated Key Indicators

	2014	2013	Variation	4Q14	4Q13	Variation
Sales	560.340	542.500	3,3%	130.655	123.359	5,9%
Gross Margin – Value	283.583	277.483	2,2%	70.457	67.765	4,0%
	1) 49,8%	51,2%	-1,44 p.p.	50,5%	49,9%	+ 0,6 p.p.
Operating Costs - current	219.197	220.872	-0,8%	55.468	54.332	2,1%
EBITDA - current	86.722	78.127	11,0%	20.639	19.028	8,5%
EBITDA/Sales	15,5%	14,4%	+ 1,1 p.p.	15,8%	15,4%	+ 0,4 p.p.
EBIT - current	64.386	56.611	13,7%	14.990	13.433	11,6%
Non-current costs	2) 6.354	0	-	2.840	0	-
Net Income	35.756	30.339	17,9%	6.722	5.204	29,2%
Earnings per share	0,285	0,242	17,9%	0,054	0,041	29,2%
Net Bank Debt	87.558	104.447	- 16.889	-	-	-
Net Bank Debt/EBITDA (x)	4) 1,01	1,30	-0,29 x	-	-	-
EBITDA/Net Interest (x)	3) 30,8	20,8	10,00 x	38,19	25,28	12,91 x
Equity/Net Assets	51,1%	48,1%	+ 3,0 p.p.	-	-	-

1) Related to Production

2) Goodwill impairment and industrial restructuring

- 3) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions)
- 4) Current EBITDA of the last four quarters