

Sales of CORTICEIRA AMORIM increase by 8.3% to approx. EUR 495 million

HIGHLIGHTS:

- EBITDA increases by 9.7% to EUR 72.4 million;
- EDITDA/Sales ratio reaches 14.6%;
- Net profit grows by 23.1% to EUR 25.3 million.

Mozelos, February 27, 2012 - The financial year 2011 was CORTICEIRA AMORIM's best year ever, both in terms of sales turnover and profitability. Sales reached EUR 494.8 million (M €), an 8.3% increase (38 M €) in comparison with 2010.

CORTICEIRA AMORIM's net profit was in line with this positive trend and reached 25.274 M €. This is a 23.1% increase compared to EUR 20.535 M in 2010.

Consolidated sales of CORTICEIRA AMORIM show a very positive development

Given the weight of the **Cork Stoppers Business Unit (BU)** in the consolidated accounts, the above-average sales growth in this BU during the financial year under review was the principal contributory factor to this increase in consolidated sales. It all points to the fact that natural cork stoppers shall have gained market share in 2011 (as it had already happened in 2010) compared to aluminum and synthetic closures and that the importance of CORTICEIRA AMORIM shall have also been strengthened.

In 2011, the growth in sales made by the **Floor and Wall Coverings BU** as well as by the **Cork Composites BU** remained slightly below CORTICEIRA AMORIM's global average growth. It should be pointed out, however, that sales of products manufactured by the **Floor and Wall Coverings BU** grew by 10 per cent as a result of a brisk demand for the new LVT floating floor, while the sales of other products remained at last year's level. The

Cork Composites BU recorded an increase in sales in comparison with 2010, with almost every market segments contributing to this favourable development.

The business of the **Insulation Cork BU** is highly dependent on the European construction and reconstruction markets. This was the only BU that did not report sales increases. The sales growth in Middle and Far East markets was not enough to offset the drop recorded in the second half of the year.

CORTICEIRA AMORIM's EBITDA increases to EUR 72,437 million

EBITDA grew by 9.7 per cent to € 72.4 M. In 2011 the EBITDA/Sales ratio (14.6 per cent) showed an improvement compared to 2010 and it was one of the best ratios in the history of CORTICEIRA AMORIM:

EBITDA /Sales	
2005	11,6%
2006	12,6%
2007	12,8%
2008	10,3%
2009	9,3%
2010	14,4%
2011	14,6%

The Cork Stoppers BU (€ 37.4 M) and the Raw Materials BU (€ 19.6 M) made a very meaningful contribution to consolidated EBITDA. In comparative terms, the sales performance of the Floor and Wall Coverings BU, whose EBITDA rose from € 6.3 M in 2010 to € 10.3 M in 2011, is worth a special mention.

Gross margin percentage reached 51.2 per cent representing a slight decline compared to the historical value of 51.6 per cent recorded in 2010. The rising cost of some raw materials and unfavourable exchange rate effects neutralized the effect of price increases in the sale of manufactured products. The sales increase was however a determining factor in absolute terms. Gross margin rose approx. 7.7 per cent to € 18 M remaining slightly below the increase in sales.

Current operating expenses grew by 6.2 per cent and were adversely affected by the increase in supplies and services (+ 10.5%). Increases in electricity, transport and fuel

prices adversely affect the competitiveness of CORTICEIRA AMORIM as well as of the whole Portuguese industry. Rationalization measures designed to counteract the effects of these increases have subsequently been implemented.

Highlights

	2011	2010	Variation	4Q11	4Q10	Variation	
Sales	494,842	456,790	8.3%	114,750	109,522	4.8%	
Gross Margin – Value	255,007	236,830	7.7%	58,965	61,445	-4.0%	
	1)	51.2%	51.6%	-0.45 p.p.	51.7%	50.6%	+1.1 p.p.
Operating Costs - current	203,629	191,691	6.23%	51,885	53,137	-2.36%	
EBITDA - current	72,437	66,006	9.7%	12,824	13,937	-8.0%	
EBITDA/Sales	14.6%	14.4%	+ 0.2 p.p.	11.2%	12.7%	-1.55 p.p.	
EBIT - current	51,378	45,139	13.8%	7,080	8,308	-14.8%	
Non-current costs	2)	5,792	5,110	N/A	29	1,886	N/A
Net Income	25,274	20,535	23.08%	3,839	2,808	36.72%	
Earnings per share	0.200	0.162	23.61%	0.030	0.022	38.26%	
Net Bank Debt	117,424	102,423	15,001	-	-	-	
Net Bank Debt/EBITDA (x)	4)	1.62	1.55	0.07 x	-	-	-
EBITDA/Net Interest (x)	3)	22.0	28.4	-6.41 x	16.2	28.1	-11.87 x
Equity/Net Assets	46.7%	47.8%	-1.15 p.p.	-	-	-	

1) Related to Production

2) Goodwill impairment

3) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions)

4) Current EBITDA of the last four quarters



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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 over Euro 490 Million 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.corkfacts.com

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

AMORIM