



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

Consolidated results  
December, 31

2015





# 2015

## 1. CONSOLIDATED RESULTS

Highlights

Consolidated key indicators

## 2. HIGHLIGHTS AND KEY INDICATORS BY BUSINESS UNIT

## 3. APPENDICES

Key Figures



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# 2015

## 1. CONSOLIDATED RESULTS

Highlights

Consolidated key indicators  
(thousand euros)



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# 2015

HIGHLIGHTS 12M

- **Consolidated sales reached 604.8 million euros (M €)**, an increase of 7.9% compared with the same period of 2014 (560.3 M€);
- Favorable foreign exchange effect on sales explain about half of the growth; sales growth without currency effects: 4.0% (volume effect);
- Except for Floor & Wall Coverings, all BU registered sales growth, especially Cork Stoppers BU (+9.9%) and Cork Composites BU (+17% to final clients);
- Floor & Wall Coverings BU Sales affected by the decrease of around 50% of the Russian market, by negative impact of currency effects of EUR / USD and by the rising price of LVT and woods. Sales mix with lower margins also hurt revenues;
- **EBITDA increased 16.1%** (100.7 M€);
- **EBITDA / Sales: 16.7%** (2014 = 15.5%); 4Q15 = 14.5% (4Q14 = 15,8%) affected by the performance of Floor & Wall Coverings and tighter criteria for impairment losses on customers and inventories;
- A 2.9M€ non-recurring operating expense was registered: write-off of the remaining goodwill;



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HIGHLIGHTS 12M

- Financial function benefited (1.8 M€) by lower debt and lower interest rates;
- **Net profit reached 55,012 M€ (+53.9%); (4Q15: +99,4% than 4Q14);**
- Net Debt (83.9 M€) lower 3.7 M€ than December 2014
- EIB loan : 35 M € for the 10-year period with 4-year grace period to fund the R&D/Capex 2014-17 program;
- September: sale of own shares **increasing free float to 15%**;
- Total dividends distributed: € 0.385 per share (cash out: 50.2 M€).



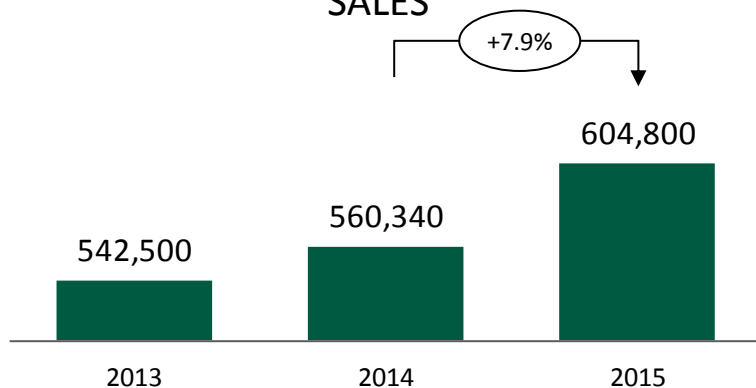


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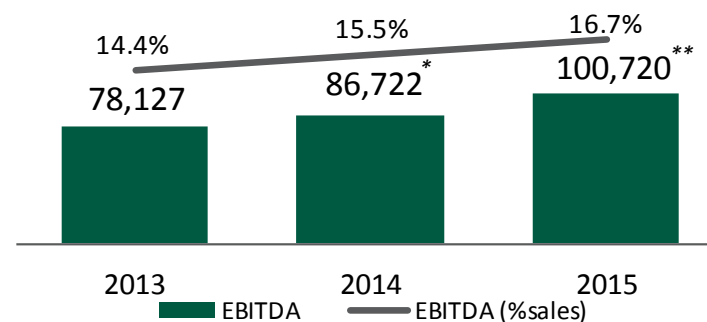
# 2015

CONSOLIDATED KEY INDICATORS 12M

## SALES

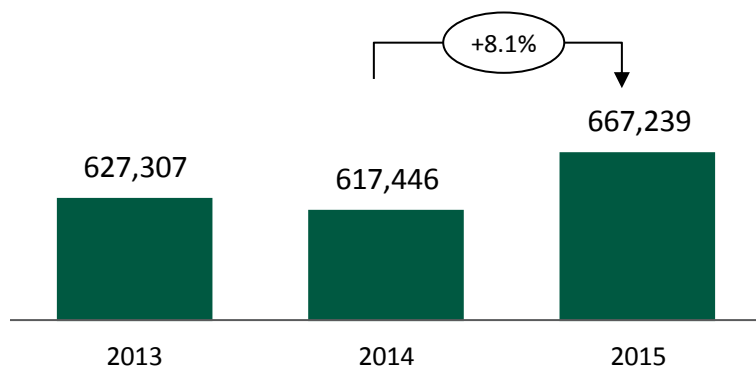


## EBITDA (current)

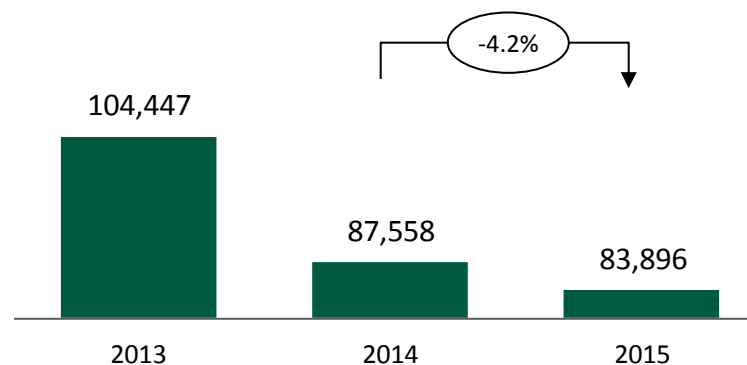


\* excludes 6354 K€ due to an industrial reorganization  
\*\* excludes 2904 K€ due to a Goodwill impairment

## ASSET



## NET DEBT





2015

2. HIGHLIGHTS AND KEY INDICATORS BY BUSINESS UNIT  
(thousand euros)



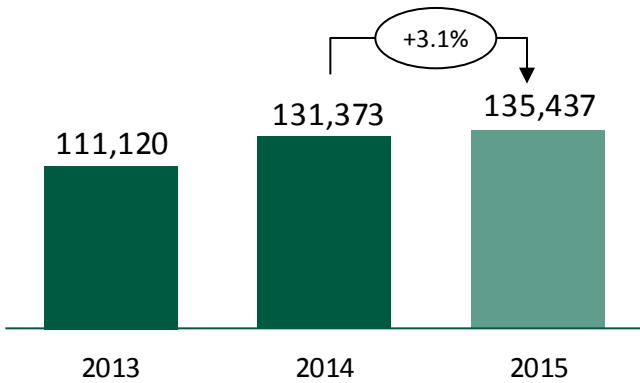
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# 2015

## HIGHLIGHTS AND KEY INDICATORS 12M: RAW MATERIALS BU

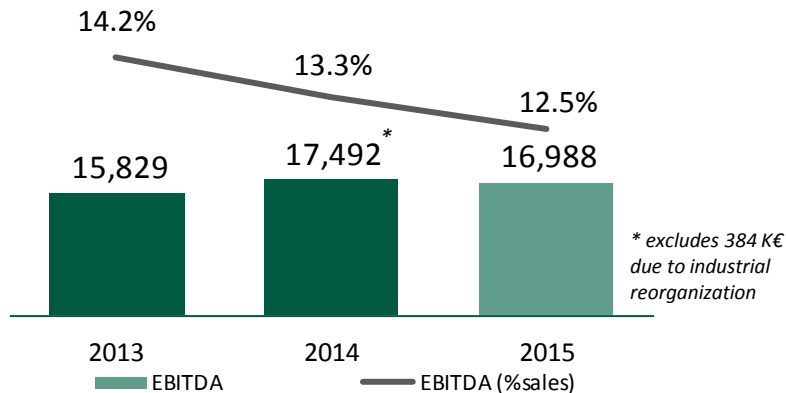
### SALES



### Activity increase 3.1%

- Sales for the value chain increased 1.6%, with no currency effects in this BU;
- EBITDA reached 17 M € (-2.9%) a decrease due to higher prices of cork in the 2014 campaign;
- Campaign 2015 (Portugal / Spain) was held as planned;
- R&D processes and the related investments in 2014 reinforced sensory quality of manufactured products;
- Technological modernization projects (disks), automation in manufacturing and choice of disks;
- In late 2015, acquisition of a new preparation plant and storage in Ponte de Sor.

### EBITDA (current)







# 2015

HIGHLIGHTS AND KEY INDICATORS 12M: CORK STOPPERS BU



## Increased sales by 9.9%

- Sales reached 392,8 M€ (2014: 357.3 M€): volume effect + 4.6% with a total of 4.2 billion units; share gain: wine market growing by 1% per year;
- All families stoppers with sales growth;
- Highlighting the performance of Natural corks, TopSeries, Neutrocork® and Twin Top® with significant growth;
- Relevant performance in the US market, new wine markets (Argentina, Chile and South Africa); decline in eastern markets;
- High awareness of Helix stopper was not fully materialized in sales;
- Operational efficiency program has improved productivity: ratio cash costs / gross margin fell from 62.5% to 58%;
- EBITDA reached 62.8 M € (+ 34%): increased sales, better mix, favorable currency effects and industrial improvements; EBITDA / Sales increased from 13.1% to 16.0%.

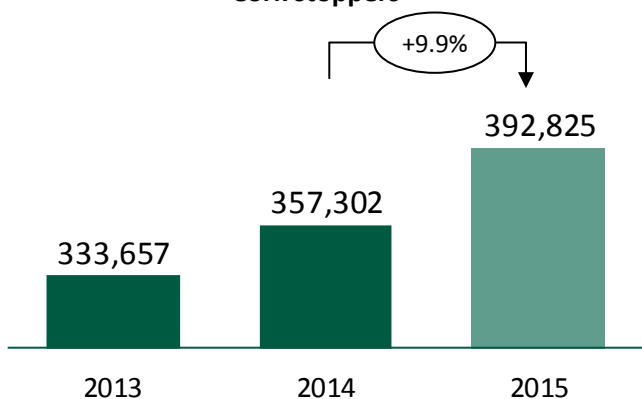


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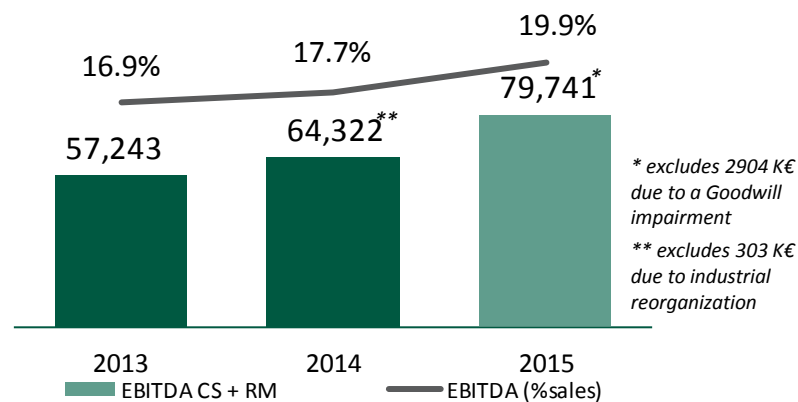
# 2015

HIGHLIGHTS AND KEY INDICATORS 12M: CORK STOPPERS BU

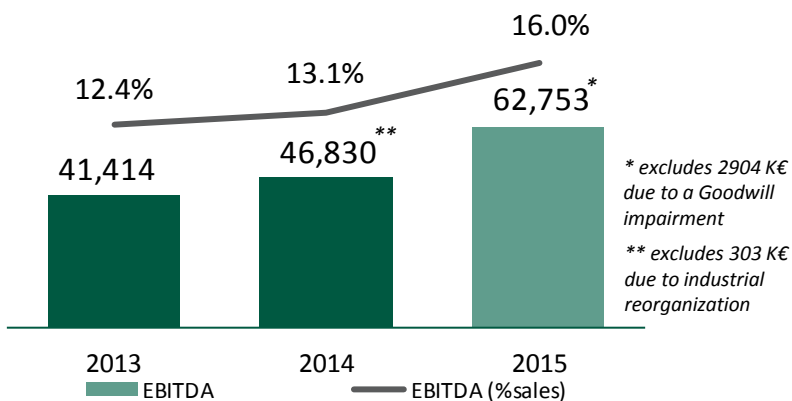
## SALES Cork stoppers



## EBITDA (current) Cork Stoppers + Raw Materials



## EBITDA (current) Cork Stoppers

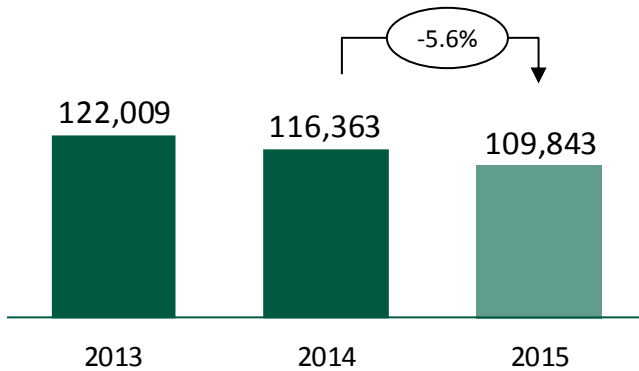




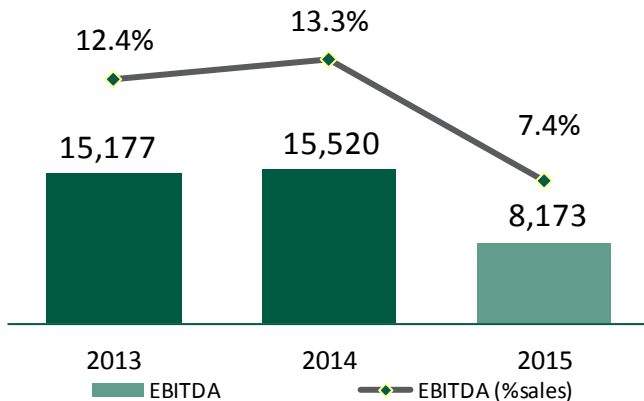
# 2015

HIGHLIGHTS AND KEY INDICATORS 12M: FLOOR & WALL COVERINGS BU

## SALES



## EBITDA (current)



## Sales with a decrease of 5.6%

- Activity strongly affected by the Russian market;
- Growth seen in Scandinavia and Germany insufficient to compensate for drop in Russia;
- Sales of new products (Hydrocork) highly promising;
- Decrease in the traditional products;
- CORKTECH as a differentiating factor;
- Creation of the Collaborative Center for Innovation and Applied Research (CICIA);
- Negative impact of the exchange rate effect EUR / USD, which caused an increase in the LVT and woods price;
- Reduction of operating costs does not prevent break of 47% in EBITDA to 8.2 M €.

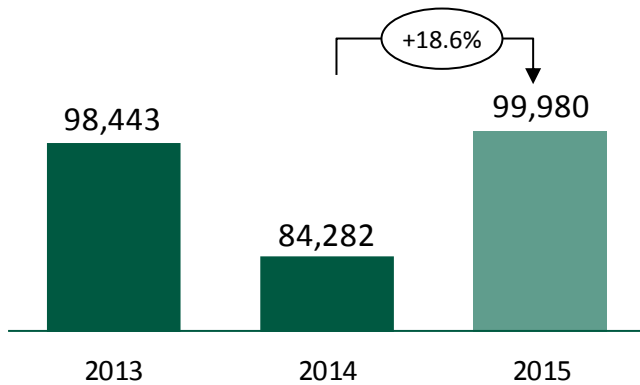


# 2015

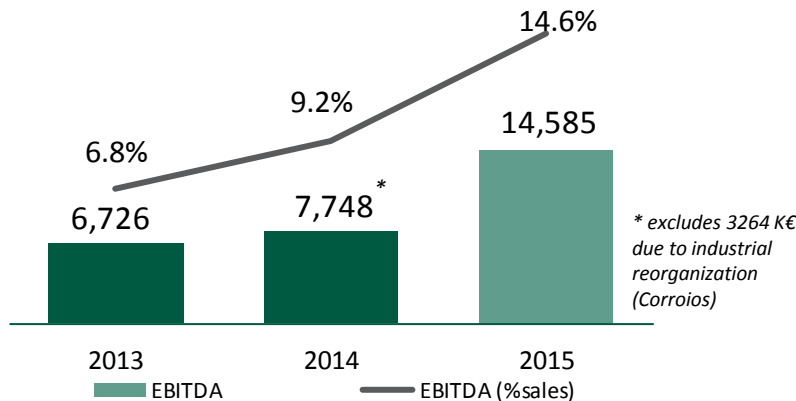


HIGHLIGHTS AND KEY INDICATORS 12M: CORK COMPOSITES BU

## SALES



## EBITDA (current)



## Increased sales: 18.6% (final customers: +17%)

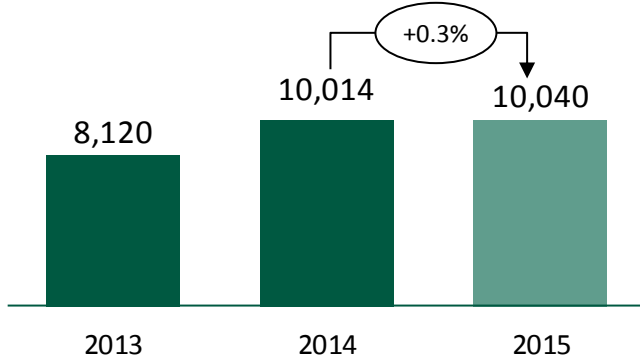
- USD appreciation represents about 45% of the sales increase;
- US market with remarkable growth; growth in the European market and a decrease in the Russian market;
- Introducing new products and new applications;
- Good performance in the continuous agglomeration line (double-belt press);
- Completion of the transfer of the Corroios production line to Mozelos;
- Industry segment remained the most important, presenting an increase of 7%; Retail segment with 39% and construction segment with 44% growth;
- EBITDA reached 14.6 M € (+88%).



# 2015

## HIGHLIGHTS AND KEY INDICATORS 12M: INSULATION CORK BU

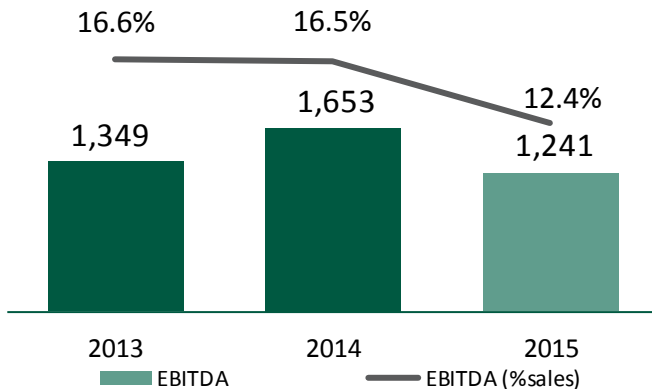
### SALES



Sales increase: +0.3% (final customers: +4.9%)

- Decrease of expanded agglomerated cork volume offset by an increase of regranulate and specialties;
- Use of expanded agglomerated cork in iconic projects: Penitenzieria (Turin Cathedral), Brazil Pavilion at Expo Milan;
- EBITDA reached 1.2 M € (-25%) impacted by high impairment charges on customers. Excluding this effect EBITDA would have increased by 15%.

### EBITDA (current)







2015

3. APPENDICES  
Consolidated indicators  
(thousand euros)



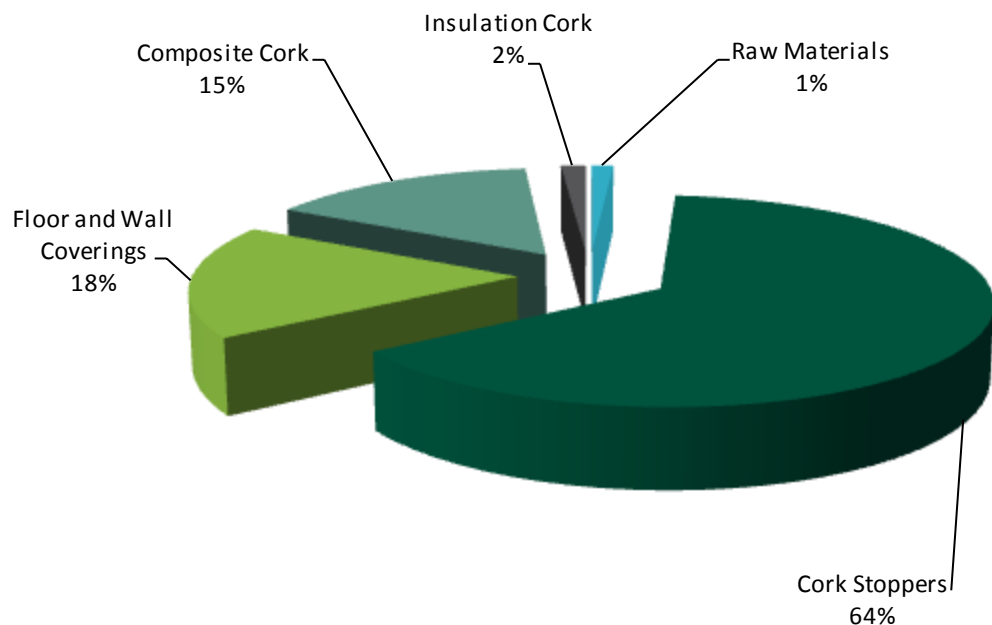
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BREAKDOWN SALES BY BUSINESS UNIT 12M



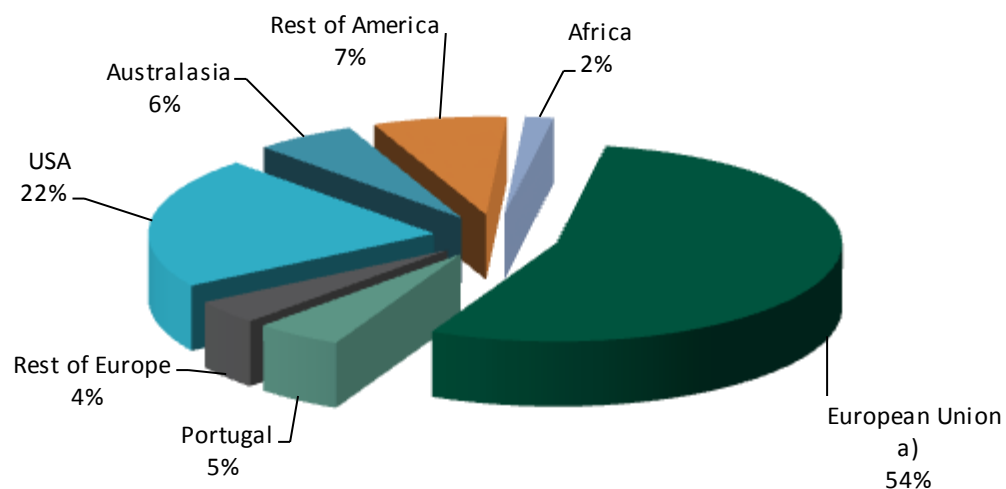
	2013	2014	2015
Raw Materials	1%	1%	1%
Cork Stoppers	61%	63%	64%
Floor and Wall Coverings	22%	20%	18%
Composite Cork	15%	14%	15%
Insulation Cork	1%	1%	1%



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SALES BY GEOGRAPHIC AREAS 12M



	2013	2014	2015
European Union a)	55.7%	56.5%	<b>54.4%</b>
Portugal	5.0%	4.4%	<b>5.0%</b>
Rest of Europe	6.0%	4.9%	<b>4.0%</b>
USA	18.3%	19.3%	<b>21.7%</b>
Australasia	6.6%	6.4%	<b>5.8%</b>
Rest of America	6.8%	7.0%	<b>7.6%</b>
Africa	1.6%	1.6%	<b>1.6%</b>

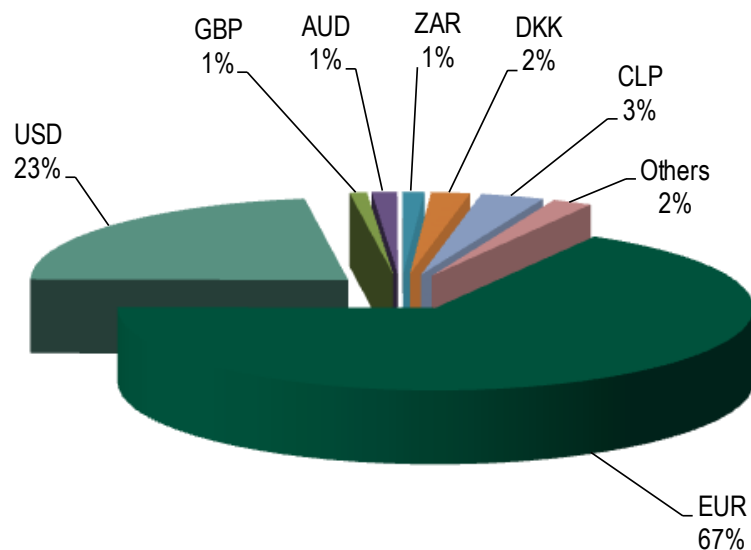
a) excludes Portugal and includes Switzerland and Norway



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SALES BY CURRENCY 12M



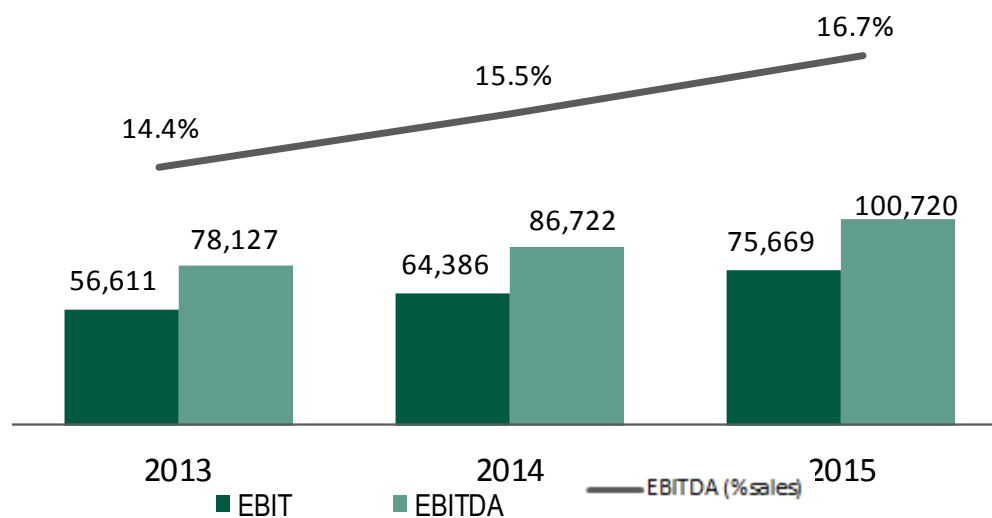
	2013	2014	2015
EUR	71.8%	70.3%	66.8%
USD	18.2%	19.6%	22.7%
GBP	0.8%	0.8%	0.9%
AUD	1.3%	1.2%	1.3%
ZAR	0.9%	1.0%	1.1%
DKK	1.7%	1.8%	2.0%
CLP	3.1%	3.2%	3.2%
Others	2.2%	2.2%	2.0%



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# 2015

EBIT & EBITDA EVOLUTION 12M



	2013	2014	2015
Gross Margin	277,483	283,583	315,613
Other operating costs (current)	220,872	219,197	239,944
EBIT	56,611	64,386	75,669
EBITDA	78,127	86,722	100,720

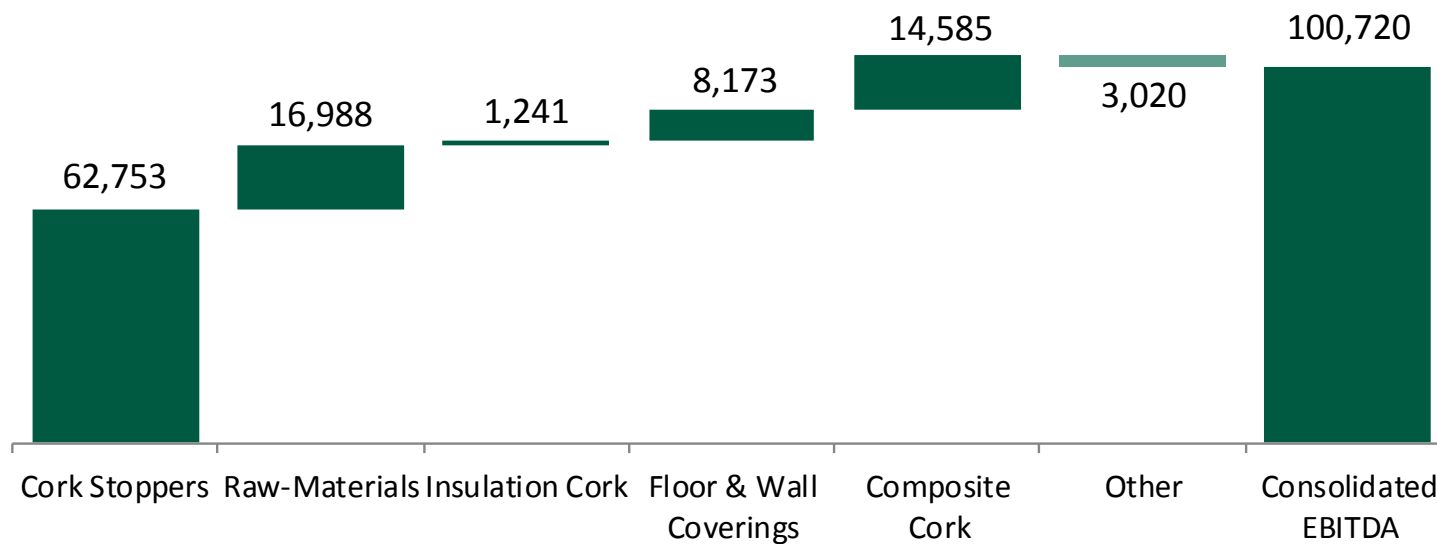




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BREAKDOWN EBITDA BY BUSINESS UNIT 12M

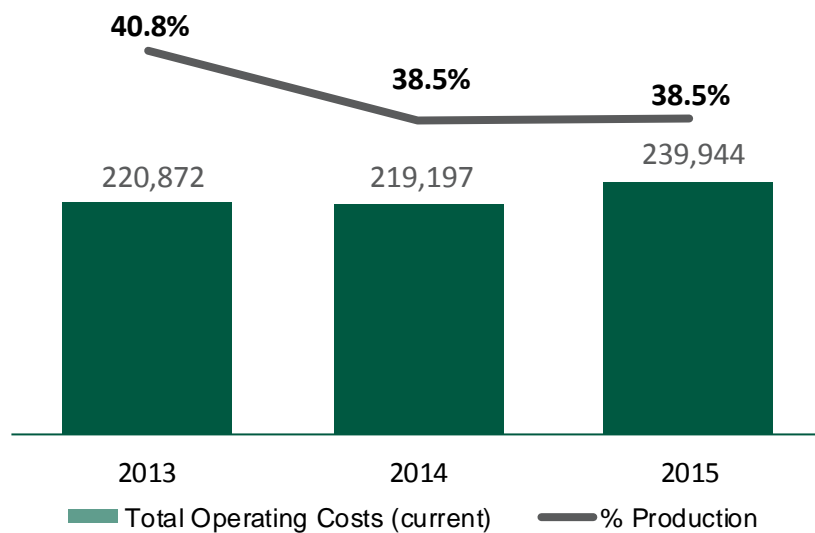




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OPERATING COSTS BREAKDOWN 12M



	2013	2014	2015
External supplies	97,266	96,429	100,537
Staff costs	100,154	103,315	111,881
Depreciation	21,516	22,336	25,051
Provisions	1,930	149	3,291
Other operating expenses and profits	-6	3,032	816
<b>Total Operating Costs (current)</b>	<b>220,872</b>	<b>219,197</b>	<b>239,944</b>
<b>% Production</b>	<b>40.8%</b>	<b>38.5%</b>	<b>38.5%</b>

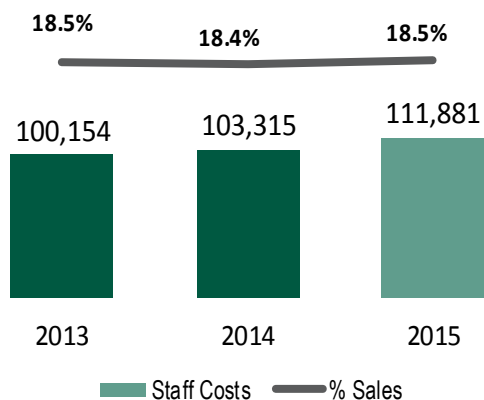


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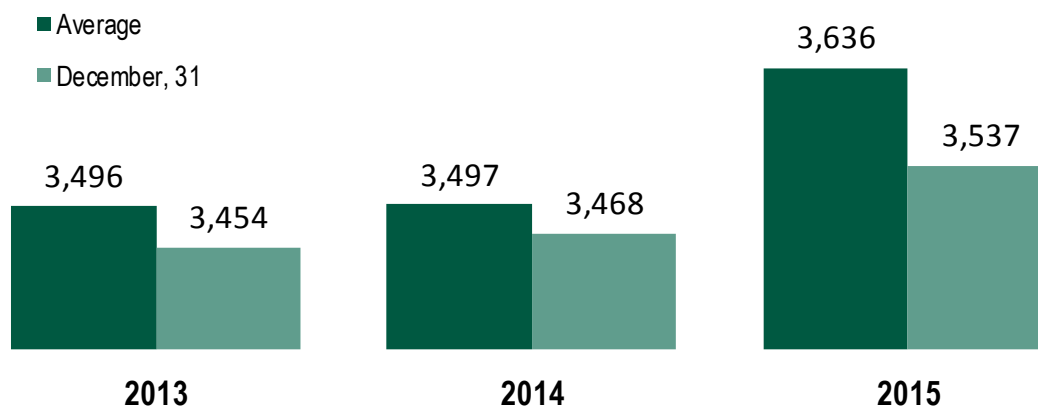
# 2015

STAFF COSTS 12M

## VALUE AND % (SALES)



## NUMBER OF EMPLOYEES

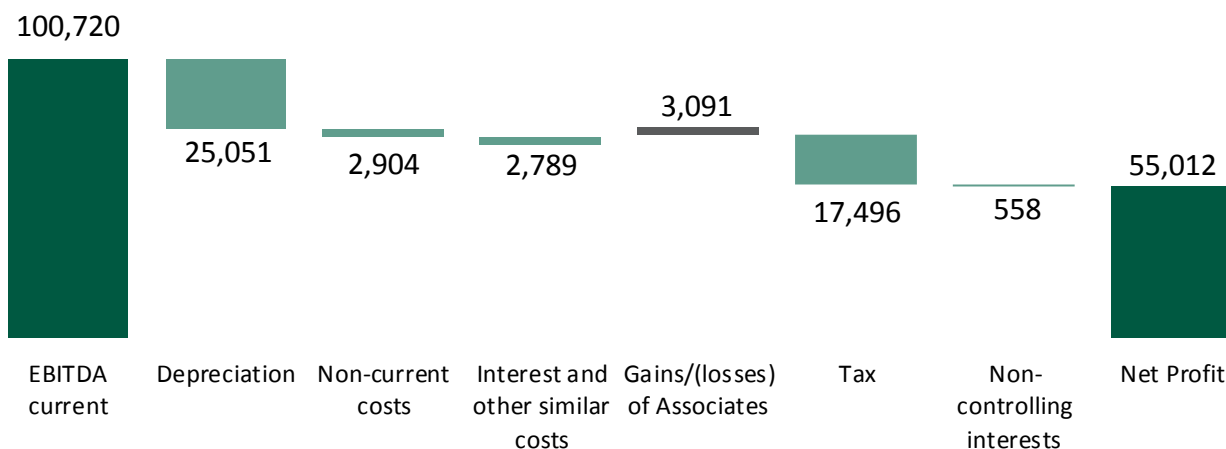




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NET PROFIT 12M



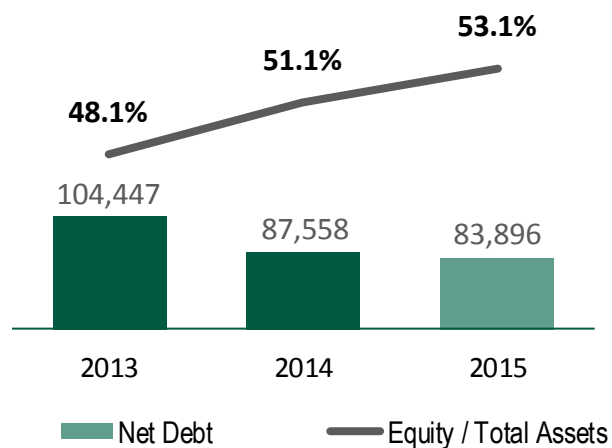
	2013	2014	2015
EBIT current	56,611	64,386	75,669
Net financial costs	7,794	5,856	2,789
Non-current costs	0	6,354	2,904
(loss)/profit of associates	692	1,280	3,091
EBT	49,509	53,456	73,066
Tax	18,551	16,776	17,496
Minority interests	620	924	558
Net Profit	30,339	35,756	55,012



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DEBT AND GEARING 12M



Net Debt	104.447	87.558	83.896
Equity and Minority interests	301.737	315.569	354.133
EBITDA / Net Interest	20,8	30,8	70,5
Equity / Total Assets	48,1%	51,1%	53,1%
Gearing	34,6%	27,7%	23,7%
Net interest bearing debt / EBITDA	1,34	1,01	0,83

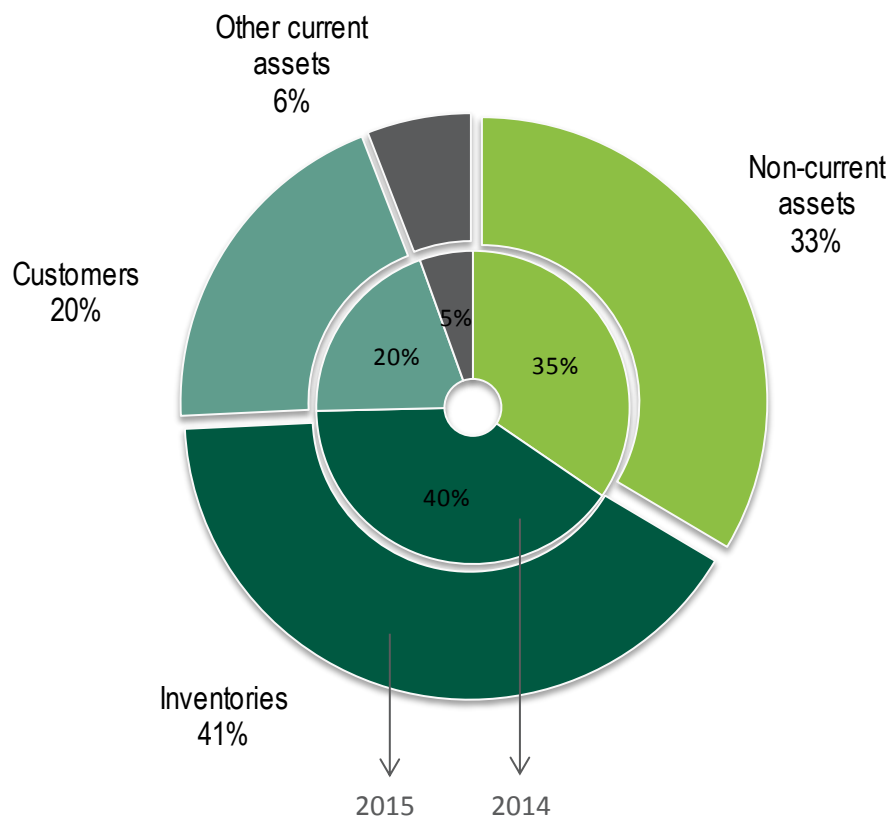




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# 2015

TOTAL ASSETS 12M



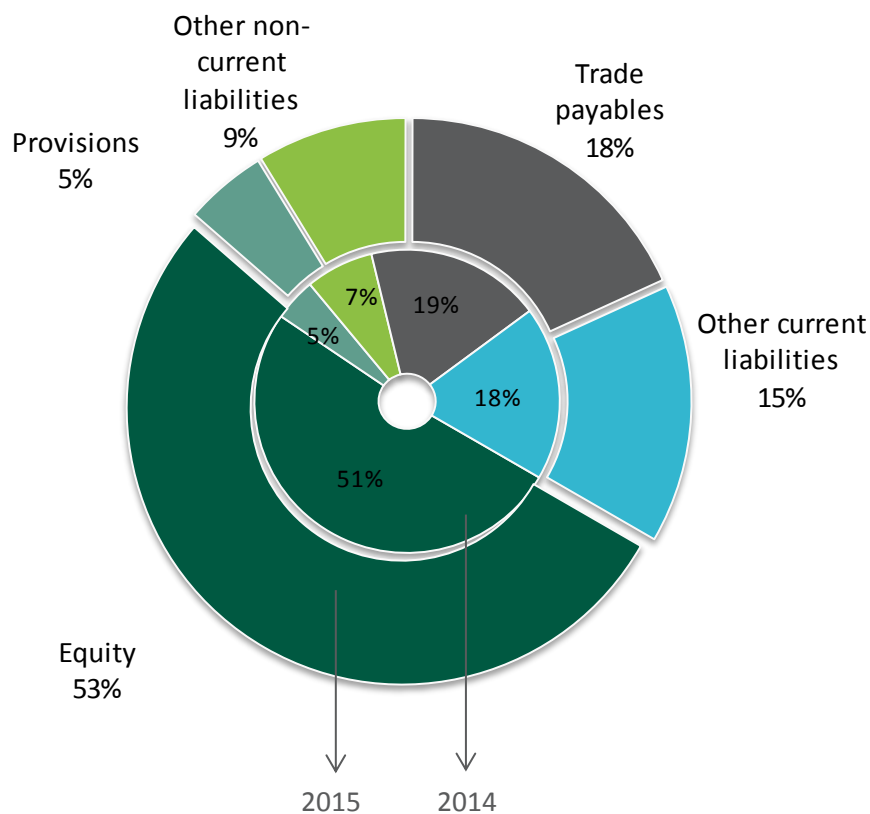
	2013	2014	2015
Non-current assets	212,744	213,265	<b>223,689</b>
Inventories	244,063	247,633	<b>271,705</b>
Customers	121,069	122,606	<b>132,545</b>
Other current assets	49,431	33,942	<b>39,280</b>
<b>Total Assets</b>	<b>627,307</b>	<b>617,446</b>	<b>667,219</b>
Capex	26,834	21,220	<b>31,394</b>



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EQUITY AND LIABILITIES 12M



	2013	2014	2015
Equity	301,737	315,569	<b>354,133</b>
Provisions	25,085	27,951	<b>32,227</b>
Other non-current liabilities	51,353	44,727	<b>58,616</b>
Trade payables	125,203	115,303	<b>121,184</b>
Other current liabilities	123,929	113,896	<b>101,059</b>
<b>Total Liabilities</b>	<b>325,570</b>	<b>301,877</b>	<b>313,086</b>

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION 12M

	December 2015	December 2014
<b>Non-current assets</b>	<b>223,689</b>	<b>213,265</b>
<b>Current assets</b>		
Inventories	271,705	247,633
Other current assets	171,824	156,548
<b>Total current assets</b>	<b>443,530</b>	<b>404,181</b>
<b>Total Assets</b>	<b>667,219</b>	<b>617,446</b>
<b>Equity (M. I. included)</b>	<b>354,133</b>	<b>315,569</b>
<b>Non-current liabilities</b>		
Bank borrowings	41,211	26,225
Other non-current liabilities	48,985	46,453
<b>Total non-current liabilities</b>	<b>90,196</b>	<b>72,678</b>
<b>Current liabilities</b>		
Bank borrowings	50,146	67,369
Other current liabilities	172,744	161,830
<b>Total current liabilities</b>	<b>222,890</b>	<b>229,199</b>
<b>Total Liabilities and Equity</b>	<b>667,219</b>	<b>617,446</b>



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# 2015

KEY FIGURES 12M

	2015	2014	Variation	4Q15	4Q14	Variation
Sales	<b>604,800</b>	560,340	7.9%	<b>141,911</b>	130,655	8.6%
Gross Margin – Value	<b>315,613</b>	283,583	11.3%	<b>73,274</b>	70,457	4.0%
	1) <b>50.7%</b>	49.8%	+ 0.9 p.p.	<b>50.4%</b>	50.5%	-0.07 p.p.
Operating Costs - current	<b>239,944</b>	219,197	9.5%	<b>59,046</b>	55,468	6.4%
EBITDA - current	<b>100,720</b>	86,722	16.1%	<b>20,565</b>	20,639	-0.4%
EBITDA/Sales	<b>16.7%</b>	15.5%	+ 1.2 p.p.	<b>14.5%</b>	15.8%	-1.31 p.p.
EBIT - current	<b>75,669</b>	64,386	17.5%	<b>14,229</b>	14,990	-5.1%
Non-current costs	2) <b>2,904</b>	6,354	-	<b>-3</b>	2,840	-
Net Income	<b>55,012</b>	35,756	53.9%	<b>13,402</b>	6,722	99.4%
Earnings per share	<b>0.431</b>	0.285	51.3%	<b>0.101</b>	0.054	88.3%
Net Bank Debt	<b>83,896</b>	87,558	- 3,662	-	-	-
Net Bank Debt/EBITDA (x)	4) <b>0.83</b>	1.01	-0.18 x	-	-	-
EBITDA/Net Interest (x)	3) <b>70.5</b>	30.8	39.71 x	<b>74.9</b>	38.2	36.67 x
Equity/Net Assets	<b>53.1%</b>	51.1%	+ 2. 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



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