



CORTICEIRA AMORIM: 1Q07 INCREASE IN SALES (2,7%) AND PROFITS (2,4%)

Mozelos, Portugal, 4th of May 2007 – **CORTICEIRA AMORIM, SGPS, S.A.** [Euronext Lisbon: **COR**; ISIN: **PTCOR0AE0006**], the world's largest cork manufacturer, today announced consolidated results for the first quarter 2007 (1Q07). Unless otherwise stated, all figures are in millions of Euros (M€). Variations are referred to comparisons with values of same period 2006.

HIGHLIGHTS

- Consolidated Sales reached 117,6 millions euros (M€), up 2,7%. Special contribution of Corkstoppers BU activity (+5,4%).
- First quarter activity adversely impacted by a weak USD (9% devaluation).
- EBITDA (13,1 M€) and EBIT (7,1 M€) registered an increase of 2,5% and 2,6% respectively.
- Net profit reached 4,302 M€ (+4,9%).
- Net profit attributable to CORTICEIRA AMORIM shareholders rose to 3,874 M€, up 2,4% when compared to 1Q06.

I – CONSOLIDATED EARNINGS STATEMENT

All Business Units (BU) registered a Sales increase during 1Q07, except Raw materials BU which had a 11% decrease. This drop was caused by a substantial reduction in raw materials sales to external customers. This trend was initiated a few quarters ago, and it is justified by the need to reduce the credit risk. Taking in consideration only the BU downstream to raw materials, consolidated sales increased 5,1%. To be noted the negative impact in sales, and even in some degree in profits, that the USD devaluation caused. With an average rate of 1.31 against the euro, the devaluation reached 9% when compared with average same quarter 2006. This devaluation, associated with the price rigidity in face of exchange rate variations that is usual in the north american market has made very hard to conduct business in this very important market.

Sales reached 117,6 M€, up 2,7% from the 114,5 M€ of 1Q06. Special contribution from the Corkstoppers BU (+5,4%), which reaped the full benefits from the integration of the newly acquired associated company Trescases. Capsulated and champagne corkstoppers good performance, recovering from last year weak registers. As planned Neutrocork® Corkstoppers sales increase offset Twintop® and agglomerated corkstoppers sales decrease. Once more, the french and the US market were among the best performers.

Corkfloor coverings maintained a regular and continuous sales increase, registering 4% during the quarter. This increase was due to the performance of its core products (corkfloor and wall coverings) with a 7% jump. Sales to Russia were affected by the lack of capacity of St. Petersburg harbour.

The remaining BU registered the planned increase to external customers (Corkcomposition (+7,9%), Corkrubber (+1,7%) and Insolution (+6,5%)).

Gross Margin in percentage registered a 1% increase. This was due to the favourable evolution in the Corkstoppers BU, more than offsetting the decrease shown by the Corkcomposition, Corkrubber and Raw Materials BU's. Those two first BU's were hit by the USD devaluation, the latter being penalized by low quality cork manufactured during March. The Corkstoppers BU higher Gross Margin was, nevertheless, hit also by the said USD devaluation, as well as by the devaluation of two of its most important invoicing currencies: south african rand (28%) and chilean peso (11%).

At the operating level the main costs were stable (staff costs, external supplies and services and depreciation), reaching 49,7 M€ in both comparable quarters. The other two operating costs were not so favourable. The one million euros variance seen in Impairment costs was due, mainly, to the fact that during 1Q06 the register of impairment reversals (customers and inventories) was 0,8 M€ higher than 1Q07, and not so much to the impairment costs themselves. The other variation (Other operating gains and costs) was due in part to the variation in forex results (0,5 M€ unfavourable potential forex variation) and to other operating gains that were not

booked during 1Q07.

These two unfavourable variations, which are expected to be diluted during the following quarters, almost entirely cancelled the gains registered in the Gross Margin line and the effect of the stabilization of the direct operating costs. At the end of the quarter EBITDA reached 13,1 M€ (+2,5%) and EBIT reached 7,1 M€ (+2,6%).

Net interest costs amounted to 2,3 M€, up 0,4 M€, due totally to interest rate increase. Net profit before minority interests reached 4,302 M€ (+4,9%).

Net profit attributable to CORTICEIRA AMORIM shareholders stood at 3,874 M€, up 2,4% from the 3,782 M€ registered during 1Q06.

II – CONSOLIDATED BALANCE SHEET

Consolidate Balance sheet amounted to 556 M€, a 5 M€ decrease from 2006 year end and a 4M€ increase when compared to March 2006. These variations, being immaterial, were due, mainly, to working capital fluctuations.

In terms of Equity and Liabilities, the only material change was due to the 7,315 M€ dividend approved at the March 30, Shareholders General Meeting. As its payment was made in April 30, that amount is registered in the Current Liabilities caption.

CORTICEIRA AMORIM Equity / Assets ratio kept a strong register (40,4% at March 31, 2007 Balance Sheet).

CORTICEIRA AMORIM, SGPS, S.A. **Non Audited Indicators as of March, 31**

<i>(Thousand euros)</i>			
	1Q07	1Q06	Variation
Sales	117 561	114 487	+ 2,69%
Gross Margin – Value	57 507	55 023	+ 4,51%
%	48,15	46,90	+1,25 p.p.
1)			
Operating Costs	50 417	48 111	+ 4,79%
2)			
EBITDA	13 078	12 763	+ 2,47%
EBIT	7 090	6 913	+ 2,56%
Net Income	3 874	3 782	+ 2,43%
Earnings per share	0,030	0,029	+ 2,44%
3)			
EBITDA/Net Interest (x)	5,72	6,84	- 1,12 X
Equity /Net Assets	40,43%	39,01%	+1,4 p.p.
Net Bank Debt	222 852	218 121	+ 2,17%

1) *Related to Production*

2) *Includes financial costs and revenues other than interest, and extraordinary items*

3) *Net Income / Average outstanding shares (euros/share)*

CORTICEIRA AMORIM, SGPS, S.A.
Consolidated non audited Balance Sheet

(Thousand euros)

	31.03.07	31.12.06	31.03.06
Non-current assets	199 367	206 285	200 653
Current assets			
<i>Inventories</i>	196 841	212 139	197 403
<i>Other current assets</i>	160 048	143 163	154 468
Total current assets	356 889	355 302	351 871
Total Assets	556 256	561 588	552 524
Equity (M. I. included)	224 883	230 760	215 529
Non-current liabilities			
<i>Bank borrowings</i>	148 137	153 115	122 811
<i>Other non-current liabilities</i>	10 450	11 567	14 826
Total non-current liabilities	158 587	164 682	137 637
Current liabilities			
<i>Bank borrowings</i>	78 491	76 213	103 430
<i>Other current liabilities</i>	94 296	89 934	95 928
Total current liabilities	172 787	166 147	199 358
Total Liabilities and Equity	556 256	561 588	552 524

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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 420 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 thousand 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.amorimcork.com or corkfacts.com.