



CORTICEIRA AMORIM POSTS A 15.6% INCREASE IN 2007 PROFITS

Mozelos, Portugal, 25th of February 2008 – **CORTICEIRA AMORIM, SGPS [Euronext Lisbon: COR; ISIN: PTCOR0AE0006]**, the world's largest cork manufacturer, announces today consolidated results for the fourth quarter 2007 (4Q07) and full 2007 (YTD = 12M07). Unless otherwise stated, all figures are in millions of Euros (M€). Variations are referred to comparisons with values of same period 2007.

HIGHLIGHTS

- Net profit attributable to CORTICEIRA AMORIM shareholders reached 23.245 M€ (15.6% YoY).
- Corkstoppers Business Unit (BU) strong sales and profits impacted positively consolidated figures.
- Sales reached 453.8 M€ (+2.5% YoY). Sales increase adversely affected by export currencies devaluation, namely USD during 4Q07. Total exchange impact was -8.9 M€ (-2% in sales).
- EBITDA (58.1 M€) and EBIT (37.0 M€) posted a YoY increase of 3.9% and 8.3% respectively.
- Equity / Total Assets ratio stood at 41%.

I – SUMMARY OF ACTIVITY

As CORTICEIRA AMORIM activity is almost totally concentrated in cork transformation, its rich and diverse applications together with its multiple markets, allowed for a steady activity during the full exercise. As for 2006, Raw Materials, Cork Floorings and Insulation BUs strong performance compensated a soft evolution of the remaining BUs. On the other hand as for 2007, it was Cork Stoppers BU good showing to offset the tepid activity of the other BU's. Highlight for the North American market, despite the highly negative impact of the USD exchange rate. This market, together with other markets like the Eastern Europe markets made possible to make up for losses registered in other markets namely the German market .

The evolution during the different quarters was relatively identical. Margin for the 4Q07 was hit by the aggravation of the USD devaluation during this quarter, on top of a more unfavourable sales mix.

As for 4Q06, which was impacted positively by non-current gains, so was 4Q07. These impacts softened the usual weak last quarters results.

As for significant events during 2007, highlighting for the 87% Oller Group acquisition during the last quarter. Oller brand is an historic name both in Catalonia as all over Europe. Still to be noticed the start-up of the Chinese subsidiary and the acquisition in the French Cognac region of the SOBFI plant.

In the end of 2007, changes in the organization model were announced. Its effects are expected to be felt during 2008. The set-up of two macro-areas – Amorim Natural Cork and Amorim Cork Composites –, in which five BUs are incorporated and the merger of Technical Agglomerated BU with Cork Rubber BU, were announced. This way, a new juridical chart of the subsidiaries was set-up by year-end. It was also announced that during 2008, Amorim Cork Research, the entity that will coordinate all Research and Development and Intellectual Property activities, will be set-up

III – CONSOLIDATED RESULTS

Raw Materials BU reinforced during 2007 its integration in the value chain of CORTICEIRA AMORIM. The decision to reduce the credit risk associated with the sales to domestic customers led to a drop in sales to non-group clients. As a result, sales to group clients soared from 85% to 92% during the year. Consequently, sales dropped 10 M€ to 104.4 M€. As explained in the more detailed BU analyses, 2006 cork price increase registered in the acquisition campaign, together with higher quality cork requested by Cork Stoppers BU, where the reasons behind the significative reduction of this Unit profitability during 2007. EBIT reached 5.5 M€, unfavourably comparing with previous year 11.4 M€.

On the opposite, Cork Stoppers BU register was highly positive. Reaping the full

year benefits of the industrial restructuring finalized as of September 2006, surpassing the natural initial difficulties of the star-up, this Unit reached remarkable levels of activity and, namely, results. This record was also possible due to the good performance in markets like the French, where Trescases effect was already diluted, and markets like the Italian, Spanish, Ukrainian and Chilean. By family of products, emphasis goes to Champagne, Neutrocork® and Natural Cork Stoppers. Sales reached 250 M€ (+6%) and EBIT soared to 20.1 M€, almost doubling the value of 2006 (11.1 M€).

Fourth quarter Cork Flooring BU was particularly unfavourable. Economic slow down in some of its most important markets, namely the German one, put a dent in the 7% increase registered as of the end of 3Q07. Growth slid to 4.4% at year-end. This decrease was mainly noted in cork flooring, the prime product of the BU. Sales of wood flooring suffered less from the economic slow down due to the fact that it is a USD based business. Wood flooring is the only CORTICEIRA AMORIM business that has been benefiting from that currency devaluation. As an additional negative impact the Unit was hit during the year by price increases in its most important raw materials (cork and HDF). Sales increased to 126.9 M€, and EBIT fall 9.8% to 10.1 M€.

As referred in the various quarterly statements, the decision to supply granulated cork from within the Cork Stoppers BU, affected Composite Cork BU activity. This Unit, together with Cork Stoppers and Cork Rubber BUs, was also hit by the USD devaluation, particularly during 4Q07. Sales registered a 5.7% decrease to 57.9 M€. If it was considered sales to outside customers at fixed exchange rates this negative variation would become a positive variation. Nevertheless, EBIT increased from 2.4 M€ to 3.0 M€ (+24.6%), due to a strict control over operating costs, mainly staff costs.

Cork Rubber BU was by far the hardest hit by the USD devaluation, which represents most of its sales. Sales decreased 4.8% to 27.8 M€. EBIT worsened from -0.3 M€ to -0.9 M€. As announced, this Unit suffered deep changes during 4Q07, in order to prepare for its merger with Composite Cork BU as of January 2008. The expected benefits from this new BU were already explained.

Insulation BU maintained a good showing. Third quarter sales slow down was halted. Full year sales maintained 3Q07 growth rate of 7.7%, reaching 8.8 M€. Due to the full use of plant capacity, higher depreciation expenses led to a small decrease in EBIT which reached 1.2 M€. As for EBITDA, which does not take into account depreciation, an increase of 15% was registered.

Consolidated sales increased 2.5% to 453.8 M€. If the decision to decrease sales of cork to domestic customers was not accomplished, that increase would be the double. Also to be noticed the -8.9 M€ effect on sales due to the said export currency devaluations. If this effect was not taken into account, the said increase would rise to 7%.

Gross Margin in value increased about 2 M€, negatively affected by a 3.6 M€

Change in Manufactured Inventories. In percent terms this led to a positive effect, being one of the reasons behind the small increase (48.7% *versus* 48.5%).

As a result of a strict control, operating costs showed a small decrease of 0.5%. To notice staff costs reduction of around 3.8 M€. This variation is due to lower head count and severance costs.

The combination of higher Gross Margin and lower operating costs resulted in an 8.3% increase in EBIT (37 M€), and to a 3.9% increase in EBITDA (58.1 M€).

Like 2006, the current year was deeply impacted by interest rate increases. Actual average interest rate increase was 0.9% (2006: +1%). This explains mostly the 2.3 M€ increase in net interest, which reached 11.3 M€.

After income tax estimate of 1.5 M€ and 1.2 M€ of Minority Interests, net profit rose to 23,245 M€, (+15.6%).

IV – CONSOLIDATED BALANCE SHEET

Total Assets increased 34 M€ to 596 M€. Main reason for this variation was the entry of Oller Group companies in CORTICEIRA AMORIM consolidation universe. The effect of this entry was December, 31. As a result the only effects were at Balance sheet level. Activity effects will be registered starting January 2008. The impact of this entry was 25 M€. The increase in raw materials inventories was the main reason for the remaining 9 M€ variation.

Total interest bearing debt, excluding Oller Group effect, reached 232 M€, a 2 M€ increase. Debt structure remained the same, with 70% being medium and long term and 30% short term.

Total equity amounted to 245 M€, a 15 M€ increased justified mostly by profits for the year (23.2 M€) and by distributed dividends (7.2 M€).

In spite of the Oller Group entry effect in consolidated assets, Equity/Total Assets ratio stood at 41%.

V – DIVIDENDS

The Board of CORTICEIRA AMORIM approved a 0.06 euros dividend per share to present to the next Shareholders Meeting.

VI.- KEY INDICATORS

Audited indicators as of December, 31

(Thousand euros)

	4Q07	4Q06	Variation	12M07	12M06	Variation
Sales	100.912	106.999	- 5,69%	453.770	442.552	+ 2,53%
Gross Margin – Value	50.395	53.412	- 5,65%	219.376	217.424	+ 0,90%
%	1) 0,50	0,47	+0,025 p.p.	0,49	0,48	+0,003 p.p.
Operating Costs	2) 41.728	42.331	- 1,42%	182.390	183.273	- 0,48%
EBITDA	13.479	15.557	- 13,36%	58.125	55.948	+ 3,89%
EBIT	8.666	11.081	- 21,79%	36.986	34.151	+ 8,30%
Net Income	8.509	7.261	+ 17,19%	23.245	20.104	+ 15,62%
Earnings per share	3) 0,065	0,0557	+ 17,11%	0,178	0,1541	+ 15,63%
EBITDA/Net Interest (x)	4,63	6,04	- 1,41 X	5,15	6,19	- 1,04 X
Equity /Net Assets	-	-	-	41,17%	41,09%	+0,08 p.p.
Net Bank Debt	-	-	-	231 781	225 331	+ 2,86%

1) *Related to Production*

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

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

Consolidated audited Balance Sheet

(Thousand euros)

	31.12.07	31.12.06
Non-current assets	214 171	206 285
Current assets		
<i>Inventories</i>	227 415	212 139
<i>Other current assets</i>	154 428	143 163
Total current assets	381 843	355 302
Total Assets	596 014	561 588
Equity (M. I. included)	245 390	230 760
Non-current liabilities		
<i>Bank borrowings</i>	162 994	153 115
<i>Other non-current liabilities</i>	16 550	11 567
Total non-current liabilities	179 544	164 682
Current liabilities		
<i>Bank borrowings</i>	75 180	76 213
<i>Other current liabilities</i>	95 901	89 934
Total current liabilities	171 081	166 147
Total Liabilities and Equity	596 014	561 588

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About Corticeira Amorim SGPS:

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 440 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 represents a key role in the CO₂ retention, contributing this way to preserve biodiversity and preventing desertification. We encourage you to learn more by visiting informative websites such as corkfacts.com or www.apcor.pt.