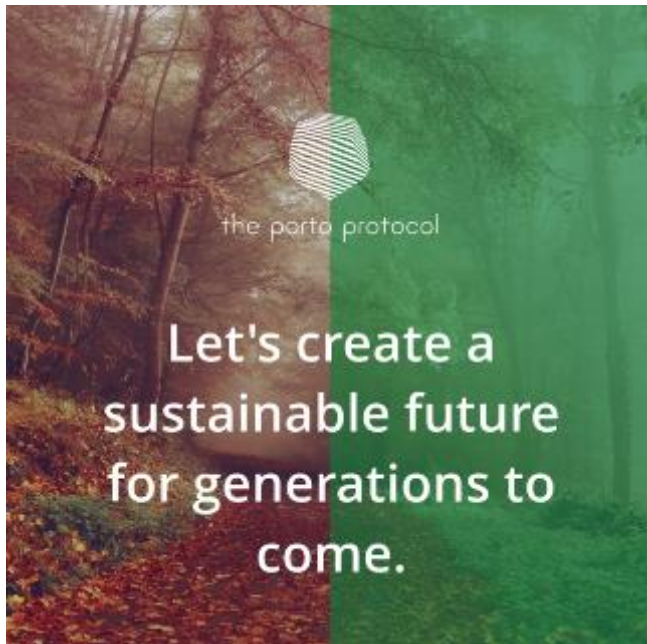


Corticeira Amorim FY2018



In brief



Corticeira Amorim is a Porto Protocol partner, a business and institutional movement aiming at tackling climate change.



Pricewaterhousecoopers study confirms that NEUTROCORK cork stopper has negative carbon footprint



Acquisition of ELFVERSON & Co AB.

In brief



Nielsen study confirms that cork-sealed wines dominate the French wine and bring clear added value to wines.



A large collection of Madeira wine (1796 and 1820) recently rediscovered at the Liberty Hall Museum at Kean University. The wines were uncorked, tasted, recorked and were included in a Christie's wine auction in December.



Corticeira Amorim and the Auchan group promote a joint cork stopper recycling initiative (France).



In brief



Launch of WISE (January 2019), a non PVC sustainable flooring with a negative carbon footprint. WISE has an innovative core (Cork Rigid Core), made of cork and recycled materials, 100% recyclable.

In brief



Amorim Cork Composites launches i.cork factory, a cutting-edge innovation hub to develop new materials and technologies.



One, two, three Swing! installation by Superflex presented in the reopening of the Copenhagen Contemporary Art Center and at the Bonn Bundeskunsthalle.

In brief



Américo Amorim's Auditorium at NOVA School of Business and Economics new campus with cork wall tiles designed by Jasper Morrison.



Cork in the Mars exploration project of the European Space Agency.



Corticeira Amorim celebrates 30 years on the Portuguese Stock Exchange.



In brief



Cork meets the high acoustic performance standards at the Four Seasons Hotel in Bangkok – a cork underscreed with recycled rubber (a product that is 100% recycled and sustainable).



Claus Porto's store in New York, designed by Tacklebox. The store's walls resemble a tunnel carved in cork and it has 1,500 diamond-shaped pieces, cut from Portuguese cork.

Integral Verticalization

Corticeira Amorim, SGPS, S.A.

Raw Materials

Cork Stoppers

Floor and Wall Coverings

Composite Cork

Insulation Cork



People, Planet and Profit



Alignment with United Nations' SDG

Sustainability Strategy aligned with 11 Sustainable Development Goals

Promote the environmental features of the product and the “Montado”

- Circular Economy
- Product Environmental Impact
- Energy Efficiency and Climate Change
- Promotion of the “Montado”, its Biodiversity and Ecosystem Services



Promote people’s development, safety and well-being

- Training and Development
- Health and Safety at Work



Promote R&D and leverage economic performance

- Economic Performance
- Research, Development and Innovation



Carbon Balance with Positive Impact

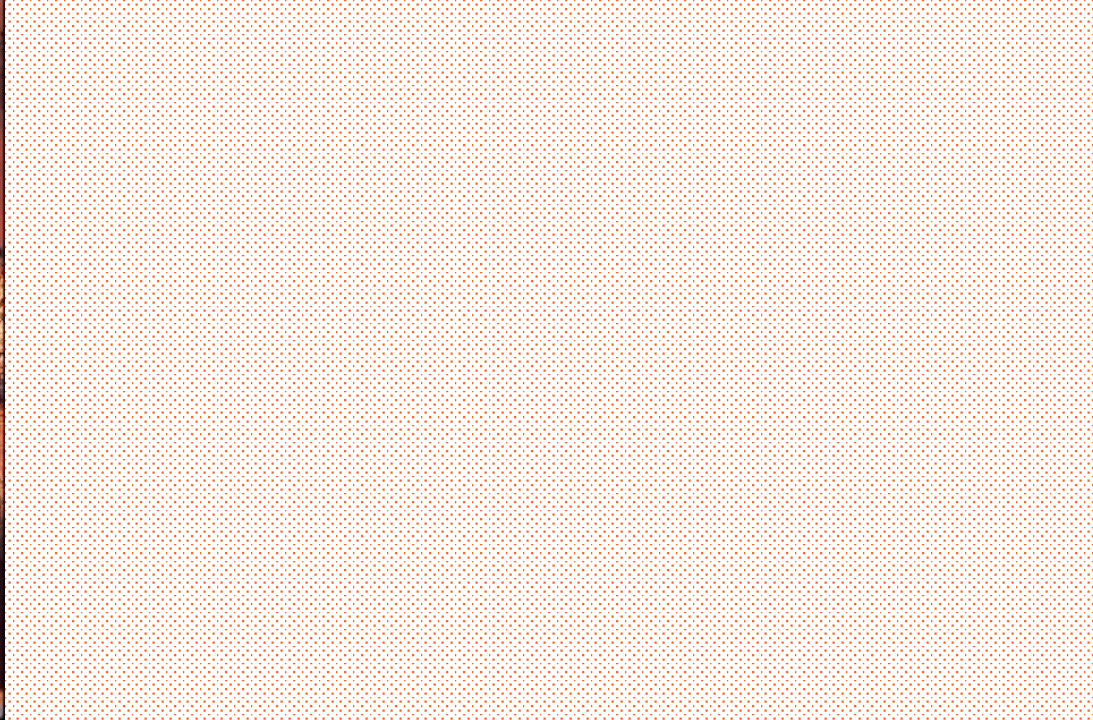
Results of PwC study (September 2018) confirms our wider strategy to promote cork as one of the World's most sustainable natural products.

Research highlights that **Neutrocork has a carbon balance with positive impact.**

Each cork stopper is responsible for the **retention of 392 grams of CO₂.**

PwC previously produced studies of the carbon footprint of every BU, concluding that **Amorim's activity results in an annual carbon capture which is 15 times higher than the gas emissions across its entire value chain.**





Consolidated Results

Key Facts & Figures

Sales rose to 763.1 M€ (+8.8%);

- Raw Materials: +19.5%;
- Cork Stoppers: +11.9%
- Floor & Wall Coverings: -7.7%;
- Composite Cork: +3.4%;
- Insulation: +13.1%;

Raw Materials + Cork Stoppers:

- +13.6% Sales to 554.5 M€;
- EBITDA/Sales of 22.3% (2017: 23.3%);
- 72% of consolidated sales (2017: 69%)

EBITDA/Sales: 17.6% (2017: 19.0%)

- EBITDA of 134.0 M€ (2017: 133.6 M€);
- Higher cork prices and a weak USD, partially offset by higher activity, price increases, strict cost control, together with efficiency and yield gains;

Excluding **changes in the consolidation perimeter**, sales increased 3.3%;

Negative impact from FX:

- total impact of 9.4 M€ on sales (2017: -1.8 M€);
- at constant exchange rates, sales +10.1% and EBITDA +6.4%;

Net Income rose to 77.4 M€, an increase of 6.0% (2017: 73.0 M€);

Net debt of 139.0 M€ (FY17: 92.8 M€):

- increased NWC needs (57.4 M€), on higher inventories (+45M€);
- capex (57.9 M€),
- dividend payments (35.9 M€),
- acquisitions (14.4 M€), in particular Elfverson and Herdade da Baliza;

Dividends: the Board of Directors will propose a dividend of € 0.185/share at the Shareholders General Meeting.

Acquisitions: 2018

ELFVERSON: January

Acquisition of 70% for 5.5 M€;

Buy option on the remaining 30% of capital; seller has a put option on the same remaining capital,

Founded in 1870 and owed by Vätterledens Invest AB;

Produces high quality wooden tops for bartop cork stoppers;

Portfolio of premium products and outstanding customer base;

FY2016: turnover: 4.8 M€ | EBITDA: 1 M€;

Employees: 44;

Included in Corticeira Amorim's consolidated accounts from January 1, 2018.

HERDADE DA BALIZA: October

Acquisition of a forest property for 5.5 M€;

Total area: 2,866 hectares, of which only 109 are planted with cork oaks;

Additional investment to build fertigation infrastructure and plant cork oaks;

Increase density of cork oaks per hectare and use intensive production methods (reducing the time required for the first cork harvest);

Valuable contribution to establishing cork oak plantations as sustainable and profitable investments.

Acquisitions: 2017

BOURRASSÉ: July

Acquisition of 60% for the amount of 29 M€;

The remaining 40% will be acquired by 2022; price takes as its reference the price paid for the initial 60% and will also depend on the future evolution of performance;

Wide range of products, including stoppers for still wine, sparkling wine and spirits;

700 million cork stoppers produced in 2016;

Operates mainly in France, Spain, Italy and Chile; more than 3,300 customers (direct and indirect);

FY2017: turnover: 56 M€ | EBITDA: 7.3 M€;

Employees: 470;

Included in Corticeira Amorim's consolidated accounts from July 1, 2017.

SODILIÈGE: September

Acquisition of 100% and a commitment to acquire the facilities where it operates, for a total of 3 M€;

Producer and distributor of bartop closures for spirits such as cognac and armagnac;

Diverse portfolio of high quality bartop closures;

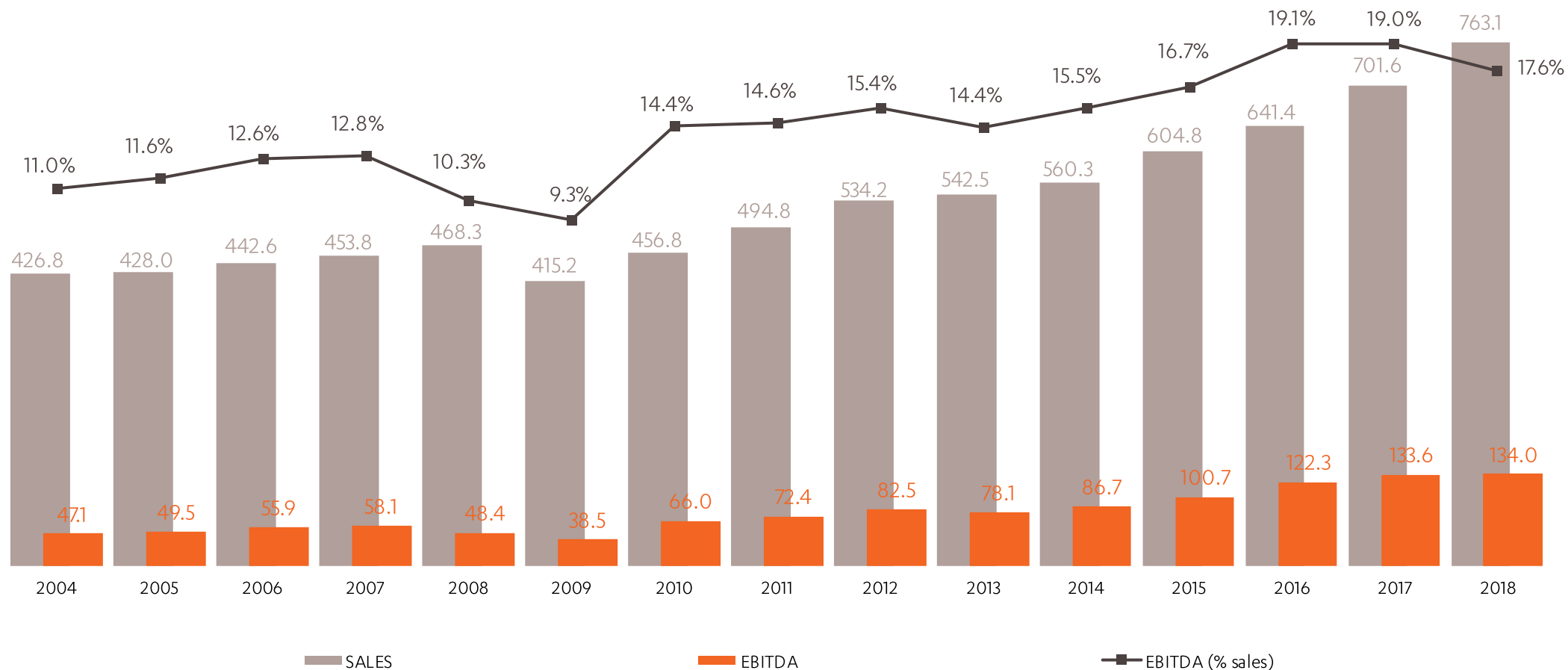
Produces stoppers to customer specifications, making bartops in different materials: metal, glass, wood, porcelain, plastic;

FY2016: turnover: 3.2 M€ | EBITDA: 0.135 M€;

Employees: 12;

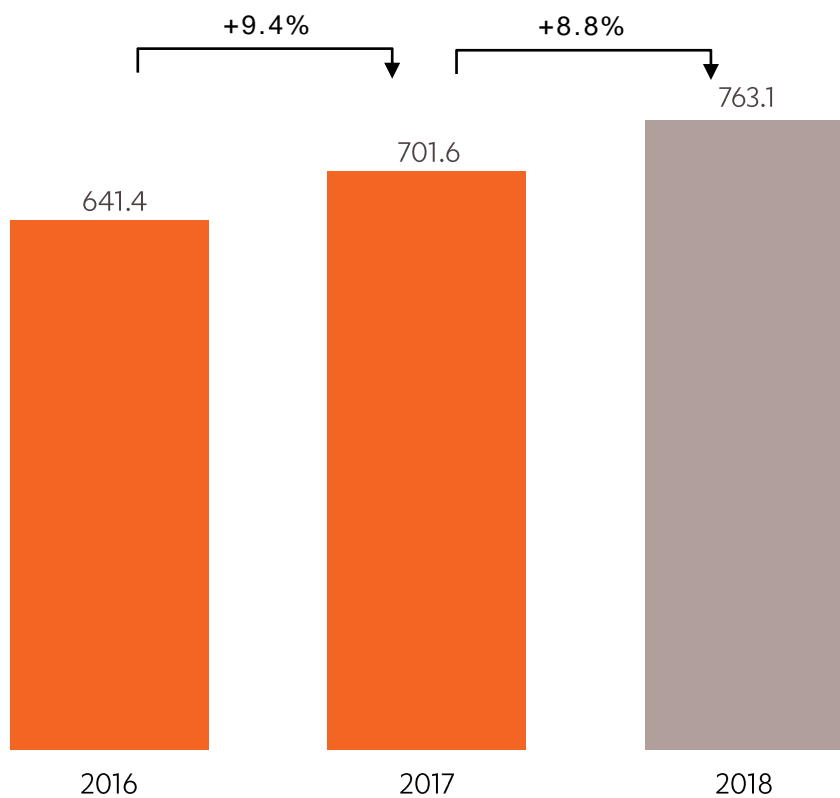
Included in Corticeira Amorim's consolidated accounts from September 30, 2017.

Sales & EBITDA

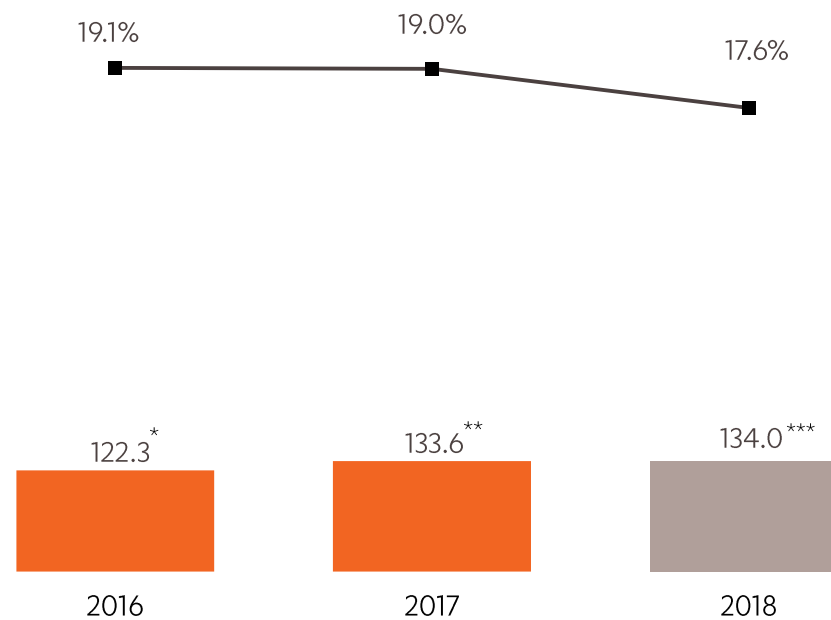


Sales | EBITDA

Sales ^{a)}



EBITDA



■ EBITDA

—■ EBITDA (%sales)

^{*} excludes 4.4 M€: non-recurrent costs

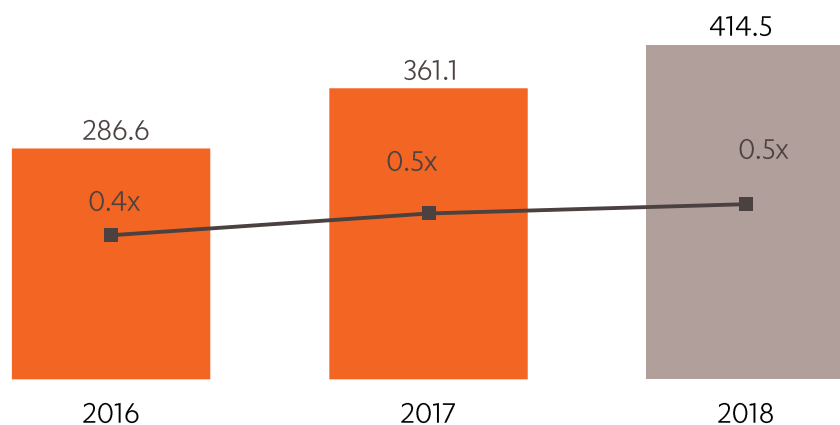
^{**} excludes 2.9 M€: non-recurrent costs

^{***} excludes 0.1 M€: non-recurrent gains

a) Consolidated sales – excludes sales between Corticeira Amorim's Business Units. Values in million euros.

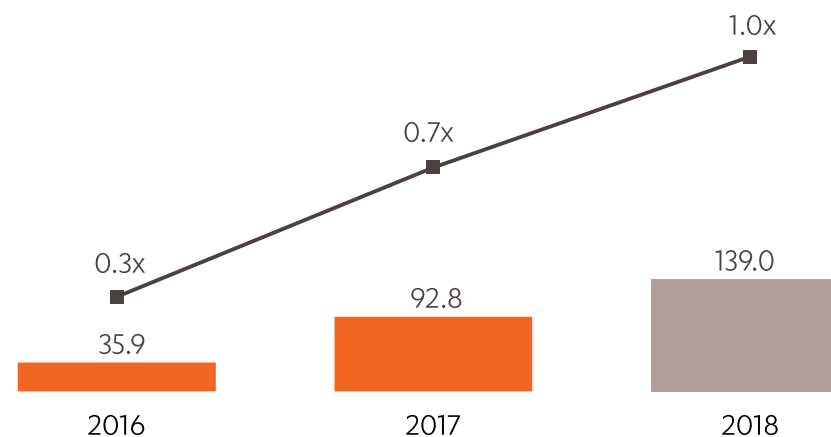
Net Working Capital | Net Debt

Net Working Capital



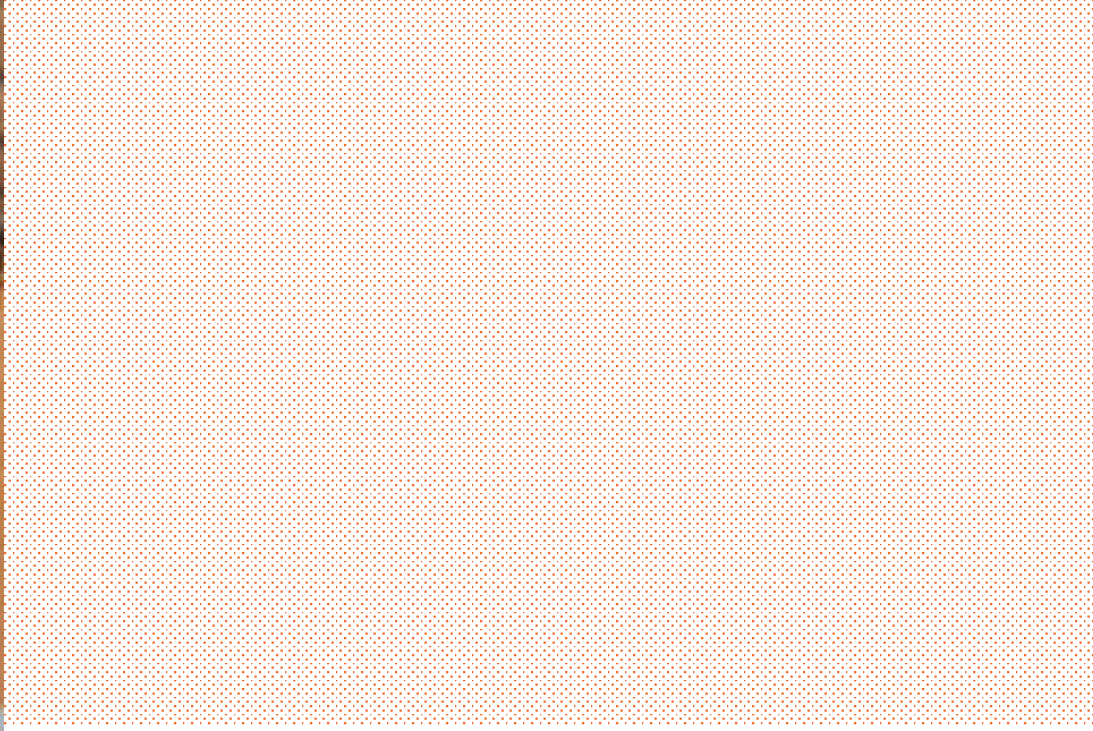
NET WORKING CAPITAL NET WORKING CAPITAL / SALES

Net Debt



NET DEBT NET DEBT / EBITDA*

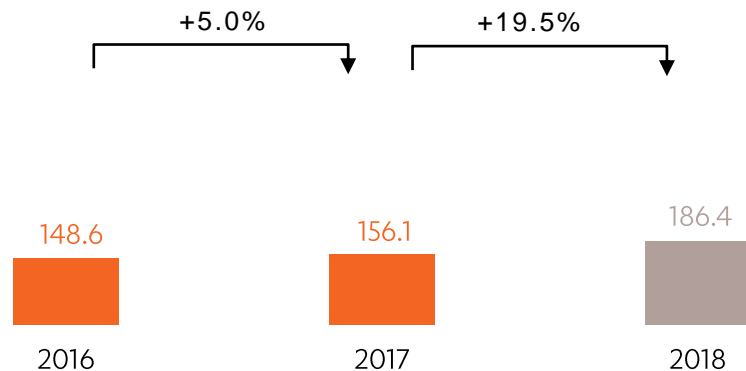
* Current EBITDA of the last four quarters



Business Units

Raw Materials

Sales



Sales increased by 19.5% to 186.4 M€

EBITDA margin increase driven by:

- Strong sales: high cork prices and increased sales activity;
- Strict cost control and efficiency gains;

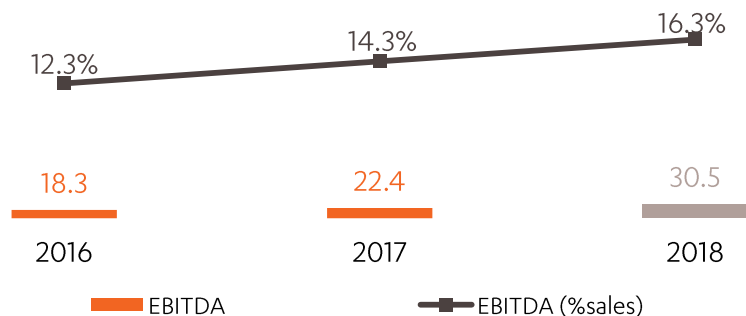
Consumption of raw materials from 2017 cork campaign (prices 11% up) pressured margins particularly in 2H18;

Cork price increases in 2018 harvest (+17%) will negatively impact profitability in 2019; other cork materials (namely cork waste) remained at high prices;

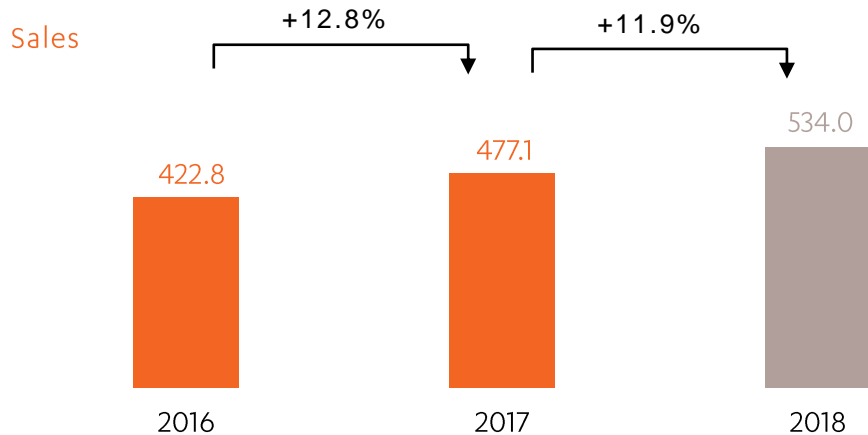
Challenges for the future:

- Increase operational efficiency and raw-material yields,
- Improve sensorial quality throughout the process,
- Herdade da Baliza: start to install infrastructure in 2019,
- Forestry Intervention Program: key for sustainable growth of cork production.

EBITDA



Cork Stoppers



Sales increased by 11.9% to 534.0 M€

Positive performance in all business segments: spirits (+12%), still wines (+6%) and sparkling wines (+4%);

Sales growth in the most important wine markets: France, Italy, Spain and the US;

Sound like-for-like sales growth of 3.3% (at constant exchange rates, like-for-like of 4.6%);

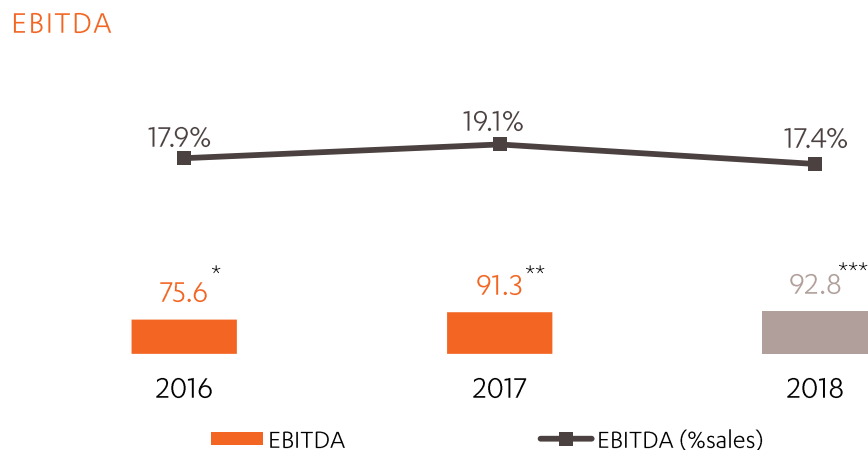
NDtech® sales of 46.8 million stoppers (2017: 29.2 million);

EBITDA margins declined on higher cork prices and FX, despite:

- Higher activity levels,
- Price increases,
- Better raw material yields and efficiency gains,
- Bourrassé's greater efficiency;

Challenges for the future:

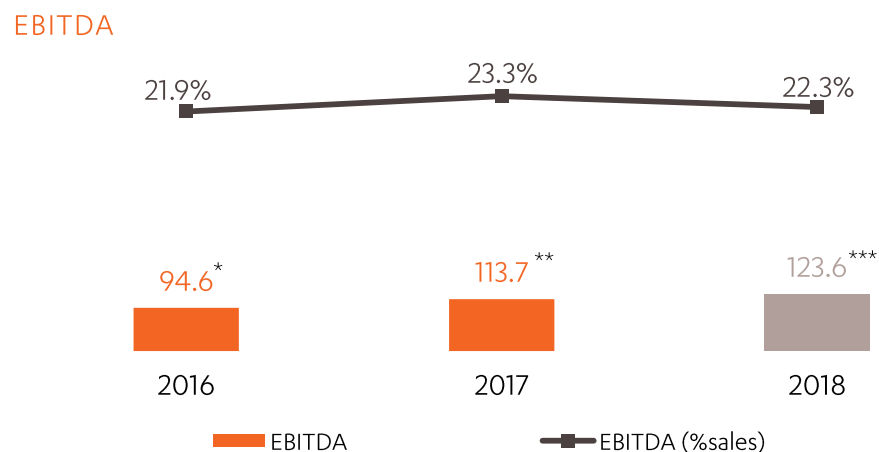
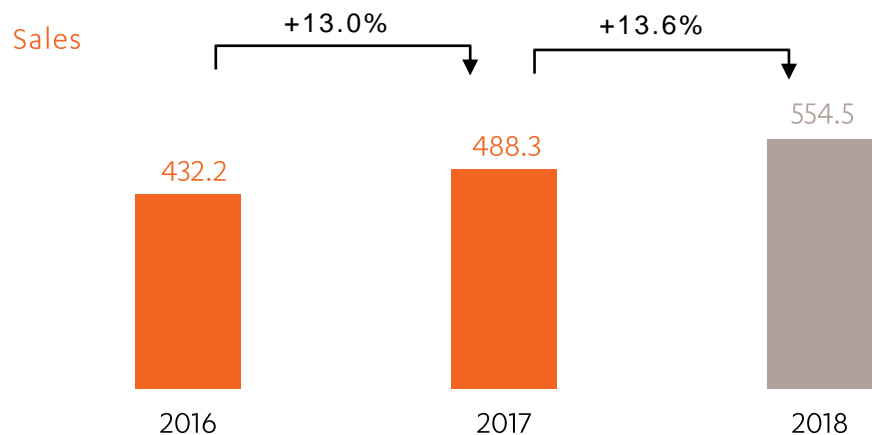
- Increase capacity of NDtech,
- Innovation and development of new products,
- Improve service levels.



* excludes 4.3 M€: non-recurrent costs
 ** excludes 0.5 M€: non-recurrent costs
 *** excludes 1.2 M€: non-recurrent gains



Raw Materials + Cork Stoppers

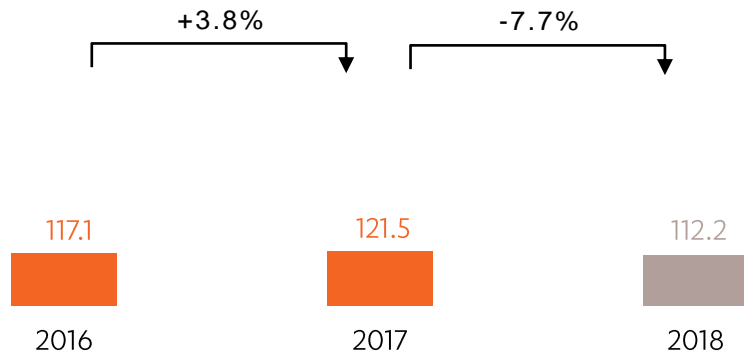


* excludes 4.4 M€: non-recurrent costs
 ** excludes 0.5 M€: non-recurrent costs
 *** excludes 1.2 M€: non-recurrent gains



Floor & Wall Coverings

Sales



Sales decreased by 7.7% to 112.2 M€

No sales recovery in three key markets: the US, Russia and Germany; positive sales momentum in Scandinavia and Portugal;

Lower EBITDA margins reflecting:

- Lower production levels,
- Higher cork prices,
- Increased costs,
- Impairments;

Non-recurrent costs of 1.1 M€, reflecting implementation of new restructuring measures and management changes;

Launch of WISE by Amorim at Domotex in January 2019:

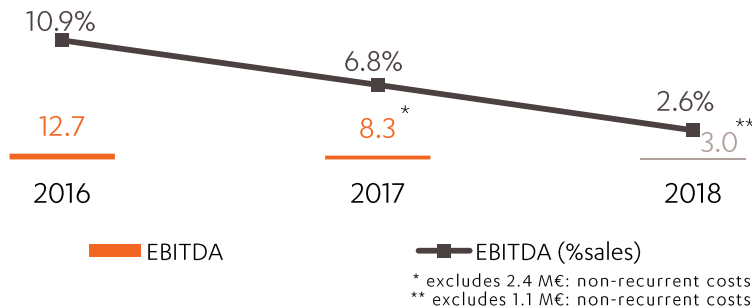
- Water proof, PVC-free and carbon negative flooring solution,
- Addressing consumer demand for healthy and eco-friendly products;

A new management team and restructuring measures should support a successful turn-around of this BU;

Challenges for the future:

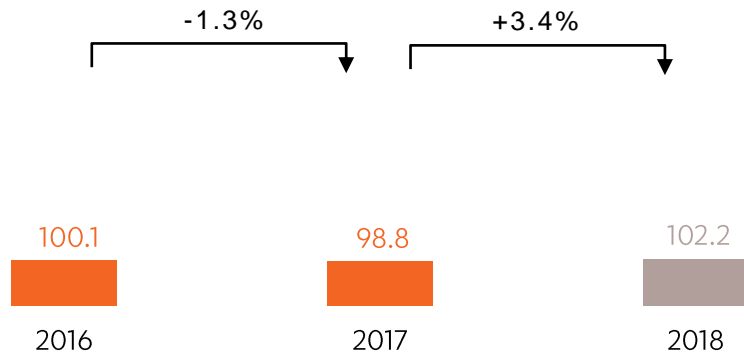
- High expectations based on the successful launch of WISE,
- Improve manufacturing efficiencies,
- Optimize the product portfolio,
- Become an important player in sustainable cork-based flooring solutions.

EBITDA



Composite Cork

Sales



Sales increased by 3.4% to 102.2 M€

Sales growth driven by:

- Price increases,
- Higher activity levels,
- Product mix improvements;

Negative impact from the USD: at constant exchange rates sales +5.4%;

EBITDA margins declined on:

- Higher raw-material prices (cork and non-cork),
- Lower grinding yields,
- Weak USD (at constant exchange rates, EBITDA margin of 11.2%);

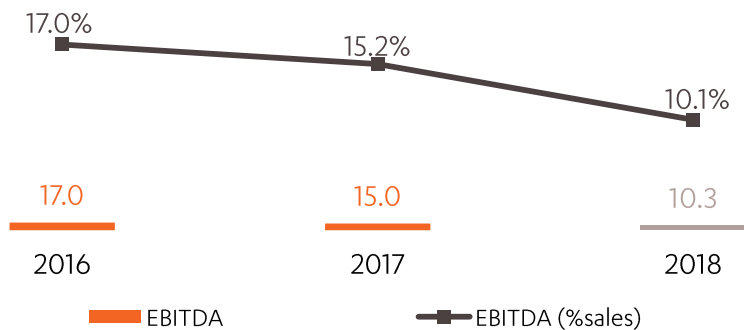
Major sales changes (by geography | segment):

- Increases: EMEA, North America (excluding FX) | Footwear, Sport Surfaces,
- Decreases: Asia | Panels & Composites, Construction Specialists;

Challenges for the future:

- Focus on circular economy, namely the reuse and recycling of byproducts,
- Search for more value-added applications,
- Explore new technologies.

EBITDA



Insulation Cork

Sales



Sales increased by 13.1% to 12.0 M€

Sound sales growth supported by:

- Higher activity levels,
- Prices increases,
- Sales of granulated cork to other BUs (zero in the previous year);

Negative impact from the USD: at constant exchange rates, sales up 14.1%;

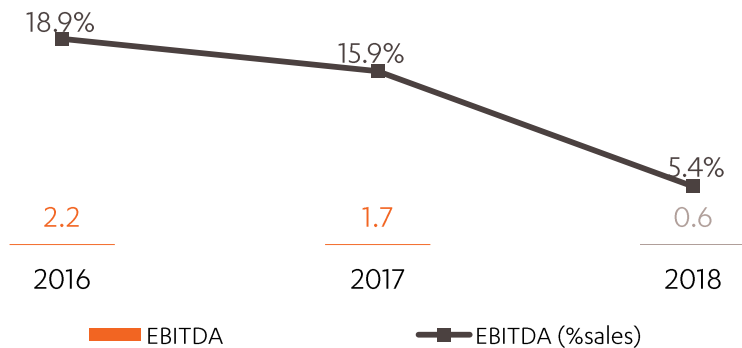
EBITDA decline reflects:

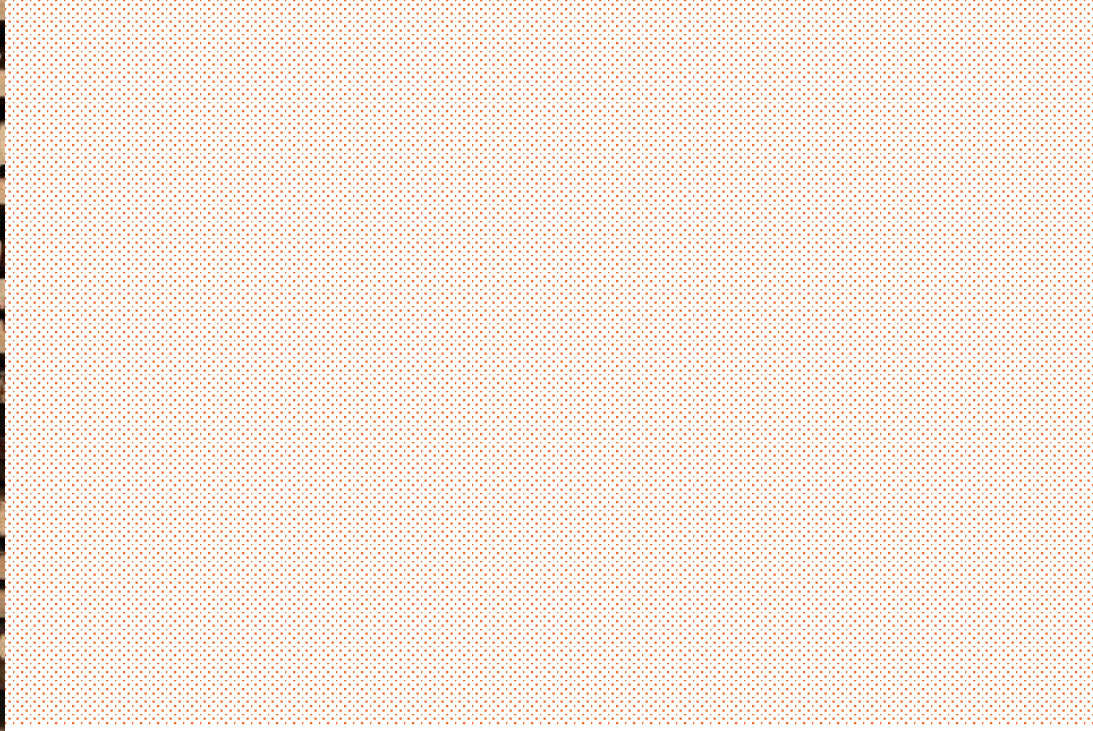
- Higher cork prices,
- Increased operating costs,
- Impairments;

Challenges for the future:

- Reduce specific cork consumption,
- Increase cork-use optimization.

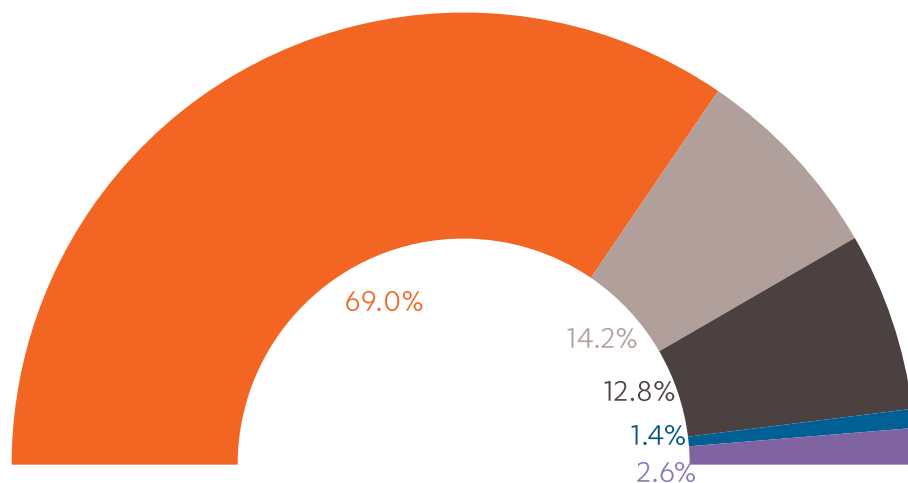
EBITDA





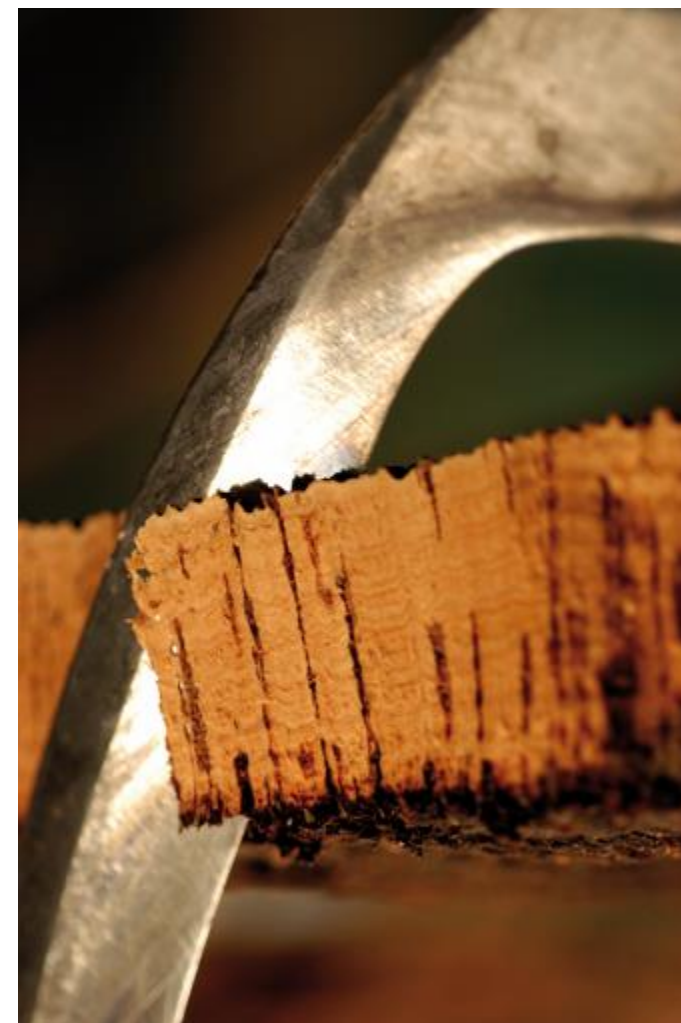
Key Financials

Sales by Business Unit



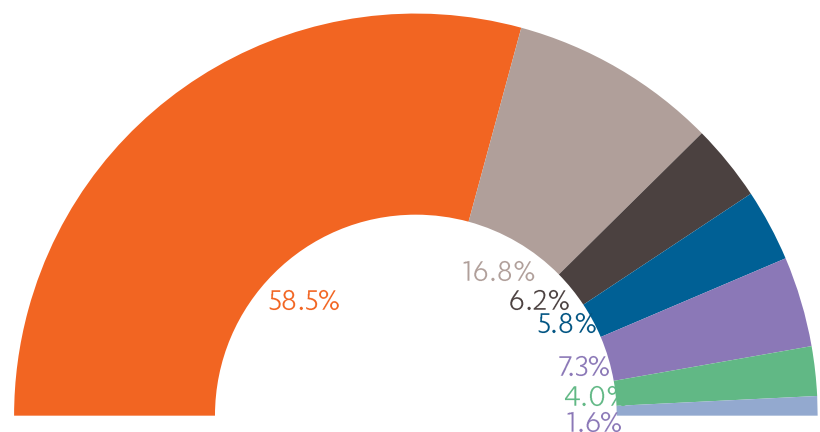
■ Cork Stoppers
 ■ Floor and Wall Coverings
 ■ Composite Cork
 ■ Insulation Cork
 ■ Raw Materials

	2016	2017	2018
Raw Materials + Cork Stoppers	66.6%	68.9%	71.6%
Floor and Wall Coverings	17.7%	16.8%	14.2%
Composite Cork	14.3%	12.9%	12.8%
Insulation Cork	1.4%	1.4%	1.4%
	100%	100%	100%



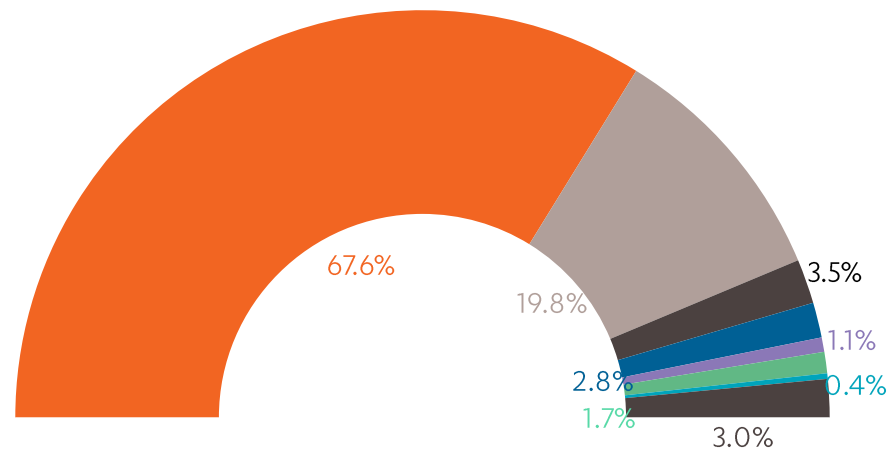
Sales to more than 100 countries

Sales by geographic areas



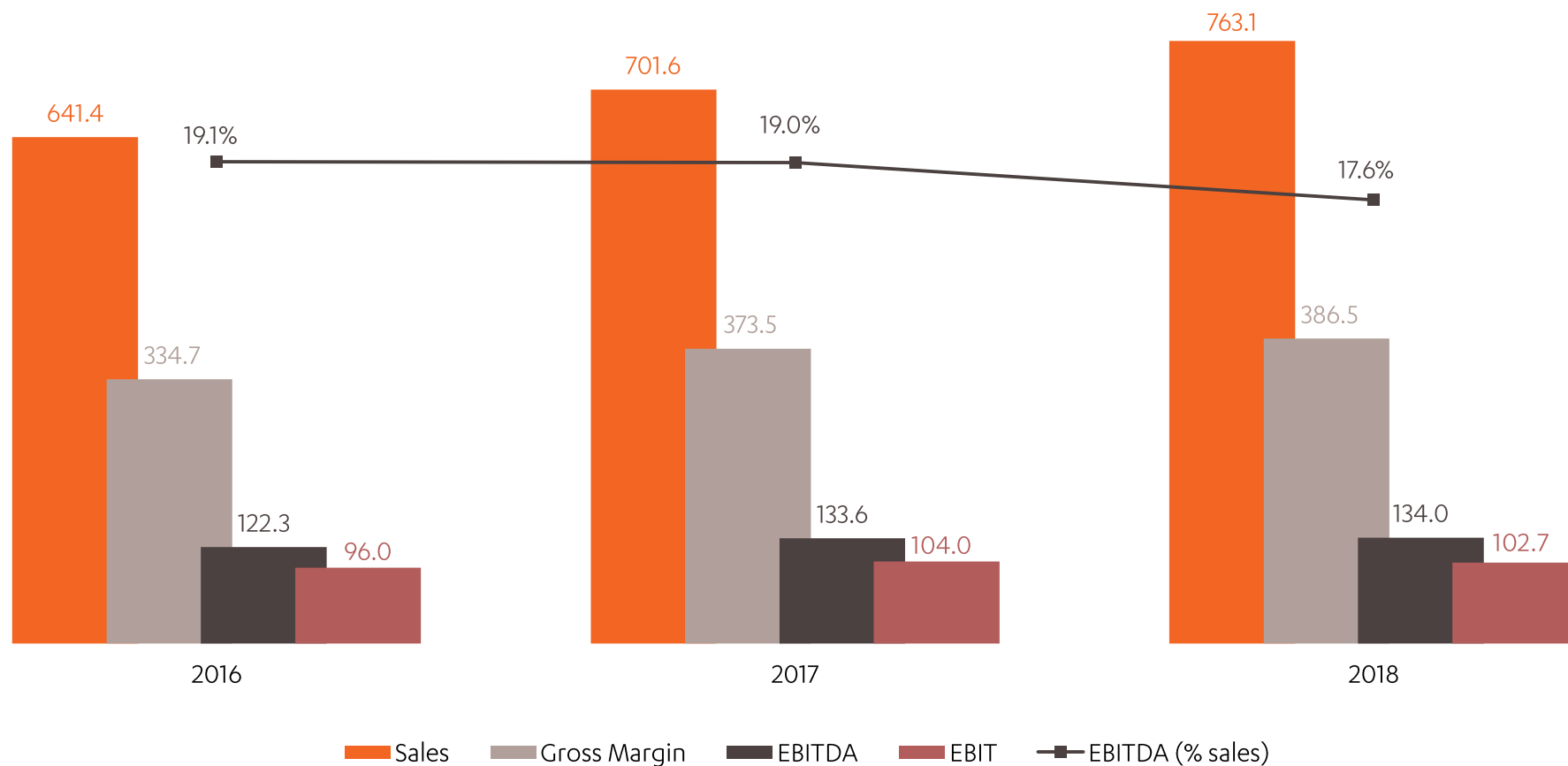
■ EU * ■ USA ■ Rest of America ■ Australásia ■ Portugal ■ Rest of Europe ■ Africa

Sales by currency



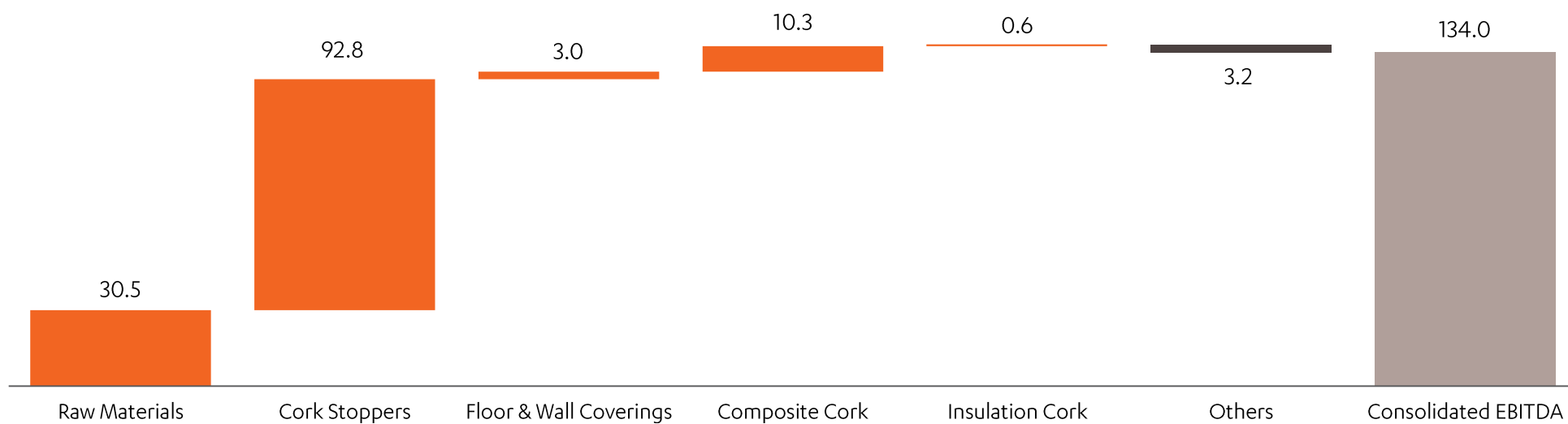
■ EUR ■ USD ■ CLP ■ DKK ■ ZAR ■ AUD ■ GBP ■ Others

Sales | Gross Margin | EBITDA | EBIT



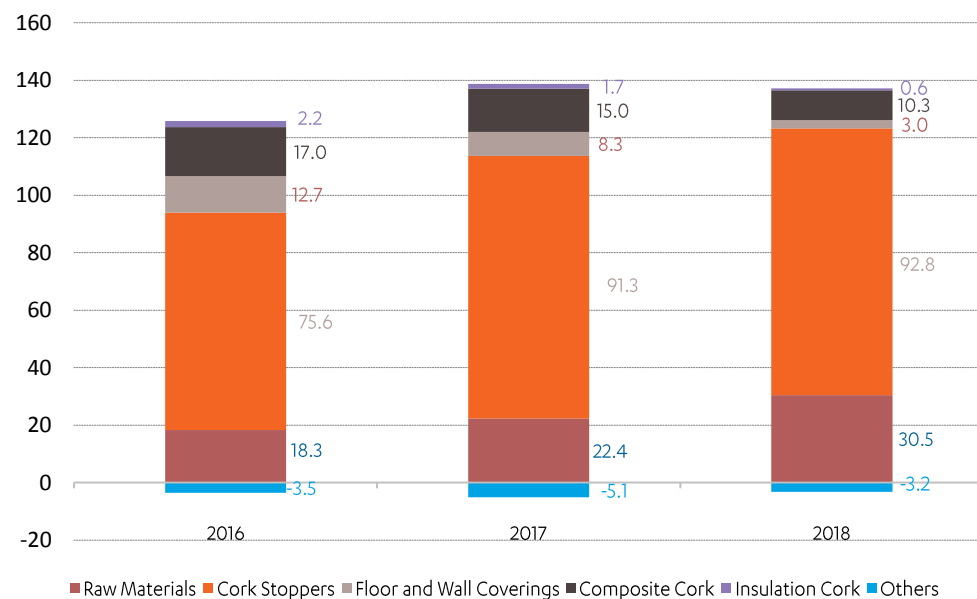
EBITDA by BU

EBITDA by BU



EBITDA by BU

EBITDA by BU (value)

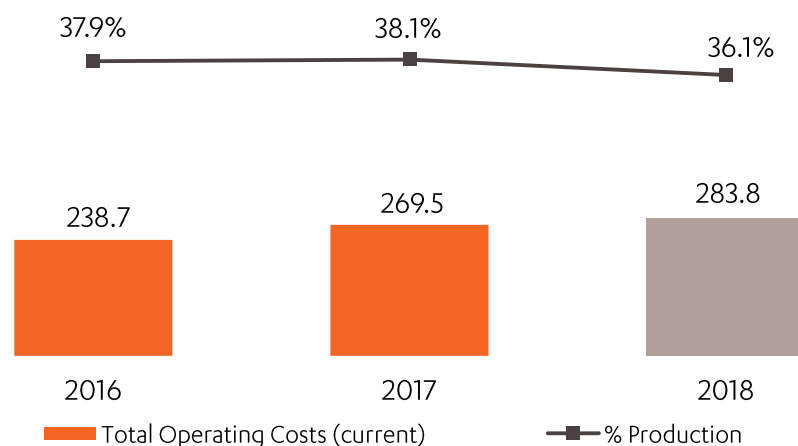


EBITDA/Sales (%)	2016	2017	2018
Raw Materials + Cork Stoppers	21.9%	23.3%	22.3%
Floor and Wall Coverings	10.9%	6.8%	2.6%
Composite Cork	17.0%	15.2%	10.1%
Insulation Cork	18.9%	15.9%	5.4%
Consolidated	19.1%	19.0%	17.6%



Operating Figures

Operating costs

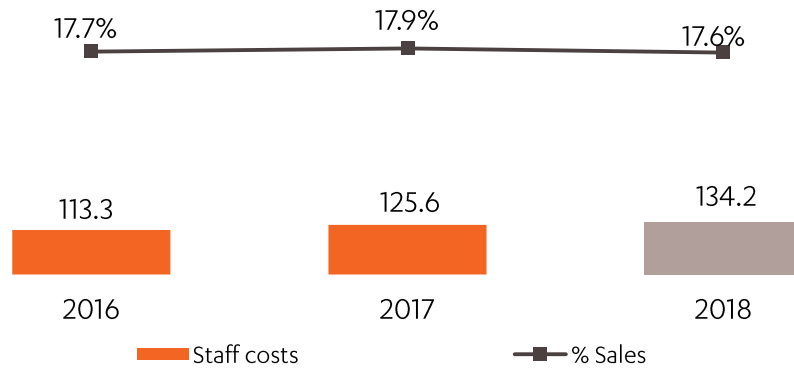


	2016	2017	2018	yoy
External supplies	103.0	116.5	124.1	6.5%
Transports	22.9	25.2	26.2	3.8%
Energy	12.2	13.4	14.8	10.9%
Staff costs	113.3	125.6	134.2	6.9%
Depreciation	26.3	29.6	31.3	5.7%
Impairments	0.7	2.3	-0.1	-103.2%
Others	-4.7	-4.5	-5.8	28.9%
Total Operating Costs (current)	238.7	269.5	283.8	5.3%



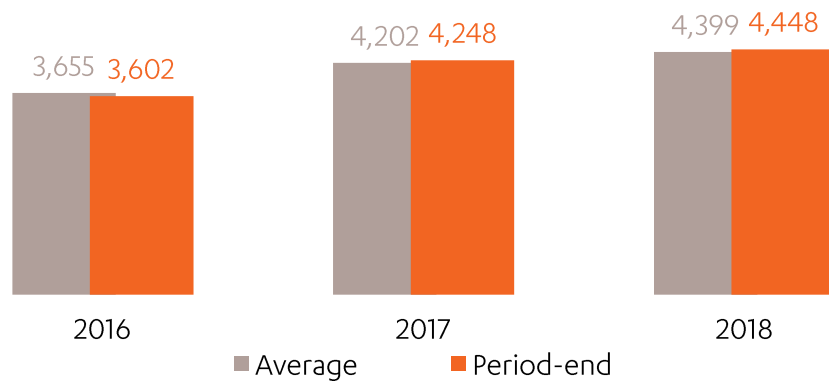
Staff

Value and % (sales)

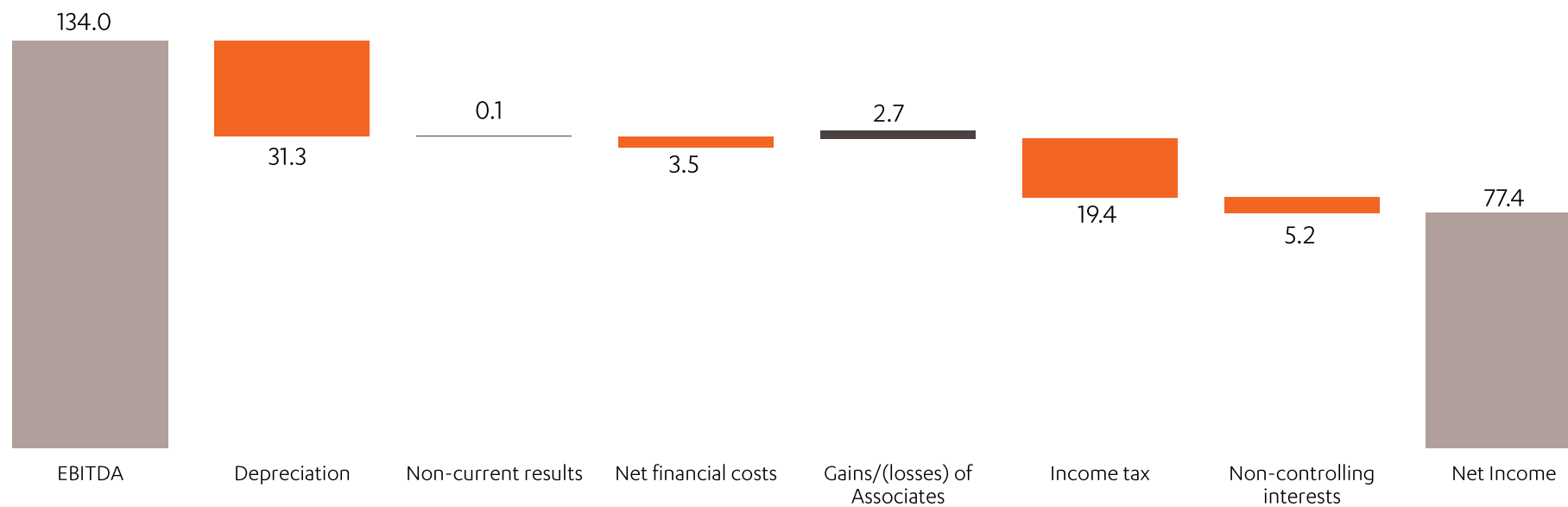


Values in million euros.

Number of employees



Net Income



Key P&L Figures



	2016	2017	2018	yoy	4Q 17	4Q 18	qoq
Sales	641.4	701.6	763.1	8.8%	170.1	179.4	5.4%
Gross Margin	334.7	373.5	386.5	3.5%	89.1	88.8	-0.3%
Operating Costs (incl. depreciation)	238.7	269.5	283.8	5.3%	68.7	70.9	3.2%
EBITDA	122.3	133.6	134.0	0.3%	28.2	25.6	-9.5%
Depreciation	26.3	29.6	31.3	5.7%	7.9	7.7	-2.3%
EBIT	96.0	104.0	102.7	-1.2%	20.4	17.9	-12.2%
Non-recurrent costs	4.4	2.9	-0.1	-	1.3	0.6	-53.5%
Net financial costs	-0.9	1.3	3.5	n.m.	0.5	1.3	n.m.
Share of (loss)/profit of associates	50.0	1.0	2.7	n.m.	0.1	0.6	n.m.
Profit before tax	142.6	100.8	102.0	1.2%	18.6	16.5	-11.3%
Income tax	37.9	24.3	19.4	-20.1%	1.3	-2.5	n.m.
Non-controlling interest	2.0	3.6	5.2	47.0%	0.6	0.2	-62.7%
Net Income	102.7	73.0	77.4	6.0%	16.7	18.8	12.8%

	2016	2017	2018	yoy	4Q 17	4Q 18	qoq
Gross Margin / Production	53.2%	52.9%	49.2%	-3.7 p.p.	51.5%	49.2%	-2.3 p.p.
EBITDA / Sales	19.1%	19.0%	17.6%	-1.4 p.p.	16.6%	14.3%	-2.3 p.p.
Earnings per share (€)	0.772	0.549	0.582	6.0%	0.125	0.141	12.8%

Net Debt



Debt | Ratios

	2016	2017	2018
Net Debt	35.9	92.8	139.0
Net Debt / EBITDA *	0.29	0.69	1.04
EBITDA / Net Interest	108.6	135.9	108.0
Gearing	8.4%	20.2%	27.9%
Net working capital (NWC) **	286.6	361.1	0.4
NWC** / Market capitalization	25.4%	26.4%	0.0%
NWC** / Sales x 360	160.9	179.5	0.2
Free cash flow (FCF)	86.9	34.0	11.2
Capex	33.6	43.7	57.9
Return on invested capital (ROIC)	16.9%	15.0%	11.8%
Average Cost of Debt	1.80%	1.67%	1.09%

* Current EBITDA of the last four quarters

** NWC calculation method was changed with impact on the other operating assets and liabilities. To allow comparability and analysis of NWC variation, comparative data was reexpressed

NWC = Inventories + Trade receivables + Other operating assets – Trade payables – Other operating liabilities

FCF = EBITDA – Non-current cash expenditures – Net financing expenses – Income tax – Capex – NWC variation

ROIC = Annualized NOPAT / Capital employed (average)

Financial Position

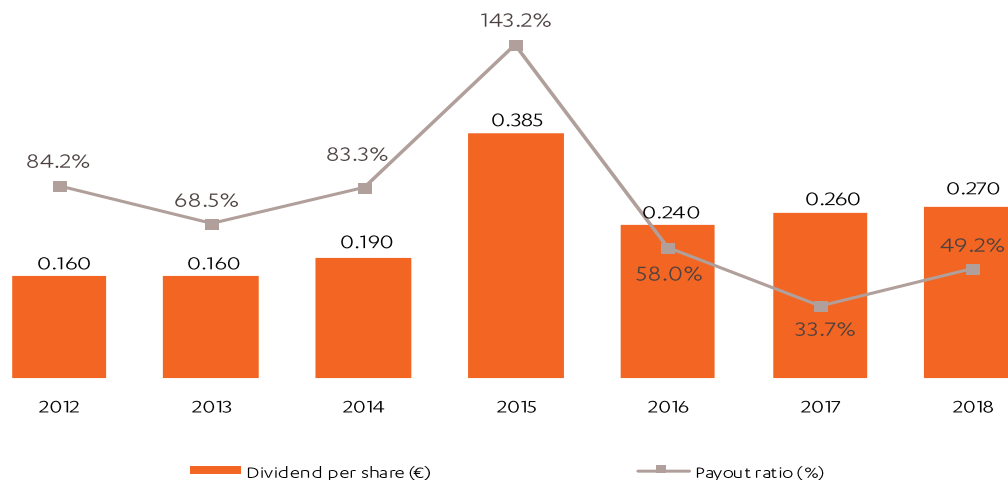
	2016	2017	2018
Net Goodwill	0.0	9.8	14.0
Net Fixed Assets	197.5	227.9	259.6
Net Working Capital *	286.6	359.0	414.5
Other **	22.9	21.9	21.4
Invested Capital	507.0	618.7	709.4
Net Debt	35.9	92.8	139.0
Share Capital	133.0	133.0	133.0
Reserves and Retained Earnings	278.1	297.5	333.4
Non Controlling Interests	15.9	29.5	31.9
Agreement to acquire non-controlling interests	-	19.0	20.4
Taxes and Deferred Taxes	-1.6	-17.0	-12.6
Provisions	30.7	41.2	43.4
Grants ***	15.1	22.6	21.3
Equity and other sources	471.1	525.8	570.7

* Inventories + accounts receivables - accounts payables + other operating assets/(liabilities)

** Investment property + Investments in associates + Intangible assets + Other non-operating assets/(liabilities)

*** Non interest bearing grants (reimbursable and non-reimbursable)

Dividends



Attractive Dividend Payment

11% Compound Annual Growth Rate in the last 5 years;

The Board of Directors **will propose** the approval of a **gross dividend of € 0.185 per share** at the upcoming Shareholders General Meeting (April 12, 2019);

In 2018, a total of 35.9 M€ was paid out in dividends, an increase of 4% on 2017.

		2012	2013	2014	2015	2016	2017	2018
Issued shares	Qt.	133,000,000	133,000,000	133,000,000	133,000,000	133,000,000	133,000,000	133,000,000
Year-end close (N-1)	€	1.350	1.600	2.210	3.020	5.948	8.500	10.300
Earnings per share (N-1)	€	0.200	0.246	0.242	0.285	0.431	0.772	0.549
Payout	%	84.2%	68.5%	83.3%	143.2%	58.0%	33.7%	49.2%
Dividend per share	€	0.160	0.160	0.190	0.385	0.240	0.260	0.270
Total dividend	M€	20.2	20.1	23.9	50.2	31.9	34.6	35.9
Dividend Yield	%	14.0%	11.3%	9.3%	13.5%	5.5%	3.6%	2.4%

Dividend of year N-1 is paid in year N
 Dividend yield = dividend per share/average share price (N-1)
 2015: dividend of 0.385€ per share includes an additional dividend of 0.195€ per share (Nov. 2015) as an application of gains accrued in the ABB of treasury stock (5.62%)

Stock Market | CORA.LS



Source: Euronext



Source: Euronext

	2012	2013	2014	2015	2016	2017	2018
Qt. of shares traded	2,856,436	2,184,858	3,481,685	12,693,424	10,801,324	19,290,907	14,884,641
Share price (€):							
Maximum	1.650	2.400	3.650	6.290	9.899	13.300	12.000
Average	1.420	2.040	2.850	4.340	7.303	11.067	10.604
Minimum	1.270	1.560	2.200	2.990	5.200	8.180	8.370
Period-end	1.600	2.210	3.020	5.948	8.500	10.300	9.000
Trading Frequency	85.2%	89.3%	96.1%	98.8%	100.0%	100.0%	100.0%
Stock market capitalisation at period-end (€)	212,800,000	293,930,000	401,660,000	791,084,000	1,130,500,000	1,369,900,000	1,197,000,000

Source: Euronext|Corticeira Amorim

Qt. of shares traded in 2015 includes the ABB of 7,399,262 shares (17-09-2015).



AMORIM

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