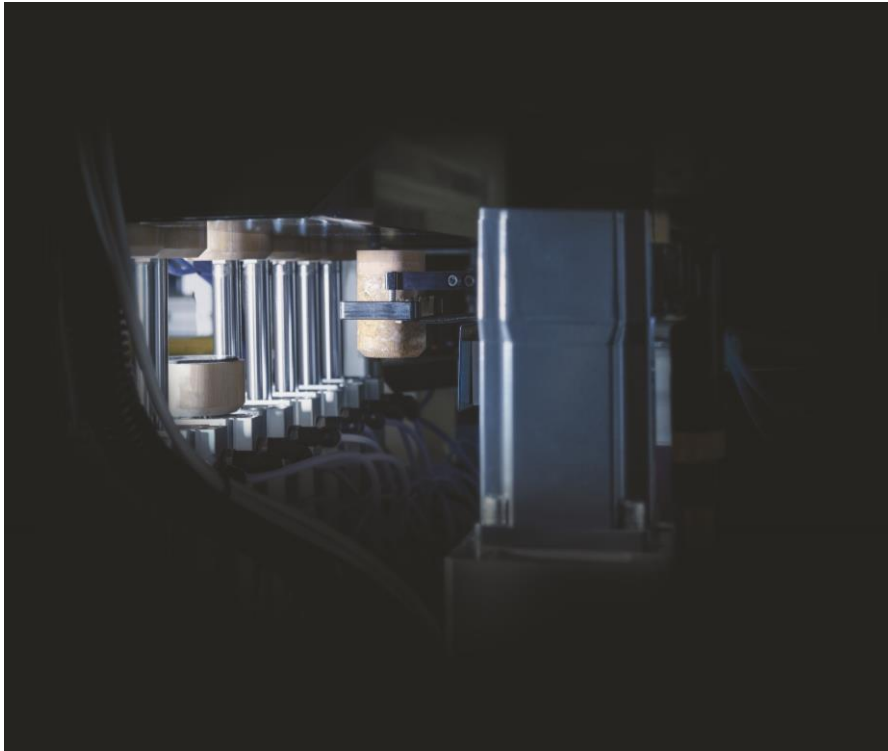


Corticeira Amorim 9M2019



In brief



Launch of **NDtech Sparkling**, a cutting-edge quality control screening technology: the world's first two-disc sparkling wine stopper with an individual, non-detectable TCA guarantee.

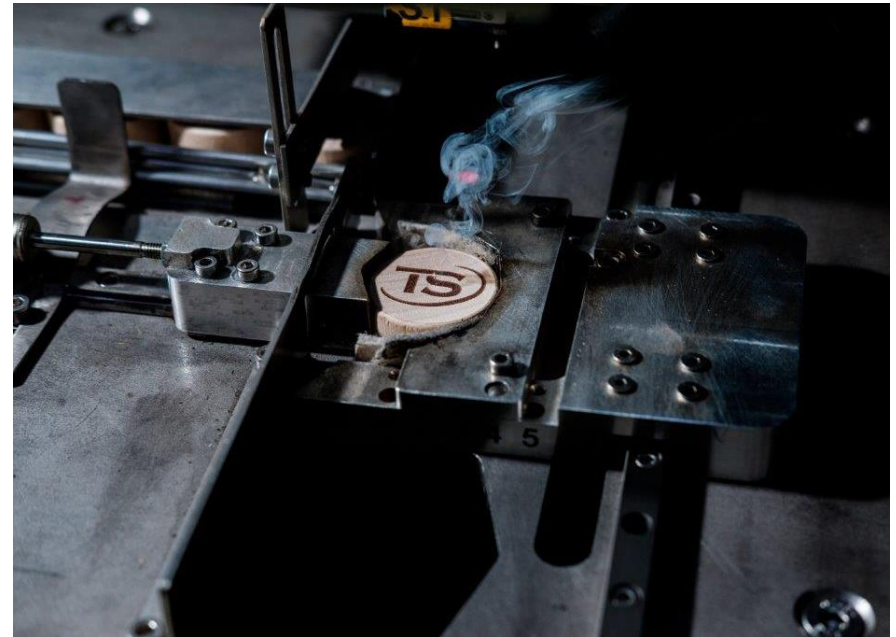


PwC study, commissioned by Amorim, concluded **Neutrocork** cork stopper has a **positive carbon footprint**. Each cork stopper is responsible for the **retention of 392grams of CO₂**.

In brief



Acquisition of 50% of Vinolok. The historic association between cork and glass is expected to foster additional gains for premium and ultra-premium packaging of wines and spirits, in terms of sustainability, convenience and design.



Amorim Top Series launches a 100% natural capsulated cork stopper, developed in partnership with Cork Composite division, which combines cork with new bio-polymers derived exclusively from renewable resources.

In brief



Launch of WISE, 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.

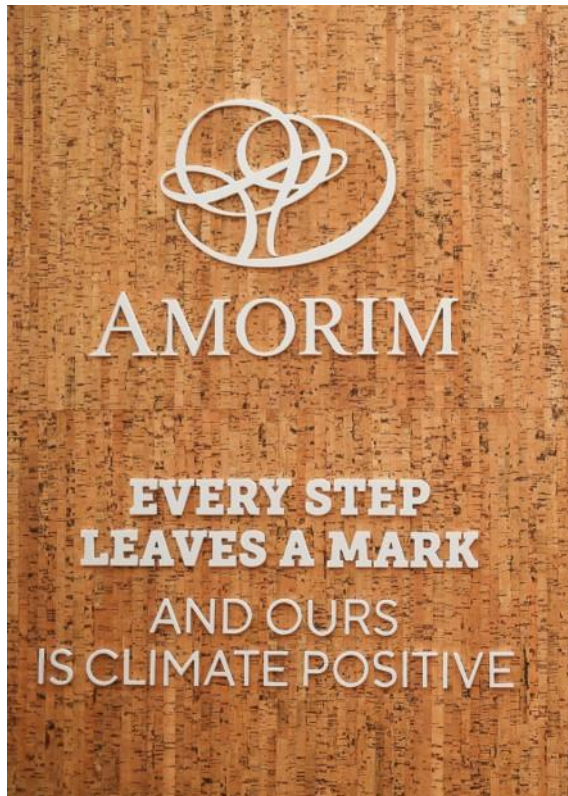


WISE by Amorim won the **Innovation Award for Architecture + Construction at BAU**, the world's leading trade fair for architecture and building materials (Munich). WISE was also **shortlisted in the Innovation category - Green Building Material of the Year**, which awards materials and solutions designed to build a better future with the lowest environmental footprint.

In brief



**“Together
Towards
Sustainability”**
was the motto
of the 2nd
edition of
Architects@
Amorim.



In brief



Launch of Go4Cork, the circular brand that encompasses a wide range of products with strong design, performance and sustainability credentials aimed at the do-it-yourself segment.

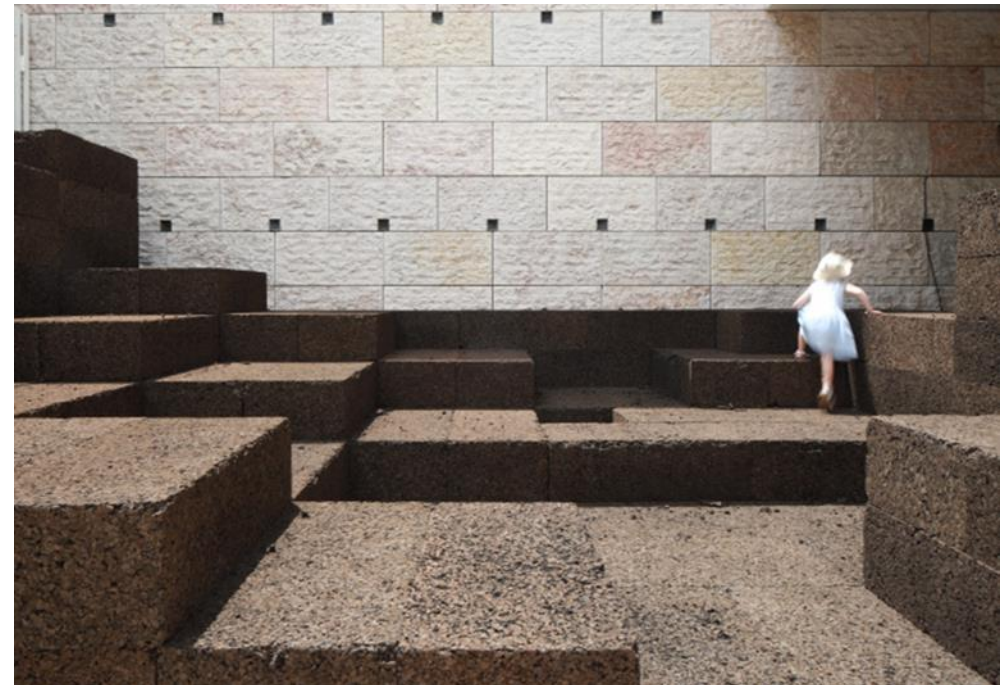


ACM52 is Amorim Cork Composites' latest multifunctional material, used as the primary decking solution for the interior of cruise ships, **to reduce the carbon footprint of ships.**

In brief



Designed by **Tom Dixon** -
Cork in the garden of the future of the Chelsea Flower Show, in London,. The project was awarded a silver medal by the Royal Horticultural Society



The summer with cork in the Square: 1,900 blocks of expanded cork agglomerate were used to create Gardens of Stone, designed by the Atelier Barbas Lopes for the programme A Square in the Summer of the **Centro Cultural de Belém**, Lisbon.

In brief

Leonor Antunes and Nacho Carbonell take Portuguese cork to the 58th Venice Biennale 2019



Leonor Antunes presents “A seam, a surface, a hinge, or a knot” a cork flooring with drawings by Carlo Scarpa for the Palazzo Giustinian Lolin, the Official Portuguese Delegation | Pavilion of Portugal.



Nacho Carbonell presents the “Inside a Forest Cloud” chandelier, in a creative and eloquent dialogue with the impressive Ca’ d’Oro, one of the Grand Canal’s most outstanding and crowded palaces.

In brief



Finalist in the prestigious Stirling Prize and **winner of the RIBA's Stephen Lawrence 2019 award**, the innovative Cork House (Berkshire, UK) was built with Amorim's expanded cork agglomerate.

Houses designed by Frank Lloyd Wright classified as World Heritage sites by UNESCO

In the interior of the Fallingwater house (Pennsylvania, USA), cork's natural colour complements Wright's specified palette of materials associated to the natural surroundings, providing acoustic insulation, warmth and softness.



In brief

Climate Change Leadership: as a founding member of The Porto Protocol Corticeira Amorim is deeply committed to creating a sustainable future for generations to come.



“By sharing best practices and near-term solutions we are capable of making a difference” climate leader Al Gore said during his speech at Climate Change Leadership Porto.

In brief



Photo: courtesy of WBCSD.



World Business Council for Sustainable Development

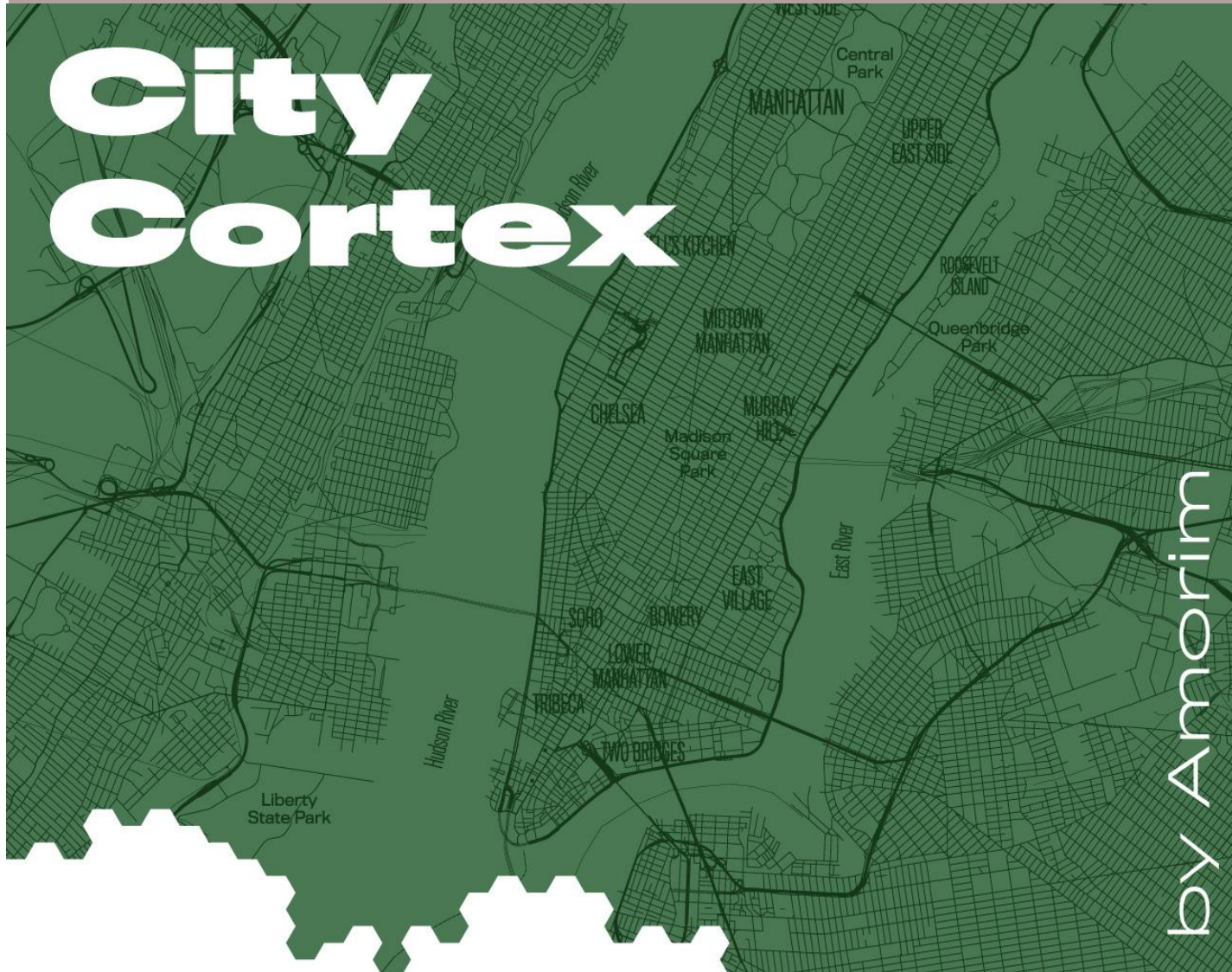
Council Meeting in Lisbon

As one of the speakers in the “Disrupt or be disrupted: Fostering Innovation for Change” session, CEO António Rios de Amorim spoke about innovation for sustainability and Amorim’s innovation culture.

In brief



City Cortex



by Amorim

Corticeira Amorim presents City Cortex

A research program devised in partnership with ExperimentaDesign that focuses on the intersection between contemporary urban contexts and cork.

Creation of original projects for public or semi-public spaces in the city of New York, through the development of *in situ* research on the potential of Portuguese cork and its transformation industry.

www.city-cortex.com

In brief



Invited architects and designers:

Gabriel Calatrava
(cal.xyz)

Diller Scofidio & Renfro
(dsrny.com)

Sagmeister & Walsh
(sagmeisterwalsh.com)

Leong Leong
(leong-leong.com)

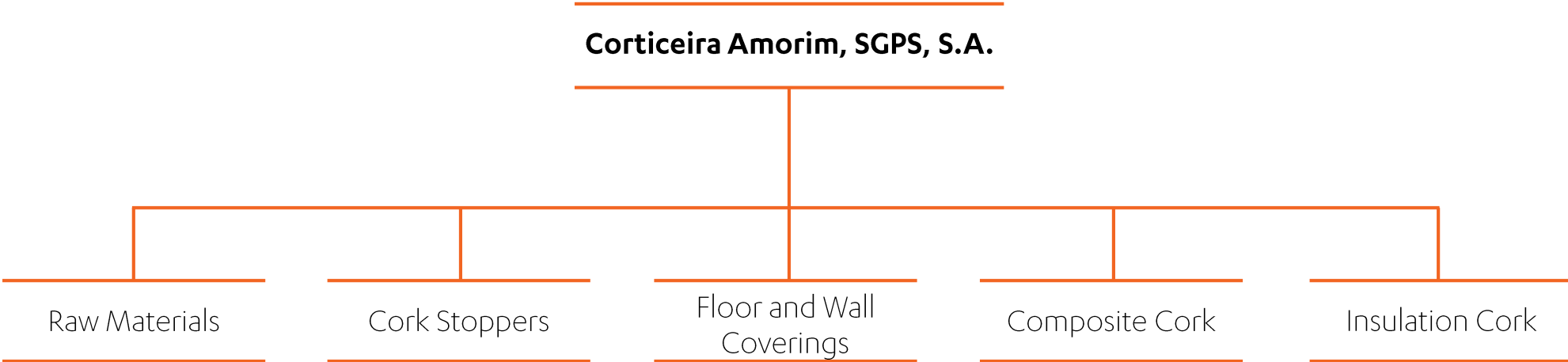
Philippe Starck
(starck.com)

All the architects and designers have had the opportunity to delve into the universe of cork, understanding its possibilities and witnessing how it is transformed, used and reused at Corticeira Amorim's facilities.

Integral Verticalization



Corticeira Amorim, SGPS, S.A.



People, Planet and Profit



Alignment with United Nations' SDG



Sustainability Strategy aligned with 12 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

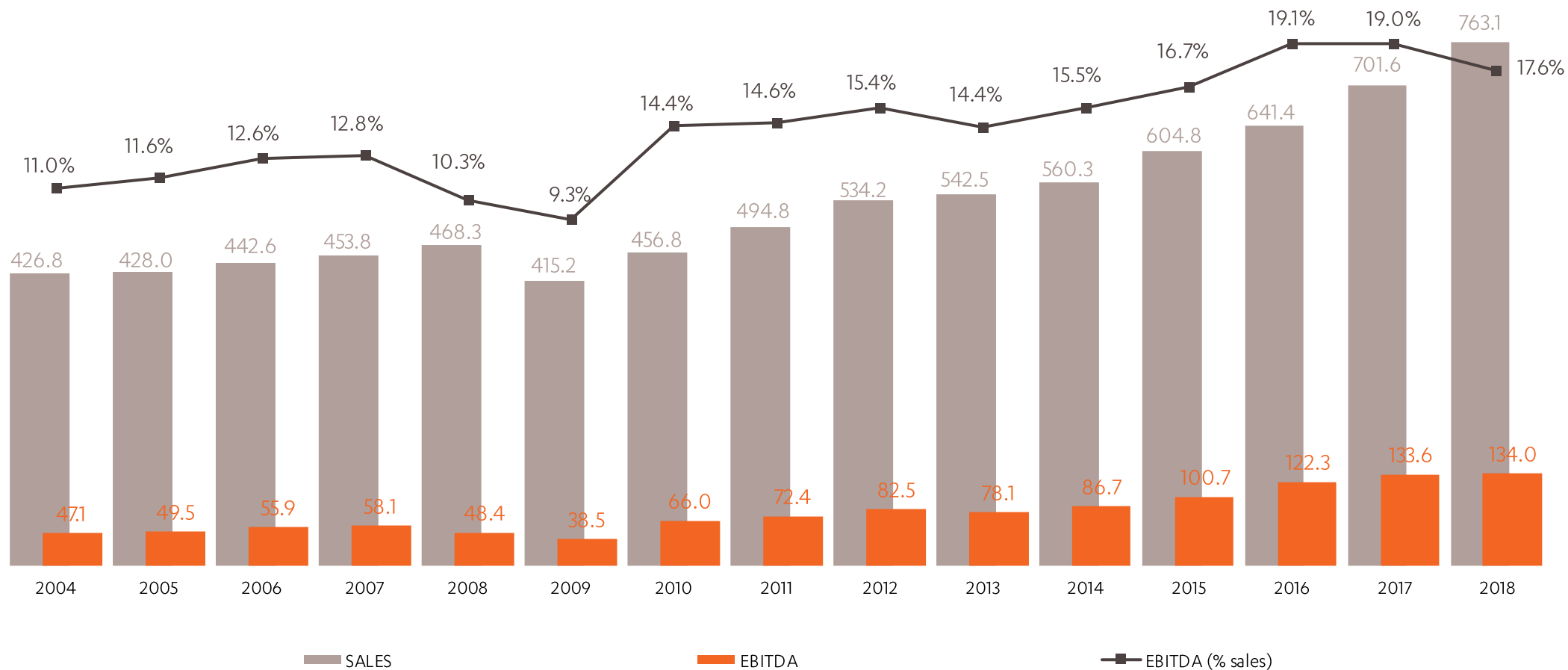


Promote R&D and leverage economic performance

- Economic Performance
- Research, Development and Innovation



Sales & EBITDA



Values in million euros.



Consolidated Results

Acquisitions – July 2019

VINOLOK: acquisition of 50% for the amount of 11.0 M€; the seller will maintain ownership of the remaining 50%;

In brief:

- Owned by Preciosa Group and headquartered in the Czech Republic,
- Produces and sells high-end glass closures for wine and spirits bottles,
- Operates mainly in Europe, particularly in France and Italy,
- 2019FY (end-March): turnover: 16 M€ | EBITDA: 5.3 M€,
- Employees: 170;

Included in **Corticeira Amorim's consolidated accounts**

– **B/S an P&L** - from July 25, 2019

- Consolidation method: equity,
- Business Unit: Cork Stoppers.

BOURRASSE: acquisition of a 10% stake for the amount of 5.0 M€.



Key Facts & Figures

Sales rose to 602.6 M€ (+3.2%):

- Raw Materials: +15.0%;
- Cork Stoppers: +5.3%;
- Floor & Wall Coverings: -1.4%;
- Composite Cork: +2.2%;
- Insulation: +18.1%;

Positive impact from FX: 6.1 M€ at sales level;

EBITDA/Sales: 16.1% (FY18: 17.6%)

- EBITDA of 96.8 M€;
- Increased cork prices and operational costs, partially offset by price increases, FX and efficiency gains;

Raw Materials + Cork Stoppers:

- Sales increased by 4.1% to 443.6 M€;
- EBITDA/Sales of 21.0% (FY18: 22.3%);
- 73% of consolidated sales (FY18: 72%);

Non-recurrent results of -1.0 M€, mostly due to restructuring and transaction costs (related with the acquisition of Vinolok);

Share of profit of Associates totalled 5.7 M€;

includes the distribution of Escrow Funds from US Floors (2.3 M€) and Vinolok's acquisition (0.7 M€);

Income tax fell to 16.0 M€, reflecting the positive impact of the reversal of a provision related to the utilisation of tax losses at a subsidiary in Spain;

Net Income totalled 54.4 M€ (9M18: 58.6 M€);

Application of IFRS 16 resulted in increases in EBITDA (+1.1 M€), depreciations (+1.1 M€) and net debt (+4.6 M€), as of September 30;

Net debt of 161.3 M€ (FY18: 139.0 M€):

- Capex (36.3 M€),
- Increased NWC needs (25.9 M€),
- Dividends paid (24.6 M€),
- Acquisition of subsidiary / associated (17.0 M€)
- Adoption of IFRS 16 (excluding this impact, net debt would have been 156.7 M€).

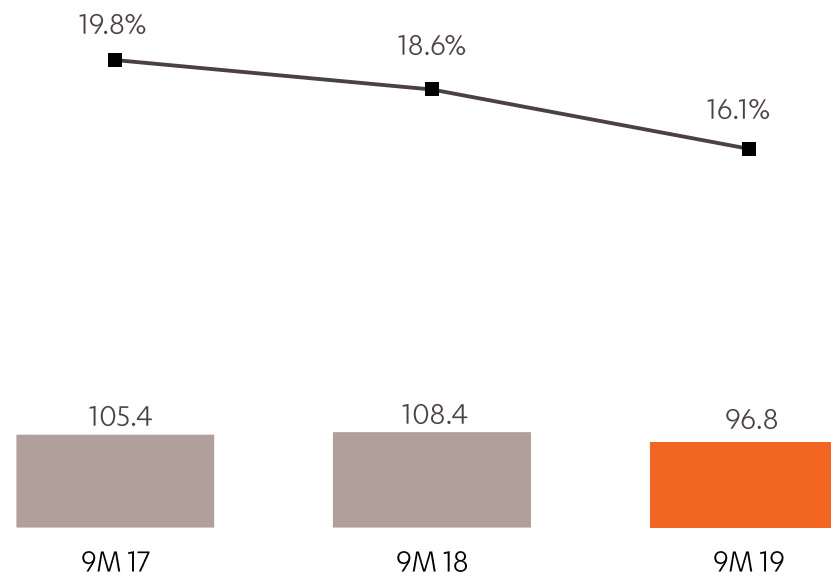
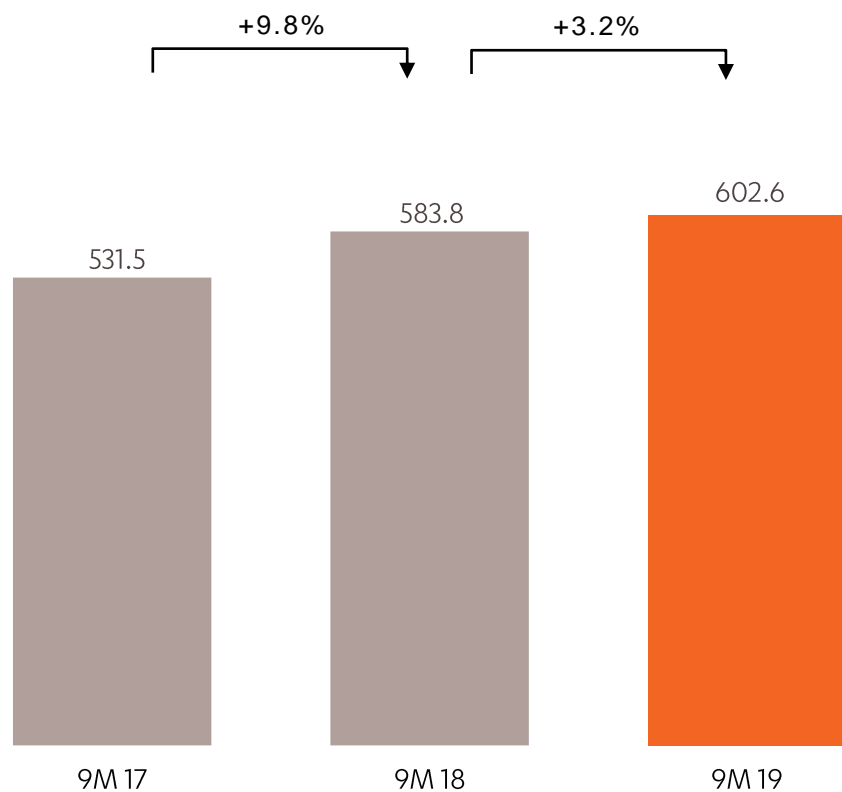
Dividends: the Board of Directors will propose at the GSM an additional dividend of €0.085/share.

Sales | EBITDA



Sales

EBITDA

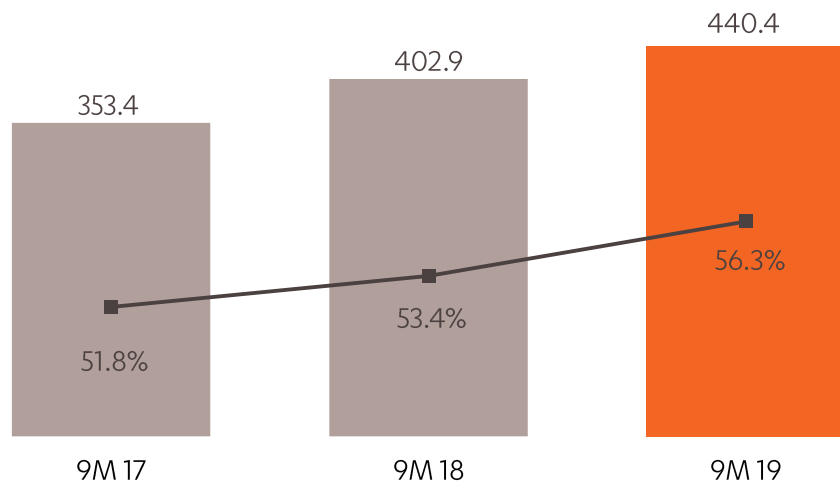


■ EBITDA

■ EBITDA (%sales)

Net Working Capital | Net Debt

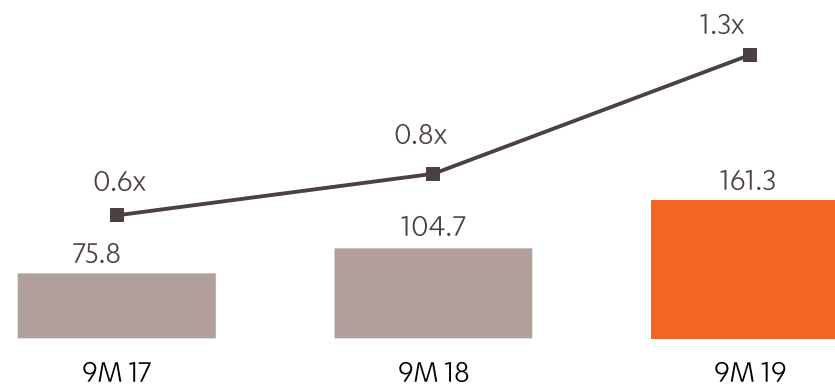
Net Working Capital



NET WORKING CAPITAL

NWC / SALES
(Current sales of the last four quarters)

Net Debt



NET DEBT

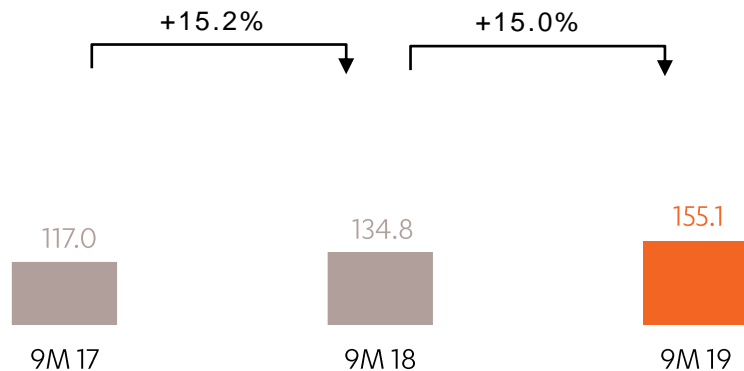
NET DEBT / EBITDA
(Current EBITDA of the last four quarters)



Business Units

Raw Materials

Sales



Sales increased by 15.0% to 155.1 M€

Strong sales growth supported by:

- Increased activity levels,
- Higher sales prices (cork);

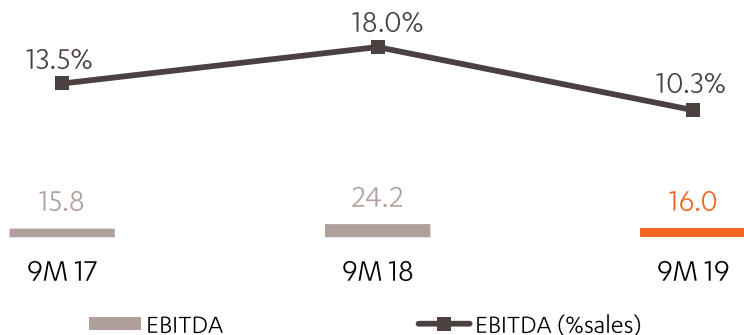
EBITDA margins negatively impacted by:

- Consumption of cork purchased at higher prices (2018 harvest),
- Lower cork yields,
- Increased operational costs;

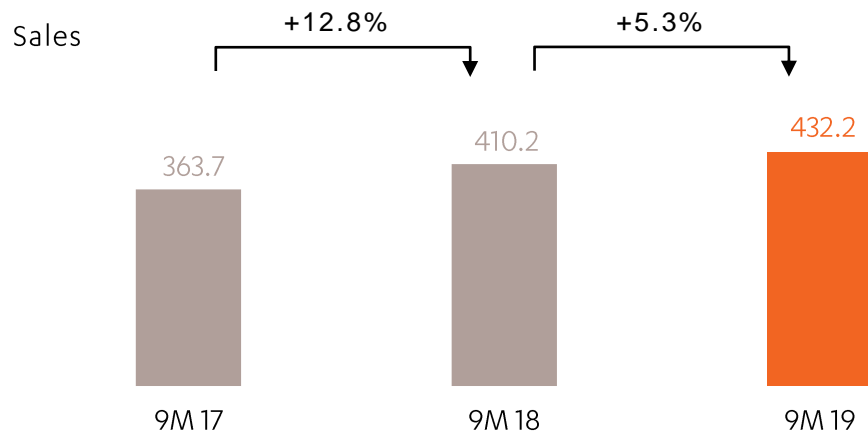
New technology to produce discs introduced in September expected to improve cork yields and margins; scale-up of technology to eradicate TCA from natural discs, an important step towards achieving the highest standards of sensorial quality;

2019 cork campaign concluded, with prices declining approximately 6%-7%; higher volumes vs. 2018, but below initial expectations due to unfavourable weather conditions.

EBITDA



Cork Stoppers



Sales increased by 5.3% to 432.2 M€

Robust sales growth, driven by:

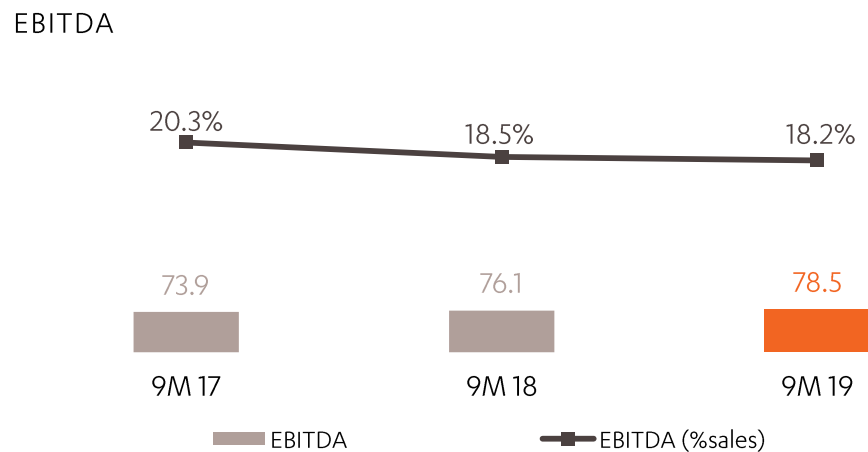
- Price increases,
- Higher volumes,
- Supportive USD,
- Better product mix;

Sales growth in all business segments: spirits (+11%), sparkling wines (+8%) and still wines (+3%);

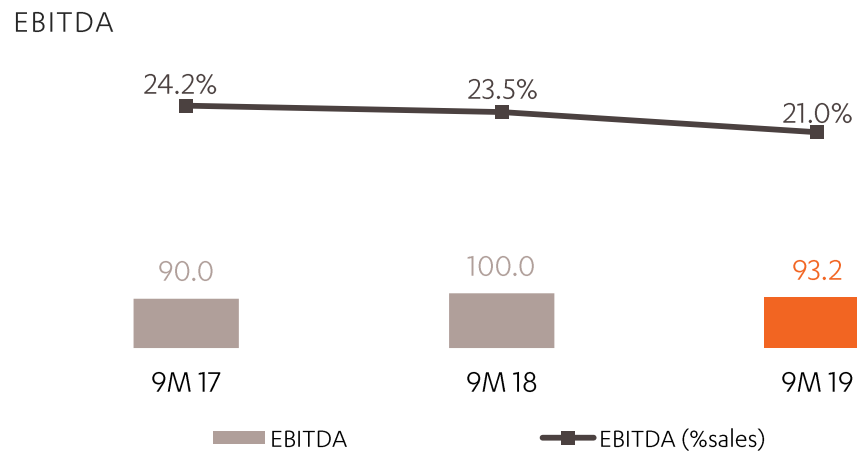
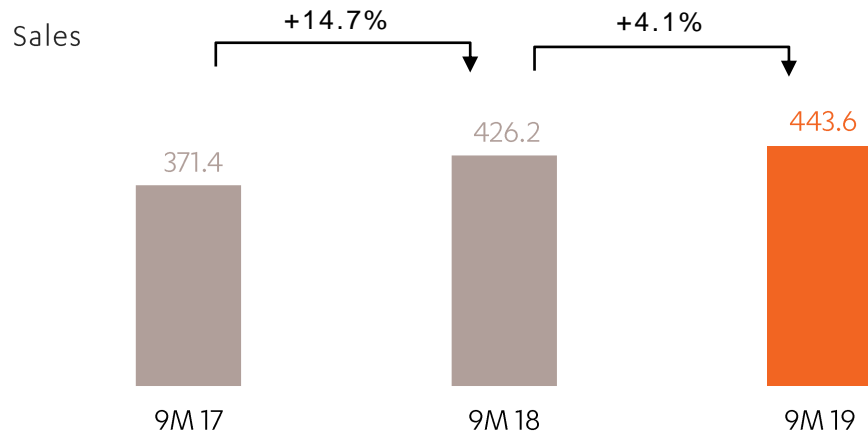
Positive performance in the most important wine markets, namely the US and Italy; sales decline in France, reflecting a weak 2017 wine harvest in the Bordeaux region;

NDtech® sales of 43 million stoppers (9M18: 37 million); Ndtech quality screening technology extended to sparkling wine stoppers;

EBITDA margins stable, despite higher raw material prices, increased operational costs, and impairments.

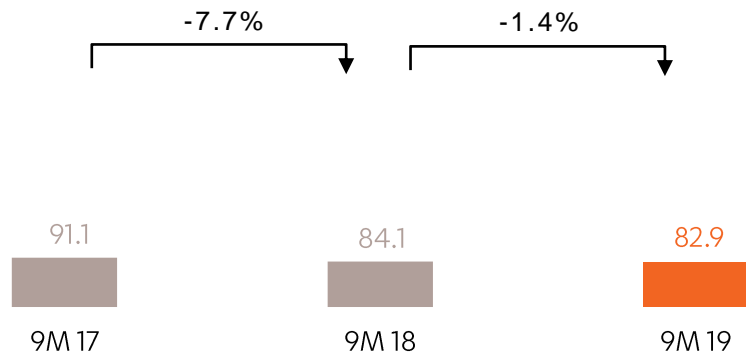


Raw Materials + Cork Stoppers



Floor & Wall Coverings

Sales



Sales decreased by 1.4% to 82.9 M€

No sales growth on declining volumes, despite price increases;

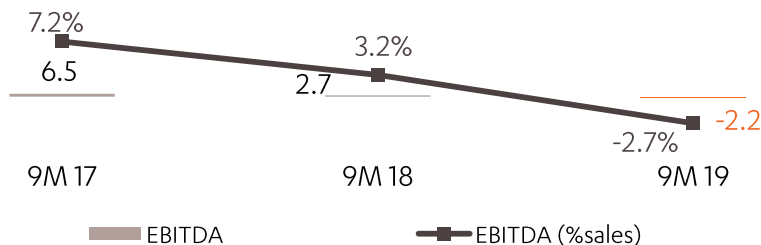
Robust sales in Scandinavia, Portugal and Italy, but declining in North America and China;

Sales of WISE: 3.7 M€; commercialisation only kicked-off in July due to delays with its technical validation (concluded by mid-June);

EBITDA margins remained negative on:

- Lower production levels,
- Worse product mix,
- Higher raw-material prices,
- Increased marketing and development costs (mostly related to WISE);

EBITDA



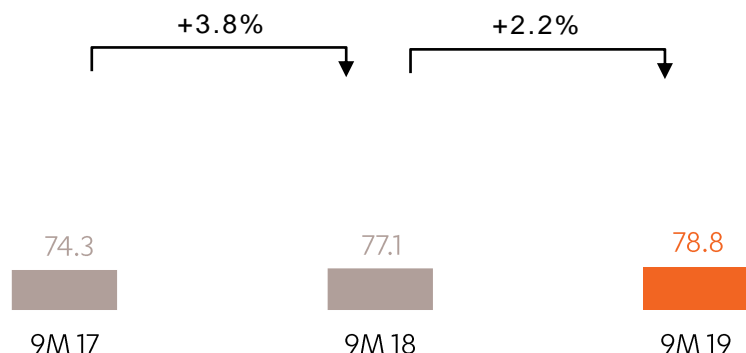
Turn-around of this BU to be driven by:

- Increased sales and improved product mix,
- Higher operational efficiency (industrial revamping, improved logistics),
- Rationalisation of product portfolio,
- Brand repositioning and reliable service.

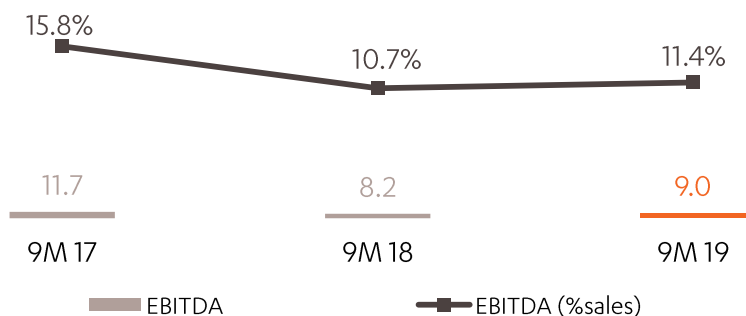


Composite Cork

Sales



EBITDA



Sales increased by 2.2% to 78.8 M€

Sound sales growth, mostly driven by price increases and a stronger USD;

New products and applications already an important contributor to sales growth (+1.3 M€);

Strong performance in the Sports Surfaces and Resilient & Engineered Flooring Manufacturers segments,

Major sales declines in Multi-purpose Seals & Gaskets, Office Products and Heavy Construction;

Despite negative impact of higher cork and operating costs, EBITDA margins improved on:

- Increased efficiency and grinding yields,
- Lower prices of non-cork raw materials;

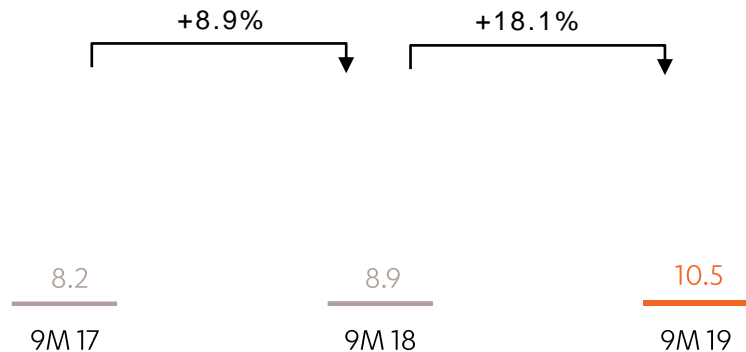
Growth initiatives:

- Geographic expansion (UK, LatAm, Central Europe),
- New products and applications (strong focus on circular economy)
- Market intelligence and Replica initiatives.



Insulation Cork

Sales



Sales increased by 18.1% to 10.5 M€

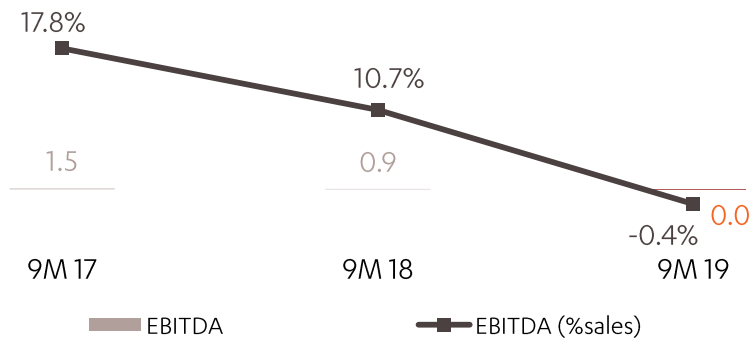
Strong sales growth supported by:

- Higher volumes,
- Price increases,
- FX,
- Granulated cork sales to the other BUs (excluding this effect, sales would have increased 12.8%);

Increased cork-use optimisation, but EBITDA declined reflecting:

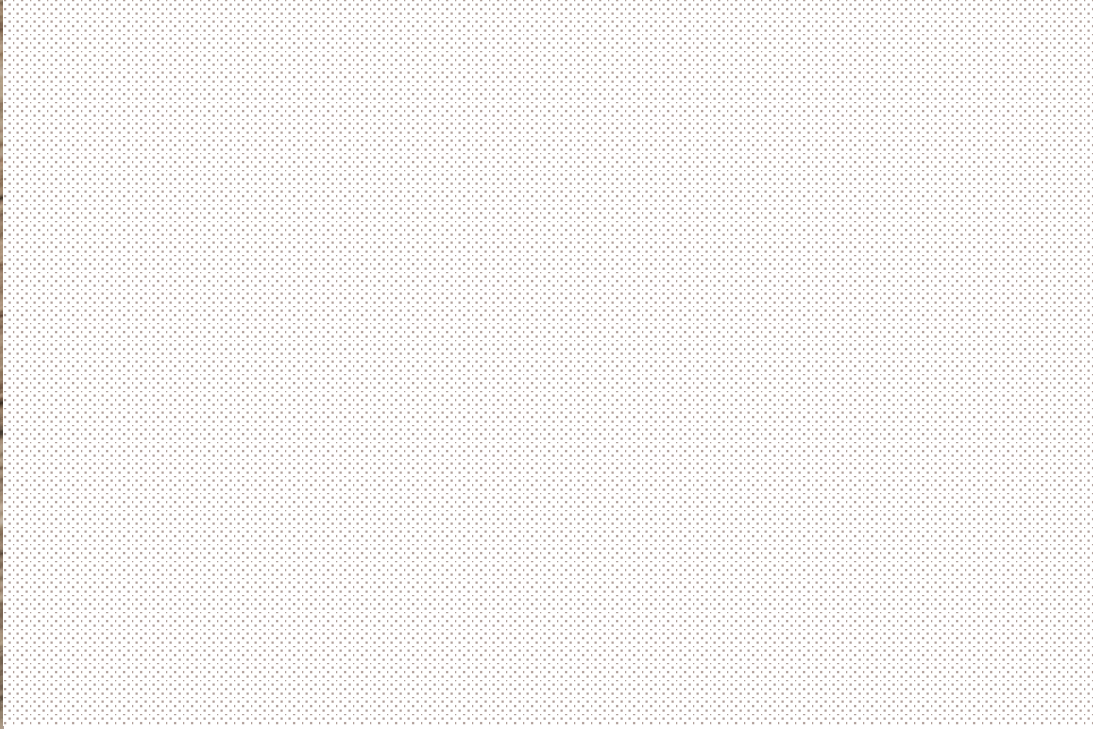
- High cork consumption costs,
- Product mix;

EBITDA



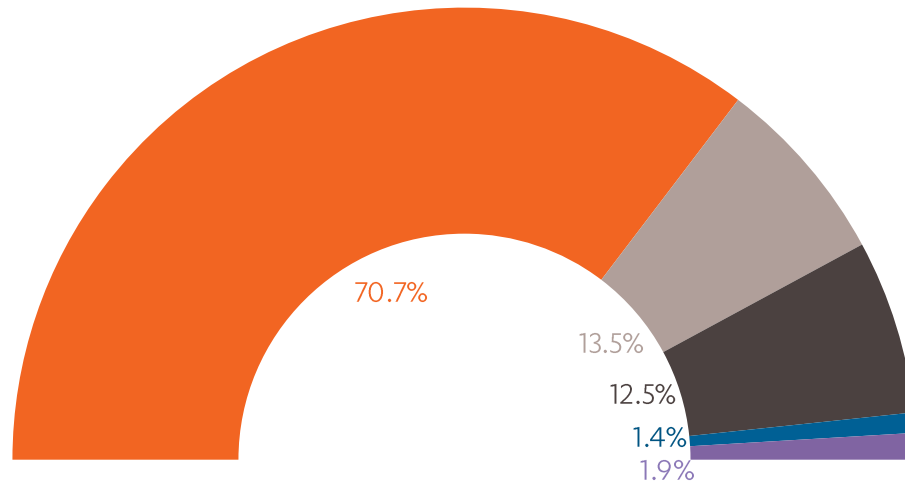
Expanded insulation corkboard highly sensitive to changes in prices and yields of cork, as this is the only raw material used by this BU; as inventories of cork purchased at the highest price levels are exhausted, profitability of this BU is expected to continue to recover, after bottoming out in 2Q19.





Key Financials

Sales by Business Unit

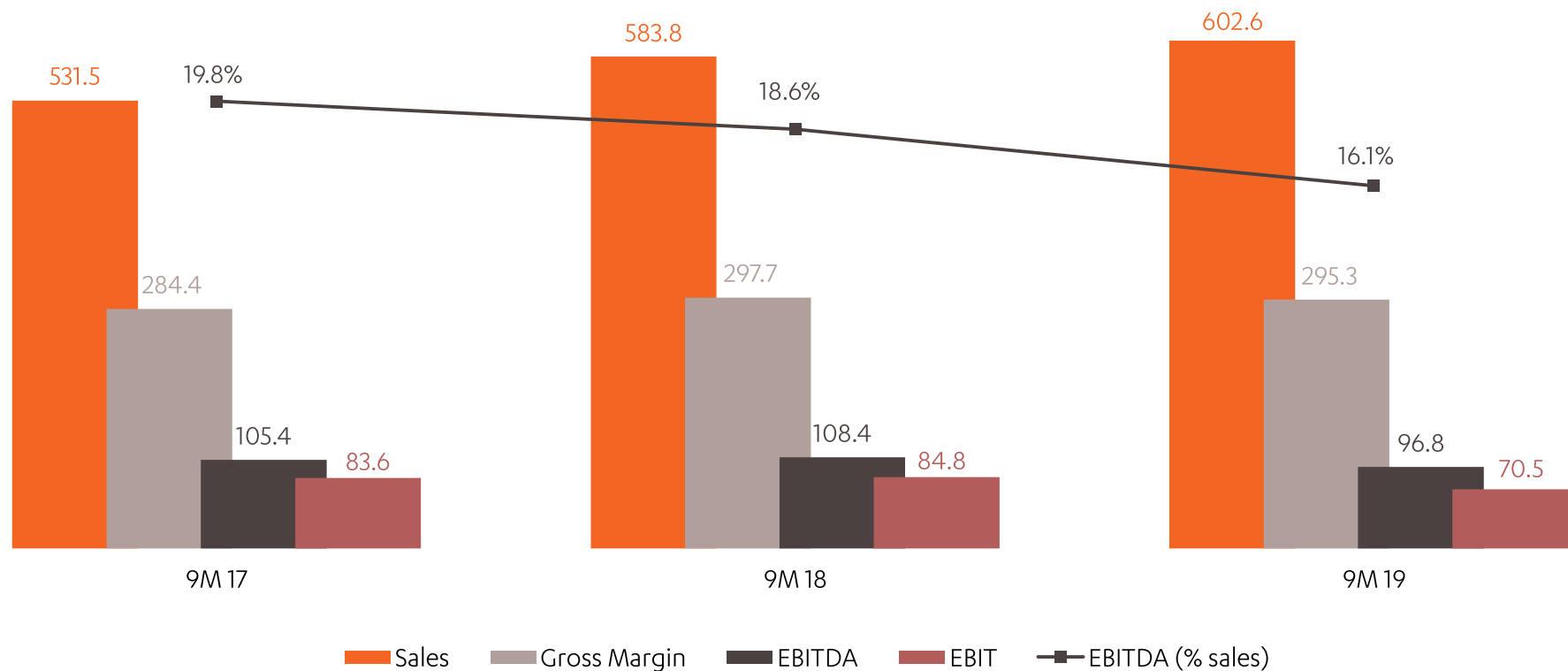


■ Cork Stoppers
 ■ Floor and Wall Coverings
 ■ Composite Cork
 ■ Insulation Cork
 ■ Raw Materials

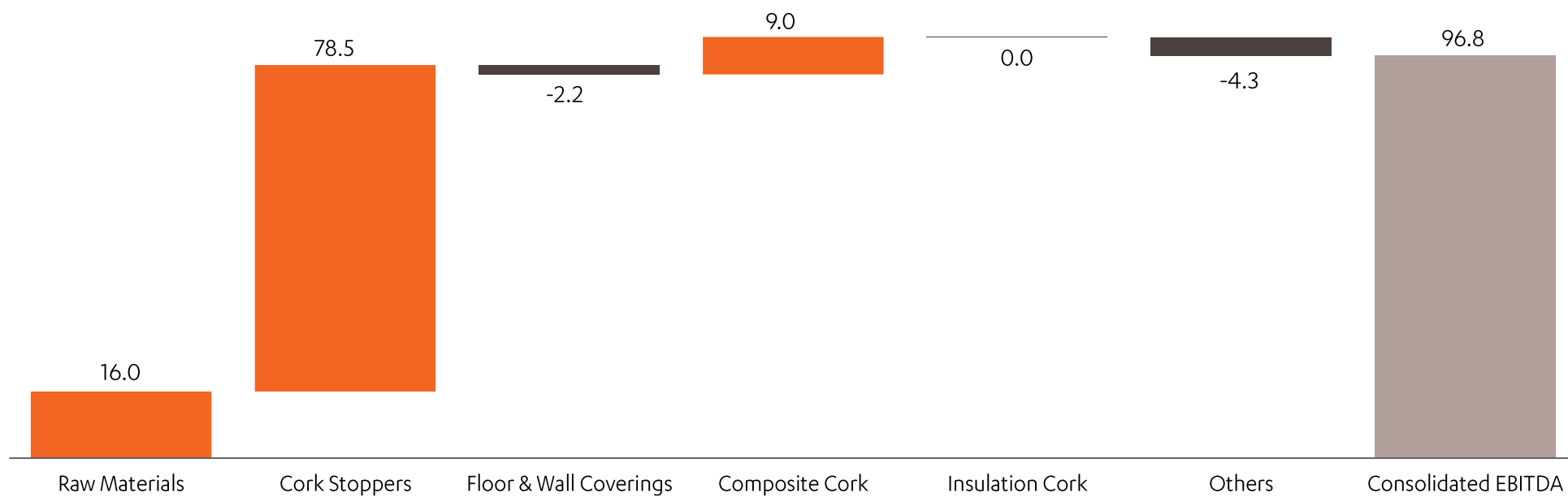
	9M 17	9M 18	9M 19
Raw Materials + Cork Stoppers	69.2%	72.0%	72.6%
Floor and Wall Coverings	16.7%	14.0%	13.5%
Composite Cork	12.7%	12.7%	12.5%
Insulation Cork	1.4%	1.3%	1.4%
	100%	100%	100%



Sales | Gross Margin | EBITDA | EBIT

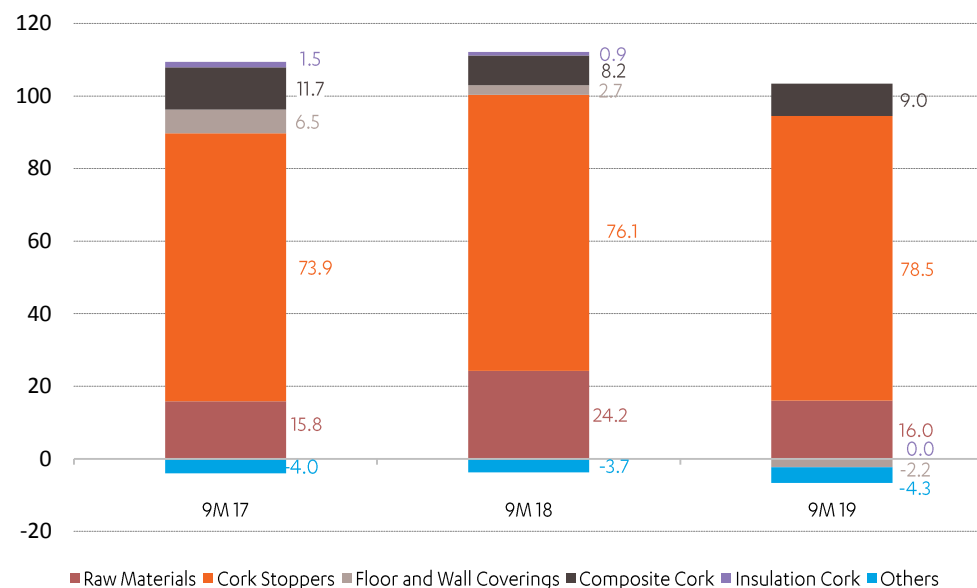


EBITDA by BU



EBITDA by BU

EBITDA by BU (value)



EBITDA/Sales (%)

	9M 17	9M 18	9M 19
Raw Materials + Cork Stoppers	24.2%	23.5%	21.0%
Floor and Wall Coverings	7.2%	3.2%	-2.7%
Composite Cork	15.8%	10.7%	11.4%
Insulation Cork	17.8%	10.7%	-0.4%
Consolidated	19.8%	18.6%	16.1%



Key P&L Figures

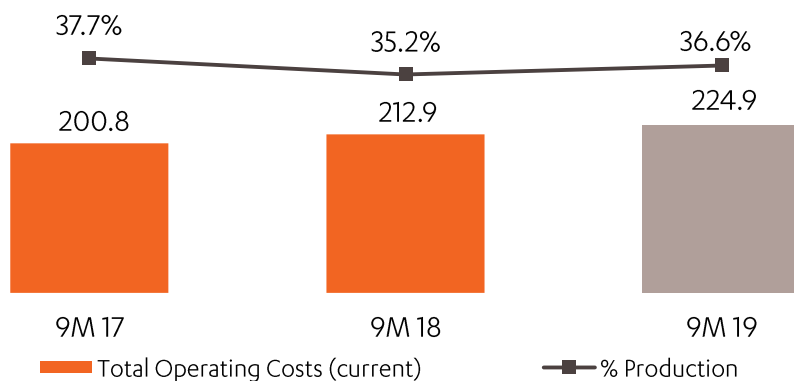


	9M 17	9M 18	9M 19	yoy	9M 19 w/o IFRS 16	IFRS 16
Sales	531.5	583.8	602.6	3.2%	602.6	-
Gross Margin	284.4	297.7	295.3	-0.8%	295.3	-
Operating Costs (incl. depreciation)	200.8	212.9	224.9	5.6%	224.9	-
EBITDA	105.4	108.4	96.8	-10.7%	95.7	1.1
Depreciation	21.7	23.6	26.3	11.5%	25.2	1.1
EBIT	83.6	84.8	70.5	-16.9%	70.5	-
Non-recurrent costs	1.6	-0.7	1.0	-	1.0	-
Net financial costs	0.8	2.2	1.3	-40.3%	1.3	-
Share of (loss)/profit of associates	1.0	2.1	5.7	168.9%	5.7	-
Profit before tax	82.2	85.5	73.9	-13.6%	73.9	-
Income tax	22.9	21.9	16.0	-27.0%	16.0	-
Non-controlling interest	2.9	5.0	3.5	-30.2%	3.5	-
Net Income	56.4	58.6	54.4	-7.1%	54.4	0.0

	9M 17	9M 18	9M 19	yoy	9M 19 w/o IFRS 16
Gross Margin / Production	53.3%	49.2%	48.1%	-1.1 p.p.	48.1%
EBITDA / Sales	19.8%	18.6%	16.1%	-2.5 p.p.	15.9%
Earnings per share (€)	0.424	0.441	0.409	-7.1%	0.409

Operating Figures

Operating costs

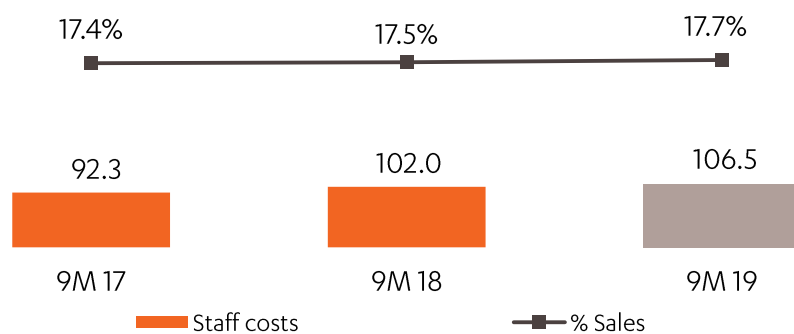


	9M 17	9M 18	9M 19	yoy
External supplies	85.7	90.6	93.8	3.5%
Transports	19.0	19.1	19.7	3.4%
Energy	9.8	11.1	10.8	-2.9%
Staff costs	92.3	102.0	106.5	4.4%
Depreciation	21.7	23.6	26.3	11.5%
Impairments	3.6	0.9	1.4	51.4%
Others	-2.5	-4.2	-3.1	-26.7%
Total Operating Costs (current)	200.8	212.9	224.9	5.6%



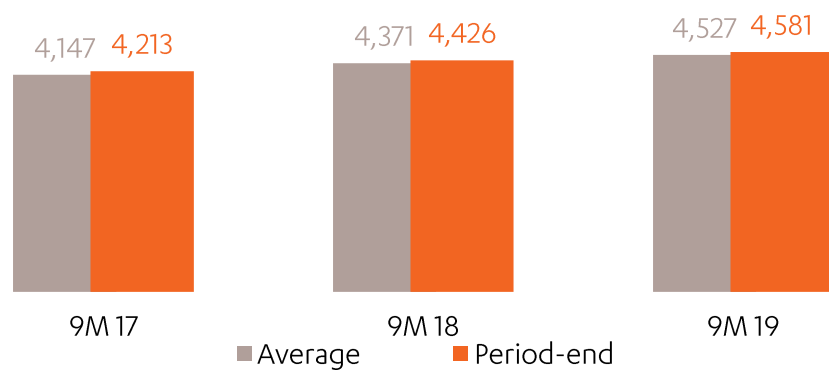
Staff

Value and % (sales)

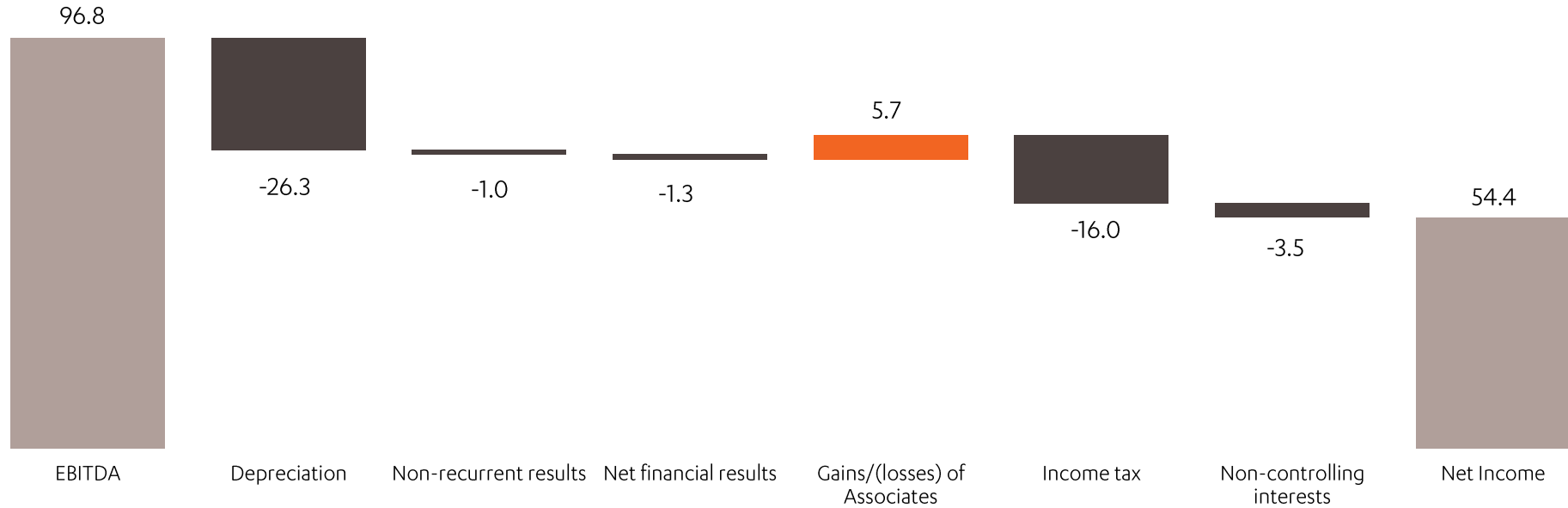


Values in million euros.

Number of employees



Net Income



Financial Position



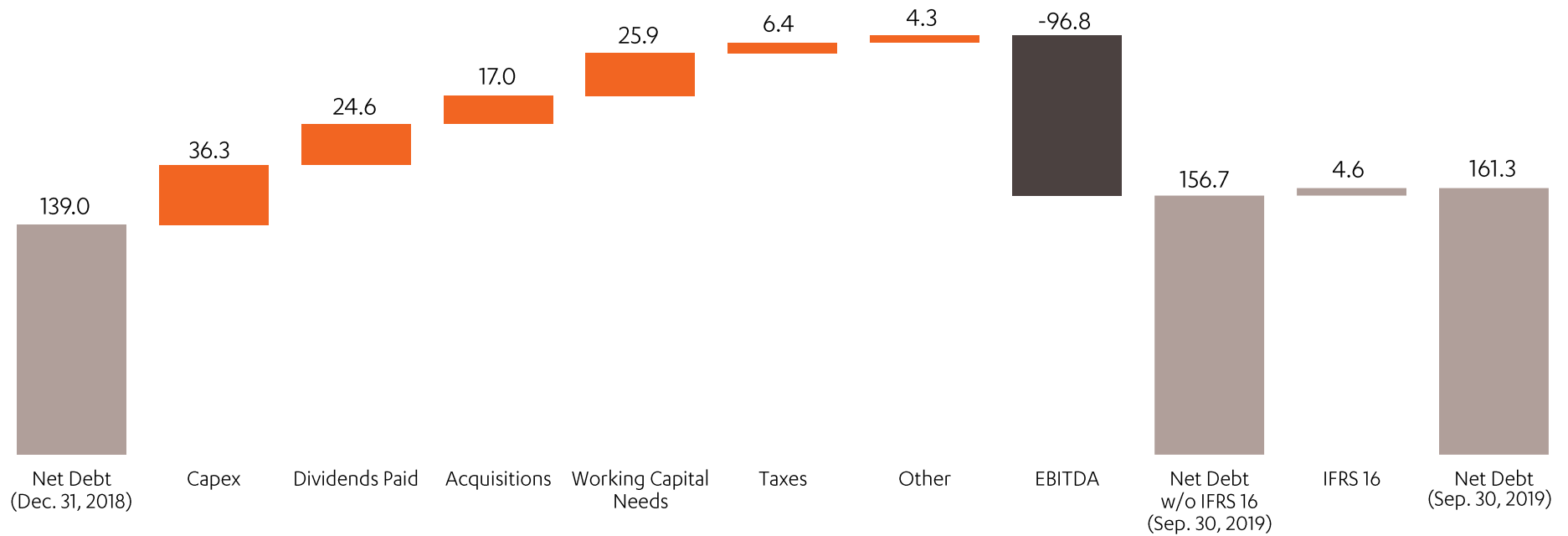
	September 30, 2017	December 31, 2017	September 30, 2018	December 31, 2018	September 30, 2019	Sept. 30, 2019 w/o IFRS 16	IFRS 16
Net Goodwill	9.5	9.8	13.9	14.0	13.9	13.9	-
Net Fixed Assets / Right of use	222.1	227.9	245.1	259.6	275.5	270.9	4.6
Net Working Capital *	353.4	359.0	402.9	414.5	440.4	440.4	-
Other **	20.1	21.9	19.9	21.4	36.4	36.4	-
Invested Capital	605.1	618.7	681.9	709.4	766.2	761.6	4.6
Net Debt	75.8	92.8	104.7	139.0	161.3	156.7	4.6
Share Capital	133.0	133.0	133.0	133.0	133.0	133.0	-
Reserves and Retained Earnings	289.2	297.5	326.1	333.4	367.4	367.4	-
Non Controlling Interests	30.8	29.5	33.1	31.9	28.8	28.8	-
Agreement to acquire non-controlling interests	18.8	19.0	20.1	20.4	15.0	15.0	-
Taxes and Deferred Taxes	3.0	-17.0	5.0	-12.6	0.2	0.2	-
Provisions	30.5	41.2	36.8	43.4	40.3	40.3	-
Grants ***	23.9	22.6	23.2	21.3	20.3	20.3	-
Equity and other sources	529.3	525.8	577.2	570.7	604.9	604.9	-

* 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)

Net Debt



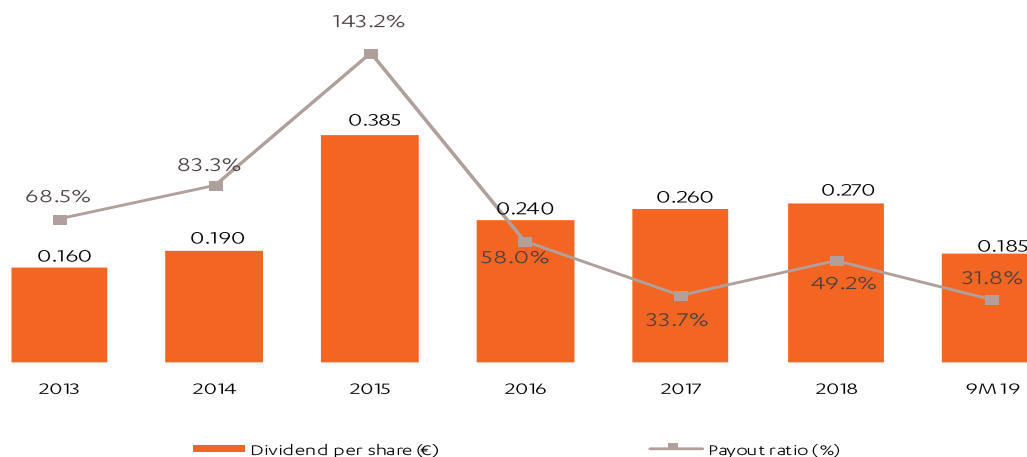
Ratios



	9M 17	2017	9M 18	2018	9M 19
Net Debt / EBITDA *	0.57	0.69	0.77	1.04	1.32
EBITDA / Net Interest	173.3	135.9	123.5	108.0	91.3
Gearing	16.7%	20.2%	21.3%	27.9%	30.5%
NWC / Market capitalization	22.4%	26.4%	26.3%	34.6%	33.2%
NWC / Sales x 360 *	186.5	179.5	192.4	195.5	202.7
Free cash flow (FCF)	43.4	34.0	22.9	11.2	28.1
Capex	27.1	43.7	40.1	57.9	36.3
Return on invested capital (ROIC) pre-tax	23.8%	20.5%	18.9%	16.4%	13.5%
Return on invested capital (ROIC)	17.2%	15.0%	14.0%	11.8%	10.6%
Average Cost of Debt	1.66%	1.67%	1.15%	1.09%	1.11%

* Current sales and EBITDA of the last four quarters
 FCF = EBITDA – Non-current cash expenditures – Net financing expenses – Income tax – Capex – NWC variation
 ROIC = Annualized NOPAT / Capital employed (average)

Dividends



Attractive Dividend Payment

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

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

In April 2019, payment of a **gross dividend of € 0.185/share**;

The Board of Directors **will propose** at the Shareholders General Meeting (December, 2) the **distribution of free reserves in the amount of € 0.085 per share**.

		2013	2014	2015	2016	2017	2018	9M 19
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)	€	1.600	2.210	3.020	5.948	8.500	10.300	9.000
Earnings per share (N-1)	€	0.246	0.242	0.285	0.431	0.772	0.549	0.582
Payout	%	68.5%	83.3%	143.2%	58.0%	33.7%	49.2%	31.8%
Dividend per share	€	0.160	0.190	0.385	0.240	0.260	0.270	0.185
Total dividend	M€	20.1	23.9	50.2	31.9	34.6	35.9	24.6
Dividend Yield	%	11.3%	9.3%	13.5%	5.5%	3.6%	2.4%	1.7%

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



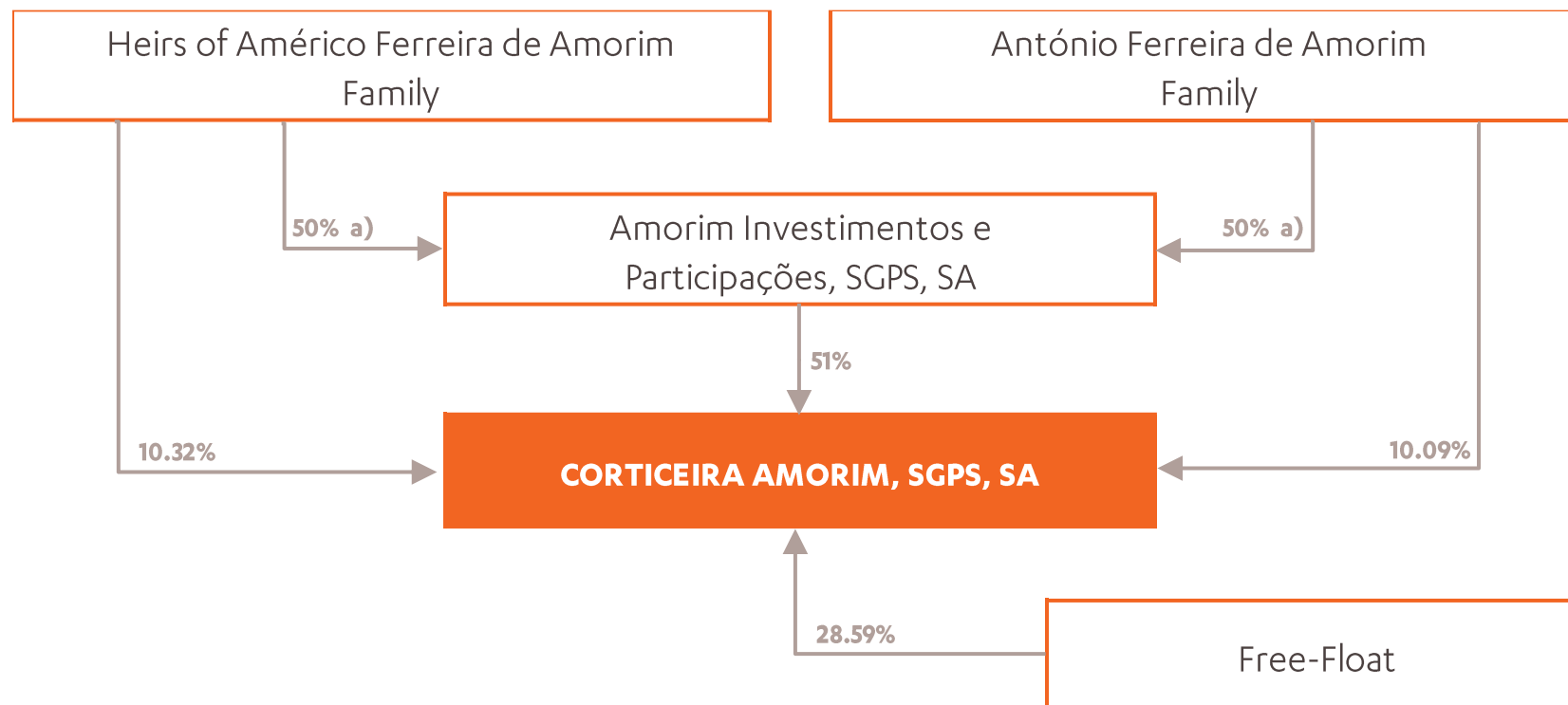
Source: Euronext

	2013	2014	2015	2016	2017	2018	9M 19
Qt. of shares traded	2,184,858	3,481,685	12,693,424	10,801,324	19,290,907	14,884,641	6,598,340
Share price (€):							
Maximum	2.400	3.650	6.290	9.899	13.300	12.000	11.020
Average	2.040	2.850	4.340	7.303	11.067	10.604	9.960
Minimum	1.560	2.200	2.990	5.200	8.180	8.370	8.710
Period-end	2.210	3.020	5.948	8.500	10.300	9.000	9.970
Trading Frequency	89.3%	96.1%	98.8%	100.0%	100.0%	100.0%	100.0%
Stock market capitalisation at period-end (€)	293,930,000	401,660,000	791,084,000	1,130,500,000	1,369,900,000	1,197,000,000	1,326,010,000

Source: Euronext|Corticeira Amorim

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

Shareholder Structure





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