

***Report on Corporate
Governance***

Chapter 0 Statement of Compliance

0.1. The Report was prepared in compliance with the guidelines laid down in CMVM (*Comissão do Mercado de Valores Mobiliários* – Portuguese Securities Market Commission) Regulation No. 1/2010 of 1 February, repealing CMVM Regulation No. 1/2007 and with the recommendations issued in September 2007. It is available on the Company website at www.toyotacaetano.pt, as well as in CMVM domain at www.cmvm.pt.

0.2. Below you can find the levels of compliance with the recommendations contained in CMVM's Corporate Governance Code and the chapters of this report where the measures taken to fulfil the recommendations are described:

CMVM Recommendations	Report Compliance	
I. GENERAL SHAREHOLDERS' MEETING		
I.1 BOARD OF THE GENERAL SHAREHOLDERS' MEETING		
I.1.1 The Chairman of the General Meeting Board shall be equipped with the necessary and adequate human resources and logistic support, taking the financial position of the company into consideration.	Yes	I1/I2
I.1.2 The remuneration of the Chairman of the Board of the General Shareholders' Meeting shall be disclosed in the annual report on corporate governance.	Yes	I3.
I.2 PARTICIPATION IN THE SHAREHOLDERS' MEETING		
I.2.1 The obligation to deposit or freeze shares in advance in order to participate in the General Shareholders' Meeting required by the Articles of Association shall not exceed 5 working days.	Yes	I4.
I.2.2 Should the General Shareholders' Meeting be suspended, the company shall not compel share freezing during that period until the session is resumed and shall then follow the standard requirement of the first session.	Yes	I5.
I.3 VOTING AND EXERCISING VOTING RIGHTS		
I.3.1 Companies shall not impose any statutory restriction on postal voting and, when adopted and permitted, on the electronic postal voting.	Yes	I9/I10
I.3.2 The statutory deadline for receiving early voting ballots by mail shall not exceed 3 working days.	No	I9/I11
I.3.3 The Companies' articles of association shall provide for the one share-one vote principal.	No	I6.
I.4 QUORUM AND RESOLUTIONS		
I.4.1 Companies shall not set a constitutive or deliberating quorum which outnumbers that which is provided for by Law.	No	I8
I.5 MINUTES AND INFORMATION ON RESOLUTIONS ADOPTED		
I.5.1 The minutes of the General Shareholders' Meeting shall be made available to shareholders on the company's website within a 5 day period, irrespective of the fact that such information may not be legally classified as privileged information, and the list of attendees, agendas and resolutions passed at the meetings held within, at least, the last three years shall be kept on file on the company's website.	Yes	I13
I.6 MEASURES ON CORPORATE CONTROL		
I.6.1 Measures adopted aiming at preventing successful takeover bids shall respect both the company's and the shareholders' interests.	Yes	I20
I.6.2 In observance of the principle of the previous paragraph, the companies' articles of association that limit the number of votes that may be		

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<p>held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also provide for a resolution by the General Shareholders' Meeting, at least every 5 years, on whether the statutory provision is to prevail – without super quorum requirements as to the one legally in force - and that in such resolution, all votes issued be counted, without applying the aforementioned limitation.</p>	<p>Not Applicable</p>
<p>I.6.3 In cases such as change of control or changes to the composition of the management body, defensive measures should not be adopted that instigate an immediate and serious asset erosion in the company, and further disturb the free transmission of shares and voluntary assessment of the performance of the management body by the shareholders.</p>	<p>Yes I20</p>
<p>II. GOVERNING AND AUDITING BODIES</p>	
<p>II.1. GENERAL POINTS</p>	
<p>II.1.1. STRUCTURE AND REMIT</p>	
<p>II.1.1.1 The management body shall assess the adopted model in its governance report and pin-point possible hold-ups to its operation and shall propose measures that it deems suitable for surpassing such obstacles.</p>	<p>Yes II5</p>
<p>II.1.1.2 Companies shall set up internal control systems in order to efficiently detect any risk to the company's activity, so as to protect its assets and keep its corporate governance transparent.</p>	<p>Yes II6</p>
<p>II.1.1.3 The governing and auditing bodies shall establish internal regulations and shall have these disclosed on the Company's website.</p>	<p>No</p>
<p>II.1.2 INCOMPATIBILITIES AND INDEPENDENCE</p>	
<p>II.1.2.1 The Board of Directors shall include a number of non-executive members that ensure the efficient supervision, auditing and assessment of executive members' activity.</p>	<p>No II14</p>
<p>II.1.2.2 Non-executive members must include an adequate number of independent directors. The size of the company and its shareholder structure must be taken into account when devising this number and may never be less than a fourth of the total number of directors.</p>	<p>No II14</p>
<p>II.1.3 ELIGIBILITY AND APPOINTMENT</p>	
<p>II.1.3.1 The chairman of the audit board shall be independent and have the appropriate skills to carry out its duties.</p>	<p>Yes II21</p>
<p>II.1.4 POLICY ON THE REPORTING OF IRREGULARITIES</p>	
<p>II.1.4.1 The Company shall adopt a policy whereby irregularities occurring within the company, are reported. Such reports should contain the following information: i) the means through which such irregularities may be reported internally, including the persons that are entitled to receive such reports; ii) how the report is to be handled, including confidential handling, should it be required by the reporter.</p>	<p>Yes II35</p>
<p>II.1.4.2 The general guidelines of this policy shall be disclosed on the corporate governance report.</p>	<p>Yes II35</p>
<p>II.1.5 REMUNERATION</p>	
<p>II.1.5.1 The remuneration of the members of the management body shall be structured so as to enable the alignment of the interests of those members with the interests of the company. Thus: i) the remuneration of directors carrying out executive duties should be based on performance and a performance assessment shall be carried out periodically by the competent body or committee; ii) the level of remuneration shall be consistent with the maximization of the long term performance of the company, and shall</p>	

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<p>be dependent on the sustainability of the adopted levels of performance;</p> <p>iii) when the remuneration of non-executive members of the management body is not legally imposed, a fixed amount should be set exclusively.</p>	<p>No</p>	<p>II33</p>
<p>II.1.5.2 The remuneration committee and the management body shall submit to the Annual General Shareholders' Meeting for assessment a statement on the remuneration policy of the governing and auditing bodies and other directors, respectively, within the meaning of Article 248-B (3) of <i>Código dos Valores Mobiliários</i> (Portuguese Securities Code). Within this scope, the shareholders shall namely be informed on the criteria and main parameters proposed for the performance assessment in order to determine variable component, whether share bonuses, stock options, annual bonuses or other components.</p>	<p>Yes</p>	<p>II30</p>
<p>II.1.5.3 At least one representative of the remuneration committee shall be present at the Annual General Shareholders' Meetings.</p>	<p>No</p>	<p>II15</p>
<p>II.1.5.4 A proposal shall be submitted at the General Shareholders' Meeting on the approval of schemes for the allotment of shares and/or stock options or further yet based on the fluctuations in share prices, to members of the governing and auditing bodies and other directors within the meaning of Article 248-B (3) of the <i>Código dos Valores Imobiliários</i> (Portuguese Securities Code). The proposal shall mention all the necessary information for a correct assessment of the scheme. The proposal must be accompanied by the scheme regulation or in its absence, the scheme's general conditions. The main characteristics of the retirement benefit schemes for members of the governing and auditing bodies and other directors within the meaning of Article 248-B (3) of <i>Código dos Valores Mobiliários</i> (Portuguese Securities Code), shall also be approved at the General Shareholders' Meeting.</p>	<p>Not Applicable</p>	
<p>II.1.5.5 The remuneration of the members of the governing and auditing bodies shall be individually and annually disclosed and, information on fixed and variable components of the remuneration must be broken down, when applicable, as well as any other remuneration received from other companies within the group companies or companies held by shareholders of qualifying holdings.</p>	<p>Yes</p>	<p>II31</p>
<p>II.2. BOARD OF DIRECTORS</p>		
<p>II.2.1 Within the limits established by law for each governing and auditing structure, and unless the company is of a reduced size, the board of directors shall delegate the day-to-day running of the company and the delegated duties should be identified in the annual report on Corporate Governance.</p>	<p>No</p>	<p>II6</p>
<p>II.2.2 The board of directors shall ensure that the company acts in accordance with its goals, and should not delegate its duties, namely in what concerns: i) definition of the company's strategy and general policies; ii) definition of the corporate structure of the group; iii) decisions that should be considered to be strategic due to the amounts, risk or particular characteristics.</p>	<p>Yes</p>	<p>II6</p>
<p>II.2.3 Should the chairman of the board of directors carry out executive duties, the board of directors shall set up efficient mechanisms for coordinating the work of non-executive members that can ensure that these may decide upon, in an independent and informed manner, and furthermore shall duly explain such mechanisms to the shareholders within the scope of the corporate governance report.</p>	<p>No</p>	<p>II17</p>

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<p>II.2.4 The annual management report shall include a description of the activity carried out by non-executive board members and shall mention any restraints encountered.</p>	<p>Yes II6</p>
<p>II.2.5. The management body shall promote a rotation of the member responsible for financial matters at least after 2 mandates.</p>	<p>Yes II11</p>
<p>II.3. II.3 CHIEF EXECUTIVE OFFICER (CEO), EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS</p>	
<p>II.3.1 When the board members that carry out executive duties are requested by other members of governing bodies to supply information, the former shall do so in a timely manner and the information supplied must adequately suffice the request made.</p>	<p>Yes II8</p>
<p>II.3.2 The chairman of the executive committee shall send the convening notices and minutes of the meetings to the chairman of the board of directors and, when applicable, to the chairman of the audit board or of the audit committee.</p>	<p>Not Applicable</p>
<p>II.3.3 The chairman of the executive board of directors shall send the convening notices and minutes of the meetings to the chairman of the general and supervisory board and to the chairman of the financial matters committee.</p>	<p>Not Applicable</p>
<p>II.4. GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEES, AUDIT COMMITTEES AND AUDIT BOARD</p>	
<p>II.4.1 In addition to fulfilling its auditing duties, the general and supervisory board shall advise, follow-up and carry out on an on-going basis, the assessment on the management of the company carried out by the executive board of directors. In addition to other subject matters, the general and supervisory board shall decide on: i) definition of the strategy and general policies of the company; ii) the corporate structure of the group; and iii) decisions that should be considered to be strategic due to the amounts, risk and particular characteristics.</p>	<p>Not Applicable</p>
<p>II.4.2 The annual reports on the activity carried out by the general and supervisory board, the financial matters committee, the audit committee and the audit board shall be disclosed on the company's website together with the financial statements.</p>	<p>Yes III15</p>
<p>II.4.3 The annual reports on the activity carried out by the general and supervisory board, the financial matters committee, the audit committee and the audit board shall include the description on the auditing activity carried out and shall mention any restraints that they may have come up against.</p>	<p>Yes III15</p>
<p>II.4.4 The financial matters committee, the audit committee and the audit board, depending on the applicable model, shall represent the company for all purposes next to the external auditor, and shall propose the provider for this services, the respective remuneration, ensure that adequate conditions for the provision of such services are in place within the company, as well as being the liaison officer of the company and the first recipient of the respective reports.</p>	<p>Yes II24</p>
<p>II.4.5 Depending on the applicable model, the financial matters committee, the audit committee and the audit board, shall assess the external auditor on an annual basis and advise the General Shareholders' Meeting that he/she be discharged whenever justifiable grounds are present.</p>	<p>Yes II24</p>
<p>II.5. SPECIALISED COMMITTEES</p>	
<p>II.5.1 Unless the company is of a reduced size and depending on the model adopted, the board of directors and the general and supervisory board, shall set up the necessary committees in order to:</p> <p>i) ensure that a competent and independent assessment of the executive board members' performance is carried out, as well as its</p>	

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own overall performance and further yet, the performance of all existing committees; ii) study the adopted governance system and verify its efficiency and propose to the competent bodies measures to be carried out with a view to its improvement.	No	
II.5.2 Members of the remuneration committee or alike, shall be independent from the members of the management body.	Yes	II39
II.5.3 All committees shall prepare minutes of all meetings held.	Yes	II12.
III. REPORTING AND AUDITING		
III.1 GENERAL REPORTING DUTIES		
III.1.1 Companies shall ensure permanent contact with the market thus upholding the principle of equality for shareholders and ensuring that investors are able to access information in a uniform fashion. To this end, the company shall keep an investor assistance office.	Yes	III16
III.1.2 The following information available at the company's website shall be disclosed in English:		
a) The firm, public company status, headquarters and other data set out in Article 171 of <i>Código das Sociedades Comerciais</i> (Portuguese Commercial Companies Code);		
b) Articles of Association;		
c) Identity of the members of the governing bodies and of the market liaison officer representative;		
d) Investor Assistance Office – respective duties and access tools;		
e) Financial statements;		
f) Half-yearly calendar of company events;		
g) Proposals sent through for discussion and voting at the General Shareholders' Meeting;		
h) Notices for convening the General Shareholders' Meetings.	Yes	III16

0.3. In relation to the recommendations that are not met, we wish to provide the following information:

I.3.2. As per the current Articles of Association, the company establishes a minimum of 5 working days in advance for receipt of postal vote.

In accordance with Article 4 (6) of the Articles of Association it is established that one vote will correspond to a group of one hundred shares.

I.4. 1 Although a constitutive quorum that outnumbers that provided for by law has not been set, the Articles of Association of the Company provide for a set of resolutions, as defined in number I8 of the Report, which require a minimum quorum of 75% of the Company's share capital, a percentage higher than that provided for by law.

II.1.1.3 The company is working towards the creation and dissemination on the Company Website of the operating regulations of the governing and auditing bodies.

II.1.2.1 The Board of Directors consists of a total of seven members, two of whom are non-executive members (refer to number II14 of the Report for further details concerning the composition of the Board), the number of non-executives accounting for 29% of the total number of board members.

II.1.2.2 The non-executive members of the board of directors (2 out of a total of 7 members), appointed by Toyota Motor Europe, may not be regarded as independent.

II.1.5.1 Despite all the measures complied with and explained in number II33 the decision to explain non-compliance stems from the non-alignment of the variable remuneration of the Board Members with a policy of medium and long-term maximization of company income.

II.1.5.3 Although a statement of remuneration of the management and audit bodies is issued and submitted for the consideration of the General Shareholders' Meeting, containing all the elements required under said Law, this statement does not specifically cover compliance with the regulations applicable to the business of the Company or reference to containment of risk-taking, since it derives from the efficient internal control system implemented within the Company.

II.2.1 No formal delegation of duties to the executive board members took place. The Board of Directors' delegation of powers is described under point II14 of the Report.

II.2.3 Recommendation has not been adopted as the non-executive members are not independent as per number II.14 of the report.

II.5.1 The Board of Directors has not hitherto created specialised committees with the aim of ensuring the independent assessment of the performance of the board members.

0.4. Board of Directors:

Since there are no independent elements in the composition of the Board of Directors, it is not possible to register a statement of independence from each of the board members.

Audit Board:

This body, by means of written statement, passed judgment on the independence of each of its members, having detected no fact determining the loss of such independence.

Company Governance Report

Chapter I General Shareholders' Meeting

I.1. The General Shareholders' Meeting consists of all shareholders with voting rights, whose remit is to deliberate on statutory changes, evaluate the overall management and auditing of the Company, deliberate on the management report and the financial statements for the year, elect the governing bodies falling under its remit and generally deliberate on all terms submitted thereunto by the Board of Directors.

The Board of the General Shareholders' Meeting consists of 4 members, as follows:

- Manuel de Oliveira Marques – Chairman
- José Lourenço Abreu Teixeira – Vice Chairman
- Manuel Fernando Monteiro da Silva – Secretary
- Maria Olívia Almeida Madureira - Secretary

The company makes the necessary and adequate human resources and logistic support available for the members of the board of the General Shareholders' Meeting, through the company's legal department. The latter collaborates actively in the preparation of the General Shareholders' Meetings, ensuring publication of the respective convening notices, receipt and control of all communications from shareholders and financial intermediaries, working closely and also guaranteeing all the logistics of the general shareholders' meetings.

I.2. The current board of the General Shareholders' Meeting was elected in 2007 for a period of 4 years, and ends its mandate in 2010.

I.3. The remuneration of the Chairman and Vice-Chairman of do Board of the General Shareholders' Meeting consists of a fixed amount corresponding to the actual attendance to the meetings held during 2010, amounting to 477 Euros and 281 Euros respectively.

I.4. Shareholders intending to attend must have their shares registered under their name in the Company Share Register or otherwise provide proof of their deposit at a financial intermediary, by fax or e-mail, up to five working days prior to the date set for the General Shareholders' Meeting.

I.5. The share freezing rules, in case of suspension of the General Shareholders' Meeting, result from the direct application of the general law applicable, given that the Company's Articles of Association do not include specific rules for such matters.

I.6. Under Article 4 (6) of the Articles of Association, to each group of one hundred shares corresponds one vote.

I.7. The Company's Articles of Association do not include statutory provisions providing for the existence of shares that do not confer voting rights or which provide that no voting rights are counted over a certain number, when issued by a single shareholder or shareholders related to him/her.

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1.8. Only those shareholders who are legitimate owners of shares entitling them to at least one vote have the right to attend the General Shareholders' Meeting and to participate in discussions and voting. However, shareholders who do not have the minimum number of one hundred shares may group themselves in such a way as to complete that amount. In this situation, one member must be elected to represent the group, and this representative's identity must be sent by letter addressed to the Chairman of the Board of the General Shareholders' Meeting.

No defined statutory rules exist on the exercise of voting rights except where pertaining to the minimum quorum of 75% required for the approval of the following resolutions:

- a) Changes to the Articles of Association;
- b) Incorporation of reserve funds in the share capital, namely and specifically revaluation reserves;
- c) Transfer, leasing or cession of the operation of all or an important part of the company's activities, and the succession or acceptance of a third-party entity activity;
- d) Reduction or increase in capital;
- e) Sharing of profits and setting of the dividend percentage, as well as the possible distribution of Free Reserve funds;
- f) Issuance of bonds;
- g) Election or dismissal of all or some members of the governing bodies;
- h) Election or dismissal of the members of the Remuneration Committee;
- i) Merger, demerger or dissolution of the Company, as well as the appointment of liquidators;
- j) Acquisition, disposal, transfer, leasing, cession and encumbrances of fixed assets

with a transaction value greater than two million, five hundred thousand Euros.

In order to deliberate on the matters referred to in the previous point, if the required majority is not present during the first convening notice, the General Shareholders' Meeting will meet fifteen days later in order to deliberate on the same matters, with the requirement that the respective decision be voted by a seventy-five percent majority of the votes from present or represented shareholders.

1.9. Shareholders may exercise their postal voting rights, in accordance with the following terms and conditions:

a) Postal votes are to be sent to, and received by, the Company's headquarters, by means of registered letter with acknowledgement of receipt, addressed to the Chairman of the Board of the General Shareholders' Meeting, at least five working days prior to the date of the Meeting. The letter should include a statement issued by a financial intermediary providing proof of share ownership and also a sealed envelope containing the vote;

b) The voting paper must be signed by the legitimate shareholder or by his/her legal representative, and if the shareholder is a natural person, the vote shall be accompanied by a certified copy of his/her identification card; if the shareholder is a legal person, the signature should be certified as and empowered to exercise the voting rights.

c) Postal votes shall be considered at the moment of voting at the General Shareholders' Meeting, when they will be added to the votes cast at the meeting.

d) Only votes containing the following clear and unequivocal information shall be deemed valid:

- indication of the General Shareholders' Meeting and of the item/s of the respective agenda to which the vote refers;

- the specific proposal for which it is to be cast, including the indication of the respective proponent or proponents; however, the shareholder casting a postal vote in relation to a given proposal may declare that he/she votes against all other proposals pertaining to the same point of the agenda, with no further specification.

- the precise and unconditional indication of the voting decision for each proposal, as well as whether the vote is maintained in case the proposal is altered by its proponent, the shareholder being permitted to make his/her vote conditional on a given proposal to the approval or rejection of another proposal, within the scope of the same agenda item.

e) It is understood that shareholders who send postal votes vote negatively on all deliberative proposals submitted after issuing the vote.

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I.10. Taking into account the previous number, Toyota Caetano Portugal provides a template for exercising the postal voting right on the Company's website (www.toyotacaetano.pt).

I.11. As described in sub-paragraph a) of number I9, the vote ballots must be received by the company up to five days prior to the General Shareholders' Meeting.

I.12. We are required to inform that, in accordance with the Company's current Articles of Association, there is no provision for voting by electronic means.

I.13. Within five days of the date of the General Shareholders' Meetings, information on the resolutions adopted is made available on the Company website (www.toyotacaetano.pt) regarding the share capital represented and the results of voting.

I.14. On the Company web page (www.toyotacaetano.pt), a record is available of the attendance list and the resolutions passed at the Company's General Shareholders' Meetings in previous years.

I.15. At the General Shareholders' Meeting held on 23 April 2010, no representative of the remuneration committee was present.

I.16. The General Shareholders' Meeting has delegated to the Remuneration Committee the specification of the remunerative policies to be applied, as well as the performance assessment of the members of the management body and the communication of information to the General Shareholders' Meeting on proposed policies and their compliance.

I.17. The company does not have a Share Allocation Scheme for members of the Management Body.

I.18. Toyota Caetano Portugal, S.A. (together with other affiliates) has constituted a pension fund by public deed on 29 December 1988. This Pension Fund initially provided, initially and as long as Toyota Caetano continued with its decision to make contributions to the fund, for the workers to receive, from the date of their retirement, a non-updateable supplement to be determined based on a percentage of salary, among other conditions.

Given the economic circumstances as of 1 January 2008 Toyota modified the conditions of Salvador Caetano Pension Fund, which can be summarised as follows:

- retention of a Defined Benefits system (20% of social security pensionable salary as at the date of retirement (65 years)) for current pensioners and beneficiaries of deferred pensions, and also for all current employees of member companies of Salvador Caetano Group who on 1 January 2008 were over 50 years of age with more than 15 years' service in the company;
- a Defined Contribution Scheme for the rest of the employees of the group.

The members of the Board of Directors benefit from the Salvador Caetano Pension Fund provided that they comply with all the requirements demanded of any other employee in any of the companies of the group covered by the Pension Fund.

I.19. The company's Articles of Association do not include the duty, at least every five years, to subject the resolution of the General Shareholders' Meeting, to maintenance or removal of the statutory rule which provides for limiting the number of votes likely to be held or exercised by a single shareholder individually or by arrangement with other shareholders.

I.20. There are no defensive measures intended to cause automatic and serious erosion of company assets in case of transfer of control or change of composition of the management body.

I.21. This company is aware of a parasocial agreement instituted under the aegis of a retailer contract celebrated with Toyota Motor Europe NV/SA, which provides a guarantee to the parent company Toyota Motor Corporation that the company Grupo Salvador Caetano (S.G.P.S), S.A. (Salvador Caetano family holding) will keep a minimum amount of approximately 60% of the share capital of this company as long as the Toyota national retailer contract is in force. This agreement is merely a pledge of honour, as no penalty clauses are to be applied in the event of non-fulfilment.

I.22. No agreement whatsoever exists between the Company and the members of the management body and other directors, within the meaning of Article 248/B (3) of *Código dos Valores Mobiliários* (Portuguese Securities Code), providing for compensation in the event of resignation, dismissal without fair grounds, or termination of the employment relationship following a change in company control.

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Chapter II Governing and Auditing Bodies

Section I – General Points

II.1. The Company consists of the following bodies:

The Board of Directors elected in 2007 for a period of 4 years, its mandate ending in 2010, consists, in accordance with the Articles of Association of Toyota Caetano Portugal, S.A., of 7 members, shareholders or not, elected by the General Shareholders' Meeting for a renewable period of four years, on whom is incumbent the practice of all management activities in the fulfilment of the operations inherent to the object of the company, with the ultimate objective of upholding the interests of the Company, its shareholders and employees. The General Shareholders' Meeting may also elect two alternate board members.

On 29 January 2010, in face of the resignations of Salvador Fernandes Caetano and Ana Maria Martins Caetano, respectively Chairman and Member of the Board, the Board of Directors appointed by co-option, for the remaining period of the four years not yet elapsed, Miguel Pedro Caetano Ramos and Rui Manuel Machado de Noronha Mendes to perform the duties of Members of the Board and José Reis da Silva Ramos as Chairman.

The Board of Directors and its duties are detailed as follows:

- José Reis da Silva Ramos – Chairman
- Hiroyuki Ochiai – Member
- Miguel Silva Ramalho da Fonseca – Member
- Maria Angelina Martins Caetano Ramos - Member
- Salvador Acácio Martins Caetano – Member
- Miguel Pedro Caetano Ramos – Member
- Rui Manuel Machado de Noronha Mendes - Member
- Shigeki Enami – Alternate Member

Audit Board, consisting of 3 permanent members and one alternate member.

The Audit Board, elected in 2007 for a period of four years, its mandate ending in 2010. As at 31 December 2010 consisted of the following Members and its duties are detailed as follows:

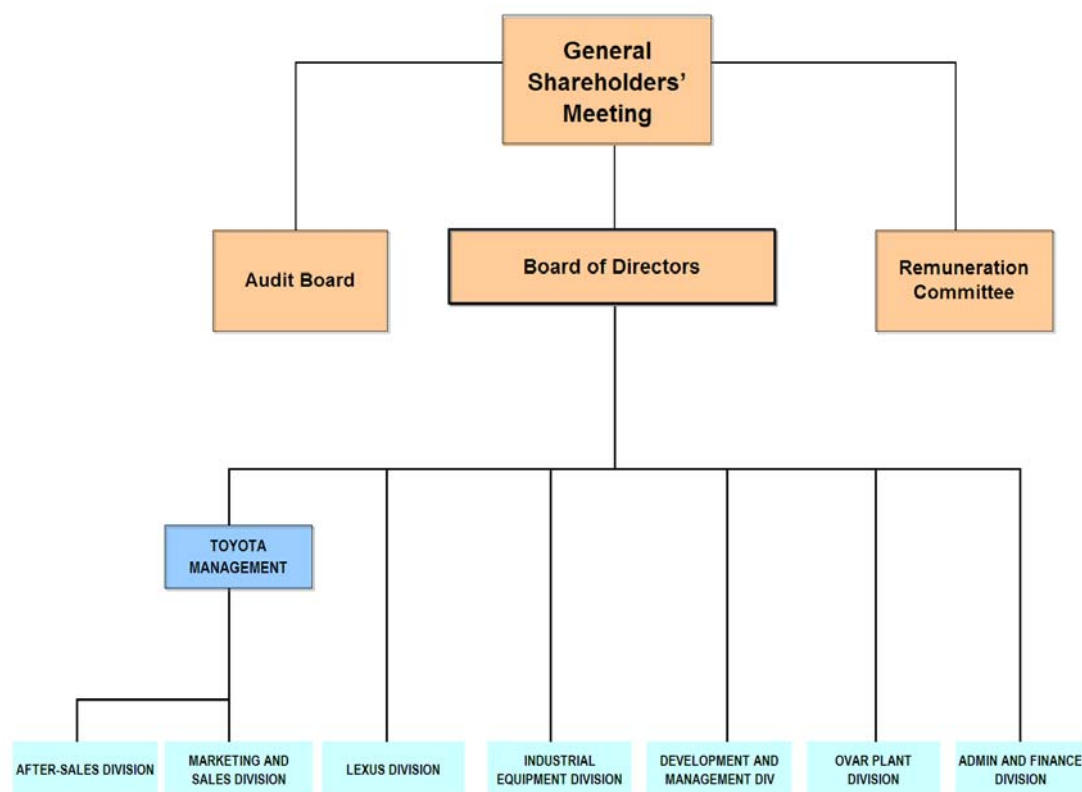
- José Jorge Abreu Fernandes Soares – Chairman
- Makino Kenichiro - Member
- António Pimpão & Maximino Mota, SROC represented by António Maia Pimpão – Member
- Fernando Sousa Matos Pires – Alternate Member

Statutory Accountant, in the person of José Pereira Alves, representing the company PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.

II.2. The company has no committee which can be fitted within this number.

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II.3. The Company's organisation chart is as follows:



II.4. The annual report and opinion of the Audit Board are disclosed together with the financial statements of the Board of Directors available on the Company website (www.toyotacaetano.pt).

II.5. At Toyota Caetano Portugal, S.A., the control of risks inherent to the activity is carried out directly by the Board of Directors, given the close relationship and the time dedicated to the performance of its duties. The main risks are described in number II.9.

The financial information is made available on the official website of *Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Committee) and on the official website of Toyota Caetano Portugal, S.A., (www.toyotacaetano.pt), with the market liaison officer acting as a means of disclosing this information.

II.6. Each of the divisions identified in the above organisation chart has a responsible director to whom the Board of Directors delegates competences, particularly pertaining to general management, and with whom regular meetings are held in order to analyse and follow up on activities developed.

It is incumbent on the Board of Directors to exercise wide powers, namely to actively and passively represent the Company before the authorities and courts, as well as to conduct all acts for the fulfilment of the object of the company, in particular:

- Without the need for resolution by the shareholders, the Board of Directors may create branches, agencies, delegations or other local forms of representation, in Portugal and abroad;
- Install or acquire, keep, transfer or shut down establishments, factories, laboratories, workshops, deposits or warehouses;

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- c) Acquire, dispose of and commit their own shares and bonds in any manner, as per resolutions of the General Shareholders' Meeting; acquire and dispose of other fixed assets and commit them by any means; and acquire fixed assets and, with the prior opinion of the Audit Board, dispose of them by means of any acts or contracts, including to provide security interest.
- d) Negotiate with any credit institution, particularly banks, each and every operation deemed necessary, namely by raising loans according to the terms, conditions and manner deemed most convenient;
- e) Make bank account transactions, deposit and withdraw moneys; issue, draw, accept and endorse letters, promissory notes, checks, statements of invoices and any other credit instruments;
- f) Admit to, desist from or compound with any actions;
- g) Appoint Company representatives;
- h) Carry out all other duties provided for in the Articles of Association or by law.

The executive members of the Board of Directors make available any information requested by the company's Governing Bodies, namely to the Audit Board and the Board of the General Shareholders' Meeting, in a timely manner and as appropriate to the request.

The Audit Board, consisting of 3 permanent members and one alternate member, is responsible for supervising the management, verifying the compliance of the Company's accounts, accounting records and supporting documents, and ensuring compliance with the law and with the Company's Articles of Association.

It is incumbent on the Audit Board to indicate, represent the company before, and supervise the activity and independency of, the External Auditor, directly interacting with him/her in accordance with his/her duties and the operating standards.

II.7. There are no limitations in the company's articles of association on the maximum number of cumulative functions exercised by the board members on governing bodies of other companies; however, the members of the Board of Directors of Toyota Caetano Portugal, S.A. try to take part in the management of the partially held companies of greater relevance in the Group, in order to enable a closer follow-up of their activities.

Section II – Board of Directors

II.8. All information prior to Board meetings is periodically sent to the non-executive members of the Board of Directors at least 5 working days in advance to ensure that the decisions are of an independent nature.

II.9. At Toyota Caetano Portugal, S.A., the control of risks inherent to the activity is carried out directly by the Board of Directors, given the close relationship and the time dedicated to the performance of its duties.

The main financial risk that Toyota Caetano faces derives from risk of credit to customers, i.e. the risk that a customer pays late or does not pay for property acquired primarily due to lack of liquidity. To mitigate this risk, Toyota Caetano has implemented procedures for managing credit and credit approval processes and has credit insurance where necessary.

The economic risks that Toyota Caetano incurs are: interest rate risk, exchange rate risk and liquidity risk. Interest rate risk due to the relevant proportion of variable rate debt included in the Consolidated Statement of Financial Position and the resulting interest payment cash flows. Toyota Caetano has therefore made use of derived financial instruments to cover, at least partially, its exposure to interest rate variations.

In developing its business, the Group operates internationally and has subsidiaries operating in the United Kingdom and Cape Verde (although the subsidiary that operates in the UK is currently inactive and in 2008 changed its operating currency to the Euro). The exchange rate risk thus results essentially from commercial transactions for the purchase and sale of products and services in currencies other than the functional currency of each business.

Exchange rate risk management policy seeks to minimize the volatility of investments and operations denominated in foreign currency, making the Group's income less sensitive to exchange rate fluctuations.

Toyota Caetano Portugal, S.A.

The Group's exchange rate risk management policy is geared towards a case-by-case assessment of the opportunity to cover this risk, particularly in view of the specific circumstances of the countries and currencies concerned.

Liquidity risk is defined as the risk of lack of ability to settle or meet obligations under the terms defined and at a reasonable price.

The existence of liquidity in Group companies means that parameters are set for operation depending on the management of that liquidity enabling to maximize the return and minimize the opportunity costs associated with holding that liquidity safely and efficiently.

Liquidity risk management at Toyota Caetano Group aims at:

(i) Liquidity, i.e. guaranteeing continued access in the most efficient way to sufficient funds to meet current payments on their due dates, as well as any requests for funds, within the times set for such, even where these are not planned;

(ii) Safety, i.e. minimizing the probability of default in repayment of any application of funds; and

(iii) Financial efficiency, i.e. ensuring that Companies maximize the value/minimize the opportunity cost of holding excess liquidity in the short term.

Any surplus liquidity in the Group is applied to the amortization of short-term debt, as per the criteria of economic and financial reasonableness.

II.10. It is incumbent on the Board of Directors to exercise wide powers, namely to actively and passively represent the Company before the authorities and courts, as well as to conduct all acts for the fulfilment of the object of the company, in particular:

a) Without the need for resolution by the shareholders, the Board of Directors may create branches, agencies, delegations or other local forms of representation, in Portugal and abroad;

b) Install or acquire, keep, transfer or shut down establishments, factories, laboratories, workshops, deposits or warehouses;

c) Acquire, dispose of and commit their own shares and bonds in any manner, as per resolutions of the General Shareholders' Meeting; acquire and dispose of other fixed assets and commit them by any means; and acquire fixed assets and, with the prior opinion of the Audit Board, dispose of them by means of any acts or contracts, including to provide security interest.

d) Negotiate with any credit institution, particularly banks, each and every operation deemed necessary, namely by raising loans according to the terms, conditions and manner deemed most convenient;

e) Make bank account transactions, deposit and withdraw moneys; issue, draw, accept and endorse letters, promissory notes, checks, statements of invoices and any other credit instruments;

f) Admit to, desist from or compound with any actions;

g) Appoint Company representatives;

h) Carry out all other duties provided for in the Articles of Association or by law.

There is no explicit provision for granting specific powers in respect of resolutions for increase in capital.

II.1.1. The Board of Directors works in a collegiate manner, performing management and coordination duties for the different activities of the Company, but with no formal distribution of business branches, with the exception of the financial business branch which is the responsibility of the Member Rui Manuel Noronha Machado Mendes, thus promoting the rotation proposed in CMVM recommendations.

In accordance with Article 17 of Toyota Caetano Portugal's Articles of Association, the appointment and replacement of the members of the management body abide by the following rules:

a) By means of the calling in of alternate members by the Chairman of the Board of Directors, respecting the order in which they appear on the list submitted to the General Shareholders' Meeting;

b) In case there are not alternate members, through co-option, to be carried out within sixty days following a definitive absence, unless the number of acting board members is insufficient for the Board of Directors to be able to operate;

c) Should no co-option have been effected, the alternate member shall be designated by the Audit Board;

d) By election of a new board member.

II.12. The Board of Directors holds regular meetings, its resolutions being valid only when the majority of its members are present.

Toyota Caetano Portugal, S.A.

During the course of 2010, the Board of Directors convened 16 times, and the corresponding minutes are registered in the Board of Directors' book of minutes.

The Audit Board convened four times during 2010.

The Remuneration Committee convened once during 2010.

II.13. Number II.12 refers the number of meetings held by the Board of Directors.

II.14. Among the current members of the Board of Directors of Toyota Caetano Portugal, S.A., 5 carry out executive duties, whereas the non-resident members carry out non-executive duties, to wit:

- José Reis da Silva Ramos – Executive member
- Hiroyuki Ochiai – Non-executive member
- Miguel Silva Ramalho da Fonseca – Non-executive member
- Maria Angelina Martins Caetano Ramos - Executive member
- Salvador Acácio Martins Caetano – Executive member
- Miguel Pedro Caetano Ramos – Executive member
- Rui Manuel Machado Noronha Mendes – Executive member
- Shigeki Enami – Non-executive member

The executive members of the Board of Directors of Toyota Caetano Portugal, S.A. cannot be considered independent insofar as they are all members of the Board of Directors of Grupo Salvador Caetano (S.G.P.S), S.A., a company holding approximately 60% of the share capital of Toyota Caetano Portugal, S.A., and which exercises a dominant influence over the latter.

The non-executive members do not perform any other role in resident companies and there is no incompatibility in the exercise of their duties. However, they may not be considered independent as they represent Toyota Motor Europe, a company holding approximately 27% of the share capital of Toyota Caetano Portugal, S.A.

II.15. The assessment of the independence of the Board of Directors' members carried out by the management body is based on Article 414 (5) of *Código das Sociedades Comerciais* (Portuguese Commercial Companies Code).

II.16. The appointment of non-executive board members is in accordance with Article 17 of Toyota Caetano Portugal, S.A.'s Articles of Association, and abiding by the following rules:

- a) By means of the calling in of alternate members by the Chairman of the Board of Directors, respecting the order in which they appear on the list submitted to the General Shareholders' Meeting;
- b) In case there are not alternate members, through co-option, to be carried out within sixty days following a definitive absence, unless the number of acting board members is insufficient for the Board of Directors to be able to operate;
- c) Should no co-option have been effected, the alternate member shall be designated by the Audit Board;
- d) By election of a new board member.

II.17. The non-executive board members, having non-resident status, participate in the Board of Directors' meetings by videoconference. All information prior to the Board of Directors' meetings is sent at least 5 working days in advance. In view of the information periodically submitted to them, in these and other meetings, raising the issues they judge to be relevant for their elucidation on the activity which has been carried out. However there is no reference in the annual management report on the activity they have performed.

II.18. All the executive members of the Board of Directors have always carried out their professional activities within the management of the Companies of Grupo Salvador Caetano, where they were members of the Governing Bodies.

Of these, the Chairman holds 125,590 Company shares and the executive member Miguel Pedro Caetano Ramos holds 1,130 Company shares.

II.19. The executive members of the Board of Directors also carry out management duties in the following companies:

Toyota Caetano Portugal, S.A.

NAME	COMPANY	ROLE
<p>José Reis da Silva Ramos Chairman of BD TOYOTA CAETANO PORTUGAL, S.A</p>	RIGOR - Consultoria e Gestão, S.A.	Chairman of BD
	SALTANO – Invest. e Gestão, SGPS, S.A.	Chairman of BD
	CAETANO AUTO, S.A.	Chairman of BD
	CAETANO RENTING, S.A	Chairman of BD
	CAETANOBUS – Fabricação. de Carroçarias, S.A.	Chairman of BD
	CAETANO COMPONENTS, S.A.	Chairman of BD
	LUSILECTRA – Veículos. e Equipamentos, S.A.	Chairman of BD
	FUNDAÇÃO SALVADOR CAETANO	Chairman of BD
	Soc. Imobiliária Quinta da Fundega, S.A.	Chairman of BD
	CABO VERDE MOTORS, SARL	Chairman of BD
	PORTIANGA - Com. Int. e Participações, S.A.	Chairman of BD
	SALVADOR CAETANO - Indústria (SGPS), S.A.	Chairman of BD
	AUTO PATNER - Comércio de Automóveis, S.A.	Chairman of BD
	GRUPO SALVADOR CAETANO, SGPS, S.A.	Member of BD
	ATLÂNTICA – Comp. Portuguesa de Pesca, S.A.	Member of BD
	RARCON - Arquitectura e Consultadoria, S.A	Member of BD
	MDS AUTO - Mediação de Seguros, S.A.	Member of BD
	MOVICARGO - Movimentação Industrial, Lda.	Manager
	CRUSTACIL – Comércio de Marisco, Lda.	Manager
	COVIM - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman of the Board of GM
NOVEF – SGPS, S.A.	Vice-Chairman of Board of GM	

Toyota Caetano Portugal, S.A.

NAME	COMPANY	ROLE
<p style="text-align: center;">Maria Angelina Martins Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.</p>	GRUPO SALVADOR CAETANO, SGPS, S.A.	Chairman of BD
	ATLÂNTICA – Comp. Portuguesa de Pesca, S.A.	Chairman of BD
	POAL - Paving e Obras Acessórias, S.A.	Chairman of BD
	LAVORAUTO - Administração Imb. E Cons. de Empresas, S.A.	Chairman of BD
	COMP. ADMINIST. IMOBILIÁRIA SÃO BERNARDO, S.A.	Chairman of BD
	AUTO PARTNER - Imobiliária, S.A.	Chairman of BD
	CAETANO, SGPS, S.A.	Chairman of BD
	COCIGA – Construções Civas de Gaia, S.A.	Chairman of BD
	SIMOGA – Soc. Imobiliária de Gaia, S.A.	Chairman of BD
	TURISPAIVA – Soc. Turística Paivense, S.A	Chairman of BD
	COVIM - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman of BD
	NOVEF, SGPS, S.A.	Chairman of BD
	RARCON - Arquitectura e Consultadoria, S.A	Member of BD
	SALTANO – Invest. e Gestão, SGPS, S.A.	Member of BD
	CAETANO AUTO, S.A.	Member of BD
	PORTIANGA – Com. Int. e Participações, S.A.	Member of BD
	BAVIERA - Comércio de Automóveis, S.A.	Member of BD
	IBERICAR, Sociedad Iberica del Automóvil	Member of BD
	CRUSTACIL – Comércio de Marisco, Lda.	Manager
	RIGOR - Consultoria e Gestão, S.A.	Chairman of the Board of GM
	CAETANO RETAIL (NORTE) II, SGPS,S.A	Chairman of the Board of GM
	AUTO PATNER - Comércio de Automóveis, S.A.	Chairman of the Board of GM
	CAETANO COLISÃO (NORTE), S.A.	Chairman of the Board of GM
	CAETANO RETAIL (NORTE), SGPS, S.A.	Chairman of the Board of GM
	CAETANO CITY E ACTIVE (NORTE), S.A.	Chairman of the Board of GM
	SALVADOR CAETANO-AUTO- SGPS, S.A.	Chairman of the Board of GM
	SALVADOR CAETANO CAPITAL (SGPS), S.A.	Chairman of the Board of GM
	CAETSU PUBLICIDADE, S.A.	Chairman of the Board of GM
	Soc. Imob. Quinta da Fundega, S.A.	Chairman of the Board of GM
	CAETANO STAR (SUL), S.A.	Chairman of the Board of GM
	CARPLUS (SUL),S.A.	Chairman of the Board of GM
	CAETANO POWER (SUL), S.A.	Chairman of the Board of GM
	CAETANO DRIVE, SPORT E URBAN (SUL), S.A.	Chairman of the Board of GM
	CAETANO RENTING, S.A	Chairman of the Board of GM
	CAETANO MOTORS (SUL),S.A.	Chairman of the Board of GM
	CAETANO RETAIL (SUL) SGPS, S.A.	Chairman of the Board of GM
	CAETANO DRIVE, SPORT E URBAN (CENTRO), S.A	Chairman of the Board of GM
	CAETANO RETAIL (CENTRO), SGPS, S.A.	Chairman of the Board of GM
	TOVICAR – Sociedade de Com. de Automóveis, S.A.	Chairman of the Board of GM
	SALVADOR CAETANO - AUTO, SGPS, S.A.	Chairman of the Board of GM
	CAETANO PARTS & COLISÃO (SUL), S.A.	Chairman of the Board of GM
	CAETANO TECHNIK (SUL), S.A.	Chairman of the Board of GM
	CAETANO RETAIL SERVIÇOS, S.A.	Chairman of the Board of GM
	CAETANO DRIVE, SPORT E URBAN (NORTE), S.A.	Chairman of the Board of GM
	CAETANO FÓRMULA (NORTE), S.A.	Chairman of the Board of GM
	CAETANO POWER (PORTO), S.A.	Chairman of the Board of GM
	CARPLUS (CENTRO),S.A.	Chairman of the Board of GM
CAETANO MOTORS (NORTE), S.A.	Chairman of the Board of GM	
ENP - Energias Renováveis Portugal, S.A.	Chairman of the Board of GM	

Toyota Caetano Portugal, S.A.

NAME	COMPANY	ROLE
<p style="text-align: center;">Salvador Acácio Martins Caetano</p> <p>Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.</p>	BAVIERA – Comércio de Automóveis, S.A.	Chairman of BD
	CAETANO RETAIL (SUL) SGPS, S.A.	Chairman of BD
	SALVADOR CAETANO-AUTO, SGPS, S.A.	Chairman of BD
	TOVICAR – Sociedade de Com. de Automóveis, S.A.	Chairman of BD
	CAETANO RETAIL (SUL) SGPS, S.A.	Chairman of BD
	CAETANO RETAIL (NORTE), SGPS, S.A.	Chairman of BD
	CAETANO RETAIL (CENTRO), SGPS, S.A.	Chairman of BD
	GRUPO SALVADOR CAETANO, SGPS, S.A.	Vice-Chairman of BD
	RIGOR - Consultoria e Gestão, S.A.	Member of BD
	SALTANO – Invest. e Gestão, SGPS, S.A.	Member of BD
	CAETANO, SGPS, S.A.	Member of BD
	CAETANO RENTING, S.A	Member of BD
	PORTIANGA – Com. Int. e Participações, S.A.	Member of BD
	COCIGA – Construções Civas de Gaia, S.A.	Member of BD
	TURISPAIVA – Soc. Turística Paivense, S.A	Member of BD
	SIMOGA – Soc. Imobiliária de Gaia, S.A.	Member of BD
	CABO VERDE MOTORS, SARL	Member of BD
	GILLCAR NORTE - Comércio e Ind. De Máquinas e Tintas, S.A	Member of BD
	FUNDAÇÃO SALVADOR CAETANO	Member of BD
	Amorim Brito & Sardenha, Lda.	Manager
	ALBITIN - Comércio e Indústria de Maq. e Ferram. e Tintas, Lda	Manager
	CAETANO AUTO, S.A.	Chairman of the Board of GM
	SALVADOR CAETANO INDÚSTRIA (SGPS), S.A.	Chairman of the Board of GM
	CAETANOBUS - Fabricação de Carroçarias, S.A.	Chairman of the Board of GM
	LUSILECTRA – Veículos. e Equipamentos, S.A.	Chairman of the Board of GM
	MDS AUTO - Mediação de Seguros, S.A.	Chairman of the Board of GM
	CATEDRAL DO AUTOMÓVEL, S.A.	Chairman of the Board of GM
	LAVORAUTO - Administração Imb. E Cons. de Empresas, S.A.	Chairman of the Board of GM
	AUTO PARTNER - Imobiliária, S.A.	Chairman of the Board of GM
	CHOICE CAR – COMÉRCIO DE AUTOMÓVEIS, S.A.	Chairman of the Board of GM
	CHOICE CAR - SGPS, S.A.	Chairman of the Board of GM
	FINLOG - Aluguer e Comércio de Automóveis, S.A.	Chairman of the Board of GM
	CARPLUS – Comércio de Automóveis, S.A.	Chairman of the Board of GM
LUSO ASSISTÊNCIA - Gestão de Acidentes, S.A.	Chairman of the Board of GM	
ISLAND RENT, Aluguer de Automóveis, S.A.	Chairman of the Board of GM	
COMP. ADMINIST. IMOBILIÁRIA SÃO BERNARDO, S.A.	Chairman of the Board of GM	

Toyota Caetano Portugal, S.A.

NAME	COMPANY	ROLE
Miguel Pedro Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	CAETSU PUBLICIDADE, S.A.	Chairman of BD
	SALVADOR CAETANO CAPITAL (SGPS), S.A.	Chairman of BD
	ENP - Energias Renovaveis Portugal, S.A.	Chairman of BD
	MERSOL - Projectos Solares de Mértola, S.A.	Chairman of BD
	CATEDRAL DO AUTOMÓVEL, S.A.	Chairman of BD
	CHOICE CAR - SGPS, S.A.	Chairman of BD
	VAS CABO VERDE, Sociedade Unipessoal, S.A.	Chairman of BD
	GLOBALWATT, SGPS, S.A.	Chairman of BD
	VAS AFRICA, (SGPS), S.A.	Chairman of BD
	CAETANOLYRSA, S.A.	Chairman of BD
	COVIM - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Vice-Chairman of BD
	AUTOMOCION PENINSULAR INMEMBLES, S.A.	Vice-Chairman of BD
	IBERICAR, Sociedad Iberica del Automóvil, S.A.	Vice-Chairman of BD
	GRUPO SALVADOR CAETANO, SGPS, S.A.	Member of BD
	BAVIERA - Comércio de Automóveis, S.A.	Member of BD
	MDS AUTO - Mediação de Seguros, S.A.	Member of BD
	AUTO PARTNER - Imobiliária, S.A.	Member of BD
	CAETANO RETAIL (NORTE) II, SGPS, S.A.	Member of BD
	CAETANO RETAIL (NORTE), SGPS, S.A.	Member of BD
	CAETANO RENTING, S.A	Member of BD
	TOVICAR - Sociedade de Automóveis, S.A.	Member of BD
	CAETANO RETAIL (SUL) SGPS, S.A.	Member of BD
	LAVORAUTO, S.A.	Member of BD
	RIGOR - Consultoria e Gestão, S.A.	Member of BD
	SALVADOR CAETANO.AUTO, SGPS, S.A.	Member of BD
	COMP. ADMINIST. IMOBILIÁRIA SÃO BERNARDO, S.A.	Member of BD
	CARPLUS – Comércio de Automóveis, S.A.	Member of BD
	CHOICE CAR – COMÉRCIO DE AUTOMÓVEIS, S.A.	Member of BD
	FINLOG - Aluguer e Comércio de Automóveis, S.A.	Member of BD
	LUSO ASSISTÊNCIA - Gestão de Acidentes, S.A.	Member of BD
	ISLAND RENT, Aluguer de Automóveis, S.A.	Member of BD
	CAETANO RETAIL (CENTRO), SGPS, S.A.	Member of BD
	DICUORE - Decoração, S.A.	Member of BD
	IBERICAR TECHNIK, S.A.	Member of BD
	QUERDILLER, S.A.	Member of BD
	IBERICAR QUERMOTOR, S.A.	Member of BD
	IBERICAR CARROCERIA CENTRO, S.A.	Member of BD
	IBERICAR RECAMBIOS CENTRO, S.L.	Member of BD
	IBERICAR GALICIA AUTO, S.L.	Member of BD
	IBERICAR CATALUÑA AUTO, S.L.	Manager
IBERICAR HOLDING ANDALUCIA, S.L.	Manager	
LIDERAa SOLUCIONES, S.L.	Manager	
SOL GREEN WATT, S.L.	Manager	
GUÉRIN – RENT – A – CAR (DOIS), LDA.	Manager	
CENTRAL SOLAR DE CASTANHOS, S.A.	Chairman of the Board of GM	
RARCON, S.A.	Chairman of the Board of GM	

Toyota Caetano Portugal, S.A.

NAME	COMPANY	ROLE
Rui Manuel Machado de Noronha Mendes Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	CAETANO AUTOBODY - Comércio de Autocarros, S.A.	Member of BD
	CAETANO BUS - Fabricação de Carroçarias, S.A.	Member of BD
	CAETANO SPAIN, S.A.	Member of BD
	SALVADOR CAETANO INDÚSTRIA (SGPS), S.A.	Member of BD
	FUNDAÇÃO SALVADOR CAETANO	Member of BD
	MOVICARGO - Movimentação Industrial, Lda.	Manager

Non-executive members do not perform any management duties in other companies, carrying out their professional activity in Toyota Motor Europe.

Section III – General and Supervisory Board, Financial Matters Committee and Audit Board

II.21 The members of Toyota Caetano Portugal, S.A.'s Audit Board carry out the following duties:

- José Jorge Abreu Fernandes Soares – Chairman
- Makino Kenichiro - Member
- António Pimpão & Maximino Mota, SROC represented by António Maia Pimpão – Member
- Fernando Sousa Matos Pires – Alternate Member

The Chairman of the Audit Board is independent, according to the criteria laid down in Article 414 (5) of *Código das Sociedades Comerciais* (Portuguese Commercial Companies Code), and has the appropriate skills.

II.22. During the past five years, the members of the Audit Board, with a degree in Economics, have carried out other duties in the companies indicated below.

The members of the Audit Board hold no Company shares.

The current Audit Board, elected in 2007 for a period of four years, its mandate ending in 2010.

II.23. During the past five years, the members of the Audit Board have carried out other duties in the following companies:

José Jorge Abreu Fernandes Soares (degree in Economics):

PORTIANGA – Comércio Internacional e Participações, S.A - Chairman of the Board of the General Shareholders' Meeting

Caetano Auto, S.A. - Chairman of the Audit Board

Baviera – Comércio de Automóveis, S.A. - Member of the Audit Board

Kenichiro Makino: performs no duties in other companies.

António Maia Pimpão (degree in Economics):

Statutory Accountant and Single Auditor in the following companies:

Companhia Administradora Imobiliária São Bernardo, S.A.

PORTIANGA – Comércio Internacional e Participações, S.A.

COCIGA – Construções Civas de Gaia, S.A.

Pavigrés – Cerâmicas, SA

Rarcon - Arquitectura e Consultadoria, SA

Mercado Abastecedor da Região de Coimbra, SA

Policeram - Comercio de Materiais Cerâmicos, S.A.

Nuno & Gradeço – Materiais de Construção, SA

Sulpastéis, Comércio de Produtos Alimentares Congelados, Lda

Novef - SGPS, SA

Milénio 3 - Sistemas Electrónicos, SA

Toyota Caetano Portugal, S.A.

Statutory Accountant and Chairman of the Audit Board

Armazéns de Mercearia A. Monteiro, SA

Statutory Accountant and alternate Single Auditor

SIMOGA – Sociedade Imobiliária de Gaia, S.A.

GORNOR - Investimentos Imobiliários, S.A.

João Fernandes da Silva, SA

Construções Gabriel A.S. Couto, SA

PROANG - Comércio e Serviços, SA

Covim - Sociedade Agrícola, Silvícola e Imobiliária, SA

Algimo - Gestão Imobiliária, SA.

Alternate member of the Audit Board

Baviera – Comércio de Automóveis, SA.

II.24. The Audit Board has the duty of supervising the activity and independence of the External Auditor, interacting with him under the terms of his/her competences and operating standards (as described under number II.3 of the Report), and is the first recipient of the External Auditor's Report.

II.29. The policy for remuneration of the directors responsible for each of the divisions identified in the functional organization chart of the Company presented in section II.3. of this report is structured based on a balance between the level of responsibility, in the fixed part, and performance against targets set both at the level of budgetary follow-up and for the result of previously agreed projects, in the variable part.

Section IV - Remuneration

II.30. The Remuneration Committee after reviewing the current economic situation and the possible performance of the company in 2010 is of the opinion that fixed remunerations for all elements of the governing bodies should be maintained.

Regarding the policies to be followed in respect of the variable remuneration of the Management Body, this has been exclusively dependent on the annual net profits obtained by the company, following in a certain way the dividend payment and employee bonus policy approved by the General Shareholders' Meeting which, in historical terms and in light of the aggregate total of the Board of Directors, has represented about 3% of annual net income, but with some flexibility in the range of allocation, which may fall to a lower limit of 1.5% and never exceed the upper limit of 4%.

II.31. The remunerations obtained by the members of the Board of Directors of Toyota Caetano Portugal, S.A. during the financial year of 2010 for the performance of their duties in the Company and in other Companies of the Group are as follows:

Remunerations	Fixed Component		Variable Component		Total
	Company	Toyota Group Companies	Company	Toyota Group Companies	
Executive Board Members	419,265	410,833	103,098	66,564	999,760
José Reis da Silva Ramos	152,618	177,328	27,500	32,057	389,503
Maria Angelina Martins Caetano Ramos	112,175	192,028	27,500	34,507	366,210
Salvador Acácio Martins Caetano	51,485	41,477	27,500		120,462
Rui Manuel Machado Noronha Mendes	102,987		20,598		123,585
Miguel Pedro Caetano Ramos					
Non- Executive Board Members	0	0	0	0	0
Total	419,265	410,833	103,098	66,564	999,760

Toyota Caetano Portugal, S.A.

The remunerations obtained by the members of the Audit Board of Toyota Caetano Portugal, S.A. during the financial year of 2010 for the performance of their duties in the Company were as follows:

Remunerations	Fixed Component	Variable Component
José Jorge Abreu Fernandes Soares	12.626	0
Kenichiro Makino	0	0
António Pimpão & Maximino Mota, SROC	8.593	0
Fernando Sousa Matos Pires	3.946	0
Total	25.165	0

II.32 As per the Remuneration Committee's attached statement, there are mechanisms within the Company that permit alignment of the interests of the members of the Management Body with the interests of the company.

II.33. As per approval by the Remuneration Committee, the fixed remuneration of the members of the Board of Directors is not directly dependent on the evolution of the Company share price or on income obtained.

However, all members of the Management Body are dependent on company income as regards the variable component of their annual remuneration, in what is usually designated as a "Balance Reward" or annual bonus, corresponding to an annual performance bonus calculated taking into account the assessment carried out by the Remuneration Committee within the scope of its duties.

II.34. Management body non-executive board members are not remunerated as per Number II.3.1.

II.35. The reporting of irregularities shall be effected through the delivery of a written document or by internal e-mail addressed to the market liaison officer. This officer will in turn use all available means for the analysis and verification of the reported facts, keeping, if required, the confidentiality of the initial information and firstly reporting the findings to the Board of Directors, who will then consider if they shall be disclosed to the market, within legally established parameters, if such disclosure is deemed necessary.

These reports are filed for a minimum period of five years, and are made available to the Auditors on demand.

Section V – Specialised Committees:

II.36. The Remuneration Committee consists of the following members:

- Alberto Luis Lema Mandim
- Maria Conceição Monteiro Silva
- Francelim Costa da Silva Graça

II.37. The Remuneration Committee held one meeting in 2010.

II.38. The professional experience of the members of the Remuneration Committee allows them to exercise their responsibilities effectively, while safeguarding the interests of the Company.

II.39. No member has any affinity or kinship up to and including third degree lineage with any member of the management body or their spouses.

Toyota Caetano Portugal, S.A.

Chapter III

Information and Audit

III.1. As at 31 December 2010, the Company share capital consists of 35,000,000 fully subscribed and paid bearer shares, each with a nominal value of 1 Euro, all shares being listed on Euronext Lisbon.

III.2. Qualified holdings in the share capital of Toyota Caetano Portugal, S.A:

Salvador Fernandes Caetano	3.998%
Maria Angelina Caetano Ramos and Salvador Acácio Caetano Ramos through Grupo Salvador Caetano (S.G.P.S.), S.A.	60%
through Cociga	0.008%
	60.008%
Toyota Motor Europe NV/SA	27%
Millenium BCP – Gestão de Fundos de Investimentos, S.A.	3.96%

III.3. There are no shareholders holding special rights.

III.4. There are no restrictions on the transferability of shares or limitations to share ownership.

III.5. See number I21.

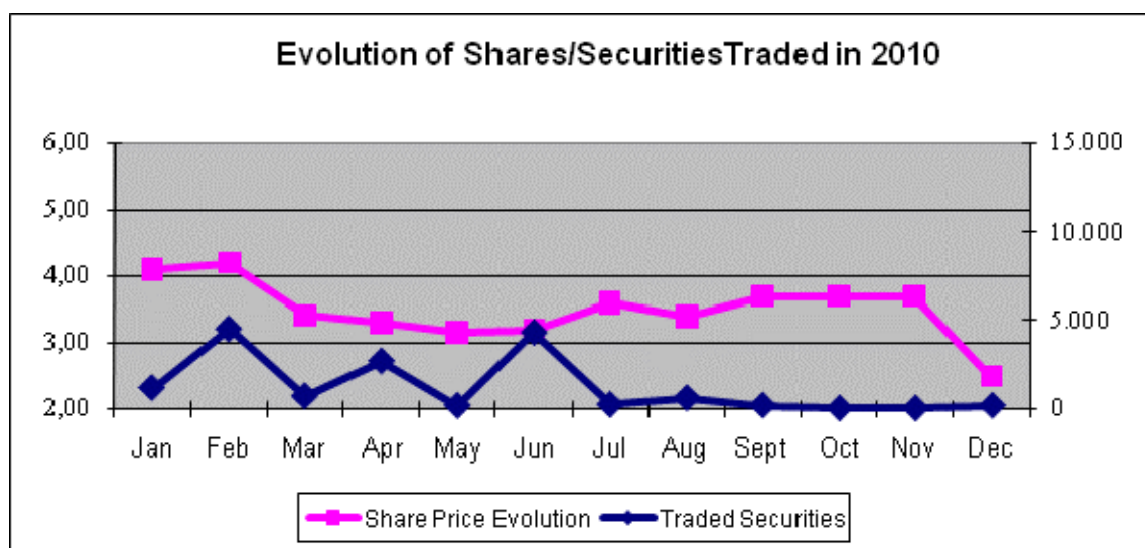
III.6. Changes to the company's Articles of Association are only possible by means of approval at the General Shareholders' Meeting by a 75% majority of the share capital.

III.7. The company does not have a Share Allocation Scheme for employees.

III.8. During the financial year 2010, 14,786 shares were traded on the Stock Exchange.

No abnormal transaction activities were registered, these having maintained a low rate throughout the year.

The following chart shows the evolution of the company share price. The evolution of the share price as a reflex of the crisis in the financial markets, showed a negative trend with a value of 4.10 Euros at the beginning of the year – its maximum value – and a year-end value of 2.49 Euros. On the other hand, no changes in share price as a direct impact of the disclosure of income (08 April 2010) or of dividend payments (29 April 2010) were registered.



Toyota Caetano Portugal, S.A.

III.9. The Company's dividend payment policy can be evaluated in the following table, which registers the situation for the last five financial years:

Items	2010	2009	2008	2007	2006	2005
Net Income (mEuros)	10,652	11,034	3,177	10,706	7,802	7,133
Not Payable	3,010	5,666				
Payable	7,642	5,368	3,177	10,706	7,802	7,133
Dividends (mEuros)	6,300	5,250	2,450	8,750	5,950	3,500
Dividend per Share (Euros)	0.18	0.15	0.07	0.25	0.17	0.10

In brief, despite being always conditioned by its own payable net profits and by the expectations thereby created for subsequent period(s), up until 2005 the Company had been paying dividends within a percentage range of 30% to 50% of the profits.

Taking into account the level of equity achieved in the meanwhile, from 2006 the Company has been paying dividends within a percentage range of 75% to 96% of payable net profits obtained. In 2010 this percentage is around 82%.

III.10. Toyota Caetano Portugal, SA. has no share allocation or stock option scheme for the members of the governing bodies or employees.

III.11. During the financial year 2010, no business was conducted between the Company and the members of the governing bodies (both management and audit), holders of qualified holdings or companies bearing a control or group relationship, other than under the normal market conditions pertaining to operations of the same kind, such business always having been included in the normal activities of the company.

III.12. During financial year 2010 no business or transactions were performed between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20. of *Código dos Valores Mobiliários* (Portuguese Securities Code), outside of normal market conditions.

III.13. The Audit Board, within the scope of its remit, in accordance with the previous points, did not conduct a preliminary assessment of the business carried out between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20 of *Código dos Valores Mobiliários* (Portuguese Securities Code).

III.14. There was no business subject to the prior intervention of the audit body.

III.15. Through its official Website (www.toyotacaetano.pt), Toyota Caetano Portugal, SA. provides financial information on its individual and consolidated activities. Also available on this page are documents containing the Company's financial statements for the last few years, the agendas and resolutions adopted in the last three years and the minutes of the General Shareholders' Meetings both in Portuguese and English.

III.16. Although no Investor Assistance Office has yet been formally established, this task is carried out by the market liaison officer. Whenever necessary, the market liaison officer ensures the provision to the market of all relevant information regarding noteworthy events, facts susceptible of inclusion within the framework of relevant facts, quarterly disclosure of income and answers to any clarification requests made by investors or by the general public as regards financial information of a public nature.

Investors desiring to obtain information can contact the Company by the following means:

Market liaison officer:

Rui Manuel Machado de Noronha Mendes
Telephone: +351 227 867 203
E-mail: rmendes@toyotacaetano.pt

Toyota Caetano Portugal, S.A.

III.17. The remunerations paid to our auditors and to other legal persons belonging to the same network, by the companies bearing a control or group relationship, amount to 90,500 Euro, distributed as follows:

Statutory Accounts Audit Services	95%
Other services	5%

The item "Other services" includes verification of the supporting documentation of the investment project under the System of Incentives for Research & Development in the NSRF Operational Program.

The Board of Directors, when requesting projects, before awarding them ensures that, under the terms of European Commission Recommendation No. C (2002) 1873 of 16 May 2002, no services are contracted of the auditors and their network liable to compromise their independence.

III.18. The Audit Board undertakes an annual assessment of the work of the External Auditor, ensuring that the fulfilment of the provisions laid down in Article 54 of Decree-Law No. 487/99 of 16 November (amended by Decree-Law No. 224/2008, 20 November) in relation to the rotation of the partner responsible for implementing the work.

This was one of the reasons why the Company changed, early in 2010, the entity that performed the tasks of external audit.

Note: This Report on Corporate Governance is a translation of the Report on Corporate Governance originally issued in Portuguese language. In the event of discrepancies, the Portuguese language version prevails.