ANNUAL REPORT TCAP '19

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01 GENERAL

01

BOARD MEMBERS AT 31 DECEMBER 2010

Board of the General Meeting

Manuel de Oliveira Marques - President
José Lourenço Abreu Teixeira – Vice-President
Manuel Fernando Monteiro da Silva – 1st Secretary
Maria Olívia Almeida Madureira – 2nd Secretary

Board of Directors

José Reis da Silva Ramos –President
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

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

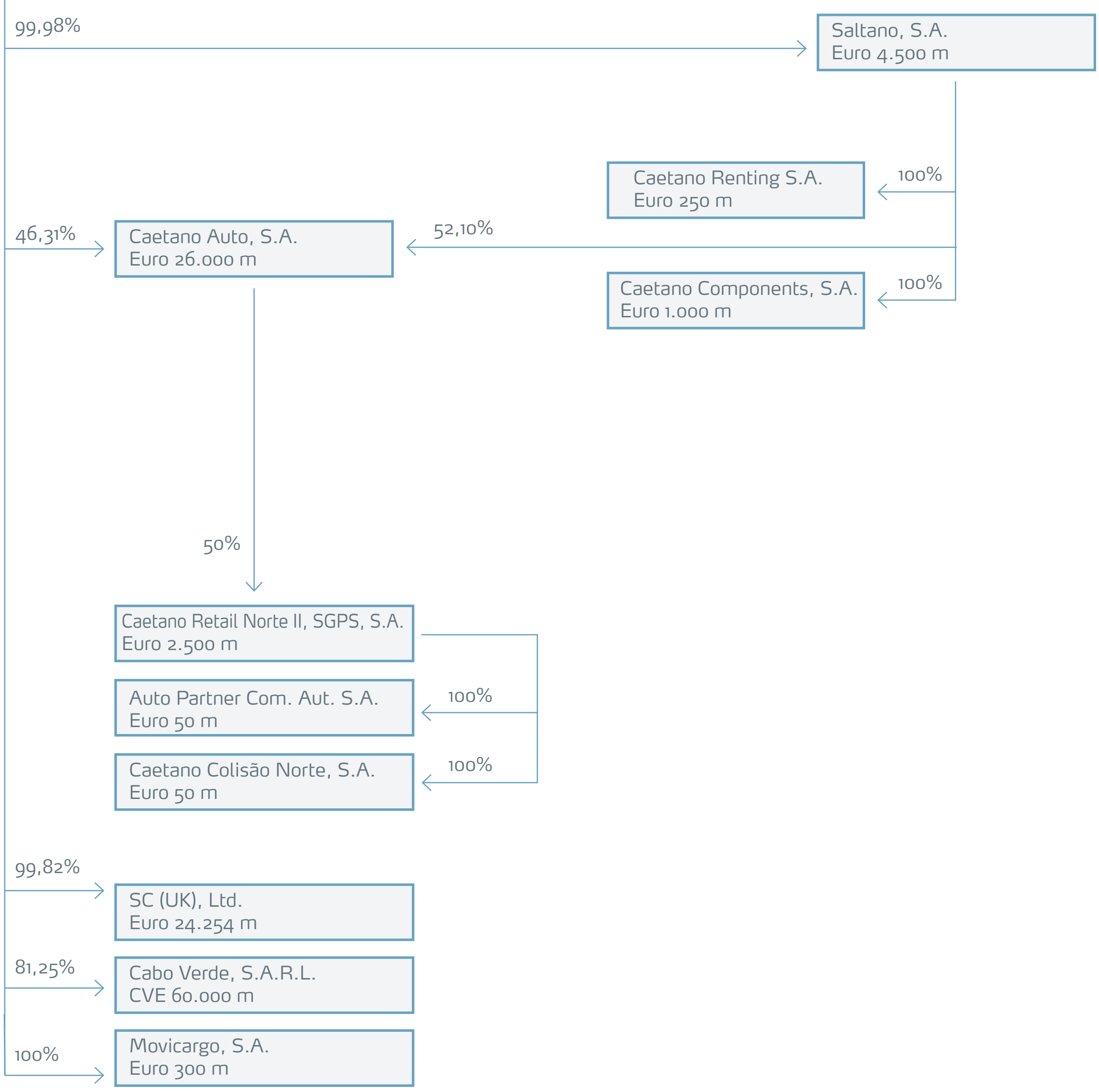
Statutory Auditor

José Pereira Alves, or by Hermínio António Paulos Afonso representing
PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
António Joaquim Brochado Correia - Alternate Member

01 GROUP TREE

Toyota Caetano Portugal, S.A.

Euro 35.000 m



01 GENERAL INFORMATION

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Telef. 256.790000 – Fax 256.790005

Southern Division
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Telef. 263.857200 – Fax 263.857208

Established in: 4th July 1946
V.A.T. 500 239 037
Registered on Trade Conservatory Nr. 500239037
Share Capital: Euro 35.000.000
Total Share capital quoted in Bolsa de Valores de Lisboa

02 MANAGEMENT SOLE REPORT

Message from the President

Company's sustainability has now become the arbiter of success in the world of business. Toyota Caetano Portugal has supported our action next to the Community, Employees, Clients and Business Partners, in our deep commitment to the environment and based on our values of trust, innovation and quality.

We have always been concerned to provide our Clients with the utmost satisfaction, and we remain committed to offering reliable, innovative and safe products, with a special focus on environmentally friendly solutions. So I therefore wish to emphasize the pioneering nature of Toyota hybrid vehicles, the environmental leadership of our brand within the car sector and the launch, in the middle of last year, of a hybrid version in the Auris range, which represents our highest volume model.

In 2010, we experienced a period of great upheaval in the media, the result of news about Service Campaigns, influenced above all by events in the United States of America. However, the results achieved in sales and profitability, as well as independent studies evaluating the credibility of our brands (among which I highlight winning the Reader's Digest 'Trusted Brand' Trophy) and, more relevantly, the commitment of our Clients in defending our reputation, demonstrate the quality of our products and Toyota as a safe value. In this respect, I also wish to mention a survey conducted by TUV, world leader in technical inspections, which placed Toyota as an undisputed leader for its quality, positioning 17 models of the Brand in the TOP 10 of each segment, with the Prius highlighted as the most reliable vehicle in the overall table.

Among our Employees, the Company's most valuable asset, we seek mutual trust and respect. With our Business Partners, which include the Toyota Dealer Network, our suppliers and shareholders, among others, we seek the continuous cooperation based on stable and mutual growth, corporate values and long-term relationships.

In 2010, as the result of a containment strategy and the global effort to reduce waste and rationalise costs, we closed the year with high profit levels. These profits mirror good performance in sales of new and used vehicles, in after-sales service excellence, but also the provision of Toyota Forklifts unit (another benchmark in the sector).

We continued to invest in the industry as part of the strategy of the Company and of Salvador Caetano Group, so here I underline the quality of the products manufactured in Ovar, including the commercial Toyota Dyna which continued to lead the chassis cab segment in 2010.

Within this integrated vision of business sustainability, Toyota Caetano Portugal, reflecting its close compliance with standards of citizenship, continues to promote a better society in the community through the development of environmental, road safety and philanthropy awareness activities. Among a variety of facts which support our socially and environmentally sustainable business performance, I wish to mention the Reforestation Project '1 Toyota, 1 Árvore' ('A Tree for every Toyota') and also the fact that Toyota Caetano Portugal is a signer to the European Road Safety Charter and the Anti-corruption Charter and a partner of several national NGOs. And in an action very closely co-ordinated with the local community, I evaluate positively a year of cooperation with the Centro de Dia de Gervide (Gervide Day Centre) (in Oliveira do Douro) and with the Conferência de S. Vicente de Paulo de S. Martinho de Arada (Conference of S.Vicente de Paulo of S. Martinho de Arada (in Ovar), where we guarantee the daily provision of meals for the elderly.

Although complex, 2010 ultimately became a year of challenges which we overcame successfully, in the full assumption, for a complete period, of the Company's management under my responsibility as President.

I have a feeling of accomplishment, but I am assured that this was merely one step in what is already the long history of this Company.

2011 will bring even greater tests – indeed difficult conditions began to appear early in the year both for the Portuguese economy and for the sector. The expected economic context, as well as changes to car taxation, together with the increase in VAT, ISV (car tax) and the closure of the End of Life Vehicle Discount Scheme all led to purchases being brought forward to 2010, therefore worsening the outlook for the new year. But I assure you that we will work hard to continue to perform strongly, with advantages for everyone: Employees, Clients, Business Partners, Shareholders and the Community.

We will continue to be a benchmark in company sustainability, because we care about business solidity, we manage efficiently and we act for results.

José Reis da Silva Ramos
President

Introduction

In accordance with the provisions laid down in Article 245 (1-a) of Código dos Valores Mobiliários (Portuguese Securities Code) the management report and the proposal for the allocation of the profits below were prepared, as well as the respective Annexes in accordance with the provisions laid down in articles 447th and 448th of the Código das Sociedades Comerciais (Commercial Companies Code). For each of the Companies included in the consolidation perimeter of Toyota Caetano Portugal an indication of the main events that occurred throughout the period and the respective impact on the financial statements will be shown.

TOYOTA CAETANO PORTUGAL, S.A.

Industrial Activity

Ovar Plant

In 2010, 2,553 units were produced in the Toyota business, corresponding to an increase of 30% over 2009. Production of Dyna model for the export market grew by 98% compared with 2009, with 1,055 vehicles being produced.

In 2010, 91 units were produced in the Mini Buses business, an increase of 6% compared to the same period in 2009. The domestic market is the main destination of the production with 59 vehicles.

Conversion and PDI business prepared 6,316 vehicles, representing a growth of 11% over the same period last year.

It should be highlighted that the values shown result from the comparison made with abnormally low production values pertaining to 2009.

PRODUCTION	2010	2009	2008	2007	2006
Toyota Physical Units	2.553	1.967	5.947	4.924	3.831
Minibuses Physical Units	91	86	154	160	132
Converted Physical Units	6.316	5.677	10.046	11.682	6.865
Total Employees	297	340	360	343	325

In another aspect it is noted that compliance with the Car Sector Support Program (PASA - Programa de Apoio Sector Automóvel), allowed 22.2% of the employees of the Ovar Factory Unit to be certified for minimum education (Year 9) and a further 20% to be certified for Year 12.

As was the case last year, this Factory Unit signed with all its employees a new agreement on working hours' bank, to run until 2013.

Most noteworthy is the renewal of ISO 14001:2004 Environmental Certification and monitoring of ISO 9001:2008 Quality Standard.

We also highlight that Ovar Factory Unit was rewarded by Toyota Motor Corporation for the quality of its production through the 'Overseas Plant Quality' which rates this Unit among the best in Europe. The Unit was also recognised, for the second consecutive time, with the 'Toyota Global Eco Award' for its environmental efficiency.

The Toyota Optimo Seven minibus was awarded one of the most renowned international design awards in the transport category, the 'Good Design Award' awarded by Chicago Athenaum.

In celebration of its 39th anniversary, the Ovar Factory arranged a different day for its employees and families with an open door day with guided tours and various recreational activities.

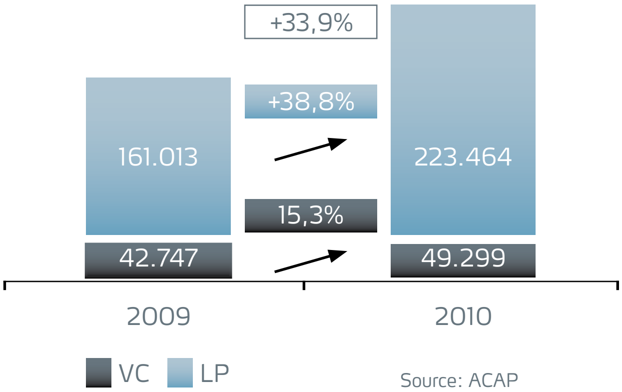
Also noteworthy is the first participation of the Ovar Factory Unit in the 5th European Quality Control Circles Convention (QCC) at TMMT (Turkey).

Commercial Activity

Vehicles

Total Market

2010 showed clearly positive results against 2009, with a 33.9% growth and a total of 272,763 marketed units.



Source: ACAP

Light passenger vehicles registered a higher performance than commercial vehicles, with a growth of approximately 39% vs. 15% respectively.

	2009	2010	VAR%
Scrapping	40.194	35.754	-11,0%
RAC	10.560	17.730	67,9%
Other	110.259	169.980	54,2%
TTL	161.013	223.464	38,8%

The good market performance is based on the following factors:

1) 2009 was the worst year for 22 years, with performance damaged by the sharp drop in economic activity.

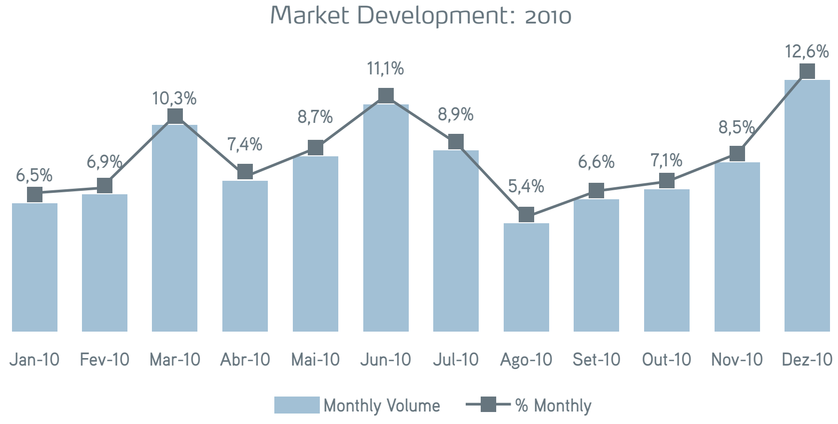
2010 was more positive, with a significant recovery in economic terms, which was felt in the several distribution channels.

This chapter highlights the development of the rent-a-car market that closes the year with a growth of approximately 68%.

2) Due to the phenomenon of advance purchasing, a result of containment measures adopted under the State Budget for 2011.

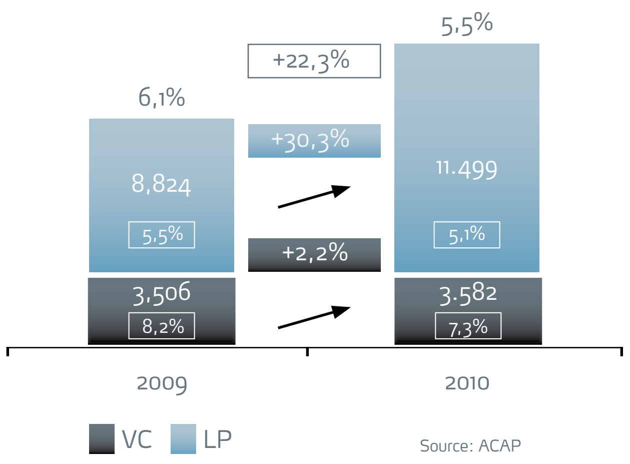
The 2 p.p. increase in VAT and the aggravation in vehicle tax, with an impact on prices between 2% and 4%; and the end of the discount incentive explain the strong demand experienced in late 2010.

This reality is clear in the sales distribution reported, where it can be seen that, contrary to what has traditionally happened, December was the strongest month in the whole year, with a 12.6% share in total sales.



Toyota

In 2010, in line with market trends, Toyota sales grew by 22.3% overall, reaching 15,081 units, which translated into a total market share of 5.5%.



Toyota's performance was different depending on whether we are talking about Light Passenger or Commercial vehicles:

For Light Passenger vehicles, there was an increase of about 30%, with market share falling to 5.1% (-0.4 p.p. compared to 2009).

The strong growth was due mainly to:

(1) Fulfilment of the pre-defined product plan, with the launch of competitive special series which strengthened the position of the models;

(2) The progressive optimisation of the ranges on the market, with greater investment in entry-level versions;

(3) The end-of-year sales promotion campaign, for YARIS and AURIS, which led to the optimisation of growth in demand related to advance purchases.

Even so, the good results obtained were not sufficient to offset the strong Market growth, resulting in an overall loss of share. This loss of market share is mainly a result of a lower rate of market coverage due to the growing trend for offering vehicle types that we do not supply (SWs and SUVs/CUVs in the C segment).

For Commercial vehicles, the growth registered was significantly lower, at 2.2%, with a resultant fall in market share to 7.3% (-0.9 p.p. compared to the previous year).

This difference in performance compared to the Market is essentially explained by the following:

(1) A reduced level of market coverage, with Toyota not present in the Combos segment, which has the highest growth in Commercial vehicles (about 27%);

(2) Less competitiveness in the CDVs segment, the segment with the second highest growth rate (25.5%);

(3) Our strongest segments were those where there was least growth and, in the case of Chassis-cabs (Dyna), it was the only segment to lose sales.

Two positive points are, however, of note:
- Keeping leadership in the Chassis cab segment, with Dyna model, produced locally at the Ovar assembly plant.
- The successful end-of-year Dyna and Hiace campaign.

Lexus

2010 was essentially marked by the sales growth in the IS and RX Ranges. In the case of the IS Range, the sales increase was due to the introduction of the IS200d, with very competitive price positioning, and to the marketing effort developed throughout all of 2010. In the case of the RX450h, the increase in sales was due to the positive impact of launching actions at the end of 2009, and the introduction of front-wheel drive versions with excellent price positioning.
This strategy allowed us to increase sales in the 2nd year of sales of the 2nd Generation of the RX450h. Sales of the GS range dropped by 50% as a result of the lower competitiveness of the model compared to the new products launched by our direct competitors. The same happened with the LS Range that saw its sales drop to only 2 units. This reduction is due to the end of the novelty effect of the model and the introduction of new models by our most direct competitors.

	2009	2010
IS	198	219
GS	22	11
RX	41	54
LS	5	2
TOTAL	266	286

Industrial Machines

Toyota Industrial Equipment

	MARKET			TOYOTA + BT SALES				
	'09	'10	VARIATION	'09		'10		VARIATION
			%	QT	SHARE	QT	SHARE	%
Counterbalanced Forklifts	1.172	1.001	-14,6	276	23,5	233	23,3	-15,6
Warehouse Equipment	1.053	1.041	-1,1	278	26,4	199	19,1	-28,4
Total MMC	2.225	2.042	-8,2	554	24,9	432	21,2	-22,0

Source: ACAP

Market

In 2010 the market for Load Handling Machines, continued to fall, even more than the previous year, due to the effects of the crisis in the Portuguese economy which led to the closure of countless companies within the industrial area. There was, thus, a market loss of around 8.2%, totalling 2,042 units compared to 2,225 units in 2009.

An analysis by equipment type showed that the loss of market in Counterbalanced Forklifts was more pronounced (-14.6%) compared to that registered for Warehouse Equipment (-1.1%), the latter having benefitted from renewed confidence in the Portuguese Food Retail and Distribution sector.

Toyota + BT Sales

Regarding the sales of Toyota Counterbalanced Forklifts, we can say that they have followed the market drop, having decreased by 15.6%.
As for the sales of Warehouse Equipment, the drop of sales registered was sharper (28.4%).

This performance is explained by the fact that in 2009, two large fleet deals were achieved which positively affected Toyota and BT sales. The year was closed in counter-cycle against the market and this did not happen in 2010.

Nonetheless and in terms of sales ranking, Toyota + BT kept its market leadership, achieving a share of 21.2%.

After Sales

Global Sales

Thousand Euros

Product	SALES 2010	SALES 2009	GROWTH. % 2010/2009	MANAGEMENT BUDGET	% BUDGET EXECUTION
Parts/ Accessories/ Merchandising	42.879	40.075	7,0%	40.949	104,7%
Extracare/Eurocare Services	1.943	1.473	31,9%	1.356	143,3%
Total	44.822	41.548	7,9%	42.305	105,9%

During 2010, Toyota's After Sales Division invoiced approximately 42.9 million Euros in parts, accessories and merchandising. This figure represents an increase of 7.0% compared to the turnover achieved in 2009, thus reflecting a recovery in business as opposed to the difficulties encountered in the previous year.

Similarly, the sale of services (namely 'Eurocare', 'Extracare' and 'Euroassistance') also registered a growth. These services' turnover totalised 1.9 million Euros, more 31.9% than in the previous year. This figure includes the sale of 'Eurocare' for offer in the Accelerator Pedal Inspection campaign, which totalled 156,000 Euros. On the other hand, 'mandatory' services are dependent on the sales of new vehicles, to which they are directly associated.

Distribution of total sales	WEIGHT (%) IN TOTAL SALES	
	2009	2010
Genuine Toyota Parts	85,7%	84,7%
Nationally Incorporated Parts	4,5%	4,3%
Accessories	9,1%	10,2%
Merchandising	0,8%	0,9%

Note: the table above refers only to sales of parts, accessories and merchandising (therefore not including the sale of services).

The sale of Genuine Toyota parts stands for the largest share of overall sales, and amounted to 84.7% (slightly lower than the 85.7% in 2009).

The Official Toyota Assistance network is the main client of the After Sales Division.

This client got 90.5% of global turnover, corresponding to 38.8 million Euros. This is a growth of 7.7% (+2.7 million Euros) when compared with the total for the previous year.

The amount in budget for this client was exceeded in 0.6 percentage points.

2010 reflected an upturn in After-Sales business given the economic difficulties encountered in 2009. This growth is in large part the result of efforts by Toyota Caetano Portugal, through various actions, among which we would like to highlight the following:

. The launch of the TGMO (Toyota Genuine Motor Oil) Lubricants Marketing Programme in the Official Toyota network.
. Creation of Toyota Insurance to work indirectly as a form of client protection and retention for the collision business of the Workshops of the Official Network.
. For vehicles without Toyota insurance 'Toyota Apoio 24' (Toyota Support 24) was created, a programme which aims to promote the routing of damaged vehicles to the workshops of Toyota Official Network.
. Toyota Collision Campaign: 25% reduction in prices of the main collision parts (restricted to certain Yaris and Corolla generations). This campaign ran throughout 2010.
. Launch of two Client Retention / Loyalty Campaigns. One took place during the summer and focused on vehicle safety and preparation for the holidays and the second was held during the winter, with the intention of preparing the car for this season.
. Increased sales of Accessories through Toyota Red Line programme and the inclusion of various products in client retention campaigns (e.g. alarms, Bluetooth and sun blinds).
. The launch of the Toyota Spring Campaign aimed at parts' clients of the Public Counter.
. The persistent dissemination of the tyre business included in the various client retention campaigns.
. Creation of the 'Toyota League' Programme with the aim of boosting the various After Sales departments.
. Launch of Smart Care services, which consisted of another investment in diversification and linking of sales of products and services.

CAETANO AUTO, S.A.

The financial year that ended on 31 December 2010 was marked by the crisis that is still affecting Europe and the rest of the world.

So, and within this context, to which Portugal naturally is no stranger, we were pleased to note that Caetano Auto achieved a turnover, and at the same time cost retention, above expectations within this economic climate.

In fact the core business of the Company – car sales – in 2010 was responsible for 7,310 new license plates compared to 7,176 for the same period of the previous year, thus registering a growth of about 1.8 percentage points. Also in the used vehicles business Caetano Auto was responsible for more than five thousand invoiced vehicles.

These indicators are not directly reflected in the turnover of the Company which includes other sales and services and also by virtue of the reduction in gross margin to cope specifically with the crisis and market competition.

In parallel with this and again during this financial year there was another strong reduction in indirect costs, including External Supplies and Services (ESF) – another key focus of management attention – which, as a result of several actions and tools implemented, achieved a higher and better rationalisation of resources that, along with the involvement and motivation of all those involved, contributed to a reduction of about 50% of these expenses from 2009 to 2010.

However, as a result of the first implementation of the Financial Reporting Accounting Standards (NCRF – Normas Contabilísticas de Relato Financeiro) governing the new Accounting Standardisation System (SNC – Sistema de Normalização Contabilístico), the Company saw its profits drop by more than two million Euros, due to the registration of impairments (the difference between the book value and the market value) relating to adjustments of Assets, particularly in facilities classified as Investment Properties.

However and despite the current and already mentioned economic situation, in 2010 the Company registered investments close to 12 million Euros, consolidated mainly on transport equipment due to the replacement/ upgrade of the service vehicle fleet and in buildings, particularly with the completion of Montijo facilities, where from 2011, Caetano Auto will start to provide to the public a new and pleasant site for all its sales or after-sales activities.
It should also be added that it is one of Caetano Auto's beliefs that the profits achieved in 2010 will be surpassed in 2011 by about 12%, despite the global economic scenario still showing no prospects for short-term improvement.

AUTO PARTNER - COM. AUTOMÓVEIS, S.A.

Auto Partner - Comércio de Automóveis, S.A. was delighted to achieve a turnover and cost retention above expectations and, consequently, profits that were markedly higher to those achieved in previous years. (Positive profits before taxes of 108 thousand Euros in 2010, against a loss of 453 thousand Euros in 2009).

In fact the core business of the Company – new and used car sales - in 2010 was responsible for 649 invoiced units against 629 for the same period of the previous year.

It is also important to note that the change in the management of this entity, due to operational restructuring, has now, since early 2010, the attention and direct intervention of Caetano Auto Board of Directors – an entity that holds 50% of the share capital of the parent company 'Caetano Retail (Norte) II, SGPS, SA.'

The Company also registered, in 2010, some investments in adaptation works and workshop equipment.
Finally it should also be added that Auto Partner – Comércio de Automóveis, S.A. is assured that the profits before taxes for 2011 will remain at 2010 levels, despite the global economic scenario still being very unstable.

CAETANO COLISÃO (NORTE), S.A.

Caetano Colisão (Norte) S.A. reached a turnover higher of that of the previous year giving again privilege to the cost control which contributed to a significant improvement of the profits achieved against the previous financial year.

Indeed, the core business of the Company – repair of car accidents – already shows in 2010 the improvement resulting from the operational restructuring registered, particularly with the closure of Bragança facilities.

Effectively, to the negative profits before taxes registered in 2009 corresponds now in 2010 a truly positive profit around one hundred thousand Euros.

In 2010 the Company registered no significant investments.

Also noteworthy is Caetano Colisão (Norte), S.A. conviction that profits before taxes for 2011 will continue to follow the improvement line initiated in 2010.

CABO VERDE MOTORS, S.A.

The pace of economic growth in Cape Verde is dependent on the tourism sectors and the real estate sector. According to the INE – Instituto Nacional de Estatística (Cape Verde Statistics Institute), these sectors registered a slight improvement during the last quarter of 2010.

The external environment, which has been more favourable in recent months, has had a positive impact on the development of international transactions in Cape Verde, as shown in the data for the last quarter of 2010, collected from official bodies. Indeed the recovery in international economic activity has had a positive impact on the recovery of tourism revenues and flows geared towards the tourist real estate sector.

The level of investment, despite showing signs of some recovery, continues to evolve in a negative direction, as confirmed by Cape Verde INE.

Although benefiting from this slight improvement in the economy, Cape Verde Motors failed to increase its turnover levels, which fell short of last year.

In the table below we can see the comparison of the development of commercial activity in 2010 over the same period of 2009.

Euros

Period	NO. OF VEHICLES SOLD	TURNOVER			TOTAL
		VEHICLES	PARTS	MANPOWER	
Year 2009	521	11.921.517	2.231.002	335.033	14.487.552
Year 2010	411	9.505.561	1.915.484	355.557	11.776.602
Value Comparison	-110	-2.415.956	-315.518	20.524	-2.710.950
%	-21,11	-20,27	-14,14	6,13	-18,71

In terms of the outlook for 2011, we believe that even though the economic situation tends to improve, the levels of activity and profits will be broadly similar to those obtained in 2010.

CAETANO RENTING, S.A.

The turnover reached a value of around 5 million Euros which, compared with the previous financial year, represents a decrease of around 1.8%.

The average fleet of the Company during the year stood at 1,535 units, and at year end the total number of units was 1,736.

The significant increase in the fleet was due mainly to the increase in the 'RACs' segment, where the number of units purchased was 1,229 of the 1,600 purchases made during 2010.

This significant increase in vehicles in the above-mentioned segment results in an increase in operating costs, which will only be recovered in 2011, when the lease agreements will expire.

The above-mentioned increase in operating costs refers to the differences between Rents charged and supported Write-backs, which contributed significantly to the negative Net Profit obtained in the financial year.

It is our belief that with the stabilisation of the fleet the 2011 financial year will see recovery of at least some of the losses that are being registered now.

CAETANO COMPONENTS, S.A.

2010 is marked by a reduction in orders from the main clients, CaetanoBus and Toyota Caetano, at the level of bodywork and commercial vehicles.

As a positive aspect we should highlight the bank order for 61 Levante units for National Express which enabled improved results.

For the other clients with a turnover of some significance for Caetano Components, EFACEC also reduced its volume of orders and Manitowoc saw a slight increase in orders, with the introduction of some new components.

The study and manufacture of the first structural components for C5 chassis began, with the validation of the cutting and welding process. The start-up of this project took place with the provision of sets of structures for prototype chassis assembly in Switzerland.

The layout for this project was implemented, with definition of the storage areas of the materials, for component pre-assembly and assembly line for the integrated production of the front and rear chassis modules. The training of the personnel working on this new product was launched.

Activities relating to the cutting of frames and the welding of bodywork structures were transferred to CaetanoBus. The assembly of aluminium side covers was also shifted.

This action resulted in a significant reduction in Caetano Components staff, due to the transfer to Caetano Bus and other companies of Salvador Caetano Group.

The Ibus project solutions were in the meantime completed with the planned construction of a Mokup in 2011, aimed at creating new designs for the interior of buses for the final CaetanoBus integrator. The Iseat project was launched with the aim of creating new seat finishing for the railway industry.

In addition, contacts were also established with Fainsa for the study of a partnership for the supply of covers for the German railway industry. This project is aimed to be consolidated during 2011.

With regard to profits for the year 2010, the budget-predicted values were fully satisfied, emphasizing that for 2011 – although in a clearly unfavourable domestic situation – we have reason to believe that as a result of the orders already secured the Company will continue to ensure an appropriate profitability, keeping the levels achieved in 2010.

SALTANO (S.G.P.S.) S.A.

Saltano, in developing its activity of managing company shareholdings and in the year under review, increased its stake in Caetano Auto through the purchase of 1,355,447 shares, amounting to 2.3 million Euros, and thus holds 52.10% of the company's share capital. In this context, the company has also disposed the shares held in BCP and BPI.

The existing loans from the parent company remained active, and in the current financial year increased by 2.3 million Euros.

Dividends received amounted to 710 thousand Euros, deriving from the distribution of the profits of the subsidiaries Caetano Renting, Caetano Auto and also from the shareholding in BCP and BPI. The contribution of these companies to the profits was 324 thousand Euros.

As a result of the above the net profit for the financial year surpassed 622 thousand Euros.

MOVICARGO / SC (UK)

Companies without activity in the period under review.

Human Resources

The most important and current challenge for the Companies is first of all one of survival, with a significant commitment to sustainability. This major objective is supported by the establishment of strong principles and values that promote and underpin all our strategic and operational activities.

This is why in 2010 we continue to seek to understand the expectations of our Employees, through the Satisfaction Surveys, to establish commitments based on procedures for Performance Evaluation and Management as a means of ensuring that the Human Capital of the Companies is a key asset for meeting their Goals and Missions.

Through this commitment we are seeking to resolve our ongoing concern about recruitment and the integration of new Employees, even those who are with us on a temporary basis, as is the case of Trainees, but always with very demanding standards in the challenges that we set each other.

Training and development remains a fundamental cornerstone for the success of the various projects, and is, for our Companies, a growing requirement in the indices of quality, in the programs that it defines, but even more so in the expected results.

At the same time, we continue to encourage Employees who do not have Year 12 schooling, to join the New Opportunities Program, and during 2010 there were 319 new members, with 55 people certified with the basic level and 46 with the secondary level.

In the Qualification of Young people, which continues to be strategic for us, we wish to emphasize the opening of another Training Centre in Sintra – Rio de Mouro, thus increasing to four the sites where this education is developed.

The table below shows the activity developed within the Training Area in 2010:

Type of Actions	2008		2009		2010	
	COURSES	TRAINEES	COURSES	TRAINEES	COURSES	TRAINEES
Young People Training	10	158	13	293	18	342
Manpower Training	348	6.589	300	6.591	626	7.365
Total	358	6.747	313	6.884	644	7.707

In the area of incentives and maintenance of the high levels of motivation of our Employees, we would like to highlight two situations:

- We conducted a salary review addressed only at employees with the lowest rates of pay as a sign of solidarity for the increased difficulties caused by adverse economic conditions for this group, increasing internal cohesion and a sense of responsibility and social fairness for all Employees.

- Proposal for allocation to all Employees of an extra bonus as profit sharing for the period under review, amounting to 682,500 Euros.

Financial Activity

With the OECD's leading indicator pointing to a gradual improvement in the Portuguese economy, in line with the Euro Zone, since last September, the year 2010 ends with a positive trend in GDP of 1.4%, compared to the 2.5% contraction registered in 2009. This economic growth in Portugal was due also to the strong contribution of increased domestic demand, with particularly significant end-consumer expenditure by households and also a smaller slowdown in investment than that registered in 2009.

In this scenario, the automotive sector, where Toyota Caetano Portugal Group mainly operates, was particularly important, having shown an increase in vehicle license plates of 33.9% over 2009, with Toyota, the brand represented by the Group, registering a growth of 22.3%.

Thus, in the period under review, and with the consolidation perimeter remaining unchanged, Toyota Caetano Portugal Group's performance reflects the market behaviour of its area of influence.

Thousand Euros

	2009	2010	VARIATION
Total Operating Profits	438.074	463.265	5,8%
Operating Income	14.485	13.134	- 9,3%
Profit Before Taxes	14.234	14.545	2,2%

The increase in activity was accompanied by some sacrifice of the marketing margin, although it was possible to achieve profits before taxes of 14.5 million Euros, very similar to that obtained in the same period of 2009, which featured the contribution of around 4 million Euros related to a reversal of estimated costs for the pension fund. Achieving these profits was also the result of a continued policy of expenditure containment, as well as favourable development of financial income, either through cost reductions through lower levels of interest bearing debt, and respective price, based on the Group's rating, or also through the neutralisation of costs associated with an operation to fix the interest rate at approximately 1 million Euros, these being costs that were already recognised in prior periods by the application of fair value to this financial instrument.

As a negative contribution to the income, we can underline that, notwithstanding the valuation criteria adopted for real estate being the cost model, an impairment of 1.8 million Euros was registered on assets allocated to operations, compared to values determined in recent valuations.

Consolidated net profit for the financial year, amounting to 11.9 million Euros, reflects an increase of 16.6% compared with 2009.

It is noteworthy that in this period, and due to the entry into force of the new accounting standards in Portugal, companies on the Group perimeter with their headquarters in Portugal have adopted those standards, and show in their individual accounts all the transitional adjustments.

We can therefore see in the following table the reconciliation of equity and consolidated net income now disclosed and calculated in accordance with the 'IFRS' regulations, with equity and individual results also now published and obtained by applying the rules in force in our country (SNC).

Thousand Euros

	STANDARD	INCOME	EQUITY
Consolidated - IFRS		11.740	139.746
Exclusions			
Disposal of the Company Shares Listed in Lisbon Euronext - BPI	a) IAS 39	817	-
Fair Value of Cimóvel Shareholding Units	b) IAS 39	86	-
Fair Value of the Company Shares Listed in Lisbon Euronext - BCP	b) IAS 39	186	-
Inclusions			
Government Subventions in Tangible Fixed Assets	NCRF 22	-	160
Government Captive Subvention in Reserves	NCRF 22	-	289
Individual - NCRF		10.652	140.195

a) Transfer for Fair Value Reserve established in previous fiscal years resulting from the disposal of financial assets considered as available to sale.
b) Transfer for Fair value Reserves of impairment losses of the year referring to financial assets considered as available to sale.

Gross Cash Flow generated by the Group, amounting to 32 million Euros, lower than in 2009 by 7%, enabled bank debt to be reduced by 18.8%, assuming overall liability of 60 million Euros, and making a further net investment of 23 million Euros. At the same time, there was an increase in Customer and Supplier accounts and a reduction in Inventories, an effect of the extraordinary turnover registered by the end of the year. The combination of the previous contributions made it possible to strengthen the Degree of Financial Autonomy, which rose from 47.3% in 2009 to 48.4% this financial year.

It should be mentioned that in terms of the companies comprising Toyota Caetano Portugal Group's perimeter, none of them registered any Social Security debt or late payment of taxes, contributions or fees to the State Public Sector.

Perspectives

The outlook for 2011 is particularly challenging given the macroeconomic assumptions, with a strong contraction of GDP according to the predictions of Banco de Portugal in its latest Winter Bulletin:

Projections from Banco de Portugal 2010 - 2012 Variation Rate, in percentage	CURRENT PROJECTIONS			AUTUMN EB	
	2010	2011	2012	2010	2011
GDP	1,3	-1,3	0,6	1,2	0,0
Private Consumption	1,8	-2,7	-0,5	1,8	-0,8
Public Consumption	3,2	-4,6	-1,0	1,5	-1,0
Gross Investment	-5,0	-6,8	-0,4	-4,2	-3,2
Domestic Demand	0,5	-3,6	-0,5	0,4	-1,2
Exports	9,0	5,9	6,1	7,9	4,5
Imports	5,0	-1,9	2,4	4,2	0,4
Inflation Ratio	1,4	2,7	1,4	1,4	1,0

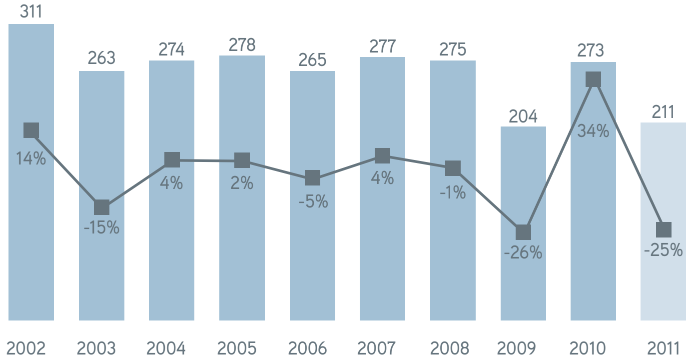
The expected downturn in the level of consumption will be felt more acutely in the consumption of durable goods which are typically more sensitive to the economic cycle, with an expected drop of around 21.7% for 2011.

The Car Market will be affected by this environment, with two specific factors notably conditioning demand in 2011:

- The advance purchases phenomenon, which was felt at the end of 2010 and is expected to result in lower demand in early 2011;
- And the generalised rise in prices of new vehicles, due to the simultaneous increase in vehicle tax (ISV) and VAT.

In face of this background, the Motor Trade Association of Portugal (ACAP - Associação de Comércio Automóvel de Portugal) provides a Market forecast for 2011 of around 211,000 units, entailing a loss of 25% over the previous year:

Car Market Evolution (in thousands)



Source ACAP

This forecast has a tacit level of retail sales in line with that registered in 2009, the difference being supported by a more active Rent-a-Car market than in that year.

Given the conditions described, Toyota's target for 2011 is 11,800 units, representing a slightly lower decrease than that estimated for the market as a whole, resulting in a market share of 5.6% - an increase of 0.1 p.p. on the previous year.

For Lexus and for 2011, even given the strong likelihood of a worsening economic environment, our focus is on increasing the volume of sales to 492 units (a 72% growth). To achieve this target we are relying on the introduction of a new entry-level Lexus model, the CT200h. Aimed at the 2nd largest segment of the premium market, this model has a competitive price positioning, a power unit suitable for the segment and is a leading model in the segment with respect to greenhouse gas emissions and fuel consumption. This model is expected to stand for 61% of Lexus total sales in the domestic market. In the other ranges we expect slightly lower annual sales in line with the forecasts for the segments to which they belong and taking into account the absence of innovations regarding the products.

Risk Management

Credits on clients
Credit risk at Toyota Caetano, is primarily the result of credit on its Clients, related to the operational activity.

The main objective of credit risk management at Toyota Caetano is to ensure effective collection of operational receipts from Clients as per the terms and conditions negotiated.

In order to mitigate credit risk arising from potential payment default by Clients, the Group companies exposed to this risk have:

- Set up a dedicated department for Credit Risk analysis and follow-up;
- Implemented pro-active credit management processes and procedures which are always supported by information systems;
- Hedging instruments (credit insurance, credit letters, etc.).

Interest Rate Risk
Due to the significant proportion of variable rate debt in its Consolidated Balance Sheet and the resulting interest payment cash flows, Toyota Caetano is exposed to interest rate risk.
Toyota Caetano has therefore made use of derived financial instruments to cover, at least partially, its exposure to interest rate changes

Exchange Rate Risk
As a geographically diversified Group, with subsidiaries in the UK and Cape Verde (although the subsidiary operating in the UK is currently inactive and in 2008 changed its functional currency to the Euro), the exchange rate risk results essentially from commercial transactions, resulting from 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. 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
Management of liquidity risk at Toyota Caetano aims to ensure that the company is able to obtain the necessary funding in a timely manner in order to carry out its business activities, implement its strategy and meet its payment duties when due, while avoiding the need to obtain funding on unfavourable terms.

To this end, management of liquidity in the Group comprises the following aspects:

a) Consistent financial planning based on cash flow forecasts in terms of operations according to different timelines (weekly, monthly, yearly and multi-annual);

b) Diversification of funding sources;

c) Diversification of the maturities of debt issued to avoid excessive concentration in short periods of debt amortization;
d) Agreement of contracts with partner Banks, short-term credit lines, commercial paper programs, and other types of financial operations, ensuring a balance between adequate levels of liquidity and commitment fees incurred.

A detailed description of this point can be found in the Corporate Governance Report

Own Shares

The company did not acquire or sell shares during the year. As at 31 December 2010, the company held none of its own shares.

Statement

We declare, under the terms and for the purposes provided for in article 245(1-c) of the Código dos Valores Mobiliários (Portuguese Securities Code), that to the best of our knowledge, the individual and consolidated financial statements of Toyota Caetano Portugal regarding 2010 were prepared in accordance with applicable accounting standards, giving a true and fair view of the assets and liabilities, the financial condition and the income of this company and of the companies included in its consolidation perimeter, and that the management report faithfully shows the business development, the performance development and the position of this company and subsidiaries included in the consolidation perimeter, as well as the description of the more significant risks and uncertainties faced.

Proposal for the allocation of the Profits

In accordance with the provisions laid down in nr 1 of article 376 (b) of the Código das Sociedades Comerciais (Commercial Companies Code), we propose the following allocation of the profits obtained in the fiscal year, amounting to 10.652.178,78 Euros, stated in the individual financial statements of Toyota Caetano Portugal:

a) To cover the losses obtained and registered Equity reduction, when changing to the new Accounting Standards

Eur: 1.291.340,73

b) To non-distributable reserves by Profits recognised and not realised in interests in subsidiaries resulting from the application of the equity method.

Eur: 3.010.129,21

c) To dividends to be allocated to share capital, €0.18 per share, which considering its 35,000,000 shares totals

Eur: 6.300.000,00

d) The remainder for the reinforcement of Free Reserves

Eur: 50.708,84

Relevant facts occurring after the end of the Financial Year

Since the end of 2010 and up to the present date, no relevant facts worthy of being mentioned have been observed.

Other Issues / Acknowledgements

This report would be incomplete if we did not express our acknowledgement of the people or bodies who, in some manner, have contributed to the development of the Company's activity or for the profits achieved in 2010, namely:

. Our Customers and Retailers, for the stimulus they have given us through the trust granted to our products and for their distinguished preference;

. The Bank Entities, for the collaboration demonstrated in concomitance with the development of our activity;

. The remaining Governing Bodies for their cooperation at all times;

. All the Employees for the dedication with which they have immersed themselves in the fulfilment of the Company's objectives.

Vila Nova de Gaia, 31 March 2011

The Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Information on the Shareholding of the Board and Supervisory Bodies
(Under article 9 (a) of CMVM Regulation 5/2008)

Board of Directors
ENGº JOSÉ REIS DA SILVA RAMOS: As at 27 January 2010 he purchased 39,590 shares at €4.10 each, and as such as at 31 December 2010 he held 125,590 shares with the nominal value of one euro each.
HIROYUKI OCHIAI - Holds no shares or bonds.
MIGUEL SILVA RAMALHO DA FONSECA - Holds no shares or bonds.
MARIA ANGELINA MARTINS CAETANO RAMOS - Holds no shares or bonds. As at 27 January 2010 the spouse purchased 39,590 shares at €4.10 each, and as such as at 31 December 2010 he held 125,590 shares with the nominal value of one euro each.
SALVADOR ACÁCIO MARTINS CAETANO - Holds no shares or bonds.
MIGUEL PEDRO CAETANO RAMOS – Has no changes and as such as at 31 December 2010 he held 1,130 shares, with the nominal value of one euro each.
RUI MANUEL MACHADO DE NORONHA MENDES - Holds no shares or bonds.
SHIGEKI ENAMI - Holds no shares or bonds.

Maria Angelina Martins Caetano Ramos - President of the Board of Directors, Salvador Acácio Martins Caetano – Vice President of the Board of Directors, José Reis da Silva Ramos and Miguel Pedro Caetano Ramos - Members of the Board of Directors of GRUPO SALVADOR CAETANO, SGPS, S.A., this Company registered no changes and as such as at 31 December 2010 held 21,000,000 shares, with the nominal value of one euro each.

José Reis da Silva Ramos – spouse of Maria Angelina Martins Caetano Ramos – President of the Board of Directors, Salvador Acácio Martins Caetano and Rui Manuel Machado de Noronha Mendes – Members of the Board of Directors, of FUNDAÇÃO SALVADOR CAETANO, this Company disposed 670,006 shares as at 25 January 2010 at € 4.10 each, and purchased: as at 30 June 2010, 3,962 shares at €3.20 each; as at 21 July 2010, 200 shares at € 3.20 each; as at 23 July 2010, 15 shares at € 3.60 each; as at 16 August 2010, 22 shares at € 3.60 each; as at 24 August 2010, 10 shares at € 3.70 each; as at 25 August 2010, 140 shares at € 3.70 each; as at 26 August 2010, 150 shares at € 3.70 each; as at 27 August 2010, 45 shares at €3.40 each; as at 1 September 2010, 45 shares at € 3.70 each; as at 7 September 2010, 50 shares at € 3.70 each, and as such, as at 31 December 2010 it held 4,639 shares, with the nominal value of one euro each.

Maria Angelina Martins Caetano Ramos - spouse of José Reis da Silva Ramos, President of the Board of Directors and Salvador Acácio Martins Caetano - Member of the Board of Directors of COCIGA – Construções Civis de Gaia, S.A., this Company registered no changes and as such as at 31 December 2010 held 290 shares, with the nominal value of one euro each..

Audit Board
José Jorge Abreu Fernandes Soares - Holds no shares or bonds.

António Pimpão & Maximino Mota, SROC, represented by António Maia Pimpão - Holds no shares or bonds.

Kenichiro Makino – Holds no shares or bonds.

Dr. Fernando Sousa Matos Pires – Holds no shares or bonds.

Statutory Auditor
PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda., represented by Dr. José Pereira Alves, or by Dr. Hermínio António Paulos Afonso - Holds no shares or bonds.

Information on the Shareholding of the Board and Supervisory Bodies in the Share Capital of Toyota Caetano Portugal, S.A.

(Under article 14 (6/7) of CMVM Regulation 5/2008 (article 447.º CSC)

	SHARES HELD 31.12.09	SHARES ACQUIRED 2010	SHARES SOLD 2010	SHARES HELD 31.12.10
JOSÉ REIS DA SILVA RAMOS (President)	86.000	39.590		125.590
HIROYUKI OCHIAI (Member)				
MIGUEL SILVA RAMALHO DA FONSECA (Member)				
MARIA ANGELINA M. CAETANO RAMOS (Member)				
SALVADOR ACACIO MARTINS CAETANO (Member)				
MIGUEL PEDRO CAETANO RAMOS ((Member)	1.130			1.130
RUI MANUEL MACHADO DE NORONHA MENDES (Member)				
JOSÉ JORGE ABREU FERNANDES SOARES (President Audit Board)				
KENICHIRO MAKINO (Alternate Member)				
ANTÓNIO PIMPÃO & MAXIMINO MOTA, SROC, REPRESENTED BY ANTÓNIO MAIA PIMPÃO (Member of the Audit Board)				
PRICEWATERHAUSECOOPERS & Associados, SROC, S.A., REPRESENTED BY JOSÉ PEREIRA ALVES OR BY HERMINIO ANTÓNIO PAULOS AFONSO (Statutory Auditor - Permanent)				

Informação of the Shareholding of Toyota Caetano Portugal, S.A.

(Under article 9 of CMVM Regulation 5/2008)

Shareholdings higher than one tenth of the Capital

Shareholders	SHARES HELD 31.12.2009	SHARES ACQUIRED 2010	SHARES SOLD 2010	SHARES HELD 31.12.2010
Toyota Motor Europe NV/SA	9.450.000			9.450.000

Shareholdings higher than half of the Share Capital

Shareholders	SHARES HELD 31.12.2009	SHARES ACQUIRED 2010	SHARES SOLD 2010	SHARES HELD 31.12.2010
Grupo Salvador Caetano, S.G.P.S., S.A.	21.000.000			21.000.000

List of Qualified Shareholdings higher than 2% of the Share Capital (Article 448º CSC)

Shareholders	SHARES	% OF VOTING RIGHTS
GRUPO SALVADOR CAETANO - SGPS, SA	21.000.000	60,00
TOYOTA MOTOR EUROPE NV/SA	9.450.000	27,000
SALVADOR FERNANDES CAETANO	1.399.255	3.998
Millennium BCP – Gestão de Fundos de Investimentos, S.A., representing the securities' funds it manages, as follows:		
Millennium Acções Portugal	701.163	2,00
Millennium PPA	541.020	1,55
Millennium Poupança PPR	85.296	0,24
Millennium Investimento PPR	48.823	0,14
Millennium Aforro PPR	11.752	0,03

03

SINGLE ACCOUNTS

Financial Highlights

euros

	DEC'10	DEC'09
Sales	328.425.815	294.821.380
Cash-flow	18.980.831	18.272.002
Net Income	10.652.179	11.033.809
Interest and Others	2.669.057	2.786.295
Personnel Expenses	19.850.120	18.782.724
Net investment	5.827.094	12.070.239
Gross Working Capital	84.340.688	77.511.482
GVA	47.216.057	43.421.334
Sales Units	18.839	16.564
Number of Employees	618	675

Individual Statement of Financial Position at 31 December 2010 and 31 December 2009

euros

Assets	NOTES	31.12.2010	31.12.2009
NON CURRENT ASSETS			
Tangible Fixed Assets	5	32.414.642	39.157.605
Investment Properties	6	14.470.383	11.587.818
Goodwill	7	611.997	611.997
Intangible Assets	8	12.300	167.815
Financial Investments - Equity Method	9	53.016.791	51.076.225
Other Financial Investments	10 & 14	39.904	9.869.904
Deferred Tax Assets	11	902.886	1.236.916
CURRENT ASSETS			
Inventories	12 & 19	48.317.270	51.303.072
Accounts Receivable	13 & 19	88.303.488	73.199.949
Down Payments		12.162	39.035
Shareholders	14	1.866.882	1.074.749
Other Accounts Receivable	15	30.688	2.200
Other Financial Investments	10	12.133.199	0
Deferrals	16	485.926	408.355
Cash and Cash Equivalents	4	1.996.607	1.984.710
TOTAL ASSETS		254.615.123	241.720.350

euros

Equity and Liabilities	NOTES	31.12.2010	31.12.2009
EQUITY			
Share Capital		35.000.000	35.000.000
Legal reserve		7.498.903	7.498.903
Other Reserve		74.944.552	74.544.546
Retained Earnings		548.253	
Adjustments to Financial Investments - Equity Method		6.486.824	1.362.587
Revaluation Reserve		6.195.184	6.195.184
Other Equity Movements - Gap transition		-1.131.341	-1.089.959
NET INCOME		10.652.179	11.033.809
TOTAL EQUITY	17	140.194.554	134.545.070

Equity and Liabilities	NOTES	31.12.2010	31.12.2009
LIABILITIES			
NON CURRENT LIABILITIES			
Provisions	19	0	60.090
Loans	20 & 21	4.124.771	5.626.328
Shareholders	14	3.536.244	0
Deferred Taxes Liabilities	11	898.073	885.655
CURRENT LIABILITIES			
Accounts Payable	22	30.318.608	24.374.663
Down Payments		321.801	69.513
Accrued Taxes	11	15.425.296	11.679.262
Shareholders	14	47.426	3.592.232
Loans	20 & 21	47.202.702	46.401.341
Other Accounts Payable	15	8.076.672	8.391.853
Deferrals	16	4.294.196	4.981.080
Derivative Financial Instruments - SWAP	23	174.782	1.113.264
TOTAL LIABILITIES		114.420.570	107.175.280
TOTAL EQUITY + LIABILITIES		254.615.123	241.720.350

Individual Statement of Income at 31 December 2010 and 31 December 2009

euros

	NOTES	31.12.2010	31.12.2009
Sales and Service Rendered	26	328.425.815	294.821.380
Subsidies	18	1.110.939	1.616.398
Gains in Financial Investments - Equity Method	9	3.010.129	5.666.012
Variation of Products	12	-1.049.454	-3.167.473
Cost of Goods and raw Material	12	-267.072.664	-235.895.529
Supplies	28	-39.396.823	-38.490.294
Personnel Expenses	29	-19.850.120	-18.782.724
Impairment in Inventories	19	212.028	
Impairment in Accounts Receivable	19	-212.672	
Increases/Reductions of Fair Value	23	938.483	-331.110
Other Gains	31	29.599.346	30.061.080
Other Expenses	31	-10.117.151	-9.106.255
Income before Depreciations, Financial Costs and Income Tax		25.597.855	26.391.485
Depreciations	5. 6 & 8	-9.843.007	-10.582.111
Operational Income		15.754.848	15.809.374
Financial Income	32	134.356	240.784
Financial Expenses	20 & 32	-2.803.413	-3.027.079
Income before Taxes		13.085.791	13.023.079
Income Tax for the Year	11	-2.433.612	-1.989.270
Net Income		10.652.179	11.033.809
Basic Earnings per Share		0.30	0.32
Diluted Earnings per Share		0.30	0.32

Chartered Accountant: Alberto Luís Lema Mandim
Board of directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Individual Statement of Changes in Equity at 31 December 2010 and 31 December 2009

euros

	SHARE CAPITAL	LEGAL RESERVE	OTHER RESERVE	RETAINED EARNINGS	ADJUSTMENTS TO FINANCIAL INVESTMENTS	REVALUATION RESERVE	OTHER EQUITY MOVEMENTS	NET INCOME	TOTAL EQUITY
Balance at 1 January 2009	35.000.000	7.498.903	74.217.796	3.176.750	1.419.861	6.195.184	-1.691.301		125.817.193
Changes in period									
Changes in Account Policies									
Deferred tax Adjustments									
Other Changes in Equity				-400.000	-57.274		601.342		144.068
				-400.000	-57.274		601.342		144.068
Net Income of period								11.033.809	11.033.809
Full Income								11.033.809	11.033.809
Allocation of Profits									
Legal Reserce									
Dividends				-2.450.000					-2.450.000
Other Reserve			326.750	-326.750					0
			326.750	-2.776.750					-2.450.000
BALANCE AT 31 DECEMBER 2009	35.000.000	7.498.903	74.544.546	0	1.362.587	6.195.184	-1.089.959	11.033.809	134.545.070
Changes in period									
Changes in Account Policies									0
Deferred tax Adjustments									0
Other Changes in Equity			288.687	541.775	-541.775		-41.382		247.305
			288.687	541.775	-541.775		-41.382		247.305
Net Income of period								10.652.179	10.652.179
Full Income								10.652.179	10.652.179
Allocation of Profits									
Legal Reserce									0
Dividends								-5.250.000	-5.250.000
Other Reserve			111.319	6.478	5.666.012			-5.783.809	0
			111.319	6.478	5.666.012			-11.033.809	-5.250.000
BALANCE AT 31 DECEMBER 20010	35.000.000	7.498.903	74.944.552	548.253	6.486.824	6.195.184	-1.131.341	10.652.179	140.194.554

Chartered Accountant: Alberto Luís Lema Mandim

Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Individual Statementof Cash Flows at 31 December 2010 and 31 December 2009

euros

STATEMENT OF CASH FLOWS ON OPERATING ACTIVITIES	2010		2009	
Collections from Customers	412.682.113		393.117.449	
Payments to Suppliers	-355.098.030		-310.846.204	
Payments to Personnel	-13.310.482		-13.595.713	
Operating Flow		44.273.601		68.675.532
Payments of Income Tax		-1.659.352		-802.520
Other Collections/Payments Related to Operating Activities		-35.840.314		-28.414.425
Flow in Operating Activities		6.773.935		39.458.587

STATEMENT OF CASH FLOWS ON INVESTING ACTIVITIES	2010		2009	
Collections from:				
Tangible Fixed Assets	4.261.546		3.137.163	
Investment Subsidy	392.773		2.042.729	
Interest and Others	711		2.277	
Dividends	541.775	5.196.805		5.182.169
Payments to:				
Investments	-2.303.199			
Tangible Fixed Assets	-1.338.597		-1.809.230	
Intangible Fixed Assets	-11.463	-3.653.259	-198.551	-2.007.781
Flow in Investing Activities		1.543.547		3.174.388

STATEMENT OF CASH FLOWS ON FINANCING ACTIVITIES	2010		2009	
Collections from:				
Loan	710.596	710.596	2.459.358	2.459.358
Payments to:				
Loan			-40.029.229	
Lease Down Payments	-1.430.195		-1.461.871	
Interest and Others	-2.346.829		-2.481.804	
Dividends	-5.239.157	-9.016.181	-2.445.849	-46.418.753
Flow in Financing Activities		-8.305.585		-43.959.395

CASH	2010		2009	
Cash and Cash Equivalents at Beginning of Period		1.984.710		3.311.130
Cash and Cash Equivalents at End of Period		1.996.607		1.984.710
Net Flow in Cash Equivalents		11.897		-1.326.420

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Notes to the Individual Financial Statements at 31 de December 2010

1. Introduction
Toyota Caetano Portugal, S.A. ("Toyota Caetano" or "the Company") was incorporated in 1946, with its headquarters in Vila Nova de Gaia, which mainly carries economic activities included in the automotive sector, namely the import, assembly and commercialization of light and heavy vehicles, import and sale of industrial equipment, as well as the corresponding technical assistance.

Its shares are listed in the Lisbon Stock Exchange Market since October 1987.

Toyota Caetano is the distributor of the brands Toyota, Lexus and BT in Portugal and is the head of a group of companies ("Toyota Caetano Group") with the following composition as at 31 December 2010 :

Companies	HEADQUARTERS
With headquarters in Portugal:	
Toyota Caetano Portugal. S.A. (Parent Company)	Vila Nova de Gaia
Saltano – Investimentos e Gestão. S.G.P.S.. S.A. ("Saltano")	Vila Nova de Gaia
Caetano Components. S.A. ("Caetano Components")	Vila Nova de Gaia
Caetano Renting. S.A. ("Caetano Renting")	Vila Nova de Gaia
Caetano – Auto. S.A. ("Caetano Auto")	Vila Nova de Gaia
Caetano Retail (Norte) II. SGPS. S.A. ("Caetano Retail SGPS")	Vila Nova de Gaia
Auto Partner - Comércio de Automóveis. S.A. ("Auto Partner")	Vila Nova de Gaia
Caetano Colisão (Norte). S.A. ("Caetano Colisão")	Vila Nova de Gaia
Movicargo – Movimentação Industrial. Lda. ("Movicargo") (1)	Vila Nova de Gaia
With headquarters in foreign countries:	
Salvador Caetano (UK). Ltd. ("Salvador Caetano UK") (1)	Leicestershire (England)
Cabo Verde Motors. S.A.R.L. ("Cabo Verde Motors")	Praia (Cape Verde)

(1) Company inactive in the period

According to the applicable legislation, Toyota Caetano will present separately, financial consolidated statements as at 31 December 2010 prepared in accordance with International Financial Reporting Standards (IAS/IFRS) as adopted in the European Union.

The following notes are organized in accordance with the structure understood more appropriate to a correct reading and apprehension of the principal politics of accountancy adopted as well as of the most relevant facts occurred in the period in analysis in accordance with Sistema de Normalização Contabilística, SNC (Portuguese GAAP) in force since 1 January 2010.

Therefore, the financial statements were prepared in accordance with the accounting standards Normas Contabilísticas e de Relato Financeiro, NCRF (Accounting Standards and financial Reporting) approved by the Decree Law nº 158/2009. Being 2010 the first period of application of the referred accounting standards, the GAAP transition adjustments are presented in Note 2.

The facts that are not mentioned in these notes are considered to be not relevant to an appropriate understanding of financial statements.

The amounts mentioned are expressed in Euros (rounded to the unit), because this is the group's functional currency.

2.Basis of Presentation of the Financial Statements
The accompanying financial statements have been prepared on a going concern basis from books and accounting

records of Toyota Caetano, maintained in accordance with generally accepted accounting principles in Portugal and defined in "SNC" (Portuguese GAAP) adopted from the beginning of the exercise of 2010.

In order to be possible the comparison of all the pieces of the financial statements, the presented ones in previous periods were object of adjustments resulting from the transition for the new accounting principles, duly indicated in Note 2.2.

First Time Adoption of the Accounting Standards and Financial Reporting (NCRF)
The Company adopted the Accounting Standards and financial Reporting (NCRF) in 2010.

All the pieces of the financial statements now presented were object of adjustments resulting from the transition for the new accounting principles

2.1. Technical Options at the Transition (first adoption of NCRF)

Intangible Assets, Tangible Fixed Assets and Investment Properties
The company has decided to adopt the cost model (deemed cost) for tangible fixed assets, intangible fixed assets and investments properties recognition, as permitted by NCRF 3.

2.2. Transition Adjustments

2.2.1. Intangible Assets (NCRF 6)
The company has derecognized intangible assets that don't meet the recognition criteria set in NCRF 6.

2.2.2. Tangible Fixed Assets and Investment Properties (NCRF 7 and NCRF 11)
The NCRF 3 allows the revaluation of tangible fixed assets and investment properties at the moment of transition. According with NCRF 3 and a decision from the Board of Directors of Toyota Caetano Portugal, S.A., the tangible fixed assets and investment properties are recorded at deemed cost, which corresponds to its acquisition cost or its revalued acquisition cost as referred in Note3 b).

Additionally, the company has derecognized tangible assets that don't meet the recognition.

2.2.3. Investments in Subsidiaries and Consolidation (NCRF 15) and Interests in joint ventures and Investments in Associates (NCRF 13)
As required by NCRF 13 and NCRF 15, investments in companies in which Toyota Caetano Portugal, S.A. has a significant influence or control are measured in accordance with the Equity Method.

2.2.4. Accounting for Government Grants and information of Governments Support (NCRF 22)
Government Grants to investment were recognized directly in Equity, as required by NCRF 22.

2.2.5. Income Taxes (NCRF 25)
The company has recognized deferred tax assets and liabilities in result of differences between the underlying carrying amounts and tax bases generated by the transition adjustments, as set by the article nº 5 of the Decree Law 159/2009.

2.2.6. Financial Instruments (NCRF 27)
The interest rate swap has been classified as a financial liability held for trading in accordance with NCRF 27, being measured at fair value through profit or loss of the period.

2.2.7. Employee Benefits (NCRF 28)
As required by NCRF 28, the company has accrued employees' bonuses.

2.2.8. Prepaid Expenses
Prepaid expenses that don't meet the asset recognition criteria have been derecognized.

2.3. Equity Reconciliation Resume

The impacts of the GAAP transition on Equity are summarized in the following table:

	01/JAN/2009	NOTE	31/DEC/2009	NOTE
Equity in POC (old GAAP)	103.235.325		100.385.325	
Adjustments to financial investments - equity method	24.273.168	2.2.3.	24.215.894	2.2.3.
Other equity movements				
Derecognition of Intangible Assets	-2.607	2.2.1.	-2.607	2.2.1.
Derecognition of Tangible Fixed Assets	-580.731	2.2.2.	-580.731	2.2.2.
Government Grants	0		273.989	2.2.4.
Deferred taxes	465.854	2.2.5.	393.207	2.2.5.
Fair Value of Financial Instruments	-782.154	2.2.6.	-782.154	2.2.6.
Bonus	-400.000	2.2.7.	0	
Derecogntion of Deferred Costs	-391.662	2.2.8.	-391.662	2.2.8.
Equity in NCRF (new GAAP) (without net profit)	125.817.192		123.511.260	

Note that the adjustments resumed above don't include 2009 Net Income effects.

2.4. Impact on Statement of Financial Position at 1st January 2009 POC (Old GAAP)/NCRF

2.4.1. Assets

ASSETS	1-JAN-09 POC	ADJUST.	1-JAN-09 NCRF
NON CURRENT ASSETS			
Tangible Fixed Assets	49.675.711	-13.261.842	36.413.868
Investments Properties	0	12.652.728	12.652.728
Goodwill	611.997	0	611.997
Intangible Assets	332.737	25.776	358.514
Financial Investments - Equity Method	17.486.106	28.882.534	46.368.641
Shareholders	0	0	0
Other Financial Investments	9.869.904	0	9.869.904
Deferred Tax Assets	773.667	465.646	1.239.312
CURRENT ASSETS			
Inventories	80.280.652	0	80.280.652
Accounts Receivable	93.610.481	-2.331.050	91.279.431
Down Payments	22.447	0	22.447
Accrued Taxes	806.022	0	806.022
Shareholders	268.822	0	268.822
Other Accounts Receivable	243.822	0	243.822
Deferrals	875.677	-391.662	484.015
Other Financial Assets	0	0	0
Cash and Cash Equivalents	3.311.130	0	3.311.130
TOTAL ASSETS	258.169.176	26.042.130	284.211.306

Tangible Fixed Assets and Investment Properties

The 13,3 million Euros of adjustments occurred in Tangible Fixed Assets at 01/01/2009 are essentially due to:

- Reclassifications to Investment Properties (Tangible Fixed Assets held to obtain periodic rents): 12,7 million Euros;
- Remaining is related with expenses which don't meet the recognition criteria according NCRF 7.

Intangible Assets

There have been 3 thousand Euros of expenses that were derecognized from intangible assets as required by NCRF 6. Additionally there were reclassified 28 thousand Euros from Tangible Fixed Assets to Intangible Assets related to software programs.

Financial Investments – Equity Method

The 29 million Euros adjustment refers to the adoption of the Equity Method in the measurement of interests in subsidiaries and associates in accordance with NCRF 13 and NCRF 15.

Deferred Tax Assets

There were recognized 466 thousands Euros of Deferred Tax Assets in result of differences between the underlying assets carrying amounts and tax bases generated by the transition adjustments, namely:

- Interest Rate Swap's Fair Value recognition: 207 thousand Euros;
- Derecognition of Capitalized Prepaid Expenses: 104 thousand Euros;
- Derecognition of Tangible Fixed Assets: 154 thousand Euros.

Accounts Receivable

The 2.3 million Euros adjustment refers to the presentation of Accounts Receivable's Accumulated Impairment Losses as an Allowance to the underlying asset, net of deferred taxes effect, instead of a liability.

Deferrals

The Plurianual costs previously deferred were expensed as they don't meet asset's recognition criteria according to the new Portuguese GAAP.

2.4.2. Liabilities

LIABILITIES	1-JAN-09 POC	ADJUST.	1-JAN-09 NCRF
NON CURRENT LIABILITIES			
Provisions	2.596.546	-2.516.726	79.820
Loans	0	1.919.861	1.919.861
Deferred Tax Liabilities	729.537	185.468	915.005
Other Accounts Payable	1.919.861	-1.919.861	0
CURRENT LIABILITIES			
Accounts Payable	35.343.391	0	35.343.391
Down Payments	128.828	0	128.828
Accrued Taxes	12.488.801	0	12.488.801
Shareholders	3.297.677	0	3.297.677
Loans	84.949.633	355.064	85.304.697
Other Accounts Payable	12.421.829	44.936	12.466.765
Deferrals	1.057.747	4.609.367	5.667.114
Derivative Financial Instruments – SWAP	0	782.154	782.154
TOTAL LIABILITIES	154.933.850	3.460.264	158.394.114

Provisions

Adjustment related with the presentation of Accounts Receivable Accumulated Impairment Losses as an Allowance to the underlying asset, net of deferred taxes effect, instead of a liability.

Loans – Non Current Liability

The observed increase results from the Reclassification of Finance Leases to financial debt.

Deferred Tax Liabilities

Recognition of 185 thousand Euros related with the transition adjustments.

Loans – Current Liability

The adjustment of 355 thousands Euros is a result from the Reclassification of Finance Leases to financial debt according to the new GAAP.

Other Accounts Payable – Current Liability

The increase of 45 thousand Euros results from the net effect of the reclassification of Financial Leases to financial debt of 355 thousand Euros and recognition of a provision related with employee's bonus of 400 thousands Euros according to NCRF 28.

Derivative Financial Instruments

Adjustment related with the recognition of the Interest Rate Swap's Fair Value at 31/12/2008.

Deferrals

The value mentioned in the current liabilities refers to the intercompany margins' deferral as a result of the adoption of the Equity Method in the measurement of interests in subsidiaries and associates.

2.4.3. Equity

EQUITY	1-JAN-09 POC	ADJUST.	1-JAN-09 NCRF
Share Capital	35.000.000	0	35.000.000
Legal Reserve	7.498.903	0	7.498.903
Other Reserve	74.217.795	0	74.217.795
Retained Earnings	3.176.750	0	3.176.750
Adjustments to Financial Investments - equity Method	-22.853.307	24.273.168	1.419.861
Revaluation Reserve	6.195.184	0	6.195.184
Other Equity Movements - Gaap transition	0	-1.691.301	-1.691.301
Net Income	0	0	0
TOTAL EQUITY	103.235.325	22.581.866	125.817.192

The Equity adjustments' details are presented in the Note 2.3.

2.5. Impact on Statement of Financial Position and Income Statement at 31st December 2009 POC/NCRF

2.5.1. Assets

ASSETS	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
NON CURRENT ASSETS			
Tangible Fixed Assets	51.267.148	-12.109.543	39.157.605
Investments Properties	0	11.587.818	11.587.818
Goodwill	611.997	0	611.997
Intangible Assets	142.307	25.508	167.815
Financial Investments - Equity Method	17.486.106	33.590.119	51.076.225
Shareholders	0	0	0
Other Financial Investments	9.869.904	0	9.869.904
Deferred Tax Assets	773.667	463.250	1.236.916

CURRENT ASSETS			
Inventories	51.303.072	0	51.303.072
Accounts Receivable	75.530.998	-2.331.050	73.199.948
Down Payments	39.035	0	39.035
Accrued Taxes	0	0	0
Shareholders	1.074.749	0	1.074.749
Other Accounts Receivable	2.200	0	2.200
Deferrals	546.986	-138.632	408.355
Derivative Financial Instruments - SWAP	0	0	0
Cash and Cash Equivalents	1.984.709	0	1.984.709
TOTAL ASSETS	210.632.879	31.087.471	241.720.350

Tangible Fixed Assets and Investment Properties

The 12,1 million Euros of adjustments occurred at 31/12/2009 in Tangible Fixed Assets are essentially due to:

- Reclassifications to Investment Properties (Tangible Fixed Assets held to obtain periodic rents): 11,6 million Euros;
- Remaining is related with expenses which don't meet the recognition criteria according to NCRF 7.

Intangible Assets

Adjustment related with the reclassification of software programs from Tangible Fixed Assets to Intangible Assets.

Financial Investments – Equity Method

The 33,6 million Euros adjustment refers to the adoption of the Equity Method in the measurement of interests in subsidiaries and associates in accordance with NCRF 13 and NCRF 15.

Deferred Tax Assets

There were recognized 463 thousand Euros of Deferred Tax Assets in result of differences between the underlying assets carrying amounts and tax bases generated by the transition adjustments, namely:

- Interest Rate Swap's Fair Value recognition: 295 thousand Euros;
- Derecognition of Capitalized Prepaid Expenses: 37 thousand Euros;
- Derecognition of Tangible Fixed Assets: 131 thousand Euros.

Accounts Receivable

Adjustment related with the presentation of Accounts Receivable Accumulated Impairment Losses as an Allowance to the underlying asset, net of deferred taxes effect, instead of a liability.

Deferrals

The Plurianual costs previously deferred were expensed. In fact, according to the new Portuguese GAAP they don't meet recognition criteria

2.5.2. Liabilities

LIABILITIES	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
NON CURRENT LIABILITIES			
Provisions	2.576.816	-2.516.726	60.090
Loans	2.119.358	3.506.970	5.626.328
Deferred Tax Liabilities	627.371	258.283	885.655
Other Accounts Payable	3.506.970	-3.506.970	0

LIABILITIES	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
CURRENT LIABILITIES			
Accounts Payable	24.374.663	0	24.374.663
Down Payments	69.514	0	69.514
Accrued Taxes	11.679.262	0	11.679.262
Shareholders	3.592.232	0	3.592.232
Loans	44.970.000	1.431.342	46.401.342
Other Accounts Payable	9.472.951	-1.081.099	8.391.852
Deferrals	1.814.598	3.166.482	4.981.080
Derivative Financial Instruments - SWAP	0	1.113.265	1.113.265
TOTAL LIABILITIES	104.803.735	2.371.546	107.175.281

Provisions

The 2,5 millions adjustment is related with the presentation of Accounts Receivable Accumulated Impairment Losses as an Allowance to the underlying asset, net of deferred taxes effect, instead of a liability.

Loans

The 3,5 millions Euros adjustment in Non Current Liabilities results from the reclassification of Finance Leases to financial debt according to the new GAAP. The 1.4 millions Euros adjustment in Current Liabilities results of the same reclassification.

Deferred Tax Liabilities

Recognition of 285 thousand Euros related with the transition adjustments:

- Provisions reclassification: 186 thousand Euros;
- Government Grants Recognition in Equity: 73 thousand Euros.

Other Accounts Payable

The Adjustment shown in Non Current Liabilities is a result from the reclassification of Finance Leases to financial debt.

The adjustments shown in Current Liabilities results from the following effects:

- Recognition of a provision related with employee's bonus: 83 thousand Euros;
- Reclassification of Financial Leases to Financial Debt: -1,4 million Euros;
- Reclassification from Other Accounts Payable: 268 thousand Euros.

Deferrals

The adjustments refers to:

- Government Grants Recognition in Equity according to NCRF 22: -542 thousand Euros;
- Intercompany margins' deferral as a result of the adoption of the Equity Method in the measurement of interests in subsidiaries and associates 3,7 million Euros.

Derivative Financial Instruments

Adjustment related with the recognition of the Interest Rate Swap's Fair Value at 31/12/2009.

2.5.3. Equity

EQUITY	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
Share Capital	35.000.000	0	35.000.000
Legal Reserve	7.498.903	0	7.498.903
Other Reserve	74.544.545	0	74.544.545

EQUITY	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
Retained Earnings	0	0	0
Adjustments to Financial Investments - equity Method	-22.853.307	24.215.894	1.362.587
Revaluation Reserve	6.195.184	0	6.195.184
Other Equity Movements - GAAP transition	0	-1.089.959	-1.089.959
Net Income	5.443.819	5.589.990	11.033.809
TOTAL EQUITY	105.829.144	28.715.925	134.545.069

The Equity adjustments' details are presented in the Note 2.3.

2.5.4. Income Statement

GAINS & EXPENSES	31-DEC-09 POC	ADJUST.	31-DEC-09 NCRF
Sales and Service Rendered	294.821.380	0	294.821.380
Government Grants	1.616.398	0	1.616.398
Gains in Financial Investments - equity method	0	5.666.012	5.666.012
Variation Products	-3.167.473	0	-3.167.473
Cost of Goods and Raw Material	-235.895.529	0	-235.895.529
Supplies	-38.739.911	249.617	-38.490.294
Personnel Expenses	-18.700.224	-82.500	-18.782.724
Increases / Reductions of fair value	0	-331.110	-331.110
Other Gains	30.061.080	0	30.061.080
Other Expenses	-9.106.255	0	-9.106.255
Income Before Depreciations, Financial Costs and Income Tax	20.889.466	5.502.019	26.391.485
Depreciations	-10.672.647	90.536	-10.582.111
Operational Income	10.216.819	5.592.555	15.809.374
Financial Income	240.784	0	240.784
Financial Expenses	-3.027.079	0	-3.027.079
INCOME BEFORE TAXES	7.430.524	5.592.555	13.023.079
Income Tax for the Year	-1.986.706	-2.564	-1.989.270
NET INCOME	5.443.819	5.589.990	11.033.809
NET INCOME PER SHARE	0.16		0.32

3. Main Accounting policies

The principal accounting policies used in the preparation of the accompanying financial statements are as follows:

a) Intangible assets

The intangible assets are stated at cost and comprise to 31 December 2010 exclusively Software Programs (Note 8). The corresponding depreciation is computed on straight line basis on an annual basis in accordance with a period of useful life appreciated of three years.

b) Tangible fixed assets and Investment properties

Tangible fixed assets and as well as the meantime re-classified for investment properties acquired up to 31 December 1997 are stated at cost and can be restated in accordance with Portuguese legislation. Tangible fixed assets acquired after that date are stated at cost. Depreciation is computed on straight line basis on an annual basis, accordingly with the following useful lives:

	Years
- Buildings and Other Constructions	20 - 50
- Machinery and Equipment	7 - 16
- Transport Equipment	4 - 5
- Administrative Equipment	3 - 14
- Other Fixed Assetss	4 - 8

Toyota Caetano restated its tangible fixed assets in accordance with Portuguese legislation as follows:

Decree-Law 430/78, of 27 December
Decree-Law 219/82, of 2 June
Decree-Law 399-G/84, of 28 December
Decree-Law 118-B/86, of 27 May
Decree-Law 111/88, of 2 April
Decree-Law 49/91, of 25 January
Decree-Law 264/92, of 24 November
Decree-Law 31/98, of 11 February

The depreciations of the period ended at 31 December 2010 were increased as a result of the referred restatement done. A part (40%) of this amount it is not accepted as a cost for corporate income tax purposes (IRC). Additionally, 40% of the depreciations of future exercises related to the effect of the restatement on fixed assets not yet depreciated will not be accepted as fiscal cost either, and the company recorded the correspondent liability for deferred tax (Note 11).

c) Lease contracts

Tangible fixed assets acquired under financial lease contracts and the corresponding liabilities are recorded by the financial method. Under this method the cost of the fixed assets is recorded and reflected in the balance sheet in caption of tangible fixed assets and the corresponding liability determined in accordance with the contractual financial plan are recorded like obtained financing and reflected in the balance sheet. Installments are composed of interest and capital refunding. Interest included in the lease installments and depreciation of the fixed assets is recognized in the income statement of the period to which they apply (Notes 5 and 21).

d) Financial investments in Group Companies and Affiliates – Equity Method

From the beginning of the year of 2010, the "MEP" (Equity Method) started to be applied to the participations in subsidiaries for which Toyota detains a dominant influence and according to the SNC rules.

The Equity Method was adopted in the financial investments in Group Companies and Affiliates measurement.

Dividends from interests in subsidiaries and associates are recorded in the period in which they are received as a straight reduction to the value of the financial participation, once his equivalent had been already considered by the appropriation in MEP of the results of the subsidiaries.

e) Financial Instruments

The company classifies financial instruments into the following categories:
- Financial instruments at cost or amortized cost less impairment losses
- Financial instruments at fair value through profit & loss

Financial instruments at cost or amortized cost less impairment losses

This category includes financial instruments that satisfy at least one of the following conditions:
- The entity designates the referred financial instruments to be measured at cost or amortized cost less impairment losses at the moment of initial recognition, and they meet the following criteria: a) defined maturity or spot instruments; b) fixed income or income based on a floating rate that is a common index rate or that includes a spread; c) doesn't contain any contractual clause that could cause nominal value or accumulated interest's loss;

- Contracts to concede or receive loans that: a) cannot be settled on a net base; b) are expected to meet the conditions to be recognized at cost or amortized cost less impairment losses; and c) the entity designates, at the initial recognition moment, to be measured at cost or amortized cost less impairment losses;
- Equity instruments that are not publicly traded and whose fair value cannot be reliably estimated, as well as contracts connected with those instruments that may cause their settlement.

Toyota Caetano Portugal's financial instruments that belong to this class are as follows:
- Investments in small private companies (Other Financial Investments – Note 10);
- Loan to Saltano, SGPS, S.A. (Other Financial Investments – Note 10);
- Accounts Receivable, Other Accounts Receivable and Payable (Notes 13, 14, 15, 22 and 34).

Financial instruments at fair value through profit & loss
A financial instrument is classified in this category if it doesn't meet conditions to be classified as a financial instrument at cost or amortized cost less impairment losses.

Toyota Caetano Portugal's financial instruments that belong to this class are as follows:
- Derivative financial instruments not designated for hedge accounting (Note 24).

f) Inventories
Merchandise, raw, subsidiary and consumable materials are stated at average cost, which is lower than market value.
A provision for depreciation of used cars was created to face the strong fluctuation of these product's market prices (Note 12).

Finished and intermediate goods and work in process are stated at production cost, which is lower than market value. Production costs include incorporated raw materials, direct labor, production overheads and external services.

g) Government Grants and Government Support
Non refundable subsidies received to finance tangible fixed assets are recorded in "Other Reserve" when granted and recognized in the Statement of profit and loss proportionally to the depreciation of the subsidized assets (Note 18).

Operating subsidies are recorded as "Operating income" in the period in which they are received (Note 18).

h) Post-Retirement Obligations
Toyota Caetano Portugal incorporated by public deed dated December 29, 1988 the Salvador Caetano Pension Fund, with subsequent updates in January 2, 1994, December 29, 1995 and December 23, 2002.

In order to estimate its liabilities for the payment of the mentioned responsibilities, the company obtains annually an actuarial calculation of the liabilities for past services in accordance with the "Projected Unit Credit Method".

Recorded liabilities as of the statement of financial position date relate to the present value of future benefits adjusted for actuarial profits or losses and/or for liabilities for past services not recognised, net of the fair value of net assets within the pension fund (Note 25).

i) Income Taxes
Income tax payable is determined based on the taxable results of the companies included in the fiscal consolidation of Toyota Caetano Portugal, according to the fiscal regime applicable in the country of each Group company's head office (Portugal) (Note 11).

The current income tax is calculated based on Toyota Caetano's taxable results.

Deferred income taxes are computed using the statement of financial position liability method and reflect the timing differences between the amount of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes. The deferred tax assets and liabilities are computed on an annual basis using the tax

rates that are expected to be in force at the time these temporary differences are reversed.
Deferred tax assets are only recorded when there is reasonable expectation that sufficient taxable profits will arise in the future to allow their use or when there are temporary taxed differences that overcome temporary deductible differences at the time of its reversal. At the end of each year the Company reviews its recorded and unrecorded deferred tax assets which are reduced whenever their realization ceases to be likely, or recorded if it is likely that taxable profits will be generated in the future to enable them to be recovered.

Deferred tax assets and liabilities are recorded in the income statement, except if they relate to items directly recorded in equity, situations in which the corresponding deferred tax is also recorded in equity captions.

j) Accrual basis
The Company records income and expenses on an accrual basis. Under this basis, income and expenses are recorded in the period to which they are related independently of when the amounts are received or paid. The differences between the amounts received and paid and the corresponding income and expenses are recorded in "Accruals" and "Deferrals" captions (Notes 15 and 16).

l) Employee termination indemnities
The Company has the policy of recording employee termination indemnities as an operational expense in the year in which they are agreed.

During the period ended in 31 December 2010 there were paid indemnities in the amount of approximately Euros 1.406.000 (approximately Euros 913.000 in 31 December 2009).

m) Provisions
Provisions are recognized when, and only when, the company has a present obligation (legal or constructive) arising from a past event; it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted as to reflect the best estimate of its fair value as of that date (Note 19).

Restructuring provisions are recorded by the company whenever there is a formal and detailed restructuring plan and it has been communicated to parties involved.

n) Contingent Assets and Liabilities
Contingent liabilities are defined by the company as (i) possible obligations from past events and which existence will only be confirmed by the occurrence or not of one or more uncertain future events not totally under Toyota Caetano's control or (ii) present obligations from past events not recognized because it is not expected that an output of resources that incorporate economic benefits will be necessary to settle the obligation or its amount cannot be reliably measured.

Contingent liabilities are not recorded in the financial statements, being disclosed in the respective Notes, unless the probability of a cash outflow is remote. In these situations no disclosure is made.

Contingent assets are possible assets that arise from past events and whose existence will only be confirmed by the occurrence or not of one or more uncertain future events not totally under the company's control.

Contingent assets are not recorded in the financial statements but only disclosed when it is likely the existence of future economic benefits.

o) Financial Expenses
The financial expenses related with loans obtained (interest, bonus, accessory costs and lease contract's interests) are recorded as cost in the income statement of the year to which they relate, on an accrual basis..

p) Balances and transactions expressed in foreign currencies
Assets and liabilities expressed in foreign currencies are translated to Euros at the prevailing exchange rates published by "Banco de Portugal". Favorable and unfavorable exchange differences, arising from changes between the exchange rates prevailing on the dates of the transactions and those in effect on the dates of payment, collection or as of the period, are recorded in the Income Statement.

q) Revenue
The revenue is recognized net of taxes and commercial discounts, by the fair value of the amount received or to be received.

Sales' revenue is recognized in the income statement when the inherent assets risks and significant advantages are already under the buyer's jurisdiction, when it is probable that economic benefits will flow to Toyota Caetano Portugal and when it is reasonably possible to measure the corresponding income.

Revenue related with services rendered is recognized in accordance with the percentage of completion method or based on the contract period when the service is not associated with the implementation of specific activities, but the continuing provision of the service

r) Segment information
In each year the company identifies the most adequate business and geographic segments.

Information related to revenue of the identified business segments is included in Note 27.

s) Value judgments, judgments and estimates, and assumptions concerning the future
During the preparation of the financial statements, the Board of Directors of the company based itself in the best knowledge and in the experience of past and/or present events considering some assumptions relating to future events.

Most significant accounting estimates included in attached financial statements as of December 31, 2010 and 2009 include:

- Useful lives of tangible and intangible assets;
- Registration of adjustments to the assets values (accounts receivable and inventories) and provisions;
- Impairment tests performed to goodwill;
- Discharge of the fair value of derivative financial instruments; and
- Clearance of responsibilities with Pension complements.

The underlying estimations and assumptions were determined based in the best knowledge existing at the date of approval of the financial statements of the events and transactions being carry out as well as in the experience of past and/or present events. Nevertheless, some situations may occur in subsequent periods which, not being predicted at the date of approval of the financial statements, were not consider in these estimations. The changes in the estimations that occur after the date of the financial statements shall be corrected in a foresight way. Due to this fact and to the uncertainty degree associated, the real results of the transactions may differ from the corresponding estimations. Changes to these estimates, which occur after publication of these financial statements, will be corrected in a prospective way, in accordance with NCRF 4.

Main estimates and judgments related to future events included in the financial statements preparation are described in the attached Notes.

t) Subsequent events and Main sources of uncertainty of estimates
Events occurring after the statement of financial position date which provide additional information about conditions prevailing at the time of the statement of financial position ('adjusting events') are reflected in the financial statements. Events occurring after the statement of financial position date that provide information on post-statement of financial position conditions ('non adjusting events'), when material, are disclosed in the Notes to the financial statements.

The financial statements include estimates that do not present a significant risk of originating a material adjustment to the carrying values of assets and liabilities in the following period.

4. Cash and Cash Equivalents
The amounts included in "Cash and cash equivalents" correspond to cash, bank deposits, time deposits and

other cash investments which mature in less than three months, and that can be immediately mobilized with a negligible risk of changes in value.

As of 31 December 2010 and 31 December 2009 cash and cash equivalents detail was the following:

Items	31/DEC/2010	31/DEC/2009
Money	101.250	101.250
Bank Deposits at Immediate Disposal	1.894.907	1.846.812
Cash Equivalents	450	36.648
Cash and Cash Equivalents	1.996.607	1.984.710

5. Tangible Fixed Assets

During 2010 and 2009, the movement in tangible fixed assets as well as in the accumulated depreciation were as follows:

2010	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENTS	VEHICLES	ADMINISTRATIVE EQUIPMENT	OTHER FIXED ASSETS	CONSTRUCTION IN PROGRESS	TOTAL
GROSS								
Opening Balance 31/12/2009	6.512.319	29.455.359	48.873.545	32.198.282	5.847.361	2.771.712	903.473	126.562.051
Increases			368.642	8.477.344	82.467	37.326		8.965.779
Disposals			-41.141	-6.685.760				-6.726.901
Transfers and Write offs	-3.146.965	1.842.379	-2.500	2.500				-1.304.586
Final Balance 31/12/2010	3.365.354	31.297.738	49.198.546	33.992.366	5.929.828	2.809.038	903.473	127.496.343
DEPRECIATIONS								
Opening Balance 31/12/2009		23.568.903	42.427.369	13.297.440	5.616.114	2.494.620		87.404.446
Increases		1.158.403	1.583.790	6.082.013	112.342	85.280		9.021.828
Disposals			-41.012	-3.274.160				-3.315.172
Transfers and Write offs		1.970.599	-500	500				1.970.599
Final Balance 31/12/2010		26.697.905	43.969.647	16.105.793	5.728.456	2.579.900		95.081.701
Net Value	3.365.354	4.599.833	5.228.899	17.886.573	201.372	229.138	903.473	32.414.642

2010	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENTS	VEHICLES	ADMINISTRATIVE EQUIPMENT	OTHER FIXED ASSETS	CONSTRUCTION IN PROGRESS	TOTAL
GROSS								
Opening Balance 01/01/2009	6.512.319	29.745.939	48.337.862	23.397.163	5.818.244	2.739.615	980.990	117.532.132
Increases			589.446	13.904.510	36.658	32.097		14.562.711
Disposals			-53.763	-5.089.564	-7.386			-5.150.713
Transfers and Write offs		-290.580		-13.827	-155		-77.517	-382.079
Final Balance 31/12/2009	6.512.319	29.455.359	48.873.545	32.198.282	5.847.361	2.771.712	903.473	126.562.051
DEPRECIATIONS								
Opening Balance 01/01/2009		22.655.717	40.762.992	9.796.414	5.494.925	2.406.432		81.116.480
Increases		1.203.766	1.718.140	6.109.013	128.730	88.188		9.247.837
Disposals			-53.763	-2.601.074	-7.386			-2.662.223
Transfers and Write offs		-290.580		-6.913	-155			-297.648
Final Balance 31/12/2009		23.568.903	42.427.369	13.297.440	5.616.114	2.494.620		87.404.446
Net Value	6.512.319	5.886.456	6.446.176	18.900.842	231.247	277.092	903.473	39.157.605

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 1.731.329 Euros.

6. Investment Properties

As at 31 December 2010 and 31 of December of 2009, the caption "Investment properties" correspond to real estate assets detained by Toyota Caetano in order to obtain income through its lease or increase in value. These assets are measured at acquisition cost.

Gains associated to Investment properties are registered in the caption "Other Gains" and they ascended to 2.980.157 Euros in the period ended in 31 December 2010 (3.174.990 Euros in 31 December 2009).

During 2010 and 2009, the movements occurred in the investment properties as well as in the accumulated depreciation were as follows:

2010	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	TOTAL
GROSS			
Opening Balance 31/12/2009	5.722.165	32.457.181	38.179.346
Increases		406.850	406.850
Disposals			0
Transfers and Write offs	3.146.965	-1.842.378	1.304.587
Final Balance 31/12/2010	8.869.130	31.021.653	39.890.783
DEPRECIATIONS			
Opening Balance 31/12/2009		26.591.528	26.591.528
Increases		799.471	799.471
Disposals			0
Transfers and Write offs		-1.970.599	-1.970.599
Final Balance 31/12/2010		25.420.400	25.420.400
Net Value	8.869.130	5.601.253	14.470.383

2009	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	TOTAL
GROSS			
Opening Balance 01/01/2009	5.722.165	32.457.181	38.179.346
Increases			0
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2009	5.722.165	32.457.181	38.179.346
DEPRECIATIONS			
Opening Balance 01/01/2009		25.526.618	25.526.618
Increases		1.064.910	1.064.910
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2009		26.591.528	26.591.528
Net Value	5.722.165	5.865.653	11.587.818

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 4.674.306 Euros.

Additionally, in accordance with external appraisals made by independent experts, with reference to 2010, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounts to, approximately, 60 million Euros.

The fixed assets recorded in "Investment Properties " as at December 31, 2010 and December 31, 2009 can be detailed as follows:

Real estate	LOCATION	DEC-10 CARRYING AMOUNT	DEC-10 FAIR VALUE AT 31/12/2010	DEC-09 CARRYING AMOUNT	DEC-09 VALUATION AT 31/12/2008
Industrial Facilities	V.N. Gaia	1.107.830	10.750.000	1.363.508	11.000.000
Industrial Facilities	Carregado	6.382.543	24.100.000	3.028.215	23.100.000
Industrial Warehouse	V.N. Gaia	1.559.960	4.800.000	1.337.773	5.440.000
Commercial Facilities	Lisboa	1.346.926	1.310.000	1.376.315	1.600.000
Commercial Facilities	Various locals	4.073.124	19.270.000	4.482.007	31.158.000
		14.470.383	60.230.000	11.587.818	72.298.000

The investment properties' fair value disclosed in December 31, 2010 was determined on an annual basis by an independent appraiser – American Appraisal (Market Method, Cost Method and Return Method), with reference to 2010.

7. Goodwill

During 2010, there have not occurred any changes to the Goodwill.

The Goodwill is due entirely to the amount recorded on the of Movicargo's acquisition in 2008 whose operations were meanwhile transferred to Toyota Caetano Portugal, SA.

Goodwill is not amortized, being tested annually for impairment.

For impairment test's purposes, the recoverable amount was determined in accordance with the Value in Use, through the discounted cash flows model and based on business plans carried out by people in charge, being approved by the Board of Directors. The discount rate used is considered to represent the risks inherent to the business.

As at 31 December 2010 the main assumptions of the test were as follows:

	Movicargo - BT Industrial Equipment Division
Goodwill	611.997
Cash Flows Projection Period	5 years
Growth Rate (g)[1]	0%
Discount Rate[2]	9,93%

1 Growth rate used to extrapolate cash flows beyond the period considered in the business plan
2 Discount rate applied to projected cash flows

The Board of Directors, supported by the estimated discounted cash flows, concluded that on December 31, 2010, the net book value of assets, including goodwill, does not exceed its recoverable amount.

The projections of cash flows were based on historical performance and on expectations of improved efficiency. The management believe that a possible change (within a normal scenario) in key assumptions used in calculating the recoverable amount will not result in impairment losses.

8. Intangible Assets

During 2010 and 2009, the movements in intangible assets were as follows:

2010	RESEARCH & DEVELOPMENT EXPENSES	SOFTWARE	TOTAL
GROSS			
Opening Balance 31/12/2009	2.978.595	983.622	3.962.217
Increases		8.500	8.500
Disposals			0
Transfers and Write offs	-2.978.595		-2.978.595
Final Balance 31/12/2010	0	992.122	992.122
DEPRECIATIONS			0
Opening Balance 31/12/2009	2.836.288	958.114	3.794.402
Increases		21.708	21.708
Disposals			0
Transfers and Write offs	-2.836.288		-2.836.288
Final Balance 31/12/2010	0	979.822	979.822
Net Value	0	12.300	12.300

2009	RESEARCH & DEVELOPMENT EXPENSES	SOFTWARE	TOTAL
GROSS			
Opening Balance 01/01/2009	2.923.147	958.622	3.881.769
Increases	55.448	25.000	80.448
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2009	2.978.595	983.622	3.962.217
DEPRECIATIONS			
Opening Balance 01/01/2009	2.593.017	930.239	3.523.256
Increases	243.271	27.875	271.146
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2009	2.836.288	958.114	3.794.402
Net Value	142.307	25.508	167.815

9. Financial Investments - Equity Method

In 31 December 2010 and 31 December 2009, the financial investments were as follows:

	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO	MEP ADJUSTMENTS	TOTAL
1 JANUARY 2009	3.369.958	817.687	19.202.025	4.220.747	21.931.426	-3.173.202	46.368.641
Acquisitions							0
Gains/Losses	153.229	-420.106	892.294	342.689	1.577.763	3.120.143	5.666.012
Other Capital Movements						-57.274	-57.274
Disposal							0
Others						-901.154	-901.154
Dividends received							0
31 DECEMBER 2009	3.523.187	397.581	20.094.319	4.563.436	23.509.189	-1.011.486	51.076.225
Acquisitions							0
Gains/Losses	22.679	-1.344	492.688	207.614	1.299.689	988.804	3.010.130
Other Capital Movements							0

	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO	MEP ADJUSTMENTS	TOTAL
Disposal							0
Others						-527.789	-527.789
Dividends received			-541.775				-541.775
31 DECEMBER 2010	3.545.866	396.237	20.045.232	4.771.050	24.808.878	-550.472	53.016.791

During the period, the only change in percentages of interest refers to the acquisition of 5,21% of Caetano Auto by Saltano, SGPS, SA to a minority shareholder. In the following chat, the evolution on the participation rates in Group companies can be appreciated:

	SCUK		MOVICARGO		CAETANO AUTO		CVM		SALTANO	
	31.DEC.09	31.DEC.10	31.DEC.09	31.DEC.10	31.DEC.09	31.DEC.10	31.DEC.09	31.DEC.10	31.DEC.09	31.DEC.10
Equity	3.530.179	3.552.898	405.434	404.090	43.712.397	42.990.284	5.950.278	6.158.069	23.865.372	24.547.666
Net Income	41.813	22.719	-67.079	-1.344	966.863	488.589	607.277	289.868	1.900.321	621.855
% Direct Interest	99,82%	99,82%	100%	100%	46,30%	46,30%	81,24%	81,24%	99,98%	99,98%
% Indirect Interest	99,82%	99,82%	100%	100%	93,18%	98,39%	81,24%	81,24%	99,98%	99,98%

Subsidiaries' financial position and net income can be summarized as follows:

	31-12-2010				
	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO
Assets	3.571.692	405.326	119.476.580	6.700.761	36.760.446
Current	27.612	65.326	64.028.038	5.561.737	7.699.842
Non Current	3.544.080	340.000	55.448.542	1.139.024	29.060.605
Liabilities	18.794	1.235	76.486.296	542.690	12.212.780
Current	18.794	1.235	69.677.103	542.690	79.581
Non Current	0	0	6.809.193	0	12.133.199
Equity	3.552.898	404.091	42.990.284	6.158.071	24.547.666
Income	42.129	4.894	243.951.063	11.875.358	867.241
Expenses	-19.410	-6.238	-243.462.474	-11.585.490	-245.386
Net Income	22.719	-1.344	488.589	289.868	621.855

	31-12-2009				
	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO
Assets	3.548.940	407.290	113.295.838	6.367.043	33.585.523
Current	3.548.940	67.290	61.612.791	5.122.586	1.307.794
Non Current	0	340.000	51.683.047	1.244.458	32.277.729
Liabilities	18.761	1.856	69.583.441	416.765	9.834.269
Current	18.761	1.856	59.266.240	416.765	4.269
Non Current	0	0	10.317.201	0	9.830.000
Equity	3.530.179	405.434	43.712.397	5.950.278	23.751.254
Income	62.854	55.537	249.528.383	14.572.283	1.811.045
Expenses	-21.041	-122.616	-248.561.520	13.965.007	-24.842
Net Income	41.813	-67.079	966.863	607.277	1.786.203

10. Other Financial Investments
Non Current Assets
Investments in small private companies ____________________ 39.904

Current Assets
Loan to Saltano, SGPS, SA (Note 14)____12.133.199

Both financial assets are measured at amortized cost less impairment losses.

The Board of Directors believes that the carrying amount of investments in small private companies is roughly near its fair value.

11. Income Taxes

In March 2007 the Company took the decision to apply to the Corporate Income Tax for the Group (RETGS) according to the articles 69th and 70th of Income Tax Code (CIRC) and beginning in 1st January 2007. In consequence, the parent company (Toyota Caetano Portugal, S.A.) shall book the income tax calculated in the Group Companies (Toyota Caetano Portugal, Caetano Auto, Saltano, Caetano Components and Caetano Renting) in order to determine the group income tax.

Amounts and nature of the assets and liabilities for deferred taxes recorded in 2010 comprise (Debts/ (Credits)):

	BALANCE 31 DECEMBER 2010			
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	REFLECTED IN INCOME STATEMENT	REFLECTED IN EQUITY
Provisions not accepted as fiscal costs	717.083		56.584	
40% of depreciation as a result of legal revaluation of fixed assets		(89.209)	(17.342)	
Effect of the reinvestments of the gains in fixed assets sales		(426.003)	(58.146)	
Gains in fixed assets according nº7 Art. 7º Law 30/G 2000		(30.559)	(6.112)	
Reserve captive		(104.085)		
Transition adjustments				
Provisions not accepted as fiscal costs		(190.530)	4.854	
Investments Subsidies		(57.687)		(14.920)
Valuation of financial instruments	46.317		248.698	
Assets not capitalized	105.198		26.299	
Cancellation of deferred costs	29.390		7.347	
Intangible assets	4.898		(4.898)	
Total	902.886	(898.073)	257.284	(14.920)

The Group Companies' operating profits forecasted to the next year show that the carrying amount of deferred tax assets recognized at 31 December 2010 will be totally recovered.

Additionally, the Income Statement caption "Income taxes" was determined as follows:

Income taxes in year ended 31 December 2010	2.176.328
Deferred income taxes of the period	257.284

	2.433.612

The liability caption "Accrued Taxes", as of 31 December 2010, does not include outstanding overdue debts, and comprise:

items	AMOUNT
Corporate Income Tax for the Year 2010 (income tax estimate)	2.176.328
Corporate Income Tax(payments in advance) for the Year 2010	-2.154.577
Sub-Total	21.751
Corporate Income Tax for the Year (RETGS)	950.014
Vehicles Tax	3.836.667

items	AMOUNT
Custom Duties	727.142
Value Added Tax	9.302.926
Other Tax	586.796
Total	15.425.296

The reconciliation of the earnings before taxes of the years ended at 31 December, 2010 and 2009 can be analyzed as follows:

	DEC-10	DEC-09
INCOME BEFORE TAXES	13.085.791	13.023.079
TAX AT RATE APLICABLE IN PORTUGAL (26,5%)	3.465.985	3.449.366
Equity Method	-3.010.129	-5.666.012
Restitution of non deductible taxes and excess on income tax provision	-1.548.720	0
Derivative Financial Instruments	-938.483	0
Accounting Capital Gains	-844.690	-1.013.729
Elimination of the Economical Double Taxation on Distributed Income	-541.775	0
Others	-506.867	-398.915
INCOME NOT SUBJECT TO TAX	-7.390.665	-7.078.656
Equity Method	541.775	0
Non deductible depreciation and amortization	414.617	619.773
Others	246.117	538.497
EXPENSES NOT DEDUCTABLE	1.202.509	1.158.270
Equity variations - Transition condition	71.258	0
Deferred tax	257.284	-102.166
Additional tax on profit	124.409	0
Additional income tax	206.912	210.972
TAX EXPENSES	2.433.612	1.989.270

12. Inventories

As of 31 December 2010 and 31 December 2009, inventories detail was the following:

Items	31/DEC/2010	31/DEC/2009
Goods	31.525.802	33.933.811
Raw Material	8.041.704	7.782.071
Finished and Intermediate goods	3.817.227	3.820.977
Work in Progress	6.020.509	7.066.213
Impairment Loss - Goods (Note 19)	-1.087.972	-1.300.000
	48.317.270	51.303.072

The cost of goods sold and consumed for 2010 was as follows:

Items	GOODS	RAW MATERIALS	TOTAL
Opening Balances	33.933.811	7.782.071	41.715.882
Purchases	226.415.999	38.508.289	264.924.288
Closing Balances	31.525.802	8.041.704	39.567.506
	228.824.008	38.248.656	267.072.664

The variation of production for 2010 was as follows:

Items	FINISHED AND INTERMEDIATE GOODS	WORK IN PROGRESS	TOTAL
Closing Balances	3.817.227	6.020.509	9.837.736
Opening Balances	3.820.977	7.066.213	10.887.190
	-3.750	-1.045.704	-1.049.454

13. Accounts Receivable

As of 31 December 2010 and 31 December 2009 Accounts Receivable detail was the following:

Items	31/DEC/2010	31/DEC/2009
Accounts Receivable	90.010.149	74.653.578
Doubtful Accounts Receivable	5.502.982	5.502.982
Impairment Losses (Note 19)	7.209.643	6.956.611
	88.303.488	73.199.949

14. Toyota Caetano Portugal Group Companies

Due and payable balances with Group and Associated companies, which, as of 31 December 2010, were recorded in the captions "Accounts receivable", "Accounts payable", "Other financial investments" and " shareholders", as follows:

Accounts Receivable	54.973.551
Accounts Payable	-1.710.831

Shareholders (Note 11)	
RETGS's Companies	
Saltano, S.A.	76.536
Caetano Components, S.A.	-275.102
Caetano Renting, S.A.	-385.848
Caetano Auto, S.A.	2.451.296
	1.866.882
Others	
Salvador Caetano UK, Ltd	-3.196.244
Movicargo, Lda	-340.000
	-3.536.244

Other Financial Investments (Note 10)

Saltano, S.A.	12.133.199

Accounts Receivable and Accounts Payable (Notes 13 and 22)
Intercompany balances and transactions related with accounts receivable and payable were as follows:

	COMERCIAL DEBT		PRODUCTS		FIXED ASSETS	SERVICES		OTHERS	
Group Companies	RECEIVABLE	PAYABLE	SALES	PURCHASES	ACQUISITIONS	RENDERED	OBTAINED	COSTS	INCOME
SALVADOR CAETANO (UK), LTD		347.836						77.371	
CAETANO COMPONENTS, S.A.	102.291	72.488	2.157	675.317			108.430	1.521	76.156
CABO VERDE MOTORS, SARL	266.533	207	8.397.043				621		71.278
CAETANO RENTING, S.A.	5.887.950	63.301	16.019.763	5.806.258	189.623		155.023	36.322	447.769
CAETANO AUTO, S.A.	46.235.310	1.175.500	154.499.790	446.723			7.194.109	10.307.647	5.977.022
AUTO PARTNER - COMÉRCIO DE AUTOMÓVEIS, S.A.	2.457.544	32.367	8.242.628	2.217			274.532	447.128	290.500
CAETANO COLISÃO (NORTE), SA	23.920	14.245		6.106			19.553	625	51.822
MOVICARGO - MOVIMENTAÇÃO INDUSTRIAL, S.A.	3	4.887						4.887	2

15. Other Accounts Payable and Receivable

Other Accounts Payable's detail at 31 December 2010 is as follows:

Other Accounts Payable	DEC-10
Interest	121.619
Sales Campaigns	1.342.925
Vacations pay and Bonus	2.155.866
Anticipaded costs related with sold vehicles	1.773.970
Supplies	344.937
Warranty claims	266.577
Car tax related with disposed vehicles not registered	710.473
Personnel	688.753
Publicity	346.435
Royalties	135.723
Insurance	189.394
Total	8.076.672

The amount of 31 thousand Euros of Other Accounts Receivable refers to accrued income.

16. Deferrals

As of 31 December 2010, these items were as follows:

Asset Deferrals	
Insurance	204.984
Interest from Commercial Paper Programs	146.186
Others	134.756
Total	485.926
Liabilities Deferrals	
Debtors interest	80.148
Signage to be charged to dealers	980.256
Intercompany margin deferral (Equity Method)	3.180.424
Others	53.368
Total	4.294.196

17. Equity

Composition of Share Capital
As of 31 December 2010 Toyota Caetano share capital was represented by 35.000.000 bearer shares, totally subscribed and realized, with a nominal value of 1 Euro.

The identification of corporate entities with more than 20% of issued capital was as follows:

- Grupo Salvador Caetano (S.G.P.S.), S.A.____________________ 60%
- Toyota Motor Europe NV/SA_______________________________ 27%

The parent company Grupo Salvador Caetano (SGPS), SA has its headquarters at Avenida Vasco da Gama, 1410, Oliveira do Douro, Gaia.

Dividends
According to the General shareholders meeting deliberation, as of 23 April 2010, a dividend of 0,15 Euros per share was paid (total dividend of 5.250.000 Euros). As of 30 April 2009, the dividend paid was of 0,07 Euros per share (total dividend of 2.450.000 Euros).

In relation to 2010, the Board of Directors proposes that it should be paid a dividend of 0,18 Euros per share. This proposal must to be approved in the General Shareholders Meeting and was not included as a liability in the financial statements. The proposed dividend amounts to a total of 6.300.000 Euros.

Legal reserve
Commercial legislation establishes that at least 5% of the net profit of each year must be appropriated to a legal reserve until this reserve equals the statutory minimum requirement of 20% of the share capital. This reserve is not available for distribution, except in case of dissolution of the Company, but may be used in share capital increases or used to absorb accumulated losses once other reserves have been exhausted.

Other reserves
It reserves includes reserves created by the company (74.655.864 Euros) accrued with a reserve referent to the recognition of a FEDER premium net of deferred tax effect (288.688 Euros).

Revaluation reserves
The revaluation reserves cannot be distributed to the shareholders, except if they are completely depreciated and if the respective assets that were revaluated have been alienated.

Adjustments to Financial Investments – Equity Method
Adjustments related with the Equity Method adoption.

Other Equity Movements
Amounts related with transition adjustments (Note 2).

The distributable amount in Equity, excluding Net Income, includes:
- Other reserves: 74.655.864 Euros;
- Retained earnings: 548.253 Euros.

Proposal for the Allocation of the Profits
In accordance with the provisions laid down in the Portuguese Commercial Companies' Code (article 376th, number 1 – b), it was proposed by the Board of Directors the following allocation for 2010's profit (10.652.178,78 Euros):
- a) To cover losses that resulted from changing to the new Accounting Standards: 1.291.340,73 Euros;
- b) To non-distributable reserves, by profits recognized and not realized in subsidiaries, resulting from the application of the Equity Method: 3.010.129,21 Euros;
- c) To dividends to be paid to shareholders: 6.300.000 Euros;
- d) The remaining for the reinforcement of Free Reserves: 50.708,84 Euros.

18. Government Grants and Government Support

The detail of the movements in captions subsidies and support received during 2010 is as follows (Note 3 g)

PROGRAM	SUBSIDIES RECEIVED IN PREVIOUS YEARS	SUBSIDIES RECEIVED	TRANSFER TO SURFACE TREATMENT ACTIVITY	RECOGNIZED IN PERIOD	DEFERRED TO FUTURE
POE1.2 – SIME A application 00/07099	513.708		267.742	49.296	196.670
SIME IDT - OPTIMO SEVEN	28.023			7.006	21.017
FEDER		392.773			392.773
sub-total for subsidies to fixed and intangible assets	541.731	392.773	267.742	56.302	610.460
Program of Qualification and Employment for the Automotive Industry (PASA)	59.935	47.355		107.291	
Operational Program for the Human Potencial (POPH)		1.003.649		1.003.649	
sub-total for operating subsidies	59.935	1.051.004		1.110.940	

19. Provisions and Impairments

During 2010 and 2009, the following movements occurred in provisions and impairments:

Items 31/Dec/2010	OPENING BALANCES	INCREASES	TRANSFERS	REVERSALS	ENDING BALANCES
Doubtful Accounts Receivable	6.956.612	212.672	60.090	-19.731	7.209.643
Inventories	1.300.000			-212.028	1.087.972
Other Risks and Charges	60.090		-60.090		
	8.316.702	212.672	0	-231.759	8.297.615

Items 31/Dec/2009	OPENING BALANCES	INCREASES	TRANSFERS	REVERSALS	ENDING BALANCES
Doubtful Accounts Receivable	6.956.612				6.956.612
Inventories	1.300.000				1.300.000
Other Risks and Charges	60.090				60.090
	8.316.702	0	0	0	8.316.702

The increases and reversals of provisions have resulted from an internal evaluation made to accounts receivable and inventories' recoverable amounts.

20. Loans and Financial Expenses

As of 31 December 2010, loans can be detailed as follows

Commercial Paper Programs	45.700.000
Leases	1.292.090
Others	10.612
Current Liability	47.202.702
Leases	2.216.025
Other Loans	1.908.746
Non Current Liability	4.124.771

Loans are measured at amortized cost, being the effective interest rate coincident with the nominal interest rate.

Interests relating to the Commercial Paper Programs and bank Loans mentioned above are indexed to Euribor, plus a spread which varies between 90 and 350 bps.

Other Loans refer to the investment refundable grant received in 2009, with the following reimbursement plan:

2011	210.612
2012	545.356
2013 and after	1.363.390
	2.119.358

During 2010 the detail of the costs supported with Loans and other financial instruments was as follows:

	AMOUNT
Commercial Paper Programs	863.964
Bank Loans	44.099
Loans	49.903
Financial Instruments	968.814
	1.926.780

The detail of derivative financial instruments' contract conditions are explained on Note 23.

21. Leases

As of 31 December 2010, the company was maintaining responsibilities like tenant relative to future installments of financial lease contracts of industrial equipment in the amount of 3.508.115 Euros, which are included in the caption "Loans" (Note 20).

The detail of this caption, as well as the reimbursement plan can be summarized as follows:

		SHORT TERM	MEDIUM AND LONG-TERM					
Contract	LEASINGS		2011	2012	2013	> 2013	TOTAL	TOTAL
	Industrial Equipment							
	Capital	1.292.091	981.029	798.736	431.825	4.435	2.216.024	3.508.115
	Interest	42.508	25.612	12.689	3.235	9	41.545	84.053

The fair value of the liabilities for leasing contracts is similar to the fair value of the leased assets.

Operating leases' minimum payments are essencially related with informatic equipment's rental and can be summarized as follows:

Operating Leases' minimum payments	DEC-10	DEC-09
Less than one year	247.067	247.667
Between one and five years	248.235	346.867
	495.302	594.534

22. Accounts Payable

As of 31 December 2010 and 2009 this caption was composed of current accounts with suppliers, which end at short term.

23. Derivate Financial Instruments

Interest Rate Derivatives

The derivative financial instruments used by Toyota Caetano Portugal, existing at 31 December, 2010, refer to interest rate swaps. Although not fulfilling the requirements to be considered for hedge accounting purposes (cash flow hedging), their acquisition was made with the objective of interest rate risk coverage of loans. In fact, they contribute for the reduction of exposure to the interest rate variation or for the optimization of funding costs.

The fair value at 31 December, 2010 was negative by 174.782 Euros (as at 31 December 2009 was negative by 1.113.265 Euros), and includes a total exposition of 20 Million Euros, for a 3 years term, counting from December 21, 2010.

These derivative instruments were valued considering the future cash flows that are expected from those instruments. Toyota Caetano intends to hold these instruments until their maturity, so this kind of evaluation translates the best estimation of future cash flows resulting from these instruments.

Swaps are measured at fair value with reference to 31 December 2010, which is determined through valuation techniques used by financial institutions that are counterparties on the derivatives contract. The fair value of these financial instruments is based, for the swaps, on the update to the date of the financial position of the future cash-flows resulting from the difference between the fixed interest rate "leg" and the variable interest rate applied to the "leg " of the derivative .

24. Financial Commitments not Included in Statement of Financial Position

As of 31 December, 2010 and 2009, Toyota Caetano had assumed the following financial commitments:

Responsabilities	DEC-10	DEC-09
Commitments assumed by guaranties	12.078.088	13.401.248
Other Guaranties	2.013.588	1.959.823
Total	14.091.676	15.361.071

At 31 December 2010 and 2009, the financial commitments classified as "Commitments assumed by guaranties" include essentially the amount of 8.080.910 Euros (8.500.000 Euros in 2009), which related with guarantees on imports provided to Customs Agency.

25. Post-Retirement Obligations

Toyota Caetano (together with other associated and related companies) incorporated, by public deed dated December 29, 1988, the Salvador Caetano Pension Fund, which was subsequently updated in January 2, 1994, in December 29, 1995 and in December 23, 2002.

The Pension Fund was set up to, while Toyota Caetano maintains the decision to make contributions to the referred fund, provide employees (beneficiaries), at their retirement date, the right to a pension complement, which is not subject to update and is based on a percentage of the salary, among other conditions.

A request was made as of 19 December 2006 to the fund manager of the Salvador Caetano Pension Fund (ESAF – Espirito Santo Activos Financeiros, S.A.), to act near the "ISP - Instituto de Seguros de Portugal" and take the necessary measures to change the defined benefit plan into a defined contribution plan, among other changes.

Following the above mentioned, a dossier was sent on December 18, 2007 to Instituto de Seguros de Portugal containing the proposals to change the "Constitutive Contract" of Salvador Caetano Pension Fund, as well as the minute of approval of these changes by the Pensions Fund Advisory Committee, and requesting, with effects as from January 1, 2008, the approval of these changes.

The proposal for changing the pension complement, dully approved by the Pension Funds Advisory Committee ("Comissão de Acompanhamento do Fundo de Pensões"), includes the maintenance of a defined benefit plan for the current retired workers and ex-employees with acquired rights, as well as for all the current employees with more than 50 years and more than 15 years of service completed until January 1, 2008. A new group will be created to which all current employees with less than 50 years and/or less than 15 years of service will be transferred.

At December 29, 2008 Toyota Caetano Portugal, S.A. received a letter from ISP - Instituto de Seguros de Portugal (Portuguese Insurance Institute) with the approval of the pretended alterations and entering into force starting from January 1, 2008. ISP determined in the referred approval that the employees associated to the Salvador Caetano Pension Fund who at January 1, 2008 had achieved 15 years of service and had ages inferior to 50 years (and that shall integrate a Defined Contribution Plan) have the right to an individual "initial capital" according to the new Plan, determined according to the actuarial responsibilities as at December 31, 2007 and based on the presumptions and criteria used on that year.

According to the actuarial study made by the fund manager, Toyota Caetano has been contributing to this Fund (contributions registered in the financial statements in item "Personnel costs"), having this contribution in 2010 amounted to 994 thousand Euros (15 thousand de Euros as of 31 December 2009), allowing the patrimonial situation of the Fund to achieve, at December 31, 2010, approximately, 16,8 million Euros. The global responsibilities parcel estimated actuarially for the defined benefit plan relating to Toyota Caetano at December 31, 2010, approximately, 17,1 million Euros. Thus, the responsibilities of the Fund on December 31, 2010 are not fully covered by the Fund patrimonial situation being expected by the administration that this situation reverses during 2011 through the appreciation of the assets comprising the Fund.

The actuarial presumptions used by the fund manager include the "Projected Unit Credit" calculation method, the Mortality Table and disability TV 73/77 and SuisseRe 2001, respectively, as well as well as salary increase rate, pensions increase rate and average rate of return of 2%, 0% and 5%, respectively.

The movement of the Fund responsibilities of the Company with the Defined benefit plan in 2010 can be summarized as follows:

Responsabilities at January 1, 2010	17.083.469
Cost of the current services	121.508
Cost of interest	824.860
(Gains) and actuarial losses	308.373
Pension payment	(1.172.532)
Responsabilities at December 31, 2010	17.165.678

The allocation of this amount during 2010 to both plans (Defined benefit plan and Defined contribution plan) can be summarized as follows:

Item	DEFINED BENEFIT PLAN	DEFINED CONTRIBUTION PLAN	TOTAL
Fund amount at December 31, 2009	16.874.482	2.673.657	19.548.139
Contributions	994.039	193.079	1.187.118
Real recovery of the plan assets	75.920	-33.663	42.257
Pension payment	-1.172.532	0	-1.172.532
Transfers between Members	14.903	-23.927	-9.024
Fund amount at December 31, 2010	16.786.811	2.809.147	19.595.958

At 31 December 2010, the Pension Fund's portfolio that covers the defined benefit plan was as follows:

Portfolio	%	VALUE 31-12-2010
Stocks	11%	1.846.549
Bonds	43%	7.218.329
Real estate	36%	6.043.252
Cash	7%	1.175.077
Other Assets	3%	503.604
Total	100%	16.786.811

To be noted that in December 31, the pension fund held approximately 182,329 shares of Toyota Caetano Portugal, S.A., whose importance in the Pension Fund's portfolio amounted to 454,000 Euros.

The evolution of the pension fund's value and Toyota Caetano Portugal's responsabilities related with the defined benefit plan are as follows:

	2010	2009
Responsabilitiy's Value	17.165.678	17.083.470
Fund's Value	16.786.811	16.874.482

26. Sales and Services Rendered by Geographic Markets
Sales and services rendered by geographic markets, in 2009 and 2010, was as follows:

	2010	2009		2010	2009		2010	2009	
	NATIONAL MARKET		VAR (%)	EXTERNAL MARKET		VAR (%)	TOTAL		VAR (%)
Light Vehicles	242.353.133	211.131.072	15%	21.681.428	17.597.656	23%	264.034.561	228.728.728	15%
Heavy Vehicles	5.955.715	7.797.838	-24%	484.784	327.702	48%	6.440.499	8.125.540	-21%
Industrial Vehicles	8.160.550	10.709.892	-24%	414.188	375.775	10%	8.574.738	11.085.667	-23%
Spare Parts and Accessories	43.158.961	40.305.111	7%	802.839	1.026.687	-22%	43.961.800	41.331.798	6%
Others	5.406.379	5.543.158	-2%	7.838	6.489	21%	5.414.217	5.549.647	-2%
	305.034.738	275.487.071	11%	23.391.077	19.334.309	21%	328.425.815	294.821.380	11%

27. Segments Information
The main information relating to the business segments existing on December, 2010 and 2009, prepared according to the same accounting policies and criteria adopted in the preparation of the financial statements, is as follows:

31/Dec/2010	NATIONAL							EXTERNAL					
	VEHICLES			INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT			TOTAL
	INDUSTRY	COMMERCIAL	SERVICES	COMMERCIAL	SERVICES	RENTAL		INDUSTRY	COMMERCIAL	COMMERCIAL	SERVICES	RENTAL	
PROFITS													
External Sales	33.055.390	260.432.174		8.823.641	2.826.598			15.277.006	7.692.045	311.125	7.838		328.425.817
Suplementary income						9.358.522						103.064	9.461.586
INCOME													
Operational income	-1.603.513	13.502.017		-88.120	1.457.517	869.379		-1.925.320	543.447	6.213	5.381	-22.283	12.744.718
Financial income	-205.426	-1.828.056		-33.319	-17.001	-444.353		-90.939	-47.218	-2.063	-54	-627	-2.669.056
Gains in Subsidiaries	300.861	2.036.236		-1.344			444.085		230.291				3.010.129
Net income	-1.508.078	11.690.851		-122.784	1.187.246	351.506	444.085	-2.016.259	640.683	3.433	4.406	-22.910	10.652.179
OTHER INFORMATION													
Total assets	76.646.274	121.639.323		8.215.550	571.967	45.059.669							252.132.783
Total liabilities	34.943.347	55.455.861		3.745.503	260.762	20.542.886							114.948.359
Investments in subsidiaries (1)	1.919.435	24.043.563		-215.761			19.009.559		8.259.994				53.016.790
Capital Expenditur (2)	1.076.524	1.594.430		189.494	32.601	2.934.044							5.827.093
Depreciation (3)	1.818.442	2.693.279		320.089	55.069	4.956.128							9.843.007

31/Dec/2009	NATIONAL							EXTERNAL					
	VEHICLES			INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT			TOTAL
	INDUSTRY	COMMERCIAL	SERVICES	COMMERCIAL	SERVICES	RENTAL		INDUSTRY	COMMERCIAL	COMMERCIAL	SERVICES	RENTAL	
PROFITS													
External Sales	36.110.828	224.233.147		12.012.423	3.236.092			8.771.156	10.180.889	270.356	6.489		294.821.380
Suplementary income						8.262.109						105.419	8.367.528
INCOME													
Operational income	-3.754.377	9.321.954		261.288	1.742.736	356.541		-1.150.373	412.095	17.400	5.378	-15.046	7.197.596
Financial income	-208.812	-1.639.515		-53.620	-20.628	-466.697		-52.424	-66.717	-1.493	-38	-659	-2.510.603
Gains in Subsidiaries	579.194	4.309.360		-420.107			783.432		414.133				5.666.012
Net income	-3.238.383	12.512.626		167.758	1.387.383	-105.417	783.432	-1.151.041	675.316	12.850	4.313	-15.028	11.033.809
OTHER INFORMATION													
Total assets	48.040.795	78.393.741		16.315.860	10.630.416	45.947.120							199.327.932
Total liabilities	23.810.751	38.854.766		8.086.728	5.268.818	22.773.050							98.794.113
Investments in subsidiaries (1)	1.618.574	23.076.890		-214.417			18.565.474		8.029.703				51.076.224
Capital Expenditur (2)	2.911.357	4.750.800		352.976	8.428	4.049.627							12.073.188
Depreciation (3)	3.515.482	5.736.621		426.220	10.177	983.586							10.672.086

(1) By equity method. (2) Capital Expenditur: (Net tangible,intagible and investments properties variation)+(year depretiation). (3) From the year.

28. Supplies

At 31 December 2010 and 2009, supply expenses were as follows:

Description	31/12/2010	31/12/2009
Subcontracts	46.801	129.985
Professional Services	5.081.822	4.438.576
Advertising	14.082.266	14.564.873
Vigilance and Security	424.879	447.846
Professional Fees	714.256	635.462
Comissions	261.757	296.591
Repairs and Maintenance	1.211.744	1.056.510
Others	3.172.538	3.242.434
Specialized Services	24.949.261	24.682.293
Tools and Utensils	49.704	44.264
Books and Technical Documentation	302.638	273.494
Office Supplies	124.101	118.597
Gifts	51.722	52.465
Others	8.208.765	7.596.081
Materials	8.736.929	8.084.902
Electricity	371.399	360.445
Fuel	502.798	493.418
Water	37.364	36.573
Utilities	911.561	890.436
Traveling Expenses	780.945	769.838
Personnel Transportation	103.825	125.050
Transportation of Materials	1.074.786	1.278.932
Travel and Transportation	1.959.556	2.173.820
Rent	590.371	610.481
Communications	398.587	325.195
Insurance	746.051	679.125
Royalties	487.075	382.379
Notaries	8.279	20.121
Cleaning and Comfort	562.352	511.558
Other Supplies	2.792.715	2.528.859
TOTAL SUPPLIES	39.396.823	38.490.294

29. Payroll and Average Number of Personnel

At 31 December 2010 and 2009, payroll expenses were as follows:

Description	31/12/2010	31/12/2009
Payroll - Management	574.214	603.379
Payroll - Other Personnel	11.375.200	11.668.933
Benefit Plans	1.178.649	218.511
Termination Indemnities	1.406.454	913.424

Description	31/12/2010	31/12/2009
Social Security Contributions	3.072.350	2.978.617
Workmen's Insurance	245.953	242.731
Social Costs	1.290.569	1.323.630
Others	706.730	833.499
Payroll Expenses	19.850.120	18.782.724

During the years ended as of December 31, 2010 and 2009, the average number of personnel was as follows:

Items	DEC'10	DEC'09
Employees	428	447
Production Personnel	221	254
	649	701

30. Remuneration of Board Members

The remuneration of the board members in Toyota Caetano Portugal, S.A. during the years 2010 and 2009, was as follows:

Board Members	DEC'10	DEC'09
Board of Directors	419.265	580.239
Shareholder's Assembly	758	758
Board of Auditors	25.165	22.381

31. Other Operating Expenses and Other Gains

As of 31 December, 2010 and 2009, the captions "Other Expenses" and "Other Gains" were as follows:

OTHER EXPENSES	DEC'10	DEC'09
Tax	573.635	466.890
Cash Discount Granted	31.494	11.896
Bad Depts	28.695	
Losses on Inventories	169.375	75.338
Losses on Fixed Assets	127.325	40.993
Other Cost	9.186.627	8.511.138
	10.117.151	9.106.255

The caption "Other Expenses" includes trade incentives and subsidies granted to dealers

OTHER GAINS	DEC'10	DEC'09
Supplementary Income	26.433.094	26.720.182
Obtained Cash Discounts	10.489	14.613
Recovery of Bad Debts	17	261
Gains on Inventories	180.183	304.713
Gains on Fixed Assets	1.216.217	1.171.901
Other Gains	1.759.346	1.849.411
	29.599.346	30.061.081

The supplementary income refers to equipment and real estate renting fees, as well as provided services(Print services) and recovery of other expenditures(warranties).

The caption "Other Gains" include tax recovery gains as a result of favourable decisions on judicial impugnation processes.

Gains on fixed assets are related with capital gains resulting from disposals.

32. Financial Income and Expenses

As of 31 December, 2010 and 2009, the captions "Financial Income" and "Financial Expenses" were as follows:

Costs	DEC'10	DEC'09
Interest	1.926.780	2.663.694
Other Costs	876.633	363.385
	2.803.413	3.027.079

Gains	DEC'10	DEC'09
Interest	134.356	240.784

33. Earnings per Share

The earnings per share for the year ended as of December 31, 2010 and 2009 were computed based on the following amounts:

	DEC-10	DEC-09
Net income		
Basic	10.652.179	11.033.809
Diluted	10.652.179	11.033.809
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,30	0,32

During the period ended in 31 December 2010 and 2009 there were no changes in the number of shares.

34. Other Realted Parties

Balances and transactions details between Toyota Caetano Portugal and Related Parties other than those referred on Note 14 can be summarized as follows:

Related Companies	COMMERCIAL DEBT		PRODUCTS		FIXED ASSET	SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	COSTS	INCOME
AMORIM BRITO & SARDINHA LDA	435								2.253
BAVIERA - COMÉRCIO DE AUTOMÓVEIS, SA	1.123.023	24.784	4.990.835	7.507			152.243	239.795	572.685
CAETANO AUTOBODY, COMERCIO DE AUTOCARROS, SA	3.979.608	7.500	41.799.917	2.494			193.003	335	108.096
CAETANO CITY E ACTIVE (NORTE) SA	2.393		444						5.234
CAETANO COLISÃO (SUL) SA			366						
CAETANO DRIVE SPORT URBAN (NORTE)SA	1.641							5.522	6.453
CAETANO DRIVE SPORT URBAN(CENTRO)SA	2.467								5.852
CAETANO DRIVE SPORT URBAN(SUL)SA	1.126								931
CAETANO FORMULA (NORTE),SA	3.768		3.354						10.438
CAETANO MOTORS (NORTE), SA	955		94						2.352

Related Companies	COMMERCIAL DEBT		PRODUCTS		FIXED ASSET	SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	COSTS	INCOME
CAETANO MOTORS (SUL), SA	1.126								931
CAETANO PARTS (NORTE) LDA	20.242	730	1.927	158			213		50.822
CAETANO POWER (PORTO), SA	327		179				176		948
CAETANO POWER (SUL) SA	3.579								7.934
CAETANO RETAIL SERVIÇOS SA	14.275		3.800						32.117
CAETANO SPAIN, SA	202.371	211	201.373				562		
CAETANO STAR (SUL) SA	3.853								3.402
CAETANO TECHNIK (SUL), SA	1.126								931
CAETANO TECHNIK E SQUADRA LDA	8.586		913						22.315
CAETANO UK LIMITED	8.330	32.263					33.845		10.545
CAETANOBUS-FABRICAÇÃO DE CARROÇARIAS SA	1.731.169	112.589	344.157	713.383			899.627	7.165	2.834.531
CAETANOLYRSA, S.A	112								1.110
CAETSU PUBLICIDADE,SA	12.057	465.442		1.216			4.761.462	3.000	87.500
CARPLUS-COMERCIO AUTOMOVEIS SA								2.708	1.686
CARPLUS (CENTRO) SA	896		60						1.841
CARPLUS (NORTE) LDA	2.392	1.332	168.863						92.420
CHOICE CAR-COMERCIO AUTOMOVEIS SA							13.516		
CONTRAC GMBH MASCHINEN UND ANLAGEN	-25.769	88.181	786	1.420			46.636		
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, S.A.	7.860	25.047			11.700		84.000		22.220
EUFER-CAETANO-ENERGIAS RENOVÁVEIS,LDA	6.438								16.052
FINLOG - ALUGUER E COMÉRCIO AUTO, SA	1.280.472	595.900	4.488.777	3.228.383			375.218	47.110	237.228
GLOBALIA AUTOMOVILES SL	48.172		48.172						
GRUPO SALVADOR CAETANO,SGPS, SA	2.385	1.570					1.542		922
GUÉRIN-RENT-A-CAR(DOIS),LDA	130.436	23.824	293.703				24.104		151.492
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, SA	32.891	31.074	190.631	157.029	13.790		73.048		81.131
MDS AUTO - MEDIAÇÃO SEGUROS SA	19.702	78.202					948.197	14.472	74.519
PORTIANGA - COMÉRCIO INTERN. E PARTICIPAÇÕES, SA	2.127	28.367	4.208				54.943		5.991
RIGOR - CONSULTORIA E GESTÃO, SA	264.164	1.396.064	1.324		12.400		3.997.040	26.594	380.886
SALVADOR CAETANO (MOÇAMBIQUE), SARL	356.468								
TOYOTA MOTOR EUROPE NV/SA (TME)	2.394.115	18.404.870	13.903.940	224.215.858	5.000		522.805	126.451	6.882.273
TOYOTA MOTOR CORPORATION	1.584	105.217		3.394.948			20.642	381.466	9.446
ATLANTICA	5.111								
GILLCAR NORTE - COM. IND. MAQUINAS E TINTAS,SA		1.643		8.035		709	1.590		
GRUPO SOARES DA COSTA	30.451								
COCIGA - CONSTRUÇÕES CIVIS DE GAIA, SA	19.256	234.914	6.034			11.179	487.435		

Related Companies	COMMERCIAL DEBT		PRODUCTS		FIXED ASSET	SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	COSTS	INCOME
SIMOGA - SOC. IMOBILIÁRIA DE GAIA, SA	1.643								
POAL	17.806								
SOL PORTUGAL - VIAGENS TURISMO Lda.		290					26.268		
DICUORE-DECORACAO SA		180					16.048		
ALBITIN- CIMFT, LDA		713		2.912		8	267		
SPRAMO - PUBLICIDADE & IMAGEM, S.A.		681							
RARCON - ARQUITECTURA E CONSULTADORIA, SA	12.633	13.847				12.126	105.885		
NOVEF-SGPS	19.500								
CIBERGUIA	9.954								
TURISPAIVA - SOCIEDADE TURÍSTICA PAIVENSE, LDA.	431					612			
TOTAL	11.763.687	21.675.435	66.453.857	231.733.343	42.890	24.634	12.840.315	854.618	11.725.487

35. Contingent Assets and liabilities

Taxes Liquidation:

In accordance with current legislation the Company tax returns are subject to review and correction by the tax authorities during a period of four years. Consequently, the tax returns for the years 2007 to 2010 are still subject to review. The Board of Directors of Toyota Caetano believes that any corrections resulting from reviews/ inspections by the tax authorities to the tax returns open to inspection, will not have a significant effect on the financial statements of this Company.

As a result of favourable decisions on the judicial impugnation processes, referring to the additional payments of the Corporate Income Tax and relating to the fiscal years of 1995 it is expected that the reimbursement of the remaining tax paid, and recognized as expenses in previous years, added by the corresponding compensatory interest, may occur soon.

During the year has been recovered approximately 1.331.000 Euros recorded under "Other operating income" connected with the judicial impugnation process related to the fiscal years of 1997, 1998 and 1999 (Note 31), remaining to receive the corresponding compensatory interest.

Regarding the tax inspection to the years 2003 and 2004, the additional assessments related with Corporate Income Tax already paid and recognizes as expenses in previous years were claimed, amounting to 725.542 Euros, as the Company understands that there are legal reasons for this procedure. During the year has been recovered approximately 218.000 Euros recorded under "other operating income" related with this judicial process.

Litigation in progress:

The Board of Directors and its legal advisors believe that the arguments presented by a former agent, who claims compensation for the termination of the agency contract, is not in accordance with applicable law and thereby no losses will result to the company, so it was not recorded any provision in the financial statements.

Toyota Caetano Portugal is being subjected to a counter-ordination process by Market Authority (Autoridade de Concorrência), arising from the complaint of monopolistic practices. The process is currently under investigation and the companies have responded to all information requests.

The Board of Directors and its legal advisors believe that the complaint on the basis of this process is unfounded and will not result in losses to the company, so it was not recorded any provision in the financial statements to address this situation.

36. information Related to Environmental Area

The company adopts the necessary measures relating to the environment, aiming to fulfil current applicable legislation.

The Toyota Caetano Board of Directors does not estimate that there are risks related to the environmental protection and improvement, not having received any infraction related to this matter during 2010.

37. End-of-Life Vehicles

In September 2000 the European Commission voted on a directive regarding end-of-life vehicles and the responsibility of Producers/Distributors for dismantling and recycling them.

Producers/Distributors will have to bear at least a significant part of the cost of the take back of vehicles put on the market as of July 1, 2002 and from January 1, 2007 for vehicles put on the market.

This legislation will impact Toyota vehicles sold in Portugal. Toyota Caetano and Toyota are closely monitoring the development of Portuguese National Legislation in order to access the impact on their financial statements.

It is our conviction in face of the studies already done into the Portuguese market, and taking notice on the possible valorization of the residues from the end-of-life vehicles dismantling, that the effective impact of this legislation in the Company accounts will be reduced or null.

Meanwhile and according to the legislation introduced (Dec./Law 196/2003), the Company contract with "ValorCar – Sociedade de Gestão de Veículos em Fim de Vida, Lda" - a licensed entity for the management of an integrated system of ELV- the transfer of the responsibilities in this process.

38. Remuneration of Statutory Auditor

The remuneration of the Statutory Auditor, PricewatherhouseCoopers & Associados – S.R.O.C., Lda. for 2010, was as follows:

	31.12.2010
Total fees related statutory audit	31.000

39. Financial Statements Approval

The financial statements were approved by the Board of Directors on March 31, 2011.

40. Subsequent Events

Since the end of the year and up to date no significant events occurred.

Chartered Accountant: Alberto Luís Lema Mandim

Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Report of the Auditors for Statutory and Audit Report in respect of the Individual Financial Information

Introduction

1. As required by law, we present the Report of the Auditors for Statutory and Audit Report in respect of the Individual Financial Information included in the Board of Directors' Report and the financial statements of Toyota Caetano Portugal, S.A., comprising the statement of financial position as at December 31, 2010, (which shows total assets of Euros 254,615,123 and a total of shareholder's equity of Euros 140,194,554 including a net profit of Euros 10,652,179), the statement of income by nature, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended and the corresponding notes to the accounts.

Responsibilities

2. It is the responsibility of the Company's Board of Directors (i) to prepare the Board of Directors' Report and financial statements which present fairly, in all material respects, the financial position of the company, the changes in equity, the result of their operations, the statement of comprehensive income and their cash flows; (ii) to prepare the historic financial information in conformity with generally accepted accounting principles in Portugal which is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code; (iii) to adopt adequate accounting policies and criteria; (iv) to maintain appropriate systems of internal control; and (v) to disclose any relevant matters which have influenced the activity, the financial position or results of the company.

3. Our responsibility is to verify the financial information included in the documents referred to above, namely if it is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue an independent and professional report based on our audit.

Scope

4. We conducted our audit in accordance with the Standards and Technical Recommendations approved by the Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Accordingly, our audit included: (i) verification, on a sample basis, of the evidence supporting the amounts and disclosures in the financial statements, and assessing the reasonableness of the estimates, based on the judgements and criteria of Management used in the preparation of the financial statements; (ii) assessing the appropriateness and consistency of the accounting principles used and their disclosure, as applicable; (iii) assessing the applicability of the going concern basis of accounting; (iv) assessing the overall presentation of the financial statements; and (v) assessing whether the financial information is complete, true, timely, clear, objective and licit.

5. Our audit also covered the verification that the information included in the Directors' Report is in agreement with the other documents as well as the verification set forth in paragraphs 4 and 5 of Article 451 of the Companies Code.

6. We believe that our audit provides a reasonable basis for our opinion.

Opinion

7. In our opinion, the financial statements referred to above, present fairly in all material respects, the financial position of Toyota Caetano Portugal, S.A. as at December 31, 2010, the results of their operations, the comprehensive income, the changes in equity and the cash flows for the year then ended in conformity with generally accepted accounting principles in Portugal and the information included is complete, true, timely, clear, objective and licit.

Report on other legal requirements

8. It is also our opinion that the information included in the Directors' Report is in agreement with the financial statements for the year and that the Corporate Governance Report includes the information required under Article 245-A of the Portuguese Securities Code.

March 31, 2011

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

José Pereira Alves, R.O.C.

Report and opinion of the Fiscal Council

Dear Shareholders,

1. In accordance with the terms of item g) of Article 420.º of the Companies Code and of the Articles of the Company's Code, submit to your appreciation the report of the management performed and proceeded to the general appraisal of the documents and statement of single accounts of TOYOTA CAETANO PORTUGAL, SA, referring to 2010 and which were presented to us by the Board of Directors.

2. In accordance with the assignments conferred to us, during this exercise we proceeded to the follow-up of the evolution of the social business with the frequency and to extend the considered advisable, to the general analysis of the financial procedures and the confirmation by sampling of the respective files.

3. We have no knowledge of any situation which didn't respect the articles of association and the legal terms applicable.

4. We analysed the legal certification of accounts and the external auditors with which we agree.

Thus,

5. All members of the Board of Auditors of the TOYOTA CAETANO PORTUGAL, SA under the terms of item c) of number1 of Article 245.º of the Stock of Exchange Code, hereby confirm, as far as it is our knowledge, that the information provided in item a) of the above referred article was elaborated according to accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial highlights and results of TOYOTA CAETANO PORTUGAL, SA and that the report of the management clearly shows the business evolution the performance and the position of the Company, evidencing as well a description of the mains risks and incertitude's to be faced.

6. Under these terms, we propose that the General Meeting of Shareholders:

a) Approves the Annual Management's Report and the Statement of Single Accounts for the Fiscal Year ending at 31 st December 2010;
b) Approves the proposal for the application of net profits as mentioned in the Management's Report.
c) Approves the proposal of Application of Retained Earnings mentioned in item
d) of the Convening Notice to the Annual General Shareholder's Meeting to be held on 28 April 2011.

Vila Nova de Gaia, 31st March 2011

The Board of Auditors
José Jorge Abreu Fernandes Soares - President
António Pimpão & Maximino Mota, SROC represented by
António Maia Pimpão

Statement

"All members of the Board of Auditors of the TOYOTA CAETANO PORTUGAL, SA under the terms of item c) of number1 of Article 245.º of the Securities of Exchange Code (Código de Valores Mobiliários), hereby confirm, as far as it is our knowledge, that the information provided in item a) of the above referred article was elaborated according to accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial highlights and results of TOYOTA CAETANO PORTUGAL, SA and that the report of the management clearly shows the business evolution the performance and the position of the Company, evidencing as well a description of the mains risks and incertitude's to be faced."

José Jorge Abreu Fernandes Soares - President
António Maia Pimpão on behalf of:
António Pimpão & Maximino Mota, SROC

04 CONSOLIDATED ACCOUNTS

Consolidated Financial Highlights

euros

	DEC '10	DEC '09	DE '08
Turnover	426.258.266	399.124.912	535.378.134
Cash-flow	31.880.061	34.278.941	25.704.051
Interest and Others	-1.411.105	251.383	4.146.802
Personnel Expenses	48.509.077	47.897.001	50.003.086
Net Investment	22.717.629	6.653.760	7.575.069
Number of Employees	1.898	1.943	2.110
Net Income with non-controlling Interests	11.936.710	10.241.559	1.565.706
Net Income without non-controlling Interests	11.740.117	10.379.409	1.797.793
Degree of Autonomy	48.37%	47.26%	37.74%

Consolidated Statement of Financial Position at 31 December 2010 and 31 December 2009

euros

ASSETS	NOTES	31/12/10	31/12/09
NON-CURRENT ASSETS			
Intangible Assets	6	313.801	334.149
Property, plant and equipment	7	98.443.328	93.487.822
Goodwill	9	611.997	611.997
Investment properties	8	16.910.528	16.076.792
Available for sale Investments	10	3.395.705	62.136
Deferred tax	15	2.506.497	1.798.198
Accounts Receivable	12	1.556.626	2.093.425
Other Non Current Assets			
Total non-current assets		123.738.482	114.464.519
CURRENT ASSETS			
Inventories	11	66.797.892	69.173.277
Accounts Receivable	12	68.808.514	62.017.688
Other Credits	13	7.970.625	13.173.423
Public Entities	23	1.636.769	127.892
Other Current Assets	14	2.115.892	1.713.612
Available for sale Investments	10		5.305.021
Cash and cash equivalents	16	20.102.375	25.214.005
Total current assets		167.432.067	176.724.918
Total assets		291.170.549	291.189.437

EQUITY & LIABILITIES	NOTES	31/12/10	31/12/09
EQUITY			
Share Capital	17	35.000.000	35.000.000
Legal Reserve		7.498.903	7.498.903
Revaluation reserves		6.195.184	6.195.184
Translation reserves		(1.695.238)	(1.695.238)
Fair value reserves		(271.329)	885.936
Other Reserves		81.278.229	76.079.493
Net Income		11.740.117	10.379.409
		139.745.866	134.343.687
Non-controlling interests	19	1.081.820	3.284.681

EQUITY & LIABILITIES	NOTES	31/12/10	31/12/09
Total equity		140.827.686	137.628.368
LIABILITIES			
NON-CURRENT LIABILITIES			
Borrowings	20	250.000	250.000
Other Loan	20	1.908.747	2.119.358
Other Creditors	22	6.621.087	8.880.233
Deferred tax	15	1.771.535	1.578.930
Total non-current liabilities		10.551.369	12.828.521
CURRENT LIABILITIES			
Borrowings	20	59.565.402	73.387.506
Accounts Payable	21	37.913.647	30.611.514
Other Creditors	22	5.011.963	5.728.156
Public Entities	23	18.818.974	14.046.886
Other current liabilities	24	17.205.024	14.961.426
Provisions	26	1.101.702	828.133
Derivative financial instruments	27	174.782	1.168.927
Total current liabilities		139.791.494	140.732.548
Total liabilities and shareholder' equity		291.170.549	291.189.437

The annex integrates the Balance sheet at 31 December 2010.

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Statement of Income at 31 December 2010 and 2009

euros

	NOTES	31/12/2010	31/12/2009
Operational Income:			
Sales	33	400.197.180	372.200.557
Service Rendered	33	26.061.086	26.924.355
Other Operating Income	34	37.007.063	38.949.037
		463.265.329	438.073.949
Operational Costs:			
Cost of sales	11	(328.775.232)	(303.155.837)
Variation of Products	11	(1.036.729)	(3.295.243)
External Supplies and Services		(47.500.001)	(45.320.386)
Payroll Expenses	32	(48.509.077)	(47.897.001)
Depreciations and Amortizations	6 e 7	(18.003.463)	(18.510.791)
Investment property Amortization	8	(916.724)	(1.138.524)
Provisions and Impairment loss	26	(2.658.157)	(1.030.447)
Other Operating expenses		(2.732.061)	(3.240.310)
		(450.131.444)	(423.588.539)
Operational Profit		13.133.885	14.485.410
Finance costs	36	(2.959.989)	(3.620.389)
Finance Income	36	4.371.094	3.369.006
Profit before taxation from continuing operations		14.544.990	14.234.027
Income tax expense	29	(2.608.280)	(3.992.468)
Net profit for the period		11.936.710	10.241.559
Net profit for the period attributable to:			
Owners of the parent		11.740.117	10.379.409
Non-Controlling interests		196.593	(137.850)
		11.936.710	10.241.559
Earnings per share:			
Basic	30	0,341	0,293
Diluted		0,341	0,293

The annex integrates the Income Statement at 31 December 2010.

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Statement of Changes in Equity at 31 December 2010 and 2009

euros

	RESERVAS									
	SHARE CAPITAL	LEGAL RESERVES	REAVALUATION RESERVES	TRANSLATION RESERVES	FAIR VALUE RESERVES	OTHER RESERVES	TOTAL RESERVES	NON-CONTROLLING INTERESTS	NET PROFIT	TOTAL
BALANCES AT 31 OF DECEMBER 2008	35.000.000	7.498.903	6.195.184	(1.695.238)	231.536	76.789.014	89.019.399	3.490.459	1.797.793	129.307.651
Application of the Consolidated Net Income 2008										
Legal reserves transfer										
Distributed dividends									(2.450.000)	(2.450.000)
Other reserves transfer						(652.207)	(652.207)		652.207	
Total comprehensive income for the year					654.400	(57.314)	597.086	(205.778)	10.379.409	10.770.717
BALANCES AT 31 OF DECEMBER 2009	35.000.000	7.498.903	6.195.184	(1.695.238)	885.936	76.079.493	88.964.278	3.284.681	10.379.409	137.628.368
Balances at 31 of December 2009	35.000.000	7.498.903	6.195.184	(1.695.238)	885.936	76.079.493	88.964.278	3.284.681	10.379.409	137.628.368
Application of the Consolidated Net Income 2009										
Legal reserves transfer										
Distributed dividends									(5.250.000)	(5.250.000)
Other reserves transfer						5.129.409	5.129.409		(5.129.409)	
Total comprehensive income for the year					(1.157.265)	69.327	(1.087.938)	196.593	11.740.117	10.848.772
Others								(2.399.454)		(2.399.454)
BALANCES AT 31 OF DECEMBER 2010	35.000.000	7.498.903	6.195.184	(1.695.238)	(271.329)	81.278.229	93.005.749	1.081.820	11.740.117	140.827.686

The annex integrates this Statement at 31 December 2010.

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Statement of Comprehensive Income at 31 December 2010 and 2009

euros

	IAS/IFRS 31/12/2010	IAS/IFRS 31/12/2009
Consolidated net profit for the year, including non-controlling interest	11.936.710	10.241.559
Components of other consolidated comprehensive income, net of tax:		
Available for sale Investments fair value changes (Note 10)	(1.157.265)	654.400
Others	69.327	(125.242)
Consolidated comprehensive income	10.848.772	10.770.717
Atributable to:		
Owners of the parent	10.652.179	10.976.495
Non-controlling interests	196.593	(205.778)

The annex integrates this Statement at 31 December 2010.

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Statement of Cash Flows

euros

OPERATING ACTIVITIES	31/12/2010		31/12/2009	
Collections from Customers	446.426.493		433.737.918	
Payments to Suppliers	(362.561.678)		(321.211.227)	
Payments to Personnel	(40.894.340)		(39.358.985)	
Cash generated from operations		42.970.475		73.167.706
Payments of Income Tax		(1.839.614)		(1.322.638)
Other Collections/Payments Related to Operating Activities		(15.550.847)		(10.522.648)
Flow in Operating Activities		25.580.014		61.322.420

INVESTING ACTIVITIES	31/12/2010		31/12/2009	
Collections from:				
Investments	5.589.458			
Property, plant and equipment	19.767.478		11.598.704	
Intangible Assets	56.133		99.468	
Subsidies	476.841		2.120.963	
Interest and Others	130.487		356.807	
Dividends	268.398	26.288.795	144.915	14.320.857
Payments to:				
Investments	(3.604.898)			
Property, plant and equipment	(27.206.926)		(15.259.779)	
Intangible Assets	(212.258)	(31.024.082)	(88.963)	(15.348.742)
Flow in Investing Activities		(4.735.287)		(1.027.885)

FINANCING ACTIVITIES	31/12/2010		31/12/2009	
Collections from:				
Loan	730.000	730.000	2.369.358	2.369.358
Payments to:				
Loan	(14.762.716)		(45.020.256)	
Lease Down Payments	(3.644.156)		(1.743.540)	
Interest and Others	(3.040.660)		(3.872.670)	
Dividends	(5.238.825)	(26.686.357)	(2.447.894)	(53.084.360)
Flow in Financing Activities		(25.956.357)		(50.715.002)

CASH	31/12/2010	31/12/2009
Cash and Cash Equivalents at Beginning of Period (Note 16)	25.214.005	15.634.472
Changes in perimeter (Note 5)		
Cash and Cash Equivalents at End of Period (Note 16)	20.102.375	25.214.005
Net Flow in Cash Equivalents	(5.111.630)	9.579.534

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Notes to Consolidated Statement of Cash Flows

Detail of cash and cash equivalents:

euros

Items	31/12/2010	31/12/2009
Money	156.425	270.497
Bank Deposits at Immediate Disposal	19.945.500	24.906.861
Cash Equivalents	450	36.647
Cash and Cash Equivalents	20.102.375	25.214.005
Availabilities as in Balance Sheet	20.102.375	25.214.005

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Notes to the Consolidated Financial Statements at 31 December 2010
(Ammounts in euros)

1. Introduction
Toyota Caetano Portugal, S.A. ("Toyota Caetano" or "Company") was incorporated in 1946, has its headquarters in Vila Nova de Gaia, and is the Parent Company of a Group of companies ("Toyota Caetano Group"), which mainly develop economic activities included in the automotive sector, namely the import, assembly and commercialization of vehicles, bus and coach industry, sale and rental of industrial equipment forklifts, sale of vehicles parts, as well as the corresponding technical assistance.

Toyota Caetano Group develops its activity mainly in Portugal and Cape Verde.

Toyota Caetano shares are listed in Euronext Lisbon since October 1987.

As of 31 December, 2010, the companies of Toyota Caetano Group, their headquarters and abbreviations used, are as follows:

Companies	HEADQUARTERS
With headquarters in Portugal:	
Toyota Caetano Portugal. S.A. (Parent Company)	Vila Nova de Gaia
Saltano – Investimentos e Gestão. S.G.P.S.. S.A. ("Saltano")	Vila Nova de Gaia
Caetano Components. S.A. ("Caetano Components")	Vila Nova de Gaia
Caetano Renting. S.A. ("Caetano Renting")	Vila Nova de Gaia
Caetano – Auto. S.A. ("Caetano Auto")	Vila Nova de Gaia
Caetano Retail (Norte) II. SGPS. S.A. ("Caetano Retail (Norte) II SGPS")	Vila Nova de Gaia
Auto Partner - Comércio de Automóveis. S.A. ("Auto Partner")	Vila Nova de Gaia
Caetano Colisão (Norte). S.A. ("Caetano Colisão")	Vila Nova de Gaia
Movicargo – Movimentação Industrial. Lda. ("Movicargo")	Vila Nova de Gaia
With headquarters in foreign countries:	
Salvador Caetano (UK). Ltd. ("Salvador Caetano UK") (1)	Leicestershire (England)
Cabo Verde Motors. S.A.R.L. ("Cabo Verde Motors")	Praia (Cape Verde)

(1) Company inactive during 2010 and 2009

The attached financial statements are stated in Euros (round to unit), as this is the functional currency used in the economic environment where the Group operates. Foreign operations and transactions are included in the consolidated financial statements in accordance with the policy described in Note 2.2 d).

2. Main Accounting Policies
The main accounting policies adopted in the preparation of the consolidated financial statements are as follows:

2.1 Basis of Presentation
These financial statements relate to the consolidated financial statements of Toyota Caetano Group and were prepared according to the IFRS – International Financial Reporting Standards emitted by the International Accounting Standards Board ("IASB"), the International Accounting Standards (IAS), emitted by the International Accounting Standards Committee ("IASC") and its respective interpretations - IFRIC and SIC, emitted, respectively, by the International Financial Reporting Interpretation Committee ("IFRIC") and by the Standing Interpretation Committee ("SIC"), that have been endorsed by the European Union, being effective for the annual periods beginning on or after 1 January 2010.

The accompanying consolidated financial statements have been prepared on a going concern basis and having as basis the principle of the historical cost and, in the case of some financial instruments, at fair value, based on the accounting records of the companies included in consolidation (Note 4).

The following standards, interpretations, amendments and revisions endorsed by the European Union and mandatory in the fiscal years beginning in or after 1 January 2010, were adopted by the first time in the fiscal year ended at 31 December 2010:

IFRS 3 – Business Combinations (amended 2008), IAS 27 – Consolidated and Separate Financial Statements (amended 2008), IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations (improved 2008), IFRS 1 – First Time Adoption of International Financial Reporting Standards (amended 2008), IFRS 2 – Sharebased Payments (amended 2009), IAS 39 – Financial Instruments: Recognition and Measurement (amended 2008), IFRIC 12 – Service Concession Arrangements, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 16 – Hedges of a Net Investment in a Foreign Operation, IFRIC 17 – Distribution of Non-Cash Asset to Owners, IFRIC 18 – Transfers of Assets from Customers.

The impact on the Group financial statements ended at 31 December 2010, resulting from the adoption of the standards, interpretations, amendments and revisions above mentioned was not significant.

The following standards, interpretations, amendments and revisions, mandatory in future fiscal years, were, until the date of approval of these financial statements, endorsed by the European Union:

IAS 32 – Financial Instruments: Presentation (amendment), IAS 24 – Related Party Disclosures (revised), IFRS 7 – Financial Instruments: Disclosures (amendment), IAS 12 – Income Taxes (amendment); IFRS 9 – Financial Instruments (issued 2009); IFRIC 14 - IAS 19 – The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction and IFRIC 19 – Extinguishing Financial Instruments with Equity Instruments.

These standards although endorsed by the European Union were not adopted by the Group in the annual period ended on 31 December 2010, once its application is not yet mandatory. No significant impacts are expected in the financial statements resulting from their adoption.

In the preparation of the accompanying financial statements several estimations were used, which influence the value of the assets and liabilities stated, as well as the losses and profits of the period reported. However, all estimates and assumptions made by the Board of Directors were based on the best knowledge of events and transactions in progress, existing at the date of financial statements approval.

2.2 Consolidation Principles

Consolidation principles used by the Group were as follows:

a) Investments in Group companies

Investments in companies in which the Group has, directly or indirectly, more than 50% of the voting rights in General Meeting or Partners or in which it has the power to control financial and operating policies (definition of control used by the Group), were fully consolidated in the accompanying consolidated financial statements.
Equity and net results corresponding to third parties participations in those companies are recorded separately in the consolidated statement of financial position and in the consolidated income statement under the caption "Non-Controlling Interests". Fully consolidated companies are listed in Note 4.

When losses attributable to minority shareholders exceed Non-Controlling Interests in shareholders equity, the Group absorbs the excess together with any additional losses, except when the minority shareholders have the obligation and are capable of covering those losses. If the subsidiaries subsequently report profits, the Group appropriates all the profits until the amount of Non-Controlling Interests in these losses absorbed by the Group is recovered.

In the purchase of companies it is followed the purchase method. Identifiable assets and liabilities of each associate company are stated at their fair value at the date of acquisition. Any excess in the acquisition cost over its fair value of net assets and liabilities acquired is recorded as a consolidation difference (Notes 2.2 c)).

In case of a negative difference between the acquisition cost and the fair value of the identifiable net assets and liabilities acquired, it is recognised as income in the consolidated statement of profit and loss of the period of the acquisition after a reassessment of the estimated fair value. Non-Controlling Interests are presented according to their share in the fair value of the identifiable assets and liabilities of the acquired subsidiaries.

The results of the subsidiaries acquired or disposed during the period are included in the consolidated income statement from the effective date of their acquisition or up to the date of disposal.

Whenever necessary, adjustments to the financial statements of Group companies are made, in order to adapt their accounting policies to those used by the Group. All transactions, margins generated among the Group companies, balances and distributed dividends among Group companies are eliminated in the consolidation process.

Whenever the Group substantially holds control over other entities created for a specific purpose, even if no share capital is directly held in those entities, these are consolidated by the full consolidation method.

b) Investments in associated companies

Investments in associated companies (companies where the Group has significant influence, but has no control over financial and operational decisions – usually corresponding to holdings between 20% and 50% in a company's share capital) are accounted for in accordance with the equity method.

According to the equity method, investments are initially recorded at their acquisition cost and annually adjusted by the amount corresponding to the Group's share on the changes of equity (including the net profit) of the associated companies, against profit and losses of the year and by any dividends received and other variations occurred in the associated companies.

Any excess of the acquisition cost over the Group's share in the fair value of the identifiable net assets and liabilities acquired is recorded as goodwill which is included in the caption "Investments in associated companies" (note 2.2 c)). If those differences are negative they are recorded as a gain of the year in the caption "Gains and losses in associated companies" after reconfirmation of the fair value assigned.

An assessment of investments in associated companies is performed, whenever there are signs of impairment, and recorded as a cost, when confirmed. When the losses by impairment recognised in previous years no longer exist, they are submitted to reversion.

When the Group's share of losses of the associated company exceeds the investment's book value, the investment is recorded at nil value while the net equity is not positive, except to the extent of the Group's commitments to the associated company being in such cases recorded a provision to cover those commitments.

Unrealised gains arising from transactions with associated companies are eliminated proportionally to the Group's interest in the associated company, against investment held. Unrealised losses are also eliminated, but only to the extent that there is no evidence of impairment of the asset transferred.

As of 31 December, 2010 and 2009, there were no investments in associated companies.

c) Goodwill

Differences between the acquisition cost of Group companies and the fair value of identifiable assets and liabilities (including contingent liabilities) of those companies as of the acquisition date if positive are recorded under the caption "Goodwill" (Note 9) and if negative, as an income in the consolidated income statement, after reconfirmation of the fair value assigned.

Differences between the acquisition cost of associated companies and the fair value of identifiable assets and liabilities of those companies at the acquisition date, if positive, are recorded in caption "Investments in associated companies" and if negative, as an income in the consolidated income statement, after reconfirmation of the fair value assigned.
The amount of Goodwill is not depreciated and the Group annually makes formal impairment tests. The

recoverable amount is the present value of the future cash flows expected, to be derived from the continuous use of the asset. Goodwill's impairment losses are recognized in the annual income statements in the item "Provisions and impairment losses".

The impairment loss recognised for Goodwill shall not be reversed.

d) Conversion of financial statements of foreign entities
Assets and liabilities in the financial statements of foreign entities are translated to Euros using the exchange rates in force at the statement of financial position date, and gains and losses as well as cash flows are translated to Euros using the average exchange rates for the year.
Exchange rate differences originated after 1 January, 2004 are recorded in equity under the caption "Translation reserves". The accumulated exchange differences generated before 1 January, 2004 (IFRS transition date) were written-off against the caption "Other reserves".

Whenever a foreign entity is disposed, the accumulated exchange rate differences are recorded in the financial statements as a profit or loss in the disposal.

Exchange rates used in 2010 and 2009 in the translation into Euros of foreign subsidiaries were as follows:

	2010				
Items	CURRENCY	FINAL ECHANGE 2010	AVERAGE HISTORIC EXCHANGE 2010	EXCHANGE AT THE DATE OF INCORPORATION	FINAL ECHANGE 2009
Cabo Verde Motors, SA	CVE	0,009069	0,009069	0,009069	0,009069
Aplication		Statement of financial position Accounts except Equity	Income Statement	Share Capital	Retained Earnings

	2009				
Items	CURRENCY	FINAL ECHANGE 2009	AVERAGE HISTORIC EXCHANGE 2009	EXCHANGE AT THE DATE OF INCORPORATION	FINAL ECHANGE 2008
Cabo Verde Motors, SA	CVE	0,009069	0,009069	0,009069	0,009069
Aplication		Statement of financial position Accounts except Equity	Income Statement	Share Capital	Retained Earnings

2.3 Main Accounting Policies
The main accounting policies used by Toyota Caetano Group in the preparation of the consolidated financial statements were as follows:

a) Property, Plant and Equipment
Property, plant and equipment acquired until 1 January, 2004 (IFRS transition date) are recorded at deemed cost, which corresponds to its acquisition cost or its revalued acquisition cost in accordance with generally accepted accounting principles in Portugal (and in the subsidiaries countries) until that date, net of accumulated depreciation and accumulated impairment losses.

Property, plant and equipment acquired after that date are recorded at acquisition cost, net of accumulated depreciation and accumulated impairment losses.

The impairment losses detected in the Property, plant and equipment realization value are registered in the year in which they are estimated by counterpart of the item "Provisions and Impairment loss" of the financial statements.

Depreciation is computed on straight-line basis as from the date the asset is first used according to the following expected useful lives:

	Years
- Buildings and other constructions	20 - 50
- Machinery and equipment	7 - 16
- Vehicles	4 - 5
- Tools and utensils	4 - 14
- Administrative equipment	3 - 14
- Other tangible assets	4 - 8

Expenses with maintenance and repair costs of Property, plant and equipment are recorded as a cost in the year in which they occur. The repairs of significant amount that increase the estimated usage period of the assets are capitalised and depreciated according to the assets remaining useful life.

Property, plant and equipment in progress relate to tangible assets under construction/development, and are recorded at acquisition cost. These assets are transferred to Property, plant and equipment and depreciated as from the date in which they are prepared for use and in the necessary conditions to operate according with the management.
Gains or losses arising from the disposal or write-off of Property, plant and equipment are computed as the difference between the selling price and the net book value at the date of disposal/write-off, and are recorded in the statement of profit and loss as "Other operating income" or "Other operating expenses".

b) Intangible assets
Intangible assets are recorded at acquisition cost, net of accumulated depreciation and accumulated impairment losses. Intangible assets are only recognized if it is likely that future economic benefits will flow to the Group, are controlled by the Group and if their cost can be reliably measured.

Research costs and expenses with new technical knowledge are recorded as costs in the statement of profit and loss when incurred.

Development costs are capitalized as an intangible asset if the Group has proven technical feasibility and ability to finish the development and to sell/use such assets and it is likely that those assets will generate future economic benefits. Development expenses which do not fulfil these requirements are recorded as an expense in the period in which they are incurred.

Internal expenses related to Software maintenance and development are recorded as costs in the statement of profit and loss, except in situations in which these expenses are directly related to projects from which it is likely that future economic benefits will flow to the Group. In such circumstances, these expenses are capitalized as intangible assets.

Intangible assets are depreciated on a straight-line basis over a period of three to five years.

The depreciation charge for each period of intangible assets shall be recognized in profit or loss in item "Depreciations and amortizations".

c) Investment properties
Investment properties are related to real estate assets held to obtain income through its lease or for capital gain purposes, and not for use in production, external supplies and services or for administrative purposes, are recorded at its acquisition cost, being the respective fair value disclosed in the Notes to the financial statements (Note 8).

Whenever these assets fair value is lower than the respective acquisition cost, an impairment loss is recorded against the caption "Investment properties amortization" in the statement of profit and loss. As of the moment in which the recorded accumulated impairment losses no longer exist, they are immediately reversed against the caption "Other operating profits" in the statement of profit and loss until the limit of the amount that would have been determined, net of amortizations or depreciations, if no impairment losses would have ever been recognized in previous years.
Investment properties' disclosed fair value is determined on an annual basis by an independent appraiser –

American Appraisal (Market, Cost and Return Method), being the last reported to 2010.

d) Lease contracts
Lease contracts are classified as (i) financial lease contracts, if all or a substantial part of the risks and benefits related to possession are transferred and as (ii) operating lease contracts if all or a substantial part of the risks and benefits related to possession are not transferred.

Classification as financial lease contracts or as operating lease contracts depends on the substance of the transaction and not on the form of the contract.

Property, plant and equipment acquired under financial lease contracts, as well as the corresponding liabilities are recorded according to the financial method and, consequently, the cost of the fixed asset is recorded in Property, plant and equipment captions and the corresponding responsibility as suppliers of fixed assets captions. Lease down payments are constituted by interest expenses and by the amortization of capital in accordance with the contractual financial plan, with interests recognised as expenses in the statement of profit or loss for the year to which they relate and with the depreciation of the Property, plant and equipment according to their estimated useful lives, according to Note 2.3. a).

For lease contracts considered as operating, the rents paid are recognized as an expense in the statement of profit or loss over the rental period (Note 35).

e) Inventories
Goods, raw, subsidiary and consumable materials are stated at acquisition average cost, which is lower than market value.

Finished and intermediate goods as well as work in progress are stated at production cost, which is lower than market value. Production costs include the cost with raw materials, direct labour, production overheads and external services.

Accumulated impairment losses to reduce inventories value reflect the difference between their acquisition cost and net realizable or market value.

f) Government grants or Other public entities grants
Government grants are recognized at the respective fair value when there is a solid guarantee that they will be received and that the Company will be able to accomplish the conditions required to its concession.

Non repayable subsidies obtained to finance investment in Property, plant and equipment are recorded, only when there is a reasonable guaranty of receiving, as “Other non current liabilities” and “Other current liabilities”, and recognized in the income statement as an income in accordance with the depreciation of the related Property, plant and equipment.

The subsidies related to incurred costs are registered as a gain if there is a reasonable guaranty that they will be received, if the company has already incurred in the subsidiary costs and if they fulfill the conditions for their concession.

g) Impairment of assets, excluding Goodwill
Assets are assessed for impairment at each statement of financial position date and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount (defined as the highest of the net sale price and the use value, or as the net sale price for assets held for sale), an impairment loss is recognized in the statement of profit and loss under the caption “Provisions and impairment losses”. The net selling price is the amount that would be obtained from the sale of an asset in a transaction between independent entities, less the cost of the disposal. The value in use is the present value of estimated future cash flows expected to arise from the continued use of an asset and its disposal at the end of its useful life.
Recoverable amounts are estimated for individual assets or, if not possible, for the cash-generating unit to which the asset belongs.

The reversal of impairment losses recognized in previous years is recorded when it is concluded that the impairment losses recognized for the asset no longer exist or have decreased. This analysis is performed whenever there is an indication that the impairment losses previously recognized have been reversed. The reversal is recorded in the statement of profit or loss in the caption "Other operating income". However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) if no impairment losses had been recognized for that asset in prior years.

The evidence of existence of impairment in the accounts receivable appears when:

- The counterpart has significant financial difficulties;
- There are significant delays in the main payments by the counterpart;
- It is probable that the debtor will be subject to dissolution or a financial restructure.

For the receivable debts, the Group uses historic information and information from their credit and law control departments, which allow making an estimation of the impairment amounts.

In the case of the "Inventories", the impairment losses are calculated based on market indicators and on several indicators of inventories rotation.

h) Finance Costs
The Finance Costs related with Borrowings obtained (interest, bonus, accessory costs and lease contract's interests) are recorded as cost in the income statement of the year to which they relate, on an accrual basis.

i) Provisions
Provisions are recognized when, and only when, the Group has a present obligation (legal or constructive) arising from a past event; it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted as to reflect the best estimate of its fair value as of that date (Note 26).

Restructuring provisions are recorded by the Group whenever there is a formal and detailed restructuring plan and it has been communicated to parties involved.

j) Financial instruments

i) Investments
Investments held by the Group are classified as follows: 'Investments measured at fair value through profit and loss', 'Borrowings and receivables', 'Investments held to maturity' and 'Investments available for sale'. The classification depends on the subjacent intention of the investment acquisition.

Investments at fair value through profit and loss
This category is divided into two subcategories: "investments held for trading" and "investments at fair value through profit and loss". An investment is classified in this category if it is acquired with the objective of being sold at short term or if the adoption of the valorisation through this method significantly eliminates or reduces an accounting difference. The derivatives instruments are also classified as held for trading, except if they are related to hedging operations. The assets within this category are classified as current assets in case they are held for trading or if it is expected that they will be realized within a period inferior to 12 months starting from the Statement of financial position date.

At 31 December, 2010 and 2009, Toyota Caetano Group did not have financial instruments registered in the items "investments held for trading" and "investments at fair values through profit and loss".

Investments held to maturity
These are financial non-derivative assets with defined or determinable payment dates, defined maturity or determined payment dates and there is an intention and capacity to maintain them until the maturity date. These investments are classified as non-current Assets, unless they mature within 12 months as of the statement of

financial position date.

Investments available for sale
These are all the remaining investments that are not classified as held to maturity or measured at fair value through profit and loss, being classified as non current assets. This category is included in non current assets, except if the Board of Directors has the intention of alienate the investment within a period inferior to 12 months starting from the Statement of financial position date.

At 31 December, 2010, Toyota Caetano Group held investments classified in this category that correspond to shares of entities registered in Lisbon Stock Exchange (Euronext Lisbon) and shares of Cimóvel - Real Estate Investment Fund (Note 10).

Investments are initially stated at acquisition cost, which is the fair value of the price paid; in investments held to maturity and investments available for sale transaction costs are included.

After their initial recognition, investments at fair value through profit and loss and investments available for sale are subsequently measured at their fair value by reference to their market value at the statement of financial position date, without any deduction relating to transaction costs which may be incurred until its sale.

Gains and losses arising from a change in the fair value of investments available for sale are recorded under equity caption “Fair value reserves” until the investment is sold or disposed, or until it is determined to be impaired. At that moment, the accumulated gains or losses previously recognized in equity are transferred to profit and loss statement for the period.

Investments available for sale in equity instruments not listed on a stock exchange market are stated at acquisition cost, net of impairment losses. The Group’s Board of Directors believes that the fair value of these investments does not significantly differ from their acquisition cost.

All purchases and sales of investments are recorded on their trade date, which is on the date the Group assumes all risks and obligations related to the purchase or sale of the asset. Investments are all initially recognized at fair value plus transaction costs, being the only exception the “investments at fair value through profit and loss”. In this last case, the investments are initially recognized at fair value and the transaction costs are recognized in the income statement.

The investments are derecognized if the right to receive financial flows has expired or was transferred, and consequently, all associated risks and benefits have been transferred.

The “investments available for sale” and the “investments at fair value through profit and loss” are subsequently maintained in the fair value by reference to its market value at the statement of financial position date, without any deduction related to transaction costs that might occur until its sale.

The “investments held to maturity” are registered by the amortized cost through the effective interest rate method.

Gains and losses, realized or not, coming from a fair value change in the “investments at fair values through profit and loss” are registered in the income statement. Gains and losses, realized or not, coming from a fair value change of the non monetary investments available for sale are recognized in Equity, in item “Fair value reserves” until the investment is sold, received or any way alienated, or until the investment fair value is lower than its acquisition cost and it represents an impairment loss, moment in which the accumulated loss is registered in the income statement.

The fair value of the financial investments available for sale is based on the current market prices. If the market is not net (non listed investments), the Group records the acquisition cost, having in consideration the existence or not of impairment losses. The Board believes that the fair value of these investments is not very different from the acquisition cost. The fair value of the listed investments is calculated based on the stock market closed value at statement of financial position date.

The Group makes evaluations if it considers that at the statement of financial position date exists clear evidence that the financial asset might be in impairment. In case of stock instruments classified as available for sale, have a significant drop or extended of its fair value inferior to its cost, it indicates that an impairment situation is occurring. If there is any evidence of impairment in "investments available for sale", the accumulated losses – calculated by the difference between the acquisition cost and the fair value deducted from any impairment loss previously recognized in the statement of profit and loss – are retrieved from the equity and recognized in the statement of profit and loss.

All purchases and sales of these investments are recognized at the date of the purchase and sale contracts, regardless the financial settlement date.

ii) Accounts receivable
Accounts receivable not bearing interests are stated at their nominal value less impairment losses so that they reflect the respective net realizable value. These amounts are not discounted because its effect in the financial actualization is not considered relevant.

Accounts receivable which bear interests (namely those related to partial payments of vehicles sales) are recorded by their total amount, and the part related to interests is recorded in liabilities as a deferred income and recognized in the income statement in accordance with its maturity.

iii) Borrowings
Borrowings are recorded as liabilities at their nominal value net of up-front expenses which are directly related to the issuance of those instruments. Finance Costs are calculated based on the effective interest rate and are recorded in the consolidated income statement of profit and loss on an accrual basis.

iv) Accounts payable
Non interest bearing accounts payable are stated at their nominal value.

v)Derivative financial instruments
The Group uses derivative financial instruments to cover risks of financial investments. Derivative financial instruments (cash-flow hedges) used by the Group (mainly interest rate swaps), have the specific aim of interest rate risk coverage.

These derivative instruments, though engaged with the purposes above mentioned, were not designated for hedge accounting. Therefore, they are measured at fair value with changes in fair value being recognized directly in the income statement (financial results). The referred fair value is determined through valuations made by financial institutions which are counterparties on derivatives' contracts.

vi) Cash and cash equivalents
Cash and its equivalents include cash on hand, bank deposits, term deposits and other treasury applications which reach their maturity within less than three months and are subject to insignificant risks of change in value.

k) Pension complements (Defined benefit plans and Defined contributions plan)
Toyota Caetano Group incorporated by public deed dated December 29, 1988 the Salvador Caetano Pension Fund, with subsequent updates in 2 January, 1994, 29 December, 1995 and 23 December, 2002.

This Pension Fund establishes that, as long as Toyota Caetano Group maintains the decision of making contributions to this fund, workers will benefit as from their retirement date, from a non updatable retirement pension complement determined based on a wage percentage, among other conditions. These retirement complements consist of a defined benefit plan. The Group has created an autonomous pension Fund for this effect (which is managed by ESAF – Espírito Santo Activos Financeiros, S.A.).

Meanwhile, as a consequence of the request for the change in the way those compensations function, done to the Portuguese Insurance Institute (ISP - Instituto de Seguros de Portugal), this Defined Benefit Plan started covering, beginning on 1 January, 2008, only the currents pensioners, ex-employees of Toyota Caetano Group with "deferred pensions" and current employees and directors over 50 years and with at least 15 years of Group service.

Additionally, and as consequence of changes introduced in 2008 according to the ISP – Instituto de Seguros de Portugal, a fair share of Toyota Caetano Group employees, which was previously covered by the Defined benefit plan mentioned above, was no longer covered by that Plan and started being covered by a Defined contributions plan. Relatively to this Defined contributions plan, the Toyota Caetano Group (through the associates that make part of the Method) contributes for an Autonomous Fund (also managed by ESAF – Espírito Santo Activos Financeiros, S.A.) with 3% of the annual total payroll of each beneficiary.

In order to estimate its liabilities for the payment of the mentioned responsibilities, the Group obtains annually an actuarial calculation of the liabilities for past services in accordance with the "Projected Unit Credit Method".

Recorded liabilities as of the statement of financial position date relate to the present value of future benefits adjusted for actuarial profits or losses and/or for liabilities for past services non recognised, net of the fair value of net assets within the pension fund (Note 25).

l) Contingent assets and liabilities

Contingent liabilities are defined by the Group as (i) possible obligations from past events and which existence will only be confirmed by the occurrence or not of one or more uncertain future events not totally under Group's control or (ii) present obligations from past events not recognized because it is not expected that an output of resources that incorporate economic benefits will be necessary to settle the obligation or its amount cannot be reliably measured.

Contingent liabilities are not recorded in the consolidated financial statements, being disclosed in the respective Notes, unless the probability of a cash outflow is remote. In these situations no disclosure is made.

Contingent assets are possible assets that arise from past events and whose existence will only be confirmed by the occurrence or not of one or more uncertain future events not totally under the Group's control.

Contingent assets are not recorded in the consolidated financial statements but only disclosed when it is likely the existence of future economic benefits.

m) Income taxes

Income tax is determined based on the taxable results of the companies included in consolidation, according to the fiscal regime applicable in the country of each Group company's head office, and also considers the recording of deferred taxes.

The current income tax is calculated based on the taxable results of the companies included in consolidation.

Deferred income taxes are computed using the statement of financial position liability method and reflect the timing differences between the amount of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes. Deferred tax assets and liabilities are not recorded when the timing differences arise from consolidation or initial recognition of assets and liabilities that are not through business combinations. The deferred tax assets and liabilities are computed on an annual basis using the tax rates that are expected to be in force at the time these temporary differences are reversed.

Deferred tax assets are only recorded when there is reasonable expectation that sufficient taxable profits will arise in the future to allow their use or when there are temporary taxed differences that overcome temporary deductible differences at the time of its reversal. At the end of each year the Company reviews its recorded and unrecorded deferred tax assets which are reduced whenever their realization ceases to be likely, or recorded if it is likely that taxable profits will be generated in the future to enable them to be recovered.

Deferred tax assets and liabilities are recorded in the income statement, except if they relate to items directly recorded in equity, situations in which the corresponding deferred tax is also recorded in equity captions.

n) Tax consolidation
With Movicargo exception, income tax is computed in accordance with the Special Taxation Regimen for Groups of Companies ("Regime Especial de Tributação dos Grupos de Sociedades" - RETGS), which includes subsidiaries with headquarters in Portugal, and are reflected in Toyota Caetano Group consolidated financial statements as of 31 December of each year.

The remaining Toyota Caetano Group companies with headquarters in foreign countries are taxed on an individual basis and in accordance with the applicable legislation.

o) Accrual basis and Revenue
Revenues and expenses are recorded according to the accrual basis, by which they are recognized in the period to which they relate independently of when the amounts are received or paid. Differences between the amounts received and paid and corresponding income and expenses are recorded in the captions "accruals and deferrals" included in "Other current assets" and "Other current liabilities".

Income and expenses for which the actual amount is yet unknown are recorded based on the best estimate of the Board of Directors of the Group companies.

The revenue is recognized net of taxes and commercial discounts, by the fair value of the amount received or to be received.

Sales' revenue is recognized in the consolidated income statement when the inherent assets risks and significant advantages are already under the buyer's jurisdiction and when it is reasonably possible to measure the corresponding income.

Revenue related with services rendered is recognized in accordance with the percentage of completion method.

p) Legal Reserve
Portuguese commercial legislation requires that, at least, 5% of net profit for each year must be appropriated for increases in legal reserve until it represents at least 20% of share capital. Such reserve is not subject to distribution, unless the Company is under liquidation, but it can be used either to absorb losses after the extinction of all the other reserves or to be incorporated in share capital.

q) Statement of financial position classification
All assets and liabilities, including assed and liabilities deferred tax, accomplishable or receivable in more than one year after the statement of financial position date are classified as "Non-current assets or liabilities".

r) Balances and transactions expressed in foreign currency
Assets and liabilities stated in foreign currency were translated into Euros using applicable exchange rates as of statement of financial position date. Exchange differences, favourable and unfavourable, resulting from differences between applicable exchange rates as of the date of the transactions and those applicable as of the date of cash collection, payments or as of statement of financial position date, were recorded as gains and losses in the consolidated income statement.

s) Segment information
In each year the Group identifies the most adequate business and geographic segments.

Information related to revenue of the identified business segments is included in Note 31.

t) Non current assets held for sale
Non current assets (and the groups of assets and liabilities to be disposed that are related to them) are classified as held for sale if it is expected that its accounting value will be recovered through disposal, and not through its continuous usage. This condition is only accomplished at the moment in which the sale is highly probable and the asset (and the group of assets and liabilities to be disposed that are related to them) is available for immediate sale under present conditions. Additionally, actions must be in place to allow the conclusion of the sale within a twelve month period after the classification date in this caption.

Non current assets (and the group of assets and liabilities to be disposed that are related to them) classified as held for sale are computed considering the lowest of its accounting or fair value, net of its sale expenses.

As of 31 December, 2010 and 2009 there were no Non current assets held for sale which fulfil the requirements mentioned above.

u) Judgments and estimates

During the preparation of the consolidated financial statements, the Board of Directors of the Group based itself in the best knowledge and in the experience of past and/or present events considering some assumptions relating to future events.

Most significant accounting estimates included in attached financial statements as of 31 December, 2010 and 2009 include:

a) Useful lives of tangible and intangible assets;
b) Registration of adjustments to the assets values (accounts receivable and inventories) and provisions;
c) Impairment tests performed to Goodwill;
d) Discharge of the fair value of derivative financial instruments; and
e) Clearance of responsibilities with Pension complements.

The underlying estimations and assumptions were determined based on the best knowledge existing at the date of approval of the financial statements of the events and transactions being carried out as well as in the experience of past and/or present events. Nevertheless, some situations may occur in subsequent periods which, not being predicted at the date of approval of the financial statements, were not consider in these estimations. The changes in the estimations that occur after the date of the financial statements shall be corrected in a foresight way. Due to this fact and to the uncertainty degree associated, the real results of the transactions may differ from the corresponding estimations. Changes to these estimates, which occur after publication of these consolidated financial statements, will be corrected in a prospective way, in accordance with IAS 8.

Main estimates and judgments related to future events included in the consolidated financial statements preparation are described in the attached Notes.

v) Financial risk management politics

The Group's activity is exposed to a variety of financial risks, such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. These risks arise from the unpredictability of financial markets that affect the capacity of projected cash flows and profits subject to a perspective of long term ongoing. Management seeks to minimise potential adverse effects that derive from that uncertainty in its financial performance.

The financial risks management is controlled by Toyota Caetano financial department, according to the policies established by the Group Board of Directors. The Board of Directors has established the main principles of global risk management as well as specific policies for some areas, as interest rate risk and credit risk.

i) Foreign currency risk

The Group operates internationally and has subsidiaries operating in the United Kingdom and in Cape Verde (although the United Kingdom subsidiary is inactive and has changed in 2008 its functional currency to euros). The group selects a functional currency for each subsidiary (Cabo Verde Escudo, for the subsidiary Cabo Verde Motors, S.A.R.L.), corresponding to the currency of the economical environment and the ones that better represents its cash flows composition. Foreign currency risk arises mainly from future commercial transactions, as a result of purchases and sales of products and services in a different currency than the functional currency used by each Company.

Foreign currency risk management policies seek to minimize the volatility of investments and transactions made in foreign currencies, aiming to reduce Group's results impact to changes in foreign exchange rates.

The Group foreign currency risk management hedge policies are decided casuistically, considering the foreign

currency and country specific circumstances (as at 31 December, 2010 and 2009, this situation is not applicable to any of the Group Subsidiaries).
Foreign currency risk related to the foreign subsidiaries financial statements translation, also named translation risk, presents the impact on net equity of the Holding Company, due to the translation of foreign subsidiaries financial statements.

As mentioned in Note 2.2 d), foreign subsidiaries assets and liabilities are translated into Euros using the exchange rates at statement of financial position date, and gains and losses in the income statement are translated into Euros using the average exchange rate of the year. Resulting exchange differences are recorded in equity caption "Translation reserves".

The Group's assets and liabilities amounts (expressed in Euros) recorded in a different currency from Euro can be summarized as follows:

	ASSETS		LIABILITIES	
	DEC-10	DEC-09	DEC-10	DEC-09
Cabo Verde Escudo (CVE)	6.700.716	6.367.001	542.686	416.762
Great Britain pounds (GBP)	531.753		(695)	8.580
Norwegian kroner (DKK)	240.552			
Swedish kronor (SEK)	123.345		2.468	4.275
Japanese yen (JPY)			255.810	241.758
American Dollar (USD)				

ii) Price risk
During 2010 and 2009, the Group was exposed to the risk of price variations on "Investments available for sale". As of 31 December 2010, this caption includes essencialy the shares of Banco BCP, S.A. and shares of Cimóvel - Real Estate Investment Fund, acquired during the year. Because those investments are classified as "Investments available for sale", the effect of the changes in the fair value are recognized according to principles described in Note 2.3.j), i) for that kind of financial instrument.

The Group's sensitivity to price variations in investments available for sale can be summarized as follows (increases/(decreases)):

		DEC-10	
	VARIATION	NET INCOME	EQUITY
BCP	10%		40.315
Cimóvel	10%		292.815
BCP	(10%)		(40.315)
Cimóvel	(10%)		(292.815)

iii) Interest rate risk
Toyota Caetano debt is indexed to variable interest rates, exposing the total cost of debt to a high risk of volatility. The impact of this volatility on the Group's results and shareholders´ equity mitigated due to the effect of the following factors: (i) possible correlation between the market interest rate levels and economic growth, having a positive effect on the other lines of the Group's consolidated results (particularly operational), thus partially offsetting the increased Finance Costs ("natural hedge") and (ii) the availability of consolidated liquidity or cash, also remunerated at variable rates.

Toyota Caetano Board of Directors approves the terms and conditions of the funding, analyzing the debt structure, the inherent risks and the different options available in the market, particularly considering the type of interest rates (fixed / variable) and, permanently monitoring conditions and alternatives existing in the market, and decides upon the contracting of occasional interest rate hedging derivative financial instruments.

Interest rate risk sensitivity analysis

The sensitivity analysis presented below was based on exposure to changes in interest rates for financial instruments at the statement of financial position date. For floating rate liabilities, the analysis is prepared assuming the following:

(i) Interest rate is superior in 1 p.p. than the supported interest rate.
(ii) Calculation was made using the Group's debt at the end of the year.
(iii) Spreads maintenance throughout the year.

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated.

Group's sensitivity to changes in interest rates is summarized as follows (increases/(decreases)):

		DEC-10		DEC-09	
	VARIATION	NET INCOME	EQUITY	NET INCOME	EQUITY
Guaranteed account	1 p.p	123.000	-	252.700	-
Bank Credits	1 p.p	3.548	-	5.494	-
Commercial Paper	1 p.p	467.000	-	440.000	-
Total		593.548	-	698.194	-
Guaranteed account	(1 p.p)	(123.000)	-	(252.700)	-
Bank Credits	(1 p.p)	(3.548)	-	(5.494)	-
Commercial Paper	(1 p.p)	(467.000)	-	(440.000)	-
Total		(593.548)	-	(698.194)	-

The above analysis does not include the consideration of the hedging (swap) financial instrument agreed by the Group to face the rates variation (Note 27).

iv) Liquidity risk

Liquidity risk is defined as the risk that the Group could not be able to settle or meet its obligations on time or at a reasonable price.

The existence of liquidity in the Group requires the definition of some parameters for the efficient and secure management of liquidity, enabling maximisation of the return obtained and minimisation of the opportunity costs relating to the liquidity.

Toyota Caetano Group liquidity risk management has a threefold objective:

(i) Liquidity, which is to ensure permanent access in the most efficient way to sufficient funds to cover current payments on the respective maturity dates, as well as any unexpected requests for funds;
(ii) Safety, which is the minimisation of the probability of default in the repayment of any application in funds; and
(iii) Financial Efficiency, which is ensuring that the Companies maximise the value / minimize the opportunity cost of holding excess liquidity in the short-term.

All excess liquidity is applied in short-term debt amortization, according to economic and financial reasonableness criteria.

A maturity analysis of each financial liability instrument is presented in Notes 20 and 22, considering amounts not discounted and the worst case scenario, that is, the shortest period in that the liability can become due.

At 31 December 2010 and 2009, the Group presents a net debt of 41.621.774 Euros and 50.542.859 Euros, respectively, divided between current and non current Borrowings (Note 20) and cash and cash equivalents (Note 16), agreed with the different financial institutions.

v) Credit risk

Credit risk refers to the risk that the counterpart will default on its contractual obligations resulting in financial loss to the Group.

The Group's exposure to the credit risk is mainly associated to the receivable accounts of its ordinary activities.

Risk management seeks to guarantee an effective collection of its credits in the terms negotiated without impact on the financial Group's health. This risk is regularly monitored, being Management's objective (i) to impose credit limits to customers, considering the number of days of sales outstanding, individually or on groups of customers, (ii) control credit levels and (iii) perform regular impairment analysis. The Group obtains credit guarantees whenever the customers' financial situation demands.

Regarding independent dealership customers, the Group requires guarantees "on first demand", whose amounts, as of 31 December, 2010 were of, approximately, 9.900.000 Euros (9.980.000 as of 31 December, 2009), and whenever these amounts are exceeded, these customers' supplies are suspended (Note 12).

The Group uses credit rating agencies and has specific departments for credit control, collections and management of processes in litigation, which all contribute to the mitigation of credit risk.

The adjustments for accounts receivable are calculated considering (a) the client risk profile, (b) the average time of receipt, (c) the client financial situation. The movements of these adjustments for the years ending at 31 December, 2010 and 2009 are stated in Note 26.

At 31 December, 2010 and 2009, the Group considers that there is no need for additional impairment losses, besides the amounts registered on those dates and stated, briefly, in Note 26.

The amount of customers and other debtors in financial statements, which is net of impairment losses, represents the maximum exposure of the Group to credit risk.

w) Subsequent events

Events occurring after the statement of financial position date which provide additional information about conditions prevailing at the time of the statement of financial position ('adjusting events') are reflected in the consolidated financial statements. Events occurring after the statement of financial position date that provide information on post-statement of financial position conditions ('non adjusting events'), when material, are disclosed in the Notes to the consolidated financial statements.

3. Changes in Accounting Policies and Correction of Misstatements

During the year ended as of 31 December 2010, there were no changes in accounting policies and no material mistakes related with previous periods were identified.

4. Group Companies Included in Consolidation

The affiliated companies included in consolidation by the full consolidation method and share of capital held as of 31 December, 2010 e 2009, are as follows:

Companies	EFFECTIVE PERCENTAGE HELD DEC-10	DEC-09
Toyota Caetano Portugal, S.A.	Parent Company	
Saltano - Investimentos e Gestão (S.G.P.S.), S.A.	99,98%	99,98%
Salvador Caetano (UK), Ltd.	99,82%	99,82%
Caetano Components , S.A.	99,98%	99,98%
Cabo Verde Motors, S.A.R.L.	81,24%	81,24%
Caetano Renting, S.A.	99,98%	99,98%
Caetano - Auto, S.A.	98,39%	93,18%
Caetano Retail (Norte) II, S.G.P.S., S.A.	49,20%	46,59%
Auto Partner - Comércio de Automóveis, S.A.	49,20%	46,59%
Caetano Colisão (Norte), SA	49,20%	46,59%
Movicargo – Movimentação Industrial, Lda.	100,00%	100,00%

These subsidiaries were included in the consolidated financial statements using the full consolidation method, as established in IAS 27 – "Consolidated and Separate Financial Statements" (subsidiary control through the major voting rights or other method, being owner of the company's share capital– Note 2.2 a)).

5. Changes in Consolidation Perimeter

During the year ended at 31 December, 2010, the following variations were noticed in the composition of the consolidation perimeter:

Acquisitions

Saltano – Investimentos e Gestão (S.G.P.S), S.A. increased its participation in society Caetano-Auto, S.A. through the acquisition of 1.355.213 shares representing 5.21% of capital.

During the year ended at 31 December, 2009, there were no variations in the composition of the consolidation perimeter.

6. Intangible Assets

During the year ended as 31 December, 2010 and 2009, the movement in intangible assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

2010	INSTALLATIONS EXPENSES	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL REAL ESTATE AND OTHER RIGHTS	KEY MONEY	SOFTWARE	INTANGIBLE ASSETS IN PROGRESS	TOTAL
GROSS ASSETS							
Opening Balances at 31 December, 2009	13.601	4.099.769	165.310	1.065.053			5.343.733
Increases					12.258	200.000	212.258
Transfer Writte-offs	(13.601)	(4.099.769)	(24.494)	(983.568)	1.152.417		(3.969.015)
Ending Balances at 31 December, 2010			140.816	81.485	1.164.675	200.000	1.586.976
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:							
Opening Balances at 31 December, 2009	13.601	3.906.697	24.233	1.065.053			5.009.584
Increases			24.395		39.309		63.704
Transfer Writte-offs	(13.601)	(3.906.697)	(1.024)	(983.568)	1.104.777		(3.800.113)
Ending Balances at 31 December, 2010			47.604	81.485	1.144.086		1.273.175
Net Intangible Assets			93.212		20.589	200.000	313.801

2009	INSTALLATIONS EXPENSES	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL REAL ESTATE AND OTHER RIGHTS	KEY MONEY	TOTAL
GROSS ASSETS					
Opening Balances at 31 December, 2008	13.601	4.003.023	120.525	1.065.053	5.202.202
Increases		69.430	17.283		86.713
Transfer Writte-offs		27.316	27.502		54.818
Ending Balances at 31 December, 2009	13.601	4.099.769	165.310	1.065.053	5.343.733
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:					
Opening Balances at 31 December, 2008	13.601	3.613.832	239	1.065.053	4.692.725
Increases		297.994	23.903		321.897
Transfer Writte-offs		(5.129)	91		(5.038)
Ending Balances at 31 December, 2009	13.601	3.906.697	24.233	1.065.053	5.009.584
Net Intangible Assets		193.072	141.077		334.149

The company proceeded with the write-off of values recorded under "Development expenses", with a net book value of approximately 193.000 Euros, as it no longer meet the criteria for recognition as an asset, in particular, the uncertainty regarding the ability to generate future economic benefits has increased significantly.

The intangible assets in progress refer to disbursements made during the year related to the implementation of the new management software by the subsidiary Caetano Auto.

7. Property, Plant and Equipment

During the years ended as of 31 December, 2010 and 2009, the movement in Property, plant and equipment, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

2010	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	VEHICLES	TOOLS	ADMINIST. EQUIPMENT	OTHER PROPERTY PLANT AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT IN ROGRESS	TOTAL
GROSS ASSETS									
Opening Balances	16.608.116	84.266.504	49.276.657	47.009.517	10.484.698	7.872.652	4.186.655	3.825.199	223.529.998
Increases	488.336	5.355.607	671.466	32.357.474		144.361	108.110	203.345	39.328.699
Disposals		(665.045)	(1.294.742)	(21.999.022)		(253.746)	(95.264)	(3.766)	(24.311.585)
Transfer Writte-offs	(881.363)	(1.775.422)	10.858.663	990.878	(10.484.698)	(43.655)	(1.530)	(2.583.443)	(3.920.570)
Ending Balances	16.215.089	87.181.644	59.512.044	58.358.847		7.719.612	4.197.971	1.441.335	234.626.542
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:									
Opening Balances		53.242.926	38.690.456	17.534.068	10.232.334	7.134.775	3.207.617		130.042.176
Increases		3.944.296	6.883.806	6.585.990		278.272	247.395		17.939.759
Transfer Writte-offs		(2.029.598)	4.778.810	(3.297.622)	(10.232.334)	(293.638)	(74.337)		(11.148.719)
Impairment losses		(650.000)							(650.000)
Ending Balances		54.507.624	50.353.072	20.822.436		7.119.409	3.380.675		136.183.216
Net Tangible Assets	16.215.089	32.674.020	9.158.972	37.536.411		600.203	817.296	1.441.335	98.443.328

2009	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	VEHICLES	TOOLS	ADMINIST. EQUIPMENT	OTHER PROPERTY PLANT AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT IN ROGRESS	TOTAL
GROSS ASSETS									
Opening Balances	15.420.559	80.081.778	47.641.863	60.027.677	10.690.070	8.290.393	4.276.039	2.565.761	228.994.140
Increases	1.150.991	4.225.153	2.059.548	19.132.284	75.096	12.304	92.177	1.498.855	28.246.408
Disposals	(63.027)	(664.981)	(474.291)	(33.823.018)	(282.354)	(385.449)	(18.014)	(600.000)	(36.311.134)
Transfer Writte-offs	99.593	624.554	49.537	1.672.574	1.886	(44.596)	(163.547)	360.583	2.600.584
Ending Balances	16.608.116	84.266.504	49.276.657	47.009.517	10.484.698	7.872.652	4.186.655	3.825.199	223.529.998
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:									
Opening Balances		49.802.638	36.674.409	21.538.992	10.232.225	7.300.224	3.085.980		128.634.468
Increases		3.813.915	2.448.482	10.994.820	307.672	357.093	266.912		18.188.894
Transfer Writte-offs		(373.627)	(432.435)	(14.999.744)	(307.563)	(522.542)	(145.275)		(16.781.186)
Ending Balances		53.242.926	38.690.456	17.534.068	10.232.334	7.134.775	3.207.617		130.042.176
Net Tangible Assets	16.608.116	31.023.578	10.586.201	29.475.449	252.364	737.877	979.038	3.825.199	93.487.822

The movements registered in item “Vehicles” mainly refer to vehicles that are being used by the Group, as well as forklifts being used by the Group and also being rented to clients.

During 2010, the Group transferred the amount of 5.352.405 Euros from fixed assets(and the respective depreciations amounting to 2.471.945 Euros) from Property, plant and equipment (“Land” and “Buildings and other constructions”) to the caption “Investment properties”, because the mentioned real estate properties were no longer used in the development of the Group’s operations.

During the year, the Group used independent specialized entities to determine the fair value of certain of its Property, plant and equipment for which, taking into account internal and external factors, there were indications that could be booked at a value higher than its fair value.

According to those evaluations, with reference to 2010 and in accordance with evaluation criteria usually accepted for real estate markets, the Group proceeded to the recognition of an impairment loss amounting to approximately 650.000 Euros which was recognized in the income statement, in “provisions and impairment losses”.

Real estate	CARRYING AMOUNT (BEFORE IMPAIRMENT)	FAIR-VALUE - EVALUATION	IMPAIRMENT LOSS
PORTIMÃO	924.782	410.000	500.000
MONTIJO	3.544.637	3.394.200	150.000

The management doesn’t expect that any change (under a normal scenery) on assumptions assumed on fair value’s measurement, could cause additional impairment losses.

8. Investment Properties

As of 31 December, 2010 and 2009, the caption “Investment properties” refers to real estate’s assets held to obtain gains through its rental or for capital gain purposes. These real estate assets are recorded at acquisition cost.

Gains related to “Investment properties” are recorded in the caption “Finance income” and amounted to 2.676.444 Euros in the year ended as of 31 December, 2010 (2.815.517 Euros as of 31 December 2009) (Note 36). The depreciations of 2010 of the Investment Properties amount to 916.724 Euros (1.138.524 Euros as of 31 December, 2009).

Additionally, in accordance with external appraisals made by independent experts, with reference to 2010, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounts to, approximately, 51,6 million Euros.

Also according to those external evaluations estate, it was detected a property which carrying amount exceeded its fair value. The Group proceeded to the recognition of an impairment loss amounting to approximately 1.130.000 Euros which was recognized in income statement, in “provisions and impairment losses”.

Real estate	CARRYING AMOUNT (BEFORE IMPAIRMENT)	FAIR-VALUE - EVALUATION	IMPAIRMENT LOSS
VISEU	2.804.446	1.650.000	1.130.000

The management doesn’t expect that any change (under a normal scenery) on assumptions assumed on fair value’s measurement, could cause additional impairment losses.

The real estate assets recorded in the caption “Investment properties” as of 31 December, 2010 and 2009 are made up as follows:

Building	PLACE	DEC-10 NET ASSET VALUE	DEC-10 VALUATION VALUE (2010)	DEC-09 NET ASSET VALUE	DEC-09 VALUATION VALUE (2008)
Industrial Instalations	V.N. Gaia	1.107.830	11.035.000	1.005.302	11.000.000
Industrial Instalations	Carregado	7.729.468	24.100.000	5.924.378	26.000.000
Industrial Warehouse	V.N. Gaia	1.559.960	5.235.000	791.440	5.034.000
Comercial Instalations	Several places	3.455.617	6.536.000	3.876.398	8.113.000
Lands not used	Several places	3.057.652	4.675.000	4.479.274	4.134.000
		16.910.528	51.581.000	16.076.792	54.281.000

The movement in the caption "Investment properties" as of 31 December, 2010 and 2009 was as follows:

2010

Gross Assets:	LAND	BUILDINGS	TOTAL
Opening Balances	9.107.019	28.223.703	37.330.722
Transfer Writte-offs	942.168	4.410.237	5.352.405
Impairment Losses	(1.130.000)		(1.130.000)
Ending Balances	8.919.187	32.633.940	41.553.127

Accumulated Depreciation	LAND	BUILDINGS	TOTAL
Opening Balances		21.253.930	21.253.930
Increases		916.724	916.724
Transfer Writte-offs		2.471.945	2.471.945
Ending Balances		24.642.599	24.642.599

2009

Gross Assets:	LAND	BUILDINGS	TOTAL
Opening Balances	9.107.019	29.010.902	38.117.921
Transfer Writte-offs		(787.199)	(787.199)
Ending Balances	9.107.019	28.223.703	37.330.722

Accumulated Depreciation	LAND	BUILDINGS	TOTAL
Opening Balances		20.743.372	20.743.372
Increases		1.138.524	1.138.524
Transfer Writte-offs		(627.966)	(627.966)
Ending Balances		21.253.930	21.253.930

The investment properties fair value disclosed in 31 December, 2010 was determined on an annual basis by an independent appraiser – American Appraisal (Market Method, Cost Method and Return Method), with reference to 2010.

9. Goodwill

At 31 December, 2010 there were not any movements in item "Goodwill".

The item "Goodwill" is totally related to the amount calculated in the acquisition of the affiliate Movicargo whose business was transferred to the parent Toyota Caetano Portugal, S.A.

Goodwill is not depreciated. Impairment tests are made annually.

For impairment analysis, the recoverable amount was determined based on the value in use, according to the discounted cash flows model, based on business plans developed by the people in charge and approved by the management and using discount rates that reflect the risks inherent of the business.

On 31 December, 2010, the method and main assumptions used were as follows:

	MOVICARGO - BT INDUSTRIAL EQUIPMENT DIVISION
Goodwill	611.997
Period	Projected cash flows for 5 years
Growth rate (g) (1)	0%
Discount rate (2)	9,93%

(1) growth rate used to extrapolate cash flows beyond the period considered in the business plan
(2) Discount rate applied to projected cash flows

The Management, supported by the estimated discounted cash flows discounted, concluded that on 31 December, 2010, the net book value of assets, including goodwill, does not exceed its recoverable amount.
The projections of cash flows were based on historical performance and on expectations of improved efficiency.
The management believes that a possible change (within a normal scenario) in key assumptions used in calculating the recoverable amount will not result in impairment losses.

10. Available for Sale Investments
As of 31 December, 2010 and 2009 the movements in item "Investments available for sale" were as follows:

	DEC-10	DEC-09
Fair value at 1 January	5.367.157	4.712.757
Increases during the year	3.604.898	
Disposals durig the year	(5.305.021)	
Increase/(decrease) in fair value	(271.329)	654.400
Other regularizations		
Fair value at 31 December	3.395.705	5.367.157
Non Current Assets	3.395.705	62.136
Current Assets	0	5.305.021
	3.395.705	5.367.157

During the period, the Group sold all the shares held in December 2009 of companies listed on Euronext Lisbon (BCP and BPI). Additionally, during the period it has purchased shares in companies listed on Euronext Lisbon (BCP) and shares of Cimóvel - Real Estate Investment Fund.

As of 31 December, 2010, "Available for sale investments" include the amount of 402.916 Euros corresponding to shares of listed companies in Euronext Lisbon (BCP), which are recorded at its fair value (the acquisition cost of those shares ascended to 588.451 Euros and accumulated change in fair value to 185.535 Euros). It also includes the amount of 2.928.153 Euros corresponding to shares of Cimóvel - Real Estate Investment Fund which are recorded at its fair value (the acquisition cost of those shares ascended to 3.013.947 Euros and accumulated change in fair value to 85.794 Euros).

The remaining "Investments available for sale" refer to small investments in non listed companies. The Board of Directors understands that the net accounting value is similar to its fair value.

Additionally, the impact in equity and impairment losses in 2010 and 2009 from recording "Investments held for sale" at fair value can be summarized as follows:

	DEC-10	DEC-09
Recognition on Results from the Disposal	(885.936)	
Fair value variation	(271.329)	654.400
Deferred tax liabilities		
Equity effect	(1.157.265)	654.400
Impairment losses		
	(1.157.265)	654.400

11. Inventories

As of 31 December, 2010 and 2009, this caption breakdown is as follows:

	DEC-10	DEC-09
Raw Materials and Others	9.398.703	8.454.175
Production in Process	6.235.204	7.229.196
Built-up and Finished Products	3.869.884	3.896.895
Goods	49.655.887	51.975.486
	69.159.678	71.555.752
Accumulated impairment losses in inventories (Note 26)	(2.361.786)	(2.382.475)
	66.797.892	69.173.277

During the years ended as of 31 December, 2010 and 2009, cost of sales was as follows:

	DEC-10			DEC-09		
	GOODS	RAW MATERIALS AND OTHERS	TOTAL	GOODS	RAW MATERIALS AND OTHERS	TOTAL
Opening Balances	51.975.486	8.454.175	60.429.661	78.870.567	15.457.434	94.328.001
Net Purchases	286.191.814	41.208.347	327.400.161	242.535.393	26.722.104	269.257.497
Perimeter variation						
Ending Balances	(49.655.887)	(9.398.703)	(59.054.590)	(51.975.486)	(8.454.175)	(60.429.661)
Total	288.511.413	40.263.819	328.775.232	269.430.474	33.725.363	303.155.837

During the years ended as of 31 December, 2010 and 2009, the variation in production was computed as follows:

	BUILT-UP AND FINISHED PRODUCTS	
	DEC-10	DEC-09
Ending Balances	10.105.088	11.126.091
Perimeter variation		
Inventories Regularizations	(15.726)	12.616
Opening Balances	(11.126.091)	(14.433.950)
Total	(1.036.729)	(3.295.243)

12. Accounts Receivable

As of 31 December, 2010 and 2009, the detail of this caption was as follows:

	CURRENT ASSETS		NON-CURRENT ASSETS	
	DEC-10	DEC-09	DEC-10	DEC-09
Accounts Receivable	71.282.984	63.616.495	1.556.626	2.093.425
Notes Receivable	76.650	19.576		
Doubtful Accounts Receivable	10.327.614	11.432.098		
	81.687.248	75.068.169	1.556.626	2.093.425
Accumulated impairment losses in accounts Receivable (Note 26)	(12.878.734)	(13.050.481)		
	68.808.514	62.017.688	1.556.626	2.093.425

Accounts receivable from customers recorded as non current assets corresponds to the customers of the affiliated company Caetano Auto – Comércio de Automóveis, S.A. that are being paid under formal agreements (whose terms of payment may vary between 1 to 6 years, and which bear interests (2.093.425 Euros as of 31 December, 2009).

Group exposure to credit risk is mainly related to trade receivables resulting from its operational activity. Before accepting new customers, the Group contacts credit rating agencies and performs internal analysis of credit risk, through specific credit control, collection and legal service departments, and assigns credit limits by customer, based on the gathered information.

Accounts receivable aging

Debt maturity without recognition of losses by impairment

	2010				
	0- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	48.914.659	2.295.975	651.587	9.362.244	61.224.465
Personnel	87.219	38.616	24.586	1.508.091	1.658.512
Independent Dealers	8.811.823	28.835	661	171.780	9.013.099
Fleets	333.444	35.168	8.792	147.780	525.184
Total	58.147.145	2.398.594	685.626	11.189.895	72.421.260
	2009				
	0- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	38.268.380	4.291.102	1.464.260	8.953.502	52.977.244
Personnel	161.609	35.618	39.826	2.021.939	2.258.992
Independent Dealers	5.624.857	418.843	25.449	181.272	6.250.421
Fleets	316.803	102.378	56.066	126.492	601.739
Total	44.371.649	4.847.941	1.585.601	11.283.205	62.088.396

Debt maturity with recognition of losses by impairment

	2010				
	0- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	0	0	0	495.000	495.000
Doubtful Accounts Receivable	20.818	1.882	0	10.304.914	10.327.614
Total	20.818	1.882	0	10.799.914	10.822.614
	2009				
	0- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable				3.641.100	3.641.100
Doubtful Accounts Receivable				11.432.098	11.432.098
Total				15.073.198	15.073.198

The amounts presented in the consolidated Statement of financial position are net of accumulated impairment losses to doubtful accounts receivable estimated by the Group, in accordance with its experience based on its evaluation of the economic environment at the statement of financial position date. Credit risk concentration is limited, because the customers' basis is wider and not relational. Thus, the Board of Directors understands that the accounting values of accounts receivable are similar to their respective fair value.

13. Other Debtors

As of 31 December, 2010 and 2009, the detail of this caption was as follows:

	DEC-10	DEC-09
Down Payments	32.737	42.292
Other receivable accounts	7.937.888	13.131.131
	7.970.625	13.173.423

The caption "Other receivable accounts" includes the amount of, approximately, 5,1 Million Euros (9,9 Million uros as of 31 December, 2009) in referring to advance payments made by the Group related with leasehold improvements in commercial facilities for automotive retail, which were fully invoiced in previous years, being that the remaining amount is expected to be supported in the short term by third parties.

Additionally, this caption also includes, as of 31 December, 2010, the amount of, approximately, 800.000 Euros (2.000.000 Euros as of 31 December 2009) to be received from Auto Partner III, SGPS, S.A.

14. Other Current Assets

As of 31 December, 2010 and 2009, the detail of this caption was as follows:

	DEC-10	DEC-09
Accrued Income		
Rentals		329.969
Warranties reclaims	332.514	172.136
Fleet programs	146.177	120.016
Comission	229.228	102.784
Bonus suppliers	217.593	81.259
Interest		51.528
Subsidies to formation		
Insurance		
Others	382.049	301.585
	1.307.561	1.159.277
Deferred Costs		
Insurance	204.984	229.337
Interest paid	146.186	120.196
Maintenance charge	83.297	75.624
Rentals	135.440	
Waranties		54.814
Others	238.424	74.364
	808.331	554.335
Total	2.115.892	1.713.612

15. Taxes

The detail of deferred tax assets and liabilities recorded in the accompanying consolidated financial statements as of 31 December, 2010 and 2009 is as follows:

	2010			
	DEC-09	PROFIT AND LOSS IMPACT (NOTE 29)	EQUITY IMPACT	DEC-10
Assets Deferred tax:				
Provisions not accepted as fiscal costs	1.051.730	105.071		1.156.801
Fiscal losses	133.607	81.967		215.574
Annulment in Property, plant and equipment	305.970	870.049	(140.004)	1.036.015
Annulment in deferred costs	59.998	(22.958)		37.040
Derivative financial instruments valorization	246.893	(185.826)		61.067
	1.798.198	848.303	(140.004)	2.506.497
Liabilities Deferred tax:				
Depreciation as a result of legal and free reavaluation of fixed assets	(1.058.113)	(66.334)		(1.124.447)
Effect of the reinvestments of the surplus in fixed assets sales	(484.148)	58.146		(426.002)
Future expenses that will not be accepted by fiscal authorities	0	(4.853)	(185.675)	(190.529)
Fiscally surplus at the base of n.º 7 Artº7 30/G 2000 Portuguese Law	(36.669)	6.112		(30.557)
	(1.578.930)	(6.929)	(185.675)	(1.771.535)
Net effect		841.374	(325.679)	

	2009			
	DEC-08	PROFIT AND LOSS IMPACT (NOTE 29)	EQUITY IMPACT	DEC-09
Assets Deferred tax:				
Provisions not accepted as fiscal costs	1.721.709	(669.979)		1.051.730
Fiscal losses	133.607			133.607
Annulment in Property, plant and equipment	331.845	(25.875)		305.970
Annulment in deferred costs	158.528	(98.530)		59.998
Derivative financial instruments valorization	214.189	32.704		246.893
	2.559.878	(761.680)		1.798.198
Liabilities Deferred tax:				
Depreciation as a result of legal and free reavaluation of fixed assets	(1.127.243)	69.130		(1.058.113)
Effect of the reinvestments of the surplus in fixed assets sales	(547.436)	63.288		(484.148)
Fiscally surplus at the base of n.º 7 Artº7 30/G 2000 Portuguese Law	(42.781)	6.112		(36.669)
	(1.717.460)	138.530		(1.578.930)
Net effect		(623.150)		

In accordance with the applicable legislation in Portugal, tax losses can be carried forward for a period of four years (six years for period ended up to 31 December, 2009) after their occurrence and subject to deduction to tax profits realized during that period. As of 31 December, 2010, the Group companies that had tax losses that can be carried forward in relation to which deferred tax assets were recorded as follows:

	DEC-10		DEC-09		
	FISCAL LOSSES	DEFERRED TAX ASSETS	FISCAL LOSSES	DEFERRED TAX ASSETS	DATE LIMIT OF UTILIZATION
With date of utilization limit:					
AT 2004:					
- Caetano Components, S.A.			328.442	98.880	2010
AT 2005					
- Caetano Retail (Norte) II SGPS S.A.	69.055		69.055		2011
- Caetano Components, S.A.	315.793	58.463	315.793	34.727	2011
- Caetano Colisão (Norte), SA	396.421		481.169		2011
AT 2006					
- Caetano Retail (Norte) II SGPS S.A.	2.059		2.059		2012

	DEC-10		DEC-09		
	FISCAL LOSSES	DEFERRED TAX ASSETS	FISCAL LOSSES	DEFERRED TAX ASSETS	DATE LIMIT OF UTILIZATION
- Caetano Colisão (Norte), SA	388.237		388.237		2012
AT 2007					
- Caetano Retail (Norte) II SGPS S.A.	63.772		63.772		2013
- Auto Partner CA, SA	219.604		219.604		2013
- Caetano Colisão (Norte), SA	1.100.930		1.100.930		2013
AT 2008					
- Caetano Retail (Norte) II SGPS S.A.	70.511		70.511		2014
- Caetano Colisão (Norte), SA	121.526		121.526		2014
- Auto Partner CA, SA	343.145	85.786	343.145		2014
AT 2009					
- Caetano Retail (Norte) II SGPS S.A.	48.248		48.248		2015
- Auto Partner CA, SA	409.584	71.325	409.584		2015
	3.463.252	215.574	3.962.075	133.607	

In a prudent way, some of the Toyota Caetano Group companies do not processed and/or derecognized in 2010 the assets by deferred taxes associated to fiscal losses reportable.

As of 31 December, 2010 and 2009 tax rates used to compute current and deferred tax assets and liabilities were as follows:

	TAX RATES	
	DEC-10	DEC-09
Country of origin of affiliate:		
Portugal	26,5%/25%	26,5%/25%
Cape Verde	25%	25%
United Kingdom	30%	30%

Toyota Caetano Group companies with head office in Portugal, except Movicargo, are taxed according to the Corporate Income Tax (CIT) in accordance with the Special Taxation Regimen for Groups of Companies ("Regime Especial de Tributação de Grupos de Sociedades - RETGS") as established by articles 70 th and 71th of the CIT. For the years beginning from January 1, 2010, the taxable income calculated in excess of € 2.000.000, adds a 2,5% Additional State Tax.

In accordance with the applicable legislation, the income tax returns of Toyota Caetano and other Group companies with headquarters in Portugal are subject to review and correction by the tax authorities for a 4-year period (five years for the Social Security), except when there were no fiscal losses, there were granted some fiscal gains or there are being undertaken inspections, complaints or impugnments, cases in which, depending on the circumstances, the deadlines are extended or suspended. Therefore, the tax declarations since the year of 2007 are still subject to review. The Board of Directors believes that the corrections that may arise from such reviews/inspections will not have a significant impact in the accompanying consolidated financial statements.

Under the terms of article 88th of the Corporate Income Tax Code, the companies with headquarters in Portugal are additionally subject to an income tax over a set of expenses at the rates foreseen in the above mentioned article.

16. Cash and Cash Equivalents

As of 31 December, 2010 and 2009 cash and cash equivalents detail was the following:

	DEC-10	DEC-09
Cash	156.425	270.497
Bank Deposits	19.945.500	24.906.861
Cash equivalents	450	36.647
	20.102.375	25.214.005

The Company and its affiliates have available credit facilities as of 31 December, 2010 amounting to approximately 120,6 Million Euros, which can be used in future operational activities and to fulfill financial commitments. There are no restrictions on the use of these facilities.

17. Share Capital

As of 31 December, 2010, the Company's share capital, fully subscribed and paid for, consisted of 35.000.000 bearer shares, with a nominal value of 1 Euro each.

The entities with over 20% of subscribed capital are as follows:

- Grupo Salvador Caetano S.G.P.S., S.A__________60%
- Toyota Motor Europe NV/SA__________________27%

18. Equity

Dividends

According to the General shareholders meeting deliberation, as of 23 April 2010, a dividend of 0,15 Euros per share was paid (total dividend of 5.250.000 Euros). As of 30 April 2009, the dividend paid was of 0,07 Euros per share (total dividend of 2.450.000 Euros).

In relation to 2010, the Board of Directors proposes that it should be paid a dividend of 0,18 Euros per share. This proposal must to be approved in the General Shareholders Meeting and was not included as a liability in the financial statements. The proposed dividend amounts to a total of 6.300.000 Euros. The dividend payment will have no tax effect on the Group.

Legal reserve

Commercial legislation establishes that at least 5% of the net profit of each year must be appropriated to a legal reserve until this reserve equals the statutory minimum requirement of 20% of the share capital. This reserve is not available for distribution, except in case of dissolution of the Company, but may be used in share capital increases or used to absorb accumulated losses once other reserves have been exhausted.

Revaluation reserves

The revaluation reserves can not be distributed to the share holders, except if they are completely depreciated and if the respective assets that were revaluated have been alienated.

Translation reserves

The translation reserves reflect the currency variations during the passage of the financial statements of affiliated companies in a currency other than Euro and cannot be distributed or used to absorb losses.

Fair value reserves

The fair value reserves reflect the fair value variations of the investments available for sale and cannot be distributed or used to absorb losses.

According to the Portuguese law, the amount of distributable reserves is determined according to the individual financial statements of Toyota Caetano Portugal, presented according to the Normas Contabilísticas e de Relato Financeiro (NCRF, Portuguese GAAP).

19. Non-controlling Interests

Movements in this caption during the year ended as of 31 December, 2010 and 2009 were as follows:

	DEC-10	DEC-09
Opening Balances in January, 1	3.284.681	3.490.459
Net profit attributable to Non-Controlling Interests	196.593	(137.850)
Acquisition variation	(2.399.454)	
Others		(67.928)
Ending Balances in December, 31	1.081.820	3.284.681

During the period, the group reinforced its position in Caetano-Auto and purchased 5.21% of its capital.

20. Borrowings

As of 31 December, 2010 and 2009 the caption "Borrowings" was as follows:

	DEC-10			DEC-09		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Bank Loan	59.000.000	250.000	59.250.000	72.838.146	250.000	73.088.146
Bank Credits	354.790		354.790	549.360		549.360
Other Borrowings	210.612	1.908.747	2.119.358		2.119.358	2.119.358
	59.565.402	2.158.747	61.724.149	73.387.506	2.369.358	75.756.864

As of 31 December, 2010 and 2009, the detail of Borrowings, overdrafts, others Borrowings and Commercial Paper Programs, as well as its conditions, were as follows:

	2010			
Description/Beneficiary Company	USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
NON-CURRENT				
Subsidy repayable:				
Toyota Caetano Portugal	1.908.747	1.908.747	30-01-2009	6 years
Credit line PME Invest III:				
Caetano Components	250.000	250.000	24-04-2009	5 years
	2.158.747	2.158.747		
CURRENT				
Guaranteed account	12.300.000	43.990.000		
Bank Credits	354.790	11.500.000		
Confirming	0	5.000.000		
Subsidy repayable	210.612	210.612	30-01-2009	6 years
Comercial Paper:				
Toyota Caetano Portugal	8.200.000	11.200.000	25-08-2006	5 years
Toyota Caetano Portugal	10.000.000	10.000.000	07-12-2006	5 years
Toyota Caetano Portugal	12.500.000	12.500.000	29-06-2007	5 years
Toyota Caetano Portugal	15.000.000	15.000.000	08-09-2008	5 years
Toyota Caetano Portugal		8.000.000	12-07-2007	5 years
Caetano Auto	1.000.000	1.000.000	29-02-2008	4 years
	59.565.402	118.400.612		
	61.724.149	120.559.359		

Description/Beneficiary Company	2009 USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
NON-CURRENT				
Subsidy repayable:				
Toyota Caetano Portugal	2.119.358	2.119.358	30-01-2009	6 years
Credit line PME Invest III:				
Caetano Components	250.000	250.000	24-04-2009	5 years
	2.369.358	2.369.358		
CURRENT				
Guaranteed account	25.270.000	55.850.000		
Bank Credits	549.360	15.850.000		
Confirming	3.568.146	5.000.000		
Comercial Paper:				
Toyota Caetano Portugal		8.200.000	25-08-2006	5 years
Toyota Caetano Portugal	10.000.000	10.000.000	07-12-2006	5 years
Toyota Caetano Portugal	15.000.000	15.000.000	29-06-2007	5 years
Toyota Caetano Portugal		12.500.000	27-11-2007	5 years
Toyota Caetano Portugal		6.800.000	05-06-2008	3 years
Toyota Caetano Portugal	15.000.000	15.000.000	08-09-2008	5 years
Toyota Caetano Portugal		20.000.000	12-07-2007	5 years
Caetano Auto	4.000.000	4.000.000	29-02-2008	2 years
	73.387.506	168.200.000		
	75.756.864	170.569.358		

Interests relating to the financial instruments mentioned above are indexed to Euribor, plus a spread which varies between 1,00% and 2,125%.

With the closure of the project application n.º 00/07099 of the program SIME A of AICEP (Agência para o Investimento e Comércio Externo de Portugal, E.P.) fit was granted a refundable incentive with the following amortization plan:

Dec-10	AVERAGE EFFECTIVE INTEREST RATE	2011	2012	2013	2014	2015	TOTAL
Repayable Subsidy							
Amortization		210.612	545.356	545.356	545.356	272.678	2.119.358
Interests	0%						
		210.612	545.356	545.356	545.356	272.678	2.119.358

21. Accounts Payable

As of 31 December, 2010 and 2009 this caption was composed of current accounts with suppliers, which end at short term.

The Group, relating to financial risk management, has implemented policies to ensure that all liabilities are paid for within the defined payment period.

22. Other Creditors

As of 31 December, 2010 and 2009 the detail of this caption was as follows:

	CURRENT LIABILITIES		NON-CURRENT LIABILITIES	
	DEC-10	DEC-09	DEC-10	DEC-09
Shareholders – Others	59.825	48.650		
Advances from Customers	636.666	704.223		
Property, plant and equipment Suppliers	1.689.397	2.699.009	6.621.087	8.308.619
Other Creditors	2.626.075	2.276.274		571.614
	5.011.963	5.728.156	6.621.087	8.880.233

The item "Fixed assets suppliers" (current and non-current) include the Group liabilities for leasing contracts, related to the purchase of facilities and equipment. The detail of this caption, as well as the reimbursement plan can be summarized as follows:

			MEDIUM-AND LONG-TERM					
Contract	Leasings	SHORT-TERM	2012	2013	2014	> 2014	TOTAL	TOTAL
343616	Industrial Equipment							
	Capital	125.458	127.551	77.219	0	0	204.770	330.227
	Interests	4.698	2.605	17.889	0	0	20.494	25.191
2028278	Comercial Installations							
	Capital	86.785	88.316	89.874	91.459	706.294	975.942	1.062.727
	Interests	17.904	16.373	14.815	13.229	45.801	90.218	108.122
559769	Comercial Installations							
	Capital	54.808	55.650	56.504	57.372	933.690	1.103.215	1.158.023
	Interests	17.278	16.436	15.582	14.714	98.977	145.709	162.987
626064	Comercial Installations							
	Capital	130.255	135.282	140.093	145.076	1.700.685	2.121.136	2.251.391
	Interests	73.120	71.488	66.690	61.722	300.331	500.231	573.351
Various	Industrial Equipment							
	Capital	1.292.091	981.029	798.736	431.825	4.435	2.216.024	3.508.115
	Interests	42.508	25.612	12.689	3.235	9	41.545	84.053
Total Capital		1.689.397	1.387.826	1.162.426	725.732	3.345.103	6.621.087	8.310.483
Total Interests		155.508	132.514	127.664	92.900	445.118	798.196	953.704

The fair value of the liabilities for leasing contracts is similar to the fair value of the leased assets.

23. Public Entitites

As of 31 December, 2010 and 2009 the detail of this "Public Entities" caption was as follows:

	ASSETS		LIABILITIES	
Public Entities	DEC-10	DEC-09	DEC-10	DEC-09
Income Taxes deduction			349.190	310.457
Value Added Taxes	1.635.733	127.892	11.641.562	7.980.742
Income Taxes (estimated tax) (Note 29)			3.449.898	3.369.318
Income Taxes (advance tax pay)			(2.133.269)	(1.760.238)
Vehicles Taxes			3.836.667	2.439.866
Custom Duties			727.142	771.895
Employees'social contributions			733.598	752.904
Others	1.036		214.186	181.942
	1.636.769	127.892	18.818.974	14.046.886

24. Other Current Liabilities

As of 31 December, 2010 and 2009 the caption "Other current liabilities" was as follows:

	DEC-10	DEC-09
Accrued Cost		
Vacation pay and bonus	6.036.037	6.196.156
Advance costing	2.349.319	1.689.093
Vehicles Tax related with disposed vehicles not registered	710.473	693.073
Our reimbursement to dealers in Sales Campaigns	780.628	587.151
Rentals		553.621
Comission	693.720	336.932
Optimo's warranty costs		253.470
Insurance	224.903	238.477
Royalties		53.010
Interest	122.934	28.785
Others	2.166.863	2.996.181
	13.084.877	13.625.949
Deferred Income		
Publicity recuperation	890.257	868.426
Debtors interest	80.148	161.479
investment's Subsidies	706.936	245.966
Deferred revenue	2.271.797	
Rappel		8.008
Others	171.009	51.598
	4.120.147	1.335.477
Total	17.205.024	14.961.426

25. Pensions Obligations

Toyota Caetano (together with other associated and related companies) incorporated, by public deed dated December 29, 1988, the Salvador Caetano Pension Fund, which was subsequently updated in January 2, 1994, in December 29, 1995 and in December 23, 2002.

As of 31 December, 2010, the following companies of Toyota Caetano Group were associates of the Salvador Caetano Pension Fund:

- Toyota Caetano Portugal, S.A.
- Caetano Auto – Comércio de Automóveis, S.A.
- Caetano Components, S.A.
- Caetano Renting, S.A.

The Pension Fund was set up to, while Toyota Caetano Group maintains the decision to make contributions to the referred fund, provide employees (beneficiaries), at their retirement date, the right to a pension complement, which is not subject to update and is based on a percentage of the salary, among other conditions.

A request was made as of 19 December 2006 to the fund manager of the Salvador Caetano Pension Fund (ESAF – Espirito Santo Activos Financeiros, S.A.), to act near the "ISP - Instituto de Seguros de Portugal" and take the necessary measures to change the defined benefit plan into a defined contribution plan, among other changes.

Following the above mentioned, a dossier was sent on December 18, 2007 to Instituto de Seguros de Portugal containing the proposals to change the "Constitutive Contract" of Salvador Caetano Pension Fund, as well as the minute of approval of these changes by the Pensions Fund Advisory Committee, and requesting, with effects as from January 1, 2008, the approval of these changes.

The proposal for changing the pension complement, dully approved by the Pension Funds Advisory Committee ("Comissão de Acompanhamento do Fundo de Pensões"), includes the maintenance of a defined benefit plan for the current retired workers and ex-employees with acquired rights, as well as for all the current employees with more than 50 years and more than 15 years of service completed until January 1, 2008. A new group will be created to which all current employees with less than 50 years and/or less than 15 years of service will be transferred.

At December 29, 2008 Toyota Caetano Portugal, S.A. received a letter from ISP - Instituto de Seguros de Portugal (Portuguese Insurance Institute) with the approval of the pretended alterations and entering into force starting from January 1, 2008. ISP determined in the referred approval that the employees associated to the Salvador Caetano Pension Fund who at January 1, 2008 had achieved 15 years of service and had ages inferior to 50 years (and that shall integrate a Defined Contribution Plan) have the right to an individual "initial capital" according to the new Plan, determined according to the actuarial responsibilities as at 31 December, 2007 and based on the presumptions and criteria used on that year.

According to the actuarial study made by the fund manager, Toyota Caetano Group has been contributing to this Fund (contributions registered in the financial statements in item "Personnel costs"), having this contribution in 2010 amounted to 1.676 thousand Euros (60 thousand de Euros as of 31 December 2009), allowing the patrimonial situation of the Fund to achieve, at 31 December, 2010, approximately, 28,8 million Euros. The global responsibilities parcel estimated actuarially for the defined benefit plan relating to Toyota Caetano Group at 31 December, 2010, approximately, 29,5 million Euros. Thus, the responsibilities of the Fund on 31 December, 2010 are not fully covered by the Fund patrimonial situation being expected by the administration that this situation reverses during 2011 through the appreciation of the assets comprising the Fund.

Following the clarification of the alteration request of the existing Benefit Plan at 31 December, 2007 and the corresponding approval of ISP – Instituto de Seguros de Portugal, the Board of Directors of Toyota Caetano Portugal decided to adopt once again the Mortality Table TV 73/77 in the actuarial calculation of the responsibilities with that Plan, instead of using the Mortality Table TV 88/90, as adopted in previous years. The main reasons for this decision were:

- the information reported by the fund manager that proceeds with the actuarial calculations that the Mortality Table TV 73/77 has an adequate adhesion to the beneficiaries group of the Retirement Pensions Complement; and

- the fact that the alteration approved by the ISP – Instituto de Seguros de Portugal has interrupted the increase of the number of beneficiaries, being the present group composed by retired people, ex-employees of the Company with "Differed Pensions" and present employees and directors with ages superior to 50 years.

The actuarial presumptions used by the fund manager include the "Projected Unit Credit" calculation method, the Mortality Table and disability TV 73/77 and SuisseRe 2001, respectively, as well as well as salary increase rate, pensions increase rate and average rate of return of 2%, 0% and 5%, respectively.

The movement of the Fund responsibilities of the Company with the Defined benefit plan in 2010 can be summarized as follows:

Responsibilities at January 1, 2010	29.035.762
Cost of the current services	250.429
Cost of interest	1.404.113
(Gains) and actuarial losses	767.458
Pension payment	(1.907.016)
Responsibilities at 31 December, 2010	29.550.745

The allocation of this amount during 2010 to both plans (Defined benefit plan and Defined contribution plan) can be summarized as follows:

Item	DEFINED BENEFIT PLAN	DEFINED CONTRIBUTION PLAN	TOTAL
Fund amount at 31 December, 2009	28.901.854	7.687.422	36.589.276
Contributions	1.675.929	366.560	2.042.489
Real recovery of the plan assets	79.758	9.871	89.629
Pension payment	(1.907.016)	0	(1.907.016)
Transfers between Members	61.895	(143.017)	(81.122)
Fund amount at 31 December, 2010	28.812.418	7.920.838	36.733.256

As of 31 December, 2010, the breakdown of the asset portfolio of the Fund that covers the defined benefit plan was as follows:

Asset Portfolio	PORTFOLIO WEIGHT	DEC-10
Stocks	11%	3.054.116
Bonds	43%	12.446.965
Real Estate	36%	10.401.283
Cash	7%	1.988.057
Other Assets	3%	921.997
Total	100%	28.812.418

At 31 December, 2010, the investments with an individual weight greater than 5% of the total portfolio of assets in the Fund that covers the defined benefit plan was as follows:

Asset	PORTFOLIO WEIGHT	DEC-10
Cimóvel - Fundo de Investimento Imobiliário Fechado	36%	10.401.283

The evolution of the Group's responsabilities in the defined benefit plan and the assets of the Fund allocated can be summarized as follows:

	2010	2009	2008	2007
Responsabilities	29.550.745	29.035.762	28.358.503	28.258.700
Fund's Value	28.812.418	28.901.854	28.067.165	27.916.070

26. Provisions and Accumulated Impairment Losses

Movements occurred in provisions during the years ended as of 31 December, 2010 and 2009 were as follows:

	2010				
	OPENING BALANCES	INCREASES	DISPOSALS	OTHER REGULARIZATIONS	TOTAL
Accumulated impairment losses in investments (Note 7 and 8)	1.471.651	1.780.000		(1.469.656)	1.781.995
Accumulated impairment losses in accounts Receivable (Note 12)	13.050.481	268.798	(45.184)	(395.361)	12.878.734
Accumulated impairment losses in inventories (Note 11)	2.382.475	274.395	(295.084)		2.361.786
Provisions	828.133	675.232		(401.663)	1.101.702

	2009				
	OPENING BALANCES	INCREASES	DISPOSALS	OTHER REGULARIZATIONS	TOTAL
Accumulated impairment losses in investments (Note 10)	1.540.978		(69.327)		1.471.651
Accumulated impairment losses in accounts Receivable (Note 12)	12.508.374	513.027	(34.493)	63.573	13.050.481
Accumulated impairment losses in inventories (Note 11)	3.069.099	115.720	(599.245)	(203.099)	2.382.475
Provisions	631.184	911.995	(143.951)	(571.095)	828.133

The column “Other regularizations” in the caption “Provisions” is related to the payment of bonus to employees during 2010, regarding to their performance in 2009.

As of 31 December, 2010 and 2009, the detail of the caption “Provisions” was as follows:

Description	DEC-10	DEC-09
Bonus to employees	0	510.295
Provisions for guaranties	126.689	127.748
Provisions for litigation in progress	975.014	190.090
	1.101.702	828.133

Provisions for guarantees, intend to deal with any reliability issues on used cars sold by the Group, which comprise, a warranty period of two years.

Provisions for litigation in progress, relate mainly to expenses that the Group estimates to incur with the processes that are currently in the courts.

Given the unpredictability of the moment of the reversal of the provisions, the Group did not discount the amounts.

27. Derivate Financial Instruments

Interest rate Derivatives

The derivative financial instruments used by Toyota Caetano Group, existing at 31 December, 2010, refer to interest rate swaps. Although not fulfilling the requirements to be considered for hedge accounting purposes (cash flow hedging), their acquisition was made with the objective of interest rate risk coverage of Borrowings. In fact, they contribute for the reduction of exposure to the interest rate variation or for the optimization of funding costs.

The fair value at 31 December, 2010 was negative in 174.782 Euros, and includes a total exposition of 20 Million Euros, for a 3 years term, counting from December 21, 2010.

These derivative instruments were valued considering the future cash flows that are expected from those instruments. Toyota Caetano Group intends to hold these instruments until their maturity, so this kind of evaluation translates the best estimation of future cash flows resulting from these instruments.

Swaps are measured at fair value at 31 December 2010, which is determined through valuation techniques used by financial institutions that are counterparties on the derivatives contract.

28. Financial Commitments not Included in Consolidated Statement of Financial Position

As of 31 December, 2010 and 2009, Toyota Caetano Group had assumed the following financial commitments:

Responsilities	DEC-10	DEC-09
For Notes Discounted		
Credit	47.561	38.220
Guarantee of Import	14.091.676	15.370.792
	14.139.237	15.409.012

At 31 December 2010 and 2009, the financial commitments classified as “Guarantees for Imports” (i) the amount of 8.080.910 Euros (8.500.000 Euros in 2009) is related with guarantees on imports provided to Customs Agency, (ii) the amount of 2.500.000 Euros refers to a guarantee of Contrac GmbH and (iii) the amount of 1.497.178 Euros (1.300.000 GBP) refers to a guarantee related to S.C. UK, Ltd.

29. Income Taxes

The income tax for the year ended as of 31 December, 2010 and 2009 was as follows:

	DEC-10	DEC-09
Income Taxes (Note 23)	3.449.898	3.369.318
Deferred income taxes (Note 15)	(841.618)	623.150
	2.608.280	3.992.468

The reconciliation of the earnings before taxes of the years ended at 31 December, 2010 and 2009 can be analyzed as follows:

	DEC-10	DEC-09
Profit before taxation	14.544.990	14.234.027
Tax on profit	26,50%	26,50%
	3.854.422	3.772.017
Provisions not accepted as fiscal costs	(105.071)	669.979
Fiscal losses	(81.967)	0
Annulment in Property, plant and equipment	(870.049)	25.875
Annulment in deferred costs	22.958	98.530
Derivated financial instruments valorization	185.826	(32.704)
Depretiation as a result of legal and free reavaluation of fixed assets	66.334	(69.130)
Effect of the reinvestments of the surplus in fixed assets sales	(58.146)	(63.288)
Future costs that will not be accepted fiscally	4.853	0
Fiscally surplus at the base of nr. 7 Art.7th 30/G 2000 Portuguese Law	(6.112)	(6.112)
Additional income tax	401.626	409.091
Others	(806.395)	(811.791)
	2.608.280	3.992.468

30. Earnings per Share

The earnings per share for the year ended as of 31 December, 2010 and 2009 were computed based on the following amounts:

	DEC-10	DEC-09
Net Income Basic	11.936.710	10.241.559
Net Income Diluted	11.936.710	10.241.559
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,341	0,293
	0,341	0,293

During 2010 and 2009 there were no changes in the number of shares.

31. Segment Information

The main information relating to the business segments existing on December, 2010 and 2009, prepared according to the same accounting policies and criteria adopted in the preparation of the consolidated financial statements, is as follows:

2010	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	VEHICLES				INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT				
	INDUSTRIE	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRIE	COMMERCIAL	MACHINES	SERVICES	RENTAL		
PROFIT															
External Sales	38.106.185	489.328.143	21.899.030	5.872.328	8.823.641	2.801.900	10.873.626		15.332.147	19.468.567	311.125	7.838	103.084	(177.207.742)	435.719.872
INCOME															
Operational income	(1.147.912)	6.862.824	3.738.951	(157.787)	(94.251)	1.481.034	800.686	2.334.982	(1.925.961)	880.148	6.213	5.381	(22.283)	371.858	13.133.885
Financial income	(222.541)	2.274.152	(11.317)	(95.507)	(28.532)	(16.864)	(486.912)	84.549	(91.255)	(5.088)	(2.063)	(54)	(627)	13.164	1.411.105
Net Income with Non-Controlling Interests	(1.456.908)	6.415.419	3.725.593	(170.092)	(122.783)	1.210.900	276.798	5.268.339	(2.017.216)	683.977	3.433	4.406	(22.910)	(1.862.244)	11.936.710
OTHER INFORMATION															
Total consolidated assets	82.062.458	223.289.765	23.896.567	15.029.133	8.598.177	569.003	51.630.476	42.870.854		10.272.408				(167.048.293)	291.170.549
Total consolidated liabilities	37.953.317	130.689.756	6.312.885	13.680.081	3.724.038	259.411	26.521.163	18.431.311		600.480				(87.829.579)	150.342.863
Capital Expenses	199.276	571.359	44.164	13.860.773	53.619	9.225	98.129			90.170				8.011.905	22.938.621
Depreciation	2.093.932	5.023.427	1.600.784	3.652.744	294.090	50.596	5.228.358			195.603				(136.072)	18.003.463

2009	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	VEHICLES				INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT				
	INDUSTRIE	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRIE	COMMERCIAL	MACHINES	SERVICES	RENTAL		
PROFIT															
External Sales	40.881.687	446.089.501	36.391.501	5.264.096	12.012.423	3.044.159	10.585.666		8.891.743	24.668.344	270.356	6.489	105.419	(180.718.942)	407.492.441
INCOME															
Operational income	(4.140.900)	9.896.732	5.238.002	(193.169)	(169.554)	1.765.807	168.518	103.371	(1.174.870)	1.162.952	17.298	5.378	(15.094)	1.820.939	14.485.410
Financial income	(226.778)	(1.385.523)	(77.777)	(96.039)	(48.080)	(19.372)	(553.828)	74.414	(53.157)	(20.315)	(1.493)	(38)	(659)	2.157.262	(251.383)
Net Income with Non-Controlling Interests	(4.273.417)	4.854.553	4.987.044	440.590	126.022	1.474.266	363.622	180.744	(1.228.027)	851.345	13.342	4.507	(15.753)	2.462.721	10.241.559
OTHER INFORMATION															
Total consolidated assets	52.570.875	185.414.413	24.126.872	13.444.037	16.708.767	10.630.416	57.381.659	37.623.716		9.915.967				(116.627.285)	291.189.437
Total consolidated liabilities	26.285.691	108.528.876	11.389.521	12.260.645	8.052.018	5.268.818	33.104.598	13.744.464		520.984				(65.594.546)	153.561.069
Capital Expenses	2.374.603	13.585.283	77.202	(5.410.135)	(2.770.739)	8.428	4.016.631	93		102.148				(519.901)	11.463.613
Depreciation	4.083.537	9.079.517	1.138.994	2.910.670	426.220	10.177	2.083.472	93		195.603				(1.412.086)	18.510.791

The line "External Sales" includes Sales, Service Rendered and the amount of about 9.461.606 Euros (8.340.565 Euros as of 31 December 2009) related to equipment rentals accounted in Other Operating Income.

The column "Removals" mainly includes the elimination of transactions between Group companies included in consolidation, mainly belonging to Vehicles segment.

32. Average Number of Personnel

During the years ended as of 31 December, 2010 and 2009, the average number of personnel was as follows:

Personnel	DEC-10	DEC-09
Employees	1.223	1.106
Workers	675	837
	1.898	1.943

33. Sales and Services Rendered by Geographic Markets and Activities

The detail of sales and services rendered by geographic markets, during the years ended as of 31 December, 2010 and 2009, was as follows:

	DEC-10		DEC-09	
Market	VALUE	%	VALUE	%
National	399.447.852	93,71%	374.172.902	93,75%
Germany	53.574	0,01%	4.378	0%
United Kingdom	1.225	0%	1.494	0%
Spain	389.421	0,09%	225.180	0,05%
Palop's	11.879.499	2,79%	14.602.419	3,66%
Other markets	14.486.695	3,40%	10.118.539	2,54%
	426.258.266	100%	399.124.912	100%

Additionally, sales and services rendered by activity were as follows:

	DEC-10		DEC-09	
Activity	VALUE	%	VALUE	%
Vehicles	335.675.555	78,75%	310.946.223	77,91%
Spare parts	59.060.790	13,86%	56.538.168	14,17%
Repairs	26.061.086	6,11%	26.924.356	6,75%
Others	5.460.835	1,28%	4.716.165	1,18%
	426.258.266	100%	399.124.912	100%

34. Other Operating Income

As of 31 December, 2010 and 2009, the caption "Other operating income" was as follows:

Other operating income	DEC-10	DEC-09
Equipment rented	9.461.899	8.340.565
Guarantees recovered (Toyota)	5.862.292	5.281.884
Advertising expenses and sales promotion recovered	1.585.165	3.396.111
Commissions of automotive financial intermediation	2.799.435	2.890.882
Services provided	2.612.430	2.767.186
Surplus in Property, plant and equipment	1.699.229	2.499.205
Subsidies	1.151.928	1.863.824

Other operating income	DEC-10	DEC-09
Transport expenses recovered	1.833.192	659.888
Payed taxes recovered (Note 38)	1.578.720	
Work for the company	2.724.091	2.775.715
Gains on disposal of financial assets	1.140.590	
Cancelation of cost increases Pension Fund		3.862.549
Others	4.558.093	4.611.228
Total	37.007.063	38.949.037

35. Operating Lease

The compromises assumed at 31 December, 2010 and 2009 with operating lease contracts are as follows:

Minimum payments of operating lease	DEC-10	DEC-09
Not more than one year	1.940.383	2.501.386
More than one year and no more than five	6.336.806	8.834.471
More than five years	2.177.498	
	10.454.687	11.335.857

36. Statement of Consolidated Net Financial Results

Consolidated net financial results as of 31 December, 2010 and 2009 were as follows:

Expenses and Losses	DEC-10	DEC-09
Interest	2.854.506	3.496.908
Other Finance Costs	105.483	123.481
Net Financial Results	1.411.105	(251.383)
	4.371.094	3.369.006

Income and Gains	DEC-10	DEC-09
Interest	581.385	553.489
Revenue from Real Estate (Note 8)	2.676.444	2.815.517
Other Financial Gains	1.113.265	
	4.371.094	3.369.006

37. Related Parties

Balances and transactions between the Parent Company and its affiliates, which are related entities to the Parent Company, were eliminated in the consolidation process, so they will not be disclosed in this Note. Balances and transactions details between the Group and the related parties can be summarized as follows:

	COMERCIAL DEBTS		COMERCIAL DEBTS		FIXED ASSETS	PRODUCTS		OTHERS	
Company	RECEIVABLE	PAYABLE	SALES	RENDERED	OBTAINED	RENDERED	OBTAINED	COSTS	INCOME
ALBITIN- CIMFT, LDA	0	5.907	0	37.951	0	8	267	0	0
AMORIM BRITO & SARDINHA LDA	435	0	0	0	0	0	0	0	2.253
ATLANTICA, SA	5.111	0	0	0	0	0	0	0	0
AUTO PARTNER IMOBILIARIA, SA	0	73.490	0	0	0	0	370.510	0	0
BAVIERA - COMÉRCIO DE AUTOMÓVEIS, SA	1.127.639	83.303	5.012.834	578.040	0	2.813	150.474	170.743	143.653
CAETANO AUTOBODY,COMERCIO DE AUTOCARROS, SA	3.984.156	7.500	88.732	2.494	0	0	199.963	0	112.509

Company	COMERCIAL DEBTS		COMERCIAL DEBTS		FIXED ASSETS	PRODUCTS		OTHERS	
	RECEIVABLE	PAYABLE	SALES	RENDERED	OBTAINED	RENDERED	OBTAINED	COSTS	INCOME
CAETANO CITY E ACTIVE (NORTE), SA	47.499	45.773	49.783	196.421	233.099	30.765	(13.612)	120.715	301.696
CAETANO COLISÃO (SUL) SA	0	0	366	0	0	0	0	0	0
CAETANO DRIVE, SPORT E URBAN (CENTRO), SA	3.397	0	22.906	0	927.447	0	0	288.272	1.087.647
CAETANO DRIVE, SPORT E URBAN (NORTE), SA	22.843	47.763	62.441	408.815	270.665	53.824	1.018	26.042	284.482
CAETANO DRIVE, SPORT E URBAN (SUL), SA	0	6.042	51.027	257.781	0	(52.722)	(59.927)	0	0
CAETANO FORMULA (NORTE),SA	27.345	65.519	42.158	249.778	18.210	15.066	16.501	4.654	29.434
CAETANO MOTORS (NORTE), SA	3.936	473	23.121	0	0	9.869	0	0	15.946
CAETANO MOTORS (SUL), SA	1.586	0	0	0	0	0	0	0	931
CAETANO PARTS & COLISÃO(SUL), SA	0	0	0	0	0	0	576	0	1.523
CAETANO PARTS (NORTE) , LDA	94.138	692.456	448.576	1.549.690	0	(213)	300.009	(2.171)	51.964
CAETANO POWER (PORTO), SA	(166)	19.814	6.811	83.132	0	2.842	176	0	948
CAETANO POWER (SUL), SA	3.579	0	0	0	0	0	0	0	931
CAETANO RETAIL (NORTE), SA	811.923	0	0	0	0	0	0	0	0
CAETANO RETAIL SERVIÇOS, SA	14.275	0	3.800	0	0	0	0	0	32.117
CAETANO SPAIN, SA	219.672	211	142.908	0	0	0	562	0	0
CAETANO STAR (SUL) SA	3.853	0	0	0	0	0	0	0	3.402
CAETANO TECHNIK (SUL), SA	1.126	0	0	0	0	0	0	0	931
CAETANO TECHNIK E SQUADRA, LDA	18.389	294.177	168.457	815.951	302.994	90.396	210.325	198.950	445.600
CAETANO UK LIMITED	8.330	32.263	0	0	0	0	33.845	3.163	0
CAETANOBUS-FABRICAÇÃO DE CARROÇARIAS SA	3.064.683	388.319	4.623.383	909.986	0	0	930.749	480	2.318.355
CAETANOLYRSA, S.A	112	0	0	0	0	0	0	0	1.110
CAETSU PUBLICIDADE,SA	12.057	465.442	405	1.216	0	0	4.765.796	0	23.824
CARPLUS (NORTE), LDA	17.794	3.699	202.873	60.789	34.379	15.526	82.931	26.538	274.494
CARPLUS (CENTRO), SA	15.639	0	34.573	7.292	0	14.791	0	0	1.841
CARPLUS-COMÉRCIO DE AUTOMÓVEIS, SA	4.913	0	6.638	0	0	0	0	0	10.689
CARVEGA-COMERCIO AUTOMOVEL,SA	3.853	0	0	0	0	0	0	0	0
CHOICE CAR-COMERCIO AUTOMOVEIS SA	0	0	0	0	0	0	0	0	0
CIBERGUIA, SA	9.954	0	0	0	0	0	0	0	0
CIMOVEL-FUNDO DE INVESTIMENTO IMOBILIÁRIO FECHADO	5.140.010	7.734	0	0	0	0	0	12.192	0
COCIGA - CONSTRUÇÕES CIVIS DE GAIA, SA	19.256	293.208	6.034	0	0	11.259	487.435	0	0
CONTRAC GMBH MASCHINEN UND ANLAGEN	-25.769	110.122	786	1.420	0	0	67.961	0	0
DICUORE-DECORACAO SA	0	180	0	0	0	0	16.048	0	0
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, S.A.	8.653	25.047	947	0	0	0	84.000	0	21.548
EUFER-CAETANO-ENERGIAS RENOVÁVEIS,LDA	6.438	0	0	0	0	0	0	0	14.000
FINLOG - ALUGUER E COMÉRCIO AUTO, SA	1.477.094	812.952	6.355.103	3.543.201	0	155.622	1.437.813	0	224.635
GILLCAR NORTE - COM. IND. MAQUINAS E TINTAS,SA	790	55.978	0	303.588	0	8.426	1.634	0	0
GLOBALIA AUTOMOVILES SL	48.172	0	48.172	0	0	0	0	0	0
GRUPO SALVADOR CAETANO,SGPS, SA	2.385	2.861	0	0	0	0	1.542	0	0
GRUPO SOARES DA COSTA, SA	30.451	0	0	0	0	0	0	0	0
GUÉRIN-RENT-A-CAR(DOIS),LDA	137.008	78.963	1.067.094	0	0	1.926	328.708	134.396	159.462

Company	COMERCIAL DEBTS RECEIVABLE	COMERCIAL DEBTS PAYABLE	COMERCIAL DEBTS SALES	COMERCIAL DEBTS RENDERED	FIXED ASSETS OBTAINED	PRODUCTS RENDERED	PRODUCTS OBTAINED	OTHERS COSTS	OTHERS INCOME
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, SA	36.512	86.539	225.392	299.322	0	7.877	278.738	0	20.616
MDS AUTO - MEDIAÇÃO SEGUROS SA	22.969	84.234	0	0	0	0	220.063	0	78.694
NOVEF-SGPS	19.500	0	0	0	0	0	0	0	0
POAL, SA	17.806	0	0	0	0	0	0	0	0
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, SA	2.127	28.367	4.208	0	54.943	0	0	0	1.994
RARCON - ARQUITECTURA E CONSULTADORIA, SA	12.633	13.847	0	0	0	12.126	105.885	0	0
RIGOR - CONSULTORIA E GESTÃO, SA	288.192	1.743.749	132.881	82.475	200	1.734	5.390.429	35.770	135.273
SALVADOR CAETANO (MOÇAMBIQUE), SARL	356.468	0	0	0	0	0	0	0	0
SALVADOR CAETANO-AUTO-SGPS, SA	123.802	13.288	0	0	0	0	0	0	0
SIMANOR-COMÉRCIO DE AUTOMÓVEIS, LDA	121	0	1.214	0	0	25.771	521	0	0
SIMOGA - SOC. IMOBILIÁRIA DE GAIA, SA	1.643	0	0	0	0	0	0	0	0
SOL PORTUGAL - VIAGENS TURISMO Lda.	0	290	0	0	0	0	26.268	0	0
SPRAMO - PUBLICIDADE & IMAGEM, S.A.	0	681	0	0	0	0	0	0	0
TURISPAIVA - SOCIEDADE TURÍSTICA PAIVENSE, LDA.	431	0	0	0	0	612	0	0	0
	17.254.764	5.590.190	18.833.625	9.389.343	1.841.937	408.318	15.437.208	1.019.745	5.802.502

Goods and services purchased and sales to related parties were made at market prices.

38. Contingent Assets and Liabilities
Taxes Liquidation:

Toyota Caetano Portugal,S.A.
As a result of favorable decisions on the judicial impugnation processes, referring to the additional payments of the Corporate Income Tax and relating to the fiscal years of 1995 it is expected that the reimbursement of the remaining tax paid, and recognized as expenses in previous years, added by the corresponding compensatory interest, may occur soon.

During the year has been recovered approximately 1.331.000 Euros recorded under “Other operating income” connected with the judicial impugnation process related to the fiscal years of 1997, 1998 and 1999 (Note 34), remaining to receive the corresponding compensatory interest.

Regarding the tax inspection to the years 2003 and 2004, the additional assessments related with Corporate Income Tax already paid and recognizes as expenses in previous years were claimed, amounting to 725.542 Euros, as the Company understands that there are legal reasons for this procedure. During the year has been recovered approximately 218.000 Euros recorded under “other operating income” related with this judicial process (Note 34).

Caetano – Auto, S.A.
Regarding to the tax inspection to the year 2004, an additional Corporate Income tax assessment was received and paid during 2007, amounting to 453.895 Euros, and recorded as an expense, although it was partially judicially claimed by the Company.

Related to the tax inspection to the year 2004, additional tax assessments were received and paid during 2007, amounting to 677.473 Euros, and recorded as an expense, having the Company decided to claim them judicially. Also in relation with this tax inspection, the Group received a notification from the tax authorities to correct its tax losses that can be carried forward, and that had already been used in prior years, amounting to 354.384 Euros.

Litigation in progress:
The Board of Directors and its legal advisors believe that the arguments presented by a former agent, who claims compensation for the termination of the agency contract, is not in accordance with applicable law and thereby no losses will result to the company, so it was not recorded any provision in the financial statements.

Group companies, Toyota Caetano Portugal and Caetano Auto are being subjected to a counter-ordination process by Market Authority (Autoridade de Concorrência), arising from the complaint of monopolistic practices. The process is currently under investigation and the companies have responded to all information requests. The Board of Directors and its legal advisors believe that the complaint on the basis of this process is unfounded and will not result in losses to the company, so it was not recorded any provision in the financial statements to address this situation.

39. Remuneration of Board Members

The remuneration of the board members in Toyota Caetano Portugal, S.A. during the years 2010 and 2009, was as follows:

Board Members	DEC-10	DEC-09
Board of Directors		
Fixed remunerations	830.097	1.122.415
Variable remunerations	169.662	220.160

40. Remuneration of Statutory Auditor

The remuneration of the Statutory Auditor, PricewatherhouseCoopers & Associados – S.R.O.C., Lda. for 2010, was as follows:

	DEC-10
Total fees related statutory audit	93.200
Total fees for other services	4.600

41. Information Related to Environmental Area

The Group adopts the necessary measures relating to the environment, aiming to fulfill current applicable legislation.

The Toyota Caetano Group Board of Directors does not estimate that there are risks related to the environmental protection and improvement, not having received any infraction related to this matter during 2010.

42. End of Life Vehicles

In September 2000, the European Commission approved a Directive regarding end-of-life vehicles and the responsibility of Producers/Distributors for dismantling and recycling them.

Producers/Distributors will have to support at least a significant part of the cost of the dismantling of vehicles that went to the market after 1 July, 2002, as well as in relation to vehicles produced before this date, but presented as of 1 January, 2007.

This legislation will impact Toyota vehicles sold in Portugal. Toyota Caetano and Toyota are closely monitoring the development of Portuguese National Legislation in order to access the impact of these operations in its financial statements.

It is our conviction, in accordance with studies performed on the Portuguese market, and taking in consideration the possible usage of the vehicles parts resulting from the dismantlement, that the effective impact of this legislation in the Company accounts will be reduced or nil.
Meanwhile, and according to the legislation in force (Dec./Law 196/2003), the Company signed a contract with "ValorCar – Sociedade de Gestão de Veículos em Fim de Vida, Lda" - a licensed entity for the management of an integrated system of ELV- the transfer of the liabilities in this process.

43. Subsequent Events
Since the end of the year and up to date no significant events occurred.

44. Financial Statements Approval
The consolidated financial statements were approved by the Board of Directors on 31 March, 2011. Additionally, the enclosed financial statements at 31 December 2010 are still waiting to be approved at the Share Holders General Meeting. Nevertheless, the Group Board of Directors believes that they shall be approved without any meaningful alterations.

45. Explanation Added for Translation
These financial statements are a translation of financial statements originally issued in Portuguese language in accordance with IFRS. In the event of discrepancies, the Portuguese language version prevails.

Chartered Accountant: Alberto Luís Lema Mandim
Board of Directors: José Reis da Silva Ramos – President; Hiroyuki Ochiai; Miguel Silva Ramalho da Fonseca; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Statutory Auditors Report in respect of the Consolidated Financial Information

(Free translation from the original version in Portuguese)

Introduction

1. As required by law, we present the Statutory Auditors Report in respect of the Consolidated Financial Information included in the Board of Directors' Report and the consolidated financial statements of Toyota Caetano Portugal, S.A., comprising the consolidated statement of financial position as at 31 December 2010, (which shows total assets of Euros 291.170.549, and a total shareholder's equity of Euros 140.827.686 including a total non-controlling interests of Euros 1.081.820 and a net profit of Euros 11.740.117), the consolidated statement of income by nature, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and the corresponding notes to the accounts.

Responsibilities

2. It is the responsibility of the Company's Board of Directors (i) to prepare the Directors' Report and consolidated financial statements which present fairly, in all material respects, the financial position of the company and its subsidiaries, the consolidated statement of comprehensive income, the consolidated changes in equity, the consolidated result of their operations and their consolidated cash flows; (ii) to prepare historic financial information in accordance with International Financial Reporting Standards as adopted by the EU and which is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code; (iii) to adopt adequate accounting policies and criteria; (iv) to maintain appropriate systems of internal control; and (v) to disclose any relevant matters which have influenced the activity, the financial position or results of the company and its subsidiaries.

3. Our responsibility is to verify the consolidated financial information included in the documents referred to above, namely if it is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue an independent and professional report based on our audit.

Scope

4. We conducted our audit in accordance with the Standards and Technical Recommendations approved by the Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. Accordingly, our audit included: (i) verification that the subsidiary's financial statements have been properly examined and for the cases where such an audit was not carried out, verification, on a sample basis, of the evidence supporting the amounts and disclosures in the consolidated financial statements, and assessing the reasonableness of the estimates, based on the judgments and criteria of Management used in the preparation of the consolidated financial statements; (ii) verification of the consolidation operations and the use of the equity method; (iii) assessing the appropriateness and consistency of the accounting principles used and their disclosure, as applicable; (iv) assessing the applicability of the going concern basis of accounting; (v) assessing the overall presentation of the consolidated financial statements; and (vi) assessing whether the consolidated financial information is complete, true, timely, clear, objective and licit.

5. Our audit also covered the verification that the information included in the Directors' Report is in agreement with the other documents as well as the verification set forth in paragraphs 4 and 5 of Article 451 of the Companies Code.

6. We believe that our audit provides a reasonable basis for our opinion.

Opinion

7. In our opinion, the consolidated financial statements referred to above, present fairly in all material respects, the consolidated financial position of Toyota Caetano Portugal, S.A., as at 31 December 2010, the consolidated changes in equity, the consolidated comprehensive income, the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and the information included is complete, true, timely, clear, objective and licit.

Report on other legal requirements

8. It is also our opinion that the information included in the Directors' Report is in agreement with the financial statements for the year and that the Corporate Governance Report includes the information required under Article 245-A of the Portuguese Securities Code.

Porto, 31 March 2011

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

José Pereira Alves, R.O.C

Report and opinion of the Fiscal Council

Dear Shareholders,

1. In accordance with the terms of item g) of Article 420.º of the Companies Code and of the Articles of the Company's Code, submit to your appreciation the report of the management performed and proceeded to the general appraisal of the documents and statement of consolidated accounts of TOYOTA CAETANO PORTUGAL, SA, referring to 2010 and which were presented to us by the Board of Directors.

2. In accordance with the assignments conferred to us, during this exercise we proceeded to the follow-up of the evolution of the social business with the frequency and to extend the considered advisable, to the general analysis of the financial procedures and the confirmation by sampling of the respective files.

3. We have no Knowledge of any situation which didn't respect the articles of association and the legal terms applicable.

4. We analysed the legal certification of accounts and the external auditors with which we agree.

Thus,

5. All members of the Board of Auditors of the TOYOTA CAETANO PORTUGAL, SA under the terms of item c) of number of Article 245.º of the Stock of Exchange Code, hereby confirm, as far as it is our knowledge, that the information provided in item a) of the above referred article was elaborated according to accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial highlights and results of TOYOTA CAETANO PORTUGAL, SA and that the Management's Report clearly shows the business evolution, the performance and the position of the Company, evidencing as well a description of the mains risks and incertitude's to be faced.

6. Under these terms, we propose that the General Meeting of Shareholders: -Approves the Management's Report and Consolidated Accounts of Toyota Caetano Portugal Group referring to the period ending at 31 st December 2010.

Vila Nova de Gaia, 31st March 2011

The Board of Auditors
José Jorge Abreu Fernandes Soares - President
António Pimpão & Maximino Mota, SROC, represented by António Maia Pimpão

Statement

"All members of the Board of Auditors of the TOYOTA CAETANO PORTUGAL, SA under the terms of item c) of number1 of Article 245.º of the Securities of Exchange Code (Código de Valores Mobiliários), hereby confirm, as far as it is our knowledge, that the information provided in item a) of the above referred article was elaborated according to accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial highlights and results of TOYOTA CAETANO PORTUGAL, SA and that the report of the management clearly shows the business evolution the performance and the position of the Company, evidencing as well a description of the mains risks and incertitude's to be faced."

José Jorge Abreu Fernandes Soares - President
António Maia Pimpão on behalf of:
António Pimpão & Maximino Mota, SROC

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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	Compliance	Report
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 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.	Not Applicable	
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.	Yes	I20

II. GOVERNING AND AUDITING BODIES		
II.1. GENERAL POINTS		
II.1.1. STRUCTURE AND REMIT		
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.	Yes	II5
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.	Yes	II6
II.1.1.3 The governing and auditing bodies shall establish internal regulations and shall have these disclosed on the Company's website.	No	
II.1.2 INCOMPATIBILITIES AND INDEPENDENCE		
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.	No	II14
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.	No	II14
II.1.3 ELIGIBILITY AND APPOINTMENT		
II.1.3.1 The chairman of the audit board shall be independent and have the appropriate skills to carry out its duties.	Yes	II21
II.1.4 POLICY ON THE REPORTING OF IRREGULARITIES		
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.	Yes	II35
II.1.4.2 The general guidelines of this policy shall be disclosed on the corporate governance report.	Yes	II35
II.1.5 REMUNERATION		
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 be dependent on the sustainability of the adopted levels of performance; iii) when the remuneration of non-executive members of the management body is not legally imposed, a fixed amount should be set exclusively.	No	II33
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 Código dos Valores Mobiliários (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.	Yes	II30
II.1.5.3 At least one representative of the remuneration committee shall be present at the Annual General Shareholders' Meetings.	No	I15
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 Código dos Valores Imobiliários (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 Código dos Valores		

Mobiliários (Portuguese Securities Code), shall also be approved at the General Shareholders' Meeting.	Not Applicable	
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.	Yes	II31
II.2. BOARD OF DIRECTORS		
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.	No	II6
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.	Yes	II6
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.	No	II17
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.	Yes	II6
II.2.5. The management body shall promote a rotation of the member responsible for financial matters at least after 2 mandates.	Yes	II11
II.3. II.3 CHIEF EXECUTIVE OFFICER (CEO), EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS		
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.	Yes	II8
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.	Not Applicable	
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.	Not Applicable	
II.4. GENERAL AND SUPERVISORY BOARD, FINANCIAL MATTERS COMMITTEES, AUDIT COMMITTEES AND AUDIT BOARD		
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.	Not Applicable	
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.	Yes	III15
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.	Yes	III15
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.	Yes	II24
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.	Yes	II24
II.5. SPECIALISED COMMITTEES		
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: i) ensure that a competent and independent assessment of the executive board members' performance is carried out, as well as its 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 Código das Sociedades Comerciais (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 noncompliance 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.

II2.3 Recommendation has not been adopted as the non-executive members are not independent as per number II14 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.
I.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.

I.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.

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 December1988. 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.

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 cooption, 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.

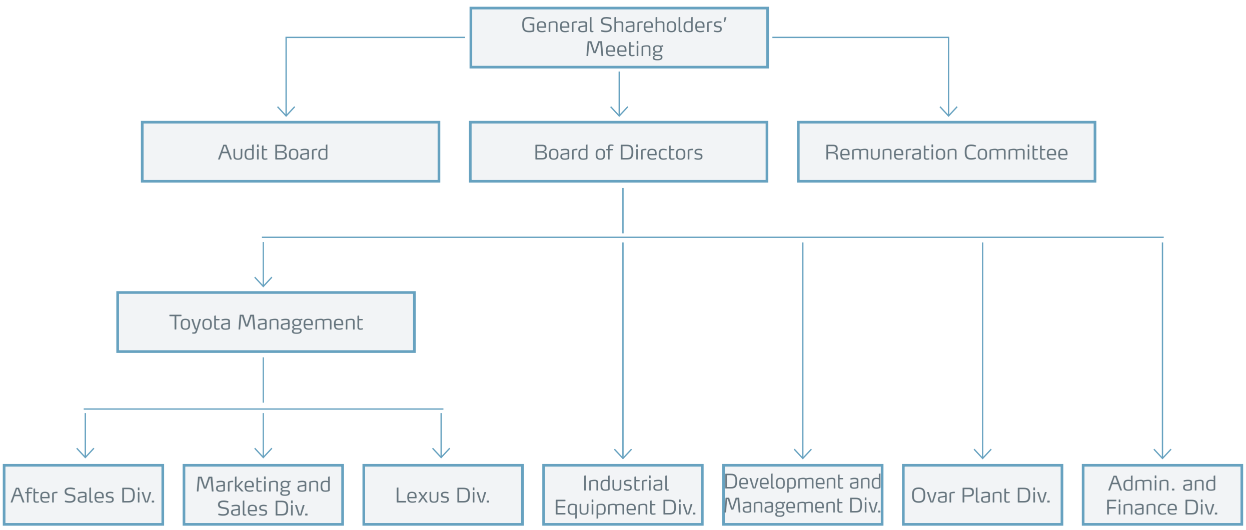
The Board of Directors and its duties are detailed as follows:

- 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 en 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.
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:

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.

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.
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.11. 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.

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:

NAME	COMPANY	ROLE
José Reis da Silva Ramos Chairman of Board of Directors TOYOTA CAETANO PORTUGAL, S.A	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 PARTNER - 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

NAME	COMPANY	ROLE
Maria Angelina Martins Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	GRUPO SALVADOR CAETANO, SGPS, S.A.	Chairman of BD
	ATLÂNTICA – Comp. Portuguesa de Pesca, S.A.	Chairman of BD
	POAL - Pvimentações 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 Civis 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
Maria Angelina Martins Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	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

5 REPORT ON CORPORATE GOVERNANCE

NAME	COMPANY	ROLE
	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
Salvador Acácio Martins Caetano Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	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 Civis 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 & Sardinha, Lda.	Manager
	ALBITIN - Comércio e Industria de Maq. e Farram. 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
Salvador Acácio Martins Caetano Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	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 – COMÉRCIO DE AUTOMÓVEIS, 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

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 INMEBLES, 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
Miguel Pedro Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	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
	IBÉRICAR CATALUÑA AUTO, S.L.	Manager
	IBERICAR HOLDING ANDALUCIA, S.L.	Manager
	LIDERA 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

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
	CAETANOBUS - 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 Civis 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
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 II3 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:

euros

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

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

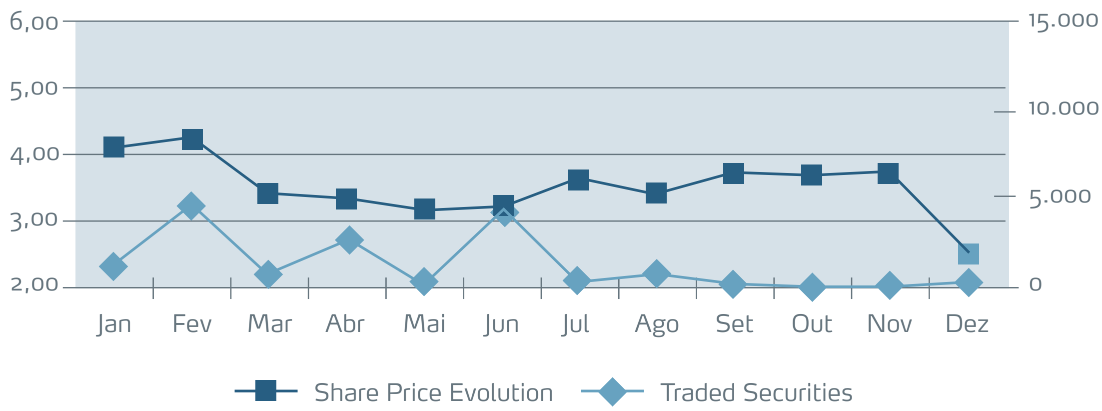
II.37. The Remuneration Committee held one meeting in 2010.
II.38. The professional experience of the members of the Remuneration Committee allows them to exercise their responsibilities effectively, while safeguarding the interests of the Company.
II.39. No member has any affinity or kinship up to and including third degree lineage with any member of the management body or their spouses.

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 Martins Caetano Ramos e Salvador Acácio Martins Caetano	
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.

Evolution of Shares / Securities Traded in 2010



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: 227867203
E-mail: rmendes@toyotacaetano.pt

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.

06

REMUNERATION POLICY

Remuneration Committe Statement

Having convened on 20 January 2011, the Remuneration Committee of Toyota Caetano Portugal, S.A., states the following:

a) Compliance with the Remuneration policy defined for the financial year 2010.
After analysing all accounting elements and other records of Toyota Caetano Portugal, the Commission has found that, apart from changes in the composition of the Governing Bodies which gave rise to remuneration proposals prepared within the established time frame, no changes occurred in the remunerations of the members of the Governing Bodies during the financial year 2010, thus confirming fulfilment of the proposals made by the Commission at the General Shareholders' Meeting held on 23 April 2010.

b) Remuneration Policy to be applied during the Financial year 2011
In view of the current economic situation, and taking into consideration the forecasts regarding activities and income for the financial year 2011 as provided by the Company Management, the Commission concludes that the fixed remuneration values for all members of the Governing Bodies should be retained until the end of this term, provided that these members retain executive duties.
However, the Commission admits the possibility of reviewing the policy now defined, as a strategic measure of adaptation to the evolution of the economic situation and its impact on the automotive sector.
The opinion of the Commission is that non-executive members should not receive any remuneration, as has indeed been the case to date.

With regard to the variable remuneration of the executive members of the Board of Directors, such remuneration has been paid according to the income obtained by the Company, in conjunction with the policy of dividend payment to Shareholders and bonuses paid to Employees.

In historic terms, and up to the financial year 2009, the aforementioned variable remuneration represented approximately 3% of annual net profits.

In 2010, this remuneration component did not exceed 2%, as proposed by the Commission, and this was in face of changes in the Composition of the Body under analysis.

Thus, with reference to Article 2 (b-3) of Decree-Law No. 28/2009 of 19 June, the Remuneration Commission proposes the retention of the criterion stipulated for 2010, i.e., that the variable remuneration of the Executive Members of the Board of Directors does not exceed 2% of the payable profits calculated for the financial year.

It is implicit to the decision of allocating the Variable Remunerations depending on the profits obtained the verification of the alignment of the interests of the members of the Management Body with the interests of the Company, and is thus one of the mechanisms to be fitted into Article 2 (3-a) of Law No. 28/2009 of 19 June, simultaneously responding to Article 2 (3-a) of Law No. 28/2009, guaranteeing the limitation of variable remuneration in the event of negative income.

In view of the information relative to Article 2 (3-c) of Law no. 28/2009 of 19 June, we hereby confirm the inexistence of any scheme for share allocation or stock options on the part of the members of the Management and Audit bodies. The Commission proposes the retention of this criterion.

In our opinion, the company's practice in terms of annual payment timings should be retained, thus excluding the possibility listed in Article 2 (3-d) of Law No. 28/2009.

Vila Nova de Gaia, 20 January 2011

The Remuneration Committe
Alberto Luis Lema Mandim
Maria Conceição Monteiro da Silva
Francelim Costa da Silva Graça

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