Annual Report & Accounts

2011

Toyota Caetano Portugal, S.A.

Index

01 General

01 Board Members

Board of the General Meeting

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

Board of Directors

José Reis da Silva Ramos President
Hiroyuki Ochiai Member
Daniele Schillaci 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 Domingos da Silva Fernandes President
Maria Lívia Fernandes Alves Member
Takehiko Kuriyama 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 Toyota Caetano Portugal, SA.Tree

Toyota Caetano Portugal, S.A.
Euro 35.000 M

99,98%

Saltano, S.A.
Euro 4.500 M

Caetano Renting, S.A.
Euro 250 M

100%

46,31%

Caetano Auto, S.A.
Euro 26.000 M

52,10%

Caetano Components, S.A.
Euro 1.000 M

100%

50%

Caetano Retail Norte II, SGPS, S.A.
Euro 2.500 M

Auto Partner Com. Aut. S.A.
Euro 50 M

100%

Caetano Colisão Norte, S.A.
Euro 50 M

100%

81,25%

Cabo Verde Motors, S.A.
CVE 60.000 M

100%

Movicargo, S.A.
Euro 300 M

Dec' 2011

01 General Information

Head Office

Avenida Vasco da Gama, 1410
4431-956 Vila Nova de Gaia
T. 22 786 70 00
F. 22 786 72 15

Ovar Plant

Olho Marinho
3885-100 Arada
T. 25 679 00 00
F. 25 679 00 05

Southern Division

Carregado
E.N. 3 – Carregado – Apartado 23
2584-908 Carregado
T. 26 385 72 00
F. 26 385 72 08

Established in 4th July 1946
V.A.T. PT 500 239 037
Registered on Trade Conservatory Nr. 500239037
Share Capital: EUR 35 000 000
Total Share Capital quoted in "Bolsa de Valores de Lisboa"

02 Management Report

Single Management Report

Message from the President

In today's economic and social climate, business sustainability determines the future of organisations, their ability to overcome challenges and to survive moments of great adversity, such as those we are experiencing now. Ensuring soundness in business, efficiently managing and acting on income is the origin of a long-term management rather than a reactive behaviour conditioned by temporary impulses.
This has been the stance of Toyota Caetano Portugal, since its foundation, still under the name Salvador Caetano. A global view of the organisation that is geared towards Clients, Employees, Community and Business Partners, which allows us to look forward to the future with optimism and to reinforce the promise of our brand with more than 40 years: 'Toyota is here to stay'.
At different levels and on many fronts, 2011 was not a year of sales growth or profitability, either in the industrial or commercial areas, mainly due to external factors such as the international and national climate.
In the industrial activity, the global economic downturn and the crisis in the Euro area, combined with the Tsunami in Japan had a direct impact on the supply of components to the Ovar Factory, resulting in prolonged production stoppages and, as a consequence, the signing of a new contract of working hours bank in effect until 2014.
Due to the flexible management on a consolidated basis and our ability to respond quickly, we responded to the situational and strategic constraints by transferring Optimo activity to another Salvador Caetano Group company with the consequent rationalisation of the team assigned to the Toyota plant.
In the year that we commemorated 40 years of Toyota production in Portugal, and the beginning of the Japanese manufacturer's industrial activity in the Old Continent, with the attendance of the Government, Clients and several national figures, we registered our best ever Quality outcome, we strengthened recognition of the Ovar Factory in the Global Eco Award, which highlighted our performance in environmental efficiency, and we hosted a European event for Toyota, the II Convention on Ergonomics, where once again we demonstrated our ability to hold high demand events.
In turn, the retraction in Portuguese consumption and the changes to the ISV (Vehicle Tax) and the end of the incentive to end of life vehicles not only affected the industrial activity, but also, and on a larger scale, sales of vehicles in all business sectors, reflected in sales volume and market share, and in the Toyota and Lexus brands operating income.

Following the downward trend in the automotive market, the performance of both brands was also affected by the end of the life cycle of some volume models and by the lack of response in some commercial vehicle segments, undermining our commitment to strong promotional campaigns able to hold their own with the competitive edge in this sector.
In contrast, 2011 was a benchmark year on several fronts: in addition to the successful launch in the last quarter

of the year of the New Generation Yaris and the usual good performance of Avensis, we can note our continued leadership in the Chassis-Cab segment with the Toyota Dyna produced in Ovar, the recovery of the 1st place in the Pick-up segment and an increasing share in VAN segment, thanks to the performance of Hiace.
In addition, there was a notable increase in share in hybrid sales with Toyota and Lexus, where we showed clear leadership in this technology of the utmost strategic importance. And, in the specific field of Lexus, there was an increase in the Premium market share.
In After-sales, 1st place in Client Total Satisfaction at Toyota fills us with pride, as does the increase in retention rate and compliance with the overall goal of sales of parts and accessories, which is an important complement in the automotive business in terms of profitability.
On another front, I can emphasise the consistency in terms of good outcome of the Toyota Forklift Unit, which continues to be a benchmark within the sector.
In the current context and mission assumed of corporate sustainability, the main concern must be to provide the best response for the Client and guarantee the profitability levels of our organisations, and we will therefore strengthen an integrated strategy of action, for an overview of the business.
2012 will continue to be a year of challenges and consolidation of the structure, by adapting it to the operational needs and in appropriate response to the challenges, which we expect to be even more stringent. In this sense, while we will boost sales of products Made in Portugal and from other European plants, we will also solidify Toyota and Lexus in the hybrids market, taking into account the number of launches planned. Consequently, we are strengthening the image of innovation of both Brands with economic, safe and reliable solutions that respond to a consumer seeking value-added offers.
I believe that this consistent and sustained strategy is what enabled us to achieve the 'hat trick' in the Reader's Digest 2012 'Trusted Brand Trophy', with a large gap between us and the second ranked automotive brand.

José Reis da Silva Ramos
President

INTRODUCTION

According to the provisions set forth 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 shown below were prepared, as well as the corresponding Annexes in light of the provisions set forth in Articles 447 and 4548 of Código das Sociedades Comerciais (Portuguese Companies Code) for each of the Companies comprised in the consolidation perimeter of Toyota Caetano Portugal, an indication of the key events that occurred during the period and corresponding impact on the financial statements will be shown.

TOYOTA CAETANO PORTUGAL, S.A.

Industrial Activity

Ovar Plant

2011 financial year was marked by the violent earthquake and tsunami that occurred in Japan on 11 March, as well as by the effects of the global economic crisis.
The tsunami resulted in a drop in the supply of materials/parts for all Toyota factories. The impacts on the Ovar Plant forced the suspension of production during May and June.
This situation resulted in the anticipation of the annual maintenance, and also in the signing of a new contract regarding a bank of working hours between the Company and all employees, in force until 2014.
The national and international crisis has once again had a negative influence on the Plant activity.
For this reason the Plant stopped production for 65 days in 2011.
To cope with the current situation and with the combination of several factors (situational and strategic) it was decided to transfer Optimo activity (March) to another Group company, focusing there all buses activity.
These transfers were accompanied by the corresponding reduction in staff.
Consequently in 2011, output was 2,025 Toyota units, which corresponded to a drop of 21% over the same period in 2010. Production of the Dyna model decreased by 17% compared to 2010, with the export market absorbing 51%. Conversion and PDI businesses prepared 4,274 vehicles, corresponding to a fall of 32% over the same period last year.

PRODUCTION	2011	2010	2009	2008	2007
Toyota Physical Units	2.025	2.553	1.967	5.947	4.924
Mini-Buses Physical Units	12	91	86	154	160
Transformed Physical Units	4.274	6.316	5.677	10.046	11.682
Total Employees	214	297	340	360	343

2011 was also marked by several events:

- Visit paid by the President and CEO of Toyota Motor Europe, on 11 May.
- II European Convention on Ergonomics in September. Members of the TME, TMMT, TMMF, TMMR, TPCA, TMIP, TMMP and TMUK were present at the Ovar Plant.

- Celebration of 40 years of activity in October, attended by the Prime Minister, the Minister of the Economy and Employment, the Executive Vice President of Toyota Motor Corporation and the Vice President of Marketing and Sales for Toyota Motor Europe. The anniversary ceremony was part of a day of valuation of the domestic production offer, with the participation of AEP within the scope of the programme 'Portugal. My first choice.', marked by the 100,000th Dyna Unit exiting the production line. Our clients and business partners were also present that day.

- An audit carried out by the Toyota Motor Corporation to our Toyota Dyna Product in November, registered 0.11 faults per unit, the best number ever.

The Ovar Factory was yet again shown recognition for its environmental efficiency at the 5th Toyota Global Eco Award, where it was awarded its third consecutive distinction.

Commercial Activity

Vehicles

Total Market

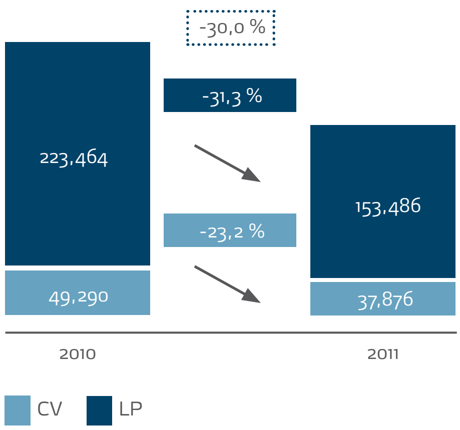
2011 showed a fall compared to 2010, with a 30% decrease and a total of 191,362 units sold.

Light passenger vehicles registered a higher reduction than commercial vehicles, with a negative fluctuation of 31% vs. 23% respectively.

	2010	2011	Var.
Scrapping	37.102	2.874	-92,3 %
RAC	18.501	23.680	+28,0 %
Other	217.151	164.808	-24,1 %
TTL	272.754	191.362	-29,8 %

Source: ACAP

Market Evolution: 2011 vs 2010



The following factors also explain our market performance:

1. **The sharp economic downturn** felt in Portugal, following the economic and financial crisis that triggered the intervention of the IMF in Portugal;

2. **The advance purchase felt in late 2010** driven by changes to ISV (Vehicle Tax) and the end of the incentive to end of life vehicles.

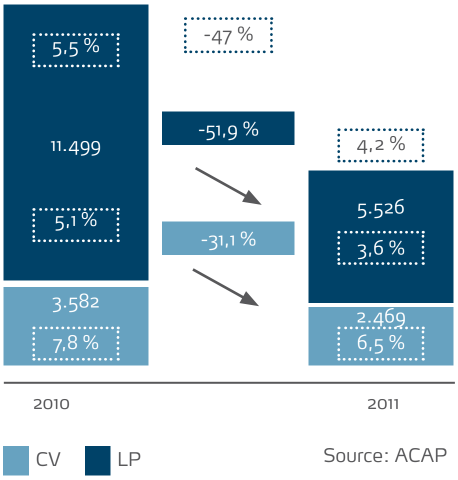
3. **Advanced purchase in 2011** of commercial vehicles, avoiding the increase in ISV announced for 2012.

Toyota

Toyota Vehicles

In 2011, in line with market trends, Toyota license plates fell by 47% overall, reaching 7,995 units, which translated into a market share of 4.2%.

Market Evolution: 2011 vs 2010



Source: ACAP

The performance is due mainly to:

1. The flow of the existing Aygo, Avensis, and especially the Yaris generations, in preparation for the launch of new models;
2. The strong competitive pressure felt in the B&C Segments, with models with a more recent life cycle associated with aggressive promotional campaigns throughout the year;
3. And in the specific case of commercial vehicles, the lack of offer in the most representative segment of the market - Combos - associated with lower competitiveness in the CDV segment.

Globally, the loss of market share continues to reflect a lower rate of market coverage due to the growing trend for offering vehicle types that we do not provide on our range (SWs and SUVs/CUVs in the C segment).

Few positive points are, however, of note:

- Keeping leadership in the Chassis-Cab segment, with Dyna model, produced locally at the Ovar assembly plant.
- Recovery of first place in the Pick-up segment;
- Increased market share in the van segment, with Hiace;
- The successful launch of the NG YARIS in October 2011;
- And the good performance of Avensis, whose successful flow led to the launch of the facelift being brought forward by a month (January 2012 to December 2011).

For 2012, the overall objectives set include the following:

- Boosting European and National Production;
- Maximising national production performance, ensuring an efficient flow of the Hiace;
- Accelerating the mass production of the hybrids;
- Enhancing the brand image.

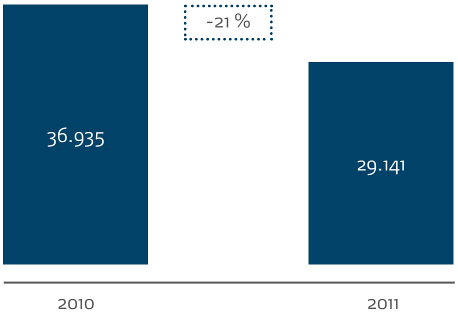
Lexus

Premium Market Framework

Although typically less affected by negative economic cycles, the Premium Market also showed a sharp decline - 21% - totalling 29,141 units sold.

	2010	2011	Var.
Scrapping	1.542	1.809	+17,3 %
RAC	1.216	98	-91,9 %
Other	34.177	27.237	-20,3 %
TTL	36.935	29.141	-21,1 %

Premium Market Evolution



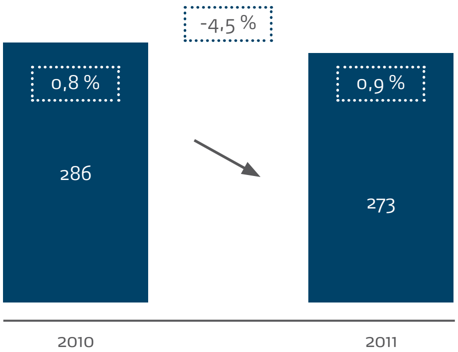
The factors supporting the performance of the premium market are very similar to the overall market - the economic downturn, the advance purchase.

Lexus Vehicles

In the context of market complexity, the Lexus performance was extremely positive, showing a fall of only 4.5%, which increased market share to 0.9% (+0.1 pp vs. 2010).

The Lexus performance was due mainly to the launch of the new CT200h, the first luxury hybrid in the C segment.

Lexus Evolution: 2011 vs 2010



On the opposite side, the approaching of the end of the life cycle of the IS and RXh models limited potential sales of the brand in an increasingly competitive and aggressive market.

For 2012, the overall objectives set include the following:

- To increase brand notoriety;
- Strengthen the innovation position, by leveraging the extended and exclusive offer of hybrid vehicles (new GS and RX).

Industrial Machines

Toyota Industrial Equipment

	MARKET			TOYOTA + BT SALES				
			VARIATION	'10		'11		VARIATION
	'10	'11	%	QTY	SHARE %	QTY	SHARE %	%
Counterbalanced Forklifts	1.001	859	-14,2	233	23,3	156	18,2	-33,0
Warehouse equipment	1.041	1.111	6,7	199	19,1	293	26,4	47,2
Total MMC	2.042	1.970	-3,5	432	21,2	449	22,8	3,9

Source: ACAP

Market

In 2011 the market for **Cargo Handling Machines** maintained its downward trend as a result of the crisis in the Portuguese economy which has led to the closure of many industrial companies and to a reduction in fleets or delay in the their renewal, because of the drop in economic activity. There was, thus, a market loss of around 3.5%, totalling 1,970 units compared to 2,042 in 2010.

Analysing by type of equipment, the drop in the market was essentially in the Counterbalanced Forklifts (-14.2%) most closely related to the Industry, and there was even a slight increase in Warehouse Equipment (+6.7%) explained by its association with the Logistics and with Food Retail and Distribution sector where the crisis has been felt to a lesser extent.

Toyota + BT Sales

For sales of **Toyota Counterbalanced Forklifts** the loss in sales reached 33% compared with the same period last year.
For sales in **Warehouse Equipment**, there was a growth of around 47.2%, driven by some fleet businesses.

Nonetheless and in terms of sales ranking, Toyota + BT kept its market leadership, achieving a share of 22.8%.

After Sales

MEuros

PRODUCT	SALES 2010	SALES 2011	GROWTH % 2011/2010
Parts/Accessories/Merchandising	42,9	41,0	-4.30 %
Extracare/Eurocare Services	1,9	1,5	-25.10 %
Total	44,8	42,5	-5.20 %

During 2011, Toyota's After Sales Division turnover was approximately 42 million Euros, in terms of parts, accessories and merchandising. This value exceeded the expected budget for the year in 2 percentage points. However, and in relation to the turnover in 2010, there was a decrease of 5.2%.

Similarly, the sale of services (namely 'Eurocare', 'Extracare' and 'Euroassistance') also registered a fall. This services' turnover totalled 1.5 million Euros, less 25.1% than in the previous year. It is worth noting that 'Eurocares' involved in the Accelerator Pedal Inspection campaign, totalling 157,000 Euros, are included in the first quarter of 2010. For its part, mandatory services are dependent on the sales of new vehicles (to which they are directly associated), and where business suffered a sharp downturn in 2011.

The following analysis refers only to sales of parts, accessories and merchandising (therefore not including the sale of services).

Distribution of total sales:

	WEIGHT (%) IN TOTAL SALES	
	2010	2011
Toyota Genuine Parts	84,70%	88,00%
Nationally Incorporated Parts	4,30%	3,90%
Accessories *	10,20%	7,50%
Merchandising *	0,90%	0,60%

* Accessories and Merchandising encompass both Toyota genuine material and national material.

The sale of Genuine Toyota parts stood for the largest share of overall sales in 2011, corresponding to 88.0% of the same (slightly higher than the 84.7% in 2010).
The Official Toyota Assistance network was the main client of the After Sales Division. This client got 91.9% of global turnover, corresponding to 37.7 million Euros. This is a fall of 2.7% (-1 million Euros) when compared with the total in 2010.

Sales income for 2011 reflects the current state of decline in Portuguese investment. Affected by an adverse economic climate, the priority lies in expenditure containment, which seriously affects the automotive business.

There were several initiatives undertaken by Toyota Caetano Portugal to try to counteract this unfavourable situation, among which we highlight the following:

- Customer Retention Campaign for vehicles over seven years old, by waiving VAT on maintenance operations. Creation of the '7 Benefits' club, with exclusive monthly specials for subscribers, increasing their involvement with the Toyota brand.
- Launch of the client Retention/Loyalty Campaign, which took place during the summer, focused on vehicle safety and the preparation of the vehicles for the holidays.
- Development of new maintenance contracts, fully managed by Toyota Caetano Portugal.
- Higher levels of incorporation of Toyota Insurance.
- The extension of the TGMO (Toyota Genuine Motor Oil) Lubricants Marketing Programme in the Official Toyota network.
- Encouragement for the sale of Accessories, with the inclusion of several products in the customer retention campaigns (e.g. sun blinds and tow hooks). Furthermore the incentives program was also developed for RedLine sale, and there was enhanced support for the placement of accessories in display and demonstration vehicles.
- Continuous disclosure throughout the year of tyre business - included, for example, in customer retention campaigns.
- The launch of several Trade Campaigns aimed at parts' clients of the Public Counter.

Human Resources

In the area of Human Resources, we seek to contribute directly to decision-making by providing relevant and meaningful data in terms of income through continuous improvement of HR management applications, by adapting them to provide combinations of analysis, income and staff indicators, improving the quality and accuracy of information and also enabling the impact of possible scenarios to be projected and analysed.

To provide greater simplicity, automation of administrative processes and resource optimisation, we continued with the “Employee Portal” project with new features that extend to the entire TCAP.

We began the BPM (Business Process Management) project with a view to improving the processes developed by Human Resources, through automation, control and optimisation.

The following table shows the changes in staff figures compared to 2010:

No. OF EMPLOYEES	2010	2011	CHANGE
Toyota Caetano Portugal, S.A. - Gaia	262	246	-16
Toyota Caetano Portugal, S.A. - Ovar	297	214	-83
Toyota Caetano Portugal, S.A. - Lisbon	74	73	-1
TOTAL	633	533	-100

Staff age remains a concern, showing, as demonstrated in the following table, a small decrease in average age over 2010.

ESTABLISHMENT	2010	2011
Toyota Caetano Portugal, S.A. - Gaia	44,15	43,68
Toyota Caetano Portugal, S.A. - Ovar	41,65	41,64
Toyota Caetano Portugal, S.A. - Lisbon	40,3	41,41

With regard to salary policy and given the economic climate, there were no changes in wages.

The General Shareholders’ Meeting decided, in response to a proposal from the Board of Directors, to award a Special Bonus/ Profit Sharing to employees in the amount of 600,000.00 Euros, which was processed and paid in June 2011.

CAETANO AUTO, S.A.

The world economic downturn and financial crisis, whose consequences were already all too evident in the Portuguese business fabric became worse over 2011, with growth forecasts being successively revised downwards and with the risks increasing negatively, leading to the inevitability of the request for help made by Portugal to the IMF, the European Central Bank and the European Commission, which took place in March 2011. The design of the resulting memorandum of understanding is strongly supported by austerity measures and specific economic policy constraints aimed at reducing the budget deficit and the public debt growth.

This climate has a very particular effect on the automotive sector which in 2011 registered its lowest sales of passenger vehicles in the last thirteen years, with a drop of 30% compared to 2010, with only 191,362 units sold. In this context, Caetano Auto in 2011 is responsible for 4,175 new vehicle license plates, against 7,763 in 2010, a drop of 46%.

The used vehicles business, which is mainly due to the new vehicles business - through 'trade-ins' as partial payment on the sale of these new units - of course, also showed a decline in sales, in this case about 25% compared to 2010. To fight this deteriorating business trend strongly conditioned by the current economic climate Caetano Auto continues to develop new sales channels, including the Internet, through participation in speciality auction websites.
The after sales services were also affected in this period by the general crisis, and in 2011 there was the same drop in turnover and consequent decrease in the income released. In fact, both the current reduction in the current Toyota fleet in Portugal and the trend towards extending brand maintenance periods, and also the fact that there is a decrease in vehicles use, and therefore fewer kms travelled, together explains the negative growth in this area of business.

Finally, also in the financing we provide to our clients, an area that is traditionally an ancillary service in our company with a significant impact on income, there was a decrease in 2011 over the previous year of more than 50% following the above-mentioned reduction in sales of vehicles.
Thus, in response to the widespread deterioration in business, the management of Caetano Auto continued to strive to further reduce its costs, for example in 'External supplies and services' which in 2011 fell again by about 2 million Euros compared to 2010 and in 'Staff costs' through a reduction of more than 3 million Euros.
Also in investments and in 2011, they were limited to the acquisition new strategic facilities in Évora, renewal of the vehicle fleet used in the activity and acquisition of the new DMS - a computer program called Spiga + which was launched last October.

AUTO PARTNER – COM. AUTOMÓVEIS, S.A.

In the context of the economic and financial crisis that has already been specified, with its serious consequences in the automotive sector, in 2011 Auto Partner sold 257 units of new vehicles, compared to 354 in 2010, a decrease of 27%.

In the used vehicles sector, there was also a decrease, with only 216 units sold in 2011.

After-sales services in 2011 registered a similar decrease in turnover and a consequent reduction in cash flow.

The reasons for this are identical to those mentioned for Caetano Auto, i.e. a drop in the vehicles in circulation and extension of vehicle maintenance periods.

Auto Partner's management continued to make efforts to reduce its costs - for example "External supplies and services" registered in 2011 a further reduction of about 140 000 Euros compared to 2010.

Also in the area of investment Auto Partner was limited to the essentials, basically miscellaneous machinery and furniture that did not exceed 17 000 Euros.

CAETANO COLISÃO (Norte), S.A.

The business of Caetano Colisão (Norte) was submitted to a segmented analysis of sales by type of Client, showing that the Insurer segment maintained the previous year's turnover. However, the overall drop in activity was mainly due to the Fleet Managers and private clients segments, where there was a negative fluctuation of 27% on the previous year.
Thus, and in light of this reduction in activity, the management of Caetano Colisão (Norte), continued make efforts to reduce its costs aiming the optimization of its operational results.

CABO VERDE MOTORS, S.A.

The pace of economic growth in Cape Verde is dependent on the tourism and real estate sectors.
According to the INE - Instituto Nacional de Estatística Caboverdiano (Cape Verde Statistics Institute), these sectors registered a slight slowdown during the last quarter of 2011.

The less favourable external environment in the last months of 2011 had a negative impact on the development of transactions in Cape Verde.

Investment continues to decline, as is confirmed by the INE.

Despite the circumstances in the Cape Verdean and world market, Cape Verde Motors managed to increase turnover above the previous year's levels.

In the table below we can see the comparison of the development of commercial activity in 2011 over the same period of 2010.

mEuros

Period	No. OF VEHICLES SOLD	TURNOVER			TOTAL
		VEHICLES	PARTS	LABOUR	
2010	411	9.506	1.915	356	11.777
2011	435	9.863	1.868	343	12.074
Comparison of Amount	24	357	-47	-12	298
%	6%	4%	-2%	-3%	3%

In terms of prospects for financial year 2012, we believe that levels of activity and income will remain similar to those for 2011, despite the forecasts of a less favourable economic outlook.

CAETANO RENTING, S.A.

Turnover reached an amount of around 5,7 Million Euros which, compared with the previous Financial year, represents an increase of around 16.45%.

The average Company fleet during the year was 1,855 units, 320 more than last year, and at the end of the financial year the total was 1,469 units.

Total Fleet vehicles has the following structure:

▪ Light Passenger Vehicles:	1.098 uts	(74,75%)
▪ Light Commercial Vehicles:	77 uts	(5,24%)
▪ Industrial Machines:	294 uts	(20,01%)

The total ad-backs amounted to 5,7 Million Euros, representing an increase of 30.90%.
Financial costs, in turn, increased substantially over the previous year, driven by the general increase in Bank spreads.

In light of the foregoing and essentially due to the level of depreciation, in 2011 the Company showed a Net Loss of 61 Thousand Euros.

CAETANO COMPONENTS, S.A.

Mainly because of early sales of the C5 Chassis, 2010 saw a slight increase of 3.6% in turnover. However, this increase did not have the same effect on income as the type of sales and margins obtained are differentiated across financial years, with 2011 penalised by the change and start-up of this activity. Furthermore, 2011 saw significant charges in technical advice because of the implementation of this new project.

The steep decline in business investment in 2011 and the stoppage caused by the violent earthquake in Japan, brought a reduction in production of the Dyna model and a consequent drop in supply of seats and components for the Ovar factory (Toyota Caetano Portugal).

The supply of seats for the Optimo business was also affected by market constraints including the budgetary restrictions of our major clients, entities linked to association activities, social causes and public entities. Given the number of units available in stock, the next financial year is not expected to see any manufacturing in this business area.

Due to the significant reduction in orders from the clients EFACEC and MANITOWOC, it was considered that, given the costs and under-utilisation of the structure dedicated to this activity, supply of these components should be cancelled.

We also wish to highlight the following points for the financial year under review:

- Acceleration in the rate of production of C5 chassis in the 2nd half; the financial year under review saw 34 diesel model chassis produced.

- Consolidation of the training of C5 chassis teams and production processes.

- Through the support programme for the Innovation Incentives System under QREN, completion of investment in the chassis production line, especially the purchase of equipment to enable thick materials, such as those used in this area, to be bent during manufacturing.

- Collaboration with the Kaizen Institute in definition of the production layout and improvement of internal logistics.

- Continuation of the ISeat and IBus projects to develop interior solutions for the rail and road industries, respectively.

We are aware that 2012 will depend mainly on the volume of C5 chassis orders, a core business, as it is highly predictable that there will be no short-term improvements in the auto industry.

Notwithstanding workforce adjustment measures, the feasibility of involvement in some projects is being analysed in terms of possible mitigation of the current problems of under-utilisation.

MOVICARGO, S. A.

Company with no activity in the period under review.

Financial Activity

Enough has been said already about the deep financial and economic crisis that hit Portugal but which was visible from late 2008.
The only uncertainties were how wide its effects would be and how long it would last.
Unfortunately, in our opinion, this crisis cuts across all business sectors and will last much longer than many analysts originally predicted.

Nor do we wish to hide the fact that although it is cross-cutting, this crisis has had an even deeper impact on sales of so-called durable goods (real estate and automotive).

Obviously the fall in Toyota Caetano Group's turnover - about 31% - clearly reflects this situation.

Meanwhile, in financial terms, the general lack of liquidity across the banking sector in general generated an obvious upward trend in spreads which was no help at all in balancing the activity.

We were nevertheless able to maintain adequate levels of funding for our operational needs and this ensured normal operation of the Group, despite operating in a difficult scenario, as described above.

Cash Flow was at just over 15 million Euros and although this is only about half of last year's Cash Flow we were able to reduce current liabilities, by adjusting them to the levels of activity developed, while in assets the apparent non-reduction in stocks is due more to the advance purchases we faced in late 2010 than to any possible increase in real terms of stock rotation. Obviously in this area the provisions made seem appropriate in light of the risk faced.

With regard to income achieved (-2.2 million Euros), although unsatisfactory, we wish to emphasise that some non-recurring costs were registered that can help us understand it to a certain extent, and at the same time we are in a better position to face a foreseeable difficult future.

These non-recurring costs reflect about 2.3 million Euros in compensations paid by mutual agreement signed with Employees, as well as an extraordinary provision to cover liabilities regarding Salvador Caetano Pension Fund which stood compared with the previous year at over 1,2 million Euros.

As a result of the above, and, against all odds, we were able to raise the degree of Financial Autonomy of Toyota Caetano Group which at the end of this financial year was at a comfortable 50,6% compared to 48.4% as at 31 December 2010.

A final note to point out that the consolidation perimeter of the Group was changed by the exclusion of SC(UK) in the period under review, and none of Toyota Caetano Group Companies has any debt or arrears with Social Security or the State Sector.

Perspectives

The outlook for 2012 is particularly challenging given the macroeconomic assumptions, with a strong contraction in GDP predicted by Banco of Portugal in its most recent Winter Bulletin:

	PROJECTIONS OF BANCO DE PORTUGAL 2011- 2013 Variation rate, in percentage				
	BE Winter			BE Autumn	
	2011	2012	2013	2011	2012
GND	-1,6	-3,1	0,3	-1,9	-2,2
Private Consumption	-3,6	-6,0	-1,8	-3,8	-3,6
Public Consumption	-3,2	-2,9	-1,4	-3,3	-4,1
FBCF	-11,2	-12,8	-1,8	-11,4	-10,8
Internal Demand	-5,2	-6,5	-1,5	-5,2	-4,8
Exports	7,3	4,1	5,8	-4,1	-2,8
Imports	-4,3	-6,3	0,7	-4,1	-2,8
IHPC	3,6	3,2	1,0	3,5	2,4

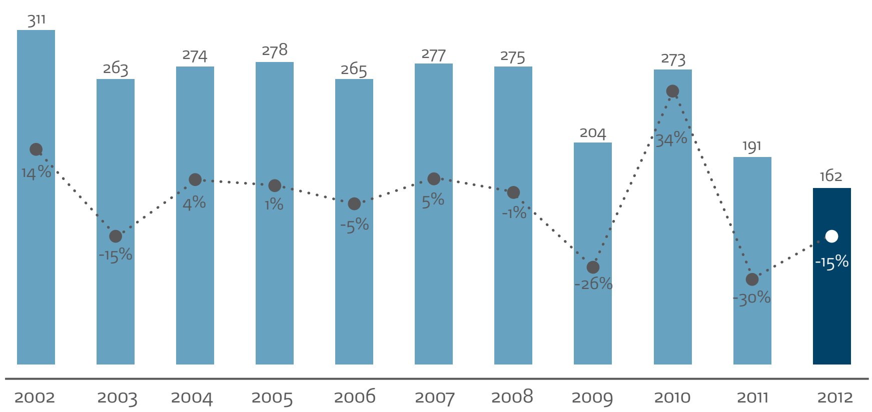
The predicted contraction in consumption will be felt more acutely in private consumption, with a projected drop of 6% for 2012.

The Automotive Market will be affected by this environment, with two specific factors influencing demand in 2012:

- Advance purchases of commercial vehicles, felt towards the end of 2011, which will predictably result in lower demand early in 2012;
- And the increase of ISV (Vehicle Tax) on commercial vehicles, which will further dampen demand for such vehicles.

Against this background, ACAP's Market Forecast for 2012, issued at the beginning of this financial year, assumes a further 15% drop on last year, to around 162,000 units:

Automotive Market Development
in thousands



Given these conditions, Toyota's aim for 2011 is the sale of 7,140 units, slightly lower decrease than that estimated for the market, resulting in market share of 4.4% - an increase of 0.2 pp on the previous year.

The target for the Lexus is 255 units, which is a 1% share - an increase of 0.1 pp on the previous year.

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.
Toyota Caetano has therefore made use of derived financial instruments to cover, at least partially, its exposure to exchange rate changes.

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 2011, 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 2011 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 Net Income

In accordance with the provisions laid down in article 376 (1-b) of the Código das Sociedades Comerciais (Commercial Companies Code), we propose the following allocation for 2011's loss obtained in the financial year, amounting to Euros 2.030.231,00, stated in the individual financial statements of Toyota Caetano Portugal:

To non-distributable reserves by Losses recognised in investments in subsidiaries resulting from the application of the equity method.	Eur	2.058.481,89
The remainder for the reinforcement of Free Reserves.	Eur	28.250,89

Relevant facts occurred after the end of the Financial Year

Since the end of 2011 and up to the present date, no relevant facts worthy of being mentioned have been observed.

Other Issues / Acknowledgements

In concluding this report we wish to express our thanks:

- To our Clients and Dealers for their continued trust in our products and for honouring us with their choice;
- To the Banks for the cooperation and support that they always extend to us as they support us in our business;
- To the other Corporate Bodies for their support during this period;
- To our Employees who, through their willingness and enthusiasm, were committed to the development of the Company.

Vila Nova de Gaia, April 4th, 2012

Board of Directors

José Reis da Silva Ramos - Chairman; Hiroyuki Ochiai; Daniele Schillaci; 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

José Reis Da Silva Ramos - Holds no shares or obligations.
Hiroyuki Ochiai - Holds no shares or obligations.
Daniele Schillaci - Holds no shares or obligations.
Maria Angelina Martins Caetano Ramos - Holds no shares or obligations.
Salvador Acácio Martins Caetano - Holds no shares or obligations.
Miguel Pedro Caetano Ramos – Holds no shares or obligations.
Rui Manuel Machado De Noronha Mendes - Holds no shares or obligations.
Shigeki Enami - Holds no shares or obligations.

Maria Angelina Martins Caetano Ramos - Chairman of the Board of Directors, Salvador Acácio Martins Caetano – Vice Chairman 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 purchased as at 4 November 2011, 288,281 shares at the average price of 4.027 € each, and as such as at 31 December 2011 it held 21,288,281 shares, with the nominal value of one euro each.

José Reis da Silva Ramos – spouse of Maria Angelina Martins Caetano Ramos – Chairman 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 purchased: as at 4 July 2011, 160 shares at € 3.70 each; as at 11 July 2011, 345 shares at € 3.70 each; as at 2 August 2011, 25 shares at € 3.70 each; as at 16 August 2011, 1,945 shares at € 3.70 each, as at 19 August 2011, 30 shares at € 3.70 each; as at 1 September 2011, 1,497 shares at € 3.70 each; as at 15 September 2011, 80 shares at € 3.70 each; as at 23 September 2011, 423 shares at € 3.70 each; as at 27 September 2011, 527 shares at € 3.70 each; as at 30 September 2011, 973 shares at € 3.65 each; as at 4 October 2011, 27 shares at € 3.65 each; as at 6 October 2011, 205 shares at € 3.70 each; as at 13 October 2011, 65 shares at € 3.70 each; as at 14 October 2011, 65 shares at € 3.70 each; as at 26 October 2011, 100 shares at € 3.70 each; as at 16 December 2011, 200 shares at € 3.60 each; as at 20 December 2011, 1,075 shares at € 3.60 each; as at 22 December 2011, 1,225 shares at € 3.60 each; as at 23 December 2011, 775 shares at € 3.60 each; as at 27 December 2011, 177 shares at € 3.70 each and 215 shares at € 3.60 each; as at 29 December 2011, 2,500 shares at 3.90 € each; it disposed of: as at 4 November 2011, 288,281 shares at the average price of € 4.027 each, and as such as at 31 December 2011 it held 6,167 shares, with the nominal value of one euro each.

Maria Angelina Martins Caetano Ramos - spouse of José Reis da Silva Ramos – Chairman of the Board of Directors and Miguel Pedro Caetano Ramos, Vice Chairman of the Board of Directors of COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A., this company registered no changes and as such as at 31 December 2011, held 393,252 shares, with the nominal value of one euro each.

Maria Angelina Martins Caetano Ramos - spouse of José Reis da Silva Ramos – Chairman 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 2011 held 290 shares, with the nominal value of one euro each.

AUDIT BOARD

José Domingos da Silva Fernandes - Holds no shares or obligations.
Takehiko Kuriyama - Holds no shares or obligations.
Maria Lívia Fernandes Alves - Holds no shares or obligations.

STATUTORY AUDITOR:

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

Information On The Shareholding Of The Board And Supervisory Bodies in Toyota Caetano Portugal, S.A.

(Under Article 447 Of C.S.C. - Portuguese Companies Code) (Artº 14/6 E 7 Reg. 5/2008)

	SHARES HELD as at 31.12.10	SHARES ACQUIRED as at 2011	SHARES SOLD as at 2011	SHARES HELD as at 31.12.11
José Reis da Silva Ramos (Chairman)	125.590	–	125.590	–
Hiroyuki Ochiai (Member)	–	–	–	–
Daniele Schillaci (Member)	–	–	–	–
Maria Angelina M. Caetano Ramos (Member)	–	–	–	–
Salvador Acácio Martins Caetano (Member)	–	–	–	–
Miguel Pedro Caetano Ramos (Member)	1.130		1.130	
Rui Manuel Machado de Noronha Mendes (Member)	–	–	–	–
Shigeki Enami (Director - Alternate Member)	–	–	–	–
José Domingos da Silva Fernandes (Chairman Audit Board)	–	–	–	–
Takehiko Kuriyama (Member Audit Board)	–	–	–	–
Maria Lívia Fernandes Alves (Member Audit Board))	–	–	–	–
Pricewaterhausecoopers & Associados, SROC, S.A., represented by José Pereira Alves or by Herminio António Paulos Afonso (Statutory Auditor - Permanent)	–	–	–	–

Information On 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 as at 31.12.10	SHARES ACQUIRED as at 2011	SHARES SOLD as at 2011	SHARES HELD as at 31.12.11
TOYOTA MOTOR EUROPE NV/SA	9.450.000	–	–	9.450.000

Shareholdings Higher Than Half Of The Share Capital

SHAREHOLDERS	SHARES HELD as at 31.12.10	SHARES ACQUIRED as at 2011	SHARES SOLD as at 2011	SHARES HELD as at 31.12.11
GRUPO SALVADOR CAETANO, SGPS, SA	21.000.000	288.281	–	21.288.281

List Of Qualified Shareholdings Higher Than 2% Of The Share Capital
(Article 448 Of CSC - Portuguese Companies Code)

SHAREHOLDER	SHARES	% OF VOTING RIGHTS
GRUPO SALVADOR CAETANO, SGPS, SA	21.288.281	60,824
TOYOTA MOTOR EUROPE NV/SA	9.450.000	27,000
SALVADOR FERNANDES CAETANO (Heirs of)	1.399.255	3,998
Millennium BCP – Gestão de Fundos de investimentos, S.A., representing the securities' funds it manages, as follows:		
Millennium Ações Portugal	630.540	1,80
Millennium PPA	473.468	1,35
Millennium Poupança PPR	71.826	0,21
Millennium Investimento PPR	41.205	0,12
Millennium Aforro PPR	9.896	0,03

03 Single Accounts

03 Single Accounts

Financial Highlights

	DEC '11	DEC '10	DEC '09
Sales	216.494.380	328.425.815	294.821.380
CashFlow	9.127.616	18.980.831	18.272.002
Net Income	-2.030.231	10.652.179	11.033.809
Net Financial Expenses	2.612.198	2.669.057	2.786.295
Payroll Expenses	18.723.028	19.850.120	18.782.724
Net Investment	3.929.818	5.827.094	12.070.239
Gross Working Capital	54.214.807	84.340.688	77.511.482
GVA	35.479.993	47.216.057	43.421.334
Units Solds	12.656	18.839	16.564
Number of Employees	534	618	675

Statement Of Financial Position At 31 December 2011

ASSETS	NOTES	31/DEC/2011	31/DEC/2010
NON CURRENT ASSETS			
Tangible Fixed Assets	5	28.046.012	32.414.642
Investment Properties	6	14.031.290	14.470.383
Goodwill	7	611.997	611.997
Intangible Assets	8	0	12.300
Financial Investments - Equity Method	9	46.859.541	53.016.791
Other Financial Investments	10	39.904	39.904
Deferred Tax Assets	11	943.565	902.886
CURRENT ASSETS			
Inventories	12	51.065.508	48.317.270
Accounts Receivable	13	71.094.330	88.303.488
Down Payments		8.227	12.162
Accrued Taxes	11	1.525.768	
Shareholders	14	848.715	1.866.882
Other Accounts Receivable		10.282	30.688
Other Financial Investments	10	4.398.199	12.133.199
Deferrals	16	384.639	485.926
Cash and Cash Equivalents	4	3.597.726	1.996.607
TOTAL ASSETS		223.465.703	254.615.123

EQUITY AND LIABILITIES	NOTES	31/DEC/2011	31/DEC/2010
EQUITY			
Share Capital		35.000.000	35.000.000
Legal Reserve		7.498.903	7.498.903
Other Reserves		75.193.514	74.944.552
Retained Earnings		339.480	548.253
Adjustments To Financial Investments - Equity Method		9.157.473	6.486.824
Revaluation Reserve		6.195.184	6.195.184
Other Equity Movements - Gap Transition		127.608	-1.131.341
Net Income		-2.030.231	10.652.179
TOTAL EQUITY	17	131.481.931	140.194.554
LIABILITIES			
NON CURRENT LIABILITIES			
Loans	20	2.603.116	4.124.771
Shareholders	14	340.000	3.536.244
Post-Retirement Obligations	25	1.433.432	
Deferred Tax Liabilities	11	764.793	898.073
CURRENT LIABILITIES			
Accounts Payable	22	22.890.154	30.318.608
Down Payments		339.922	321.801
Accrued Taxes	11	6.600.744	15.425.296
Shareholders	14	23.515	47.426
Loans	20	47.490.777	47.202.702
Other Accounts Payable	15	4.877.205	8.076.672
Deferrals	16	4.231.758	4.294.196
Derivative Financial Instruments - Swap	23	388.356	174.782
TOTAL LIABILITIES		91.983.771	114.420.570
TOTAL EQUITY + LIABILITIES		223.465.703	254.615.123

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Income Statement By Nature For The Years Ended 31 December 2011 And 2010

	NOTES	31/DEC/2011	31/DEC/2010
Sales And Service Rendered	26	216.494.380	328.425.815
Operating Subsidies	18	1.258.053	1.110.939
Gains In Financial Investmets - Equity Method	9	-2.058.482	3.010.129
Variation In Production	12	-383.983	-1.049.454
Cost Of Goods Sold And Raw Material Consumed	12	-174.660.889	-267.072.664
External Supplies And Services	28	-32.875.236	-39.396.823
Payrol Expenses	29	-18.723.028	-19.850.120
Impairment In Inventories	12.19		212.028
Impairment In Accounts Receivable	13.19	10.105	-212.672
Increases / Reductions Of Fair Value	23	-213.574	938.483
Other Gains	31	26.993.864	29.599.346
Other Expenses	31	-6.363.347	-10.117.151
Income Before Depreciations, Financial Costs And Income Tax		9.477.863	25.597.855
Depreciations	5,6 e 8	-8.749.840	-9.843.007
Operational Income		728.023	15.754.848
Interest Income	32	361.607	134.356
Interest Expenses	32	-2.973.805	-2.803.413
Income Before Taxes		-1.884.175	13.085.791
Income Tax For The Year	11	-146.056	-2.433.612
Net Income		-2.030.231	10.652.179
Earnings Per Share	33	-0.06	0.30

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Statement of changes in shareholder's equity for the periods ended 31 december 2011 and 2010

Euros

	SHARE CAPITAL	LEGAL RESERVE	OTHER RESERVE	RETAINED EARNINGS	ADJUSTMENTS TO FINANCIAL INVESTMENTS	REVALUATION RESERVE	OTHER EQUITY MOVEMENTS	NET INCOME	TOTAL EQUITY
BALANCE SHEET 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									
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								10.652.179	10.652.179
Total Gains and Losses								10.652.179	10.652.179
Allocation of Profits									
Legal Reserve									0
Dividends								-5.250.000	-5.250.000
Other Reserves			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 SHEET AT 31 DECEMBER 2010	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
Changes in period									
Other Changes in Equity				339.480	-339.480		-32.392		-32.392
			0	339.480	-339.480		-32.392		-32.392
Net Income								-2.030.231	-2.030.231
Total Gains and Losses								-2.030.231	-2.030.231
Allocation of Profits									
Dividends				-350.000				-6.300.000	-6.650.000
Other Reserves			248.962	-198.253	3.010.129		1.291.341	-4.352.179	0
			248.962	-548.253	3.010.129		1.291.341	-10.652.179	-6.650.000
BALANCE SHEET AT 31 DECEMBER 2011	35.000.000	7.498.903	75.193.514	339.480	9.157.473	6.195.184	127.608	-2.030.231	131.481.931

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

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

Cash flow statement for the years ended 31 december 2011 and 2010

Euros

STATEMENT OF CASH FLOWS ON OPERATING ACTIVITIES	2011		2010	
Collections from Customers	299.822.435		412.682.113	
Payments to Suppliers	-259.300.562		-355.098.030	
Payments to Personnel	-13.337.732		-13.310.482	
Operating Flow		27.184.142		44.273.601
Payments of Income Tax		-1.838.484		-1.659.352
Other Collections/Payments Related to Operating Activities		-25.228.110		-35.840.314
Cash Flow from Operating Activities		117.548		6.773.935

STATEMENT OF CASH FLOWS ON INVESTING ACTIVITIES	2011		2010	
Collections from:				
Investments	7.735.000			
Tangible Fixed Assets	4.362.614		4.261.546	
Investment Subsidy			392.773	
Interest and Others	628		711	
Dividends	339.480	12.437.722	541.775	5.196.805
Payments to:				
Investments			-2.303.199	
Tangible Fixed Assets	-754.138		-1.338.597	
Intangible Assets		-754.138	-11.463	-3.653.259
Cash Flow from Investing Activities		11.683.583		1.543.547

STATEMENT OF CASH FLOWS ON FINANCING ACTIVITIES	2011		2010	
Collections from:				
Loans	34.134	34.134	710.596	710.596
Payments to:				
Loans				
Lease Down Payments	-1.292.970		-1.430.195	
Interest and Others	-2.260.862		-2.346.829	
Dividends	-6.680.316	-10.234.147	-5.239.157	-9.016.181
Cash Flow from Financing Activities		-10.200.013		-8.305.585

CASH	2011		2010	
Cash and Cash Equivalents at Beginning of Period		1.996.607		1.984.710
Cash and Cash Equivalents at End of Period		3.597.726		1.996.607
Net Flow in Cash Equivalents		1.601.118		11.897

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Notes to Statement of Cash Flows

1-a) Detail of collections from Investments

ITEMS	2011	2010
Loans to affiliates	7.735.000	-2.303.199
Payments to Investments		-2.303.199
Collections from Investments	7.735.000	

2) Detail of cash and cash equivalents

ITEMS	2011	2010
Cash Equivalents	101.250	101.250
Money	3.495.533	1.894.907
Bank Deposits at Immediate Disposal	943	450
	3.597.726	1.996.607
AVAILABILITIES AS IN BALANCE SHEET	3.597.726	1.996.607

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

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.

Toyota Caetano is the distributor of the brands Toyota and Lexus in Portugal and is the head of a group of companies ("Toyota Caetano Group").
As of 31 December, 2011, the companies of Toyota Caetano Group, their headquarters and abbreviations used, are as follows:

COMPANIES	HEADQUARTES
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:	
Cabo Verde Motors, S.A. ("Cabo Verde Motors")	Praia (Cape Verde)

(1) Company inactive during 2011

Refer to the non consideration of the Company Salvador Caetano UK in the perimeter above, following its liquidation.

According to the applicable legislation, Toyota Caetano will present separately, financial consolidated statements as at 31 December 2011 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* (Portuguese GAAP) in force since 1 January 2010. Therefore, the financial statements were prepared in accordance with the accounting standards NCRF ("Normas Contabilísticas e de Relato Financeiro") approved by the Portuguese Law.

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, because this is the group's functional currency.

2. BASIS OF PRESENTATION AND PRINCIPLE ACCOUNTING POLICIES

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.
There are no indication that the rules defined in "SNC" (Portuguese GAAP), have been waived.

To ensure comparability of balance sheet accounts and income statement we inform that during the period ended December 31, 2011, in accordance with paragraph 51 of NCRF 7, the company made the revision of the useful life of the main tangible fixed assets, based on a study with technical advice. Consequently, depreciation and amortization for the period ended December 31, 2011 were lower by about 651 thousand Euros.

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 2011 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 Tangible Assets	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 2011 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. Financial 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 – 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.

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 (Other Financial Investments – Note 10);
- Accounts Receivable, Accounts Payable and 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 23).

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 progress 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

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 group (Toyota Caetano Portugal, Caetano Auto, Caetano Components, Caetano Renting and Saltano), 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

Toyota Caetano 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 2011 there were paid indemnities in the amount of approximately Euros 2.308.000 (approximately Euros 1.406.000 in 31 December 2010).

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 converted 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 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.

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. Judgments and estimates

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, 2011 and 2010 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

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.

4. CASH AND CASH EQUIVALENTS

As of 31 December 2011 and 31 December 2010 cash and cash equivalents detail was the following:

ITEMS	31/DEC/2011	31/DEC/2010
Money	101.250	101.250
Back Deposits at Immediate Disposal	3.495.533	1.894.907
Cash Equivalents	943	450
Cash and Cash Equivalents	3.597.726	1.996.607

5. TANGIBLE FIXED ASSETS

During 2011 and 2010, the movement in tangible fixed assets as well as in the accumulated depreciation were as follows:

2011	LAND	BUILDINGS AND OTHER CONSTRUCT.	MACHINERY AND EQUIPMENTS	VEHICLES	ADMINIST. EQUIP.	OTHER FIXED ASSETS	CONSTRUCT. IN PROGRESS	TOTAL
Gross								
Opening 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
Increases			320.333	6.442.313	67.323	41.529	68.796	6.940.295
Disposals			-223.490	-5.947.046	-20.312	-1.255		-6.192.103
Tranfers and Write offs								
Final Balance 31/12/2011	3.365.354	31.297.738	49.295.390	34.487.633	5.976.839	2.849.312	972.269	128.244.535
Depreciations								
Opening Balance 31/12/2010		26.697.905	43.969.647	16.105.793	5.728.456	2.579.900		95.081.701
Increases		687.291	1.481.683	5.953.836	87.495	88.142		8.298.447
Disposals			-191.270	-2.969.956	-20.243	-157		-3.181.626
Tranfers and Write offs								
Final Balance 31/12/2011		27.385.196	45.260.060	19.089.673	5.795.708	2.667.885		100.198.523
Net Value	3.365.354	3.912.542	4.035.329	15.397.959	181.132	181.426	972.269	28.046.012

2010	LAND	BUILDINGS AND OTHER CONSTRUCT.	MACHINERY AND EQUIPMENTS	VEHICLES	ADMINIST. EQUIP.	OTHER FIXED ASSETS	CONSTRUCT. 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
Tranfers 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
Tranfers 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

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 1.671.710 Euros.

6. INVESTMENT PROPERTIES

As at 31 December 2011 and 31 of December of 2010, 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 3.015.801 Euros in the period ended in 31 December 2011 (2.980.157 Euros in 31 December 2010).

During 2011 and 2010, the movements occurred in the investment properties as well as in the accumulated depreciation were as follows:

2011	LAND	BUILDINGS AND OTHER CONTRUCTIONS	TOTAL
Gross			
Opening Balance 31/12/2010	8.869.130	31.021.653	39.890.783
Increases			
Disposals			
Tranfers and Write offs			
Final Balance 31/12/2011	8.869.130	31.021.653	39.890.783
Depreciations			
Opening Balance 31/12/2010		25.420.400	25.420.400
Increases		439.093	439.093
Disposals			
Tranfers and Write offs			
Final Balance 31/12/2011		25.859.493	25.859.493
Net Value	8.869.130	5.162.160	14.031.290

2010	LAND	BUILDINGS AND OTHER CONTRUCTIONS	TOTAL
Gross			
Opening Balance 31/12/2009	5.722.165	32.457.181	38.179.346
Increases		406.850	406.850
Disposals			
Tranfers 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			
Tranfers 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

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 4.548.390 Euros.

Additionally, in accordance with external appraisals made by independent experts, with reference to 2011, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounts to, approximately, 63,3 million Euros:

BUILDINGS	PLACE	DEC-11		DEC-10	
		CARRYING AMOUNT	FAIR VALUE at 31/12/2011	CARRYING AMOUNT	FAIR VALUE at 31/12/2010
Industrial Facilities	V.N. Gaia	965.663	9.121.000	1.107.830	10.750.000
Industrial Facilities	Carregado	6.285.496	21.026.000	6.382.543	24.100.000
Industrial Warehouse	V.N. Gaia	1.456.718	6.111.000	1.559.960	4.800.000
Commercial Facilities	Lisboa	1.317.537	1.306.000	1.346.926	1.310.000
Commercial Facilities	Vários locais	4.005.876	25.687.000	4.073.124	19.270.000
		14.031.290	63.251.000	14.470.383	60.230.000

The investment properties' fair value disclosed in December 31, 2011 was determined on an annual basis by an independent appraiser – American Appraisal (Market Method, Cost Method and Return Method), with reference to 2011.

7. GOODWILL

During 2011, there have not occurred any changes to the Goodwill related with Movicargo's acquisition in 2008.

Under SNC Goodwill is not amortized, being tested annually for impairment. In 2011, Movicargo's Goodwill was subject to the referred test and no impairment was detected.

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 management. The discount rate used is considered to represent the risks inherent to the business.

The main assumptions of the test are as follows:

	Movicargo - BT Industrial Equipment Division
Goodwill	611.997
Cash Flows Projection Period	5 years
Growth Rate (g) [1]	0%
Discount Rate [2]	10,24%

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, supported by the estimated discounted cash flows, concluded that on December 31, 2011, the net book value of assets, including goodwill (2,6 millions of Euros), does not exceed its recoverable amount (14,4 millions of Euros).

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 2011 and 2010, the movements in intangible assets were as follows:

2011	RESEARCH AND DEVELOPMENT EXPENSES	SOFTWARE	TOTAL
Gross			
Opening Balance 31/12/2010	0	992.122	992.122
Increases			0
Disposals			0
Tranfers and Write offs			0
Final Balance 31/12/2011	0	992.122	992.122
Depreciations			0
Opening Balance 31/12/2010	0	979.822	979.822
Increases		12.300	12.300
Disposals			0
Tranfers and Write offs			0
Final Balance 31/12/2011	0	992.122	992.122
Net Value	0	0	0

2010	RESEARCH AND 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
Tranfers 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
Tranfers 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

9. FINANCIAL INVESTMENTS – EQUITY METHOD

In 31 December 2011 and 31 December 2010, the financial investments were as follows:

	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO	MEP AJUSTAMENTOS	TOTAL
31 december 2009	3.523.187	397.581	20.094.319	4.563.436	23.509.189	-1.011.486	51.076.226
Acquisitions							0
Gains/Losses	22.679	-1.344	492.688	207.614	1.299.689	988.804	3.010.130
Other Capital Movements							0
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

	SCUK	MOVICARGO	CAETANO AUTO	CVM	SALTANO	MEP AJUSTAMENTOS	TOTAL
Acquisitions							0
Gains/Losses		7.622	-761.734	425.942	-1.545.801	-184.511	-2.058.482
Other Capital Movements							0
Disposal/Liquidation	-3.545.866						-3.545.866
Others						-213.422	-213.422
Dividends received			-176.980	-162.500			-339.480
31 december 2011	0	403.859	19.106.518	5.034.492	23.263.077	-948.405	46.859.541

During the period ended in December 31, 2011 there is no change in the rates of participation in Subsidiaries Companies, that are as follows:

	MOVICARGO		CAETANO AUTO		CVM		SALTANO	
	31-DEZ-10	31-DEZ-11	31-DEZ-10	31-DEZ-11	31-DEZ-10	31-DEZ-11	31-DEZ-10	31-DEZ-11
Equity	404.091	411.723	42.990.284	41.059.284	6.158.069	6.145.268	24.547.666	22.942.126
Net Income	-1.344	7.632	488.589	-1.548.800	289.868	230.439	621.855	-1.614.269
% Direct	100%	100%	46.30%	46.30%	81.24%	81.24%	99.98%	99.98%
% Indirect	100%	100%	98.39%	98.39%	81.24%	81.24%	99.98%	99.98%

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

	31-12-2011			
	MOVICARGO	CAETANO AUTO	CVM	SALTANO
Assets				
Current	75.418	56.134.200	5.287.869	76.250
Non Current	340.000	52.881.477	1.610.195	27.294.328
Liabilites				
Current	3.695	60.152.821	752.797	4.428.452
Non Current		7.803.571		
Equity	411.723	41.059.284	6.145.268	22.942.126
Income	11.627	163.471.309	12.293.968	15.447
Expenses	-3.995	-165.020.109	-12.063.529	-1.629.716
Net Income	7.632	-1.548.800	230.439	-1.614.269

	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
Liabilites	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

10. OTHER FINANCIAL INVESTMENTS

	2011	2010
Non Current Assets		
Investiments in small private companies	39.904	39.904
Current Assets		
Loan to Saltano, SGPS, SA (Note 14)	4.398.199	12.133.199

Both financial assets are measured at amortized cost less impairment losses. During the period of 2011, the Company received a part of the loan to Saltano. The Board 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 2011 comprise (Debits/ (Credits)):

Balance 31 december 2011

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	REFLECTED IN INCOME STATEMENT	REFLECTED IN EQUITY
Provisions not accepted as fiscal costs	717.083			
40% of depreciation as a result of legal revaluation of fixed assets		(79.129)	(10.080)	
Effect of the reinvestments of the gains in fixed assests sales		(368.226)	(57.777)	
Gains in fixed assets according nº7 Art 7º Law 30/G		(24.447)	(6.112)	
Reserve captive		(104.085)		
Transition adjustments				
Provisions not accepted as fiscal costs		(142.897)	(47.632)	
Investments Subsidies		(46.009)		(11.679)
Valluation of financial instruments	102.914		(56.597)	
Assets not capitalized	78.898		26.299	
Cancellation of deferred costs	22.043		7.347	
Intangible assests	22.627		(17.728)	
Total	943.565	(764.793)	(162.280)	(11.679)

The Group Companies' operating profits forecasted to the next year show that the carrying amount of deferred tax assets recognized at 31 December 2011 will be totally recovered.

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

Income taxes in year ended 31 December 2011	308.336
Deferred income taxes in year ended 31 December 2011	-162.280

	146.056

The liability caption "Accrued Taxes", as of 31 December 2011, does not include outstanding overdue debts, and comprise:

ITEMS	CURRENT ASSETS	CURRENT LIABILITIES
Corporate Income Tax for the Year 2011	-308.336	
Corporate Income Tax (payments in advance) for the Year 2011	1.255.757	
Corporate Income Tax for the Year 2011 (RETGS)	578.347	
Vehicles Tax		2.052.759
Custom Duties		170.407
Value Added Tax		3.831.895
Other Tax		545.684
Total	1.525.768	6.600.744

The reconciliation of the earnings before taxes of the years ended at 31 December, 2011 and 2010 can be analyzed as follows:

	DEC-11	DEC-10
Income Before Taxes	-1.884.175	13.085.791
Notional tax expense (Tax at rate aplicable in Portugal (26,5%))	-499.306	3.465.985
Equity Method	2.058.482	-3.010.129
Reconstitution of non deductible taxes and excess on income tax provision		-1.548.720
Derivative Financial Instruments		-938.483
Accounting Capital Gains	-775.722	-844.690
Elimination of the Economical Double Taxation on Distributed Income	-339.480	-541.775
Others	-240.214	-506.867
Income not subject to tax	703.067	-7.390.665
Equity Method	339.480	541.775
Non deductible depreciation and amortization	365.266	414.617
Payment of non deductible taxes and insufficiency on income tax provision	269.230	
50% Fiscal Capital Gains	122.846	
Derivative Financial Instruments	213.574	
Others	97.898	246.117
Expenses not deductable	1.408.294	1.202.509
Equity variations - Transition condition	24.314	71.258
Deferred tax	-162.280	257.284
Additional tax on profit		124.409
Additional income tax	243.251	206.912
Effective Tax Expenses	146.056	2.433.612

12. INVENTORIES

As of 31 December 2011 and 31 December 2010, inventories detail was the following:

ITEMS	31/DEC/2011	31/DEC/2010
Goods	33.714.564	31.525.802
Raw materials	8.985.165	8.041.704
Finished and Intermediate goods	4.429.563	3.817.227
Work in Progress	5.024.190	6.020.509
Lost of impairments - Goods (Note 19)	-1.087.972	-1.087.972
	51.065.508	48.317.270

The cost of goods sold and consumed for 2011 was as follows:

ITEMS	GOODS	RAW MATERIALS	TOTAL
Opening Balances	31.525.802	8.041.704	39.567.506
Purchases	148.437.353	29.355.758	177.793.111
Closing Balances	33.714.564	8.985.165	42.699.728
	146.248.592	28.412.297	174.660.889

The variation of production for 2011 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	4.429.563	5.024.191	9.453.753
	612.336	-996.318	-383.983

13. ACCOUNTS RECEIVABLE

As of 31 December 2011 and 31 December 2010 Accounts Receivable detail was the following:

ITEMS	31/DEC/2011	31/DEC/2010
Accounts Receivable	78.130.201	95.513.131
Lost of impairments (Note 19)	7.035.872	7.209.643
	71.094.330	88.303.488

Notice that the amounts mentioned above are due at short term.

14. TOYOTA CAETANO PORTUGAL GROUP COMPANIES

Due and payable balances with Group and Associated companies, which, as of 31 December 2011 and 2010, were recorded in the captions “Accounts receivable”, “Accounts payable”, “Other financial investments” and “ shareholders”, as follows:

	31/DEC/2011	31/DEC/2010
Accounts Receivable	46.121.733	54.973.551
Accounts Payable	-1.891.014	-1.710.831
Shareholders (Note 11)		
RETGS's Companies		
Saltano,SGPS, S.A.	27.556	76.536
Caetano Components, S.A.	-230.572	-275.102
Caetano Renting, S.A.	-196.615	-385.848
Caetano Auto, S.A.	1.248.346	2.451.296
	848.715	1.866.882
Others		
Salvador Caetano UK, Ltd	0	-3.196.244
Movicargo, Lda	-340.000	-340.000
	-340.000	-3.536.244
Other Financial Investments (Note 10)		
Saltano,SGPS, S.A.	4.398.199	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		OTHES	
2011	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	EXPENSES	GAINS
CAETANO COMPONENTS, SA	54.016		215	357.784			4.979	11.563	82.382
CABO VERDE MOTORS, SARL	477.534	25	7.955.486				570		81.456
CAETANO RENTING, SA	2.811.969	8.468	12.154.601	13.384.109	81.527		24.914	362.804	2.788.071
CAETANO AUTO, S.A.	40.145.493	1.730.510	98.567.434	419.208			6.729.612	8.424.318	14.196.460
AUTO PARTNER-COMÉRCIO AUTOMÓVEIS, S.A.	2.613.109	132.480	6.644.444	3.178			322.714	370.930	723.581
CAETANO COLISÃO (NORTE), S.A.	19.611	7.928					11.754	672	64.499
MOVICARGO - MOVIMENTAÇÃO INDUSTRIAL, SA		11.603						11.603	
Total	46.121.733	1.891.014	125.322.180	14.164.279	81.527		7.094.544	9.181.890	17.936.448

	COMERCIAL DEBT		PRODUCTS		FIXED ASSETS	SERVICES		OTHES	
2010	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	EXPENSES	GAINS
SALVADOR CAETANO (UK) LTD		347.836						77.371	
CAETANO COMPONENTS, SA	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, SA	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 AUTOMÓVEIS, S.A.	2.457.544	32.367	8.242.628	2.217			274.532	447.128	290.500
CAETANO COLISÃO (NORTE), S.A.	23.920	14.245		6.106			19.553	625	51.822
MOVICARGO - MOVIMENTAÇÃO INDUSTRIAL, SA	3	4.887						4.887	2
Total	54.973.551	1.710.831	187.161.381	6.936.621	189.623		7.752.268	10.875.501	6.914.549

15. OTHER ACCOUNTS PAYABLE AND RECEIVABLE

Other Accounts Payable's detail at 31 December 2011 is as follows:

OTHER ACCOUNTS PAYABLE	31/DEC/2011	31/DEC/2010
Interest	43.341	121.619
Sales campaings	780.005	1.342.925
Vacations pay and Bonus	1.834.279	2.155.866
Anticipated costs related with sold vehicles	885.537	1.773.970
Supplies	383.325	344.937
Warranty claims	59.709	266.577
Car tax related with disposed vehicles not registered	449.996	710.473
Personnel	11.396	688.753
Publicity	223.297	346.435
Royalties	73.890	135.723
Insurance	132.429	189.394
Total	4.877.205	8.076.672

16. DEFERRALS

As of 31 December 2011 and 2010, these items were as follows:

ASSET DEFERRALS	2011	2010
Insurance	178.871	204.984
Interest from Commercial Paper Programs	93.481	146.186
Others Expenses to recognize	112.287	134.756
Total	384.639	485.926

LIABILITIES DEFERRALS	2011	2010
Debtors interest	37.287	80.148
Signage to be charged to dealers	971.796	980.256
Intercompany margin deferral	2.967.002	3.180.424
Others Gains to recognize	255.673	53.368
Total	4.231.758	4.294.196

17. EQUITY

Composition of Share Capital

As of 31 December 2011 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. 60,82%
- Toyota Motor Europe NV/SA 27,00%

During the period of 2011 the participation of the Grupo Salvador Caetano (S.G.P.S.), S.A raised from 60,00% to 60,82% by the acquisition of 288.281 shares from minorities shareholders.

Dividends

According to the General shareholders meeting deliberation, as of 28 April 2011, a dividend of 0,19 Euros per share was paid (total dividend of 6.650.000 Euros). As of 23 April 2010, the dividend paid was of 0,15 Euros per share (total dividend of 5.250.000 Euros).

In relation to 2011 the Board of Directors proposes that no dividend shall be paid. This proposal must be approved in the next General Shareholders Meeting.

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

Other reserves include:
- reserves created by the company (74.904.826 Euros);
- 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. Amounts related to this item of equity cannot be distributed to shareholders, until they are reclassified to retained earnings in consequence of dividends cash in from subsidiaries or associates.

Other Equity Movements

Include subsidies and support recognized as required NCRF22 (Accounting for Government Grants and Disclosure of Government Assistance).

The distributable amount in Equity, excluding Net Income, includes:
- Other reserves: 74.904.826 Euros;
- Retained earnings: 339.480 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 management the following allocation for 2011's loss (2.030.231,00 Euros):

a. To non-distributable reserves, by losses recognized in subsidiaries, resulting from the application of the Equity Method: -2.058.481,89 Euros;
b. The remaining for the enforcement of Free Reserves: 28.250,89 Euros.

18. GOVERNMENT GRANTS

The detail of the movements in captions subsidies and support received during 2011 is as follows (Note 3 g):

PROGRAM	SUBSIDIES RECEIVED IN PREVIOUS YEARS	SUBSIDIES RECEIVED	RECOGNISED IN PERIOD	DEFERRED TO FUTURE
POE1.2 – SIME A Application 00/07099	196.670		37.064	159.606
SIME IDT - OPTIMO SEVEN	21.017		7.006	14.011
FEDER	392.773			392.773
Sub-total for subsidies to fixed and intangible assets	610.460		44.070	566.390
Operational Program for the Human Potencial (POPH)		1.258.053	1.258.053	
Sub-total for operating subsidies		1.258.053	1.258.053	

19. PROVISIONS AND IMPAIRMENTS

During 2011 and 2010, the following movements occurred in provisions and impairments:

ITEMS 31/DEC/2011	OPENING BALANCES	INCREASES	DISPOSALS	WRITE-OFFS	FINAL BALANCES
Doubtful Accounts Receivable	7.209.643	50.581	-163.666	-60.686	7.035.872
Inventories	1.087.972				1.087.972
	8.297.615	50.581	-163.666	-60.686	8.123.844

ITEMS 31/DEC/2010	OPENING BALANCES	INCREASES	TRANSFERS	DISPOSALS AND WRITE-OFFS	FINAL 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

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

20. LOANS AND FINANCIAL EXPENSES

As of 31 December 2011 and 2010, loans can be detailed as follows:

Current Liability	31/Dec/2011	31/Dec/2010
Current Bank Financing	7.670.000	0
Commercial Paper Programs	38.300.000	45.700.000
Financial Leases	975.421	1.292.090
Others	545.356	210.612
	47.490.777	47.202.702
Non Current Liability		
Financial Leases	1.239.725	2.216.025
Other Loans	1.363.391	1.908.746
	2.603.116	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 175 and 500 bps.

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

2012	545.356
2013	545.356
2014 and after	818.035
	1.908.747

During 2011 and 2010 the detail of the costs supported with Loans and other financial instruments was as follows:

	31/DEC/2011	31/DEC/2010
Commercial Paper Programs	1.599.417	863.964
Bank Loans	58.134	44.099
Financial Leases	50.778	49.903
Financial Instruments	104.787	968.814
Others	147.811	
	1.960.928	1.926.780

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

21. LEASES

As of 31 December 2011, the company was maintaining responsibilities like tenant relative to future installments of financial lease contracts of industrial equipment in the amount of 2.215.146 Euros, which are included in the caption "Loans" (Note 20).

The item "Loans" (current and non-current) include 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:

		SHORT-TERM	MEDIUM/LONG TERM				
CONTRACT	LEASING		2013	2014	2015	TOTAL	TOTAL
Diverse	Industrial Equipment						
	Capital	975.421	800.878	434.397	4.451	1.239.725	2.215.146
	Interest	34.535	17.148	4.385	12	21.545	56.080

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

22. ACCOUNTS PAYABLE

As of 31 December 2011 and 2010 this caption was composed of current accounts with suppliers, which end at short term.

23. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate Derivatives

Although these derivatives (two interest rate swap contracts) were contracted for interest rate hedging purposes as well as funding cost optimization, they haven't been designated for hedge accounting. Thus, they are measured at fair value through profit or loss.

The fair value of these derivative financial instruments at December 31, 2011 was negative at 383.131 Euros (31 December 2010 was negative EUR 174.782) and comprises a total exposure of 20 million euros, for a period of three years, counting from December 21, 2010.

These derivatives' valuation were provided at 31 December 2011 by the bank with whom they were contracted, taking into account future cash flows and risk estimates.

It is the intention of Toyota Caetano to hold these instruments until their maturities, so this form of assessment reflects the best estimate of present value of future cash flows to be generated by such instruments

Exchange rate Derivatives

It is a derivative financial instrument contracted with the purpose of hedging currency risk related with highly probable future transactions that contribute to reducing the exposure to changes in the exchange rate GBP:EUR, As well as interest rate derivatives, these derivatives have not also been designated for hedge accounting.

The fair value of these derivative financial instruments at December 31, 2011 was negative in 5.224 Euros, comprising a nominal value of 217.617 GBP, for a period of one year (monthly payments) starting on January 17, 2011.

The derivative financial instrument was valued at 31 December 2011 by the bank with whom it was hired, taking into account future cash flows and risk estimates. It is the intention of Toyota Cateano to hold this instrument until its maturity, so this form of assessment reflects the best estimate of present value of future cash flows to be generated by this instrument.

24. FINANCIAL COMMITMENTS NOT INCLUDED IN STATEMENT OF FINANCIAL POSITION

As of 31 December, 2011 and 2010, Toyota Caetano had assumed the following financial commitments:

RESPONSABILITIES	31/DEZ/2011	31/DEZ/2010
Commitments assumed by guaranties	12.078.088	12.078.088
Other Guaranties	1.151.308	2.013.588
Total	13.229.396	14.091.676

At 31 December 2011 and 2010, the financial commitments classified as “Commitments assumed by guaranties” include essentially the amount of 8.080.910 Euros 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, in December 23, 2002, and in March 30, 2009.

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 2011 amounted to 50 thousand Euros (994 thousand de Euros as of 31 December 2010), allowing the patrimonial situation of the Fund to achieve, at December 31, 2011, approximately, 15,4 million Euros. The global responsibilities parcel estimated actuarially for the defined benefit plan relating to Toyota Caetano at December 31, 2011, approximately, 17,1 million Euros. Thus, the responsibilities of the Fund on December 31, 2011 are not fully covered by the Fund patrimonial situation being expected by the administration that this situation reverses during 2012 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 variation of the Fund responsibilities of the Company with the Defined benefit plan in 2010 can be summarized as follows:

Responsibilities at January 1,2011	17.165.678
Cost of the current services	105.873
Cost of interest	827.808
(Gains) and actuarial losses	185.587
Pension payment	(1.219.043)
Responsibilities at December 31, 2011	17.065.903

The allocation of this amount during 2011 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, 2010	16.786.811	2.809.147	19.595.958
Contributions	49.525	218.987	268.512
Real recovery of the plan assets	-187.614	-82.225	-269.839
Pension payment	-1.219.043		-1.219.043
Transfers between Members	12.322		12.322
Fund amount at December 31, 2011	15.442.001	2.945.909	18.387.910

At 31 December 2011, the Pension Fund's portfolio that covers the defined benefit plan was as follows:

PORTFOLIO	%	VALUE AT 31-12-2011
Stocks	14%	2.161.880
Bonds	41%	6.331.220
Real Estate	39%	6.022.380
Cash	4%	617.680
Other Assets	2%	308.841
Total	100%	15.442.001

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

	2011	2010
Responsibility's Values	17.065.903	17.165.678
Fund's Value	15.442.001	16.786.811

The Toyota Caetano Portugal responsibilities shown above was safeguarded through the creation of an accrual of costs for about 1.4 million reflected in the Balance sheet caption of Post-Retirement Obligations.

26. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETS

Sales and services rendered by geographic markets, in 2011 and 2010, was as follows:

	NATIONAL MARKET			EXTERNAL MARKET			TOTAL		
	2011	2010	VAR (%)	2011	2010	VAR (%)	2011	2010	VAR (%)
Light Vehicles	139.215.069	242.353.133	-43%	21.279.384	21.681.428	-2%	160.494.453	264.034.561	-39%
Heavy Vehicles	2.171.369	5.955.715	-64%	391.320	484.784	-19%	2.562.689	6.440.499	-60%
Industrial Vehicles	7.441.811	8.160.550	-9%	140.649	414.188	-66%	7.582.460	8.574.738	-12%
Spare Parts and Accessories	41.101.617	43.158.961	-5%	857.379	802.839	7%	41.958.995	43.961.800	-5%
Others	3.885.801	5.406.379	-28%	9.982	7.838	27%	3.895.783	5.414.217	-28%
	193.815.667	305.034.738	-36%	22.678.713	23.391.077	-3%	216.494.380	328.425.815	-34%

27. SEGMENTS INFORMATION

The main information relating to the business segments existing on December, 2011 and 2010, prepared according to the same accounting policies and criteria adopted in the preparation of the financial statements, is as follows:

	NATIONAL						EXTERNAL				
	VEHICLES		INDUSTRIAL EQUIPMENT				VEHICLES		INDUSTRIAL EQUIPMENT		
	INDUSTRY	COMMERCIAL	COMMERCIAL	SERVICES	RENTAL	OTHERS	INDUSTRY	COMMERCIAL	COMMERCIAL	SERVICES	RENTAL
PROFITS											
External Sales	20.242.095	163.338.573	7.712.175	2.524.823			15.186.860	7.341.222	138.649	9.982	
Suplementary income					9.492.514						2.000
INCOME											
Operational income	-2.523.892	4.796.152	-130.229	1.542.769	788.661		-2.093.690	400.969	-1.430	6.652	542
Financial income	170.097	1.707.622	40.006	23.717	458.404		144.860	66.582	804	74	33
Gains in subsidiaries	-698.206	-1.755.421	7.622			-38.419		425.942			
Net income	-3.392.195	1.273.151	-162.613	1.478.813	360.628	-38.419	-2.238.550	684.296	-2.234	6.396	495
OTHER INFORMATION											
Total assets	68.130.596	112.734.122	6.098.211	367.485	35.747.766	-38.419		425.942			
Total liabilities	28.111.499	46.634.294	2.487.557	150.090	14.600.331						
IINVESTMENTS IN SUBSIDIARIES (1)											
Capital Expenditur (2)	711.121	1.043.132	152.444	16.975	2.006.146						
Depreciation (3)	1.583.329	2.322.559	339.421	37.795	4.466.736						

	NATIONAL						EXTERNAL				
	VEHICLES		INDUSTRIAL EQUIPMENT				VEHICLES		INDUSTRIAL EQUIPMENT		
	INDUSTRY	COMMERCIAL	COMMERCIAL	SERVICES	RENTAL	OTHERS	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	
Suplementary income					9.358.522						103.064
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
Financial income	-205.426	-1.828.056	-33.319	-17.001	-444.353		-90.939	-47.218	-2.063	-54	-627
Gains in subsidiaries	300.861	2.036.236	-1.344			444.085		230.291			
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
OTHER INFORMATION											
Total assets	76.646.274	121.639.323	8.215.550	571.967	45.059.669						
Total liabilities	34.943.347	55.455.861	3.745.503	260.762	20.542.886						
IINVESTMENTS IN SUBSIDIARIES (1)	1.919.435	24.043.563	-215.761			19.009.559		8.259.994			
Capital Expenditur (2)	1.076.524	1.594.430	189.494	32.601	2.934.044						
Depreciation (3)	1.818.442	2.693.279	320.089	55.069	4.956.128						

(1) Equity Method; (2) Investment: Changes in Fixed Tangible Assets and Intangible Assets + Depreciations; (3) Period Depreciations

28. SUPPLIES

At 31 December 2011 and 2010, supply expenses were as follows:

DESCRIPTION	31/DEC/2011	31/DEC/2010
Subcontratcs	10.289	46.801
Professional services	3.437.663	5.081.822
Advertising	10.272.272	14.082.266
Vigilance and Security	437.179	424.879
Professional Fees	761.314	714.256
Comissions	191.242	261.757
Repairs and Maintenance	789.310	1.211.744
Others	2.235.677	3.172.538
Specialized Services	18.124.656	24.949.261
Tools and Utensils	85.599	49.704
Books and Technical Documentation	230.182	302.638
Office Supplies	100.346	124.101
Gifts	14.660	51.722
Others	9.443.290	8.208.765
Materials	9.874.076	8.736.929
Electricity	368.229	371.399
Fuel	504.488	502.798
Water	43.925	37.364
Utilities	916.643	911.561
Travelling Expenses	665.510	780.945
Personnel Transportation	100.131	103.825
Transportation of Materials	784.073	1.074.786
Travel and Transportation	1.549.714	1.959.556
Rent	453.901	590.371
Communications	294.679	398.587
Insurance	720.412	746.051
Royalties	429.672	487.075
Notaries	8.724	8.279
Cleaning and Comfort	492.470	562.352
Other Supplies	2.399.858	2.792.715
Total Supplies	32.875.236	39.396.823

29. PAYROLL AND AVERAGE NUMBER OF PERSONNEL

At 31 December 2011 and 2010, payroll expenses were as follows:

DESCRIPTION	31/DEC/2011	31/DEC/2010
Payroll - Management	449.445	574.214
Payroll - Other Personnel	9.545.692	11.375.200
Benefit Plans	1.696.364	1.178.649
Termination Indemnities	2.307.817	1.406.454
Social Security Contributions	2.427.382	3.072.350
Workmen's Insurance	254.698	245.953
Social Costs	1.272.057	1.290.569
Others	769.573	706.730
Payroll Expenses	18.723.028	19.850.120

During the years ended as of December 31, 2011 and 2010, the average number of personnel was as follows:

ITEMS	DEC/2011	DEC/2010
Employees	418	428
Production Personnel	169	221
	587	649

30. REMUNERATION OF BOARD MEMBERS

The remuneration of the board members in Toyota Caetano Portugal, S.A. during the years 2011 and 2010, was as follows:

BOARD MEMBERS	31/DEC/2011	31/DEC/2010
Board of Directors	427.870	419.265
Shareholder's Assembly	281	758
Board of Auditors	12.822	25.165

31. OTHER OPERATING EXPENSES AND OTHER GAINS

As of 31 December, 2011 and 2010, the captions “Other Expenses” and “Other Gains” were as follows:

ITEM	DEC/2011	DEC/2010
OTHER EXPENSES	31/Dez/2011	31/Dez/2010
Tax	640.852	573.635
Cash Discount Granted	29.360	31.494
Bad Depts	22.602	28.695
Losses on Inventories	67.776	169.375
Losses on Fixed Assets	81.218	127.325
Other Expenses	5.521.538	9.186.627
	6.363.347	10.117.151

OTHER GAINS	31/DEC/2011	31/DEC/2010
Suplementary Income	25.683.447	26.433.094
Obtained Cash Discounts	11.291	10.489
Recovery of Bad Debts	7.464	17
Gains on Inventories	141.645	180.183
Gains on Fixed Assets	937.074	1.216.217
Other Gains	212.945	1.759.346
	26.993.864	29.599.346

The supplementary income refers to equipment and real estate renting fees, as well as provided services and warranties' recovery.

The caption "Other Gains" include in 31 December, 2010 tax recovery gains as a result of favorable 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, 2011 and 2010, the captions "Financial Income" and "Financial Expenses" were as follows:

EXPENSES	31/DEC/2011	31/DEC/2010
Interest	1.960.928	1.926.780
Other Expenses	1.012.877	876.633
	2.973.805	2.803.413

GAINS	31/DEC/2011	31/DEC/2010
Interest	361.607	134.356

33. EARNINGS PER SHARE

The earnings per share for the year ended as of December 31, 2011 and 2010 were computed based on the following amounts:

	31/DEC/2011	31/DEC/2010
Net income		
Basic	-2.030.231	10.652.179
Diluted	-2.030.231	10.652.179
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	-0,06	0,30

During the year there were no changes in the number of shares.

34. OTHER RELATED PARTIES

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

OTHER RELATED COMPANIES	COMMERCIAL DEBT		PRODUCTS		FIXED ASSETS	SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	EXPENSES	GAINS
AMORIM BRITO & SARDINHA, LDA	86								100
CAETANO BAVIERA - COMÉRCIO DE AUTOMÓVEIS, SA	377.596	84.387	3.000.487	13.329	25.068		190.495	240.400	617.628
CAETANO ACTIVE (SUL), LDA	2.013		330						3.766
CAETANO CITY E ACTIVE (NORTE), SA	1.211								4.497
CAETANO DRIVE SPORT URBAN, SA	8.520		5.250						9.494
CAETANO FORMULA (NORTE),SA	995		263						6.595
CAETANO MOTORS, SA	2.139	244	1.100				244		5.587
CAETANO PARTS, LDA	15.143	2.806	11.729				1.688		51.450
CAETANO POWER, SA	4.499	594	1.480	594				20	9.285
CAETANO RETAIL SERVIÇOS, SA	11.970								24.953
CAETANO RETAIL SGPS, SA	689								560
CAETANO SPAIN, SA	334.685	648	179.863				890		
CAETANO STAR (SUL), SA	737		164						5.633
CAETANO TECHNIK E SQUADRA, LDA	2.852		5.578						19.493
CAETANO UK LIMITED	15.424	20.265					3.274		22.366
CAETANOBUS-FABRICAÇÃO DE CARROÇARIAS, SA	4.171.040	22.701	2.033.682	10.854			132.740	78.809	3.205.294
CAETANOLYRSA, SA	76	1.686					5.944		787
E3C CAETSU PUBLICIDADE,SA	795	1.326.171					4.092.955	2.700	107.167
CARPLUS-COMÉRCIO AUTOMÓVEIS, SA	3.749	1.332	868					56.328	125.061
CONTRAC GMBH MASCHINEN UND ANLAGEN	-23.001	150.136	2.768				61.388	567	
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, SA	8.778						10.068	9	18.979
EUFER-CAETANO-ENERGIAS RENOVÁVEIS, LDA	41.082								28.228
FINLOG - ALUGUER E COMÉRCIO AUTO, SA		102.287	65.114	176.712			379.145	2.663	66.146
GLOBALWATT, SGPS, SA									30
GUERIN RENT A CAR, SL	48.172								
GRUPO SALVADOR CAETANO,SGPS, SA	76	83					83		480
GUÉRIN-RENT-A-CAR(DOIS), LDA	680.147	654	19.571				654		601.884
IBERICAR AUTO NIPON, SA	27.568	11.643	48.172				56.101		
IBERICAR GALICIA AUTO, SL									1.150
IBERICAR KELDENICH, SL	280								280
LIDERA SOLUCIONES, SL		16.000					16.000		
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, SA	2.633	82.456	1.343	132.646			114.359	218	36.696
MDS AUTO - MEDIAÇÃO SEGUROS, SA	302	57.194				413.504	1.338.126		
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, SA	10.315		124.275				41.698		5.280
RIGOR - CONSULTORIA E GESTÃO, SA	113.468	707.140	1.032		3.335		2.787.568	8.810	219.183
SALVADOR CAETANO AUTO ÁFRICA, SGPS, SA	1.292								1.050
SIMANOR-COMÉRCIO DE AUTOMÓVEIS, LDA									30
TÉCNICAS DE REPARACIÓN RAFER,SA				471					
ATLANTICA	5.111								
GILCAR NORTE - COM. IND. MAQUINAS E TINTAS, SA		1.958		7.217	313		1.861		785
GRUPO SOARES DA COSTA	30.451								
COCIGA - CONSTRUÇÕES CIVIS DE GAIA, SA		36.027	2.381		93.774		141.807	9.075	6.592
SIMOGA - SOC. IMOBILIÁRIA DE GAIA, SA	148						6.000		413
POAL	17.806								
MTLV - VIAGENS & LOGÍSTICA, LDA							5.902		
DICUORE-DECORAÇÃO, SA		161			1.098		34.725	1.255	1.412
ALBITIN- CIMFT, LDA		1.399		3.595					40
SPRAMO - PUBLICIDADE & IMAGEM, SA		681							
RARCON - ARQUITECTURA E CONSULTADORIA, SA	4.218	21.448			6.930		96.016		5.058
NOVEF-SGPS	19.500								
CIBERGUIA	9.954								
TURISPAIVA - SOCIEDADE TURÍSTICA PAIVENSE, LDA.	1.115								1.405

35. CONTINGENT ASSETS AND LIABILITIES

Taxes Liquidation:

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 2010 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 recognized 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 2010 has been recovered approximately 218.000 Euros recorded under "other operating income" related with this judicial process (Note 31).

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. The termination of the agency contract was due to default by the Agent.
In January of 2011, the trial concludes with a favourable decision to Toyota Caetano Portugal, but the Agent submitted an appeal in September 2011, pending a new decision.

The counter-ordination process by Market Authority (Autoridade de Concorrência) that Toyota Caetano Portugal is being subjected to, arising from the complaint of monopolistic practices, was conclude with a decision in favour of archiving.

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 2011.

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, 2008 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.

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 2011, was as follows:

	31.12.2011
Total fees related statutory audit	31.950

39. FINANCIAL STATEMENTS APPROVAL

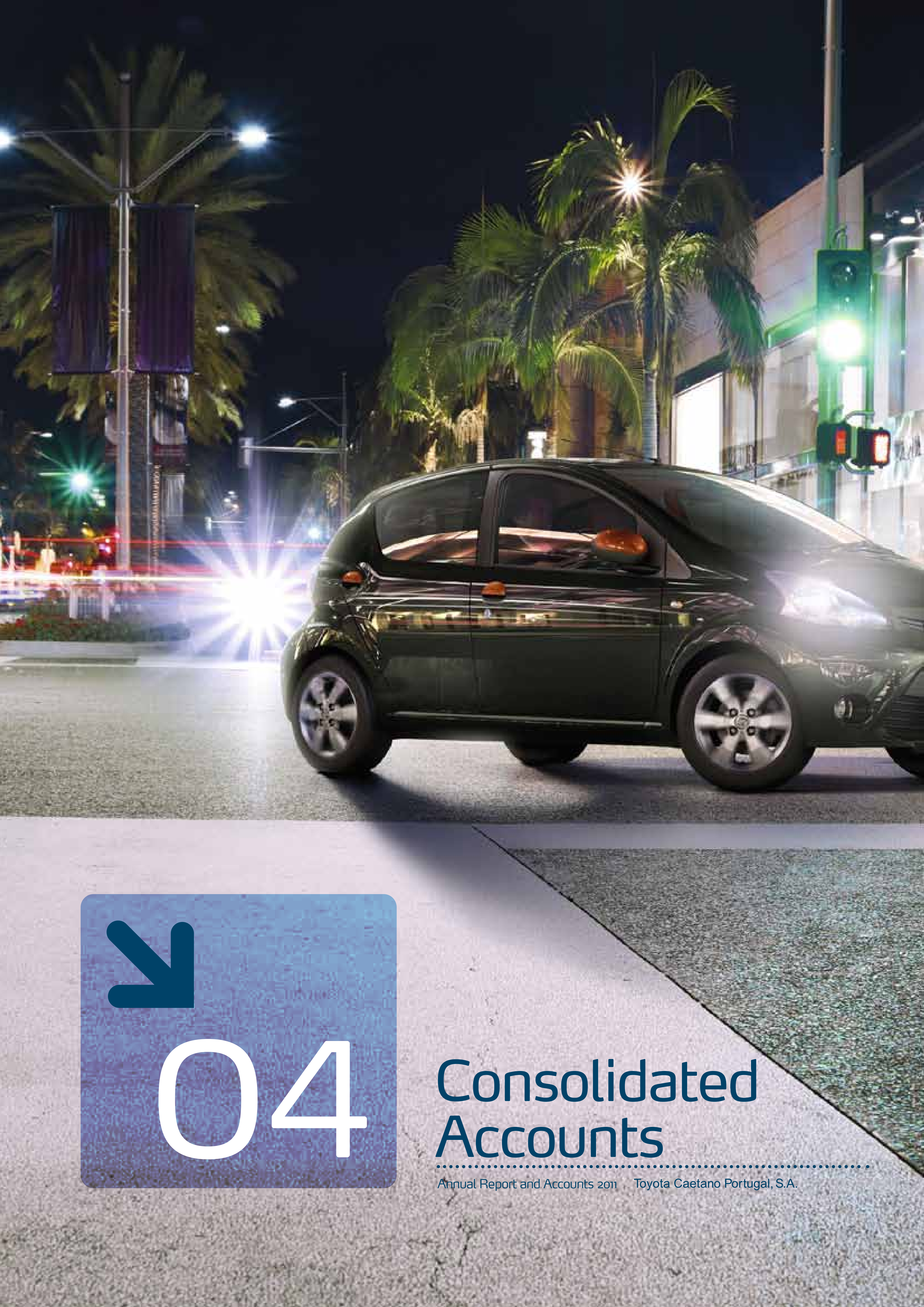
The financial statements were approved by the Board of Directors on April 4th, 2012.

Additionally, the enclosed financial statements at 31 December 2011 are still waiting to be approved at the Shareholders General Meeting. Nevertheless, the Board of Directors believes that they shall be approved without any meaningful alterations.

40. SUBSEQUENT EVENTS

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

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes



04 Consolidated Accounts

Consolidated financial highlights

	DEC '11	DEC '10	DEC '09
Turnover	293.443.182	426.258.266	399.124.912
Cash-flow	17.864.964	31.880.061	34.278.941
Net financial expenses	-950.976	-1.411.105	251.383
Payroll expenses	43.887.670	48.509.077	47.897.001
Net investment	10.294.356	22.717.629	6.653.760
Number of employees	1.744	1.898	1.943
Net income with non controlled interest	-2.187.135	11.936.710	10.241.559
Net income without non controlled interest	-2.218.405	11.740.117	10.379.409
Equity ratio	50,57%	48,37%	47,26%

Consolidated Balance Sheet At 31 December 2011, 31 Decembre 2010
(Amounts expressed in Euros)

ASSETS	NOTES	DEC'11	DEC'10
NON-CURRENT ASSETS:			
Goodwill	9	611.997	611.997
Intangible Assets	6	906.488	313.801
Tangible Fixed Assets	7	89.833.363	98.443.328
Investment properties	8	17.113.956	16.910.528
Available for sale Financial Investments	10	3.092.979	3.395.705
Deferred tax Assets	15	2.088.849	2.506.497
Accounts Receivable	12	1.189.734	1.556.626
Total non-current assets		114.837.366	123.738.482
CURRENT ASSETS:			
Inventories	11 and 26	69.020.200	66.797.892
Accounts Receivable	12 and 26	50.053.168	68.808.514
Other Credits	13	6.572.497	7.970.625
Public Enteties	22	1.016.070	1.636.769
Other Current Assets	14	1.787.306	2.115.892
Cash and cash equivalents	16	18.006.246	20.102.375
Total current assets		146.455.487	167.432.067
Total assets		261.292.853	291.170.549

SHAREHOLDERS' EQUITY & LIABILITIES	NOTES	DEC'11	DEC'10
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	10	14.396	- 271.329
Other Reserve		86.270.795	81.278.229
Net Income		- 2.218.405	11.740.117
	18	131.065.635	139.745.866
Non-controlled Interests	19	1.058.180	1.081.820
Total equity		132.123.815	140.827.686
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Long-term Bank loans	20	-	250.000
Pension Fund liabilities	25	2.662.859	
Other Loans	20 and 23	1.540.343	1.908.747
Leasing	20	5.240.907	6.621.087
Deferred tax liabilities	15	1.626.459	1.771.535
Total non-current liabilities		11.070.568	10.551.369
CURRENT LIABILITIES:			
Short-term Bank loans	20	62.970.036	59.565.402
Leasing	20	1.382.258	1.689.397
Other Loans	20 and 23	628.690	-
Accounts Payable	21	31.493.607	37.913.647
Other Creditors	22	2.186.237	3.322.566
Public Enteties	22	6.374.333	18.818.974
Other current liabilities	24	12.329.927	17.205.024
Pension Fund liabilities	25	-	-
Provisions	26	345.026	1.101.702
Derivative financial instruments	27	388.356	174.782
Total current liabilities		118.098.470	139.791.494
Total liabilities and shareholder' equity		261.292.853	291.170.549

The annex integrates the Balance sheet at 31 December 2011.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

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

Consolidated Income Statement at 31 December 2011 And 2010
(Amounts expressed in Euros)

	NOTES	DEC'11	DEC'10
Operating Income:			
Sales	33	270.584.649	400.197.180
Service Rendered	33	22.858.533	26.061.086
Other Operating Income	34	30.530.711	37.007.063
		323.973.893	463.265.329
Operating expenses:			
Cost of sales	11	- 222.155.961	- 328.775.232
Variation of Products	11	568.674	- 1.036.729
External Supplies and Services		- 39.753.403	- 47.500.001
Payroll Expenses	32	- 43.887.670	- 48.509.077
Depreciations and Amortizations	6 and 7	- 17.843.943	- 18.003.463
Investment properties Amortization	8	- 566.989	- 916.724
Provisions and Impairment loss	26	436.388	- 2.658.157
Other Operating expenses	34	- 3.602.470	- 2.732.061
		- 326.805.374	- 450.131.444
Operating Results		- 2.831.481	13.133.885
Expense and financial losses	36	- 2.861.820	- 2.959.989
Income and financial gains	36	3.812.796	4.371.094
Profit before tax		- 1.880.505	14.544.990
Income tax for the year	29	- 306.630	- 2.608.280
Net profit for the period		- 2.187.135	11.936.710
Net profit for the period from continuing operations attributable to:			
Equity holders of the parent		- 2.218.405	11.740.117
Minority interest		31.270	196.593
		- 2.187.135	11.936.710
Earnings per share:			
Basic	30	-0,062	0,341
Diluted	30	-0,062	0,341

The annex integrates the Income Statement at 31 December 2011.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Statement Of Changes In Shareholder's Equity at 31 December 2011 And 2010
(Amounts expressed in Euros)

		RESERVES								
	SHARE CAPITAL	LEGAL RESERVES	REAVALUATION RESERVES	TRANSLATION RESERVES	FAIR VALUE RESERVES	OTHER RESERVE	TOTAL RESERVES	NON-CONTROLLED INTERESTS	NET PROFIT	TOTAL
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										
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
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
Application of the Consolidated Net Income 2010										-
Distributed dividends	-	-	-	-	-	-	-	-	- 6.650.000	- 6.650.000
Other reserves transfer	-	-				5.090.117	5.090.117	-	- 5.090.117	-
Total comprehensive income for the year					285.725	- 97.551	188.174	31.270	- 2.218.405	- 1.998.961
Others	-	-	-				-	- 54.910	-	- 54.910
BALANCES AT 31 OF DECEMBER 2011	35.000.000	7.498.903	6.195.184	- 1.695.238	14.396	86.270.795	98.284.040	1.058.180	- 2.218.405	132.123.815

The annex integrates this statement at 31 december 2011.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated statment of the comprehensive income at 31 december 2011 and 2010

(Amounts expressed in Euros)

	DEC'11	DEC'10
Consolidated net profit for the period, including minority interest	- 2.187.135	11.936.710
Components of other consolidated comprehensive income, net of tax:		
Available for sale Financial Investments fair value changes (Note 10)	285.725	- 1.157.265
Others	- 97.551	69.327
Consolidated comprehensive income	- 1.998.961	10.848.772
Atributable to:		
Equity holders of the parent company	- 2.030.231	10.652.179
Non-controlled interests	31.270	196.593

The annex integrates this Statement at 31 December 2011.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

Consolidated Cash Flows Statement

(Euros)

OPERATING ACTIVITIES	DEC-11		DEC-10	
Collections from Customers	336.333.743		446.426.493	
Payments to Suppliers	- 264.288.768		- 362.561.678	
Payments to Employees	- 38.543.080		- 40.894.340	
Operating Flow		33.501.895		42.970.475
Payments of Income Tax		- 2.655.124		- 1.839.614
Other Collections/Payments Related to Operating Activities		- 22.917.193		- 15.550.847
Cash Flow from Operating Activities		7.929.578		25.580.014

INVESTING ACTIVITIES	DEC-11		DEC-10	
Collections from:				
Investments	29.012		5.589.458	
Tangible Fixed Assets	28.793.293		19.767.478	
Intangible Assets	635.329		56.133	
Subsidies	45.709		476.841	
Interest and Other income	30.003		130.487	
Dividends		29.533.346	268.398	26.288.795
Payments to:				
Investments	- 652.373		- 3.604.898	
Tangible Fixed Assets	- 29.600.583		- 27.206.926	
Intangible Assets	- 637.075	- 30.890.031	- 212.258	- 31.024.082
Cash Flow from Investment Activities		-1.356.685		-4.735.287

FINANCING ACTIVITIES	DEC-11		DEC-10	
Collections from:				
Loans	3.958.073	3.958.073	730.000	730.000
Payments to:				
Loans	- 543.152		- 14.762.716	
Lease Down Payments	- 1.687.318		- 3.644.156	
Interest and Other costs	- 3.724.287		- 3.040.660	
Dividends	- 6.672.339	- 12.627.096	- 5.238.825	- 26.686.357
Cash Flow from Financing Activities		-8.669.023		- 25.956.357

CASH	DEC-11	DEC-10
Cash and Cash Equivalents at Beginning of Period (Note 4)	20.102.376	25.214.006
Changes in perimeter (Note 5)		
Cash and Cash Equivalents at End of Period (Note 4)	18.006.246	20.102.376
Net Flow in Cash Equivalents	- 2.096.130	- 5.111.630

Notes to Statement of Cash Flows

Detail of cash and cash equivalents

(Euros)

ITEMS	DEC'11	DEC'10
Money	349.572	156.425
Bank Deposits at Immediate Disposal	17.655.731	19.945.500
Cash Equivalents	943	450
Cash and Cash Equivalents	18.006.246	20.102.375
AVAILABILITIES AS IN BALANCE SHEET	18.006.246	20.102.375

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

04 Notes to the Financial Statements

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" or "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 December 31, 2011, 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. ("Empresa-mãe")	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:	
Cabo Verde Motors, S.A.R.L. ("Cabo Verde Motors")	Praia (Cape Verde)

The attached financial statements are stated in Euros (rounding by 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 follow:

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 2011.

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 2011, were adopted by the first time in the fiscal year ended at 31 December 2011:

a) Changes to accounting standards applicable to periods beginning on or after 1 January 2011:

(i) Standards:

- IAS 32 (amendment), 'Financial Instruments: Presentation – classification of issued rights.This change refers to the recognition of issued rights denominated in a currency other than the functional currency of the reporting entity. If rights are issued pro-rata for a fixed amount denominated in any currency, they are handled as equity transactions to be classified through Net Shareholders' Funds. Otherwise, rights should be recognized as liability derivative instruments.

- IFRS 1 (amendment), 'First-Time Adoption of International Financial Reporting Standards'.This change allow entities adopting IFRS for the first time to use the same transition rules included in IFRS 7 – 'Financial Instruments: Disclosures', which exempts the entity from disclosing comparative information regarding fair value classification through the three classes required by IFRS 7, as long as comparative periods end 31 December 2009.

- IAS 24 (amendment), 'Related Parties'. This amendment withdraws general requirements for public entities to disclose related party information. However, the reporting entity should disclose its relation with the State and any transactions held with the State or State related entities. Furthermore, the definition of related party has been changed so as to eliminate inconsistency in identifying and disclosing related party information.

- 2010 Annual Improvements on Standards, to apply mostly to periods beginning on or after 1 January 2011. These improvements affected IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34 and IFRC 13.

(ii) Interpretations:

- IFRIC 14 (amendment), 'IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'. This amendment clarifies that a positive balance from voluntary advance payments on account of future minimum contributions may be recognized as an asset. No significant impacts are expected in the financial statements resulting from their adoption.

- IFRIC 19 (new), Extinguishing Financial Liabilities with Equity Instruments'. This interpretation clarifies the accounting treatment to be adopted when an entity renegotiate the terms of a borrowing resulting in its payment through issuance of equity instruments. A gain or a loss will be recognized through profit or loss based on the fair value of issued equity instruments compared with the borrowing carrying amount. The mere reclassification of borrowings to net shareholders' funds is not permitted.

b) Changes issued that are to be applied in periods beginning on or after 1 July 2011:

(i) Standards:

- IFRS 1 (amendment), 'First-time Adoption of International Financial Reporting Standard' (applicable to periods beginning on or after 1 July 2011). This amendment is pending European Union endorsement. This amendment aims to include a specific exemption for entities that formerly operated in hyperinflationary economies and that will adopt IFRS for the first time. This exemption allows the entity to recognize some assets and liabilities at fair value and to use fair value as deemed cost on its first financial statements under IFRS. Furthermore, it replaces references to specific dates for "transition date to IFRS" regarding the exemption from retrospective application of IFRS.

- IFRS 7 (amendment), 'Financial Instruments: Disclosures' – transfer of financial assets (applicable to periods beginning on or after 1 July 2011). This amendment is pending European Union endorsement. This change to IFRS 7 refers to disclosure requirements relating financial assets transferred to third parties but not derecognized from the balance sheet because of related liabilities kept by the entity.

- IAS 12 (amendments), 'Income Taxes' (applicable to periods beginning on or after 1January 2012). This amendment is pending European Union endorsement. This change requires entities to recognize deferred taxes related to assets if entities expect to recover the carrying amount of assets through use or sale, except for investment properties at fair value. This amendment includes in IAS 12 the principles formerly included in SIC 21, which is withdraw.

- IAS 1 (amendment), 'Presentation of Financial Statements' (applicable to periods beginning on or after 1 January 2012). This amendment is pending European Union endorsement. This amendment requires entities to separately present items recognized as Other Comprehensive Income, depending on whether they might or might not be taken through profit or loss, and the related tax effect, if items are presented before tax.

  The impact on the Group financial statements ended at 31 December 2011, resulting from the adoption of the standards, interpretations, amendments and revisions above mentioned was not significant.

- IFRS 9 (new), 'Financial Instruments' – classification and measurement (applicable to periods beginning on or after 1 January 2015). This amendment is pending European Union endorsement. IFRS 9 refers to the first phase of the new standard on financial instruments and includes two measurement categories: amortized cost and fair value. All financial instruments are to be measured at fair value. A debt instrument is measured at amortized cost only when the entity owns it to receive contractual cash flows and these ones represent face value and interest. Otherwise, debt instruments are measured at fair value through profit or loss.

- IFRS 10 (new), 'Consolidated Financial Statements' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 10 replaces all control and consolidation principles included in IAS 27 and SIC 12. Definition of control is changed, along with criteria used for determining control. The base principle that consolidated financial statements present parent company and subsidiaries as an only entity remains unchanged. The entity applies the IFRS 10, in the exercise in which becames effective.

- IFRS 11 (new) 'Joint Arrangements' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 11 focus on the rights and obligations of joint arrangements rather than on the legal form. Joint arrangements might be Joint Operations (rights over assets and liabilities) or Joint Ventures (rights to the net assets through application of Equity Method). Proportionate consolidation is no longer permitted.

- IFRS 12 (new), 'Disclosure of Interests in Other Companies' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. This standard sets out disclosure requirements for all types of interests in other entities, including joint arrangements, associates and special purpose entities, in order to assess the nature, risk and financial effects related to interest in other companies. An entity may disclose some or all the information without having to fully apply IFRS 12 or IFRS 10 and 11 and IAS 27 and 28.

- IFRS 13 (new), 'Fair Value Measurement' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 13 aims to increase consistency by precisely defining fair value and being the only source of requirements to measure and disclose fair value across IFRS.

- IAS 27 (revised 2011), 'Separate Financial Statements', (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IAS 27 was revised after IFRS 10 was issued and contains the recognition and disclosure requirements for investments in subsidiaries, joint arrangements and associates in an entity's separate financial statements.

- IAS 28 (revised 2011), 'Investments in Associates and Joint Ventures', (applicable to periods beginning on or after 1 January 2013). IAS 28 was revised after IFRS 11 was issued and sets out the recognition criteria for investments in associates along with the requirements for applying equity method.

- IAS 19 (amendment), 'Employee Benefits' (applicable to periods beginning on or after 1 January 2013). This amendment includes significant changes to recognition and measurement of defined benefit costs and termination costs along with changes to disclosures related to all kinds of employee benefits. Actuarial gains and losses should be immediately recognized through Other Comprehensive Income (the corridor method is not allowed). Finance cost of plans with asset funds is calculated over the net basis of unfunded liability.

- IFRS 7 (amendment), 'Disclosure - compensation of financial assets and liabilities' (to be applied in periods beginning on or after January 1, 2013). This amendment is pending European Union endorsement. This change is part of the "compensation of assets and liabilities" project of the IASB and introduces new disclosure requirements on countervailing duties (of assets and liabilities) that are not counted, the assets and liabilities offset and the effect of these offsets in the risk exposure credit.

- IAS 32 (amendment), 'Compensation of assets and liabilities' (to be applied in periods beginning on or after January 1, 2014). This amendment is pending European Union endorsement. This change is part of the "compensation of assets and liabilities" of the IASB which clarifies the term "currently holds the legal right to compensation" and clarifies that some systems the gross settlement may be equivalent to the compensation of liquid amounts.

(ii) Interpretations:

- IFRIC 20 (new), 'Costs of removal in the production phase of a surface mine' (to be applied in periods beginning on or after January 1, 2013). This amendment is pending European Union endorsement. This interpretation refers to the costs of waste removal in the initial phase of a surface mine, as an asset, whereas the removal of waste generates two potential benefits: the immediate extraction of mineral resources and opening up access to additional amounts to extract mineral resources in the future.

  These standards although endorsed by the European Union were not adopted by the Group in the annual period ended on 31 december 2011, 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 controlled Interests". Fully consolidated companies are listed in Note 4.

When losses attributable to minority shareholders exceed non controlled interest 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 cotrolled interets 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 controlled 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 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 others 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 December 31, 2011 and 2010, there were no investments in associated companies.

c) Consolidation differences

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 "Consolidation differences" (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 the consolidation differences is not depreciated and the Group annually makes formal impairment tests. The recoverable amount is the value in use is the present value of the future cash flows expected, to be derived from the continuous use of the asset. The impairment losses resulting from the consolidation differences registered in the annual period are registered in the annual income statements in the item "Provisions and impairment losses".
The impairment loss recognised for consolidation differences 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 January 1, 2004 are recorded in equity under the caption "Translation reserves". The accumulated exchange differences generated before January 1, 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 2011 and 2010 in the translation into Euros of foreign subsidiaries were as follows:

	31-12-2011				
	CURRENCY	FINAL EXCHANGE RATE FOR 2011	AVERAGE EXCHANGE RATE FOR 2011	EXCHANGE RATE AT THE DATE OF INCORPORATION	FINAL EXCHANGE RATE FOR 2010
Cabo Verde Motors, SARL	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Shareholders	Income Statement	Share Capital	Retained Earnings

	31-12-2010				
	CURRENCY	FINAL EXCHANGE RATE FOR 2010	AVERAGE EXCHANGE RATE FOR 2010	EXCHANGE RATE AT THE DATE OF INCORPORATION	FINAL EXCHANGE RATE FOR 2009
Cabo Verde Motors, SARL	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Shareholders	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) Tangible Fixed Assets

Tangible fixed assets acquired until January 1, 2004 (IFRS transition date) are recorded at deemed cost, which corresponds to its acquisition cost or its revalue 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.

Tangible fixed assets acquired after that date is recorded at acquisition cost, net of accumulated depreciation and accumulated impairment losses.

The impairment losses detected in the tangible fixed assets 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 tangible fixed assets 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.

Tangible fixed assets in progress relate to tangible assets under construction/development, and are recorded at acquisition cost. These assets are transferred to tangible fixed assets 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 tangible fixed assets 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 which relate 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 Profit Method models), being the last reported to 2011.

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) operational 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 operational lease contracts depends on the substance of the transaction and not on the form of the contract.

Tangible fixed assets 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 tangible fixed assets captions and the corresponding responsibility as leasing 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 tangible fixed assets according to their estimated useful lives, according to Note 2.3. a).

For lease contracts considered as operational, 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 or Other public entities subsidies

Government subsidies 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 tangible fixed assets 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 tangible fixed assets.

The subsidies related to incur 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 Consolidation differences

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) had no impairment losses 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) 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.

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', 'Loans 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 values 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 financial derivatives instruments are also classified as held for trading, except if they are designated for hedge accounting effects. 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 December 31, 2011 and 2010, 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, have 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 December 31, 2011, Toyota Caetano Group held 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 receivables

Accounts receivable not bearing interests are measured at amortized cost, 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) Loans

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

iv) Accounts payable

Accounts payable not bearing interests are measured at amortized cost, 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.

v) Derivative financial instruments

The Group uses derivative financial instruments to cover risks of financial investments. Derivative financial instruments (forwards) used by the Group (mainly swaps of interest rates), have the specific aim of financial risk coverage and exchange rate changes on future transactions in foreign currency.

These derivative instruments, for which the company as not applied hedge accounting, initially are recorded by the cost, which corresponds to its fair value, if any, and subsequently re-evaluated by its fair value, which variations, calculated through the evaluations made by the banks with which the Group makes the respective contracts, directly affect the items of the finance results of the consolidated income statement.

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.

Below is a summary table of the group's financial instruments at 31 December 2011 and 2010:

FInancial Instruments Grupo Toyota Caetano Portugal

		FINANCIAL ASSETS		FINANCIAL LIABILITIES	
	NOTES	31/12/11	31/12/10	31/12/11	31/12/10
Derivate Financial Instruments	27			388.356	174.782
Available for sale Financial Investments	10	3.092.979	3.395.705		
Accounts Receivable	12	51.242.902	70.365.140		
Other Debts	13	6.572.497	7.970.625		
Bank Loans	20			62.970.036	59.604.790
Other Loans	20 and 23			2.169.033	2.119.359
Other Creditors	22			9.986.201	11.633.050
Account Payable	21			31.493.607	37.913.647
Cash and Cash Equivalents	16	18.006.246	20.102.375		
Total		78.914.624	101.833.845	107.007.233	111.445.628

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 January 2, 1994, December 29, 1995 and December 23, 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 Benefits Plan started covering, beginning on January 1, 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.) corresponds to a 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). In this regard it is noted that the Group does not adopt the method of the "Corridor", recognizing actuarial gains and losses, as well as variations of the past service liability in the income statement.

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:

- Tax Consolidation Toyota Caetano Portugal: Toyota Caetano Portugal, Caetano Renting, Caetano Components, Saltano and Caetano Auto;
- Tax Consolidation Auto Partner: Caetano Retail Norte II SGPS, Auto Partner – Comércio Automóvel and Caetano Colisão Norte.

The only subsidiary with headquarter in foreign country (Cabo Verde Motors) is 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 sales income is recognized in the consolidated profit and loss 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. Sales are recognized net of taxes and discounts.

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 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 December 31, 2011 and 2010 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 December 31, 2011 and 2010 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 consolidation differences;
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 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 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 a subsidiary operating in Cape Verde. 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 uses derivative instruments (currency forwards), as the management of foreign currency risk.

The Group foreign currency risk management hedge policies are decided casuistically, considering the foreign currency and country specific circumstances (as at December 31, 2011 and 2010, 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-11	DEC-10	DEC-11	DEC-10
Cabo Verde Escudo (CVE)	6.854.306	6.700.716	741.638	542.686
Great Britain pounds (GBP)	338.654	531.753	751	- 695
Norwegian kroner (DKK)	-	240.552	-	-
Swedish kronor (SEK)	37.550	123.345	-	2.468
Japonese Yen (JPY)	-	-	732.429	255.810
US Dollar (USD)	-	-	- 298	-

ii) Price risk

During 2011 and 2010, the Group was exposed to the risk of price variations on "Investments available for sale". As of 31 December 2011, this caption includes shares of Cimóvel - Real Estate Investment Fund. 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) 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-11		DEC-10	
	VARIATION	RESULTS	EQUITY	RESULTS	EQUITY
BCP	10%				40.315
FUNDO CIMÓVEL	10%		302.834		292.815
BCP	-10%				- 40.315
FUNDO CIMÓVEL	-10%		- 302.834		- 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 financial 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 analyses 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 analyses are 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-2011		DEC-2010	
	VARIATION	NET INCOME	EQUITY	NET INCOME	EQUITY
Guaranteed account	1 p.p	139.700	-	123.000	-
Bank Credits	1 p.p	69.000	-	3.548	-
Commercial Paper	1 p.p	421.000	-	467.000	-
Total		629.700	-	593.548	-
Guaranteed account	(1 p.p)	- 139.700	-	- 123.000	-
Bank Credits	(1 p.p)	- 69.000	-	- 3.548	-
Commercial Paper	(1 p.p)	- 421.000	-	- 467.000	-
Total		- 629.700	-	- 593.548	-

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;
(i) Safety, which is the minimisation of the probability of default in the repayment of any application in funds; and
(i) 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 2011 and 2010, the Group presents a net debt of 53.755.988 Euros and 49.932.258 Euros, respectively, divided between current and non current loans (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 December 31, 2011 were of, approximately, 9.413.462 Euros (9.900.000 as of December 31, 2010), 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 December 31, 2011 and 2010 are stated in Note 26.

At December 31, 2011 and 2010, 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) Fair Value of Financial Instruments

In determining the fair value of an asset or liability, if an active market exists, the market price is applied. A market is considered active if there are prices quoted easily and regularly available through exchanges, brokerage or regulatory agencies, and if those prices represent actual and regularly occurring transactions in a market of free competition. In case there is no active market, valuation techniques are used generally accepted in the market, based on market assumptions (eg: models of discounted cash flows that incorporate interest rate curves and volatility of the market, in the case of financial instruments derivatives).
In compliance with paragraph 27-A of IFRS 7, the disclosure of fair value measurements of financial instruments, for hierarchical level, is:

a) Level 1 - quoted prices - financial assets available for sale: 3.092.979 Euros (3.395.705 Euros in 2010);
b) Level 2 – other inputs than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) - Trading derivatives (swaps and forward): -388.356 Euros (-174.782 Euros in 2010);
c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs) – not applicable.

x) 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.

2.4 CHANGES IN REMAINING USEFUL LIFE

During the year ended as of December 31 2011, in accordance with paragraph 51 of IAS16, the Group carried out the review of the remaining useful life of the main tangible fixed assets, based on a study with technical advice.

Consequently, depreciation and amortization for the period ended December 31, 2011 were lower by about 1.6 million Euros.

2.5. COMPARISON OF FINANCIAL STATEMENTS

In the current period, the Group changed the accounting procedure for the presentation of leasing, now appearing in the balance sheet properly segregated. Thus, we proceeded to the following reclassifications:

BALANCE SHEET	2010 BEFORE CHANGES	ACCOUNTING RECLASSIFICATION	2010 AFTER CHANGES
Leasing - Non-current liabilities		6.621.087	6.621.087
Other liabilities - Non-current liabilities	6.621.087	-6.621.087	
Leasing - Current liabilities		1.689.397	1.689.397
Other liabilities - Current liabilities	5.011.963	-1.689.397	3.322.566

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF MISSTATEMENTS

During the year ended as of December 31 2011, 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 December 31, 2011 and 2010, are as follows:

COMPANIES	EFFECTIVE PERCENTAGE HELD	
	DEC-11	DEC-10
Toyota Caetano Portugal, SA	Parent Company	
Saltano - Investimentos e Gestão (SGPS), SA	99,98%	99,98%
Salvador Caetano (UK), Ltd	0,00%	99,82%
Caetano Components, SA	99,98%	99,98%
Cabo Verde Motors, SARL	81,24%	81,24%
Caetano Renting, SA	99,98%	99,98%
Caetano - Auto, SA	98,39%	98,39%
Caetano Retail (Norte) II SGPS, SA	49,20%	49,20%
Auto Partner - Comércio de Automóveis, SA	49,20%	49,20%
Caetano Colisão (Norte), SA	49,20%	49,20%
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).

5. CHANGES IN CONSOLIDATION PERIMETER

During the year ended at December 31, 2011, there was a variation in the composition of the consolidation perimeter, due to the liquidation of Salvador Caetano UK, Ltd.

6. INTANGIBLE ASSETS

During the year ended as December 31, 2011 and 2010, the movement in intangible assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

31-12-2011	INSTALLATIONS EXPENSES	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL PROPERTY	GOODWILL	COMPUTER PROGRAMS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross Assets:							
Opening Balances	-	-	140.816	81.485	1.164.675	200.000	1.586.976
Additions	-	-	-	-	651.481	594	652.075
Disposals	-	-	-	-	-	-	-
Changes in Perimeter	-	-	-	-	-	-	-
Transfer and Write-offs	-	-	-	-	200.500	- 200.000	500
Ending Balances	-	-	140.816	81.485	2.016.656	594	2.239.551
Accumulated Depreciation and Impairment losses:							
Opening Balances	-	-	47.604	81.485	1.144.086	-	1.273.175
Depreciations	-	-	24.305	-	35.473	-	59.778
Transfer and Write-offs	-	-	- 390	-	500	-	110
Ending Balances	-	-	71.519	81.485	1.180.059	-	1.333.063
Net Intangible Assets	-	-	69.297	-	836.597	594	906.488

31-12-2010	INSTALLATIONS EXPENSES	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL PROPERTY	GOODWILL	COMPUTER PROGRAMS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross Assets:							
Opening Balances	13.601	4.099.769	165.310	1.065.053	-		5.343.733
Additions	-	-	-	-	12.258	200.000	212.258
Disposals	-	-	-	-			-
Changes in Perimeter	-	-	-	-			-
Transfer and Write-offs	- 13.601	- 4.099.769	- 24.494	- 983.568	1.152.417		- 3.969.015
Ending Balances	-	-	140.816	81.485	1.164.675	200.000	1.586.976
Accumulated Depreciation and Impairment losses:							
Opening Balances	13.601	3.906.697	24.233	1.065.053			5.009.584
Depreciations	-	-	24.395	-	39.309		63.704
Transfer and Write-offs	- 13.601	- 3.906.697	- 1.024	- 983.568	1.104.777		- 3.800.113
Ending Balances	-	-	47.604	81.485	1.144.086	-	1.273.175
Net Intangible Assets	-	-	93.212	-	20.589	200.000	313.801

During the year ended as December 31, 2011, the variation to 2010 refers essencially to the disbursements to the implementation of the new management software by the subsidiary Caetano Auto.

7. TANGIBLE FIXED ASSETS

During the years ended as of December 31, 2011 and 2010, the movement in tangible fixed assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

31-12-2011	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	TOOLS AND UTENSILS	ADMINIST. EQUIPMENT	OTHER FIXED ASSETS	TANGIBLE ASSETS IN PROGRESS	TOTAL
Gross Assets:									
Opening Balances	16.215.089	87.181.644	59.512.044	58.358.847	-	7.719.612	4.197.971	1.441.337	234.626.544
Additions	101.250	991.915	851.503	27.667.008	-	120.511	55.878	1.349.519	31.137.584
Disposals	- 56.175	- 1.175.454	- 490.199	- 30.374.156	-	- 131.896	- 95.141	-	- 32.323.021
Changes in Perimeter	-	-	-	-	-	-	-	-	-
Tranfer and Write-offs	- 1.627.853	- 224.700	35	648.902	-	- 5.848	4.601	- 115.800	- 1.320.663
Ending Balances	14.632.311	86.773.405	59.873.383	56.300.601	-	7.702.379	4.163.309	2.675.056	232.120.444
Accumulated Depreciation and Impairment losses:									
Opening Balances	-	54.507.624	50.353.072	20.822.436	-	7.119.409	3.380.675	-	136.183.216
Depreciations	-	2.716.850	2.453.112	12.160.048	-	215.932	238.223	-	17.784.165
Tranfer and Write-offs	-	- 1.657.858	- 397.021	- 9.414.382	-	- 121.314	- 89.725	-	- 11.680.300
Imparment Losses									-
Changes in Perimeter	-	-	-	-	-	-	-	-	-
Ending Balances	-	55.566.616	52.409.163	23.568.102	-	7.214.027	3.529.173	-	142.287.081
Net Tangible Assets	14.632.311	31.206.789	7.464.220	32.732.499	-	488.352	634.136	2.675.056	89.833.363

31-12-2010	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	TOOLS AND UTENSILS	ADMINIST. EQUIPMENT	OTHER FIXED ASSETS	TANGIBLE ASSETS IN PROGRESS	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
Additions	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
Changes in Perimeter	-	-	-	-	-	-	-	-	-
Tranfer and Write-offs	- 881.363	- 1.775.422	10.858.663	990.878	- 10.484.698	- 43.655	- 1.530	- 2.583.441	- 3.920.568
Ending Balances	16.215.089	87.181.644	59.512.044	58.358.847	-	7.719.612	4.197.971	1.441.337	234.626.544
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
Depreciations	-	3.944.296	6.883.806	6.585.990	-	278.272	247.395	-	17.939.759
Tranfer and Write-offs	-	- 2.029.598	4.778.810	- 3.297.622	- 10.232.334	- 293.638	- 74.337	-	- 11.148.719
Imparment Losses		- 650.000							- 650.000
Changes in Perimeter	-	-	-	-	-	-	-	-	-
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	1.441.337	98.443.328

The movements registered in item "Vehicles" mainly refer to vehicles and forlifts that are being used by the Group, and also being rented to clients.

During 2010, the Group transferred the amount of 837.149 Euros from Tangible Fixed Assets ("Land" and "Buildings and other constructions") to the caption "Investment properties", due to the change of perspective of the future use of the property.

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

Management believes that a possible change (within a scenario of normal) in the main assumptions used in calculating the fair value will not result in impairment losses, apart from the loss already registered.

As of December 31, 2010, 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".

8. INVESTMENT PROPERTIES

As of December 31, 2011 and 2010, 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 2.751.712 Euros in the year ended as of December 31, 2011 (2.676.444 Euros as of 31 December 2010) (Note 36).

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, 48 million Euros.

In 2010, the Group recognized an impairment loss amounting to approximately 1.13 million Euros which was recognized in the income statement, in provisions and losses impairment.

Management believes that a possible change (within a scenario of normal) in the main assumptions used in calculating the fair value will not result in impairment losses, beyond from losses recognized in previous years.

The real estate assets recorded in the caption "Investment properties" as of December 31, 2011 and 2010 are made up as follows:

		DEC-11		DEC-10	
Building	LOCAL	NET ACCOUNTING	FAIR VALUE	NET ACCOUNTING	FAIR VALUE
Industrial Facilities	V.N. Gaia	965.663	9.121.000	1.107.830	11.035.000
Industrial Facilities	Carregado	6.285.496	21.026.000	6.382.542	24.100.000
Industrial Warehouse	V.N. Gaia	1.456.718	6.111.000	1.559.960	5.235.000
Commercial Facilities	Several places	3.133.186	5.760.000	3.455.617	6.536.000
Lands not in use	Several places	3.955.357	4.633.000	3.057.652	4.675.000
Others		1.317.537	1.327.000	1.346.926	1.310.000
		17.113.956	47.978.000	16.910.528	52.891.000

The investment properties fair value disclosed in December 31, 2011 was determined on an annual basis by an independent appraiser – American Appraisal (Market Method, Cost Method and Return models), with reference to 2011 and 2010.

The movement in the caption "Investment properties" as of December 31, 2011 and 2010 was as follows:

31-12-2011

GROSS ASSETS	LAND	BUILDINGS	TOTAL
Opening Balances	8.919.187	32.633.940	41.553.127
Transfer Write-offs	894.706	- 57.557	837.149
Impairment Losses			-
Ending Balances	9.813.893	32.576.383	42.390.276

ACCUMULATED DEPRECIATION	LAND	BUILDINGS	TOTAL
Opening Balances		24.642.599	24.642.599
Increases		566.989	566.989
Transfer Write-offs		66.732	66.732
Ending Balances		25.276.320	25.276.320

31-12-2010

GROSS ASSETS	LAND	BUILDINGS	TOTAL
Opening Balances	9.107.019	28.223.703	37.330.722
Transfer Write-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 Write-offs		2.471.945	2.471.945
Ending Balances		24.642.599	24.642.599

9. GOODWILL

At December 31, 2011 and 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.

The consolidation differences are not depreciated. Impairment tests are made annually to the consolidation differences.

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 December 31, 2011, 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]	10,24%

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 December 31, 2011, the net book value of assets, including goodwill (2,7 millions Euros),does not exceed its recoverable amount (14,4 millions Euros).

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.

10. AVAILABLE FOR SALE FINANCIAL INVESTMENTS

As of December 31, 2011 and 2010 the movements in item "Investments available for sale" were as follows:

	DEC-11	DEC-10
Fair value at January 1	3.395.705	5.367.157
Acquisitions during the year		3.604.898
Decrease during the year	- 588.451	- 5.305.021
Increase/(decrease) in fair value	285.725	- 271.329
Ending balances	3.092.979	3.395.705

During the period, the Group sold all the shares held in December 2011 of companies listed on Euronext Lisbon (BCP).

As of December 31, 2011, "Available for sale investments" include the amount of 3.028.343 Euros corresponding to 580.476 shares of Cimóvel - Real Estate Investment Fund (9,098%), 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 14.396 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 2011 and 2010 from recording "Investments held for sale" at fair value can be summarized as follows:

	DEC-11	DEC-10
Recognition on Results from the Disposal		- 885.936
Fair value variation	285.725	- 271.329
Equity effect	285.725	- 1.157.265

11. INVENTORIES

As of December 31, 2011 and 2010, this caption breakdown is as follows:

	DEC-11	DEC-10
Raw and subsidiary Materials	10.714.407	9.398.703
Production in Process	5.229.612	6.235.204
Finished and semi-finished Products	5.470.765	3.869.884
Merchandise	50.095.180	49.655.887
	71.509.964	69.159.678
Accumulated impairment losses in inventories (Note 26)	- 2.489.764	- 2.361.786
	69.020.200	66.797.892

During the years ended as of December 31, 2011 and 2010, cost of sales was as follows:

	DEC-11			DEC-10		
	MERCHANDISE	RAW AND SUBSIDIARY MATERIALS	TOTAL	MERCHANDISE	RAW AND SUBSIDIARY MATERIALS	TOTAL
Opening balances	49.655.887	9.398.703	59.054.590	51.975.486	8.454.175	60.429.661
Net Purchases	189.404.260	34.506.698	223.910.958	286.191.814	41.208.347	327.400.161
Ending balances	- 50.095.180	- 10.714.407	- 60.809.587	- 49.655.887	- 9.398.703	- 59.054.590
Total	188.964.967	33.190.994	222.155.961	288.511.413	40.263.819	328.775.232

During the years ended as of December 31, 2011 and 2010, the variation in production was computed as follows:

	FINISHED AND SEMI-FINISHED PRODUCTS	
	DEC-11	DEC-10
Ending balances	10.700.377	10.105.088
Inventories adjustments	- 26.615	- 15.726
Opening balances	- 10.105.088	- 11.126.091
Total	568.674	- 1.036.729

12. ACCOUNTS RECEIVABLE

As of December 31, 2011 and 2010, the detail of this caption was as follows:

	DEC-11		DEC-10	
	NON-CURRENT ASSETS	CURRENT ASSETS	NON-CURRENT ASSETS	CURRENT ASSETS
Customers, current accounts	1.189.734	51.782.069	1.556.626	71.282.984
Customers, notes receivable	-	10.971	-	76.650
Doubtful Accounts Receivable	-	10.816.033	-	10.327.614
	1.189.734	62.609.073	1.556.626	81.687.248
Accumulated impairment losses in accounts Receivable (Note 26)	-	- 12.555.905	-	- 12.878.734
	1.189.734	50.053.168	1.556.626	68.808.514

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).

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 be impairment

2011	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts Receivable	33.043.225	1.740.499	2.253.233	10.819.521	47.856.478
Employees	-	-	-	1.334.204	1.334.204
Independent Dealers	3.329.496	210.723	72.476	179.397	3.792.092
Fleets	-	-	-	-	-
Total	36.372.721	1.951.222	2.325.709	12.333.122	52.982.774

2010	- 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
Employees	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

Debt maturity with recognition of losses be impairment

2011	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts Receivable	-	-	-	-	-
Doubtful Accounts Receivable	-	-	-	10.816.033	10.816.033
Total				10.816.033	10.816.033

2010	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts Receivable	-	-	-	495.000	495.000
Doubtful Accounts Receivable	20.818	1.882	-	10.304.914	10.327.614
Total	20.818	1.882	-	10.799.914	10.822.614

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 RECEIVABLE ACCOUNTS

As of December 31, 2011 and 2010, the detail of this caption was as follows:

	DEC-11	DEC-10
Down Payment to Suppliers	9.102	32.737
Other debtors	6.563.395	7.937.888
	6.572.497	7.970.625

The caption "Other receivable accounts" includes the amount of, approximately, 5,2 Million Euros (5,2 Million Euros as of December 31, 2010) 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 December 31, 2011, the amount of, approximately, 800.000 Euros (800.000 Euros as of 31 December 2010) to be received from Caetano Retail Norte, SGPS, S.A. This amount bears interest at market rates and does not have a defined reimbursement plan.

14. OTHER CURRENT ASSETS

As of December 31, 2011 and 2010, the detail of this caption was as follows:

	DEC-11	DEC-10
Accrued Income		
Warranty Claims	350.852	332.514
Fleet programs	458.716	146.177
Rentals	72.000	
Insurance	38.806	
Commission	22.200	229.228
Interest	93.418	
Bonus suppliers	10.561	217.593
Others	99.595	382.049
	1.146.148	1.307.561
Deferred Expenses		
Maintenance charges	15.461	83.297
Insurance	244.412	204.984
Interest	93.481	146.186
Rentals	138.701	135.440
Others	149.103	238.424
	641.158	808.331
Total	1.787.306	2.115.892

15. TAXES

The detail of deferred tax assets and liabilities recorded in the accompanying consolidated financial statements as of December 31, 2011 and 2010 is as follows:

31-12-2011	DEC-10	OTHER DEVIATION	PROFIT AND LOSS IMPACT	EQUITY IMPACT	DEC-11
Deferred tax assets:					
Provisions not accepted for tax purpose	1.156.801	-	- 247.305	-	909.496
Tax losses	215.574	- 1	- 58.462	-	157.111
IFRS conversion effects					
Write-off of tangible assets	1.036.015	-	- 159.218		876.797
Write-off of deferred costs	37.040	-	- 9.259	-	27.781
Derivative financial instruments valuation	61.067	-	56.597		117.664
	2.506.497	- 1	- 417.647	-	2.088.849
Deferred tax liabilities:					
Depreciation as a result of legal and free revaluation of fixed assets	- 1.124.447	-	33.557	-	- 1.090.890
Effect of the reinvestments of the surplus in fixed assets sales	- 426.002	-	57.777	-	- 368.225
Future costs that will not be accepted fiscally	- 190.529	-	47.630		- 142.899
Tax gains according to nº7 Artº7 30/G 2000 Portuguese Law	- 30.557	-	6.112	-	- 24.445
IFRS conversion effects:					
Fair value of financial investments		-	-	-	
	- 1.771.535		145.076		- 1.626.459
Net effect (Note 29)		- 1	- 272.571		

31-12-2010	DEC-09	OTHER DEVIATION	PROFIT AND LOSS IMPACT	EQUITY IMPACT	DEC-10
Deferred tax assets:					
Provisions not accepted for tax purpose	1.051.730	-	105.071	-	1.156.801
Tax losses	133.607	-	81.967	-	215.574
IFRS conversion effects					
Write-off of tangible assets	305.970	-	870.049	- 140.004	1.036.015
Write-off of deferred costs	59.998	-	- 22.958	-	37.040
Derivative financial instruments valuation	246.893	-	- 185.826	-	61.067
	1.798.198	-	848.303	- 140.004	2.506.497
Deferred tax liabilities:					
Depreciation as a result of legal and free revaluation 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 costs that will not be accepted fiscally		-	- 4.853	- 185.675	- 190.529
Tax gains according to nº7 Artº7 30/G 2000 Portuguese Law	- 36.669	-	6.112	-	- 30.557
IFRS conversion effects:					
Fair value of financial investments		-	-	-	-
	- 1.578.930		- 6.929	- 185.675	- 1.771.535
Net effect (Note 29)			841.374	- 325.679	

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 December 31, 2010) after their occurrence and subject to deduction to tax profits realized during that period. As of December 31, 2011 and 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-11		DEC-10		
WITH LATEST DATE OF UTILIZATION	TAX LOSSES	DEFERRED TAX ASSETS	TAX LOSSES	DEFERRED TAX ASSETS	EXPIRY DATE
At 2004					
Caetano Components, S.A.	-	-	-	-	-
At 2005					
Caetano Components, S.A.	0	0	233.848	58.463	2011
At 2005					
Caetano Retail (Norte) II, SGPS, SA	0	0	69.055	0	2011
Caetano Colisão, SA	0	0	396.421	0	2011
At 2006					
Caetano Retail (Norte) II, SGPS, SA	2.059	0	2.059	0	2012
Caetano Colisão, SA	388.146	0	388.146	0	2012
At 2007					
Caetano Retail (Norte) II, SGPS, SA	63.772	0	63.772	0	2013
Caetano Colisão, SA	1.100.930	0	1.100.930	0	2013
Auto Partner CA, SA	81.957	0	219.604	0	2013
At 2008					
Caetano Retail (Norte) II, SGPS, SA	70.511	0	70.511	0	2014
Caetano Colisão, SA	117.929	0	117.929	0	2014
Auto Partner CA, SA	343.145	85.786	343.145	85.786	2014
At 2009					
Caetano Retail (Norte) II, SGPS, SA	48.248	0	48.248	0	2015
Caetano Colisão, SA	0	0	0	0	2015
Auto Partner CA, SA	409.584	71.325	409.584	71.325	2015
At 2010					
Caetano Retail (Norte) II, SGPS, SA	11.898				2014
	2.638.179	157.111	3.463.252	215.574	

In a prudent way, some of the Toyota Caetano Group companies do not processed and/or derecognized in 2011 the assets by deferred taxes associated to all fiscal losses reportable.

As of December 31, 2011 and 2010 tax rates used to compute current and deferred tax assets and liabilities were as follows:

	TAX RATES	
	DEC-11	DEC-10
Country of origin of affiliate		
Portugal	26,5% - 25%	26,5% - 25%
Cabo Verde	35,0%	35,0%

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 69 and 70 of the CIT.

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, except when there were fiscal losses (6 years). Therefore, the tax declarations since the year of 2008 and 2011 are still subject to review. Statements regarding the Social Security may be revised over a period of ten years until the year 2000, inclusive, and five years from 2001.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 88 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 December 31, 2011 and 2010 cash and cash equivalents detail was the following:

	DEC-11	DEC-10
Cash	349.572	156.425
Bank Deposits	17.655.731	19.945.500
Cash Equivalents	943	450
	18.006.246	20.102.375

The Company and its affiliates have available credit facilities as of December 31, 2011 amounting to approximately 103 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 December 31, 2011 and 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. 60,82%
- Toyota Motor Europe NV/SA 27,00%

18. EQUITY

Dividends

According to the General shareholders meeting deliberation, as of 28 April 2011, a dividend of 0,19 Euros per share was paid (total dividend of 6.650.000 Euros). As of 23 April 2010, the dividend paid was of 0,15 Euros per share (total dividend of 5.250.000 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.

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(Note 10).

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).

Other Reserves

Refer to reserves with nature of free reserve, that can be distributable according to the commercial legislation.

19. NON CONTROLLED INTERESTS

Movements in this caption during the year ended as of December 31, 2011 and 2010 were as follows:

	DEC-11	DEC-10
Opening Balances as of January 1	1.081.820	3.284.681
Aquisition variation	-	- 2.399.454
Others	- 54.910	0
Net profit attributable to Non-controlled Interest	31.270	196.593
	1.058.180	1.081.820

20. BANK LOANS AND LEASINGS

As of December 31, 2011 and 2010 the caption "Loans" was as follows:

	DEC-11			DEC-10		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Bank Loan	56.070.000	-	56.070.000	59.000.000	250.000	59.250.000
Overdrafts	6.900.036	-	6.900.036	354.790	-	354.790
Other Loans	628.690	1.540.343	2.169.033	210.612	1.908.747	2.119.359
	63.598.726	1.540.343	65.139.069	59.565.402	2.158.747	61.724.149

As of December 31, 2011 and 2010, the detail of bank loans, overdrafts, others loans and Commercial Paper Programs, as well as its conditions, were as follows:

DESCRIPTION/BENEFICIARY COMPANY	2011 USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
Non-current				
Refundable subsidies:				
Toyota Caetano Portugal	1.363.390	1.363.390	30-01-2009	5 years
PME Invest III:				
Caetano Components	176.953	176.953	24-04-2009	5 years
	1.540.343	1.540.343		
Current				
Guaranteed account	13.970.000	29.400.000		
Bank Credits	6.900.036	17.500.000		
Refundable subsidies	628.690	628.690	30-01-2009	5 years
Factoring	-	5.000.000		
Commercial paper:				
Toyota Caetano Portugal	7.800.000	11.600.000	21-08-2006	5 years
Toyota Caetano Portugal	10.000.000	10.000.000	02-05-2011	5 years
Toyota Caetano Portugal	12.500.000	15.000.000	30-07-2008	5 years
Toyota Caetano Portugal	8.000.000	8.000.000	12-07-2007	5 years
Caetano Auto	3.800.000	4.000.000	25-05-2011	1 year
	63.598.726	101.128.690		
	65.139.069	102.669.033		

DESCRIPTION/BENEFICIARY COMPANY	2010 USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
Non-current				
Refundable subsidies:				
Toyota Caetano Portugal	1.908.747	1.908.747	30-01-2009	5 years
PME Invest III:				
Caetano Components	250.000	250.000	24-04-2009	5 years
	2.158.747	2.158.747		

DESCRIPTION/BENEFICIARY COMPANY	2010			
	USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
Current				
Guaranteed account	12.300.000	43.990.000		
Bank Credits	354.790	11.500.000		
Factoring	0	5.000.000		
Refundable subsidies	210.612	210.612	30-01-2009	5 years
Commercial 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		

Interests relating to the financial instruments mentioned above are indexed to Euribor, plus a spread which varies between 1,00% and 5,5%.

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-11	2012	2013	2014	2015	TOTAL
Refundable subsidies					
Amortization	545.356	545.356	545.356	272.678	1.908.748
	545.356	545.356	545.356	272.678	1.908.748

The item "Leasings" (current and non-current) is related to the purchase of facilities and equipment. The detail of this caption, as well as the reimbursement plan can be summarized as follows:

CONTRACT	LEASINGS	SHORT-TERM	MEDIUM AND LONG TERM					TOTAL
			2013	2014	2015	> 2015	TOTAL	
343616	Commercial facilities							
	Capital	127.591	77.538				77.538	205.129
	Interest	3.656	785				785	4.441
2028278	Commercial facilities							
	Capital	88.316	89.874	91.459	93.072	587.281	861.686	950.002
	Interest	16.373	14.815	13.229	11.616	34.185	73.845	90.218
559769	Commercial facilities							
	Capital	55.650	56.504	57.372	58.253	838.403	1.010.532	1.066.182
	Interest	16.436	15.582	14.714	13.833	85.145	129.273	145.709
626064	Commercial facilities							
	Capital	135.282	140.093	145.076	137.515	1.628.742	2.051.425	2.186.707
	Interest	71.488	66.690	61.722	56.577	316.875	501.863	573.351
Diversos	Commercial facilities							
	Capital	975.421	800.878	434.397	4.451		1.239.725	2.215.146
	Interest	34.535	17.148	4.385	12		21.545	56.080
	Total Capital	1.382.258	1.164.887	728.303	293.291	3.054.426	5.240.907	6.623.166
	Total Interest	142.488	115.020	94.050	82.038	436.204	727.312	869.799

21. ACCOUNTS PAYABLE

As of December 31, 2011 and 2010 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 AND PUBLIC ENTITIES

As of December 31, 2011 and 2010 the detail of this caption was as follows:

	CURRENT LIABILITES		NON-CURRENT LIABILITES	
	DEC-11	DEC-10	DEC-11	DEC-10
Public Entities				
Income Taxes withheld	315.658	349.190	-	-
Value Added Taxes	4.478.923	11.641.562	-	-
Income Tax (estimated tax) (Note 29)	34.058	3.449.654	-	-
Income Tax (advance taxpay)	- 1.533.222	- 2.133.025	-	-
Vehicles Tax	2.052.759	3.836.667	-	-
Custom Duties	170.407	727.142	-	-
Employee's social contributions	642.098	733.598	-	-
Others	213.651	214.186	-	-
	6.374.333	18.818.974	-	-
Shareholders - Others	37.486	59.825	-	-
Advances from Customers	876.085	636.666	-	-
Other Creditors	1.272.666	2.626.075	-	-
	2.186.237	3.322.566	-	-
	8.560.570	22.141.540	-	-

23. OTHER LOANS

As of December 31, 2011 the caption "Other Loans" includes an amount referred to a refundable investment subsidy, with the following repayment plan:

2012	628.690
2013 and later	1.540.343
	2.169.033

24. OTHER CURRENT LIABILITIES

As of December 31, 2011 and 2010 the caption "Other Loans" was as follows:

	DEC-11	DEC-10
Accrued Cost		
Vacation pay and bonus	4.820.418	6.036.037
Accrual for Vehicles Tax	449.996	710.473
Advertising Campaings	1.441.979	780.628
Specialization cost assigned to vehicles sold	791.536	2.349.319
Warranty claims	59.709	266.577
Interest	48.349	122.934
Advance External Supplies and Services	406.822	-
Royalties	73.890	135.723
Work for the company	36.263	-
Insurance	191.852	224.903
Commission	319.861	693.720
Supply costs	602.481	632.684
Others	702.265	1.131.879
	9.945.420	13.084.877
Deferred Income		
Publicity recuperation	971.796	890.257
Interest Charged to Customers	37.287	80.148
Subsidy granted	674.742	706.936
Rappel	306.960	-
Deferred profit	-	2.271.797
Others	393.722	171.009
	2.384.507	4.120.147
Total	12.329.927	17.205.024

25. LIABILITIES FOR RETIREMENT PENSION COMPLEMENTS

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 December 31, 2011, 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 December 19,2006 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.

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.

Additionally, during the period of 2011, it was made in Toyota Caetano Group an allocation for strengthening the pension fund in question, which amounted to approximately 2,7 million Euros, which is recorded in the profit and loss statement heading "Payroll Expenses "

The movement of the Fund responsibilities of the Company with the Defined benefit plan in 2011 can be summarized as follows:

Responsabilities at 1/1/2010	29.550.745
Correction to the amount of the Fund Responsabilities after 31.12.2010	53.176
Cost of the current services	220.950
Cost of interest	1.430.519
(Gains) and actuarial losses	418.675
Pension payment	- 1.987.121
Responsabilities at 31/12/2011	29.686.944

The allocation of this amount during 2011 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, 2010	28.812.418	7.920.838	36.733.256
Contributions	121.885	552.005	673.890
Real recovery of the plan assets	- 365.034	- 180.998	- 546.032
Pension payment	- 1.987.121	-	- 1.987.121
Tranfers between Members	- 40.925	-	- 40.925
Fund Amount at December 31, 2011	26.541.223	8.291.845	34.833.068

To face the insufficiency of the net liability coverage of the Fund, it was constituted a provision in the amount of about 2.7 million Euros.

As of December 31, 2011, the breakdown of the asset portfolio of the Fund that covers the defined benefit plan was as follows:

ASSET PORTFOLIO	PORTFOLIO WEIGHT	31-12-2011
Stocks	14%	3.710.463
Bonds	41%	10.794.315
Real Estate	39%	10.340.460
Cash	4%	1.117.385
Other Assets	2%	578.600
Total	100%	26.541.223

At December 31, 2011, 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	31-12-2010
Cimóvel - Fundo de Investimento Imobiliário Fechado	39%	10.340.460

It should be noted that in December 31, 2011, the Fund held approximately 312.945 shares of Toyota Caetano Portugal, SA (unchanged from December 2010), whose evaluation in the fund portfolio amounted to about 1.247.252 Euros (779.233 Euros in December 2010).

The evolution of the Group's responsabilities in the defined benefit plan and the assets of the Fund allocated can be summarized as follows:

DEFINED BENEFIT PLAN	2011	2010	2009	2008	2007
Responsability amount	29.686.944	29.550.745	29.035.762	28.358.503	28.258.700
Fund Amount	26.541.223	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 December 31, 2011 and 2010 were as follows:

	31-12-2011				
ITEMS	OPENING BALANCES	INCREASES	DISPOSALS AND OTHER	OTHER REGULARIZATIONS	ENDING BALANCES
Accumulated impairment losses in investments	1.781.995				1.781.995
Accumulated impairment losses in accounts Receivable (Note 12)	12.878.734	131.611	- 290.774	- 163.666	12.555.905
Accumulated impairment losses in inventories (Note 11)	2.361.786	218.645	- 90.667		2.489.764
Provisions	1.101.702	80.885	- 486.088	- 351.473	345.026

	31-12-2010				
ITEMS	OPENING BALANCES	INCREASES	DISPOSALS AND OTHER	OTHER REGULARIZATIONS	ENDING BALANCES
Accumulated impairment losses in investments	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

27. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate Derivatives

Althoug these derivatives (two interest rate swap contracts) were contracted for interest rate hedging purposes as well as funding cost optimization, they haven't been designated for hedge accounting. Thus, they are measured at fair value through profit or loss.

The fair value of these derivative financial instruments at December 31, 2011 was negative at 383.131 Euros (31 December 2010 was negative EUR 174.782) and comprises a total exposure of 20 million Euros, for a period of three years, counting from December 21, 2010.

These derivatives' valuation were provided at 31 December 2011 by the bank with whom they were contracted, taking into account future cash flows and risk estimates. That measure, falls within the Level 2 fair value hierarchy as set out in paragraph 27-A of IFRS7 (measurement inputs based on assumptions indirectly observable in the market).

It is the intention of Toyota Caetano Group to hold these instruments until their maturities, so this form of assessment reflects the best estimate of present value of future cash flows to be generated by such instruments.

Exchange rate Derivatives

It is a derivative financial instrument contracted with the purpose of hedging currency risk related with highly probable future transactions that contribute to reducing the exposure to changes in the exchange rate GBP:EUR, as well as interest rate derivatives, these derivatives have not also been designated for hedge accounting.

The fair value of these derivative financial instruments at December 31, 2011 was negative in 5.224 Euros, comprising a nominal value of 217.617 GBP, for a period of one year (monthly payments) starting on January 17, 2011.

The derivative financial instrument was valued at 31 December 2011 by the bank with whom it was hired, taking into account future cash flows and risk estimates. It is the intention of Toyota Cateano to hold this instrument until its maturity, so this form of assessment reflects the best estimate of present value of future cash flows to be generated by this instrument. That measure, falls within the Level 2 of the fair value hierarchy as set out in paragraph 27-A of IFRS7 (measurement inputs based on assumptions indirectly observable in the market).

28. FINANCIAL COMMITMENTS NOT INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2011 and 2010, Toyota Caetano Group had assumed the following financial commitments:

COMMITMENTS	DEC-11	DEC-10
Credits	277.546	47.561
Guarantees of Imports	13.255.604	14.091.676
	13.533.150	14.139.237

At 31 December 2011 and 2010, the financial commitments classified as "Guarantees for Imports" the amount of 8.080.910 Euros (8.080.910 Euros in 2010) is related with guarantees on imports provided to Customs Agency.

29. INCOME TAXES

The income tax for the year ended as of December 31, 2011 and 2010 was as follows:

	DEC-11	DEC-10
Income Tax (Note 22)	34.059	3.449.654
Deferred income taxes (Note 15)	272.571	- 841.374
	306.630	2.608.280

The reconciliation of the earnings before taxes of the years ended at December 31, 2011 and 2010 can be analyzed as follows:

	DEC-11	DEC-10
Profit before taxation	- 1.880.505	14.544.990
Tax on profit	26,50%	26,50%
Theoretical tax charge	- 498.334	3.854.422
Provisions not accepted as fiscal costs	247.305	- 105.071
Fiscal losses	58.462	- 81.967
Annulment in tangible fixed assets	159.218	- 870.049
Annulment in deferred costs	9.259	22.958
Derivated financial instruments valorization	- 56.597	85.826
Depreciation as a result of legal and free reavaluation of fixed assets	- 33.557	66.334
Effect of the reinvestments of the surplus in fixed assets sales	- 57.777	- 58.146
Future costs that will not be accepted fiscally	- 47.630	4.853
Fiscally surplus at the base of nº7 Artº7 Lei30/G 2000 Portuguese Law	- 6.112	- 6.112
Additional income tax	457.795	401.626
Others	74.597	- 806.395
Efective tax charge	306.630	2.608.280

30. EARNINGS PER SHARE

The earnings per share for the year ended as of December 31, 2011 and 2010 were computed based on the following amounts:

	DEC-11	DEC-10
Net income		
Basic	-2.187.135	11.936.710
Diluted	-2.187.135	11.936.710
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	-0,062	0,341

During 2011 and 2010 there were no changes in the number of shares.

31. SEGMENT INFORMATION

The main information relating to the business segments existing on December, 2011 and 2010, prepared according to the same accounting policies and criteria adopted in the preparation of the consolidated financial statements, is as follows:

2011	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	VEHICLES				INDUSTRIAL EQUIPAMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPAMENT				
	INDUSTRY	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRY	COMMERCIAL	MACHINES	SERVICES	RENTAL		
PROFIT															
External Sales	25.688.202	314.562.099	19.408.619	7.246.676	7.712.175	2.524.823	10.731.859		15.263.617	19.415.443	138.649	9.982	2.000	-119.533.372	303.170.772
INCOME															
Operational income	-3.316.695	1.682.687	-2.573.158	119.637	-134.224	1.542.769	847.468	-116.775	-2.137.572	728.506	-1.430	6.652	542	520.111	-2.831.481
Financial income	-195.302	2.288.967	-24.941	-304.318	-28.379	-23.717	-567.603	15.447	-144.944	-66.581	-804	-74	-33	3.257	950.976
Net income with non-controlled interests	-3.357.640	3.491.724	-2.404.265	-50.008	-162.603	1.477.027	309.710	-144.698	-2.282.515	555.574	-2.233	6.396	495	375.903	-2.187.135
OTHER INFORMATION															
Total consolidated assets	74.316.933	203.909.372	24.786.419	15.459.482	6.482.304	367.485	39.968.241	33.381.730		6.898.064				-144.277.176	261.292.853
Total consolidated liabilities	31.901.032	113.201.995	6.764.829	13.984.118	2.467.549	150.090	18.416.006	10.331.962		752.797				-68.801.341	129.169.038
Capital Expenses	924.667	1.659.616	350.716	3.957.016	152.444	16.975	2.191.562			659.642				-85.974	9.826.665
Depreciation	2.007.533	3.896.363	1.264.118	5.154.798	339.421	37.795	4.976.705			188.464				-21.253	17.843.943

2010	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	VEHICLES				INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT				
	INDUSTRY	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRY	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-controlled 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

The line "Turnover" includes Sales, Service Rendered and the amount of about 9.727.590 Euros (9.461.606 Euros as of 31 December 2010) related to equipment rentals accounted in Other Operating Income (Note 34).

The column "Eliminations" 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 December 31, 2011 and 2010, the average number of personnel was as follows:

PERSONNEL	DEC-11	DEC-10
Employees	1.148	1.223
Workers	596	675
	1.744	1.898

33. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETS AND BY ACTIVITIES

The detail of sales and services rendered by geographic markets, during the years ended as of December 31, 2011 and 2010, was as follows:

	DEC-11		DEC-10	
MARKET	AMOUNT	%	AMOUNT	%
National	262.555.681	89,47%	399.447.852	93,71%
Germany	28.846	0,01%	53.574	0,01%
United Kingdom	346.180	0,12%	1.225	0,00%
Spain	305.690	0,10%	389.421	0,09%
African Countries with Official Portuguese Language	14.931.005	5,09%	11.879.499	2,79%
Others	15.275.780	5,21%	14.486.695	3,40%
	293.443.182	100,00%	426.258.266	100,00%

Additionally, sales and services rendered by activity were as follows:

	DEC-11		DEC-10	
ACTIVITY	AMOUNT	%	AMOUNT	%
Vehicles	209.709.241	71,47%	335.675.555	78,75%
Spare Parts	55.467.551	18,90%	59.060.790	13,86%
Repairs and after sales services	22.858.533	7,79%	26.061.086	6,11%
Others	5.407.857	1,84%	5.460.835	1,28%
	293.443.182	100,00%	426.258.266	100,00%

34. OTHER OPERATING INCOME

As of December 31, 2011 and 2010, the caption "Other operating income" was as follows:

OTHER OPERATING INCOME	DEC-11	DEC-10
Guarantees recovered (Toyota)	4.064.297	5.862.292
Gains in the disposal Tangible Fixed Assets	1.825.515	1.699.229
Commissions	857.832	2.799.435
Lease Equipment	9.727.590	9.461.899
Advertising expenses and sales promotion recovered	1.294.100	1.585.165
Expenses recovered	2.315.620	1.833.192
Services provided	1.813.494	2.612.430
Work for the Company	1.974.727	2.724.091
Capital gains in financial investments	223	323.981
Subsidies	1.292.999	1.151.928
Others	5.364.315	6.953.422
Total	30.530.711	37.007.063

Note that the item "Expenses recovered" mainly includes income from recovery of costs related to the rent of facilities in Rio de Mouro, charged to Cimóvel - Real Estate Investment Fund. On the other hand, the heading "Others" relates essentially to charges of operating expenses to dealers.
The item Other operating expenses mainly relates to spending on business incentives and bonuses.

35. OPERATIONAL LEASE

The compromises assumed at December 31, 2011 and 2010 with operational lease contracts are as follows:

MINIMUM PAYMENTS OF OPERATIONAL LEASE	DEC-11	DEC-10
Not more than one year	681.015	1.940.383
More than one year and no more than five	2.122.712	6.336.806
More than five years	1.200.449	2.177.498
	4.004.176	10.454.687

36. STATEMENT OF CONSOLIDATED NET FINANCIAL RESULTS

Consolidated net financial results as of December 31, 2011 and 2010 were as follows:

EXPENSES AND LOSSES	DEC-11	DEC-10
Interest	2.648.246	2.854.506
Other Financial Expenses	213.575	105.483
Net Financial Results	950.976	1.411.105
	3.812.797	4.371.094

INCOME AND GAINS	DEC-11	DEC-10
Interest	1.061.085	581.385
Revenue from Investments Properties (Note 8)	2.751.712	2.676.444
Other Financial Income		1.113.265
	3.812.797	4.371.094

The captions "Other Financial Income" and "Other Financial Expenses" refer to derivatives' fair value changes (Note 27).

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		PRODUCTS		FIXED ASSETS	SERVICES		OTHERS	
COMPANY	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	COSTS	INCOME
ALBITIN, LDA	1.399	-	-	3.595	-	-	-	-	5.098
AMORIM BRITO & SARDINHA, LDA	86	-	-	-	-	-	-	-	100
ATLANTICA	5.111	-	-	-	-	-	-	-	-
AUTO PARTNER IMOBILIARIA, SA		84.886	-	-	-	-	349.640	-	-
BAVIERA - COMÉRCIO DE AUTOMÓVEIS, SA	379.919	265.100	3.038.677	525.594	-	36.287	192.894	113.917	157.599
CABO VERDE RENT-A-CAR, LDA	-	-	-	-	-	-	-	-	-
CAETANO ACTIVE (SUL), LDA	39.830	652	9.101	18.952	-	257	8.240	(91)	52.694
CAETANO AUTOBODY,COMERCIO DE AUTOCARROS, SA	-	734	2.427	9.000	-	1.040	-	-	-
CAETANO CITY E ACTIVE (NORTE), SA	142.528	134.351	63.322	162.676	237.107	28.375	21.279	2.871	155.969
CAETANO DRIVE,SPORT E URBAN	675.974	968.662	69.343	872.765	1.924.417	(14.224)	109.816	13.097	39.809
CAETANO FORMULA (NORTE), SA	109.016	137.096	(1.837)	204.205	176.769	24.081	54.815	(10.532)	43.775
CAETANO MOTORS	21.858	13.680	945	1.424	-	(21.036)	(98.583)	9.853	34.020
CAETANO PARTS, LDA	47.302	446.357	172.737	2.930.257	-	204.438	258.854	1.618	749.672
CAETANO POWER, SA	5.972	37.227	4.651	80.650	-	2.476	(137.772)	-	28.052
CAETANO RETAIL (NORTE), SGPS, SA	1.292	-	-	-	-	-	-	-	1.050
CAETANO RETAIL (SUL) SGPS, SA	689	-	-	-	-	-	-	-	560
CAETANO RETAIL SERVIÇOS, SA	11.970	-	-	-	-	-	-	-	24.953
CAETANO SPAIN, SA	351.986	648	99.863	-	-	-	890	-	-
CAETANO STAR (SUL), SA	96.816	4.325	61.413	261.900	-	7.813	(3.885)	(73)	95.743
CAETANO TECHNIK E SQUADRA, LDA	43.822	263.111	200.850	665.934	87.943	112.300	100.884	996	101.091
CAETANO UK LIMITED	15.424	20.265	-	-	-	-	3.274	-	-
CAETANOBUS-FABRICAÇÃO DE CARROÇARIAS, SA	4.721.917	45.941	4.682.784	84.306	-	350.453	161.517	-	2.446.550
CAETANOLYRSA, SA	76	1.686	-	-	-	12	5.944	-	787
E3C CAETSU PUBLICIDADE, SA	1.173	1.332.498	8.328	-	-	3.916	4.121.539	-	106.996
CAISB - COMPANHIA ADMINISTRADORA IMOBILIÁRIA SÃO BERNARDO, SA	6.050	-	-	-	-	-	395.136	-	-
CARPLUS-COMÉRCIO DE AUTOMÓVEIS, SA	207.248	54.748	138.269	266.889	11.815	47.919	(183.580)	-	21.337
CATEDRAL DO AUTOMÓVEL, SA	-	1.327	-	-	-	-	77.579	-	-
CHOICE CAR, SA	-	-	-	-	-	-	-	1.362	-
CIBERGUIA - INTERNET MARKETING, SA	9.954	-	-	-	-	-	-	-	-
CIMÓVEL	5.215.577	-	-	-	-	-	-	-	-
COCIGA-CONSTRUCOES CIVIS GAIA, LDA	5.287	76.940	2.381	-	118.840	4.299	143.194	9.075	6.592
CONTRAC GMBH	-	327.244	2.768	-	-	-	243.381	-	-
DICUORE - DECORAÇÃO, SA	761	-	-	-	8.028	-	34.725	1.255	1.412
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, SA	8.778	-	359	-	-	154	10.068	-	18.393

COMPANY	COMERCIAL DEBTS		PRODUCTS		FIXED ASSETS	SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	RENDERED	OBTAINED	COSTS	INCOME
EUFER-CAETANO-ENERGIAS RENOVÁVEIS, LDA	41.082	-	-	-	-	-	-	-	24.000
FINLOG - ALUGUER E COMÉRCIO AUTO, SA	97.787	705.062	761.459	881.521	-	90.832	1.135.310	154	24.603
GILLCAR NORTE, SA	-	1.958	-	7.217	313	-	1.861	-	785
GLOBAL S (SGPS), SA	-	-	-	-	-	-	-	-	-
GLOBALIA AUTOMOVILES, SLU	-	-	1.343.445	-	-	-	-	-	-
GLOBALWATT, SGPS, SA	-	-	-	-	-	-	-	-	30
GRUPO SALVADOR CAETANO,SGPS, SA	-	9	-	-	-	-	-	83	480
GRUPO SOARES DA COSTA	30.451	-	-	-	-	-	-	-	-
GUÉRIN-RENT-A-CAR(DOIS), LDA	864.842	115.267	130.374	-	-	1.525.864	234.711	- 15.815	593.064
IBERICAR AUTO NIPON, SA	27.568	11.643	48.172	-	-	-	56.101	-	-
IBERICAR GALICIA AUTO, SL	-	-	-	-	-	-	-	-	1.550
IBERICAR KELDENICH, SL	280	-	-	-	-	-	-	-	280
LAVORAUTO-ADMINISTRAÇÃO E CONSULTORIA DE EMPRESAS, SA	-	251.713	-	-	-	-	42.194	-	-
LIDERA SOLUCIONES, SL	-	111.516	-	-	-	-	16.000	-	-
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, SA	8.707	147.528	506.346	359.962	-	8.032	270.514	2.545	14.806
LUSO ASSISTÊNCIA-GESTÃO DE ACIDENTES, SA	-	3.860	5.498	24.756	-	2.356	313	-	-
MDS-AUTO, SA	47.363	108.618	2.628	127	-	1.126	75.096	- 33.258	205.417
NOVEF, SGPS	19.500	-	-	-	-	-	-	-	-
POAL	17.806	-	-	-	-	-	-	-	-
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, SA	10.330	-	125.284	-	-	432	41.698	-	4.877
RARCON-ARQUITECT E CONSULT, SA	4.218	-	-	-	-	-	650	-	-
RIGOR - CONSULTORIA E GESTÃO, SA	176.861	1.230.930	3.854	47.421	635	123.920	4.171.806	138.033	177.518
SALVADOR CAETANO-AUTO-SGPS, SA	123.802	-	-	-	-	-	-	-	-
SIMANOR-COMÉRCIO DE AUTOMÓVEIS, LDA	414	-	-	-	-	-	-	-	30
SIMOGA, SA	148	-	-	-	-	-	102.016	-	413
SOL GREEN WATT, SL	59	-	27	-	-	190	-	-	5
SPRAMO-PUBLICIDADE IMAGEM, SA	780	-	-	-	-	-	-	-	-
TECNICAS DE REPARACIÓN RAFER, SA	-	-	-	471	-	-	-	-	-
TOVICAR, SOCIEDADE COMERCIAL DE AUTOMÓVEIS, SA	39.792	9.075	-	-	-	-	293	-	-
TURISPAIVA, LDA	1.115	-	-	-	-	-	-	-	1.405
TOTAL	13.650.675	6.914.658	11.483.469	7.409.621	2.565.867	2.541.311	12.018.413	235.090	5.141.514

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.

According to current legislation, the Company's tax returns are subject to revision and correction by the tax authorities during a period of four years. Thus, the tax returns for the years 2008 to 2011 may subsequently be subject to revision. Statements regarding the Social Security may be revised over a period of five years. The Board of Directors believes that any improvements resulting from reviews / inspections by the tax authorities to tax returns for the years open to inspection should not have a significant effect on financial statements.

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, 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 of 2010 it has been recovered approximately 218.000 Euros recorded under "other operating income" related with this judicial process.

Caetano – Auto, S.A.

Regarding to the tax inspection to the year 2003, 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. The refered agency contract termination was due to breach of contractual obligation. As of January 2011, the court judgement was concluded with favourable decision to the Group. However, in September 2011, the refered former agent made an appeal in order to reopen the case.

In 2011, the counter-ordination process brought against the Group by Market Authority (Autoridade de Concorrência), was archived, with favourable decision to the Group.

39. REMUNERATION OF BOARD MEMBERS

The remuneration of the board members during the years 2011 and 2010, was as follows:

BOARD MEMBERS	DEC-11	DEC-10
Board of Directors		
Fixed remunerations	653.755	830.097
Variable remunerations	82.500	169.662

40. REMUNERATION OF STATUTORY AUDITOR

The remuneration of the Statutory Auditor, PricewatherhouseCoopers & Associados – S.R.O.C., Lda. for 2011, was as follows:

	DEC-11
Total fees related statutory audit	93.960
	93.960

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 2011.

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 July 1, 2002, as well as in relation to vehicles produced before this date, but presented as of January 1, 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 April 4th, 2012.

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: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Hiroyuki Ochiai; Daniele Schillaci; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Rui Manuel Machado de Noronha Mendes

05 Opinions

05 Opinion Of The Board Of Auditors

1. In accordance with the terms of item g) of Article 420.º of the Portuguese Companies Code and of the Articles of Association, it competes us to appreciate the report of the management performed and proceed to the general appraisal of the documents and statement of consolidated accounts of TOYOTA CAETANO PORTUGAL, SA, referring to the financial year of 2011 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 extent considered advisable and appropriate, 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 Individual Legal Certification of Accounts and the Consolidated Legal Certification of Accounts prepared by the Statutory External Auditor, with which we agree.

Thus,

5. All members of the Fiscal Council of TOYOTA CAETANO PORTUGAL, S.A., under the terms of item c) of number 1 of article 246.º of the Portuguese Securities Code, hereby declare, as far as it is our knowledge, that the information provided in item a) of the above referred article, including documents of individual and consolidated accounts, 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 and the companies included in its perimeter of consolidation, evidencing as well a description of the mains risks and incertitude's to be faced.

6. And, under the terms of number 5 of article 420.º of Portuguese Securities Code the Fiscal Council of TOYOTA CAETANO PORTUGAL, S.A. states that the report on the structure and practices of corporate governance includes the elements referred in article 245.º-As of Portuguese Companies Code.

7. Accordingly, we are of the opinion that the Annual General Meeting:

a. Approve the management report of the Board of Directors and the individual and consolidated Accounts related to the financial year ended on the December 31st, 2011;
b. Approve the net result application proposal contained in the management report of the Board of Directors;
c. Approve the proposal of the Board of Directors concerning the application of retained earnings calculated on the individual accounts of the Company, with respect to the point three of the notice to the General Meeting of Shareholders to be held on April 27th, 2012.

Vila Nova de Gaia, April 4th, 2012

José Domingos da Silva Fernandes – President
Takehiko Kuriyama – Member
Maria Lívia Fernandes Alves – Member

05 Statement Of The Board Of Auditors

All members of the Fiscal Council of TOYOTA CAETANO PORTUGAL, S.A., under the terms of item c) of number 1 of article 246.º of the Portuguese Securities Code, hereby declare, as far as it is our knowledge, that the information provided in item a) of the above referred article, including documents of individual and consolidated accounts, 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 and the companies included in its perimeter of consolidation, evidencing as well a description of the mains risks and incertitude's to be faced.

Vila Nova de Gaia, April 4th, 2012

José Domingos da Silva Fernandes – President
Takehiko Kuriyama – Member
Maria Lívia Fernandes Alves – Member

Report of the Auditors for Statutory and Stock Exchange Regulatory Purposes in respect of the Individual Financial Information

Introduction

1. As required by law, we present the Report of the Statutory Auditors for Stock Exchange Regulatory Purposes in respect of the Financial Information included in the Directors' Report and the financial statements of **Toyota Caetano Portugal, S.A**., comprising the balance sheet as at December 31, 2011, (which shows total assets of Euro 223,465,703 and a total of shareholder's equity of Euro 131,481,931 including a net loss of Euro 2.030.231), the statements of income by nature, 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 financial statements which present fairly, in all material respects, the financial position of the company, the results of its operations and cash flows; (ii) to prepare the historic financial information in accordance with generally accepted accounting principles in Portugal while also meeting the principles of completeness, truthfulness, accuracy, clarity, objectivity and lawfulness, as required by the Portuguese Securities Market Code; (iii) to adopt appropriate accounting policies and criteria; (iv) to maintain an adequate system of internal control; and (v) the disclosure of any relevant matters which have influenced the activity and the financial position or results of the company.

3. Our responsibility is to verify the financial information included in the financial statements referred to above, particularly as to whether it is complete, truthful, accurate, clear, objective and lawful, as required by the Portuguese Securities Market Code, for the purpose of expressing an independent and professional opinion on that financial information, 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 test basis, of the evidence supporting the amounts and disclosures in the financial statements, and assessing the reasonableness of the estimates, based on the judgments 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 the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness of the financial information.

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, 2011, the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles in Portugal and duly comply with principles of completeness, truthfulness, accuracy, clarity, objectivity and lawfulness.

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.

Vila Nova de Gaia, April 4th, 2012

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
Inscrita na Comissão de Valores Mobiliários sob o nº 9077
represented by:

José Pereira Alves, R.O.C.

Audit Report for Statutory and Stock Exchange Regulatory Purposes on the Consolidated Financial Information

Introduction

1. As required by law, we present the Audit Report for Statutory and Stock Exchange Regulatory Purposes on the financial information included in the Directors' Report and in the attached consolidated financial statements of Toyota Caetano Portugal, S.A., comprising the consolidated statement of financial position as at December 31, 2011 (which shows total assets of Euro 261,292,853 and total shareholder's equity of Euro 132,123,815 including non-controlling interests of Euro 1,058,180 and a net loss of Euro 2,218,405), the consolidated statement of income by nature, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the corresponding notes to the accounts.

Responsabilities

2. It is the responsibility of the Company's Board of Directors (i) to prepare the Directors' Report and the consolidated financial statements which present fairly, in all material respects, the financial position of the Company and its subsidiaries, the consolidated results and the consolidated comprehensive income of their operations, the changes in consolidated equity and the consolidated cash flows; (ii) to prepare historic financial information in accordance with International Financial Reporting Standards as adopted by the European Union and which is complete, true, up-to-date, clear, objective and lawful, as required by the Portuguese Securities Market Code; (iii) to adopt appropriate accounting policies and criteria; (iv) to maintain appropriate systems of internal control; and (v) to disclose any significant matters which have influenced the activity, financial position or results of the Company and its subsidiaries.

3. Our responsibility is to verify the financial information included in the financial statements referred to above, namely as to whether it is complete, true, up-to-date, clear, objective and lawful, as required by the Portuguese Securities Market Code, for the purpose of issuing an independent and professional report based on our audit.

Scope

4. We conducted our audit in accordance with the Standards and Technical Recommendations issued 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 from material misstatement. Accordingly, our audit included: (i) verification that the Company and its subsidiaries' financial statements have been appropriately 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 judgements and criteria of the Board of Directors used in the preparation of the consolidated financial statements; (ii) verification of the consolidation operations; (iii) assessing the appropriateness 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 the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness of the consolidated financial information.

5. Our audit also covered the verification that the information included in the Directors' Report is consistent with the financial statements as well as the verification set forth in paragraphs 4 and 5 of Article 451º 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 December 31, 2011, the consolidated results and the consolidated comprehensive income of its operations, the changes in consolidated equity and the consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and the information included is complete, true, up-to-date, clear, objective and lawful.

Report on other legal requirements

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

Vila Nova de Gaia, April 4th, 2012

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

José Pereira Alves, R.O.C.

05 Remuneration Committe Statement

Having convened on 12th January 2012, the Remuneration Committee of Toyota Caetano Portugal, S.A., states the following:

a. Compliance with the Remuneration policy defined for the financial year 2011.

After analysing all accounting elements and other records of Toyota Caetano Portugal, the Commission has found that, no changes occurred in the remunerations of the members of the Governing Bodies during the financial year 2011, thus confirming fulfilment of the proposals made by the Commission at the General Shareholders' Meeting held on 28 April 2011.

b. Remuneration Policy to be applied during the Financial year 2012

In view of the current economic situation, and taking into consideration the forecasts regarding activities and income for the financial year 2012 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 2010, this remuneration component did not exceed 2% of distributable profits as proposed by this Commission.

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 2011, 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-e) 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, january 16th 2012

Alberto Luís Lema Mandim
Maria Conceição Monteiro Silva
Francelim Costa da Silva Graça

06 Corporate Governance

Chapter 0
Statment of Compliance

01. 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 January 2010 contained in the CMVM's Corporate Governance Code. It is available on the Company website at www.toyotacaetano.pt, as well as in CMVM domain at www.cmvm.pt.

02. 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	I9/10/12
I.3.2 The statutory deadline for receiving early voting ballots by mail shall not exceed 3 working days.	No	I9/11
I.3.3 Companies should ensure that voting rights are in proportion to shareholding, preferably through statutory provision matching one vote with one share. Companies do not meet proportionality if: i) they have shares that do not grant voting rights; ii) they establish that voting rights are not counted over a certain number, when issued by a single shareholder or shareholders related to him/her.	Yes	I6
I.4 QUORUM AND RESOLUTIONS		
Companies shall not set a constitutive or deliberating quorum that outnumbers that which is provided for by Law.	No	I8
I.5 MINUTES AND INFORMATION ON RESOLUTIONS ADOPTED		
Extracts from minutes of meetings of the General Shareholders' Meeting, or documents of equivalent content should be made available to shareholders on the company's website within five days of the General Shareholders' Meeting, even though they do not constitute inside information. The disseminated information should cover the decisions taken, capital represented and voting outcome. This information should be stored on the company's website for at least three years.	Yes	I13/14
I.6 MEASURES ON CORPORATE CONTROL		
I.6.1 The measures adopted aiming at avoiding the success of takeover bids should respect the company's interests and those of its shareholders. The articles of association of companies that, in fulfilling this principle, provide for the limitation of the number of votes that may be held or exercised by a single shareholder, individually or jointly with other shareholders, should also provide that the change or maintenance of this statutory provision be subject to decision by the General Shareholders' Meeting at least every five years - with no aggravated quorum requirement compared to the legal quorum - and that this decision shall count all the votes cast without operation of that restriction.	Yes	I20

I.6.2 Defensive measures should not be adopted where these are automatically intended to cause serious erosion of company equity in the event of transfer of control or change in the composition of the board of directors and thus obstruct the free transferability of shares and free assessment by shareholders of the performance of the members of board of directors.	Yes	I20
II. GOVERNING AND AUDITING BODIES		
II.1. GENERAL POINTS		
II.1.1. STRUCTURE AND REMIT		
II.1.1.1 The board of directors shall assess the adopted model in its governance report and pinpoint 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 should set up internal control and risk management systems that enable risk to be identified and managed, thereby safeguarding their value and ensuring the transparency of their corporate governance. These systems should include at least the following components: i) setting of the company's strategic objectives in terms of risk assumption, ii) identification of the main risks related to the actual activity carried out and the events that could engender risk; iii) analysis and measurement of the impact and likelihood of occurrence for each of the potential risks, iv) risk management aiming at aligning risks actually incurred in due to the company's strategic option in terms of risk assumption; v) control mechanisms for the execution of the risk management measures adopted and their effectiveness; vi) adoption of internal information and communication mechanisms on various system components and risk alerts; vii) regular assessment of the implemented system and adoption of any changes that prove necessary.	Yes	II6/9
II.1.1.3 The board of directors shall ensure the creation and operation of internal control and risk management systems, and it is incumbent on the audit body the responsibility for assessing the operation of these systems and proposing any adjustment to the needs of the company.	Yes	II5/9
II.1.1.4. In their annual Corporate Governance report companies shall: i) identify the main economic, financial and legal risks to which the company is exposed while carrying out its activity; ii) describe the performance and effectiveness of the risk management system.	Yes	II5/9
II.1.1.5. The board of directors and the audit body shall have operating regulations, which should be disclosed on the company's website.	No	II/1
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 The non-executive board members must include an adequate number of independent directors, taking into account the size of the company and its shareholder structure, which may in no case be lower than one quarter of the total number of directors.	No	II14
II.1.2.3. The evaluation of the independence of the non-executive members carried out by the board of directors should take account of the legal rules and regulations in force on the independence requirements and incompatibilities regime applicable to members of other corporate bodies, ensuring the systematic and temporal consistency in the application of the independence criteria across the whole company. A director shall not be deemed independent if s/he was unable to take on this role in another corporate body under the applicable standards.	Yes	II14
II.1.3 ELIGIBILITY AND APPOINTMENT		
II.1.3.1 . Depending on the applicable model, the chairman of the audit board, of the audit committee or of the committee on financial matters, should be independent and should have the appropriate skills to carry out his/her duties.	Yes	II21
II.1.3.2. The process for the selection of candidates for non-executive directors should be designed so as to prevent interference of the executive directors.	Yes	II16
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 board of directors should be structured to allow the alignment of their interests with the company's long-term interests and should be based on performance evaluation, and should discourage excessive risk taking. To this end, the remunerations shall be structured as follows: i) the remuneration of directors with executive duties should include a variable component which is determined based on performance evaluation carried out by the company's competent bodies, in accordance with pre-set measurable criteria, and should consider real growth of the company and wealth actually created for shareholders, its long-term sustainability and the risks taken, as well as the compliance with the rules applicable to the company's activity; ii) the variable component of the remuneration should be reasonable overall in relation to the fixed component of the remuneration, and ceilings should be set for all components; (iii) a significant portion of the variable remuneration shall be deferred for a period not less than three years, and its payment should be dependent on the continued positive performance of the company throughout this period; (iv) the members of the board of directors shall not enter into contracts, both with the company or with third parties, that may mitigate the risk inherent in the variability of remuneration fixed for them by the company; (v) until the end of their mandate, executive directors should hold company shares that they have acquired through variable remuneration schemes, to a limit of twice the amount of their total annual remuneration, except those that need to be disposed of for the payment of taxes resulting from income on said shares; (vi) when the variable remuneration includes allocation of options, the start of the period should be deferred for not less than three years; (vii) appropriate legal instruments should be put in place so that the compensation set for any type of dismissal of directors without fair grounds is not paid if the dismissal or termination by agreement is due to inadequate performance by the director; (viii) remuneration of non-executive members of the board of directors should not include any component whose amount depends on company performance or value.	No	II30/33/34
II.1.5.2 The statement on the remuneration policy for the board of directors and the audit body, referred to in Article 2 of Law 28/2009 of 19 June, shall, in addition to the contents specified therein, contain sufficient information on: i) the groups of companies whose remuneration policy and practices were taken as a comparator for setting the remuneration, ii) the payments for dismissal or termination by agreement of directors' roles.	No	II32
II.1.5.3 The statement on the remuneration policy referred to in Article 2 of Law 28/2009 shall also cover remunerations of managers under the meaning of article 248-B (3) of Código dos Valores Mobiliários (Portuguese Securities Code) and whose remuneration contains a significant variable component. The statement should be detailed and the policy presented should take account of the long-term performance of the company, compliance with the standards applicable to the company's activity and restraint in risk-taking.	No	II32
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.	Yes	I18
II.1.5.6 At least one representative of the remuneration committee shall be present at the Annual General Shareholders' Meetings.	Yes	I15
II.1.5.7 The annual report on Corporate Governance shall disclose the remuneration amount received, as aggregate and individually, in other group companies and the pension rights acquired in the financial year in question.	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	II6/17
II.2.5. The company shall explain its rotation policy for Board of Directors' offices, including the holder of the financial office, and report on it in the annual report on Corporate Governance.	Yes	II11
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.	Yes	II 10
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.4.6. The internal audit services and those that monitor compliance with the standards applied to the company (compliance services) shall report functionally to the Audit Committee, the General and Supervisory Board or, in the case of companies that adopt the Latin model, to an independent director or the Audit Board, regardless of the line relationship that these services have with the company's executive board.	No	II5/II6
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; iii) identify in a timely manner potential candidates with the high profile required for performing the duties of a director.	No	II2
II.5.2 Members of the remuneration committee or alike, shall be independent from the members of the board of directors and shall include at least one member with knowledge and experience in remuneration policy matters.	Yes	II38
II.5.3. No natural or legal person who provides or has provided, over the past three years, services to any structure under dependence of the Board of Directors, the company's Board of Directors itself or who is currently in a relationship with a company consultancy agency, shall be hired to support the Remuneration Committee in the performance of its duties. This recommendation also applies to any natural or legal person who has an employment or service provision contract with those bodies.	Yes	II39

II.5.4 All committees shall prepare minutes of all meetings held.	Yes	II.12
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	III.16
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	III.16
III.1.3. Companies shall promote the rotation of the auditor after two or three mandates depending on whether these are, respectively, four or three years. Retention of the auditor beyond this period shall be substantiated on a specific opinion of the audit board that explicitly considers the level of auditor independence and the costs and benefits of replacement.	Yes	III.18
III.1.4. The external auditor shall, within the scope of his/her remit, verify the application of the remuneration policies and systems, the efficiency and effectiveness of internal control mechanisms and report any deficiencies to the company's audit board.	Yes	III.18
III.1.5. The company shall not hire from the external auditor, or any entity with which it has a shareholding relationship or which are part of the same network, miscellaneous services other than audit services. Where there are reasons for hiring such services - which must be approved by the audit board and explained in its annual report on Corporate Governance - they shall not be more than 30% of the total value of the services provided to the company.	No	III.17
IV. CONFLICT OF INTEREST		
IV.1. RELATIONSHIP WITH SHAREHOLDERS		
IV.1. The company's businesses with shareholders with qualifying holdings or entities with whom it has any type of relationship, pursuant to Art. 20 of Código dos Valores Mobiliários (Portuguese Securities Code), shall be carried out under normal market conditions.	Yes	III.12
IV.1.2. Businesses of significant relevance with shareholders with qualifying holdings or entities with whom it has any type of relationship, pursuant to Art. 20 of Código dos Valores Mobiliários (Portuguese Securities Code), shall be subject to the prior opinion of the audit board. This body shall establish the procedures and criteria required to define the relevant level of significance of such businesses and the other terms of its intervention.	No	III.13

03. 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.

I.4.
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.1.1.5
The Company is making efforts towards the creation and dissemination on the Company's website of the operating regulations of the board of directors and audit body.

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 II.14 of the Report for further details concerning the composition of the Board), the number of non-executives accounting for 29% of the total number of board members.

II.1.2.2
The non-executive members of the board of directors (2 out of a total of 7 members), appointed by Toyota Motor Europe, may not be regarded as independent.
II.1.5.1
Despite all the measures complied with and explained in number II33 the decision to explain non-compliance stems from the non-alignment of the variable remuneration of the Board Members with a policy of medium and long-term maximization of company income.
II.1.5.2
The statement on the remuneration policy for the board of directors and audit body, made by the remuneration committee as described in paragraph II.32, does not include decisions on payments for dismissal or termination by agreement of directors' roles.
II.1.5.3
Although a statement of remuneration of the board of directors and of the audit body 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.4.6
As described in paragraph II5 and II6 control of the risks inherent in the activity is carried out by the Board of Directors.
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.
III.1.5
The item Other services provided by the external auditor includes verification of supporting documentation for the investment project framed under the System of incentives for Research & Development of the QREN Operational Programme and the Board of Directors was incumbent of ensuring, prior to the award, that the auditors and their respective network, are not hired for services that under European Commission Recommendation No. C (2002) 1873 of 16 May 2002, could jeopardize their independence.
IV.1.2
The Audit Board, within the scope of its remit, did not conduct a prior evaluation of businesses carried out between the company and shareholders with qualifying holding and entities with whom it has any type of relationship, in accordance with Article 20 of Código dos Valores Mobiliários (Portuguese Securities Code), as it considers that these were carried out under normal market conditions.

04.
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:

- José Lourenço Abreu Teixeira – Chairman
- Manuel Fernando Monteiro da Silva – Vice Chairman
- António Manuel de Oliveira Saramago – 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 20011 for a period of 4 years, and ends its mandate in 2014.

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 2011. In 2011 the amount received by the current Chairman of the General Shareholders' Meeting, José Lourenço Abreu Teixeira, was around 281.49 Euros earned as outgoing Vice-Chairman. In turn, the Vice-Chairman, Manuel Fernando Monteiro da Silva, did not earn any remuneration in 2011.

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. 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 per cent 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. Cumpre-nos informar que de acordo com os actuais Estatutos da Sociedade não se encontra prevista a possibilidade de exercício do direito de voto por meios electrónicos.

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.toyota.pt) egarding 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. The General Shareholders' Meeting held on 28 April 2011 was attended by a representative of the remuneration committee.

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 board of directors 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 Board of Directors.

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 fulfil all the requirements demanded for any other employee of one of the companies of the universe included in the Pension Fund. The Pension Fund currently covers members of the Board of Directors who meet the above conditions, and this inclusion was approved by the General Shareholders' Meeting.

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 that 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 board of directors.

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 board of directors 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 20011 for a period of 4 years, its mandate ending in 2014, 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 6 February 2012, due to the resignation of Miguel Silva Ramalho da Fonseca from the role of Board Member, the Board of Directors co-opted Daniele Schillaci to serve as Board Member for the period not yet elapsed for the on-going four-year period.

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

- José Reis da Silva Ramos – Chairman
- Hiroyuki Ochiai – Member
- Daniele Schillaci – 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 20011 for a period of four years, its mandate ending en 2014 and its duties are detailed as follows:

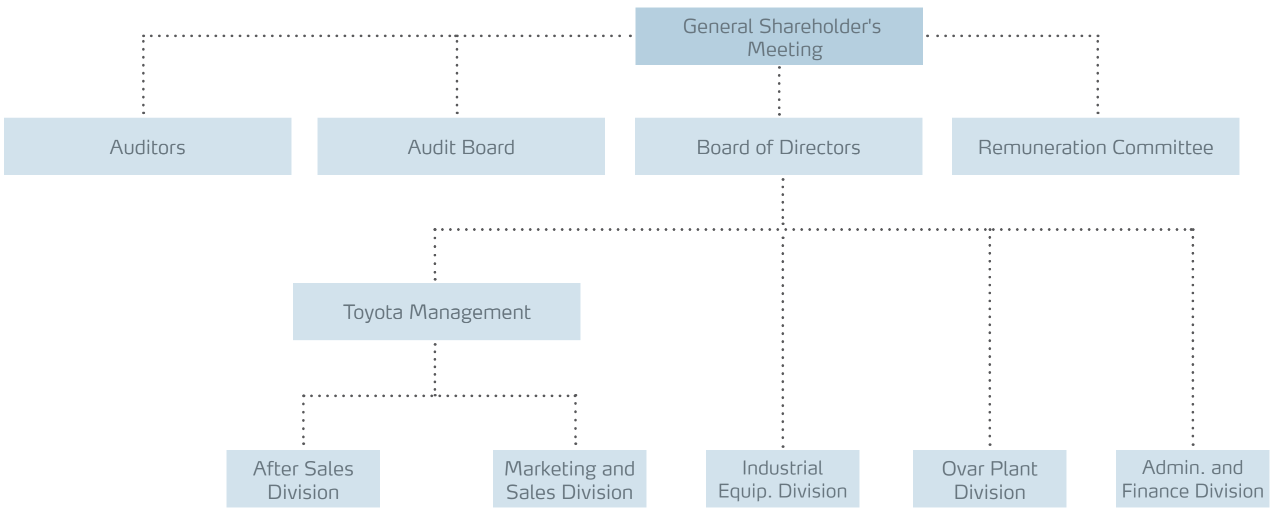
- José Domingos da Silva Fernandes - Chairman
- Maria Lívia Fernandes Alves – Member
- Takehiko Kuriyama – Member

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

The operating regulations of the board of directors and the audit body are not disclosed on the company's website.

II.2. The company has no committee that 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. The Company adopts the governance model commonly known as 'enhanced Latin', which recommends the separation of the board of directors and the audit body, as well as dual auditing, consisting of an audit board and a statutory auditor. The Board of Directors' evaluation concluded that the adoption of this model allows for an audit body with effective and enhanced auditing, composed entirely of members subject to a regime of incompatibilities and independence requirements.
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 Commission) 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. The Board of Directors delegates powers to a director responsible for each of the divisions identified in the above organisation chart, including current management and with whom the Board meets regularly to review and follow-up the activity carried out. It should be noted that an annual budget is prepared and which, during the financial year, is subject to periodic control carried out by the Company's Board of Directors and by the company's operational management.
The Board of Directors is responsible for exercising the widest range of powers, representing the Company in and out of court, actively and passively, as well as to carry out all acts that seek to achieve the corporate purpose, in particular the following:

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.
i) Ensuring the creation and operation of internal control and risk management systems.

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 and is assessed on an annual basis by the Audit Board.

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. 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.
It should be noted further that the risk management set out above includes the following:
- Sensitivity analysis (measurement of potential impacts according to the likelihood of occurrence of each risk);
- strategic alignment of the company according to the risks actually incurred;
- mechanisms for controlling the execution of the risk management measures adopted and their effectiveness;
- information and communication internal mechanisms on the various components of the risk alert system.

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.
The Board of Directors provides the Audit Board with the Board meeting notices and minutes.

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 board of directors 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 2011, the Board of Directors convened 7 times, and the corresponding minutes are registered in the Board of Directors' book of minutes.
The Audit Board convened 2 times during 2011, the correspondent minutes being registered in the book of minutes of the Audit Board.
The Remuneration Committee convened 2 times during 2011, the correspondent minutes being registered in

the book of minutes of the Remuneration Committee.

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
- Daniele Schillaci – 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 61% 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 board of directors is based on Article 414 (5) of Código das Sociedades Comerciais (Portuguese 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.

New non-executive directors are appointed by election in the General Shareholders' Meeting.

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 that 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.

No member of the Board of Directors currently holds Company shares. However, it should be noted that the process of sharing of the assets of Mr Salvador Fernandes Caetano is still in progress.

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

NAME	COMPANY	TITLE
José Reis da Silva Ramos Chairman of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	Rigor - Consultoria e Gestão, S.A.	Chairman of the Board of Directors
	Saltano – Invest. e Gestão, SGPS, S.A.	Chairman of the Board of Directors
	Caetano Auto, S.A.	Chairman of the Board of Directors
	Caetano Rentig, S.A	Chairman of the Board of Directors
	Caetanobus – Fabricação. de Carroçarias, S.A.	Chairman of the Board of Directors
	Caetano Components, S.A.	Chairman of the Board of Directors
	Lusiletra – Veículos. e Equipamentos, S.A.	Chairman of the Board of Directors
	Fundação Salvador Caetano	Chairman of the Board of Directors
	Soc. Imobiliária Quinta da Fundega, S.A.	Chairman of the Board of Directors
	Cabo Verde Motors, SARL	Chairman of the Board of Directors
	Portianga - Comercio Internacional e Participações, S.A.	Chairman of the Board of Directors
	Salvador Caetano - Indústria (SGPS), S..A.	Chairman of the Board of Directors
	Auto Partner - Comércio de Automóveis, S.A.	Chairman of the Board of Directors
	Salvador Caetano Auto África, SGPS, S.A.	Chairman of the Board of Directors
	Grupo Salvador Caetano, SGPS, S.A.	Member of the Board of Directors
	Atlântica – Comp. Portuguesa de Pesca, S.A.	Member of the Board of Directors
	Rarcon - Arquitetura e Consultadoria, S.A.	Member of the Board of Directors
	Mds Auto - Mediação de Seguros, S.A.	Member of the Board of Directors
	Movicargo - Movimentação Industrial, Lda.	Manager
	Crustacil – Comércio de Marisco, Lda.	Manager
	Covim - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman - Board of GM
	Novef – SGPS, S.A.	Vice-Pres. - Board of GM

NAME	COMPANY	TITLE
Maria Angelina Martins Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	Grupo Salvador Caetano, SGPS, S.A.	Chairman of the Board of Directors
	Atlântica – Comp. Portuguesa de pesca, S.A.	Chairman of the Board of Directors
	Poal - Pavimentações e Obras Acessórias, S.A.	Chairman of the Board of Directors
	Lavorauto - Administração Imb. e Cons. de Empresas, S.A.	Chairman of the Board of Directors
	Comp. Administ. Imobiliária São Bernardo, S.A.	Chairman of the Board of Directors
	Auto Partner - Imobiliária, S.A.	Chairman of the Board of Directors
	Caetano, SGPS, S.A.	Chairman of the Board of Directors
	Cociga – Construções Civis de Gaia, S.A.	Chairman of the Board of Directors
	Simoga – Soc. Imobiliária de Gaia, S.A.	Chairman of the Board of Directors
	Turispaiva – Soc. Turística Paivense, S.A	Chairman of the Board of Directors
	Covim - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman of the Board of Directors
	Novef, SGPS, S.A.	Chairman of the Board of Directors
	Rarcon - Arquitetura e Consultadoria, S.A	Member of the Board of Directors
	Saltano – Invest. e Gestão, SGPS, S.A.	Member of the Board of Directors
	Caetano Auto, S.A.	Member of the Board of Directors
	Portianga – Com. Int. e Participações, S.A.	Member of the Board of Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member of the Board of Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member of the Board of Directors
	Cabo Verde Motors, SA	Member of the Board of Directors
	Crustacil – Comércio de Marisco, Lda.	Manager
	Rigor - Consultoria e Gestão, S.A.	Chairman - Board of GM
	Caetano Retail (Norte) II, SGPS, S.A	Chairman - Board of GM
	Auto Partner - Comércio de Automóveis, S.A.	Chairman - Board of GM
	Caetano Colisão (Norte), S.A.	Chairman - Board of GM
	Salvador Caetano Auto áfrica, SGPS, S.A.	Chairman - Board of GM
	Caetano City e Ative (Norte), S.A.	Chairman - Board of GM
	Salvador Caetano-Auto- SGPS, S.A.	Chairman - Board of GM
	Salvador Caetano Capital (SGPS), S.A.	Chairman - Board of GM
	E3C Caetsu Publicidade, S.A.	Chairman - Board of GM
	Soc. Imob. Quinta da Fundega, S.A.	Chairman - Board of GM
	Caetano Star (Sul), S.A.	Chairman - Board of GM
	Caetano Power, S.A.	Chairman - Board of GM
	Caetano Drive, Sport e Urban, S.A.	Chairman - Board of GM
	Caetano Renting, S.A	Chairman - Board of GM
	Caetano Motors, S.A.	Chairman - Board of GM

	Caetano Retail, SGPS, S.A.	Chairman - Board of GM
	Tovicar – Sociedade de Com. de Automóveis, S.A.	Chairman - Board of GM
	Caetano Parts & Colisão (Sul), S.A.	Chairman - Board of GM
	Caetano Retail Serviços, S.A.	Chairman - Board of GM
	Caetano Fórmula, S.A.	Chairman - Board of GM
	Caetano Motors (Norte), S.A.	Chairman - Board of GM
	Enp - Energias Renováveis Portugal, S.A.	Chairman - Board of GM

NAME	COMPANY	TITLE
Salvador Acácio Martins Caetano Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	Caetano-Baviera – Comércio de Automóveis, S.A.	Chairman of the Board of Directors
	Salvador Caetano-Auto, SGPS, S.A.	Chairman of the Board of Directors
	Tovicar – Sociedade de Com. de Automóveis, S.A.	Chairman of the Board of Directors
	Caetano Retail, SGPS, S.A.	Chairman of the Board of Directors
	Caetano Retail (Norte) II, SGPS, S.A.	Chairman of the Board of Directors
	Grupo Salvador Caetano, SGPS, S.A.	Vice-Chairman of the Board of Directors
	Rigor - Consultoria e Gestão, S.A.	Member of the Board of Directors
	Saltano – Invest. E Gestão, SGPS, S.A.	Member of the Board of Directors
	Caetano, SGPS, S.A.	Member of the Board of Directors
	Caetano Renting, S.A	Member of the Board of Directors
	Portianga – Com. Int. E participações, S.A.	Member of the Board of Directors
	Cociga – Construções Civis de Gaia, S.A.	Member of the Board of Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member of the Board of Directors
	Turispaiva – Soc. Turística Paivense, s.a	Member of the Board of Directors
	Simoga – Soc. Imobiliária de Gaia, S.A.	Member of the Board of Directors
	Gillcar Norte - Comércio e Ind. De Máquinas e Tintas, S.A.	Member of the Board of Directors
	Fundação Salvador Caetano	Member of the Board of Directors
	Amorim Brito & Sardinha, Lda.	Manager
	Maqtin - Comércio e Indústria de Máq. Ferramentas e Tintas, Lda.	Manager
	Caetano Auto, S.A.	Chairman - Board of GM
	Salvador Caetano Indústria (SGPS), S.A.	Chairman - Board of GM
	Caetanobus - Fabricação de Carroçarias, S.A.	Chairman - Board of GM
	Lusiletra – Veículos e Equipamentos, S.A.	Chairman - Board of GM
	Mds Auto - Mediação de Seguros, S.A.	Chairman - Board of GM
	Catedral do Automóvel, S.A.	Chairman - Board of GM
	Lavorauto - Administração Imb. E Cons. de Empresas, S.A.	Chairman - Board of GM
	Auto Partner - Imobiliária, S.A.	Chairman - Board of GM
	Choice Car – Comércio de Automóveis, S.A.	Chairman - Board of GM
	Choice Car - SGPS, S.A.	Chairman - Board of GM
	Finlog - Aluguer e Comércio de Automóveis, S.A.	Chairman - Board of GM
	Carplus – Comércio de Automóveis, S.A.	Chairman - Board of GM
	Luso Assistência - Gestão de Acidentes, S.A.	Chairman - Board of GM
	Island Rent, Aluguer de Automóveis, S.A.	Chairman - Board of GM
	Comp. Administ. Imobiliária São Bernardo, S.A.	Chairman - Board of GM

NAME	COMPANY	TITLE
Miguel Pedro Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	Salvador Caetano Capital (SGPS), S.A.	Chairman of the Board of Directors
	ENP - Energias Renovaveis Portugal, S.A.	Chairman of the Board of Directors
	Central Solar de Castanhos, S.A	Chairman of the Board of Directors
	Catedral do Automóvel, S.A.	Chairman of the Board of Directors
	Choice Car - SGPS, S.A.	Chairman of the Board of Directors
	Vas Cabo Verde, Sociedade Unipessoal, S.A.	Chairman of the Board of Directors
	Globalwatt, SGPS, S.A.	Chairman of the Board of Directors
	Vas Africa, S.A.	Chairman of the Board of Directors
	Caetanolyrsa, S.A.	Vice-Chairman of the Board of Directors
	Covim - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Vice-Chairman of the Board of Directors
	Automocion Peninsular Inmebles, S.A.	Vice-Chairman of the Board of Directors
	Ibericar, Sociedad Iberica del Automóvil, S.A.	Member of the Board of Directors
	Grupo Salvador Caetano, SGPS, S.A.	Member of the Board of Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member of the Board of Directors
	E3C Caetsu Publicidade, S.A.	Member of the Board of Directors
	MDS Auto - Mediação de Seguros, S.A.	Member of the Board of Directors
	Auto Partner - Imobiliária, S.A.	Member of the Board of Directors
	Caetano Retail (Norte) II, SGPS, S.A.	Member of the Board of Directors
	Portianga - Comércio Internacional e Participações, S.A.	Member of the Board of Directors
	Caetano Renting, S.A	Member of the Board of Directors
	Tovicar - Sociedade de Automóveis, S.A.	Member of the Board of Directors
	Caetano Retail, SGPS, S.A.	Member of the Board of Directors
	Lavorauto, S.A.	Member of the Board of Directors
	Rigor - Consultoria e Gestão, S.A.	Member of the Board of Directors
	Salvador Caetano.Auto, SGPS, S.A.	Member of the Board of Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member of the Board of Directors
	Comp. Administ. Imobiliária São Bernardo, S.A.	Member of the Board of Directors
	Choice Car – Comércio de Automóveis, S.A.	Member of the Board of Directors
	Finlog - Aluguer e Comércio de Automóveis, S.A.	Member of the Board of Directors
	Luso Assistência - Gestão de Acidentes, S.A.	Member of the Board of Directors
	Island Rent, Aluguer de Automóveis, S.A.	Member of the Board of Directors
	Guérin – Rent – a – Car, S.L.U.	Member of the Board of Directors
	Dicuore - Decoração, S.A.	Member of the Board of Directors
	Querdiller, S.A.	Member of the Board of Directors
	Ibericar Quermotor, S.A.	Member of the Board of Directors
	Ibericar Galicia Auto, S.L.	Member of the Board of Directors
	Ibericar Centro Auto, S.L.	Manager
	Tardes Solarengas - Energias Renováveis, Lda	Manager
	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.	Chairman - Board of GM
	Central Solar de Castanhos, S.A.	Chairman - Board of GM

NAME	COMPANY	TITLE
Rui Manuel Machado de Noronha Mendes Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A	Caetanobus - Fabricação de Carroçarias, S.A.	Member of the Board of Directors
	Caetano Spain, S.A.	Member of the Board of Directors
	Salvador Caetano Indústria (SGPS), S.A.	Member of the Board of Directors
	Fundação Salvador Caetano	Member of the Board of Directors
	Vas África, S.A.	Member of the Board of Directors
	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.
In annex (Annex I) is disclosed the professional qualifications of the members of the Board of Directors.

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 Domingos da Silva Fernandes – Chairman
Maria Lívia Fernandes Alves – Member
Takehiko Kuriyama – 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 Companies Code), and in addition the Audit Board carries out the correspondent self-evaluation.

II.22. The members of the Audit Board have appropriate skills to carry out their roles and the Chairman is properly supported by the other members of the Audit Board (Annex I).
The members of the Audit Board hold no Company shares.
The current Audit Board, elected in 20011 for a period of four years, its mandate ending in 2014.

II.23. During the past five years, the members of the Audit Board have carried out other duties in the following companies:
José Domingos da Silva Fernandes
Chairman of the Audit Board for the companies
Caetano – Baviera – Comércio de automóveis, SA (Grupo Salvador Caetano)
LPFP – Liga Portuguesa de Futebol Profissional
Statutory Auditor for the companies
Multiponto, SA
Imomonteiro's – Sociedade Imobiliária, SA
Poal – Pavimentações e Obras Acessórias, SA
Turispaiva – Sociedade Turística Paivense, SA
Summertime – Sociedade Imobiliária, SA
Convemaia – Sociedade Imobiliária, Sa
BDS, SGPS, SA
Poliedro, SGPS, SA
CEIIA – Centro de Excelência e Inovação para a Indústria Automóvel
Maria Lívia Fernandes Alves: does not perform any other duties in other Companies.
Takehiko Kuriyama: does not perform any other duties in other Companies

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.
Furthermore, the Audit Board is responsible for proposing the provider of external audit services and the relevant remuneration and for ensuring that suitable conditions for the provision of the services are provided within the Company. Finally, the Audit Board evaluates the External Audit on an annual basis and submits to the General Shareholders' Meeting the proposal for his/her dismissal whenever there is fair grounds to that end.

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 Board of Directors, 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 2011 for the performance of their duties in the Company and in other Companies of the Group are as follows:

REMUNERATIONS	FIXED COMPONENT		VARIABLE COMPONENT		
	COMPANY	TOYOTA GROUP COMPANIES	COMPANY	TOYOTA GROUP COMPANIES	TOTAL
Executive Board Members	331.330	285.712	103.098	12.000	732.140
José Reis da Silva Ramos	137.573	0	27.500	12.000	177.073
Maria Angelina Martins Caetano Ramos	101.438	285.712	27.500	0	414.650
Salvador Acácio Martins Caetano	0	0	27.500	0	27.500
Rui Manuel Machado Noronha Mendes	92.319	0	20.598	0	112.917
Miguel Pedro Caetano Ramos	0	0	0	0	0
Non-Executive Board Members	0	0	0	0	0
Total	331.330	285.712	103.098	12.000	732.140

The remunerations obtained by the members of the Audit Board of Toyota Caetano Portugal, S.A. during the financial year of 2011 for the performance of their duties in the Company were as follows:

REMUNERATIONS	FIXED COMPONENT		VARIABLE COMPONENT		
	COMPANY	TOYOTA GROUP COMPANIES	COMPANY	TOYOTA GROUP COMPANIES	TOTAL
José Domingos da Silva Fernandes	3.405	0	0	0	3.405
Maria Lívia Fernandes Alves	1.000	0	0	0	1.000
Takehiko Kuriyama	0	0	0	0	0
Total	4.405	0	0	0	4.405

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 Board of Directors with the interests of the company.

The remunerations policy for the Board of Directors and for the Audit Body is defined by an independent Remuneration Committee, based on criteria that meet the ability to create shareholder value. Definition of the above-mentioned criterion takes into account several factors including market comparative data and macroeconomic data.

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 Board of Directors 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. Non-executive members of the board of directors 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 2 meetings in 2011.

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. The seniority of the members of the Committee in carrying out their duties should be noted in this respect.

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

Chapter III
Information and Audit

III.1. As at 31 December 2011, 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 (Heirs of)	3,998%
Maria Angelina Caetano Ramos e Salvador Acácio Martins Caetano	
through Grupo Salvador Caetano (S.G.P.S.), S.A.	60,824%
through Cociga	0,001%
José Reis da Silva Ramos through Fundação Salvador Caetano	0,018%
Maria Angelina Caetano Ramos e Miguel Pedro Caetano Ramos	
through COVIM	1,124%
	61,967%
Toyota Motor Europe NV/SA	27%
Millenium BCP – Gestão de Fundos de Investimentos, S.A.	3,51%

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.

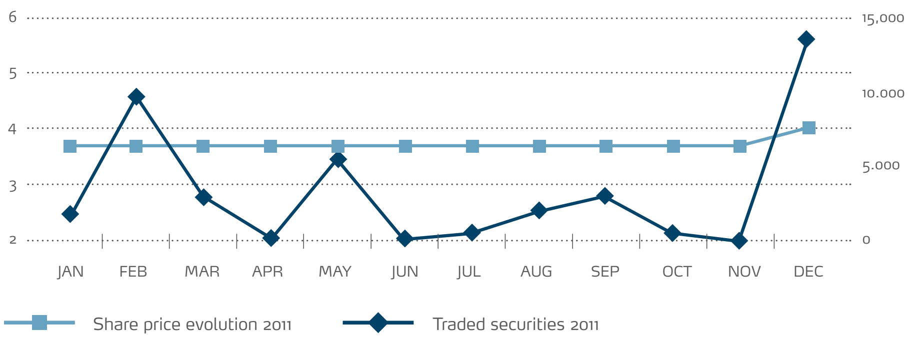
III.5. See number I21.

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 2011, 39,054 shares were traded on the Stock Exchange.
No abnormal transaction activities were registered, these having maintained a low rate throughout the year.
In the following graph the evolution of the company's share price can be assessed. In terms of share price evolution as a reflex of the financial market crisis the price remained stable, having opened the year at 3.7 Euros and closed the year at 4.00 Euros, which was its highest value. On the other hand, changes in share prices due to the direct impact of the announcement of income (8 April 2011) or the announcement of dividend payments (5 May 2011) are not expected.

Evolution of Shares/Securities Traded in 2011



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	2011	2010	2009	2008	2007
Net Income (mEuros)	-2.030	10.652	11.034	3.177	10.706
Not payable	-2.058	3.010	5.666		
Payable	28	7.642	5.368	3.177	10.706
Dividends (mEuros)		6.650	5.250	2.450	8.750
Dividends per Share (Euro)		0,19	0,15	0,07	0,25

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%.

In relation to 2011, and given the income ascertained for the financial year, the Board of Directors does not submit any proposal for the payment of dividends.

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 2011, no business was conducted between the Company and the members of the governing bodies (both board of directors and audit board), 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 2011 no business or transactions were performed between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20. of Código dos Valores Mobiliários (Portuguese Securities Code), outside of normal market conditions.

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

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

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

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

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

Market liaison officer:

Rui Manuel Machado de Noronha Mendes
Telephone: +351 227 867 203
Email: 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 93,960 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.

ANNEX I
CURRICULUM VITAE

Name: José Reis da Silva Ramos
Date and Place of Birth: 15 August 1946, in Vila Nova de Gaia.
Marital Status: Married
Address: Alameda Senhor da Pedra, 262, Miramar Arcozelo, Vila Nova de Gaia
Academic Qualifications: Degree in Metallurgic Engineering
Professional Activity: Companies' Director

Name: Maria Angelina Martins Caetano Ramos
Date and Place of Birth: 18 August 1949, in Vila Nova de Gaia.
Marital Status: Married
Address: Alameda Senhor da Pedra, 262, Miramar Arcozelo, Vila Nova de Gaia
Academic Qualifications: Degree in Economics
Professional Activity: Companies' Director

Name: Salvador Acácio Martins Caetano
Date and Place of Birth: 30 January 1955, in Vila Nova de Gaia.
Marital Status: Married
Address: Rua Moreira Lobo, 80, Miramar Arcozelo, Vila Nova de Gaia
Academic Qualifications: Degree in Engineering
Professional Activity: Companies' Director

Name: Miguel Pedro Caetano Ramos
Date and Place of Birth: 26 September 1971, in Vila Nova de Gaia.
Marital Status: Married
Address: C Carnicero Edif. Puerto Chico, 5 P04 B, Torremolinos – Malaga - Spain
Academic Qualifications: Degree in Mechanical Engineering
Professional Activity: Companies' Director

Name: Rui Manuel Machado Noronha Mendes
Date and Place of Birth: 8 August 1954, in Leça da Palmeira - Matosinhos.
Marital Status: Married
Address: Rua Dr. Manuel Rodrigues de Sousa, 64 – 6º Esq. - Matosinhos
Academic Qualifications: Degree in Economics
Professional Activity: Companies' Director

Name: José Domingos Silva Fernandes
Date and Place of Birth: 28 March 1951, in Cedofeita - Porto.
Marital Status: Married
Professional Address: Rua Cunha Júnior, 41 – B, 1º sala 4 4250-186 Porto
Academic Qualifications:
- 1970 Accountant studies, at the former Instituto Comercial do Porto
- 1975 Decree in Economics – Porto University

Work experience:

- 1975 – 1993	Technician at Inspeção- Geral de Finanças
- 1987 – 2011	Professor at Porto's Instituto Superior de Contabilidade e Administração
Since 1982	Registered at the Statutory Auditors' Association, and has performed such duties in several entities.
- 2001 – 2005	Chairman of the Disciplinary Board of the Statutory Auditors' Association

Currently

1) Performs the duties of Chairman of the Audit Board at other entities
Caetano – Baviera – Comércio de automóveis, SA (Grupo Salvador Caetano)
LPFP – Liga Portuguesa de Futebol Profissional

2) Performs the duties of Statutory Auditor at the following entities
Multiponto, SA
Imomonteiro's – Sociedade Imobiliária, SA
Poal – Pavimentações e Obras Acessórias, SA
Turispaiva – Sociedade Turística Paivense, SA
Summertime – Sociedade Imobiliária, SA
Convemaia – Sociedade Imobiliária, Sa
BDS, SGPS, SA
Poliedro, SGPS, SA
CEIIA – Centro de Excelência e Inovação para a Indústria Automóvel

Name: Maria Livia Fernandes Alves
Date and Place of Birth: 31 January 1945, in Nine - Vila Nova de Famalicão.
Marital Status: Divorced
Address: Rua Amorim Girão, 161, 1º Dtº, 4460-209 Senhora da Hora
Academic Qualifications: General Studies in Commerce

Toyota Caetano Portugal, S.A.