Annual Report and Accounts 2013

Toyota Caetano Portugal, S.A.

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01 GENERAL

01 CORPORATE BODIES

Board of the General Meeting

José Lourenço Abreu Teixeira Chairman
Manuel Fernando Monteiro da Silva Vice-chairman
Maria Olívia Almeida Madureira 2nd Secretary

Board of Directors

José Reis da Silva Ramos Chairman
Takeshi Numa 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
Yoichi Sato Alternate Member

Audit Board

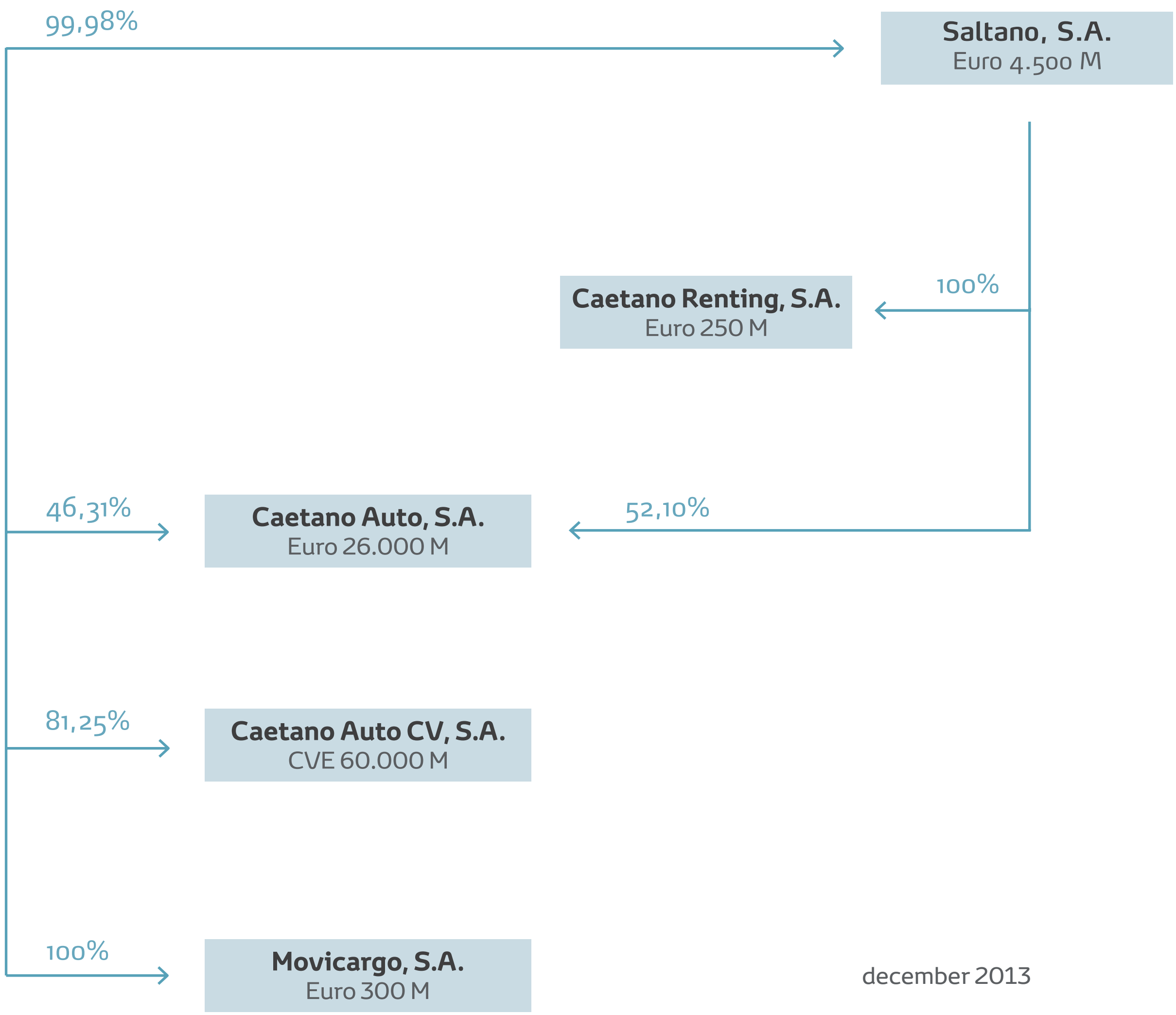
José Domingos da Silva Fernandes Chairman
Alberto Luís Lema Mandim Member
Akito Tamaki Member
Maria Lívia Fernandes Alves Alternate Member
Takao Gonno Alternate Member

Statutory Auditor

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

01 TOYOTA CAETANO PORTUGAL, S.A. TREE

Toyota Caetano Portugal, S.A.
Euro 35.000 M



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Southern Division

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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

MESSAGE FROM THE PRESIDENT

José Ramos | President | Toyota Caetano Portugal

I am convinced that we are entering a new cycle. A still weak but effective growth cycle.

It seems that the 'harder' phase of the National and European economic crisis is overcome. Several indicators show me that we are entering a new growth course. And the Automotive market in general and Toyota Caetano Portugal (TCAP) in particular have been reflecting that same development.

Together with the increase of 11.7% in vehicles sales compared to 2012, although always behind what was experienced before this recession period, the sector begins to undergo a reduction in the number of companies in difficulties or in insolvency, while makes continue a series of launches, without neglecting investment in infrastructures and in people.

Also Toyota ended 2013 with an increase of 18.7% in sales (5,876 units sold) compared to the previous year and with an increase of 0.2 p.p. (4.6%) in market share, although far from the results achieved before 2009.

Toyota Caetano Portugal (TCAP), by means of its own efforts and relying on the unconditional support from Toyota Motor Corporation (TMC) and Toyota Motor Europe (TME), has been slowly adapting to the new market conditions.

In what concerns the persistent strategy in the strict management of resources, continuous improvement and fighting waste and cost reduction, seeking the binomial profitability/turnover, Portugal has followed Toyota at European level on the appropriate renewal of the product range, significantly focusing on hybrid technology and introduction of updated and quite competitive versions in higher volume segments, where Yaris and Auris score points.

On the other hand, Toyota 'team' (Distributor, Net of Dealers and business partners) knows how to construe the change and appropriately adjust to it, deserving a word of appreciation for all the work carried out, mainly because it has fully internalised the need to make more and better, in view of higher productivity, based on continuous improvement. As a matter of fact, we are running the path that made Toyota one of the most prosperous companies in the world and the largest world car manufacturer. And we are therefore aligned with the current dynamics of Group Salvador Caetano.

Given the difficulties which the Country has been experiencing within the past few years, creating jobs or keeping the existing ones has probably been TCAP most important concern, especially on the industry areas.

This situation led to a redefinition of business models so they would enable profitability of such areas (industry areas) and an occupation of most of the time spent, bringing into the company some of the tasks previously outsourced. Together with this strategy and the huge effort from employees, it seems that the solutions to ensure the future of Toyota industrial business in Portugal have just been found; again with the unsurpassable support from TMC.

This way, continuity of Ovar Factory Unit is thus ensured and with perspectives of production growth and economic profitability, resulting from the new project which, in mid-2015, will bring a new Toyota model into the national production lines, aimed at export, and thus contributing again to the national economy.

Due to all of this, 2013 was also a year of 'successes', with a view to 2014 as the year of consolidation of the recovery that has just started.

This is favoured by a global economic situation which starts to show some improvement indicators, resulting from the end of Troika's Adjustment Programme and the positive behaviour of some national and international economic indicators, such as increases in exports and consumer confidence index.

Due to all of the aforementioned, I believe that 2014 will also be the beginning of a new path towards a new and promising story in the Automotive sector in general and Toyota in particular.

Continuous improvement, greater efficiency in using resources and empowerment of human resources by means of productivity will be the cornerstone within a context where renovation is the perspective.

However, as I said above, I underline that to be able to achieve an effective positive turnaround on the national economy, it is vital that a regime pact between the two largest political parties is achieved, with a view to long-term political, social, economic and fiscal stability.

We will only enter a true new growth cycle if we also experience a change in politics actions.

José Ramos

(President & CEO Toyota Caetano Portugal)

INTRODUCTION

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

TOYOTA CAETANO PORTUGAL, S.A.

Industrial Activity

Ovar Factory Unit

In 2013, 1,111 Toyota units were manufactured, corresponding to a 20% decrease against the same period in 2012. With the production of a single model – Dyna, the export market experienced a decrease of 16% and the national market experienced an increase of 1% compared to 2012.

The start of production of the new Dyna 200 model on the second half should be noted, as we are expecting a good acceptance by the target markets.

In Conversions and PDI (Pre-Delivery Inspections) business, 2.339 vehicles were prepared, standing for a decrease of 7,5% over the same period in 2012.

Production	2013	2012	2011	2010	2009
Toyota Physical Units	1.111	1.381	2.025	2.553	1.967
Minibuses Physical Units	0	0	12	91	86
Transformed Physical Units	2.339	2.174	4.274	6.316	5.677
Total Employees	181	190	214	297	340

The slowdown in business forced us to adapt the installed capacity by changing the takt time and adjusting Human Resources with the productive reality.

2013 was also marked by several events:

- APCER audit to our Quality and Environment Management systems (ISO 9001:2008 and ISO 14001:2012) and the first audit of Toyota Motor Europe to Toyota Environmental System;
- Visit from Mr. Numa, Executive Vice-President of Toyota Motor Europe and of Mr. Hayashi, STE of Toyota Motor Corporation.

Finally, a word for future perspectives of Ovar Factory Unit, which according to our best expectations will enable us to at least keep the existing jobs as well as growing production volumes, expecting improvement in Net Results.

Commercial Activity

Global Market Framework

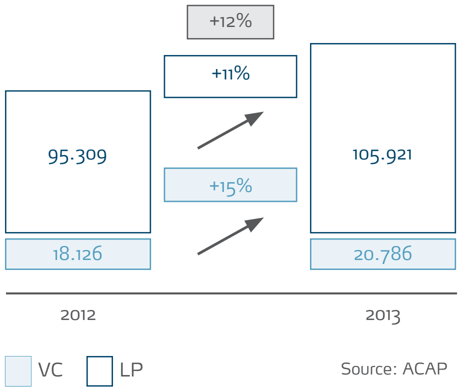
2013 showed a growth when compared to 2012, with an increase of 12%, totalling 126.707 units sold.

Passenger vehicles and commercial vehicles registered a positive behaviour compared to the same period last year, with a positive change of 11% and 15%, respectively.

The following are of note, as factors explaining market performance:

- In 2013, **Portugal registered an improvement on the main macroeconomic indicators;** these indicators turned out to record higher positive values than those initially forecasted. The development of consumer confidence indexes and of wholesale and retail market should be particularly highlighted.

- This improvement in macroeconomic indicators had a special impact on the business market, resulting in a more sharp growth of commercial vehicles.



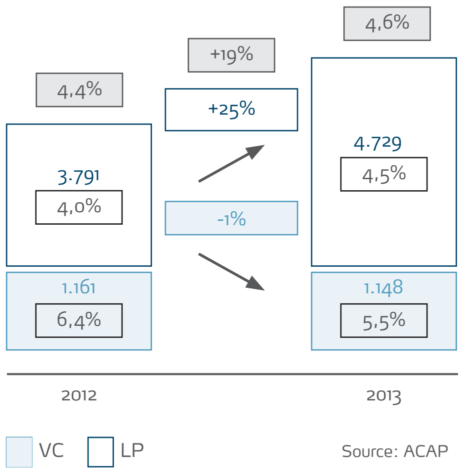
Toyota Vehicles

In 2013, Toyota registrations showed atotal growth of 19%, achieving 5.877 units; this was translated into a market share of 4,6% (+ 0,2 p.p. compared to 2012).
Toyota performance is due mainly to:

1. The good performanceof Yaris model throughout the year;

2. The launch of new generation of Auris model, with its arguments strengthened by the launch of Touring Sports in July; this enabled the presence of the make in one of the most important sub-segments on the market;

3. The launch of new generations for Corolla and RAV4 models, as well as the Proace model;



4. The performance of Verso and Avensis models, which increased their market share respectively in Vans segment and D segment;
5. The performance of commercial models Hilux and Dyna, which increased their market share and turned out as sales leaders within the corresponding segments;
6. Dyna model, which is produced locally at the Ovar assembly plant, kept the leading position for the 7th consecutive year in Chassis-Cab segment.

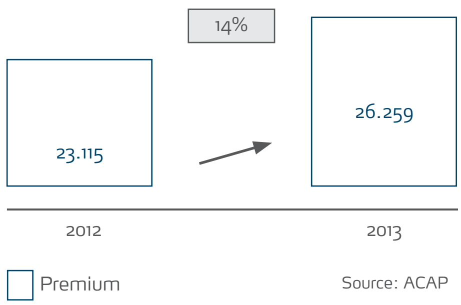
The strong competition experienced by Segments B and C (agressive promotional campaigns throughout the year) should be highlighted.

For 2014, global priorities and objectives established include:

- Capitalising the most representative models in terms of sales - Yaris and Auris, based on the recent launch of Auris Touring Sports model;
- Boosting sales to business clients (more representative segment of the automotive market);
- Strengthening the brand image and value by means of the Hybrid technology, positioning it as the more effective solution for sustainable mobility.

Premium Market Framework

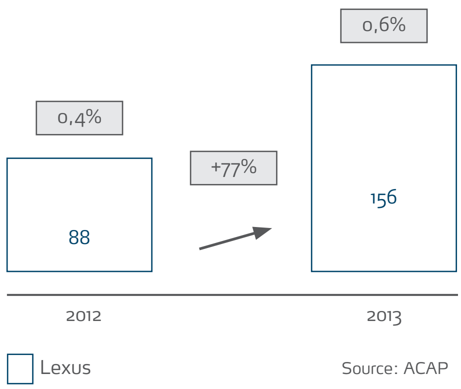
The Premium Market also registered a positive development compared to the previous year, showing a growth of 14% and totalling 26.259 units sold. This growth was slightly higher than that registered by the total of generalist brands, representing about 25% of the total passenger market in 2013.



Lexus Vehicles

Within a complex and competitive environment, with an intensive commercial aggressiveness in segments C-Premium and D-Premium, Lexus stood above the market behaviour, with a 77% growth. In 2013, Lexus registered 156 registrations, which meant a market share of 0,6% in the premium market (+0,2 pp Vs 2012),

The sharp increase in Lexus sales in 2013 was due to the launch of IS model new generation, as well as to the competitiveness of special series 'Move ON' of model CT 200h.



For 2014, global objectives established include:

- Strengthening the positioning of innovation, leveraged on extended and exclusive offer of hybrid vehicles with enhanced design;
- Capitalising the more representative models in terms of sales – CT 200h and IS 300h, based on the launch of new CT 200h and on the first full year of commercialisation of IS 300h;
- Making the brand a reference in terms of design and strengthen its emotional appeal by means of renewing and expanding de model range.

Outlook for 2014

Given the current economic climate and forecasts of Banco de Portugal published in the more recent winter Bulletin, 2014 is expected to be particularly challenging given the following macroeconomic assumptions:

Projections of Banco de Portugal 2013-2015
Change rate, in percentage

	Winter Bulletin		
	2013	2014	2015
GDP	-1,5	0,8	1,3
Private Consumption	-2,0	0,3	0,7
Public Consumption	-1,5	-2,3	-0,5
FBCF	-8,4	1,0	3,7
Internal Demand	-2,7	0,1	0,9
Exports	5,9	5,5	5,4
Imports	2,7	3,9	4,5
IHPC	0,5	0,8	1,2

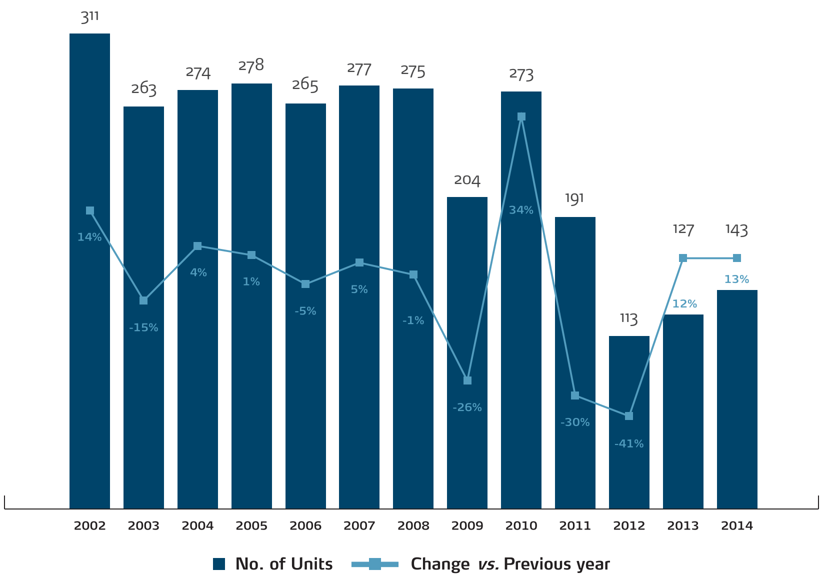
With the exception of public consumption, it is expectable that all indicadors will show a positive development when compared with 2013. Highlight should be given to the projection for GDP behaviour and private consumption. Despite a slighty more favourable macroeconomic scenario, we still face an adverse context with significant risks.

In face of this background, the Market forecast for 2014 assumes a growth of 13% when compared to the previous year, standing at around 143.000 units.

Given the conditions described, Toyota's objective for 2014 is 6.800 units, with this value representing an increase of 16% against 2013, resulting in a Toyota market share of 4,8% (+0,2 p.p.vs 2013).

Regarding Lexus, the target is 280 units, representing about 80% growth against 2013.

Automotive Market Development
in thousands



Industrial Machines

Toyota Industrial Equipment

	MARKET			TOYOTA + BT SALES				
	'12	'13	Change %	'12 QTY	'12 Share	'13 QTY	'13 Share	Change %
Counterbalanced Fork-lifts	664	722	8,7	152	22,9	142	19,7	-6,6
Warehouse equipment	861	1.225	42,3	192	22,3	313	25,6	63,0
TOTAL LHM	**1.525**	**1.947**	**27,7**	**344**	**22,6**	**455**	**23,4**	**32,3**

Source: ACAP

Market

In 2013, the **Load Handling Machines** market reversed the downward trend registered in the past few years, showing a 27,7% growth. This reversion was mainly recorded on the second half of the year with an acceleration of the economic activity being experienced as well as the effects of the fiscal incentives.

By analysing by type of equipment, growth was not of the same order of magnitude regarding the 2 major segments: Counterbalanced forklifts (8,7%) and Warehouse Equipment (42,3%). This disparity is due to the fact that counterbalanced forklifts are more geared towards industry, with this sector having a slower recovery which is being supported by the increase in exports.
Warehouse Equipment aimed essentially at Logistics, a sector where the economic crisis was not so severe, registered a significant growth explained by the renewal of some fleets which were being postponed.

Toyota + BT Sales

For sales of **Toyota Counterbalanced Forklifts** a drop in sales of 6,6% was registered compared with the same period the previous year, which allowed for our market share to stand at 19,7%.
As for **BT Warehouse Equipment**, sales, a growth of 63% was registered, mainly because of the completion of fleet businesses, reaching a 25,6% market share.
In terms of sales ranking, **Toyota + BT** was number 2 with a market share of 23,4%.

After Sales

Global sales

(Thousand Euros)

Product	Sales 2012	Sales 2013	Growth % 2013/2012
Parts/ Accessories/Merchandising	36,1	34,1	-5,40%
Extracare/Eurocare Services	0,6	0,7	26,10%
Total	**36,6**	**34,9**	**-4,90%**

At the end of 2013, Toyota's After Sales Division had a turnover of 34 million Euros in parts, accessories and merchandising. This amount corresponds to a 5,4% decrease against 2012.

Regarding Extracare and Assistência Total (Total Assistance) services, a growth of 26,1% over 2012 is registered. Invoicing of these services is directly related to the sales of new vehicles, with a trend of change similar to this business.

The Official Toyota Assistance network is the main client of the After-Sales Division. This client got 92,3% of global turnover in 2013, corresponding to about 32 million Euros. However, this is a reduction of 6,1% when compared with the previous year.

2013 continued to be characterised by the economic climate of contraction, which started already in 2011. Furthermore, other factors such as the aging of the car park, the decrease in average run of vehicles and the sale of fewer commercial vehicles, are adverse to the development of car branch After-Sales.

Within a context which particularly affects the automotive market, Toyota Caetano Portugal continued committed to boosting programmes that contradict the results of this unfavourable economic climate.

We highlight some of the measures taken, with especial incidence in retaining Toyota workshop clients:

- Offer of 3 year/45.000 km maintenance contract for Auris and Verso purchases;
- Customer Retention Campaign 'Plan 5+', which took place throughout 2013, with special prices for changing oil and filter and other offers;
- Introduction of 'Maintenance Contracts' for NG RAV4, NG Auris Touring Sports, Proace and NG Corolla;
- Launch of the 'Maintenance Contracts' for used vehicles, up to 5 years or 150.000 km. Again, the routing of the vehicle to Toyota workshops for maintenance work is guaranteed for the whole contract term;
- Provision of a new portal that enables proactive contacts with the customer at the time that the customer is expected to require Toyota services;
- 'Drive Insurance' sales incentive campaign for Toyota and Lexus vehicles, where increased discounts were offered;
- Boosting of the Toyota Support 24 programme, with offer of amicable accident report document, for workshop customers.

Additionally, other measures have been taken to boost After Sales activity, such as:

- Launch of the Premium Trade Programme 2013 aimed at parts' clients of the Public Counter. This program promotes boosting of itinerant sales;
- Windscreen Campaign, starting in December 2012, and kept throughout 2013. This campaign offered attractive prices for these collision parts (price reduction of 25%);
- Launch of the Online Accessories Catalogue for querying the accessories available for all marketed models. This catalogue is updated on a daily basis;
- Continuous support and incitement to the sale of products considered as 'business opportunities'. This campaign seeks to boost the concept of additional sales, thus generating greater profitability for Dealers;
- Continuous disclosure, throughout the year, of the tyre business included, for example, in client retention campaigns.

Within After-Sales business area, 2014 is expected to bring a new drop in turnover, and again we will endeavour all efforts in order to avoid jeopardising the Company's profitability.

Human Resources

In Human Resources, we seek to contribute directly to decision-making by providing relevant and meaningful data in terms of results through continuous improvement of management applications for Human Resources, adapting them to establish combinations of analysis, performance parameters and staff indicators, improving the quality and accuracy of information, even enabling the projection and analysis of the impact of possible scenarios.

In order to simplify, automate administrative processes and optimise resources, we have continued the 'Employee Portal' project, with new features extensive to all TCAP and which allow, for example, to change personal data, view absenteeism, access pay slips, income statement, etc. It should also be said that access to this system covers almost all Toyota Caetano Portugal employees.

Seeking innovation, flexibility and integration, we have continued the BPM (Business Process Management) process, aligning and promoting efficiency, continuously looking for improvement. This is an investment in a system that enables automation of administrative or production support processes.

In a year marked by the crisis, our staff was kept relatively stable showing only a small decrease compared to 2012, as a result of the continuous need for adaptation to new business volumes.

No. of Employees	**2012**	**2013**	**Change**
TOYOTA CAETANO PORTUGAL, S.A. - GAIA	247	241	-6
TOYOTA CAETANO PORTUGAL, S.A. - OVAR	190	181	-9
TOYOTA CAETANO PORTUGAL, S.A. - LISBON	71	73	2
Total	**508**	**495**	**-13**

We have started the reorganisation of the Recruitment and Selection Area, allocating the right human means and changing ways of working and of organising. We have created a new application to run in an integral way R&S area via Toyota Caetano site.

In a difficult context of great uncertainty, we continued the trainee integration project which is shown in the following table:

No. of Traineeships	**2012**	**2013**
Professional Traineeships	9	7
Curricula Traineeships	14	7
Total	**23**	**14**

We continued the project for updating the Description, Analysis and Qualification of Roles aiming at enabling the availability of instruments that allow a management with growing fairness and effectiveness of people in their professional involvement. This project is decisive for audits to quality certification processes.

With regard to wage policy and given the economic situation, there were no salary changes.

CAETANO AUTO, S.A.

The global situation of the economic and financial crisis, the reflexes of which were already too evident within the Portuguese businesses, was maintained throughout 2013, although with some indicators at year-end showing a slight upturn. However, Portugal is still under the watchful eye of the IMF, European Central Bank and the European Commission, which continue to recommend austerity measures and specific constraints for economic policies leading to a reduction in budget deficit and an increase in public debt.

Within this context, Caetano Auto was responsible in 2013 for registering 3.484 new vehicles, against 2.772 units in 2012, thus showing an improvement of more than 25%.
Used vehicles business is highly influenced by the new vehicles' activity, considering "trade-ins" which serve as partial payment of new units and therefore it is also a business that records the constraints of new vehicles.

To fight this trend of business degradation, highly conditioned by the current situation, Caetano Auto continues to develop new sales channels, including the Internet, by means of participating in auctions from specialised sites.

The aforementioned effort has already produced effects, enabling Caetano Auto to record sales of 4.199 used vehicles in 2013, against 4.006 in 2012.
After sales services was also affected by this period of general crisis and have not yet achieved the desired growth, recording only a slight decrease in turnover allocated to this activity.
Indeed, both the current reduction in Toyota vehicles in circulation in Portugal and the trend towards extending the maintenance periods of the brand, together with the fact that vehicles are travelling less, all makes the growth of this business harder to achieve.

Finally, and concerning financing offered to our clients, an area that is traditionally an additional activity for our company with significant impact in income, it registered in 2013 profits of 1,4 million Euros against 1,2 million Euros in 2012.

As a consequence of the difficulties described in brief herein, the Company decided to adjust the depreciation rates used in its workshop equipment with the new periods of useful life showed by the business slowdown trend.
This change had an impact of about 200 thousand Euros in income.

As a final note, we should point out that as at 30 December 2013 Caetano Auto incorporated, by way of merger, the following four partially-owned companies, already 100% held:

1. Cais B – Companhia Administradora Imobiliária São Bernardo, S.A.
2. Caetano Retail (Norte) II S.G.P.S., S.A.
3. Auto Partner – Comércio de Automóveis, S.A.
4. Caetano Colisão (Norte), S.A.

Therefore and because this merger was reported for accounting purposes as at 1 January 2013, report of the activity herein registers always the joint activity of these companies added to Caetano Auto itself, whether when it refers to 2013 or 2012.

CAETANO AUTO CV, S.A.

Vehicles

SEGMENT	MAKE	2013	2012	Change	
				Qty.	%
Light Passenger Vehicles	Toyota	37	73	-36	-49,32%
	Daihatsu	8	14	-6	-42,86%
Light Commercial Vehicles	Toyota	142	175	-34	-18,86%
Heavy Commercial Vehicles	Toyota	10	18	-7	-44,44%
		197	**280**	**-83**	**-29,64%**

Year marked by the State not being open to grant taxi exemptions. This, in addition to the drop in sales, forced the stagnation of Corollas' stock.

We must also point out the difficulty that private persons have in getting access to credit and, for those who manage to get credit, the process is still time-consuming.

Due to the economy contraction, the Land Cruiser model, geared towards clients with purchasing power, had only a few units sold (11). The emergence of Yaris by year-end, despite the low stock, showed that it will be a model to invest in (8 units sold in 3 months). Hilux, although with a sharp drop due to the non-existence of public works, was the top seller with 86 units sold, followed by Hiace with 55 units sold. Contrary to the other models, the number of Hiace units sold was higher than in 2012. Target clients for this model continue to be taxi drivers and tourism undertakings.

After Sales

SALES	2013	2012	Change	
			Value	%
Parts/Acessories	139.130	156.210	-17.080	-10,93%
Workshop (Labour)	28.124	33.749	-5.625	-16,67%
	167.254	**189.959**	**-22.705**	**-11,95%**

(Amounts in ECV)

Due to the drop in the daily stops at our workshops, the company was forced to readjust its direct and indirect staff.

There was also great effort in carrying out promotional campaigns, which led to some reduction on the commercialisation margins, mainly at the level of the parts applied.
The "Taxi driver" day took place with the aim of regaining this type of client

To increase the rate of workshop occupancy, Caetano Auto CV entered into a partnership with ENACOL with the purpose of operating fast services at its petrol stations. The project will start in February next year in Nhagar at Assomada.

Difficulties in parts logistics have also been an obstacle to the timely delivery of the vehicles being repaired at collision. During 2014 we will develop efforts towards improving the times for delivering vehicles to the clients, while ensuring a courtesy vehicle.

CAETANO RENTING, S.A.

Turnover reached the amount of 3,6 million Euros, which compared with the previous financial year, represents a decrease of approximately 21%.

This reduction is related to the fact that the Company's average fleet has also decreased, standing at 1.077 units, i.e., 27% less than in the previous year.

At year-end, total fleet was even lower than the average, reaching 826 units, as structured below:

▪ Light Passenger Vehicles:	542 uts	(65,62%)
▪ Light Commercial Vehicles:	22 uts	(2,66%)
▪ Industrial Machines:	262 uts	(31,72%)

Although the main clients were kept, the truth is that the fleet occupancy rate has decreased. Despite this fact, the Company kept the diversification of the products that are the business object, including what concerns industrial equipment.

As a consequence of the cost reductions due to reintegration and financial charges associated with the activity, the Company could show positive net income and the balance of the latter in the future.

CAETANO COMPONENTS, S.A.

Financial year 2013 ended with the definitive extinction of all activities developed by Caetano Components. Such activities in some way were of interest for other business areas of Grupo Toyota Caetano Portugal.

Within the logic underlying the activities developed by the Group, and given the fact that throughout this financial year we had seen in this Company operations which were totally inadequate within the scope of Toyota global activity; and given that, for themselves, they did not put into perspective their profitability, we have decided to begin the process of dissolution of the company with liquidation. This event took formally place as at 31 December 2013.

SALTANO, S.A.

Saltano, in developing its holding activity and in the financial year under review, did not have changes in its shareholdings except for the liquidation as at 31 December 2013 of the partially-owned company Caetano Components, thus settling loans granted at that date amounting to 1,99 million Euros.

This amount will be used to partially settle existing loans granted by the parent company, Toyota Caetano Portugal, SA., which by the end of the current financial year will reach the amount of 6,15 million Euros.

The company has no debts, and is not in arrears in payments of taxes, contributions and fees, to the State and the Social Security.

MOVICARGO

Financial year 2013 only showed some accounting operations for the settlement of past situations, including some costs from external services and supplies, with Movicargo being totally inactive.

It should be mentioned that there are no outstanding debts to Public Entities.

FINANCIAL ACTIVITY

Consolidated review

Throughout financial year 2013, the consolidation perimeter of Toyota Caetano Portugal group had different changes, including the exclusion of Caetano Components S.A., by means of liquidation by dissolution, and of companies CAISB – Companhia Imobiliária Administradora São Bernardo, S.A., Auto Partner S.G.P.S., S.A., Caetano Colisão, S.A. and Auto Partner Comércio de Automóveis S.A. due to the process of merger into company Caetano Auto S.A., effective since the beginning of the year.
However, this change had no significant impact on the comparative analysis of the Group performance.

Recovery associated with the labour market started in January 2013, with the unemployment rate in a downward trend, and the economic upturn related with the internal consumption experiencing a new cycle, although still weak, with retail sales slowly moving away from the minimum levels observed during 2011 and 2012 - these were key conditions for a turnaround ascertained within the Group, where a turnover of 223 million Euros was recorded, representing a 3,1% growth against 2012 where a contraction of 26% was registered against the same period in the previous year.

For the activity level achieved, and notwithstanding sacrificing some commercialisation margin, it was possible to reach a consolidated EBITDA of 15,1 million Euros, corresponding to 6,8% of turnover, thus showing a slight improvement against the same period of the previous year, where this ratio stood at 6,5%. This development had the positive contribution of the continued policy of cost reduction and a reduction of 10% was achieved in item external supplies and services, against 2012, with this item standing at 31,6 million Euros.

In terms of income before taxes, with a positive figure of about 460 thousand Euros, it followed the positive trend and a reversal of the cycle of losses registered within the past financial years was achieved.

Activity growth followed by cost reduction, both at the level of supplies and staff structure adjustment, record of lower financial charges and a strong reduction in depreciation for the period, were key conditions for the profits achieved. It was therefore possible to generate a Cash-Flow of 13 million Euros, approximately 2 million Euros higher than that of the same period in the previous year.

Financial income, negative at 1,7 million Euros, reflect a favourable trend against the previous year, where net costs of 2, 29 million Euros were registered, a consequence of lower financing levels but mainly due to a greater diversification of financing lines by the banks, with better price conditions for the financial debt being obtained.

Financial autonomy level of 64%, 4 p.p. higher than in 2012, shows the sustainable solidity of the capital structure.

For 2014, the Group expects to keep the growth pace of the activity, as substantiated in actual data from the first quarter of the year. It is therefore estimated that positive income should continue.

RISK MANAGEMENT

Loans and advances to clients

Credit risk at Toyota Caetano, mostly results from loans on its Clients, related to operating activity.

The main objective of credit risk management at Toyota Caetano is to ensure effective collection of operating receivables from Clients in accordance with the negotiated terms and conditions.

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

- Established a specific department for analysis and follow-up of Credit Risk;
- Implemented proactive credit management processes and procedures, always supported by information systems;
- Hedge mechanisms (credit insurances, letters of credit, etc).

Interest Rate Risk

As a result of the significant proportion of variable rate debt in its Consolidated Balance Sheet, and of the consequent interest payment cash flows, Toyota Caetano is exposed to interest rate risk.

Toyota Caetano has been making use of financial derivatives to hedge, at least partially, its exposure to changes in interest rates.

Exchange Rate Risk

As a geographically diverse Group, with subsidiaries in Cape Verde, exchange rate risk result essentially from business transactions, arising from the purchase and sale of goods and services in currencies other than the functional currency of each business.

The exchange rate risk management policy seeks to minimise volatility in investments and operations stated in foreign currency, by making the Group's income less sensitive to exchange rate fluctuations. The Group's foreign exchange risk management policy is towards case-by-case appreciation of the opportunity to cover this risk, taking particularly into account the specific circumstances of the currencies and countries in question.

Toyota Caetano has been making use of financial derivatives to hedge, at least partially, its exposure to changes in exchange rates.

Liquidity Risk

Liquidity risk management at Toyota Caetano seeks to ensure that the company has the capacity to obtain the timely funding required to carry out its business activities, implement its strategy and meet its payment obligations when due, while avoiding the need to obtain such funding on unfavourable terms.

To this end, liquidity management in the Group includes the following:

a) Consistent financial planning based on forecasts of operating cash flows in accordance with different time horizons (weekly, monthly, annual and multi-annual);
b) Diversification of funding sources;
c) Diversification of maturities of issued debt in order to avoid too excessive concentration for debt payment on short periods of time;
d) Using partner Banks to open up short-term credit lines, commercial paper programmes and other types of financial operations, to ensure a balance between adequate levels of liquidity and commitment fees incurred.

A detailed description of this point is included in the Corporate Governance Report.

OWN SHARES

The company did not acquire or dispose own shares during the financial year. As at 31 December 2013, the company had no own shares.

STATEMENT

We declare, under the terms and for the purposes provided for in Article 245 (1-c) of Código dos Valores Mobiliários (Portuguese Securities Code) that, to the best of our knowledge, the individual and consolidated financial statements of Toyota Caetano Portugal for the year 2013, have been prepared in accordance with the applicable accounting standards, giving a true and fair view of the assets and liabilities, financial condition and income of this company and the undertakings included in the consolidation perimeter and that the management report includes a fair review of the evolution of the businesses, the performance and position of the company and its subsidiaries included in the consolidation perimeter, as well as a description of the most significant risks and uncertainties that they face.

PROPOSAL FOR THE ALLOCATION OF THE PROFITS

In accordance with the provisions of Article 376 (1-b) of Código das Sociedades Comerciais (Portuguese Companies Code), we propose the positive results ascertained for the financial year, amounting to € 219.893,00 and stated in the individual financial statements of Toyota Caetano Portugal, to be carried foward to the retained earnings account.

Furthermore, we also propose that considering the existence of negative retained earnings at the end of the year, a total of € 2.642.591,00, and regarding the existence of sufficient free reserves to cover such negative retained loss amount, we propose the use of free reserves in the amount of € 2.642.591,00 for covering the above mentioned retained losses.

RELEVANT FACTS OCCURRED AFTER YEAR-END

Since the end of 2013 and up to current date, no relevant facts occurred worth of being mentioned.

OTHER SUBJECTS / ACKNOWLEDGEMENTS

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

- Our Clients and Dealers for their trust in our products and for their distinctive preference that continues to be the best stimulus;
- The Banks for the collaboration and support they always shown in following-up our business;
- The remaining Governing Bodies for their cooperation at all timess;
- All our Employees who, through their dedication, continued to show their commitment in following the Company's goals.

Vila Nova de Gaia, 03 April 2014

The Board of Directors

José Reis da Silva Ramos – Chairman
Takeshi Numa
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 TRANSACTIONS OF THE BOARD AND SUPERVISORY BODIES

(Under article 447 of Código das Sociedades Comerciais (Portuguese Companies Code) and in accordance with Article 9 (a) and 14 (7) of CMVM Regulation 5/2008)

Board of Directors

ENG. JOSÉ REIS DA SILVA RAMOS (Chairman of the Board of Directors): Holds no shares or obligations. GRUPO SALVADOR CAETANO, SGPS, S.A., in which he is a Member of the Board of Directors, had no changes, and so as at 31 December 2013, it held 21.288.281 shares with the nominal value of one Euro each. Foundation FUNDAÇÃO SALVADOR CAETANO, in which he is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 138.832 shares with the nominal value of one Euro each. COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A., in which his spouse is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 393.252 shares with the nominal value of one Euro each. COCIGA - Construções Civis de Gaia, S.A., in which his spouse is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 290 shares with the nominal value of one Euro each.

TAKESHI NUMA (Member of the Board of Directors): Holds no shares or obligations.

DANIELE SCHILLACI (Member of the Board of Directors): Holds no shares or obligations.

DR.ª MARIA ANGELINA MARTINS CAETANO RAMOS (Member of the Board of Directors): Holds no shares or obligations. GRUPO SALVADOR CAETANO, SGPS, S.A., in which she is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 21.288.281 shares with the nominal value of one Euro each. FUNDAÇÃO SALVADOR CAETANO, in which her spouse is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 138.832 shares with the nominal value of one Euro each. COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A., in which she is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 393.252 shares with the nominal value of one Euro each. COCIGA - Construções Civis de Gaia, S.A., in which she is Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 290 shares with the nominal value of one Euro each.

ENG. SALVADOR ACÁCIO MARTINS CAETANO (Member of the Board of Directors): Holds no shares or obligations. GRUPO SALVADOR CAETANO, SGPS, S.A., in which he is Vice Chairman of the Board of Directors, had no changes, and so as at 31 December 2013, it held 21.288.281 shares with the nominal value of one Euro each. FUNDAÇÃO SALVADOR CAETANO, in which he is Member of the Board of Directors, had no changes, and so as at 31 December 2013, it held 138.832 shares with the nominal value of one Euro each. COCIGA - Construções Civis de Gaia, S.A., in which he is a Member of the Board of Directors, had no changes, and so as at 31 December 2013, it held 290 shares with the nominal value of one Euro each.

ENG. MIGUEL PEDRO CAETANO RAMOS (Member of the Board of Directors): Holds no shares or obligations. GRUPO SALVADOR CAETANO, SGPS, S.A., in which he is a Member of the Board of Directors, had no changes, and so as at 31 December 2013, it held 21.288.281 shares with the nominal value of one Euro each.

DR. RUI MANUEL MACHADO DE NORONHA MENDES (Member of the Board of Directors): Holds no shares or obligations. FUNDAÇÃO SALVADOR CAETANO, in which he is Member of the Board of Directors, had no changes, and so as at 31 December 2013, it held 138.832 shares with the nominal value of one Euro each.

YOICHO SATO (Alternate Member of the Board of Directors): Holds no shares or obligations.

Audit Board

Dr. José Domingos da Silva Fernandes: Holds no shares or obligations.

Akito Takami: Holds no shares or obligations.

Alberto Luis Lema Mandim: Holds no shares or obligations.

Maria Lívia Fernandes Alves (Alternate Member of the Audit Board): Holds no shares or obligations.

Takao Gonno (Alternate Member of the Audit Board): Holds no shares or obligations.

Statutory Auditor

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda., represented by Dr. José Pereira Alves or by Dr. José Miguel Dantas Maio Marques: - Holds no shares or obligations.

INFORMATION ON THE SHAREHOLDING OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE SINGLE AUDITOR OF TOYOTA CAETANO PORTUGAL, S.A.

(Under Article 477 of Código das Sociedades Comerciais (Portuguese Companies Code))

In compliance with the provisions of Article 447 of Código das Sociedades Comerciais (Portuguese Companies Code), we state that during financial year 2013, the members of the governing and supervisory bodies of TOYOTA CAETANO PORTUGAL, S.A. held no Company shares or obligations.

INFORMATION ON THE SHAREHOLDING OF THE SHAREHOLDERS OF TOYOTA CAETANO PORTUGAL, S.A.

(Under Article 448 of C.S.C.)

Shareholdings higher than one tenth of the capital

Shareholders	Shares Held as at 31.12.2012	Shares Acquired as at 2013	Shares Sold as at 2013	Shares Held as at 31.12.2013
TOYOTA MOTOR EUROPE NV/SA	9.450.000			9.450.000

Shareholdings higher than half of the capital

Shareholders	Shares Held as at 31.12.2012	Shares Acquired as at 2013	Shares Sold as at 2013	Shares Held as at 31.12.2013
GRUPO SALVADOR CAETANO, S.G.P.S., S.A.	21.288.281			21.288.281

List of qualified shareholdings higher than 2% of the share capital

Shareholder	Shares	% of voting rights
Grupo Salvador Caetano - SGPS, S.A.	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 managed by the bank, 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

FINANCIAL HIGHLIGHTS

	DEC '13	DEC '12
Sales	171.036.184	158.287.327
Cashflow	8.384.903	7.980.543
Net income	219.893	-2.642.591
Net financial expenses	2.148.750	3.206.572
Payroll expenses	14.010.672	13.619.666
Net investment	3.309.006	3.218.005
Gross working capital	66.873.087	64.620.614
Gva	28.742.109	27.468.750
Units solds	9.766	9.007
Number of employees	495	508

03 FINANCIAL STATEMENTS

Statement of financial position at 31 december 2013

Assets	Notes	31/DEC/2013	31/DEC/2012
Non Current Assets			
Tangible fixed assets	5	19.101.288	23.341.238
Investment properties	6	14.587.883	13.968.539
Goodwill	7	611.997	611.997
Intangible assets	8		
Financial investments - equity method	9	42.541.411	44.226.137
Other financial investments	10	59.504	39.904
Accounts receivable	13 and 19	309.391	
Other accounts receivable	15		313.000
Deferred tax assets	11	2.231.483	2.591.402
Total non current assets		**79.442.956**	**85.092.217**
Current Assets			
Inventories	12 and 19	27.625.802	31.198.793
Accounts receivable	13 and 19	69.605.977	67.261.521
Down payments		613.730	18.064
Accrued taxes	11	583.119	
Shareholders	14	592.489	439.669
Other accounts receivable	15	361.596	1.494.009
Other financial investments	10	6.148.199	6.148.199
Deferrals	16	270.147	404.982
Cash and cash equivalents	4	1.692.993	1.048.425
Total current assets		**107.494.052**	**108.013.662**
Total assets		**186.937.008**	**193.105.879**
Equity and Liabilities			
Equity			
Share capital		35.000.000	35.000.000
Legal reserve		7.498.903	7.498.903
Other reserves		75.561.244	75.561.244
Retained earnings		-2.642.591	
Adjustments to financial investments - equity method		7.098.991	7.098.991
Revaluation reserve		6.195.184	6.195.184
Other equity movements - gap transition		108.293	111.281
Net income		219.893	-2.642.591
Total equity	**17**	**129.039.918**	**128.823.013**
Liabilities			
Non Current Liabilities			
Loans	20	9.805.675	11.647.982
Shareholders	14	340.000	340.000
Post-retirement obligations	25		1.051.264
Deferred tax liabilities	11	479.093	639.490
Total non current liabilities		**10.624.768**	**13.678.736**
Current Liabilities			
Accounts payable	22	17.630.963	11.274.477
Down payments		76.181	289.013
Accrued taxes	11	4.299.445	4.288.086
Shareholders		16.772	20.950
Loans	20	13.288.532	22.818.663
Other accounts payable	15	6.630.368	6.815.549
Deferrals	16	5.210.538	4.492.784
Derivative financial instruments - swap	23	119.522	604.608
Total current liabilities		47.272.322	50.604.130
Total Liabilities		**57.897.090**	**64.282.866**
Total Equity + Liabilities		**186.937.008**	**193.105.879**

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 2013

	Notes	31/DEC/2013	31/DEC/2012
Sales and service rendered	26	171.036.184	158.287.327
Operating subsidies	18	2.045.820	1.770.151
Gains in financial investmets - equity method	9	-1.438.538	-2.804.257
Variation in production	12	-2.385.758	-5.883.924
Cost of goods sold and raw material consumed	12	-137.148.574	-123.094.886
External supplies and services	28	-31.033.331	-30.286.099
Payrol expenses	29	-14.010.672	-13.619.666
Impairment in inventories	12,19		710.510
Impairment in accounts receivable	13,19	-194.664	-50.533
Increases / reductions of fair value	23	485.085	-216.252
Other gains	31	28.471.362	29.010.241
Other expenses	31	-5.881.653	-5.198.281
Income before depreciations, financial costs and income tax		**9.945.260**	**8.624.330**
Depreciations	5,6 and 8	-6.929.613	-7.985.531
Operational income		**3.015.647**	**638.799**
Interest income	32	587.885	163.208
Interest expenses	32	-2.736.636	-3.369.780
Income before taxes		**866.897**	**-2.567.772**
Income tax for the year	11	-647.004	-74.819
Net income		**219.893**	**-2.642.591**
Earnings per share	33	0,01	-0,08

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 2013 and 2012

	SHARE CAPITAL	LEGAL RESERVE	OTHER RESERVES	RETAINED EARNINGS	ADJUSTMENTS TO FINANCIAL INVESTMENTS	REVALUATION RESERVE	OTHER EQUITY MOVEMENTS	NET INCOME	TOTAL EQUITY
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**
Changes in period									
Allocation of Profits			28.251		-2.058.482			2.030.231	0
Other Changes in Equity			339.480	-339.480			-16.327		-16.327
			367.731	-339.480	-2.058.482		-16.327	2.030.231	-16.327
Net Income								-2.642.591	-2.642.591
Total Gains and Losses								-2.642.591	-2.642.591
Transactions with shareholders in the period									
Dividends									
Balance Sheet at 31 December 2012	**35.000.000**	**7.498.903**	**75.561.244**	**0**	**7.098.991**	**6.195.184**	**111.281**	**-2.642.591**	**128.823.013**
Balance Sheet at 31 December 2012	**35.000.000**	**7.498.903**	**75.561.244**	**0**	**7.098.991**	**6.195.184**	**111.281**	**-2.642.591**	**128.823.013**
Changes in period									
Allocation of Profits				-2.642.591				2.642.591	0
Other Changes in Equity							-2.988		-2.988
			0	-2.642.591	0		-2.988	2.642.591	-2.988
Net Income								219.893	219.893
Total Gains and Losses								219.893	219.893
Transactions with shareholders in the period									
Dividends									0
			0	0	0		0	0	0
Balance Sheet at 31 December 2013	**35.000.000**	**7.498.903**	**75.561.244**	**-2.642.591**	**7.098.991**	**6.195.184**	**108.293**	**219.893**	**129.039.918**

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 2013

Statement of cash flows on operating activities	**2013**		**2012**	
Collections from Customers	232.013.224		218.368.696	
Payments to Suppliers	199.958.516		-177.041.558	
Payments to Personnel	-9.807.790		-10.909.011	
Operating Flow		22.246.918		30.418.127
Payments of Income Tax		-1.034.526		1.239.023
Other Collections/Payments Related to Operating Activities		-6.781.558		-3.458.234
Cash Flow from Operating Activities		14.430.833		28.198.916
Statement of cash flows on investing activities				
Collections from:				
Investments				
Tangible Fixed Assets	3.105.101		2.765.836	
Investment Subsidy				
Interest and Others	591		770	
Dividends	66.723	3.105.691		2.766.606
Payments to:				
Investments			-1.750.000	
Tangible Fixed Assets	-1.770.476		-420.323	
Intangible Assets		-1.770.476		-2.170.323
Cash Flow from Investing Activities		1.335.215		596.283
Financing activities				
Collections from:				
Loans				
Payments to:				
Loans	-11.887.461		-27.436.409	
Lease Down Payments	-1.056.003		-1.020.032	
Interest and Others	-2.173.837		-2.885.494	
Dividends	-4.178	-15.121.480	-2.565	-31.344.500
Cash Flow from Financing Activities		-15.121.480		-31.344.500

Cash	2013	2012
Cash and Cash Equivalents at Beginning of Period	1.048.425	3.597.726
Cash and Cash Equivalents at End of Period	1.692.993	1.048.425
Net Flow in Cash Equivalents	644.568	-2.549.301

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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, 2013, the companies of Toyota Caetano Group, their headquarters and abbreviations used, are as follows

Companies	Headquarters
With headquarters in Portugal:	
Toyota Caetano Portugal, S.A. ("Parent Company")	Vila Nova de Gaia
Saltano – Investimentos e Gestão, S.G.P.S., S.A. ("Saltano")	Vila Nova de Gaia
Caetano Renting, S.A. ("Caetano Renting")	Vila Nova de Gaia
Caetano – Auto, S.A. ("Caetano Auto")	Vila Nova de Gaia
Movicargo – Movimentação Industrial, Lda. ("Movicargo") (1)	Vila Nova de Gaia
With headquarters in foreign countries:	
Caetano Auto CV, S.A. ("Caetano Auto CV")	Praia (Cabo Verde)

(1) Company inactive during 2013.

During 2013 there was the follow changes in the composition of the Toyota Caetano Group:

a) Closing of the company Caetano Compnents, S.A.
b) Caetano – Auto, S.A. incorporate by merger the companies Caetano Retail (Norte) II SGPS, S.A., Auto-Partner- Comércio de Automóveis, S.A., Caetano Colisão, S.A. e CAISB, S.A..

According to the applicable legislation, Toyota Caetano will present separately, financial consolidated statements as at 31 December 2013 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) in force in the the exercise of 2013.
There are no indication that the rules defined in “SNC” (Portuguese GAAP), have been waived.

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 2013 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:

	Anos
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 2013 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).
When the net value exceeds the recoverable amount of the asset, an adjustment is made for the estimated recoverable amount through recognition of an impairment of assets.
Gains or losses resulting from the disposals and write offs are determined by the difference between the amount received and the carrying amount of the asset and are recognized as income or expense in the income statement.

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

Financial investments in group companies are stated to MEP.

By Equity Method, "MEP", the participations in subsidiaries for which Toyota detains a dominant influence are recorded at cost, adjusted by the corresponding value of the Company's share in net income of affiliated companies and dividends received.

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.

Subsidiaries are all entities over which the Company has the power to decide on the financial or operating policies, which usually is associated with control, directly or indirectly, more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing control of the subsidiary that holds about an entity.

Associates are entities over which the Company has between 20% and 50% of the voting rights, or over which the Company has significant influence, but can not exercise its control.

Investments in subsidiaries and associates are stated at the amount resulting from the application of the equity criterion. Under this method, the financial statements include the Company's share of the total recognized gains and losses since the date on which control or significant influence begins until the date that effectively ends. Gains or losses on transactions between the Group and its subsidiaries and associated companies are eliminated. Dividends paid by the subsidiaries and associates are considered reductions of investment held.

It is made an assessment of investments in subsidiaries, associates or joint ventures where there is an evidence that the asset is impaired, a loss is recorded in the income statement where this is confirmed.
When the proportion of the Company accumulated losses of the subsidiary, associate or joint ventures exceeds the value of the investment is registered, the investment is carried at zero value while the equity of the associated company is not positive, except when the Company has commitments to the subsidiary, associate or joint ventures, recording a provision in such cases the liability item "Provisions" to meet those obligations.

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 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 and 2009, March 30.

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 2013 there were paid indemnities in the amount of approximately Euros 325.000 (approximately Euros 407.000 in 31 December 2012).

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) 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, 2013 and 2012 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;
- 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.

s) 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

The amounts included in caption "Cash and cash equivalents" correspond to cash, bank deposits and other treasury applications which mature in less than three months, and that can be mobilized immediately with insignificant risk of change in value.

As of 31 December 2013 and 31 December 2012 cash and cash equivalents detail was the following:

	31/DEC/2013	31/DEC/2012
Money	81.051	92.344
Bank Deposits at Immediate Disposal	1.610.691	953.508
Cash Equivalents	1.251	2.573
Cash and Cash Equivalents	**1.692.993**	**1.048.425**

5. TANGIBLE FIXED ASSETS

During 2013 and 2012, the movement in tangible fixed assets as well as in the accumulated depreciation were as follows:

2013	Land	Buildings and Other Constructions	Machirnery and Equipments	Vehicles	Administra-tive Equipment	Other Fixed Assets	Construction in Progress	Total
Gross								
Opening Balance 31/12/2012	3.365.354	31.385.731	49.442.340	34.777.812	5.984.317	2.866.768	918.123	128.740.446
Increases	952.379		704.951	3.396.282	46.598	19.072	324.126	5.443.408
Disposals	-54.560		-483	-5.081.191	-205	-238		-5.136.677
Transfers and Write offs	-355.125						-903.473	-1.258.598
Final Balance 31/12/2013	3.908.048	31.385.731	50.146.808	33.092.903	6.030.711	2.885.603	338.776	127.788.580
Depreciations								
Opening Balance 31/12/2012		27.980.315	46.609.574	22.189.209	5.865.417	2.754.692		105.399.207
Increases		431.434	1.030.703	4.969.891	57.072	37.183		6.526.283
Disposals			-483	-3.237.272	-205	-238		-3.238.198
Transfers and Write offs								
Final Balance 31/12/2013		28.411.749	47.639.795	23.921.827	5.922.284	2.791.637		108.687.292
Net Value	**3.908.048**	**2.973.982**	**2.507.014**	**9.171.075**	**108.426**	**93.966**	**338.776**	**19.101.288**

2012	Land	Buildings and Other Constructions	Machirnery and Equipments	Vehicles	Administrative Equipment	Other Fixed Assets	Construction in Progress	Total
Gross								
Opening 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
Increases		19.196	146.951	4.965.726	7.478	17.457	14.650	5.171.458
Disposals				-4.675.547				-4.675.547
Transfers and Write offs		68.796					-68.796	0
Final Balance 31/12/2012	3.365.354	31.385.731	49.442.340	34.777.812	5.984.317	2.866.768	918.123	128.740.446
Depreciations								
Opening Balance 31/12/2011		27.385.196	45.260.060	19.089.673	5.795.708	2.667.885		100.198.523
Increases		595.119	1.349.514	5.821.630	69.709	86.806		7.922.779
Disposals				-2.722.095				-2.722.095
Transfers and Write offs								-
Final Balance 31/12/2012		27.980.315	46.609.574	22.189.209	5.865.417	2.754.692		105.399.207
Net Value	**3.365.354**	**3.405.416**	**2.832.766**	**12.588.603**	**118.900**	**112.077**	**918.123**	**23.341.238**

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 1.610.265 Euros.

As at 31 December 2013 the tangible fixed assets used under finance lease are resented as follows:

	Acquisition value	Depreciations	Current Value
Industrial Equipment	5.336.387	3.249.953	2.106.434

6. INVESTMENT PROPERTIES

As at 31 December 2013 and 31 of December of 2012, 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 3.174.981 Euros in the period ended in 31 December 2013 (2.968.155 Euros in 31 December 2012).

During 2013 and 2012, the movements occurred in the investment properties as well as in the accumulated depreciation were as follows:

2013	Land	Buildings and Other Constructions	Total
Gross			
Opening Balance 31/12/2012	9.355.667	30.535.116	39.890.783
Increases	140.164	527.385	667.549
Disposals			
Transfers and Write offs	355.125		355.125
Final Balance 31/12/2013	9.850.956	31.062.501	40.913.457
Depreciations			
Opening Balance 31/12/2012		25.922.244	25.922.244
Increases		403.330	403.330
Disposals			
Transfers and Write offs			
Final Balance 31/12/2013		26.325.574	26.325.574
Net Value	**9.850.956**	**4.736.927**	**14.587.883**

2012	Land	Buildings and Other Constructions	Total
Gross			
Opening Balance 31/12/2011	8.869.130	31.021.653	39.890.783
Increases			
Disposals			
Transfers and Write offs	486.537	-486.537	
Final Balance 31/12/2012	9.355.667	30.535.116	39.890.783
Depreciations			
Opening Balance 31/12/2011		25.859.493	25.859.493
Increases		62.751	62.751
Disposals			
Transfers and Write offs			
Final Balance 31/12/2012		25.922.244	25.922.244
Net Value	**9.355.667**	**4.612.872**	**13.968.539**

The transfer occurred in 2013 is due to the reclassification of the property located in Azoia, Leira from tangible fixed assets to Investment properties.

The acquisition cost considered at the transition moment has a net effect of legal revaluations of 4.340.379 Euros.

Additionally, in accordance with external appraisals made by independent experts, with reference to 2012, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounts to, approximately, 60,9 million Euros. The external appraisals done to some investment properties in the end of 2013 don´t show any new situation of impairment.

In result of all the internal appraisal prepared by the Company to the others investment properties as there was no major building works, no accidents or to non existing investment properties in areas of accelerated degradation, the Board of Directors is convinced that there is no significant change in the fair value of those investment properties in 2013, believing that are valid the appraisals done in 2012.

The detail of investment properties in 2013 and 2012:

Buildings	Place	Appraisal	DEC' 13 Carrying Amount	DEC' 13 Fair Value at 31/12/2013	DEC' 12 Carrying Amount	DEC' 12 Fair Value at 31/12/2012
Industrial Facilities	V.N. Gaia	Internal	757.476	9.048.000	854.709	9.048.000
Industrial Facilities	V.N. Gaia	Internal	641.180	802.000		
Industrial Facilities	Carregado	Internal	6.096.936	23.828.000	6.190.975	23.828.000
Industrial Warehouse	V.N. Gaia	Internal	1.250.234	6.003.000	1.353.476	6.003.000
Commercial Facilities	Lisboa	Internal	1.258.758	1.247.000	1.288.147	1.247.000
Land	Leiria	External	355.000	797.000		
Commercial Facilities	Cascais	Internal	142.022	834.000	150.368	834.000
	Cascais	Internal	304.754	950.000	318.140	950.000
	Prior Velho	Internal	2.943.103	14.655.000	2.943.104	14.655.000
	Loures	Internal	209.221	849.000	213.271	849.000
	Vila Franca Xira	Internal	502.614	1.648.000	524.693	1.648.000
	Benavente	Internal	126.459	302.000	131.656	302.000
			14.587.883	**60.963.000**	**13.968.539**	**59.364.000**

The investment properties' fair value of the external appraisal disclosed in December 31, 2013 and 2012 was determined by an independent appraiser (Market Method, Cost Method, Return Method and Use Method).

7. *GOODWILL*

During 2013, there have not occurred any changes to the Goodwill.

The caption "Goodwill" is related with BT Activity (forklifts) resulting from Movicargo´s acquisition in 2008, whose activity was transferred to the parent company Toyota Caetano Portugal.

Under SNC Goodwill is not amortized, being tested annually for impairment. In 2013, BT'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.

In 31 December 2013, the main assumptions of the test are as follows:

	Industrial Equipment Division
Goodwill	611.997
Cash Flows Projection Period	Projeções de *cash flows* para 5 anos
Growth Rate (g) [(1)]	0%
Discount Rate [(2)]	10,62%

[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, 2013, the net book value of assets, including goodwill (1 millions of Euros), does not exceed its recoverable amount (4,6 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 2013 and 2012, the movements in intangible assets were as follows:

2013	**Research & Develepment Expenses**	**Software**	**Total**
Gross			
Opening Balance 31/12/2012	0	992.122	992.122
Increases			0
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2013	0	992.122	992.122
Depreciations			
Opening Balance 31/12/2012	0	992.122	992.122
Increases			0
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2013	0	992.122	992.122
Net Value	**0**	**0**	**0**

2012	**Research & Develepment Expenses**	**Software**	**Total**
Gross			
Opening Balance 31/12/2011	0	992.122	992.122
Increases			0
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2012	0	992.122	992.122
Depreciations			
Opening Balance 31/12/2011	0	992.122	992.122
Increases			0
Disposals			0
Transfers and Write offs			0
Final Balance 31/12/2012	0	992.122	992.122
Net Value	**0**	**0**	**0**

9. FINANCIAL INVESTMENTS – EQUITY METHOD

In 31 December 2013 and 31 December 2012, the financial investments were as follows:

	Movicargo	Caetano Auto	Caetano Auto CV	Saltano	MEP Adjustments	Total
31 December 2011	**403.859**	**19.106.518**	**5.034.492**	**23.263.077**	**-948.405**	**46.859.541**
Acquisitions						
Gains/Losses	12.479	-996.912	-121.780	-1.489.594	-208.452	-2.804.257
Other Capital Movements						
Disposal						
Others					170.853	170.853
Dividends received						
31 December 2012	**416.338**	**18.109.606**	**4.912.712**	**21.773.483**	**-986.004**	**44.226.137**
Acquisitions						
Gains/Losses	-15.748	-893.200	-195.784	-1.307.249	973.444	-1.438.538
Other Capital Movements		-142.147			142.147	0
Disposal/Liquidation						
Others (margin deferral)					-246.188	-246.188
Others	7.863	-95.841	-62.660	-467.332	617.970	0
Dividends received						
31 December 2013	**408.453**	**16.978.418**	**4.654.269**	**19.998.077**	**501.369**	**42.541.411**

During the period ended in December 31,2013 there is no change in the rates of participation in Subsidiaries Companies, that are as follows:

	Movicargo		Caetano Auto		Caetano Auto CV		Saltano	
	31/DEC/2013	31/DEC/2012	31/DEC/2013	31/DEC/2012	31/DEC/2013	31/DEC/2012	31/DEC/2013	31/DEC/2012
Equity	408.453	424.201	36.670.448	38.906.387	5.729.036	5.970.032	20.002.903	21.746.905
Net Income	-15.748	12.479	-1.928.926	-2.152.898	-240.994	-149.902	-1.474.001	-1.489.926
% Direct	100%	100%	46,30%	46,30%	81,24%	81,24%	99,98%	99,98%
% Indirect	100%	100%	98,40%	98,39%	81,24%	81,24%	99,98%	99,98%

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

31-12-2013	Movicargo	Caetano Auto	Caetano Auto CV	Saltano
Assets				
Current	68.453	42.465.872	5.031.310	4.778.338
Non Current	340.000	52.992.449	1.644.632	21.484.440
Liabilities				
Current		53.435.997	946.907	6.259.875
Non Current		5.351.876		
Equity	408.453	36.670.448	5.729.036	20.002.903
Income	13.855	149.375.682	6.661.459	395
Expenses	-29.603	-151.304.608	-6.902.453	1.474.396
Net Income	**-15.748**	**-1.928.926**	**-240.994**	**-1.474.001**

31-12-2012	Movicargo	Caetano Auto	Caetano Auto CV	Saltano
Assets				
Current	84.202	38.313.192	5.601.758	4.064.981
Non Current	340.000	54.420.941	1.794.873	23.630.403
Liabilities				
Current		48.197.246	1.426.608	6.218.486
Non Current		5.630.501		
Equity	424.201	38.906.387	5.970.032	21.476.905
Income	15.795	126.029.288	8.744.212	1.250
Expenses	-3.316	-128.182.186	-8.894.113	-1.491.175
Net Income	**12.479**	**-2.152.898**	**-149.902**	**-1.489.926**

10. OTHER FINANCIAL INVESTMENTS

	2013	2012
Non Current Assets		
Investments in small private companies	59.504	39.904
Current Assets		
Loan to Saltano, SGPS, SA (Note 14)	6.148.199	6.148.199

The increase in Investments in small companies is due to small investments already existing at Caetano Components that were transferred in result of the closing of the Company.

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

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, and Caetano Renting) in order to determine the group income tax.

Amounts and nature of the assets and liabilities for deferred taxes recorded in 2013 comprise (Debits/ (Credits)):

Balance 31 December 2013	Deferred tax assets	Deferred tax liability	Reflected in Income Statement	Reflected in Equity
Provisions not accepted as fiscal costs	405.471		123.327	
40% of depreciation as a result of legal revaluation of fixed assets		(61.292)	(9.941)	
Effect of the reinvestments of the gains in fixed assets sales		(233.603)	(76.846)	
Gains in fixed assets according nº7 Art. 7º Law 30/G 2000		(11.301)	(7.035)	
Reserve captive		(96.230)		(7.855)
Valluation of fiancial instruments	29.283		130.938	
Fiscal Losts RETGS	1.758.648		84.993	
Transition adjustments Provisions not accepted as fiscal costs		(44.075)	(51.190)	
Investments Subsidies		(32.592)		(7.530)
Assets not capitalized	24.315		28.284	
Cancellation of deferred costs	6.793		7.902	
Intangible assets	6.973		8.111	
Total	**2.231.483**	**(479.093)**	**238.543**	**(15.385)**

The line of Fiscal Lost RETGS in the amount of 1.758.648 Euros results of tax losses recognized by the subsidiary companies in the regime.

The Group Companies' operating profits forecasted to the next year show that the carrying amount of deferred tax assets recognized at 31 December 2013 will be totally recovered.

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

Income taxes in year ended 31 December 2013	408.461
Deferred income taxes in year ended 31 December 2013	238.543
	647.004

The liability caption "Accrued Taxes", as of 31 December 2013 and 2012, does not include outstanding overdue debts, and comprise:

Items	2013	2012
Corporate Income Tax for the Year 2013	-186.176	
Corporate Income Tax(payments in advance) for the Year 2013	970.449	
Corporate Income Tax for the Year 2013(RETGS)	-201.154	
Total Assets	**583.119**	
Corporate Income Tax for the Year 2012		483.808
Corporate Income Tax(payments in advance) for the Year 2012		-282.437
Corporate Income Tax for the Year 2012(RETGS)		142.376
Vehicles Tax		713.497
Custom Duties		60.594
Value Added Tax	3.728.902	2.649.536
Other Tax	570.543	520.711
Total Liabilities	**4.299.445**	**4.288.086**

The Corporate Income Tax for the Year 2013(RETGS) can be analysed as follows:

Saltano	1.990
Caetano Renting	-115
Caetano Auto	199.279
	201.154

03 NOTES TO THE FINANCIAL STATEMENTS

The reconciliation of the earnings before taxes of the years ended at 31 December, 2013 and 2012 can be analysed as follows:

	DEC' 13	DEC' 12
Income Before Taxes	**866.897**	**-2.576.772**
Equity variatios- Transition Condition	**24.314**	**24.314**
Restitution ofnon deductible tazes andexcess on income tax provision	-114.989	-941.459
Reversion of imperment losses taxed	-360.908	-710.540
Accounting Capital Gains	-1.024.972	-701.861
Elimination of Economical Double taxation on Distrubuted Income (art.º 51)		
Derivative Fiancial Instruments (art.º 49)	-485.085	
Fiscal Benefits	-142.978	-485.322
Income not subject to taxation	-2.128.932	-2.839.182
Equity Method (art.º18,nº18)	1.438.538	2.804.257
Non deductible depretion and amortization (art.º 34, nº1)	231.796	303.871
50% fiscal Capital Gains	403.938	212.146
Payment of non deductible taxes and insufficiency on income tax provision	360	38.165
Derivative Fiancial Instruments (art.º 49)		216.252
Others	52.226	65.533
Expenses not subject to taxation	**2.126.858**	**3.640.224**
Fiscal income	**889.137**	
Tax expense at rate aplicable in Portugal 25%	222.284	
Local tax 1,5%	13.337	
National tax expense (Taxe at rate aplicable in Portugal (26,5%))	**235.621**	
Deferred tax	**238.543**	**-408.989**
Addicional Income tax	**172.839**	**483.808**
Effective Tax Expenses	**647.004**	**74.819**

The Corporate Income Tax for the Year 2013 referred in the detail of caption "Accrued Taxes" comprise:

Local tax	13.337
Addicional Income tax	172.839
	186.176

The tax expenses calculated above, in the amount of 222.284 Euros, settle Deferred tax assets on fiscal losts of previous years.

12. INVENTORIES

As of 31 December 2013 and 31 December 2012, inventories detail was the following:

Items	31/DEC/2013	31/DEC/2012
Goods	24.184.971	24.228.065
Raw materials	2.634.224	3.778.362
Finished and Intermediate goods	668.429	2.378.823
Work in Progress	515.640	1.191.005
Lost of impairments - Goods (Note 19)	-377.462	-377.462
	27.625.802	**31.198.793**

The cost of goods sold and consumed for 2013 was as follows:

Items	Goods	Raw Materials	Total
Opening Balances	24.228.065	3.778.362	28.006.428
Purchases	120.804.950	15.156.390	135.961.341
Closing Balances	24.184.971	2.634.224	26.819.194
	120.848.045	**16.300.529**	**137.148.574**

The variation of production for 2013 was as follows:

Items	Finished and Intermediate Goods	Work in Progress	Total
Closing Balances	668.429	515.640	1.184.069
Opening Balances	2.378.823	1.191.005	3.569.828
	-1.710.394	**-675.365**	**-2.385.758**

13. ACCOUNTS RECEIVABLE

As of 31 December 2013 and 31 December 2012 Accounts Receivable detail was the following:

Items	31/DEC/2013	31/DEC/2012
Non Corrent Assets		
Accounts Receivable	309.391	
Corrent Assets		
Accounts Receivable	75.879.873	74.095.140
Lost of impairments (Note 19)	6.273.895	6.833.619
	69.605.977	**67.261.521**

14. TOYOTA CAETANO PORTUGAL GROUP COMPANIES

Due and payable balances with Group and Associated companies, which, as of 31 December 2013 and 2012, were recorded in the captions "Accounts receivable", "Accounts payable", "Other financial investments" and " Shareholders", as follows:

	31/DEC/2013	31/DEC/2012
Accounts Receivable	44.162.051	42.487.982
Accounts Payable	-666.246	-517.977
SHAREHOLDERS		
RETGS's Companies (Note 11)		
Saltano, S.G.P.S., S.A.	109.586	68.196
Caetano Components, S.A.		-354.976
Caetano Renting, S.A.	-469.743	-459.585
Caetano Auto, S.A.	952.646	1.186.034
	592.489	436.669
Others		
Movicargo, Lda.	-340.000	-340.000
OTHER FINANCIAL INVESTMENTS (NOTE 10)		
Saltano, S.G.P.S., S.A.	6.148.199	6.148.199

Accounts Receivable and Accounts Payable (Notes 13 and 22)

Intercompany balances and transactions related with accounts receivable and payable were as follows:

2013	Comercial Debt		Products		Fixed Assets	Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Rendered	Obtained	Expenses	Gains
CAETANO AUTO CV, S.A.	271.588	590.595	4.277.850				11.300		3.125
CAETANO RENTING, S.A.	6.413.628	64.351	6.573.571	7.543.561			69.862	122.554	595.028
CAETANO AUTO, S.A.	37.476.836	11.300	90.071.467	661.401	-2.553.620		7.109.080	4.859.786	1.534.784
MOVICARGO MOVIMENTAÇÃO INDUSTRIAL, S.A.								12.822	
Total	44.162.051	666.246	100.922.889	8.204.962	-2.553.620		7.190.242	4.995.163	2.132.937

2012	Comercial Debt		Products		Fixed Assets	Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Rendered	Obtained	Expenses	Gains
CAETANO COMPONENTS, S.A.	150.792	30.363	2.413	75.919			330		85.173
CAETANO AUTO CV, S.A.	999.486		6.194.587		-19.100				56.369
CAETANO RENTING, S.A.	9.130.910	40.160	8.961.566	12.652.240	16.300		78.616		1.565.886
CAETANO AUTO, S.A.	31.240.525	341.825	70.457.512	1.377.724	-721.745		6.789.620		2.748.831
AUTO PARTNER - COMÉRCIO AUTOMÓVEIS, S.A.	949.106	37.306	3.796.730	325	-39.310		357.973		85.710
CAETANO COLISÃO (NORTE), S.A.	17.163	40.928		92.998			54.105		69.827
COMP. ADMIN. IMOBILIÁRIA SÃO BERNARDO, S.A.									
MOVICARGO - MOVIMENTAÇÃO INDUSTRIAL, S.A.		27.395						15.792	
Total	**42.487.982**	**517.977**	**89.412.808**	**14.199.207**	**-763.855**		**7.280.644**	**15.792**	**4.611.796**

15. OTHER ACCOUNTS PAYABLE AND RECEIVABLE

Other Accounts Payable and Receivable's detail at 31 December 2013 and 2012 is as follows:

Other Accounts Payable	31/DEZ/2013	31/DEZ/2012
Interest	152.852	56.319
Sales Campaigns	1.866.025	1.194.198
Vacations pay and Bonus	1.758.758	1.765.549
Anticipaded costs related with sold vehicles	1.570.854	647.848
Supplies	550.022	2.118.151
Warranty claims	41.139	48.200
Car tax related with disposed vehicles not registered	396.149	283.824
Personnel	11.617	261.479
Publicity	30.830	271.515
Royalties	62.275	49.599
Insurance	189.847	118.866
Total	**6.630.368**	**6.815.549**
Other Accounts Receivable - Current Asset		
Recover of Sales Campaigns	18.276	643.436
Recover of Insurance		352.203
Renting	21.229	
Other Accounts Receivable	322.091	498.370
Total	**361.596**	**1.494.009**
Other Accounts Receivable - Non Current Asset		
Other Accounts Receivable		313.000

16. DEFERRALS

As of 31 December 2013 and 2012, these items were as follows:

Asset Deferrals	2013	2012
Insurance	142.695	167.123
Interest from Commercial Paper Programs	67.223	90.276
Others Expenses to recognize	60.230	147.583
Total	**270.147**	**404.982**

Liabilities Deferrals	2013	2012
Debtors interest	5.472	13.079
Signage to be charged to dealers	743.862	875.318
Intercompany margin deferral	2.891.667	3.137.855
Conservation Vehicles Contract	1.336.950	191.771
Others Gains to recognize	232.587	274.761
Total	**5.210.538**	**4.492.784**

The caption Others Gains to recognize relates mainly to rents received in advance of rental machines.

The caption Conservation Vehicles Contract refers to a Plan of Conservation scheduled, acquired by the clients when purchasing vehicle, for a period of 5 years beginning in the end of 2012.

17. EQUITY

Composition of Share Capital

As of 31 December 2013 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%

Dividends

In relation to 2013 the Board of Directors proposes that no dividend shall be paid. This proposal must be approved in the next General Shareholders Meeting.

Legal reserve

The legal reserve is already fully incorporated under the commercial legislation (20% of the share capital), so it is no longer required that a minimum of 5% of annual net profit is destined for its endowment. 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 (75.272.557 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 is 72.629.966 Euros, includes:

- Other reserves: 75.272.557 Euros deducted of
- Retained Losses: -2.642.591 Euros

Proposal for the Allocation of the Profits

In accordance with the provisions of Article 376 (1-b) of Código das Sociedades Comerciais (Portuguese Companies Code), we propose the results ascertained for the financial year, amounting to 219.893,00 Euros and stated in the individual financial statements of Toyota Caetano Portugal, to be carried foward to the retained earnings/ losses account.

18. GOVERNMENT GRANTS

The detail of the movements in captions subsidies and support received during 2013 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	144.397		11.367	133.030
SIME IDT - OPTIMO SEVEN	7.005		7.006	0
FEDER	392.773			392.773
sub-total for subsidies to fixed and intangible assets	**544.176**		**18.373**	**525.803**
Operational Program for the Human Potencial (POPH)		2.045.820	2.045.820	
sub-total for operating subsidies		**2.045.820**	**2.045.820**	

19. PROVISIONS AND IMPAIRMENTS

During 2013 and 2012, the following movements occurred in provisions and impairments:

Items 31/DEC/2013	Opening Balances	Increases	Disposals	Write-Offs	Final Balances
Doubtful Accounts Receivable	6.833.619	238.746	-754.388	-44.082	6.273.895
Inventories	377.462				377.462
	7.211.081	**238.746**	**-754.388**	**-44.082**	**6.651.357**

Items 31/DEC/2012	Opening Balances	Increases	Disposals	Write-Offs	Final Balances
Doubtful Accounts Receivable	7.035.872	337.600	-252.786	-287.067	6.833.619
Inventories	1.087.972			-710.510	377.462
	8.123.844	**337.600**	**-252.786**	**-997.578**	**7.211.081**

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 2013 and 2012, loans can be detailed as follows:

	31/DEC/2013	31/DEC/2012
Current Bank Financing	10.000.000	
Commercial Paper Programs		19.500.000
Bank Loan	1.842.105	1.842.105
Financial Leases	901.070	931.202
Others	545.356	545.356
Current Liability	**13.288.532**	**22.818.663**
Bank loan	7.894.737	9.736.842
Financial Leases	1.638.260	1.093.106
Others	272.678	818.034
Non Current Liability	**9.805.675**	**11.647.982**

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 200 and 590 bps.

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

2014	545.356
2015	272.678
	818.034

The maturity of the outstanding loans as per December 31, 2013 can be detailed as follows:

	2014	2015	2016	2017	> 2017	Total
Bank Financing	10.000.000					**10.000.000**
Bank Loan	1.842.105	1.842.105	1.842.105	1.842.105	2.368.422	**9.736.842**
Financial Leases	901.070	535.636	552.321	386.012	164.291	**2.539.330**
Others Loans	545.356	272.678				**818.034**

During 2013 and 2012 the detail of the costs supported with Loans and other financial instruments was as follows (Note 32):

	31/DEC/2013	31/DEC/2012
Commercial Paper Programs	494.968	1.097.118
Current Bank Loans	201.458	198.263
Non Current Bank Loans	691.379	437.138
Financial Leases	85.679	34.017
Financial Instruments	460.731	283.183
Others	29.458	92.341
	1.963.672	**2.142.060**

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

We detail then the outstanding amount in the balance regarding the loans obtained for which were granted mortgages:

- Bank Loans: 9.736.842

21. LEASES

As of 31 December 2013, the company was maintaining responsibilities like tenant relative to future installments of financial lease contracts of industrial equipment in the amount of 2.539.331 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:

Contract			Medium/Long term				
	Leasing	Short-Term	2015	2016	2017 and following	Total	Total
Diverse	Industrial Equipment						
	Capital	901.070	535.636	552.321	550.303	1.638.260	2.539.330
	Interest	94.827	71.964	47.470	25.613	145.047	239.874

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 2013 and 2012 this caption was composed of current accounts with suppliers, which end at short term.

23. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate Derivatives

Althoug these derivatives 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, 2013 was negative at 119.522 Euros (31 December 2012 was negative EUR 598.885) and comprises an actual exposure of 9.736.842 Euros, since 22 December, 2013 for a period of four years.

These derivatives' valuation were provided at 31 December 2013 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

24. FINANCIAL COMMITMENTS NOT INCLUDED IN STATEMENT OF FINANCIAL POSITION

As of 31 December, 2013 and 2012, Toyota Caetano had assumed the following financial commitments:

Responsabilities	31/DEC/2013	31/DEC/2012
Commitments assumed by guaranties	2.500.000	10.580.910
Others Guaranties	926.180	996.562
Total	**3.426.180**	**11.577.472**

As a result of loans amounting to 26,5 million Euros, of which are being used approximately 9,7 million Euros Toyota Caetano granted the respective financial institutions mortgages on properties valued at the time of the referred loans, approximately 25,9 million Euros.

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.

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 0%, 0% and 4,5%, respectively.

The variation of the Fund responsibilities of the Company with the Defined benefit plan in 2013 can be summarized as follows:

Responsibilities at January 1, 2013	**17.084.506**
Cost of the current services	52.630
Cost of interest	738.686
(Gains) and actuarial losses	497.369
Pension payment	(1.338.521)
Responsibilities at December 31, 2013	**17.034.670**

The allocation of this amount during 2013 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, 2012	16.255.677	3.356.709	19.612.385
Contributions	1.340.869	173.903	1.514.772
Real recovery of the plan assets	750.917	155.806	906.723
Pension payment	-1.338.521	- 8.816	-1.347.337
Use of reserve account			
Transfers between Members		15.521	15.521
Fund amount at December 31, 2013	17.008.942	3.693.122	20.702.064

At 31 December 2013, the Pension Fund's portfolio that covers the defined benefit plan was as follows:

Portfolio	**%**	**Value at 31-12-2013**
Stocks	13,6%	2.313.216
Bonds	35,4%	6.021.165
Real Estate	37,7%	6.412.371
Cash	3,6%	612.322
Other Assets	9,7%	1.649.868
Total	**100%**	**17.008.942**

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

	2013	2012
Responsibility's Values	17.034.670	17.084.506
Fund's Value	17.008.942	16.255.677

At December 31, 2012 the responsibilities of Toyota were covered with a provision of 1 million Euros in the caption Post-Retirement.

26. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETSS

Sales and services rendered by geographic markets, in 2013 and 2012, was as follows:

	2013	2012	Var (%)	2013	2012	Var (%)	2013	2012	Var (%)
	National Market			External Market			Total		
Light Vehicles	109.994.500	90.314.218	22%	14.666.815	19.278.649	-24%	124.661.315	109.592.866	14%
Heavy Vehicles	563.048	2.527.680	-78%	274.894	263775	4%	837.942	2.791.455	-70%
Industrial Vehicles	6.821.088	5.731.287	19%	384.884	244.662	57%	7.205.972	5.975.948	21%
Spare Parts and Accessories	34.732.551	36.323.186	-4%	566.931	578.643	-2%	35.299.482	36.901.829	-4%
Others	3.016.613	3.016.383	0%	14.859	8.845	68%	3.031.473	3.025.229	0%
	155.127.801	**137.912.754**	**12%**	**15.908.383**	**20.374.574**	**-22%**	**171.036.184**	**158.287.327**	**8%**

27. INFORMAÇÃO POR SEGMENTOS

The main information relating to the business segments existing on December, 2013 and 2012, prepared according to the same accounting policies and criteria adopted in the preparation of the financial statements, is as follows:

31/Dec/2013	NATIONAL						EXTERNAL					Total
	Vehicles		Industrial Equipment			Others	Vehicles		Industrial Equipment			
	Industry	Commercial	Commercial	Services	Rental		Industry	Commercial	Commercial	Services	Rental	
Profits												
External sales	10.910.220	135.384.789	6.874.915	1.957.877			11.231.634	4.277.006	378.144	14.859		**171.036.184**
Suplementary income					9.662.345						6.740	**9.665.605**
Income												
Operational income	-1.348.800	4.180.637	89.065	1.273.898	1.990.692		-1.962.680	212.573	7.946	9.432	1.422	**4.454.185**
Financial income	9.031	911.207	-6.732	6.549	1.172.346		32.006	21.858	2.451	18	24	**2.148.758**
Gains in subsidiaries	-766.676	-414.800	-15.748			-45.531		-195.784				**-1.438.538**
Net income	-2.124.506	2.480.875	69.095	1.122.424	724.766	-45.531	-1.994.686	-26.873	4.866	8.338	1.124	**219.893**
Other information												
Total assets	31.499.182	122.674.742	2.638.561	407.628	30.483.570							**187.703.683**
Total liabilities	9.709.728	37.846.848	818.200	125.653	9.396.662							**57.897.090**
Investments in subsidiaries [1]												
Capital Expenditur [2]	740.694	934.469	59.699	15.320	1.558.823							**3.218.005**
Depreciation [3]	1.551.136	1.956.935	125.021	32.084	3.264.437							**7.985.531**

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

31/DEC/2012	NATIONAL						EXTERNAL					Total
	Vehicles		Industrial Equipment			Others	Vehicles		Industrial Equipment			
	Industry	Commercial	Commercial	Services	Rental		Industry	Commercial	Commercial	Services	Rental	
Profits												
External sales	15.384.750	114.374.588	5.953.214	2.203.462			14.354.756	5.766.311	241.402	8.845		**158.287.327**
Suplementary income					9.806.250						3.260	**9.809.510**
Income												
Operational income	-2.000.608	4.464.164	-142.293	1.376.414	1.166.855		-1.897.477	457.158	10.466	8.130	249	**3.443.057**
Financial income	213.922	1.975.050	74.885	33.837	604.311		213.680	85.085	5.635	109	59	**3.206.572**
Gains in subsidiaries	-317.646	-2.331.432	12.479			-45.878		-121.780				**-2.804.257**
Net income	-2.214.530	2.450.148	-217.178	1.321.559	553.738		-2.111.157	366.248	4.755	7.896	187	**-2.642.591**
Other information												
Total assets	42.796.062	111.261.308	3.563.100	121.982	35.363.426							**193.105.879**
Total liabilities	14.246.348	37.037.690	1.186.117	40.607	11.772.103							**64.282.866**
Investments in subsidiaries [1]												
Capital Expenditur [2]	641.452	955.758	52.592	3.166	1.565.037							**3.218.005**
Depreciation [3]	1.591.772	2.371.728	130.509	7.857	3.883.665							**7.985.531**

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

28. SUPPLIES

At 31 December 2013 and 2012, supply expenses were as follows:

Description	**31/DEC/2013**	**31/DEC/2012**
Subcontracts	**46.286**	**81.142**
Professional Services	3.093.678	3.256.889
Advertising	9.246.720	9.046.147
Vigilance and Security	399.295	426.690
Professional Fees	666.399	637.008
Comissions	124.238	133.849
Repairs and Maintenance	632.802	479.972
Others	1.906.094	1.659.033
Specialized Services	**16.069.225**	**15.639.588**
Tools and Utensils	46.156	51.055
Books and Technical Documentation	176.170	137.597
Office Supplies	146.784	92.072
Gifts	11.347	6.651
Others	10.163.163	9.715.316
Materials	**10.543.619**	**10.002.690**
Electricity	378.440	375.053
Fuel	456.731	496.019
Water	57.928	45.140
Utilities	**893.100**	**916.212**
Traveling Expenses	763.361	728.196
Personnel Transportation	89.758	86.224
Transportation of Materials	572.678	566.240
Travel and Transportation	**1.425.797**	**1.380.660**
Rent	447.266	474.586
Communications	354.073	355.644
Insurance	689.536	677.972
Royalties	282.284	335.225
Notaries	11.106	10.245
Cleaning and Comfort	271.039	412.137
Other Supplies	**2.055.304**	**2.265.809**
TOTAL SUPPLIES	**31.033.331**	**30.286.099**

29. PAYROLL AND AVERAGE NUMBER OF PERSONNEL

At 31 December 2013 and 2012, payroll expenses were as follows:

Description	31/DEC/2013	31/DEC/2012
Payroll - Management	357.223	377.476
Payroll - Other Personnel	8.456.010	8.612.784
Benefit Plans	530.473	-118.978
Termination Indemnities	324.916	407.318
Social Security Contributions	2.584.025	2.462.903
Workmen's Insurance	175.482	201.134
Social Costs	943.670	996.483
Others	638.872	680.548
Payroll expenses	**14.010.672**	**13.619.666**

During the years ended as of December 31, 2013 and 2012, the average number of personnel was as follows:

Items	DEC' 13	DEC' 12
Employees	379	376
Production Personnel	124	150
	503	**526**

30. REMUNERATION OF BOARD MEMBERS

The remuneration of the board members in Toyota Caetano Portugal, S.A. during the years 2013 and 2012, was as follows:

Board Members	31/DEC/2013	31/DEC/2012
Board of Directors	347.183	367.780
Board of Auditors	8.400	8.400

31. OTHER OPERATING EXPENSES AND OTHER GAINS

As of 31 December, 2013 and 2012, the captions "Other Expenses" and "Other Gains" were as follows:

Other expenses	**31/DEC/2013**	**31/DEC/2012**
Tax	623.248	1.015.706
Cash Discount Granted	83	13.536
Bad Depts		530
Losses on Inventories	519.464	44.906
Losses on Fixed Assets	100.416	419.148
Other Expenses	4.638.442	3.704.455
	5.881.653	**5.198.281**

The caption Other Expenses includes trade incentives and bonuses granted to dealers.

Other gains	**31/DEC/2013**	**31/DEC/2012**
Suplementary Income	26.544.803	26.316.328
Obtained Cash Discounts	6.330	7.925
Recovery of Bad Debts	531	
Gains on Inventories	573.684	108.619
Gains on Fixed Assets	1.113.253	1.174.497
Other Gains	232.761	1.402.870
	28.471.362	**29.010.241**

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,2012 tax recovery gains as a result of favorable decisions on judicial impugnation processes (Note 35).

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

32. FINANCIAL INCOME AND EXPENSES

Expenses	**31/DEC/2013**	**31/DEC/2012**
Interest	1.963.672	2.142.060
Other Expenses	772.963	1.227.719
	2.736.636	**3.369.780**

Gains	**31/DEC/2013**	**31/DEC/2012**
Interest	587.885	163.208

33. EARNINGS PER SHARE

The earnings per share for the year ended as of December 31, 2013 and 2012 were computed based on the following amounts:

Net Income	**DEC/2013**	**DEC/2012**
Basic	219.893	-2.642.591
Diluted	219.893	-2.642.591
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,01	-0,08

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	Comercial Debt		Products		Fixed Assets	Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Rendered	Obtained	Expenses	Gains
AMORIM BRITO & SARDINHA, LDA.	368								2.162
CAETANO BAVIERA - COMÉRCIO DE AUTOMÓVEIS, S.A.	373.567	25.510	2.650.023	6.966	-9.508		144.250	162.986	296.275
CAETANO ACTIVE (SUL), LDA.	-193		490						278
CAETANO CITY E ACTIVE (NORTE), S.A.	-630		155						147
CAETANO DRIVE SPORT URBAN (NORTE), S.A.	3.663		2.115						10.059
CAETANO FORMULA (NORTE), S.A.	-885		3.812						4.342
CAETANO MOTORS, S.A.	-783		1.934						2.869
CAETANO PARTS, LDA.	289	5.675	3.729						1.929
CAETANO POWER, S.A.	3.549		4.660						9.765
CAETANO RETAIL SERVIÇOS, S.A.									-18
CAETANO RETAIL S.G.P.S., S.A.	10.634		683						49.737
CAETANO SPAIN, S.A.	371.074	648							
CAETANO STAR (SUL), S.A.	964		1.452						2.118
CAETANO TECHNIK E SQUADRA, LDA.	-1.996		1.992						2.277
CAETANO UK LIMITED		4.840							
CAETANOBUS - FABRICAÇÃO DE CARROÇARIAS, S.A.	8.513.203	232.491	550.642	171.572	81.109		184.757	73.842	2.630.753
CAETANO AERONAUTIC	1.055		289		24.460				34.133
CAETSU, S.A.	-1.838	687.035		4.787			2.187.585	2.400	237
CARPLUS - COMÉRCIO AUTOMÓVEIS, S.A.	2.832	1.363	1.670						9.119
CHOICE CAR - COMÉRCIO AUTOMÓVEIS, S.A.									693
COBUS INDUSTRIES		172.913			157.358		11.722		
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, S.A.	739				129		7.936	824	6.586
FINLOG - ALUGUER E COMÉRCIO AUTO, S.A.	750	108.219		158.220	3.533		371.666	40.232	2.175
GUERIN RENT-A-CAR, S.L.								100.382	
GRUPO SALVADOR CAETANO,S.G.P.S., S.A.		113					92		
GUERIN RENT-A-CAR (DOIS), LDA.	2.353								302.314
IBERICAR AUTO NIPON, S.A.	15.525						224	1.268	

03 NOTES TO THE FINANCIAL STATEMENTS

Other Related Companies	Comercial Debt		Products		Fixed Assets	Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Rendered	Obtained	Expenses	Gains
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, S.A.	200.354	36.265	204.739	32.210	3.680		139.772	750	42.132
MDS AUTO - MEDIAÇÃO SEGUROS, S.A.	-349	59.256		-7			729.715		16.972
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, S.A.	306.688	1.872	220.142				19.430		62.208
RIGOR - CONSULTORIA E GESTÃO, S.A.	37.201	590.338	943	99	41.171		2.210.644		297.453
SALVADOR CAETANO AUTO ÁFRICA, S.G.P.S., S.A.								18	
VAS ÁFRICA	891								3.962
ROBERT HUDSON ,LTD									10.542
SALVADOR CAETANO EQUIPAMENTOS, S.A.	4								3
CAETANO FÓRMULA EAST ÁFRICA, S.A.	4								3
ATLÂNTICA	5.111								
GRUPO SOARES DA COSTA	30.451								
COCIGA - CONSTRUÇÕES CIVIS DE GAIA, S.A.	24.990	37.851	1.397		31.755		292.997		18.765
SIMOGA - SOC. IMOBILIÁRIA DE GAIA, S.A.	551								70
POAL	17.806								
DICUORE - DECORACÃO, S.A.					17.014		1.745		
ALBITIN - CIMFT, LDA		1.299		4.066					
SPRAMO - PUBLICIDADE & IMAGEM, S.A.		681							
RARCON - ARQUITECTURA E CONSULTADORIA, S.A.		26.755			6.396		119.245		251
NOVEF - S.G.P.S.	19.500								
LUSO ASSISTÊNCIA	142								1.191
IS.L.AND RENT	116								1.288
OESTE MAR	111								1.148
CIBERGUIA	9.954								
TURISPAIVA - SOCIEDADE TURÍSTICA PAIVENSE, LDA.	149								729
FUNDAÇÃO SALVADOR CAETANO	319.813								
TOYOTA MOTOR CORPORATION		160.368		1.624.658			248.070		
TOYOTA MOTOR EUROPE	1.299.531	9.533.127	10.391.582	108.684.237				449.118	9.441.067

35. CONTINGENT ASSETS AND LIABILITIES

Taxes Liquidation

In the year ended December 31, 2012 were recovered around 934.000 Euros, recorded under "Other operating income", referring to:

- However obtained favorable decisions in cases of judicial review concerning additional payments of corporate income tax for 1995, amounting to 570.591 Euros of additional settlements paid and recognized as expenses in previous years and 352.203 Euros of their indemnity interest;
- 363.183 Euros relating to legal challenges related to additional payments to the years 1997, 1998 and 1999

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 appeal, pending a new decision.

During the period ended was presented in Supreme Court allegations of appeal.

In 2013 the company was notified of the decision from Supreme Court to pay a compensation for indirect and non-patrimonial losses. We have to deduct the receivable accounts plus interest related to a claim made against the Agent.

The Board of directors believe that there are no responsibilities to the Company resulting from the conclusion of the judicial procedure.

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 2013.

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 processo.

38. REMUNERATION OF STATUTORY AUDITOR

The remuneration of the Statutory Auditor, PricewatherhouseCoopers & Associados – S.R.O.C., Lda. for 2013, was as follows:

	31.12.2013
Total fees related statutory audit	29.500

39. FINANCIAL STATEMENTS APPROVAL

The financial statements were approved by the Board of Directors on 3 April 2014.

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

Takishi Numa

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 '13	DEC '12
Turnover	222.923.191	216.271.646
Cash-Flow	13.004.089	11.127.691
Interest and Others	1.743.901	2.903.825
Personnel Expenses	34.924.650	36.178.916
Net Investment	4.791.647	8.702.901
Number of Employees	1.478	1.571
Net Income with Minority Interest	-2.416	-3.089.055
Net Income with out Minority Interest	60.656	-2.853.034
Degree of Autonomy	64,01%	60,40%

Consolidated Balance Sheet at 31 December 2013, 31 December 2012

ASSETS	Notes	12/DEC/2013	12/DEC/2012
NON-CURRENT ASSETS			
Goodwill	8	611.997	611.997
Intangible Assets	5	584.075	735.848
Tangible Fixed Assets	6	74.570.014	83.466.849
Investment properties	7	16.502.727	16.002.786
Available for sale Financial Investments	9	3.341.376	3.181.038
Other Credits	12		313.000
Deferred tax Assets	14	2.871.892	3.440.928
Accounts Receivable	11	521.364	111.718
Total de ativos não correntes		99.003.445	107.864.164
CURRENT ASSETS:			
Inventories	10 and 24	43.293.137	44.835.859
Accounts Receivable	11 and 24	44.361.619	42.891.844
Other Credits	12	6.486.025	7.657.930
Public Enteties	21	7	228.104
Other Current Assets	13	1.325.550	2.995.638
Cash and cash equivalents	15	7.676.781	7.507.699
Total current assets		103.143.119	106.117.074
TOTAL ASSETS		202.146.564	213.981.238
SHAREHOLDERS' EQUITY & LIABILITIES			
EQUITY			
Share capital	16	35.000.000	35.000.000
Legal Reserve	16	7.498.903	7.498.903
Revaluation reserves	16	6.195.184	6.195.184
Translation reserves	16	(1.695.238)	(1.695.238)
Fair value reserves	9 and 16	260.693	102.455
Other Reserve	16	80.429.549	84.174.774
Net Income		60.656	(2.853.034)
		127.749.747	128.423.044
Non-controlled Interests	17	1.646.250	812.346
TOTAL EQUITY		129.395.997	129.235.390
LIABILITIES:			
NON-CURRENT LIABILITIES			
Loans	18	13.135.539	15.442.693
Pension Fund liabilities	23		1.051.264
Provisions	24	323.424	315.464
Deferred tax liabilities	14	2.089.843	2.499.172
Total non-current liabilities		15.548.806	19.308.593
CURRENT LIABILITIES			
Loans	18	13.586.846	24.991.635
Accounts Payable	19	22.792.534	18.105.176
Other Creditors	20	1.619.969	2.445.622
Public Enteties	21	5.067.123	5.925.322
Other current liabilities	22	14.015.767	13.364.892
Derivative financial instruments	25	119.522	604.608
Total current liabilities		57.201.761	65.437.255
TOTAL LIABILITIES AND SHAREHOLDER' EQUITY		202.146.564	213.981.238

The annex integrates the Balance sheet at 31 December 2013.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 2013, 31 December 2012

	Notas	31/DEC/2013	31/DEC/2012
Operating Income:			
Sales	29	205.085.083	197.059.500
Service Rendered	29	17.838.108	19.212.146
Other Operating Income	32	34.555.626	34.886.448
Variation of Products	10	(3.259.473)	(6.114.953)
		254.219.344	245.043.141
Operating expenses:			
Cost of sales	10	(169.605.168)	(155.872.816)
External Supplies and Services	30	(31.583.581)	(34.975.394)
Payroll Expenses	31	(34.924.650)	(36.178.916)
Depreciations and Amortizations	5, 6 and 7	(13.179.976)	(16.263.166)
Provisions and Impairment loss	24	285.735	1.094.655
Other Operating expenses	32	(3.008.281)	(3.883.945)
		(252.015.921)	(246.079.582)
Operating Results		2.203.423	(1.036.441)
Expense and financial losses	33	(2.618.681)	(3.599.476)
Income and financial gains	33	874.780	695.651
Profit before tax		459.522	(3.940.266)
Income tax for the year	26	(461.938)	851.211
		(2.416)	(3.089.055)
Net profit for the period		(2.416)	(3.089.055)
Net profit for the period			
attributable to:			
Equity holders of the parent		60.656	(2.853.034)
Non-controlled interests		(63.072)	(236.021)
		(2.416)	(3.089.055)
Earnings per share:			
Basic	27	0,002	-0,088
from continuing operations			
from discontinued operations		0,002	-0,088
Diluted	27	0,002	-0,088
from continuing operations			
from discontinued operations		0,002	-0,088

The annex integrates the Income Statement at 31 December 2013.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 Shareholders' Equity at 31 December 2013, 31 December 2012

(Amount expressed in Euros)

	EQUITY ATTIBUTABLE TO THE PARENT COMPANY										
	SHARE CAPITAL	LEGAL RESERVES	REAVALUATION RESERVES	TRANSLATION RESERVES	FAIR VALUE RESERVES	OTHER RESERVE	TOTAL RESERVES	NET PROFIT	SUBTOTAL	NON-CONTROLLED INTERESTS	TOTAL
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**	**(2.218.405)**	**131.065.635**	**1.058.180**	**132.123.815**
Changes in the period:											
Application of the Consolidated Net Income 2011						(2.218.405)	(2.218.405)	2.218.405			0
Available for sale Investments fair value changes					88.059		88.059		88.059		112.572
Others						122.384	122.384		122.384	(9.812)	200.631
					88.059	(2.096.021)	(2.007.962)	2.218.405	210.443	(9.812)	(9.812)
Consolidated net profit for the period								(2.853.034)	(2.853.034)	(236.022)	(3.089.056)
Total comprehensive income for the year					88.059	122.384	210.443	(2.853.034)	(2.642.591)	(236.022)	(2.878.613)
Transactions with equity holders											
Aquisition of non controlled interest											
Balances at 31 of December 2012	**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**102.455**	**84.174.774**	**96.276.078**	**(2.853.034)**	**128.423.044**	**812.346**	**129.235.390**
Balances at 31 of December 2012	**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**102.455**	**84.174.774**	**96.276.078**	**(2.853.034)**	**128.423.044**	**812.346**	**129.235.390**
Changes in the period:											
Application of the Consolidated Net Income 2012						(2.853.034)	(2.853.034)	2.853.034			0
Available for sale Investments fair value changes					158.238		158.238		158.238		158.238
Others											
					158.238	(2.853.034)	(2.694.796)	2.853.034	158.238		158.238
Consolidated net profit for the period								60.656	60.656	(63.072)	(2.416)
Total comprehensive income for the year					158.238		158.238	60.656	218.894	(63.072)	155.822
Transactions with equity holders											
Aquisition of non controlled interest						(892.191)	(892.191)		(892.191)	896.976	4.785
Saldos em 31 de dezembro de 2013	**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**260.693**	**80.429.549**	**92.689.091**	**60.656**	**127.749.747**	**1.646.250**	**129.395.997**

The annex integrates the Income Statement at 31 December 2013.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 2013, 31 December 2012

(Amount expressed in Euros)

	31/DEC/2013	31/DEC/2012
Consolidated net profit for the period, including minority interest	(2.416)	(3.089.055)
Components of other consolidated comprehensive income, net of tax, that could be recycled by profit and loss:		
Available for sale Financial Investments fair value changes	158.238	88.059
Tax effect of change in fair value of available for sale investments		
Others		122.383
Consolidated comprehensive income	**155.822**	**(2.878.613)**
Atributable to:		
Equity holders of the parent company	218.894	(2.642.592)
Non-controlled interests	(63.072)	(236.021)

The annex integrates the Income Statement at 31 December 2013.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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

(Amount expressed in Euros)

CONSOLIDATED CASH FLOWS STATEMENT	2013		2012	
Collections from Customers	249.146.952		246.958.919	
Payments to Suppliers	(200.896.491)		(173.011.967)	
Payments to Employees	(29.069.764)		(29.816.408)	
Operating Flow		19.180.697		44.130.544
Payments of Income Tax		(1.047.761)		1.051.891
Other Collections/Payments Related to Operating Activities		(2.684.038)		(20.050.820)
Cash Flow from Operating Activities		15.448.898		25.131.615

Investing Activities

Collections from:				
Investments			107.000	
Tangible Fixed Assets	14.383.126		19.516.969	
Intangible Assets				
Subsidies	27.572		23.786	
Interest and Other income	170.661		274.058	
Dividends		14.581.359		19.921.813
Payments to:				
Investments	(1.055)		(5.117.220)	
Investment Properties	(119.693)			
Tangible Fixed Assets	(11.879.960)		(11.955.468)	
Intangible Assets	(17.374)	(12.018.082)	(594)	(17.073.282)
Cash Flow from Investment Activities		2.563.277		2.848.531

Financing Activities

Collections from:				
Loans				
Payments to:				
Loans	(13.857.127)		(30.727.065)	
Lease Down Payments	(1.133.345)		(3.730.035)	
Interest and Other costs	(2.838.122)		(3.917.458)	
Dividends	(14.500)	(17.843.094)	(3.985)	(38.378.543)
Cash Flow from Financing Activities		(17.843.094)		(38.378.543)

Cash

Cash and Cash Equivalents at Beginning of Period (Note 4)	7.507.699	18.006.246
Changes in perimeter (Note 5)		100.150
Cash and Cash Equivalents at End of Period (Note 4)	7.676.780	7.507.699
Net Flow in Cash Equivalents	169.081	(10.398.397)

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos – President; Takeshi Numa; 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 "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.

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 c).

2. MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of the consolidated financial statements are as follows:

2.1 BASIS OF PRESENTATION

These financial statements relate to the consolidated financial statements of Toyota Caetano Group and were prepared according to the IFRS – International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards (IAS), as issued by the International Accounting Standards Committee ("IASC"), and its respective interpretations - IFRIC and SIC, as issued, respectively, by the International Financial Reporting Interpretations 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 2013.

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, 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 on or after 1 January 2013, were adopted by the first time in the fiscal year ended at 31 December 2013:

a) Changes to accounting standards applicable to periods beginning on or after 1 January 2013:

(i) Standards:

IAS 1 (amendment), 'Presentation of financial statements'. This amendment changes the disclosure of items presented in other comprehensive income (OCI), requiring entities to separate items in OCI on whether or not they may be recycled to profit and loss in the future and the related tax amount if OCI items presented before tax. The adoption of this amendment is reflected in the Consolidated Statements of Comprehensive Income.

IAS 12 (amendment), 'Income taxes'. This amendment requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale, except for the investment properties measured at fair value model. The amendments also incorporate into IAS 12 the guidance previously contained in SIC 21, which is accordingly withdrawn. The adoption of this amendment had no impact in the financial statements.

IAS 19 (revised), 'Employee benefits'. This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses are recognized immediately, and only, in OCI (no corridor approach allowed). Finance cost for funded benefit plans are calculated on a net funding basis. Termination benefits qualify for recognition only when the employee has no future-service obligation. The adoption of this amendment had no impact in the financial statements.

Annual improvements to IFRSs 2009 – 2011, The annual improvements affects: IFRS 1 (second adoption of IFRS 1 and exemptions), IAS 1 (presentation of additional financial statements when a change of accounting policy is mandatory or voluntary), IAS16 (classification of spare parts and servicing equipment when the definition of PP&E is met), IAS 32 (tax impact classification when related to transactions involving equity or dividends) and IAS 34 (exemption of total assets and liabilities disclosure by segment). The adoption of these amendments had no impact in the financial statements.

IFRS 1 (amendment), 'First time adoption of IFRS'. This amendment creates an additional exemption when an entity that has been subject to severe hyperinflation presents financial statements in accordance with IFRSs for the first time. The other change refers to the replacement of references to a fixed date with "the date of transition to IFRS" for retrospective adoption exemptions. The adoption of this amendment had no impact in the financial statements, since the Entity already applies IFRS.

IFRS 1 (amendment) 'First time adoption of IFRS – government loans'. This amendment clarifies how a first-time-adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS. It also adds an exception to the retrospective application of IFRS, giving the same relief that was granted to existing preparers in 2009. The adoption of this amendment had no impact in the financial statements, since the Entity already applies IFRS.

IFRS 7 (amendment) 'Disclosures - Offsetting Financial Assets and Financial Liabilities'. This amendment is part of the IASB offsetting project which introduces new disclosure requirements about entity's right to offset (assets and liabilities), the amounts offset, and the effects of these in the credit exposure. The adoption of this amendment had no impact in the financial statements.

IFRS 13 (new), 'Fair value measurement and disclosure'. IFRS 13 aims to improve consistency by providing a precise definition of fair value and a single source of fair value measurement, and disclosure requirements for use across IFRSs. The adoption of this standard had no impact in the financial statements.

(ii) Interpretations:

IFRIC 20 (new),'Stripping costs in the production phase of a surface mine. This interpretation refers to the accounting of overburden waste removal costs in the production phase of a surface mine, as an asset, considering that the waste removal generates two potential benefits: immediate extraction of mineral resources and improved access to further quantities of mineral resources to be extracted in the future. The adoption of this interpretation had no impact in the financial statements.

b) The following standards, amendments to existing standards and interpretations have been published and are mandatory for the Entity's accounting periods beginning on or after 1 January 2014 or later periods, but that the Entity has not early adopted:

IFRS 10 (new), 'Consolidated financial statements' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). IFRS 10 replaces all the guidance on control and consolidation in IAS 27 and SIC 12, changing the definition of control and the criteria applied to determine control. The core principal that a consolidated entity presents a parent and its subsidiaries as a single entity remain unchanged. The Entity will apply IFRS 10 in the period it becomes effective.

IFRS 11 (new), 'Joint arrangements' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). IFRS 11, focus on the rights and obligations of the joint arrangements rather than its legal form. Joint arrangements can be joint operations (rights to the assets and obligations) or joint ventures (rights to net assets, applying equity method).Proportional consolidation of joint venture is no longer allowed. The Entity will apply IFRS 11 in the period it becomes effective.

IFRS 12 (new), 'Disclosure of interest in other entities' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). This standard sets out the required disclosures for all types of interests in other entities, such as: subsidiaries, joint arrangements, associates and structured entities, to allow the evaluation of the nature, risks and financial effects associated with entity's interests. The Entity will apply this standard in the period it becomes effective.

Amendment to IFRS 10, 11 and 12, , 'Transition guidance' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). This amendment clarifies that, when from the adoption of IFRS 10 results a different accounting treatment from IAS 27/SIC12 application, the comparatives must be adjusted to only the preceding comparative period, being the differences calculated recognized as at the beginning of the comparative period, in equity. The IFRS 11 amendment refers to the obligation of impairment testing over the financial investment, which results from the proportional consolidation elimination. Specific disclosures requirements are included in IFRS 12. The Entity will apply this amendment in the period it becomes effective.

IAS 27 (revised 2012), 'Separate financial statements' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). IAS 27 was revised after the issuance of IFRS 10 and contains the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when the entity prepares separate financial statements. The Entity will apply the revised standard in the period it becomes effective.

IAS 28 (revised 2012),'Investments in associates and joint ventures' (to be applied in EU at the latest in the annual periods beginning on or after 1 January 2014). IAS 28 was revised after the issuance of IFRS 11 and prescribes the accounting for investments in associates and joint ventures, and sets out the requirements for the application of equity method. The Entity will apply the revised standard in the period it becomes effective.

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 and/or in which it has the power to control financial and operating policies (definition of control used by the Group), were included in the consolidated financial statements by the full consolidation method. 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.

For business combinations earlier than 2010, it was adopted the purchase method to account for subsidiary's acquisitions. The acquisition cost correspond to the fair value, determined at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed. The identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially recognised at fair value on the acquisition date, irrespective of the existence of non-controlling interests. The surplus in the cost of acquisition relating to the fair value of the parcel of the Group of the assets identifiable acquired are registered as Goodwill. If the cost of acquisition is lower than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the Consolidated Income Statement.

For business combinations that have occurred on or after 1 January 2010, the Group has applied IFRS 3 Revised. According to the referred standard, the purchase method continues to be considered on business combinations, with the following significant changes:

(i) the amounts that compose the purchase price are valued at fair value, being given the option to, on a transaction to transaction basis, measure non controlling interests by the proportion of the acquired company's net assets or at the fair value of the assets and liabilities acquired.

(ii) othe costs related to the acquisition are recognized as expenses.

It was also applied since 1 January 2010, the IAS 27 reviewed, which requires that all transactions with non controlling interests to be recognized on Equity, when there is no change on the control of the entity. Also, it isn't recognized goodwill or any profit or loss. When there is a loss of control on the entity, any remaining interest is remeasured at fair value, with a gain or loss being recognized on the consolidated income statement.

The results of Group companies acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or until the date of their disposal.

Adjustments to the financial statements of Toyota Caetano companies are performed, whenever necessary, in order to adapt accounting policies to those used by the Group. Intercompany balances and transactions, and dividends distributed between Group companies have been eliminated in the consolidation process.

Whenever the Group has, in substance, control over other entities created for a specific purpose, even if no share capital interest 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 "Goodwill" (note 8)). 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, 2013 and 2012, there were no investments in associated companies.

c) 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 2013 and 2012 in the translation into Euros of foreign subsidiaries were as follows:

31-12-2013	Currency	Final Exchange Rate for 2013	Average Exchange Rate for 2013	Exchange Rate at the Date of Incorporation	Final Exchange Rate for 2012
Caetano Auto CV, S.A.	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet Except Shareholders	Income Statement	Share Capital	Retained Earnings

31-12-2012	Currency	Final Exchange Rate for 2012	Average Exchange Rate for 2012	Exchange Rate at the Date of Incorporation	Final Exchange Rate for 2011
Caetano Auto CV, S.A.	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 7).

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 at December 31, 2012 is determined on an annual basis by an independent appraiser (Market, Cost, Profit and Use Method models).

External evaluations conducted to some properties at the end of 2013 did not identify any new impaired.

Additionally, as a result of all internal assessments prepared by the Company for the remaining properties and given the widespread lack of major works in 2013, the absence of relevant claims in 2013 and the lack of properties in areas of accelerated degradation, is convinced the administrations of that there has been no significant change to the fair value of these properties in 2013, believing they are still valid and current values of the last external evaluation carried out in late 2012.

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), except when the lease term is shorter than the estimated useful lives.

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

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 costs incurred 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.

Repayable Subsidies

The benefit related with government borrowings at an interest rate lower than the market interest rate, is treated in accordance with IAS 39 Financial Instruments: Recognition and Measurement. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IAS 39 and the proceeds received. The benefit is accounted in accordance with IAS 20. The entity shall consider the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the loan is intended to compensate.

g) Impairment of assets

Non current assets except *Goodwill*

Assets are assessed for impairment at each statement of financial position date 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.

Goodwill

The value of Goodwill is not amortized, being tested for impairment purposes on an annual basis. The recoverable amount is determined as being the present value of estimated future cash flows that are expected to be generated by the continuous use of the asset. Impairment losses of Goodwill are recognized in the income statement in the caption "Provisions and Impairment Losses".

Goodwill impairment losses cannot be reversed.

h) Financial expenses

Loan's related financial costs (interests, premiums, ancillary costs and lease interests) are recognised as financial costs in income statement of the period in which they are incurred, in accordance with the accrual principle and the effective interest rate method, except if those costs are directly related to the acquisition, construction or production of fixed assets. In this case, the referred costs are capitalized, being part of the asset cost. The capitalization of these costs begins after the beginning of the preparation of the construction or asset development activities and it is interrupted when the asset is ready to be used or when the project is suspended. Any financial income generated by loans that are directly related with a specific investment, are deducted to financial expenses elected for capitalization purposes.

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 24).

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, 2013 and 2012, 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, 2013, Toyota Caetano Group held shares of Cimóvel - Real Estate Investment Fund (Note 9).

Fair Value of Financial Investments
To determine the fair value of a financial asset or liability, if such a market exists, the market price is applied. A market is regarded as active if quoted prices are readily and regularly available from an exchange, broker or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Otherwise, which is the case of some financial assets and liabilities, valuation techniques that are generally accepted in the market are used based on market assumptions (e.g.: discounted cash flow models that incorporate interest rate curves and market volatility, which is the case of derivative financial instruments).

Investments are all initially recognized at fair value, including transaction costs, with the exception of investments recognized at fair value through profit or loss. In this case, investments are initially recognized at fair value, and the respective transaction costs are recognized directly in the income statement.

“Available for sale investments” and “investments at fair value through profit or loss” are kept at fair value at the balance sheet date, without deducting any transaction cost that could occur until the time of disposal.

Available for sale investments representative of share capital from unquoted companies are recognized at the acquisition, taking into account the existence or not of impairment losses. It is conviction of the Board that the fair value of these investments does not differ significantly from their acquisition cost.

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.

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.

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.

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.

(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.

Evidence from the existence of impairment on accounts receivable exists when:

- athe counterparty presents significant financial difficulties;
- there are significant delay on principal payments; and
- it is probable that the debtor will enter in a liquidation or financial restructuring process.

The Group uses historic information as well as information provided by the Credit and Legal Department to estimate impairment amounts.

(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 used by the Group (mainly interest rate swaps and currency forwards), have the specific aim of interest rate risk coverage and exchange rate risk on future transactions in foreign currency.

Derivatives are initially recognized at their cost at the date on which they are contracted, being subsequently measured at fair value. The method used to recognize fair value changes depends on the designation (or not) of derivatives for hedge accounting purposes and on the nature of the hedged item.

For each transaction, the group prepares documentation that justifies the relation between the hedging instrument and the hedged item, as well as the risk management objective and the strategy for the hedge transaction. The group also documents, at the date of negotiation of the hedging, on a continuous basis, its analysis of the effectiveness of the hedging instrument in compensating the fair value or cash flow changes of the hedged items. According to IAS 39, the fair value of financial options should be separated in two parts, intrinsic value and temporal value, because only the intrinsic value can be designated as a hedging instrument. Thus, the effectiveness tests of this kind of derivatives include the intrinsic value of the referred instrument.

The fair value of derivatives acquired for hedging purposes is presented in the note 25. The movements in the hedge reserve are presented in the consolidated statement of changes in equity. The entirety of the fair value of an hedging derivative is classified as a non current asset or liability when the residual maturity of the hedged item is greater than 12 months, and as a current asset or liability when less than 12 months. Negotiation derivatives are classified as current assets or liabilities.

The derivative financial instruments to which the company decides to apply hedge accounting are initially recognized at their cost, which corresponds to their fair value, and, subsequently, measured at fair value through other comprehensive income (cash flow hedge) or profit or loss (fair value hedge).

The derivative financial instruments, for which the company as not applied hedge accounting, although contracted for economic hedging purposes, are initially 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.

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, December 23, 2002 and March 30, 2009.

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 Ativos 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 Ativos 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 23). The Group recognized actuarial gains and losses in other reserves.

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

With the exception of Movicargo, taxes on income for the year are calculated based on the Special Taxation of Groups of Companies ("RETGS"), which includes companies of Toyota Caetano Group based in Portugal: Toyota Caetano Portugal, Caetano Renting, Saltano and Caetano Auto.

The only subsidiary with headquarters in a foreign country (Caetano Auto Cabo Verde) is taxed on an individual basis and in accordance with the applicable legislation.

Deferred taxes are calculated using the balance sheet liability method, reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are not recognized when temporary differences arise from goodwill or from initial recognition of assets and liabilities other than in a business combination. Deferred tax assets and liabilities are calculated and annually reviewed using the tax rates in place or announced and thereby expected to apply at the time the temporary differences are expected to reverse.

Deferred tax assets are recognized only when it is probable that sufficient taxable profits will be available against which the deferred tax assets can be used, or when taxable temporary differences are recognized and expected to reverse in the same period. At each balance sheet date a review is made of the deferred tax assets recognized, which are reduced whenever their future use is no longer likely.

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) 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.

Revenue is recognized net of taxes and commercial discounts, by the fair value of the amount received or to be received, knowing that:

- The revenue from sales is recognized in the income statement when the significant part of risks and benefits related with the possession of assets is transferred to the acquirer, it is probable the future economic benefits will flow to the entity and these benefits can be measured reliably;
- The revenue from services rendered is recognized according to the stage of completion of the transaction at the balance sheet date.

o) 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".

p) 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.

q) 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 28.

r) 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, 2013 and 2012 there were no Non current assets held for sale which fulfil the requirements mentioned above.

s) Subsequent events

Events after the balance sheet date that provide additional information about conditions that existed at the balance sheet date (adjusting events) are reflected in the financial statements. Events after the balance sheet date that are non-adjusting events are disclosed in the notes when material.

2.4 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, 2013 and 2012 include:

a) Useful lives of tangible and intangible assets;
b) Registration of adjustments to the assets values (accounts receivable and inventories) and provisions;
c) Impairment tests performed to *goodwill*;
d) Discharge of the fair value of derivative financial instruments;
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.

2.5 FINANCIAL RISK MANAGEMENT POLICIES

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 (Cape Verde Escudo, for the subsidiary Caetano Auto Cabo Verde, S.A.), 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, 2013 and 2012, 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 c), assets and liabilities of foreign subsidiaries are translated into Euros using the exchange rates at statement of financial position date, and gains and losses of these entities 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' 13	DEC' 12	DEC' 13	DEC' 12
Cabo Verde Escudo (CVE)	6.675.939	7.396.636	946.903	1.426.606
Great Britain pounds (GBP)	348.887	302.278	545	
Danish Krone (DKK)	188.709	146.150		
Norwegian kroner (NOK)	80.142	1.918		
Swedish kronor (SEK)	40.849	55.732	2.176	
Japanese yen (JPY)			161.573	39.216
US Dollar (USA)			9.258	

The sensitivity of the Group to foreign exchange rate changes can be summarized as follows:

	Variation	DEC' 13		DEC' 12	
		Net Income	Equity	Net Income	Equity
Cabo Verde Escudo (CVE)	5%	(12.050)	286.452	(7.495)	298.502
Great Britain pounds (GBP)	5%	17.417		15.114	
Danish Krone (DKK)	5%	9.435		7.307	
Norwegian kroner (NOK)	5%	4.007		96	
Swedish kronor (SEK)	5%	1.934		2.787	
Japanese yen (JPY)	5%	(8.079)		(1.961)	
US Dollar (USA)	5%	(463)			

ii) Price risk

The group is exposed to the changing in raw material's prices used on production processes, namely auto parts. However, considering that the acquisition of those raw materials is not in accordance with a price quoted on an exchange market or formed on a volatile market, the price risk is not considered as being significant.

During 2013 and 2012, the Group has been exposed to the risk of variation of available for sale assets' prices. At 31 December 2013 and 2012, the referred caption is composed only by shares of the closed property investment fund Cimóvel – Fundo de Investimento Imobiliário Fechado (Real Estate Investment Fund). Due to the fact that the referred asset is classified as an available for sale asset, the effect of change in its fair value is recognized in accordance with the principles described on the note 2.3. j).

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

	Variation	DEC' 13		DEC' 12	
		Profit or Loss	Equity	Profit or Loss	Equity
Cimóvel Fund	10%		327.464		311.640
Cimóvel Fund	-10%		(327.464)		(311.640)

(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)):

	Variation	DEC' 13		DEC' 12	
		Net Income	Equity	Net Income	Equity
Loans- Mutual Contract	1 p.p	97.368		115.789	
Guaranteed account	1 p.p	100.000			
Bank Credits	1 p.p			2.197	
Commercial Paper	1 p.p			210.000	
Total		197.368		327.987	
Loans- Mutual Contract	(1 p.p)	(97.368)		(115.789)	
Guaranteed account	(1 p.p)	(100.000)			
Bank Credits	(1 p.p)			(2.197)	
Commercial Paper	(1 p.p)			(210.000)	
Total		(197.368)		(327.987)	

The above analysis does not include the consideration of the hedging (swap) financial instrument agreed by the Group to face the interest rates variation (Note 25).

(iv) Liquidity risk

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

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

Toyota Caetano Group liquidity risk management has a threefold objective:

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

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

In the following table, it is presented the maturity of each financial liability, with non-discounted values, taking into consideration the most pessimistic scenario the shortest period on which the liability becomes exigible:

DEC' 13	Less than 1 year	Between 1 and 2 years	Between 2 and 4 years	More than 4 Years	Total
Loans	13.586.846	2.955.208	5.252.436	4.927.895	26.722.385
Accounts Payable	22.792.534				22.792.534
Other Creditors	1.619.970				1.619.970
	37.999.350	2.955.208	5.252.436	4.927.895	51.134.889

DEC' 12	Less than 1 year	Between 1 and 2 years	Between 2 and 4 years	More than 4 Years	Total
Loans	24.991.635	3.314.566	5.026.116	7.102.011	40.434.328
Accounts Payable	18.105.176				18.105.176
Other Creditors	2.445.622				2.445.622
	45.542.433	3.314.566	5.026.116	7.102.011	60.985.126

At 31 December 2013 and 2012, the Group presents a net debt of 19.045.604 Euros and 32.926.629 Euros, respectively, divided between current and non current loans (Note 18) and cash and cash equivalents (Note 15), agreed with the different financial institutions.

(v) Capital Risk

The main objective of the Board is to assure the continuity of the operations, providing an adequate remuneration to shareholders and the correspondent benefits to the rest of the stakeholders of the company. For the prosecution of this objective it is fundamental that a careful management of funds invested in the business is assured, trying to keep an optimal capital structure, in order to achieve the desired reduction of the cost of capital. With the purpose of maintaining an adequate capital structure, the Board can propose to the shareholders the measures considered necessary.

The company tries to maintain a level of equity considered adequate to the business characteristics, in order to assure continuity and expansion of the business. The capital structure balance is monitorized through the financial leverage ratio, defined as net debt/(net debt + equity).

	DEC' 13	DEC' 12
Debt	26.722.385	40.434.328
Cash e Cash Equivalents	7.676.781	7.507.699
Net Debt	19.045.604	32.926.629
Equity	129.395.996	129.235.390
Leverage Ratio	12,83%	20,3%

The gearing remains between acceptable levels, as established by managemento.

(vi) 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. Before accepting new clients, the company obtains information from credit rating agencies and makes internal analysis to the collection risk and contingent processes through specific credit and legal departments, attributing credit limits by client, based on the information received.

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, 2013 were of, approximately, 8.039.965 Euros (8.259.965 as of December 31, 2012), and whenever these amounts are exceeded, these customers' supplies are suspended.

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, 2013 and 2012 are stated in Note 24.

At December 31, 2013 and 2012, the Group considers that there is no need for additional impairment losses, besides the amounts registered on those dates and stated, briefly, in Note 24.

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.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF MISSTATEMENTS

During the year ended as of December 31 2013, 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, 2013 and 2012, are as follows:

Companies	Effective Percentage Held	
	DEC' 13	DEC' 12
Toyota Caetano Portugal, S.A.	Parent Company	
Saltano - Investimentos e Gestão (S.G.P.S.), S.A.	99,98%	99,98%
Caetano Components, S.A.		99,98%
Caetano Auto CV, S.A.	81,24%	81,24%
Caetano Renting, S.A.	99,98%	99,98%
Caetano - Auto, S.A.	98,39%	98,39%
Caetano Retail (Norte) II, S.G.P.S., S.A.		49,20%
Auto Partner - Comércio de Automóveis, S.A.		49,20%
Caetano Colisão (Norte), S.A.		49,20%
Movicargo - Movimentação Industrial, Lda.	100,00%	100,00%
Caisb - Companhia Administradora Imobiliária São Bernardo, S.A.		98,39%

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).

Changes in the consolidation perimeter

During the year ended December 31, 2013, there were the following changes in the composition of the consolidation:

By Fusion	By Dissolution
Caetano Retail (Norte) II, S.G.P.S., S.A.	Caetano Components, S.A.
Auto Partner - Comércio de Automóveis, S.A.	
Caetano Colisão (Norte), S.A.	
Caisb - Companhia Administradora Imobiliária São Bernardo, S.A.	

During the year ended December 31, 2012, there was a change in the composition of the consolidation, derived from the acquisition of Caisb - Companhia Administradora São Bernardo, S.A.

During the year 2013 were acquired the remaining 50% stake in Caetano Retail (Norte) II, SGPS, SA (which owned 100% subsidiaries Auto Partner – Comércio de Automóveis, SA and Caetano Colisão (Norte), SA), with the merger of these companies with Caetano Auto, SA occurred with effect from 1 January, 2013.

The dissolution of Caetano Components, SA occurred December 31, 2013.

5. INTANGIBLE ASSETS

During the year ended as December 31, 2013 and 2012, the movement in intangible assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

31/12/2013	Industrial Property	Goodwill	Computer Programs	Intangible Assets in progress	Total
Gross Assets					
Opening Balances	140.816	81.485	2.016.656	1.188	2.240.145
Additions			5.000	12.374	17.374
Transfer and Write-offs			(153.233)	(1.188)	(154.421)
Ending Balances	140.816	81.485	1.868.423	12.374	2.103.098
Accumulated Depreciation and Impairment losses					
Opening Balances	94.423	81.485	1.328.389		1.504.297
Depreciations	23.295		146.518		169.813
Transfer and Write-offs	(390)		(154.697)		(155.087)
Ending Balances	117.328	81.485	1.320.210		1.519.023
Net Intangible Assets	**23.488**		**548.213**	**12.374**	**584.075**

31/12/2012	Industrial Property	Goodwill	Computer Programs	Intangible Assets in progress	Total
Gross Assets					
Opening Balances	140.816	81.485	2.016.656	594	2.239.551
Additions				594	594
Ending Balances	140.816	81.485	2.016.656	1.188	2.240.145
Accumulated Depreciation and Impairment losses					
Opening Balances	71.519	81.485	1.180.059		1.333.063
Depreciations	23.295		148.330		171.625
Transfer and Write-offs	(391)				(391)
Ending Balances	94.423	81.485	1.328.389		1.504.297
Net Intangible Assets	**46.393**		**688.267**	**1.188**	**735.848**

6. TANGIBLE FIXED ASSETS

During the years ended as of December 31, 2013 and 2012, the movement in tangible fixed assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

31/12/2013	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
Gross Assets								
Opening Balances	16.637.519	92.320.134	59.550.699	48.497.032	7.691.874	4.085.013	2.435.356	231.217.627
Additions	68.321	378.734	969.428	14.383.221	58.078	26.742	1.689.100	17.573.624
Disposals	(54.560)	(328.041)	(3.003.895)	(19.481.415)	(203.925)	(104.366)		(23.176.202)
Transfer and Write-offs	216.645	(1.226.694)				159.820	(1.745.157)	(2.595.386)
Ending Balances	16.867.925	91.144.133	57.516.232	43.398.838	7.546.027	4.167.209	2.379.299	223.019.663
Accumulated Depreciation and Impairment losses								
Opening Balances		57.824.400	53.876.907	25.042.359	7.343.297	3.663.815		147.750.778
Depreciations		2.518.656	1.354.917	8.298.765	136.629	166.054		12.475.021
Disposals		(323.924)	(2.190.379)	(7.239.038)	(204.044)	(28.676)		(9.986.061)
Transfer and Write-offs		(1.847.296)				57.207		(1.790.089)
Ending Balances		58.171.836	53.041.445	26.102.086	7.275.882	3.858.400		148.449.649
Net Tangible Assets	**16.867.925**	**32.972.297**	**4.474.787**	**17.296.752**	**270.145**	**308.809**	**2.379.299**	**74.570.014**

31/12/2012	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
Gross Assets								
Opening 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
Additions		1.239.511	413.569	19.976.871	29.473	21.517	675.001	22.355.942
Disposals	(251.329)	(664.525)	(737.343)	(28.312.144)	(39.978)	(99.813)	(543.407)	(30.648.539)
Changes in Perimeter	1.270.000	4.807.679						6.077.679
Transfer and Write-offs	986.537	164.063	1.090	531.704			(371.293)	1.312.101
Ending Balances	16.637.519	92.320.133	59.550.699	48.497.032	7.691.874	4.085.013	2.435.357	231.217.627
Accumulated Depreciation and Impairment losses								
Opening Balances		55.566.616	52.409.163	23.568.102	7.214.027	3.529.173		142.287.081
Depreciations		2.331.003	2.065.754	10.771.160	163.844	228.214		15.559.975
Transfer and Write-offs		(73.219)	(598.010)	(9.296.903)	(34.574)	(93.572)		(10.096.278)
Ending Balances		57.824.400	53.876.907	25.042.359	7.343.297	3.663.815		147.750.778
Net Tangible Assets	**16.637.519**	**34.495.733**	**5.673.792**	**23.454.673**	**348.577**	**421.198**	**2.435.357**	**83.466.849**

The movements registered in item "Transport Equipment" mainly refer to vehicles and forklifts that are being used by the Group as well as being rented, under operating lease, to clients.

The variation occurred in the caption "changes in perimeter" at December 31, 2012 refers to the incorporation on the consolidated financial statements of the property held by CAISB in Avenida da República.

The value of Transfer and Write-offs correspond to reclassification to Investment Properties of the building that was used by Caetano Components and land located Azóia (Leiria).

During the year, the group has hired a specialized independent entity in order to determine the fair value of some of their Fixed Tangible Assets for which, according to internal and external factors, exhibit impairments signs.

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 31, December 2013, the assets acquired through financial leases are presented as follows:

DEC' 13	Gross Value	Accumulated Depreciations	Net Value
Fixed Tangible Assets	11.869.238	3.993.422	7.875.816

7. INVESTMENT PROPERTIES

As of December 31, 2013 and 2012, 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.

Rentals related to "Investment properties" amounted to 3.246.319 Euros in the year ended as of December 31, 2013 (2.682.433 Euros 31, December 2012).

Additionally, in accordance with external appraisals made by independent experts, with reference to 2012, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounts to, approximately, 51 million Euros.

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, 2013 and 2012 are made up as follows:

Location	31/12/2013		31/12/2012		Type
	Net accounting value	Fair Value	Net accounting value	Fair Value	
Vila Nova de Gaia - Av. da República	157.957	1.192.400	205.940	1.192.400	Internal Appraisal
Braga - Av. da Liberdade	1.007	1.355.000	1.208	1.355.000	Internal Appraisal
Porto - Rua do Campo Alegre	599.820	1.576.000	633.947	1.576.000	Internal Appraisal
Viseu - Teivas	2.571.342	2.740.000	2.650.800	3.160.000	Internal Appraisal
Óbidos - Casal do Lameiro	69.426	1.400.000	78.447	1.321.000	Internal Appraisal
Caldas da Rainha - Pataias	17.021	364.000	17.021	364.000	Internal Appraisal
Castro Daire - Av. João Rodrigues Cabrilho	29.304	58.000	27.975	58.000	Internal Appraisal
Caldas da Rainha - Rua Dr. Miguel Bombarda	17.531	85.000	17.531	85.000	Internal Appraisal
Viseu - Quinta do Cano	1.691.315	1.550.000	1.691.968	1.550.000	Internal Appraisal
Amadora - Rua Elias Garcia	194.852	149.000	198.311	149.000	Internal Appraisal
Portalegre - Zona Industrial	204.383	173.000	209.524	173.000	Internal Appraisal
Portimão - Cabeço do Mocho	424.782	410.000	424.782	410.000	Internal Appraisal
Vila Real de Santo António - Rua de Angola	28.932	83.000	30.367	83.000	Internal Appraisal
Rio Maior	107.000	107.000	107.000	107.000	Internal Appraisal
Vila Nova de Gaia - Av. Vasco da Gama (edifícios A e B)	757.476	9.048.000	854.709	9.048.000	Internal Appraisal
Vila Nova de Gaia - Av. Vasco da Gama (edifícios G)	1.250.234	6.003.000	1.353.476	6.003.000	Internal Appraisal
Carregado - Quinta da Boa Água/Quinta do Peixoto	6.096.936	23.828.000	6.190.975	23.828.000	Internal Appraisal
Lisboa - Av. Infante Santo	1.258.758	1.247.000	1.288.147	1.247.000	Internal Appraisal
Vila Nova de Gaia - Rua das Pereira	641.180	802.000			Internal Appraisal
Leiria - Azóia	355.125	797.000			External Appraisal
Others	28.347		20.658		
TOTAL	**16.502.727**	**52.967.400**	**16.002.786**	**51.701.400**	

The investment properties fair value disclosed in December 31, 2013 and December 31,2012 was determined on an annual basis by an independent appraiser (Market Method, Cost Method, Return Method and Use Method models).

Additionally, as a result of all internal assessments prepared by the Company for the remaining properties and given the nonexistence of major works in 2013, the absence of relevant claims in 2013 and the lack of properties in areas of accelerated degradation, is convinced the administrations of that there has been no significant change to the fair value of these properties in 2013, believing they are still valid and current values of the last external evaluation carried out in late 2012.

The movement in the caption "Investment properties" as of December 31, 2013 and 2012 was as follows:

31/12/2013

Gross Assets	Land	Buildings	Total
Opening Balances	9.384.013	31.950.557	41.334.570
Increases		119.693	119.693
Disposals		(49.229)	(49.229)
Transfer and Writte-offs	495.289	2.975.474	3.470.763
Ending Balances	**9.879.302**	**34.996.495**	**44.875.797**

Accumulated Depreciation	Land	Buildings	Total
Opening Balances		25.331.784	25.331.784
Increases		535.142	535.142
Disposals		(49.229)	(49.229)
Transfer and Writte-offs		2.555.373	2.555.373
Ending Balances		**28.373.070**	**28.373.070**

31/12/2012

Gross Amount	Land	Buildings	Total
Opening Balances	9.813.893	32.576.383	42.390.276
Increases	107.000	10.220	117.220
Disposals and Write-offs	(36.880)	(427.611)	(464.491)
Transfers	(500.000)	(208.435)	(708.435)
Ending Balances	**9.384.013**	**31.950.557**	**41.334.570**

Accumulated Depreciation	Land	Buildings	Total
Opening Balances		25.276.320	25.276.320
Increases		531.566	531.566
Disposals and Write-offs		(361.136)	(361.136)
Transfers		(114.966)	(114.966)
Ending Balances		**25.331.784**	**25.331.784**

The transfer occurred in 2013 due to the reclassification of Tangible Fixed Assets for Investment Properties Land located in Azóia (Leiria) and the building that was used by Caetano Components.

8. *GOODWILL*

At December 31, 2013 and 2012 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 Goodwill is not depreciated. Impairment tests are made annually to the Goodwill.

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, 2013, the method and main assumptions used were as follows:

	Industrial Equipment Division
Goodwill	611.997
Period	Projected cash flows for 5 years
Growth rate (g) [1]	0%
Discount rate [2]	10,62%

[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, 2013, the net book value of assets, including goodwill (1 millions Euros), does not exceed its recoverable amount (4.6 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.

9. AVAILABLE FOR SALE FINANCIAL INVESTMENTS

As of December 31, 2013 and 2012 the movements in item “Investments available for sale” were as follows:

	DEC’ 13	DEC’ 12
Fair value at January 1	3.181.038	3.092.979
Decrease during the year	2.100	
Increase/(decrease) in fair value	158.238	88.059
Fair value at December 31	**3.341.376**	**3.181.038**

As of December 31, 2013, “Available for sale investments” include the amount of 3.274.639 Euros (3.116.402 Euros December 31, 2012) 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 260.693 Euros).The remaining “Investments available for sale” refer to small investments in non listed companies. The Board of Directors consider that the net accounting value is similar to its fair value.

Additionally, the impact in equity and impairment losses in 2013 and 2012 from recording “Investments held for sale” at fair value can be summarized as follows:

	DEC’ 13	DEC’ 12
Variation in fair value	158.238	88.059
Effect on Equity	**158.238**	**88.059**

10. INVENTORIES

As of December 31, 2013 and 2012, this caption breakdown is as follows:

	DEC’ 13	DEC’ 12
Raw and subsidiary Materials	2.634.224	5.149.542
Production in Process	560.642	1.380.575
Finished and semi-finished Products	668.429	3.199.930
Merchandise	40.766.744	36.870.898
	44.630.039	46.600.945
Accumulated impairment losses in inventories (Note 24)	(1.336.902)	(1.765.086)
	43.293.137	**44.835.859**

The variation in accumulated impairment losses in inventories is due to a reversal of impairment in used vehicles, registered by Caetano Auto, S.A.

During the years ended as of December 31, 2013 and 2012, cost of sales was as follows:

	DEC' 13			DEC' 12		
	Merchandise	Raw and subsidiary Materials	Total	Merchandise	Raw and subsidiary Materials	Total
Opening Balances	36.870.898	5.149.542	42.020.440	50.095.180	10.714.407	60.809.587
Net Purchases	155.046.763	15.938.933	170.985.696	121.121.448	15.962.221	137.083.669
Ending Balances	(40.766.744)	(2.634.224)	(43.400.968)	(36.870.898)	(5.149.542)	(42.020.440)
Total	**151.150.917**	**18.454.251**	**169.605.168**	**134.345.730**	**21.527.086**	**155.872.816**

During the years ended as of December 31, 2013 and 2012, the variation in production was computed as follows:

	Finished and semi-finished products	
	DEC' 13	DEC' 12
Ending Balances	1.229.071	4.580.505
Inventories adjustments	91.961	4.919
Opening Balances	(4.580.505)	(10.700.377)
Total	**(3.259.473)**	**(6.114.953)**

11. ACCOUNTS RECEIVABLE

As of December 31, 2013 and 2012, the detail of this caption was as follows:

	Current Assets		Non Current Assets	
	DEC' 13	DEC' 12	DEC' 13	DEC' 12
Customers, current accounts	44.132.891	44.815.712	521.364	111.718
Customers, notes receivable		77.210		
Doubtful Accounts Receivable	10.863.083	9.877.836		
	54.995.974	54.770.758	521.364	111.718
Accumulated impairment losses in accounts Receivable (Note 24)	(10.634.355)	(11.878.914)		
	44.361.619	**42.891.844**	**521.364**	**111.718**

Accounts receivable from customers recorded as non current assets corresponds to the customers of the affiliated company Caetano Auto, S.A. and Toyota Caetano Portugal, S.A. that are being paid under formal agreements (whose terms of payment may vary between 1 to 7 years, and which bear interests).

Accounts receivable aging

2013	- 60 dias	60 - 90 dias	90 - 120 dias	+ 120 dias	Total
Accounts receivable	22.710.684	1.791.177	1.002.193	13.191.687	38.695.741
Employees		1.483		587.690	589.173
Independent Dealers	5.116.939	155.514	43.191	53.697	5.369.341
Total	27.827.623	1.948.174	1.045.384	13.833.074	**44.654.255**

2012	- 60 dias	60 - 90 dias	90 - 120 dias	+ 120 dias	Total
Accounts receivable	21.916.799	2.393.061	999.502	15.056.859	40.366.221
Employees	18		509	208.367	208.894
Independent Dealers	3.876.010	177.315	112.458	263.742	4.429.525
Total	25.792.827	2.570.376	1.112.469	15.528.968	**45.004.640**

Debt maturity considering impairment losses

2013	- 60 dias	60 - 90 dias	90 - 120 dias	+ 120 dias	Total
Doubtful accounts receivable				10.863.083	10.863.083
Total				10.863.083	**10.863.083**

2012	- 60 dias	60 - 90 dias	90 - 120 dias	+ 120 dias	Total
Doubtful accounts receivable	5.815	1.291	29.965	9.840.765	9.877.836
Total	5.815	1.291	29.965	9.840.765	**9.877.836**

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.

12. OTHER CREDITS

As of December 31, 2013 and 2012, the detail of this caption was as follows:

	Current Assets		Non-Current Assets	
	DEC' 13	DEC' 12	DEC' 13	DEC' 12
Down Payments to Suppliers	815.462	27.679		
Other debtors	5.670.563	7.630.251		313.000
	6.486.025	**7.657.930**		**313.000**

The caption "Other credits" includes the amount of, approximately, 3.4 Million Euros (5.2 Million Euros as of December 31, 2012) 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 includes, as of December 31, 2013, the amount of, approximately, 800.000 Euros (800.000 Euros as of 31 December 2012) to be received from Salvador Caetano Auto África, SGPS, S.A.

Finally, this caption also caption includes, as of December 31, 2013, the amount of, approximately, 937.500 Euros to be received from Fundação Salvador Caetano (1.430.686 Euros at December 31, 2012).

13. OTHER CURRENT ASSETS

As of December 31, 2013 and 2012, the detail of this caption was as follows:

	DEC' 13	DEC' 12
Accrued Income		
Rappel	263.683	268.880
Warranty claims	249.204	447.621
Fleet programs	140.707	796.753
Commission	136.274	217.896
Fee's	71.057	
Staff	34.838	
Interest	15.245	467.732
Insurance		20.835
Others	106.849	182.863
	1.017.857	2.402.580
Deferred Expenses		
Insurance	171.823	187.065
Rentals	67.223	133.677
Interest		90.276
Maintenance charges		15.487
Others	68.646	166.553
	307.692	593.058
Total	**1.325.550**	**2.995.638**

14. DEFERRED TAXES

The detail of deferred tax assets and liabilities recorded in the accompanying consolidated financial statements as of December 31, 2013 and 2012 is as follows:

31/12/2013	DEC' 12	Transfers of Balances	Other Deviation	Profit and Loss Impact	Impact in Equity	DEC' 13
Deferred tax assets						
Provisions not accepted for tax purpose	735.612			(288.564)		447.048
Tax losses	1.825.674		17.967	(84.992)		1.758.649
Write-off of tangible assets	686.150			(70.781)		615.369
Write-off of deferred costs	18.521			(11.728)		6.793
Derivative financial instruments valuation	174.971			(130.938)		44.033
	3.440.928		17.967	(587.003)		2.871.892
Deferred tax liabilities						
Depreciation as a result of legal and free revaluation of fixed ass	(1.077.444)		1.165	174.146		(902.133)
Effect of the reinvestments of the surplus in fixed assets sales	(310.448)			76.846		(233.602)
Future costs that will not be accepted fiscally	(95.267)			51.190		(44.077)
Tax gains according to n.º 7 Artº7 30/G 2000 Portuguese Law	(18.334)			7.035		(11.299)
Fair value of investments fixed assets	(997.679)			98.947		(898.732)
	(2.499.172)		1.165	408.164		(2.089.843)
Net effect (Note 26)				(178.839)		

31/12/2012	DEC' 11	Transfer of Balances	Other Variations	Profit and Loss Impact	DEC' 12
Deferred tax assets:					
Provisions not accepted for tax purpose	909.496			(173.884)	735.612
Tax losses	157.111		5.669	304.629	467.409
Special Tax Regime of group taxation (RETGS)		549.099		809.166	1.358.265
Write-off of tangible assets	876.797			(190.647)	686.150
Write-off of deferred costs	27.781			(9.260)	18.521
Derivative financial instruments valuation	117.664			57.307	174.971
	2.088.849	549.099	5.669	797.311	3.440.928
Deferred tax liabilities:					
Depreciation as a result of legal and free revaluation of fixed assets	(1.090.890)		(26.719)	40.165	(1.077.444)
Effect of the reinvestments of the surplus in fixed assets sales	(368.225)			57.777	(310.448)
Future costs that will not be accepted fiscally	(142.899)			47.632	(95.267)
Tax gains according to n.º 7 Artº7 30/G 2000 Portuguese Law	(24.445)			6.111	(18.334)
Fair value of fixed assets			(997.679)		(997.679)
	(1.626.459)		(1.024.398)	151.685	(2.499.172)
Net effect (Note 26)				948.996	

In accordance with the applicable legislation in Portugal, tax losses can be carried forward for the following periods:

(i) Tax losses reported until 31 de December de 2009: 6 years
(ii) Tax losses reported in 2010 and 2011: 4 years
(iii) Tax losses reported in 2012 and 2013: 5 years

In 31 December 2013 and 2012, the companies of the Group reported the following tax losses, for which tax deferred assets have been recognized:

With Latest date of utilization	DEC' 13		DEC' 12		Expiry date
	Tax Losses	Deferred tax Assets	Tax Losses	Deferred tax Assets	
At 2007					
Caetano Colisão, S.A.			1.100.930		2013
Auto Partner CA, S.A.			81.957		2013
At 2008					
Caetano Colisão, S.A.			117.929		2014
Auto Partner CA, S.A.			343.145		2014
At 2009					
Auto Partner CA, S.A.			409.584		2015
At 2011					
Caetano Colisão, S.A.			58.577		2015
Auto Partner CA, S.A.			193.548		2015
Consolidado fiscal Toyota Caetano Portugal	2.127.585	506.297	2.196.396	549.099	2015
At 2012					
Auto Partner CA, S.A.			296.350		2017
Caisb, S.A.			21.391	5.669	2017
Consolidado fiscal Toyota Caetano Portugal	5.391.483	1.240.041	5.083.624	1.270.906	2017
At 2013					
Consolidado fiscal Toyota Caetano Portugal	53.524	12.310			2018
	7.572.592	**1.758.648**	**9.903.430**	**1.825.674**	

Starting from 2012, the deduction of reportable fiscal losses, relative to previous periods or to the period in course, is limited to 75% of the tax profit reported in each period and from 2014 (inclusive) is limited to 70% of taxable income for each year. This situation requires the evaluation of the recoverability of the amount of deferred tax assets on the periods stated above.

As of December 31, 2013 and 2012 tax rates used to compute current and deferred tax assets and liabilities were as follows:

	Tax rates	
	DEC' 13	DEC' 12
Country of origin of affiliate:		
Portugal	24,5% - 23%	26,5% - 25%
Cabo Verde	25,5%	25,5%

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. Therefore, the tax declarations since the year of 2010 and 2013 are still subject to review. Statements regarding the Social Security may be revised over a period of five years. The Board of Directors believe 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.

15. CASH AND CASH EQUIVALENTS

As of December 31, 2013 and 2012 cash and cash equivalents detail was the following:

	DEC' 13	DEC' 12
Cash	118.683	147.923
Bank Deposits	7.556.847	7.357.203
Cash equivalents	1.251	2.573
	7.676.781	**7.507.699**

The Company and its affiliates have available credit facilities as of December 31, 2013 amounting to approximately 51.7 Million Euros, which can be used in future operational activities and to fulfil financial commitments. There are no restrictions on the use of these facilities.

16. EQUITY

Share Capital

As of December 31, 2013 and 2012, 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/S.A.	27,00%

Dividends

During the period of 2013 and 2012, no dividends were paid to shareholders.

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 9).

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.

17. NON CONTROLLED INTERESTS

Movements in this caption during the year ended as of December 31, 2013 and 2012 were as follows:

	DEC' 13	DEC' 12
Opening Balances as of January 1	812.346	1.058.180
Aquisition variation	897.056	
Others	(80)	(9.813)
Net profit attributable to Non-controlled Interest	(63.072)	(236.021)
	1.646.250	**812.346**

In 2013, the company acquired the remaining 50% of the capital of Caetano Retail (Norte) II, SGPS, S.A., previously controlled by the Group. This acquisition has an effect in consolidated equity before non controlled interests of 890 million Euros, approximately.

The decomposition of the mentioned value by subsidiary company is as follows:

Subsidiary	% INC	Non Controlled Interests	Net Income attributable to Non Controlled Interests
Saltano S.G.P.S.	0,02%	4.049	(179)
Caetano Auto CV	18,76%	1.082.549	(45.230)
Caetano Renting	0,02%	453	138
Caetano Auto	1,60%	559.199	(17.802)
		1.646.250	**(63.072)**

The resume of financial information related to each subsidiary that is consolidated is presented below:

	Caetano Auto		Caetano Retail (Norte) II, S.G.P.S.		APCA		Caetano Colisão (Norte)		Cais B	
Item	**2013**	**2012**	**(*)**	**2012**	**(*)**	**2012**	**(*)**	**2012**	**(*)**	**2012**
Non Current Assets	52.992.449	54.420.941				68.711		170.166		276.646
Current Assets	42.465.872	38.313.187		3.273.676		1.860.059		4.353.154		259.097
Total Assets	**95.458.321**	**92.734.133**		**3.273.676**		**1.928.770**		**4.523.320**		**535.743**
Non Current Liabilities	5.351.876	5.630.501		352.145				1.392.275		28.273
Current Liabilities	53.435.997	48.197.241		4.737.091		2.462.220		2.949.739		66.411
Equity	**36.670.448**	**38.906.387**		**-1.815.561**		**-533.449**		**181.305**		**441.058**
Revenues	141.953.959	117.487.509				5.925.649		5.165.458		830.899
Operating Results	-836.551	-2.361.391		-354.052		-330.335		152.793		376.874
Financial Results	-43.576	55.459		-1.995		-2.244		-1.263		-263.752
Taxes	-1.048.799	153.034				-165.110		-4.000		-30.000
Net Income	**-1.928.926**	**-2.152.898**		**-356.047**		**-497.689**		**147.529**		**83.122**

	Caetano Components		Caetano Renting		Saltano		Movicargo		Caetano Auto CV	
Item	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Non Current Assets		1.407.170	8.048.733	10.070.318	21.484.440	23.630.403	340.000	340.000	1.644.632	1.794.888
Current Assets		3.181.931	2.238.314	2.164.687	4.778.339	4.064.988	68.453	84.201	5.031.310	5.601.797
Total Assets		**4.589.101**	**10.287.048**	**12.235.005**	**26.262.779**	**27.695.391**	**408.453**	**424.201**	**6.675.943**	**7.396.686**
Non Current Liabilities		169.367	200.014	200.014						
Current Liabilities		2.934.511	7.708.709	10.159.517	6.259.875	6.218.486			946.907	1.426.615
Equity		**1.485.223**	**2.378.325**	**1.875.474**	**20.002.903**	**21.476.905**	**408.453**	**424.201**	**5.729.036**	**5.970.070**
Revenues	2.676.876	2.564.814	3.618.880	4.569.186					6.313.132	8.464.045
Operating Results	-717.812	-419.753	879.969	288.899	-1.432.216	-1.448.036	-27.774	-3.086	-240.962	-149.477
Financial Results	-7.014	-29.261	-387.176	-556.003			12.545	15.794	-31,92	-425
Taxes	-35.090	131.296	10.058	262.415	-41.785	-41.890	-519,25	-229		
Net Income	**-759.916**	**-317.718**	**502.851**	**-4.689**	**-1.474.001**	**-1.489.926**	**-15.748**	**12.479**	**-240.994**	**-149.902**

(*) Merged companies in 2013.

18. BANK LOANS AND LEASINGS

As of December 31, 2013 and 2012 the caption “Loans” was as follows:

	DEC' 13			DEC' 12		
	Current	Non-Current	Total	Current	Non-Current	Total
Bank Loan	11.842.105	7.894.737	19.736.842	22.842.106	9.736.842	32.578.948
Overdrafts				219.731		219.731
Other Loans	545.356	272.678	818.034	628.689	984.636	1.613.325
Leasings	1.199.385	4.968.124	6.167.509	1.301.109	4.721.215	6.022.324
	13.586.846	**13.135.539**	**26.722.385**	**24.991.635**	**15.442.693**	**40.434.328**

As of December 31, 2013 and 2012, the detail of bank loans, overdrafts, others loans and Commercial Paper Programs, as well as its conditions, were as follows:

2013 **Description/Beneficiary Company**	**Used Amount**	**Limit**	**Beginning Date**	**Date-Limit**
Non-current				
Mutual Loans				
Toyota Caetano Portugal	7.894.737	7.894.737	22/06/2012	5 years
Refundable subsidies				
Toyota Caetano Portugal	272.678	272.678	30/01/2009	6 years
	8.167.415	**8.167.415**		
Current				
Loan - mutual contract	10.000.000	10.000.000		
Guaranteed account	1.842.105	1.842.105	22/06/2012	
Bank Credits		7.500.000		
Refundable subsidies	545.356	545.356	30/01/2009	6 years
Confirming		5.000.000		
Comercial Paper:				
Toyota Caetano Portugal		10.000.000	30/07/2008	5 years
Toyota Caetano Portugal		7.000.000	27/12/2012	5 years
Caetano Auto		9.800.000	29/08/2007	7 years
	12.387.461	51.687.461		
	20.554.876	**59.854.876**		

Next, we present below the debt amount outstanding, for which there have been granted mortgages (note 37):

- Loan - mutual contract: 9.736.842
- Commercial Paper: 9.800.000

It should be noted that 818.034 Euros of the Refundable subsidy loan, concerns to the SIME A program.

2012 Description/Beneficiary Company	Used Amount	Limit	Beginning Date	Date-Limit
Non-current				
Loan – mutual contract				
Toyota Caetano Portugal	9.736.842	9.736.842	22/06/2012	5 years
Refundable subsidies				
Toyota Caetano Portugal	818.034	818.034	30/01/2009	6 years
PME Invest III:				
Caetano Components	166.601	166.601	24/04/2009	5 years
	10.721.478	**10.721.478**		
Current				
Loan - mutual contract	1.842.105	1.842.105	22/06/2012	
Bank Credits	219.731	17.500.000		
Refundable subsidies	628.690	628.690	30/01/2009	6 years
Confirming		5.000.000		
Comercial Paper:				
Toyota Caetano Portugal	12.500.000	15.000.000	30/07/2008	5 years
Toyota Caetano Portugal	7.000.000	7.000.000	27/12/2012	5 years
Caetano Auto	1.500.000	10.400.000	29/08/2007	7 years
	23.690.526	57.370.795		
	34.412.004	**68.092.272**		

Interests relating to the financial instruments mentioned above are indexed to Euribor, plus a spread which varies between 1,00% and 6,5%.

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.) was granted a refundable incentive with the following amortization plan:

DEC' 13	2014	2015	Total
Refundable subsidies:			
Amortization	545.356	272.678	818.034

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	Current	Non current					TOTAL
			2015	2016	2017	> 2018	TOTAL	
2028278	Comercial facilities							
	Capital	93.474	94.367	95.305	96.253	414.275	700.200	**793.674**
	Interests	7.357	6.505	5.566	4.618	8.805	25.494	**32.851**
559769	Comercial facilities							
	Capital	60.187	60.623	61.061	61.503	744.570	927.757	**987.944**
	Interests	6.924	6.489	6.051	5.609	30.716	48.865	**55.789**
626064	Comercial facilities							
	Capital	144.653	149.799	155.127	160.644	1.236.337	1.701.907	**1.846.560**
	Interests	61.722	56.577	51.249	45.732	148.406	301.964	**363.686**
Others	Industrial Equipment							
	Capital	901.071	535.636	552.321	386.012	164.291	1.638.260	**2.539.331**
	Interests	94.827	71.964	47.470	22.565	3.048	145.047	**239.874**
	Total Capital	**1.199.385**	**840.425**	**863.814**	**704.412**	**2.559.473**	**4.968.124**	**6.167.509**
	Total Interests	**170.830**	**141.535**	**110.336**	**78.524**	**190.975**	**521.370**	**692.200**

Debt Maturity

The maturities of existing loans at December 31, 2013, can be summarized as follows:

	2014	2015	2016	2017	> 2017	Total
Mutual Loans	1.842.105	1.842.105	1.842.105	1.842.105	2.368.422	9.736.842
Guaranteed account	10.000.000					10.000.000
Commercial Paper						
Leasings	1.199.385	840.425	863.814	704.412	2.559.473	6.167.509
Refundable subsidies	545.356	272.678				818.034
Total Loans	**13.586.846**	**2.955.208**	**2.705.919**	**2.546.517**	**4.927.895**	**26.722.385**

19. ACCOUNTS PAYABLE

As of December 31, 2013 and 2012 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.

20. OTHER CREDITORS

As of December 31, 2013 and 2012 the detail of other creditors was as follows:

	Current Liabilities	
	DEC' 13	**DEC' 12**
Shareholders	19.001	33.501
Advance payments from customers	1.033.267	689.470
Other creditors	567.702	1.722.651
	1.619.970	**2.445.622**

The caption Other creditors contains in December 31, 2012, 215.154 Euros related to pension fund liabilities.

21. PUBLIC ENTITIES

The caption public entities can be summarized as follows:

Public Entities	Current Liabilities	
	DEC' 13	**DEC' 12**
Income Taxes withheld	345.879	277.937
Value Added Taxes	4.556.146	3.805.230
Income Tax (estimated tax) (Note 26)	458.641	843.437
Income Tax (advance tax pay)	(1.107.197)	(589.872)
Vehicles Tax		713.497
Custom Duties		60.594
Employee's social contributions	603.097	596.122
Others	210.557	218.375
	5.067.123	**5.925.322**

Then is presented the decomposition of current income tax expense (see additional information in note 26):

Current Taxes	**DEC' 13**	**DEC' 12**
Insufficient taxes estimation	104.482	197.057
Tax refunds	(241.926)	(934.446)
Excess taxes estimation	(38.098)	(8.263)
2013' current taxes estimation	458.641	843.437
	283.099	**97.785**

There are no debts related to public entities (State and Social Security).

At December 31, 2012, the value exhibited on the caption Public Entities – Current Assets, refers to current Value Added Taxes receivables.

22. OTHER CURRENT LIABILITIES

As of December 31, 2013 and 2012 the caption "Other Current Liabilities" was as follows:

	DEC' 13	DEC' 12
Accrued Cost		
Vacation pay and bonus	4.587.247	4.517.130
Advertising Campaigns	1.896.855	1.122.253
Specialization cost assigned to vehicles sold	1.570.854	647.848
Rappel charges attributable to fleet managers	1.247.227	1.030.404
Advance External Supplies and Services	605.678	465.123
Supply costs	503.227	266.792
Commission	328.089	799.671
Accrual for Vehicles Tax	313.825	283.824
Insurance	239.433	201.243
Interest	152.852	57.000
Municipal Property Tax	89.028	84.180
Royalties	62.275	49.599
Warranty claims		48.200
Pension Fund		975.081
Management commissions of the Pension Fund		651.788
Others	554.261	195.351
	12.150.850	11.395.487
Deferred Income		
Vehicle maintenance contracts	322.145	
Publicity recuperation	743.862	875.318
Subsidy granted	525.802	553.373
Interest Charged to Customers	5.472	13.079
Others	267.636	527.635
	1.864.917	1.969.405
Total	**14.015.767**	**13.364.892**

23. 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, in December 23, 2002 and in March 30, 2009.

As of December 31, 2013, the following companies of Toyota Caetano Group were associates of the Salvador Caetano Pension Fund:

- Toyota Caetano Portugal, S.A.
- Caetano Auto, 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 Ativos 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 discount rate of 0%, 0% and 4,5%, respectively.

The movement of the Fund responsibilities of the Company with the Defined benefit plan in 2013 and 2012 can be summarized as follows:

Liability at 1/1/2012	**29.686.944**
Current services cost	308.792
Interest cost	1.288.368
Actuarial (gains)/losses	479.551
Pension payments	(2.113.121)
Liability at 31/12/2012	**29.650.534**

Liability at 1/1/2013	**29.650.534**
Current services cost	145.782
Interest cost	1.284.662
Actuarial (gains)/losses	616.153
Transfer (dissolution Caetano Components)	(432.684)
Pension payments	(2.204.989)
Liability at 31/12/2012	**29.059.458**

The allocation of this amount during 2013 and 2012 to both plans (Defined benefit plan and Defined contribution plan) can be summarized as follows:

Item	Defined Benefit Plan	Defined Contribution Plan	Total
Value of the Fund at 31 December 2011	26.541.223	8.291.845	34.833.068
Contributions	661.322	21.765	683.087
Real return of plan assets	3.023.932	955.242	3.979.174
Pension payments	(2.113.121)		(2.113.121)
Transfers from other associate member account		54.105	54.105
Transfers to other associate member account	(43.746)	(95.883)	(139.629)
Reserve Account movements	374.844	(374.844)	
Value of the Fund at 31 December 2012	28.444.454	8.852.230	37.296.684
Contributions	1.740.011	383.671	2.123.682
Real return of plan assets	1.309.229	409.651	1.718.880
Pension payments	(2.204.989)	(8.816)	(2.213.805)
Transfers from other associate member account		13.764	13.764
Transfers to other associate member account	(445.663)	(139.579)	(585.242)
Reserve Account movements	12.177	(12.177)	
Value of the Fund at 31 December 2013	28.855.219	9.498.744	38.353.963

As of December 31, 2013 and 2012, the breakdown of the asset portfolio of the Fund that covers the defined benefit plan was as follows:

Asset Portfolio	Portfolio Weight	Value 31-12-2013	Portfolio Weight	Value 31-12-2012
Stocks	13,6%	3.924.309	13%	3.652.268
Bonds	35,4%	10.214.748	35%	10.069.337
Real Estate	37,7%	10.878.417	37%	10.441.959
Cash	3,6%	1.038.788	11%	3.211.379
Subscriptions and redemptions in processing	1%	288.552		
Other Assets	8,7%	2.510.405	4%	1.069.511
Total	100%	28.855.219	100%	28.444.454

At December 31, 2013, 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	Amount
Cimóvel - Fundo de Investimento Imobiliário Fechado	37,7%	10.878.417

It should be noted that in December 31, 2013, the Fund held approximately 623.626 shares of Toyota Caetano Portugal, SA (623.626 shares at December 2012), whose evaluation in the fund portfolio amounted to about 486.428 Euros (598.681 Euros in December 2012).

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

Defined benefit plan	2013	2012	2011	2010	2009	2008	2007
Responsability amount	29.059.458	29.650.534	29.686.944	29.550.745	29.035.762	28.358.503	28.258.700
Fund Amount	28.855.219	28.444.454	26.541.223	28.812.418	28.901.854	28.067.165	27.916.070

24. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements occurred in provisions during the years ended as of December 31, 2013 and 2012 were as follows:

31/12/2013	Opening Balances	Increases	Disposals and Other	Other regularizations	Total
Accumulated impairment losses in investments	1.781.995				1.781.995
Accumulated impairment losses in accounts Receivable (Note 11)	11.878.914	362.825	(305.713)	(1.301.671)	10.634.355
Accumulated impairment losses in inventories (Note 10)	1.765.086	27.777	(455.961)		1.336.902
Provisions	315.464	85.338		(77.378)	323.424

31-12-2012	Opening Balances	Increases	Disposals and Other	Other regularizations	Total
Accumulated impairment losses in investments	1.781.995				1.781.995
Accumulated impairment losses in accounts receivable (Note 11)	12.555.905	760.587	(1.184.792)	(252.786)	11.878.914
Accumulated impairment losses in inventories (Note 10)	2.489.764	228.636	(953.314)		1.765.086
Provisions	345.026	54.228		(83.790)	315.464

The variation observed in the caption impairment losses is related essentially with write-off of impairments of clients.

25. 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, 2013 was negative on 119.522 Euros (598.885 Euros negative at December 31, 2012) and comprises a total exposure of 9.7 million Euros since December 22, 2013 for a period of 4 years, counting from June 26, 2012.

These derivatives' valuations were provided at 31 December 2013 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, NOK:EUR and DKK: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, 2012 was negative in 5.723 Euros, comprising a nominal value of 120.222 GBP, 424.428 NOK and 2.624.769 DKK for a period of one year (monthly payments) starting on January 17, 2012.On December 31, 2013 ceased to be held this instrument.

The derivative financial instrument was valued at December 31, 2012 by the bank with whom it was hired, taking into account future cash flows and risk estimates. 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).

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

The fair value changes aroused from derivative financial instruments are recognized in the captions financial income and expenses (note 33).

Then presents summary table of derivatives held at December 31, 2013 and 2012:

Derivate Financial Instrument	Fair Value 2013	Fair Value 2012	Type	Rate Swap	Rate Receivable
Swap BBVA	(119.522)	(231.817)	Negociation	1,10%	Euribor 3 M
Swap Barclays	0	(277.641)	Negociation	1,9975%	Euribor 3 M
Swap Santander	0	(89.427)	Negociation	1,935%	Euribor 3 M
Forward ,Deutsche Bank	0	(5.723)	Negociation	N/A	N/A
Total	**(119.522)**	**(604.608)**			

26. INCOME TAXES

The income tax for the year ended as of December 31, 2013 and 2012 was as follows:

	DEC' 13	DEC' 12
Current income taxes (Note 21)	283.099	97.785
Deferred taxes (Note 14)	178.839	(948.996)
Tax Losses (RETGS)	84.992	(1.270.906)
Others	93.847	321.910
	461.938	**(851.211)**

The reconciliation of the earnings before taxes of the years ended at December 31, 2013 and 2012 can be analyzed as follows:

	DEC' 13	DEC' 12
Profit before taxation	459.522	(3.940.266)
Tax rate	26,50%	26,50%
Theoretical tax charge	**121.773**	**(1.044.170)**
Current income taxes		
Autonomous taxation	458.641	831.208
Excess/Insufficient tax provisions	66.384	188.794
Tax refunds	(241.926)	(934.446)
Others		12.229
Total	**283.099**	**97.785**
Deffered income taxes		
Fiscal losses	84.992	(1.113.795)
Provisions not fiscally accepted	288.564	173.884
Correction to tangible fixed assets	70.781	190.647
Correction to deferred costs	11.728	9.260
Changes in fair value of Derivative financial instruments	130.938	(57.307)
Depreciations as a result of legal and free revaluation of fixed assets	(174.146)	(40.165)
Effect of the reinvestments of capital gains in fixed assets sales	(76.846)	(57.777)
Future costs not fiscally accepted	(51.190)	(47.632)
Fiscal capital gains in accordance with nr. 7 Article 7 Lei30/G 2000 Portuguese law	(98.947)	
Fair value of investments fixed assets	(7.035)	(6.111)
Total	**178.839**	**(948.996)**
Effective income taxes	**461.938**	**(851.211)**

27. EARNINGS PER SHARE

The earnings per share for the year ended as of December 31, 2013 and 2012 were computed based on the following amounts:

	DEC' 13	DEC' 12
Earnings		
Basic	60.656	(2.853.034)
Diluted	60.656	(2.853.034)
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,002	(0,082)

During 2013 and 2012 there were no changes in the number of shares outstanding.

28. SEGMENT INFORMATION

The main information relating to the business segments existing on December, 2013 and 2012, prepared according to the same accounting policies and criteria adopted in the preparation of the consolidated financial statements, is as follows:

2013	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	Vehicles				Industrial Equipments			Others	Vehicles		Industrial Equipments				
	Industrie	Commercial	Services	Rental	Machines	Services	Rental		Industrie	Commercial	Machines	Services	Rental		
Profit															
External Sales	13.587.096	259.453.944	15.062.609	4.910.397	6.881.655	1.957.877	10.633.901		11.231.634	14.449.324	378.144	14.859	6.740	(105.975.902)	232.592.276
Income															
Operacional income	(2.066.895)	2.478.086	(88.766)	642.530	61.291	1.273.898	2.226.936	(3.746)	(1.962.680)	(51.132)	7.946	9.432	1.422	(324.901)	2.203.422
Financial Income	(15.761)	(120.465)	(4.624)	(282.037)	19.278	(6.549)	(1.276.291)		(32.006)	(23.068)	(2.451)	(18)	(24)	114	(1.743.901)
Net income with non-controlled interests	(2.117.746)	1.073.412	(204.677)	367.783	69.094	1.122.424	859.833	(1.474.001)	(1.994.685)	(124.524)	4.866	8.338	1.124	2.406.343	(2.417)
Other Information															
Total consolidated assests	32.217.602	206.548.394	10.128.998	7.525.230	3.058.085	407.628	32.662.269	26.262.779		9.210.454				(125.874.875)	202.146.564
Total consolidated liabilities	9.709.601	89.441.743	6.237.929	5.785.478	813.523	125.653	10.936.788	6.259.875		2.484.488				(59.044.509)	72.750.568
Capital expenses	(613.559)	6.423.728	693.195	1.663.205	59.699	15.320	1.093.298			199.388				(4.902.965)	4.631.309
Depreciations	1.551.136	3.636.229	277.694	2.816.023	125.021	32.084	3.667.678			243.176				295.793	12.644.834

2012	NATIONAL								FOREIGN					REMOVALS	CONSOLIDATED
	Vehicles				Industrial Equipments			Others	Vehicles		Industrial Equipments				
	Industrie	Commercial	Services	Rental	Machines	Services	Rental		Industrie	Commercial	Machines	Services	Rental		
Profit															
External Sales	17.860.022	221.986.655	16.066.946	8.481.851	5.953.214	2.203.462	10.846.112	830.899	14.444.297	17.952.367	241.402	8.845	3.260	-90.798.176	226.081.156
Income															
Operacional income	-2.418.586	1.308.264	-188.634	199.498	-145.379	1.376.414	1.232.603	-1.590	-1.902.171	231.859	10.466	8.130	249	-747.563	-1.036.441
Financial Income	-239.587	-1.200.749	7.012	-343.288	-59.091	-33.837	-730.847	-262.765	-214.357	-83.366	-5.635	-109	-59	262.851	-2.903.825
Net income with non-controlled interests	-2.526.877	40.797	-177.135	57.254	-204.699	1.321.559	552.671	-299.023	-2.116.528	147.514	4.755	7.896	187	102.574	-3.089.055
Other Information															
Total consolidated assests	47.968.779	194.585.943	12.780.481	11.317.037	4.013.852	123.646	38.630.140	36.291.428		10.333.877				-142.063.943	213.981.238
Total consolidated liabilities	17.319.123	85.943.532	8.506.652	9.793.572	1.160.926	40.499	14.098.451	14.749.903		3.131.898				-69.998.708	84.745.848
Capital expenses	432.411	1.835.463	38.824	-1.787.234	52.592	3.166	1.995.544			400.512				6.223.167	9.194.446
Depreciations	1.836.275	4.807.511	375.947	4.273.906	130.509	7.857	4.315.033			303.044				-318.482	15.731.600

The line “Turnover” includes Sales, Service Rendered and the amount of about 8.964.064 Euros (9.809.510 Euros as of 31 December 2012) related to equipment rentals accounted in Other Operating Income (Note 32).

The column “Eliminations” mainly includes the elimination of transactions between Group companies included in consolidation, mainly belonging to Vehicles segment.

29. 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, 2013 and 2012, was as follows:

	DEC' 13		DEC' 12	
Market	**Amount**	**%**	**Amount**	**%**
National	199.131.136	89,33%	189.816.060	87,77%
Belgium	10.438.105	4,68%	11.905.022	5,50%
African Countries with Official Portuguese Language	8.717.069	3,91%	11.863.668	5,49%
Germany	232.612	0,10%	1.757.680	0,81%
United Kingdom	205.610	0,09%	181.056	0,08%
Spain	36.554	0,02%	35.065	0,02%
Others	4.159.105	1,87%	713.095	0,33%
	222.923.191	**100,00%**	**216.271.646**	**100,00%**

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

	DEC' 13		DEC' 12	
Activity	**Amount**	**%**	**Amount**	**%**
Vehicles	156.485.712	69,46%	145.787.821	67,41%
Spare Parts	47.417.959	21,28%	48.718.860	22,53%
Repairs and after sales services	17.838.108	8,00%	19.212.146	8,88%
Others	1.181.412	0,53%	2.552.819	1,18%
	222.923.191	**100,00%**	**216.271.646**	**100,00%**

30. EXTERNAL SUPPLIES AND SERVICES

As of December 31, 2013 and 2012, the caption "External supplies and services" was as follows:

	DEC' 13	DEC' 12
Subcontracts	1.957.943	1.712.164
Specialized Services	14.316.169	17.251.167
Professional Services	5.438.905	5.597.776
Advertising	6.140.207	8.880.936
Vigilance and Security	504.581	607.571
Professional Fees	798.281	760.501
Comissions	148.191	172.632
Repairs and Maintenance	1.286.004	1.231.751
Materials	508.298	390.189
Electricity an fluids	2.904.279	2.937.298
Travel and Transportation	1.729.426	1.747.364
Travelling expenses	964.392	980.762
Personnel tranportation	91.587	90.464
Transportation of materials	673.447	676.138
Other Supplies	10.167.466	10.937.212
Rentals	2.282.467	2.674.145
Communication	695.527	749.740
Insurance	1.092.622	1.032.230
Royalties	282.284	335.225
Notaries	26.010	31.191
Cleaning and confort	567.408	778.832
Other services	5.221.148	5.335.849
	31.583.581	**34.975.394**

31. PAYROLL EXPENSES

Payroll expenses are decomposed as follows:

	DEC' 13	DEC' 12
Payroll Management	357.223	377.476
Payroll Personnel	23.705.543	24.889.907
Benefits Plan	766.335	84.099
Termination Indemnities	891.021	1.482.684
Social Security Contribution	6.106.682	6.102.032
Workmen´s Insurance	315.155	357.226
Others	2.782.691	2.885.492
	34.924.650	**36.178.916**

During 2013 and 2012, the average number of personnel was as follows:

Personnel	DEC' 13	DEC' 12
Personnel	1.054	1.058
Workers	424	513
	1.478	**1.571**

32. OTHER OPERATING INCOME AND EXPENSES

As of December 31, 2013 and 2012, the caption "Other operating income" was as follows:

Other operating income	DEC' 13	DEC' 12
Lease Equipment	8.958.064	9.839.938
Guarantees recovered and other operating expenses	9.528.669	9.526.865
Rents charged	3.246.319	2.682.933
Services provided	1.745.635	2.151.200
Advertising expenses and sales promotion recovered	1.626.022	2.122.524
Subsidies	2.056.696	1.802.810
Expenses recovered	2.567.324	1.553.940
Work for the Company	1.693.664	1.400.474
Gains in the disposal Tangible Fixed Assets	1.274.484	1.394.839
Commissions	1.671.653	1.368.251
Corrections on the previous exercises	187.098	1.042.673
	34.555.626	**34.886.448**

From the table presented above, we have:

- Recovery of guarantees and other operational expenses – it includes essentially Toyota Motor Europe guarantees and other charges to concessionaires;
- Services provided – refers mainly to administrative fees charged to companies outside the perimeter Toyota Caetano;
- Expenses recovery – it contains mainly revenues related with social services (canteen and staff training) charged to companies outside the perimeter Toyota Caetano.

As of December 31, 2013 and 2012, the caption “Other operating expenses” was as follows:

Other operating expenses	DEC’ 13	DEC’ 12
Taxes	1.071.876	1.267.366
Unrecoverable debts	240.212	442.797
Inventory Impairment Losses	521.003	55.960
Given prompt payment discounts	3.854	16.560
Losses on financial investments	23	
Losses on non financial investments	94.085	366.883
Others	1.077.228	1.734.379
Correction to previous periods	132.615	150.420
Donations	7.159	6.018
Contributions	18.278	13.768
Fines and penalties	37.541	88.412
Others non specified	881.635	1.475.761
	3.008.281	**3.883.945**

33. FINANCIAL INCOME AND EXPENSES

Consolidated net financial results as of December 31, 2013 and 2012 were as follows:

Expenses and Losses	DEC’ 13	DEC’ 12
Interest	2.043.620	2.884.892
Other Financial Expenses	575.061	714.584
	2.618.681	**3.599.476**

Income and Gains	DEC’ 13	DEC’ 12
Interest	389.695	695.651
Others	485.085	
	874.780	**695.651**

The caption “Other Financial Expenses” includes derivatives’ fair value changes on the amount of 485.085 Euros (Note 25).

34. FINANCIAL ASSETS AND LIABILITIES

We summarize in the table below a resume of financial instruments of Toyota Caetano Group as of 31 December 2013 and 2012:

	Note	Financial Assets		Financial Liabilities	
		DEC' 13	DEC' 12	DEC' 13	DEC' 12
Derivate Financial Instruments	25			119.522	604.608
Available for sale Assets	9	3.341.376	3.181.038		
Accounts Receivable	11	44.882.983	43.003.562		
Other credits - Current	12	6.486.025	7.657.930		
Other credits - Non-Current	12		313.000		
Bank Loans	18			19.736.842	32.578.948
Leasings	18			6.167.509	6.022.324
Overdrafts	18				219.731
Other Loans	18			818.034	1.613.326
Other Creditors	20			1.619.970	2.445.622
Accounts Payable	19			22.792.534	18.105.176
Cash and Cash Equivalentes	15	7.676.781	7.507.699		
		62.387.165	**61.663.229**	**51.254.411**	**48.747.629**

Financial Instruments at Fair Value

	Note	Financial Assets		Financial Liabilities	
		DEC' 13	DEC' 12	DEC' 13	DEC' 12
Derivate Financial Instruments	25			(119.522)	(604.608)
Available for sale Assets	9	3.341.376	3.181.038		
		3.341.376	**3.181.038**	**(119.522)**	**(604.608)**

Classification and Measurement

Descrição	Available for sale Assets		Derivate Financial Instruments		Level
	At fair value	At cost	Cash Flow Hedge Accounting	Negotiation	
Cimóvel Fund	3.274.639				1)
Others		66.737			3)
Interest rate swap				(119.522)	2)
Currency Forward					2)

According to the paragraph 27-A of IFRS 7, we provide below, the disclosure of classification and measurement of financial instruments' fair value, by hierarchy level:

a) level 1 – quoted prices – available for sale financial assets: 3.274.639 Euros (3.116.402 Euros em 2012);

b) level 2 - inputs different from quoted prices included on level 1 that are observable for the asset or liability, both directly (prices), or indirectly – negotiation derivatives (swaps e forwards): -119.522 Euros (-604.608 Euros in 2012);

c) level 3 - inputs for the asset or liability that are not based on observable market data.

Impact on the Income Statement and Other Comprehensive Income

	Impact on equity		Impact on Income	
	DEC' 13	**DEC' 12**	**DEC' 13**	**DEC' 12**
Derivate Financial Instruments			(485.085)	216.252
Available for sale Assets	158.238	88.059		
	158.238	**88.059**	**(485.085)**	**216.252**

35. OPERATIONAL LEASE

During the period of 2013, the minimum payments for operational leases amounted to approximately 9.12 million Euros. Of that amount, 1.7 million relate to payments with maturity of one year, 5.2 million relate to payments to occur in the period between two to five years and 2.3 million relate to payments of maturity of more than five years.

Minimum payments of operational lease	**DEC' 13**	**DEC' 12**
Not more than one year	1.652.476	1.860.352
More than one year and no more than five	5.168.222	5.679.718
More than five years	2.295.528	3.436.300
	9.116.226	**10.976.370**

36. 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:

Company	Comercial Debts		Products		Fixed assets		Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Disposals	Rendered	Obtained	Others	Income
AMORIM BRITO & SARDINHA, LDA.	368									2.162
ATLÂNTICA - COMPANHIA PORTUGUESA DE PESCA, S.A.	5.111									
AUTO PARTNER IMOBILIARIA, S.A.		51.015						302.490		
CAETANO BAVIERA - COMÉRCIO DE AUTOMÓVEIS, S.A.	373.567	95.885	2.828.865	393.971	(9.508)		14.278	127.969	162.986	296.275
CAETANO ACTIVE (SUL), LDA.	42.235	433	6.983	27.999			1.312	1.243		24.857
CAETANO AERONAUTIC, S.A.	9.455		772		24.460		10.671			34.133
CAETANO CITY E ACTIVE (NORTE), S.A.	39.968		18.154				41.999	97.271		26.172
CAETANO DRIVE, SPORT E URBAN, S.A.	195.700	142.902	70.820	259.939	1.377.081	1.189.711	52.117	172.214		190.821
CAETANO FORMULA,S.A.	98.146	158.148	20.583	224.548	147.238	94.825	39.154	9.564		109.869
CAETANO FÓRMULA EAST ÁFRICA, S.A.	4									3
CAETANO MOTORS, S.A.	16.166	51.895	5.327	7.354		16.699	7.677	13.370		168.575
CAETANO PARTS, LDA.	234.060	819.114	1.783.517	4.331.036			17.441	17.414		176.818
CAETANO POWER, S.A.	4.762	340.298	19.096	127.735	634.165	357.500	18.295	3.737		172.806
CAETANO RETAIL SERVIÇOS, S.A.										(18)
CAETANO SPAIN, S.A.	371.074	648								
CAETANO STAR, S.A.	72.558	71.405	61.789	84.122			23.413	20.696		37.340
CAETANO TECHNIK, S.A.	18.567	99.722	18.456	404.633	10.851	25.317	54.620	31.508		(162.043)
CAETANO UK LIMITED		4.840								
CAETANOBUS - FABRICAÇÃO DE CARROÇARIAS, S.A.	8.767.062	237.476	3.118.623	241.275	81.109		177.350	223.071	74.310	2.630.753
CAETSU PUBLICIDADE, S.A.	2.175	687.035	194	17.287			18.603	2.231.825	2.400	237
CARPLUS - COMÉRCIO DE AUTOMÓVEIS, S.A.	340.450	1.443	236.578	30.557		22.532		(557)		31.710
CHOICE CAR, S.A.										693
CIBERGUIA - INTERNET MARKETING, S.A.	9.954									
COCIGA - CONSTRUÇÕES CIVIS DE GAIA, S.A.	30.584	37.851	(11.854)		843.032		(5.679)	301.996		18.765
CONTRAC GMBH MASCHINEN UND ANLAGEN		172.913			157.358			11.722		
DICUORE - DECORAÇÃO, S.A.	57				17.014		427	1.745		
ENP - ENERGIAS RENOVÁVEIS PORTUGAL, S.A.	1.829	21.728	8		129		5.317	24.645	824	6.586

Company	Comercial Debts		Products		Fixed assets		Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Disposals	Rendered	Obtained	Others	Income
FINLOG - ALUGUER E COMÉRCIO AUTO, S.A.	74.613	268.470	354.311	829.757	3.533		243.355	1.181.089	40.232	2.175
FUNDAÇÃO SALVADOR CAETANO	937.499									
GILLCAR NORTE - COM. IND. MÁQUINAS E TINTAS, S.A.		6.173	(751)	40.533	2.823		(320)	25.554		
GRUPO SALVADOR CAETANO,S.G.P.S., S.A.		226						183		
GUERIN RENT A CAR, S.L.									100.382	
GUÉRIN-RENT-A-CAR(DOIS), LDA.	49.899	155.233	14.718	22.358			12.000	184.593	140	302.280
HDICUORE DESIGN, LDA.							2.602			
IBERICAR AUTO NIPON,S.L.	16.300		219.372	28.992				143	1.268	
IBERICAR GALICIA AUTO,S.L.										
IBERICAR KELDENICH, S.L.										
IBERICAR MOTORS AVILA, S.L.		262						262		
IS.L.AND RENT, ALUGUER DE AUTOMÓVEIS, S.A.	116									1.288
LAVORAUTO-ADMINISTRAÇÃO E CONSULTORIA DE EMPRESAS, S.A.		155.206						26.222		
LIDERA SOLUCIONES, S.L.								100.000		
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, S.A.	226.413	303.729	244.408	198.273	3.680		3.096	363.987	750	42.132
LUSO ASSISTÊNCIA-GESTÃO DE ACIDENTES, S.A.	411		457	1.040			(1.914)	1.472		1.191
MDS AUTO- MEDIAÇÃO DE SEGUROS, S.A.	3.188	64.934	1.362	(7)				801.424		157.264
NOVEF - S.G.P.S.	19.500									
OESTE MAR, LDA	111									1.148
POAL - PAVIMENTAÇÕES E OBRAS ACESSÓRIAS, S.A.	17.806									
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, S.A.	308.208	1.872	220.884				(6.433)	19.430		62.414
RARCON - ARQUITECTURA E CONSULTADORIA, S.A.		26.755			130.466			126.240		251
RIGOR - CONSULTORIA E GESTÃO, S.A.	71.577	817.806	3.845	19.655	41.171		140.804	3.573.474		306.691
ROBERT HUDSON, LTD.	17.489									16.117
SALVADOR CAETANO AUTO AFRICA, S.G.P.S., S.A.									18	
SALVADOR CAETANO EQUIPAMENTOS, S.A.	4									3
SIMOGA - SOC. IMOBILIÁRIA DE GAIA, S.A.	551									70
SOL GREEN WATT, S.L.			15				6			
SPRAMO - PUBLICIDADE & IMAGEM, S.A.		681								
TURISPAIVA - SOCIEDADE TURÍSTICA PAIVENSE, LDA.	149									729
VAS AFRICA (S.G.P.S.), S.A.	891									3.962
	12.535.558	**4.641.651**	**9.236.530**	**7.291.056**	**3.464.602**	**1.706.584**	**870.191**	**9.995.998**	**383.309**	**4.664.231**

Goods and services purchased and sales to related parties were made at market prices.

37. CONTINGENT ASSETS AND LIABILITIES

As of December 31, 2013 and 2012, Toyota Caetano Group had assumed the following financial commitments:

Commitments	DEC' 13	DEC' 12
Credits	73.194	243.175
Guarantees of Imports	4.000.000	13.578.088
	4.073.194	**13.821.263**

At 31 December 2012, the financial commitments classified as "Guarantees for Imports" the amount of 8.080.910 Euros is related with guarantees on imports provided to Customs Agency, and do not exist in December 31, 2013.

Following the 29,9 million Euros debt contracting process occurred in 2012, from which 19,5 million Euros have already been used, remaining, at the present date, approximately 9,7 million Euros outstanding as a liability in the consolidated statement of financial position (see note 18), the Group has granted mortgages to the respective financial institutions, valued at about 37,8 million Euros, at the financing date.

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 2010 to 2013 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 favourable decisions on the judicial impugnation processes, referring to the additional payments of Corporate Income Tax relating to the fiscal years of 1995, 1997, 1998 and 1999, Toyota Caetano has been reimbursed on 934.446 Euros (570.591 related to 1995 fiscal year, 363.855 from 1997 to 1999 fiscal years and 352.203 corresponding to 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 of 2010 it has been recovered approximately 218.000 Euros related with this judicial process.

Caetano – Auto, S.A.

Regarding to the tax inspection of 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 in that period, although it was partially judicially claimed by the Company.

Concerning to the tax inspection made to the year 2004, additional tax assessments were received and paid during 2007, amounting to 677.473 Euros, and recorded as an expense in that period, 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.

Litigations in progress

Claim against agency contract termination

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 referred 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.

In January 2011, we concluded the trial in favor of Toyota Caetano Portugal decision, but nevertheless, such Agent appealed in September 2011, pending further decision. During fiscal year 2012 claims and counter-claims of appeal to the Supreme Court were presented.

In 2013, the company notified the Judgment of the Supreme Court having to pay compensation for indirect and personal injury. To this compensation amounts receivable and the related interest on a case brought by the company against the agent will be deducted.

It is conviction of the board that no responsibilities will result for the Group from the end of this process.

Judicial claim against collective dismissal

The board and its legal advisors believe that the collective dismissal process occurred in 2012, is based on strong market, structural and technological reasons.

It is conviction of the board that no responsibilities will arise for the Group from the end of this process.

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.

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 2013.

38. REMUNERATION OF BOARD MEMBERS

The remuneration of the board members during the years 2013 and 2012, was as follows:

Board Members	DEC' 13	DEC' 12
Board of Directors		
Fixed remunerations	550.505	550.505
Variable remunerations		

39. REMUNERATION OF STATUTORY AUDITOR

The remuneration of the Statutory Auditor, PricewatherhouseCoopers & Associados – S.R.O.C., Lda. for 2013, was as follows:

	DEC' 13
Total remuneration related to statutory accounts review	85.370
Remuneration related to support on Investment Projects documentation	1.500
	86.870

40. SUBSEQUENT EVENTS

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

41. FINANCIAL STATEMENTS APPROVAL

The consolidated financial statements were approved by the Board of Directors on April 3, 2014.

41. 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.

ADMINISTRATIVE MANAGER

Alexandra Maria Pacheco Gama Junqueira

BOARD OF DIRECTORS

José Reis Da Silva Ramos – President

Takishi Numa

Daniele Schillaci

Maria Angelina Martins Caetano Ramos

Salvador Acácio Martins Caetano

Miguel Pedro Caetano Ramos

Rui Manuel Machado De Noronha Mendes

05
OPINIONS

REPORT AND OPINION OF THE FISCAL COUNCIL

Dear Shareholders:

1. In accordance with the terms of item g) of article 420.º of the "Código das Sociedades Comerciais" and the Articles of Association, it is our duty submit to your appreciation the report concerning the activity performed and to issue opinion regarding the documents and statements of the individual and consolidated accounts of TOYOTA CAETANO PORTUGAL, SA, referring to the financial year of 2013, 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 social business and to its evolution and, 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 issued 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 245.º of the "Código de Valores Mobiliários", hereby declare that, as far as it is their knowledge, the information provided in item a) of the above referred article, including documents of individual and consolidated accounts, was elaborated according to the accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial situation and results of TOYOTA CAETANO PORTUGAL, SA and that the management report clearly shows the business evolution, the performance and the position of the Company and 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 "Código das Sociedades Comerciais", 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-A of "Código dos Valores Mobiliários.".

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, 2013;
   b) Approve the proposal for the net result application, contained in the management report of the Board of Directors.

Vila Nova de Gaia, 3th April 2014

José Domingos da Silva Fernandes - Chairman
Alberto Luís Lema Mandim - Member
Akito Takami - Member
Maria Lívia Fernandes Alves - Alternate Member
Takao Gonno - Alternate Member

STATEMENT OF THE FISCAL COUNCIL

All members of the Fiscal Council of TOYOTA CAETANO PORTUGAL, S.A., under the terms of item c) of number 1 of article 245.º of the "Código de Valores Mobiliários", hereby declare that, as far as it is their knowledge, the information provided in item a) of the above referred article, including documents of individual and consolidated accounts, was elaborated according to the accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial situation and results of TOYOTA CAETANO PORTUGAL, SA and that the management report clearly shows the business evolution, the performance and the position of the Company and 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, 3th April 2014

José Domingos da Silva Fernandes - Chairman
Alberto Luís Lema Mandim - Member
Akito Takami - Member
Maria Lívia Fernandes Alves - Alternate Member
Takao Gonno - Alternate Member

AUDIT REPORTFOR STATUTORY AND STOCK EXCHANGE REGULATORY PURPOSES ON THE INDIVIDUAL FINANCIAL INFORMATION

(Free translationfrom the original in Portuguese)

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 financial statements ofToyota Caetano Portugal, S.A., comprising the balance sheet as at December 31, 2013, (which shows total assets of Euro 186,937,008 and total shareholder's equity of Euro 129,039,918 including a net profit of Euro 219,893), the statement of income by nature, the statement of changes in equity and the statement of cash flows for the year then ended, and the corresponding notes to the accounts.

Responsibilities

2. It is the responsibility of the Company's Board of Directors (i) to prepare the Directors' Report and the financial statements which present fairly, in all material respects, the financial position of the Company, the results of its operations, the changes in equity and the cash flows; (ii) to prepare historic financial information in accordance with generally accepted accounting principles in Portugal 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 an appropriate system of internal control; and (v) to disclose any significant matters which have influenced the activity, financial position or results of the Company.

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 financial statements are free from material misstatement. Accordingly, our audit included: (i) verification, on a sample basis, of the evidence supporting the amounts and disclosures in the financial statements, and assessing the reasonableness of the estimates, based on the judgements and criteria of the Board of Directors used in the preparation of the financial statements; (ii) assessing the appropriateness of the accounting principles used and their disclosure, as applicable; (iii) assessing the applicability ofthe going concern basis of accounting; (iv) assessing the overall presentation ofthe 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 consistent with the financial statements 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 ofToyota Caetano Portugal, S.A., as at December 31, 2013, the results of its operations, the changes in equity and the cash flows for the year then ended, in accordance with generally accepted accounting principles in Portugal and the information included is complete, true, up-to-date, clear, objective and lawful.

Report on other legal requirements

8. Itis also our opinion that the information included in the Directors' Report is consistent 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 Market Code.

April 3, 2014

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
Registered in the Comissao do Mercado de Valores
Mobiliarios with no. 9077 represented by:

José Pereira Alves, R.O.C.

AUDIT REPORTFOR STATUTORY AND STOCK EXCHANGE REGULATORY PURPOSES ON THE CONSOLIDATED FINANCIAL INFORMATION

(Free translationfrom the original in Portuguese)

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, 2013 (which shows total assets of Euro 202.146.564 and total shareholder's equity of Euro 129.395.997 including non-controlling interests of Euro 1.646.250 and a net profit of Euro 60.656), 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.

Responsibilities

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 acconnting; (v) assessing the overall presentation of the consolidated financial statements; and (vi) assessing the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness ofthe consolidated financial information.

5. Onr andit 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 4510 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, 2013, the consolidated results and the consolidated comprehensive income ofits 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 245°- A of the Portuguese Securities Market Code.

April 3, 2014

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
Registered in the Comissao do Mercado de Valores
Mobiliarios with no. 9077 represented by:

José Pereira Alves, R.O.C.

REMUNERATION COMMITTEE DECLARATION

The Remuneration Committee of Toyota Caetano Portugal, S.A states the following:

a. Compliance with the policy set defined for Financial Year of 2013:

Analyzed all accounting data and other records of Toyota Caetano Portugal, this Committee verified that there was no change on the remuneration of the Governing Bodies during the year 2013, thus having been complied the proposals of this Committee approved in the General Meeting of Shareholders of April 24, 2013.

b. Policy of Remuneration applicable during the Financial Year 2014:

In view of the current economic climate and given the forecasts of activity and results for the financial year 2014, provided by the Management of the Company, is the understanding of this Committee that should be maintained the amounts of remuneration of the fixed nature for all members of the governing bodies, until the terminus of the current term of office and if they remain in executive functions.

However, this Committee considerers the possibility of revise the policy now defined, as strategic measure to adapt to the economic conditions evolution and their impacts on the automotive sector.

For the non-Executive, this Committee has the opinion that they shall not receive any remuneration, as it is the practice hitherto followed.

Regarding the Variable Remuneration of the executive members of the Board of Directors, it has been allocated according to the results obtained by the Company, combining with the distribution policy of dividends to the shareholders and the bonus payable to employees.

In 2013, this component of remuneration did not exceed 2% of distributable results as proposed by this Committee. In fact this remuneration did not exist.

Therefore and referring to paragraph b) of number 3 of article 2 of Law 28/2009 of 19 June, this Remuneration Committee propose the maintenance of the criteria established for 2014, namely that the variable remuneration of the Executive Members of the Board of Directors does not exceeds 2% of the profits distributable determined in the financial year.

The decision to award Variable Remuneration depending on the results obtained has implicit the verification of the alignment of interests of the members of the Board of Directors with the interests of the Company and, therefore, is one of the mechanisms to be integrated in paragraph a) of number 3 of article 2 of Law No. 28/2009 of 19 June and simultaneously responding to paragraph e) of the same number of article 2 of Law No.28/2009, ensuring the limitation of the variable remuneration in the case that the results obtained are of a negative nature.

Concerning the information related to paragraph c) of number 3 of article 2 of Law No. 28/2009 of June 19, we certify the absence of any plan of allocation of shares or options to acquire shares by the members of the administration and supervision. This committee proposes to maintain this criterion.
The company's practice in the timing of annual payments must, in our opinion, remain, and therefore shall be excluded the possibility stated in paragraph d) of number 3 of article 2 of Law No. 28/2009.

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

06
CORPORATE GOVERNANCE

PART I – INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

A. SHAREHOLDER STRUCTURE

I. Capital structure

1. Capital structure

As at 31 December 2013, 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.
There are no shareholders holding special rights.

2. Restrictions on transmission of shares such as clauses of consent for sale, or limitations to share ownership

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

3. Number of own shares, share of social capital and corresponding percentage of voting rights that correspond to the own shares

Not applicable.

4. Significant agreements with terms of change of control.

Not applicable.

5. Renewal or revocation of defensive measures, in particular those providing for limiting the number of votes of detention or sensitive exercise by a single shareholder

Not applicable.

6. Agreements which the company is aware and may lead to restrictions on the transfer of securities or voting rights

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.

II. Holdings and liabilities held

7. Qualifying shares, share capital and votes of liability, and causes of power allocation

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

Shareholder	Number of shares	%
Salvdor Fernandes Caetano (Heirs of) directly	1.399.255	3,998%
Maria Angelina Caetanos Ramos e Salvador Acácio Martins Caetano through		
Grupo Salvador Caetano (S.G.P.S), S.A.	21.288.281	60,824%
Cociga	290	0,001%
José Reis da Silva Ramos through		
Fundação Salvador Caetano	138.832	0,397%
Maria Angelina Caetanos Ramos e Miguel Pedro Caetano Ramos through		
COVIM	393.252	1,124%
	21.820.655	62,346%
Toyota Motor Europe NV/SA diretamente	9.450.000	27,000%
Millenium BCP - Gestão de Fundos de Investimento, S.A. diretamente	1.226.935	3,510%

8. Number of shares and bonds held by members of the management and supervision.

See number 17 and 31 of Part I.

9. Special powers of the board of directors, including with respect to resolutions of capital increase

Within the powers of the Board described in paragraph 21 of Part I is not foreseen explicitly granting of any specific power in relation to decisions to increase capital.

10. Significant trade relations between the qualifying shares and society

During financial year 2012 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.

B. CORPORATE BOARDS AND COMMISSIONS

I. General Shareholders' Meeting

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 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.

11. Identification members of the general meeting

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

José Lourenço Abreu Teixeira – President
Manuel Fernando Monteiro da Silva – Vice-Presidente
António Manuel de Oliveira Saramago – Secretary
Maria Olívia Almeida Madureira – Secretary

The current board of the General Shareholders' Meeting was elected in 28 April 2011 for a period of 4 years, and ends its mandate in 31 December 2014.
The information below covers the points 12 to 14 of Part I of the form attached to CMVM Regulation no. 4/2013.

Exercise of voting

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

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.

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.

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.

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

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

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 and cession of fixed assets with a transaction value greater than two million, five hundred thousand Euros.

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

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.

Toyota Caetano Portugal provides a template for exercising the postal voting right on the Company's website (www.toyotacaetano.pt).

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.

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

II. Management and supervision

Composition

15. Identification of governance model adopted

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.

16. Statutory rules on procedural requirements and materials for the appointment and replacement of the board of directors

The members of the Board of Directors are elected by the General Meeting for a period of four years, renewable, which is responsible for performing all acts of management to implement the operations inherent to its objects, acting in the best interests of the Company, shareholders and employees. The General Meeting may also elect two alternate directors.

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

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

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

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

d) By election of a new board member.

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.

17. Composition of the board of directors

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.

The Board of Directors, its functions, independence and date of first appointment was as follows:

Member	Function		Independence	Share	Date of Designation
José Reis da Silva Ramos	Chairman	Executive	Não	0	29/1/10
Daniel schillaci	Member	Non Executive	Não	0	6/2/12
Takeshi Numa	Member	Non Executive	Não	0	30/8/12
Maria Angelina Martins Caetano Ramos	Member	Executive	Não	0	30/3/89
Salvador Acácio Martins Caetano	Member	Executive	Não	0	30/3/89
Miguel Pedro Caetano Ramos	Member	Executive	Não	0	23/4/10
Rui Manuel Machado Noronha Mendes	Member	Executive	Não	0	23/4/10
Yoicho Sato	Member	Non Executive	Não	0	23/1/14

18. Distinction of executive members and non-executive directors and concerning the non-executive members, identification of which may be deemed to be independent

In item 17 of Part I, are discriminated executive and non-executive directors, as well as those who are considered independent.

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.

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

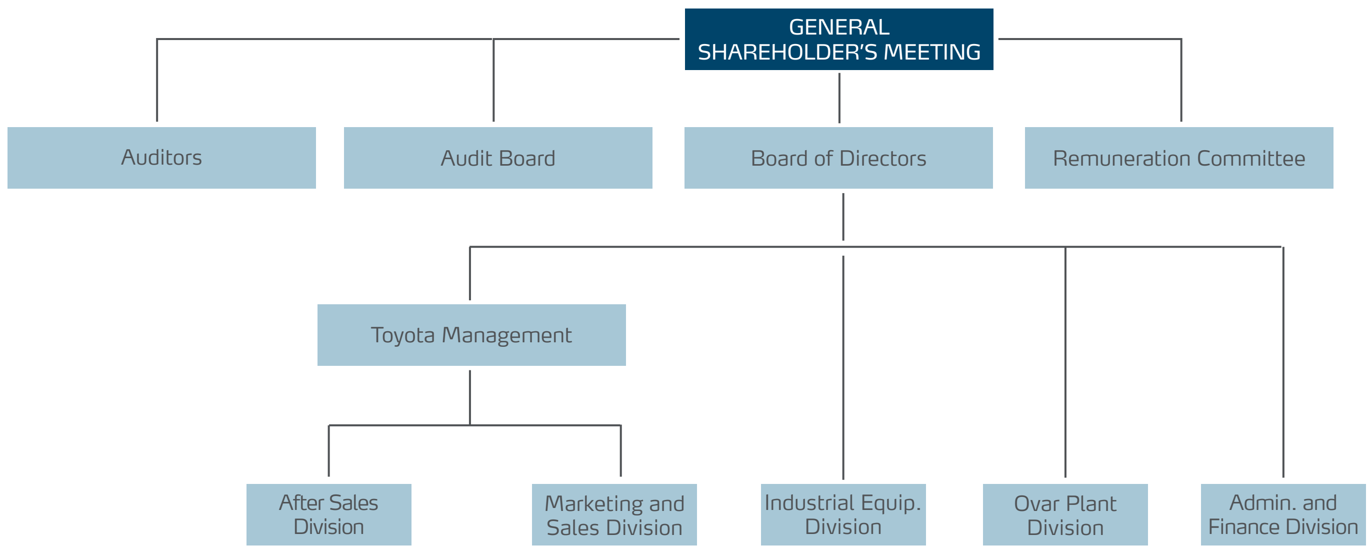
19. Professional qualifications and other elements relevant curriculum for each of the members of the board of directors

In annex (Annex I) is disclosed the professional qualifications of the members of the Board of Directors.

20. Family relationships, professional or trade, and meaningful usual, the members of the board of directors to the shareholders to whom be attributed qualified than 2% of voting rights

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.

21. Chart on the division of powers between the various officers, committees and / or departments, including information on delegation of powers in particular with regard to the delegation of daily administration of the company



OPERATION

Board of Directors

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.

Audit Board

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.

22. Operating regulations of the board of directors

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.

23. Number of meetings held and degree of attendance of each member

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

During the course of 2013, the Board of Directors convened 2 times, and the corresponding minutes areregistered in the Board of Directors' book of minutes having been present all its members.

24. Statement of corporate bodies competent to perform a performance evaluation of executive

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

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.

25. Pre-determined criteria for performance evaluation of executive

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

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

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

26. Availability of each of the members of the board of directors with indication of positions held simultaneously in other business in and out of the group, and other relevant activities held by members of those bodies during the year

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

Name	Company	Title
Eng.º José Reis da Silva Ramos Chairman of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	Rigor - Consultoria e Gestão, S.A.	Chairman of Board of Directors
	Saltano - Invest. e Gestão, S.G.P.S., S.A.	Chairman of Board of Directors
	Caetano Auto, S.A.	Chairman of Board of Directors
	Caetano Aeronautic, S.A.	Chairman of Board of Directors
	Caetano Rentig, S.A.	Chairman of Board of Directors
	Caetanobus - Fabricação de Carroçarias, S.A.	Chairman of Board of Directors
	Lusilectra - Veículos e Equipamentos, S.A.	Chairman of Board of Directors
	Soc. Imobiliária Quinta da Fundega, S.A.	Chairman of Board of Directors
	Caetano Auto CV, S.A.	Chairman of Board of Directors
	Portianga - Comercio Internacional e Participações, S.A.	Chairman of Board of Directors
	Salvador Caetano - Indústria (S.G.P.S.), S..A.	Chairman of Board of Directors
	Salvador Caetano Auto África, S.G.P.S., S.A.	Chairman of Board of Directors
	Grupo Salvador Caetano, S.G.P.S., S.A.	Member of Board of Directors
	Atlântica - Comp. Portuguesa de Pesca, S.A.	Member of Board of Directors
	MDS Auto - Mediação de Seguros, S.A.	Member of Board of Directors
	Movicargo - Movimentação Industrial, Lda.	Manager
	Crustacil - Comércio de Marisco, Lda.	Manager

Name	Company	Title
Drª Maria Angelina Martins Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	Grupo Salvador Caetano, S.G.P.S., S.A.	Chairman of Board of Directors
	Atlântica - Comp. Portuguesa de Pesca, S.A.	Chairman of Board of Directors
	Poal - Pavimentações e Obras Acessórias, S.A.	Chairman of Board of Directors
	Auto Partner - Imobiliária, S.A.	Chairman of Board of Directors
	Empreendigaia, S.G.P.S., S.A.	Chairman of Board of Directors
	Cociga - Construções Civis de Gaia, S.A.	Chairman of Board of Directors
	Simoga - Soc. Imobiliária de Gaia, S.A.	Chairman of Board of Directors
	Turispaiva – Soc. Turística Paivense, S.A.	Chairman of Board of Directors
	Covim - Soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman of Board of Directors
	Novef, S.G.P.S., S.A.	Chairman of Board of Directors
	Rarcon - Arquitectura e Consultadoria, s.a	Chairman of Board of Directors
	Saltano – Invest. e Gestão, S.G.P.S., S.A.	Member of Board of Directors
	Caetano Auto, S.A.	Member of Board of Directors
	Portianga – Com. Int. e Participações, S.A.	Member of Board of Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member of Board of Directors
	Salvador Caetano Auto África, S.G.P.S., S.A.	Member of Board of Directors
	Caetano Auto CV, S.A.	Member of Board of Directors
	Crustacil – Comércio de Marisco, Lda.	Member of Board of Directors
	Maqtin - Comércio e Indústria de Máq. Ferramentas e Tintas, Lda.	Manager

Name	Company	Title
Eng.º Salvador Acácio Martins Caetano Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	Caetano-Baviera - Comércio de Automóveis, S.A.	Chairman of Board of Directors
	Salvador Caetano - Auto, S.G.P.S., S.A.	Chairman of Board of Directors
	Tovicar - Sociedade de Com. de Automóveis, S.A.	Chairman of Board of Directors
	Caetano Retail, S.G.P.S., S.A.	Chairman of Board of Directors
	Grupo Salvador Caetano, S.G.P.S., S.A.	Vice-Chairman of Board of Directors
	Rigor - Consultoria e Gestão, S.A.	Member of Board of Directors
	Saltano - Invest. E Gestão, S.G.P.S., S.A.	Member of Board of Directors
	Empreendigaia, S.G.P.S., S.A.	Member of Board of Directors
	Caetano Renting, S.A.	Member of Board of Directors
	Portianga - Com. Int. e participações, S.A.	Member of Board of Directors
	Cociga - Construções Civis de Gaia, S.A.	Member of Board of Directors
	Salvador Caetano Auto África, S.G.P.S., S.A.	Member of Board of Directors
	Turispaiva - Soc. Turística Paivense, S.A.	Member of Board of Directors
	Simoga - Soc. Imobiliária de Gaia, S.A.	Member of Board of Directors
	Lavorauto - Administração Imb. E Cons. de Empresas, S.A.	Member of Board of Directors
	Amorim Brito & Sardinha, Lda.	Manager
	Maqtin - Comércio e Indústria de Máq. Ferramentas e Tintas, Lda.	Manager

Name	Company	Title
Engº Miguel Pedro Caetano Ramos Member of the Board of Directors TOYOTA CAETANO PORTUGAL, S.A.	Salvador Caetano Capital (S.G.P.S.), S.A.	Chairman of Board of Directors
	Globalwatt, S.G.P.S., S.A.	Chairman of Board of Directors
	Vas África, S.A.	Chairman of Board of Directors
	VAS, Cabo Verde, Sociedade Unipessoal, S.A.	Chairman of Board of Directors
	Caetano Equipamentos, S.A.	Chairman of Board of Directors
	Caetano Fórmula East África, S.A.	Chairman of Board of Directors
	Salvador Caetano Equipamentos, S.A.	Chairman of Board of Directors
	Caetanolyrsa, S.A.	Vice-Chairman of Board of Directors
	Automocion Peninsular Inmebles, S.A.	Vice-Chairman of Board of Directors
	Ibericar, Sociedad Iberica del Automóvil, S.A.	Member of Board of Directors
	Grupo Salvador Caetano, S.G.P.S., S.A.	Member of Board of Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member of Board of Directors
	MDS Auto - Mediação de Seguros, S.A.	Member of Board of Directors
	Portianga - Comércio Internacional e Participações, S.A.	Member of Board of Directors
	Tovicar - Sociedade de Automóveis, S.A.	Member of Board of Directors
	Caetano Retail, S.G.P.S., S.A.	Member of Board of Directors
	Rigor - Consultoria e Gestão, S.A.	Member of Board of Directors
	Salvador Caetano Auto, S.G.P.S., S.A.	Member of Board of Directors
	Salvador Caetano Auto África, S.G.P.S., S.A.	Member of Board of Directors
	Caetano Aeronautic, S.A.	Member of Board of Directors
	Auto Partner - Imobiliária, S.A.	Member of Board of Directors
	Choice Car - Comércio de Automóveis, S.A.	Member of Board of Directors
	Finlog - Aluguer e Comércio de Automóveis, S.A.	Member of Board of Directors
	Luso Assistência - Gestão de Acidentes, S.A.	Member of Board of Directors
	Island Rent, Aluguer de Automóveis, S.A.	Member of Board of Directors
	Guérin-Rent-a-Car, S.L.U.	Member of Board of Directors
	Salvador Caetano Indústra, S.A.	Member of Board of Directors
	Ibericar Galicia Auto, S.L.	Member of Board of Directors
	Dicuore - Decoração, S.A.	Member of Board of Directors
	HDICUORE Design, Lda.	Manager
	Guerin-Rent-a-Car (Dois), Lda.	Manager
	Ibericar Holding Andalucia, S.L.U.	Manager
	Ibericar Centro Auto, S.L.	Manager
	Tardes Solarengas - Energias Renováveis, Lda.	Manager
	Ibéricar Cataluña Auto, S.L.	Manager
	Lidera Soluciones, S.L.	Manager
	Sol Green Watt, S.L.	Manager

Name	Company	Title
Dr. 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 Board of Directors
	Caetano Aeronautic, S.A.	Member of Board of Directors
	Caetano Renting, S.A.	Member of Board of Directors
	Caetano Spain, S.A.	Member of Board of Directors
	Salvador Caetano Indústria (S.G.P.S.), S.A.	Member of Board of Directors
	Salvador Caetano Auto África, S.G.P.S., S.A.	Member of Board of Directors
	Vas África, S.A.	Member of Board of Directors
	Caetano Auto CV, S.A.	Member of Board of Directors
	Caetano Equipamentos, S.A.	Member of Board of Directors
	Caetano Fórmula East África, S.A.	Member of Board of Directors
	Vas Cabo Verde, Sociedade Unipessoal, S.A.	Member of Board of Directors
	Movicargo - Movimentação Industrial, Lda.	Manager
	Caetano One CV, Lda.	Manager
	Cabo Verde Rent-A-Car, Lda.	Manager

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

COMMITTEES WITHIN THE BOARD OF DIRECTORS

The information provided in items 27 to 29 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company.

III. Supervisory board

COMPOSITION

30. Identification of the supervisory board

The supervisory board adopted according to the Latin model of corporate governance is the Audit Board.

31. Composition of the audit board

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:

Member	Function	Independence	Share	Date designation
José Domingos da Silva Fernandes	Chairman	Yes	0	2011/04/28
Alberto Luís Lema Mandim	Member	Yes	0	2012/04/27
Akito Takami	Member	Yes	0	2013/04/24
Maria Lívia Fernandes Alves	Alternate Member	Yes	0	2012/04/27
Yoicho Sato	Alternate Member	Yes	0	2013/04/24

32. Identity of the audit board consider that independent pursuant to art. 414., Paragraph 5 CSC

The Chairman of the Audit Board is independent, according to the criteria laid down in Article 414 (5) of Código das Sociedades Comerciais (Portuguese Commercial Companies Code), and in addition the Audit Board carries out the correspondent self-evaluation.

33. Qualifications for each member of the audit board

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).

OPERATION

34. Regulation of operation of the audit board

The regulations for the operation of the audit board are not disclosed on the website of the company.

Statutory Auditors

Under Article 420., Paragraph 1, paragraphs c), d), e) and f) and 446., Paragraph 3 of the Commercial Companies Code, the Statutory Auditors to control the regularity of the accounting records and documents supporting materials, as well as, when appropriate, and by the way thought adequate, the extent of cash and stocks of any kind of goods or assets belonging to the Company or received as collateral, deposit or other security, and also the accuracy of the individual and consolidated financial statements and the accounting policies and valuation criteria adopted by the Company to conduct a proper assessment of the assets and profits.

Following the entry into force of Decree-Law n. º 185/2009, of 12 August also the Statutory Auditors has duty attest the Corporate governance report published annually contains the elements required under the law, namely, in respect of qualifying holdings in the share capital of the Company, the identification of holders of special rights and description of such rights, any restrictions on voting rights, the rules governing the appointment and replacement of directors and the amendment of Bylaws Society, the powers and proceedings of the board, and key elements of the internal control systems and risk management implemented in the Company in relation to the financial reporting process.

35. Number of meetings held and degree of attendance at meetings held each member of the audit board

The Audit Board met twice during the year 2013 and the corresponding recorded in the minutes book of the minutes of the Audit Committee, having been present all its members.

36. Availability of each of the audit board members with indication of positions held simultaneously in other business in and out of the group, and other relevant activities held by the members of that body

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, S.A. (Grupo Salvador Caetano)
L.P.F.P. – Liga Portuguesa de Futebol Profissional
Revisor Oficial de Contas nas sociedades
Multiponto, S.A.
Imomonteiro's – Sociedade Imobiliária, S.A.
Poal – Pavimentações e Obras Acessórias, S.A.
Turispaiva – Sociedade Turística Paivense, S.A.
Summertime – Sociedade Imobiliária, S.A.
Convemaia – Sociedade Imobiliária, S.A.
BDS, S.G.P.S., S.A.
Poliedro, S.G.P.S., S.A.
CEIIA – Centro de Excelência e Inovação para a Indústria Automóvel

Alberto Luís Lema Mandim

Vice President of Board of Directors for the companies:

Salvador Caetano Capital, S.G.P.S., S.A.

Member of Board of Directors for the companies

Caetsu Publicidade, S.A.

Chairman of the Audit Board for the companies

Caetano Auto, S.A.
Fundação Salvador Caetano

Maria Lívia Fernandes Alves: does not perform any other duties in other Companies.
Akito Takami: does not perform any other duties in other Companies
Takao Gonno: does not perform any other duties in other Companies

POWERS AND FUNCTIONS

37. Procedures and criteria for intervention of the audit board for the purpose of employment of additional services to the external auditor

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 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.

38. Other functions of the audit board

Regarding this matter, reference is made in item 21 of Part I.

IV. Statutory accountant

39. Identification of statutory accountant and social auditor that represents

Statutory Accountant, in the person of José Pereira Alves, representing the company PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. nº 9077 in CMVM.

40. Number of years in the statutory accounts held together consecutively functions of the company and / or group

The current Statutory Auditors office held consecutively with the Company since 2010.

41. Other services

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.

V. External auditor

42. Identification of the external auditor designated for purposes of art. 8. º and social auditor that stands in compliance with these functions as well as the respective registration number in CMVM

External auditoris the company PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. nº 9077 in CMVM.

43. Number of years in the external auditor auditor and the respective member accounts officer that the stands to meet these functions functions consecutively exercised to the company and / or group

The external auditor performs functions sequentially with the Company since 2010.

44. Policy and frequency of the external auditor rotation and respective social auditor that stands in compliance with these functions

Is not internally defined any policy of mandatory rotation of external auditor, in addition to the legally applicable to public interest entities, being the period of mandatory rotation of statutory social accounts representing the External Auditor on the performance of these functions due to the combination the paragraph. 2 of article 54. Statute of the Order of Chartered Accountants (7 years).

45. Body responsible for assessment of external auditor and frequency with which this assessment is made

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.

46. Identification of services, other than audit, performed by the external auditor for the company and / or companies with it applied in a control, and statement of internal procedures for the purpose of approval of employment of such services and statement of reasons for hiring

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.

47. Annual remuneration paid by the company and / or by a collective of or in relation to the field group auditor and other individuals or collective in the same network and discrimination of percentage of every type of service

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 105.390 Euro, distributed as follows:

	€	%
Company		
Value of audit services	29.500	34%
Value of other services	1.500	2%
Group companies		
Value of audit services	55.870	64%

C. ORGANIZATION

I. Statutes

48. Rules for the amendment of articles company statutes

Amendment of articles of the company statutes is possible only upon approval by the General Assembly by a majority of 75% of capital.
In order to deliberate on the matters referred to in the previous point, if the required majority is not present during the first convening notice, the General Shareholders' Meeting will meet fifteen days later in order to deliberate on the same matters, with the requirement that the respective decision be voted by a seventy-five percent majority of the votes from present or represented shareholders.

II. Reporting of irregularities

49. Media and politics whistleblowing occurred in society

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.

III. Internal control and risk management

The information below covers the points 50 to 55 of Part I of the form attached to CMVM Regulation no. 4/2013.

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;

(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.

IV. Investor support

56. Office responsible investor support, composition, functions, services provided by such information and elements for contact

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.

57. Market liaison officer market liaison officer

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

58. Market liaison officer, composition, functions, services provided by such information and elements for contact

The representative for market relations receives calls daily with various issues, including clarification on dividends and other general meetings, usually answered immediately when the information is public.

Web site

The information below covers the points 59 to 65 of Part I of the form attached to CMVM Regulation no. 4/2013.

- On the website of the Company Www.toyotacaetano.pt , is available the following:
- The company, the public company status , headquarters and remaining data provided for in Article 171 of the Commercial Companies Code;
- The Statutes;
- The identity of the corporate officers and the representative for market relations;
- For five years , the documents presenting the accounts for each financial year , six and three;
- The calendar of corporate events , including, among other information , the meetings of the General Assembly and disclosure of annual and quarterly accounts;
- Notices of General Meetings and, also , the proposals for discussion and voting by shareholders , with a minimum of 21 days due to the date of the meeting;
- The historical record with the resolutions passed at the General Meetings of Society , the represented share capital and the voting results , for the three preceding years;
- In general , information that allows a current knowledge of the reality of evolution and Undertaking economic, financial and corporate governance terms.

D. REMUNERATIONS

I. Jurisdiction to determine

66. Indication as to the jurisdiction to determine the remuneration of governing bodies, of members of the managing director and executive officers of the company

The remuneration policy of the Board of Directors and Audit Board is set by an independent Remuneration Committee, based on criteria that meet the ability to create shareholder value. In defining the criteria stated above are taken into account several factors including comparative market data and macroeconomic data.

II. Remuneration committee

67. Composition of the charges, including identification of individuals or collective contracted for you support and declaration of independence of each of the members and advisors

The Remuneration Committee consists of the following members:
- Alberto Luís Lema Mandim
- Maria Conceição Monteiro Silva
- Francelim Costa da Silva Graça

68. Knowledge and experience of members of the remuneration policy of remuneration

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.

III. Structure of remuneration

69. Description of the remuneration of management and supervisory referred to in article 2. º law no. 28/2009 Of 19 june

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

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.

The policy for remuneration of the directors responsible for each of the divisions identified in the functional organization chart of the Company presented 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.

70. Information on how the remuneration is structured way to align the interests of members of the board of directors to the long term interests of the company as well as on the way it is based on performance evaluation and excessive discourages risks

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

71. Reference, if applicable, the existence of a variable component of remuneration and information about possible impact of performance appraisal in this component

As approved by the Remuneration Committee sets the remuneration of the members of the Board of Directors is not directly dependent on the evolution of the share price of the Company or of the results obtained.

72. Deferred payment of variable component of remuneration to mention the period of deferred

There were no deferred payment of the variable component.

73. Criteria which is based on the allocation variable remuneration shares

No variable remuneration in shares.

74. Criteria which is based on the allocation variable remuneration in options

No variable remuneration in options.

75. Main parameters and grounds of any system annual awards and any other non-cash benefits

Members of the Board of Directors are dependent on the performance of the company in the variable portion of their annual compensation, as is usually designated as "Bonus Balance" or annual bonus, corresponding to an annual performance bonus determined taking into account the assessment made by the Remuneration Committee as part of their duties.

76. Main features of additional pension scheme or early retirement for directors

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 companyo;

- 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.

Atualmente, o Fundo de Pensões abrange membros do Conselho de Administração que se encontrem nas condições acima referidas, tendo a referida inclusão sido aprovada em Assembleia Geral.

IV. Disclosure of remuneration

The information below covers the points 77 to 81 of Part I of the form attached to CMVM Regulation no. 4/2013.

The remunerations obtained by the members of the Board of Directors and Audit Board of Toyota Caetano Portugal, S.A. during the financial year of 2013 for the performance of their duties in the Company and in other Companies of the Group are as follows:

Remunerations	Fixed Component		Variable Component		Total
	Company	Toyota Group Companies	Company	Toyota Group Companies	
Executive Board Members					
José Reis da Silva Ramos	152.618	0	0	0	152.618
Maria Angelina Martins Caetano Ramos	112.175	285.712	0	0	397.887
Salvador Acácio Martins Caetano	0	0	0	0	0
Rui Manuel Machado Noronha Mendes	82.390	0	0	0	82.390
Miguel Pedro Caetano Ramos	0	0	0	0	0
Daniel Schillaci	0	0	0	0	0
Takeshi Numa	0	0	0	0	0
Yoicho Sato	0	0	0	0	0
Non-Executive Board Members					
José Domingos da Silva Fernandes	4.900	0	0	0	4.900
Alberto Luís Lema Mandim	2.500	0	0	0	2.500
Maria Lívia Fernandes Alves	1.000	0	0	0	1.000
Akito Takami	0	0	0	0	0
Takao Gonno	0	0	0	0	0
Total	355.583	285.712	0	0	641.295

82. Remuneration of the year of reference of the chairman of the general assembly

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 2013.

In 2013 both Chairman and Vice-Chairman did not earn any remuneration

V. Agreements with implications remuneration

The information provided in sections 83 and 84 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company.

VI. Plans for allotment of shares or options on shares

The information provided in paragraphs 85 to 87 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company as the Company has not adopted any plans to allot shares or any plans allocation of purchase of shares to members of governing bodies or employees options.

E. TRANSACTIONS WITH RELATED COMPANIES

I. Mechanisms and control procedureS

The information below covers the points 89 to 91 of Part I of the form attached to CMVM Regulation no. 4/2013.

During financial year 2013 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.

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).

II. Elements for transactions

92. Place of documents of accountability where is available information on transactions with related parties

Business with related parties are disclosed in Note 36 to the consolidated financial statements of the Annual Report 2013.

PART II - EVALUATION OF CORPORATE GOVERNANCE

1. Identification of the Code of Corporate Governance adopted

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. 4/2013of 18 July.

2. Compliance with the recommendations contained in CMVM's Corporate Governance Code

CMVM Recommendations	Compliance	Repport
I. ELIGIBILITY AND CORPORATE CONTROL		
I.1.Companies should encourage shareholders to attend and vote at general meetings, in particular by not setting an excessively high number of shares required to be entitled to one vote and implementing the necessary to exercise the right to vote by postal voting and electronic postal voting.	Yes	Item 12
I.2. Companies should not adopt mechanisms that hinder the passing of resolutions by shareholders, including shall not set a constitutive or deliberating quorum which outnumbers that which is provided for by Law.	No	Item 12
I.3 Companies should not establish mechanisms that have the effect of causing the gap between the right to receive dividends or subscription of new securities and the voting rights of each share, unless duly justified by reference to the long-term interests of shareholders.	Yes	Item 12
I.4. 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.	No	Item 12
I.5. 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	Item 12
II.1. SUPERVISION, GOVERNING AND AUDITING BODIES		
II.1. SUPERVISION AND GOVERNING II.1.1. 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.	Yes	Item 21
II.1.2. 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	Item 21

II.1.3 1 In addition to fulfilling its auditing duties, the general and supervisory board must assume full responsibility to the corporate governance level, so by the statutory provision or by equivalent means, shall be paid to the requirement of this organ decide on the strategy and major policies of society, the definition of the corporate structure of the group and the decisions that must be considered strategic due to the amounts or risk. This body should also assess compliance with the strategic plan and the implementation of major policies of the company.	Not Applicable	
II.1.4. 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: a) 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; b) 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	Not Applicable	
II.1.5. Unless the company is of a reduced size and depending on the model adopted, the board of directors and the general and supervisory board should set goals in terms of risk-taking and create systems for their control to ensure that the risks actually incurred are consistent with those goals.	Yes	Item 50
II.1.6. 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	Item 17
II.1.7The non-executive board members must include an adequate number of independent directors, taking into account the governance model adopted, the size of the company and its shareholder structure and the respective free float. The independence of the members of the General and Supervisory Board and Member of the Audit Committee is assessed in accordance with applicable law , and as to the other members of the Board are considered independent person who is not associated with any group of interests specific society , nor under any circumstance likely to affect their impartiality of analysis or decision, particularly in relation to : a) Have been employees of the company or a company with which it is found in a control or group in the past three years; b) Have , in the past three years , provided services or established significant business relationship with the company or company with which it is in a control or group , either directly or as a partner, director, manager or officer of a legal person ; c) Being in favor of compensation paid by the company or by a company with which it is found in a control or group than the remuneration resulting from the exercise of the duties of a director; d) Living in consensual union, or a spouse , relative or order in and straight up to the 3rd degree , even in the collateral line , administrators or individuals directly or indirectly qualifying shareholders e) Be qualified shareholder or representative of a shareholder holding qualifying holdings .	No	Item 18
II.1.8. 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	Item 21
II.1.9. 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	Item 21
II.1.10. If the chairman of the board of directors carry out executive duties, this body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so that they can make independent and informed or find an equivalent mechanism to ensure such coordination.	No	Item 18

II.2. AUDITING BODIES		
II.2.1. 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	Item 32
II.2.2. The auditing body should be the main interlocutor of the external auditor and the first recipient of their respective reports, responsible for the propose the respective remuneration and to ensure that they are provided within the company, the appropriate conditions for the provision of services.	Yes	Item 21
II.2.3. The auditing body, 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	Item 45
II.2.4. The auditing board shall evaluate the functioning of the internal control systems and risk management and propose adjustments that may be required.	Yes	Item 21
II.2.5. The Audit Committee, the General and Supervisory or the Audit Board shall decide on the work plans and affections to internal audit services and services that ensure compliance with the rules applicable to the company (compliance services) resources, and should be addressed to the reports from these services at least when they are concerned matters related to accountability identification or resolution of conflicts of interest and the detection of potential illegalities.	Yes	Item 37
II.3. REMUNERATION		
II.3.1. 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	Item 68
II.3.2. 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	Item 68
II.3.3. 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: a) Identification and explanation of the criteria for determining the remuneration to be paid to members of governing bodies; b) Information on the maximum potential amount, in individual terms, and the maximum potential amount, in aggregate, to be paid to members of governing bodies, and identification of the circumstances under which these maximum amounts may be payable; d) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of administrators.	Yes	Item 69
II.3.4. 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 information for a correct assessment of the scheme.	Not Applicable	
II.3.5. Deve ser submetida à Assembleia Geral a proposta relativa à aprovação de qualquer sistema de benefícios de reforma estabelecidos a favor dos membros dos órgãos sociais. A proposta deve conter todos os elementos necessários para uma avaliação correta do sistema.	Yes	Item 76

III. REMUNERATION		
III.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.	Yes	Item 70
III.2. The remuneration of non-executive members of the board of directors and of the members of the audit board should not include any component whose amount depends on company performance or value.	Yes	Item 77
III.3. 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.	No	Item 69
III.4. 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.	No	Item 72
III.5. 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.	Not Applicable	
III.6. 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.	Not Applicable	
III.7. when the variable remuneration includes allocation of options, the start of the period should be deferred for not less than three years.	Not Applicable	
III.8. When the removal of administrator is not due to serious breach of its duties or their unfitness for the normal exercise of their functions but still be reducible to poor performance, the company will find yourself provided with the appropriate and necessary legal instruments to any damages or compensation, beyond the legally due, is not required.	Not Applicable	
IV. AUDITING		
IV.1. 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	Item 45
IV.2 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.	Yes	Item 47
V.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	Item 44
V. CONFLICT OF INTEREST AND AND RELATED PARTY TRANSACTIONS		
V.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	Item 89

V.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	Item 89
VI. REPORTING		
VI.1Companies shall provide, through its website, in Portuguese and English, access to information enabling knowledge about its evolution and its current reality in economic, financial and governance terms.	Yes	Item 59 a 65
VI.2Companies should ensure the existence of an investor assistance office and permanent contact with the market, responding to requests from investors in a timely processing of applications submitted and the treatment that was given should be maintained.	Yes	Item 56

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

I.2 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.

I.4 As mentioned in items 12 to 14 for each group of one hundred shares corresponds to one vote and are not contemplated in the statutes of the Company duty to submit to five years the amendment of the statutory provision in the General Assembly.

II.1.6. The Board of Directors consists of a total of seven members, two of whom are non-executive members (refer to item 17 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.1.7. 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.1.10. The chairman of the board of directors has executive functions and as mentioned in point no 18 the members non-executive aren't independent.

II.3.3. The statement on the remuneration policy for the board of directors and audit body, made by the remuneration committee as described in item 69, does not include decisions on payments for dismissal or termination by agreement of directors' roles.

III.3. There are not limits for fixed and variable components of the remuneration of the members of the management and supervisory.

III.4. As described in item 72 the variable remuneration does not depend on a policy of medium and long-term maximization of profit of the Company.

V.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.

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, Espanha

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 de março de 1951, em Cedofeita, Porto

Estado Civil: Casado

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, S.A.
- Imomonteiro's – Sociedade Imobiliária, S.A.
- Poal – Pavimentações e Obras Acessórias, S.A.
- Turispaiva – Sociedade Turística Paivense, S.A.
- Summertime – Sociedade Imobiliária, S.A.
- Convemaia – Sociedade Imobiliária, S.A.
- BDS, S.G.P.S., S.A.
- Poliedro, S.G.P.S., S.A.
- CEIIA – Centro de Excelência e Inovação para a Indústria Automóvel

Name: Maria Lívia 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

Name: Alberto Luís Lema Mandim

Date and Place of Birth: 5 de Julho de 1939, em Ermesinde, Valongo

Marital Status: Married

Address: Rua da Boavista, 53, 4445-349, Ermesinde

Academic Qualifications:

- 1964 Accountant studies, at the former Instituto Comercial do Porto
- 1966 Chartered accountant; member nº 3927 da OTOC
- 1968 programation in em fortran (EDP)
- 1981 programation in rpg (IBM)
- 1990 information systems analysis (IBM)
- 2008 compnies valuation (CTOC)

Work experience:

- 1961 – 1964 Bank employee Banco Espírito Santo
- 1964 – 1966 Accountant Moto Meca Rl
- 1966 – 1979 Manager Soc. Construções Soares da Costa, S.A.
- 1979 – 1999 Manager Toyota Caetano Portugal, S.A.
- 2000 – 2005 Member of Board of Directors Rigor - Consultoria e Gestão, S.A.
- 2005 – 2007 Member of Board of Directors Inforauto - Consultoria e Informática de Gestão, S.A.
- 2003 – 2012 Vice –president of the Board of directors Salvador Caetano Capital S,G.P.S.,S.A.
- 2005 – 2011 Member of Board of Directors Caetsu Publicidade S.A.
- 2006 President of Audit Board Caetano Auto, S.A.
- 2010 President of Audit Board Fundação Salvador Caetano.

Toyota Caetano Portugal, S.A.