INTERIM REPORT

2020

Toyota Caetano Portugal, S.A.

INDEX

GENERAL

Toyota Caetano Portugal, S.A.

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Alternate
João Carlos Henriques Gomes Ferreira

MANAGEMENT REPORT

Toyota Caetano Portugal, S.A.

MANAGEMENT REPORT

INTRODUCTION

The following progress report has been prepared in accordance with Article 246(1)(b) of the Portuguese Securities Code. For each of the Companies included in the consolidation scope of Toyota Caetano Portugal, it contains all the main events occurred during the period under analysis, as well as their impact on the financial statements.

At the same time, the main expectations for the 2nd half of the current year are also presented, albeit in a summarised way.

TOYOTA CAETANO PORTUGAL, S.A.

INDUSTRIAL ACTIVITY

OVAR MANUFACTURING UNIT

In the first half of 2020, the Ovar Plant produced a total of 453 vehicles, representing a 63.2% decrease over the same period last year. This decrease is directly related to the impacts caused by the COVID-19 pandemic, not only in Portugal, but also in the product's destination (South Africa).

Due to the creation of a health enclosure around the municipality of Ovar, TCAP found itself unable to produce for over a month, while seeing some of its orders cancelled. In order to overcome these constraints, we agreed with our partners, Toyota Motor Corporation and Toyota South Africa Manufacturing, on reorganising production for the 2nd half of the year.

Naturally, this reorganisation presumes a return to normal in both Portugal and South Africa, as any outlook could be seriously affected by new pandemic waves of COVID-19.

During the period of inactivity, the Company applied to existing operating aid programmes (simplified layoff), in order to minimise the economic impact on the current financial year.

In the meantime, our operational Safety teams implemented every DGS (Portuguese Health Authority) guideline, as well as the best practices recommended by TME so that a return to production could be achieved as safely as possible.

We should point out that, during this period, TCAP-DFO took the initiative of offering a Toyota Hiace ambulance to the Ovar Volunteer Fire Brigade, while collaborating with several local entities in providing PPE in the fight against COVID-19 (masks, protective suits, among others).

In PPO/PDI operations, 1,419 vehicles were transformed/prepared, corresponding to a 38.6% drop relative to the same period the year before, once again justified by the impact that COVID-19 has been causing on the domestic automotive trade.

PRODUCTION	2020 (JAN-JUN)	2019	2019 (JAN-JUN)
Toyota Physical Units	453	2.393	1.234
Transformed/prepared Physical Units	1.419	5.577	2.313
Total Employees (LC70+PDI AND POOL)	193	197	201

COMMERCIAL ACTIVITY

VEHICLES

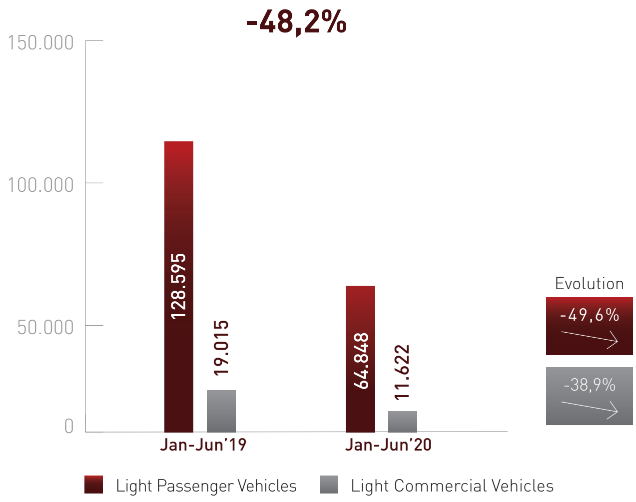
OVERALL AUTOMOTIVE MARKET

The 1st half of 2020 was heavily conditioned by the highly unfavourable context generated by the COVID-19 pandemic.

The unprecedented nature of the current crisis entailed highly significant impacts on consumer confidence indicators as well as on all economic activity indicators.

The lockdown measures, which directly involved suspending operations at many companies and restricted citizen mobility, were combined with the negative effects of uncertainty regarding consumer and investment intentions.

These mobility restrictions, with direct impact on the tourist sector, also drastically conditioned the sales volume of car rental vehicles.



Source: ACAP

The automotive market **plummeted 48.2%.** This decline was sharper in **passenger vehicles, which slid 49.6%**, whereas **light commercial vehicles dropped 38.9%**.

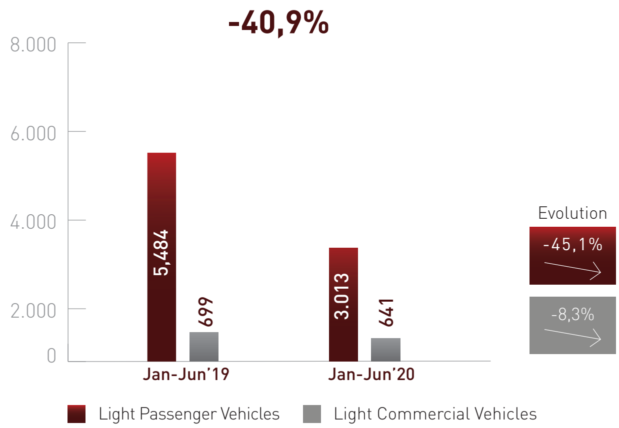
TOYOTA PERFORMANCE

Considering the context of a pandemic experienced during the 2nd quarter of this year, **Toyota recorded a sharp decline (below that of the market) of 40.9%**, with a total of 3,654 units sold.

These sales enabled us to achieve an **overall market share of 4.8% in the first half of the year (+0.6 percentage points against 2019)**.

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

- Regarding **Light Passenger Vehicles**, Toyota shows a 45.1% drop, which is lower than the decline occurring in the market, for a **market share of 4.6% (+0.3 percentage points against 2019)**.



Source: ACAP

This sales development, which, while negative, is more favourable than that occurring in the market, is due, to a large extent, to the contribution from the new Corolla, launched in early 2019. This model has completed 1 year of sales, which were clearly on the rise in the first few months of this year.

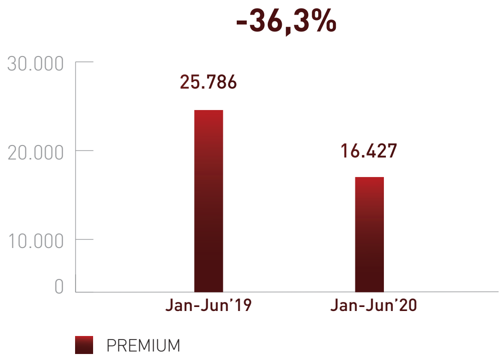
- As far as **Light Commercial Vehicles** are concerned, Toyota shows a decrease of just 8.3%, with a **market share of 5.5% (+1.8 percentage points against 2019)**.

This performance, which surpassed that of the market, is mostly driven by the launch of the new model Proace City. This is included in the largest commercial vehicle market segment – the Small Van segment.

For this year's second semester, and while maintaining the so-called "return to normal", we expect a gradual recovery of the brand's overall performance; for passenger vehicles, this rests on the launch of the new-generation model Yaris; for commercial vehicles, this will be upheld by the recently launched model Proace City.

PREMIUM MARKET

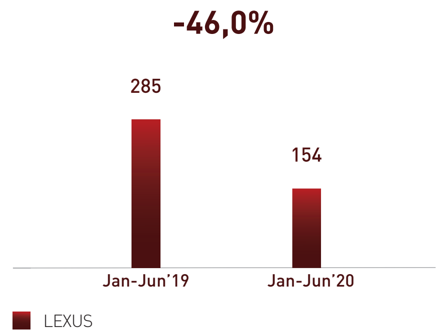
The premium market decreased by 36.3% in the 1st half of 2020.



Source: ACAP

LEXUS PERFORMANCE

Lexus showed a 46% drop over the previous year. This corresponded to a 0.9% market share in the premium segment.



Source: ACAP

Following the sharp decline that occurred in the second half of March and in April, as a result of the State of Emergency put in place and the corresponding social lockdown, Lexus began its recovery in May, with a greater focus on used vehicle operations under its Lexus Select programme.

PROSPECTS

In view of the lockdown easing and the expected (and desired) return to normal, the prospect calls for greater recovery of New Vehicle sales in the 2nd half of the year. This should allow recovering Market Share.

AFTER-SALES

The After-Sales Division billed a total of 14.9 million euros in the first half of 2020.

This figure represents an 18.1% decline relative to the first half of 2019.

As for accessories, turnover (which includes merchandising) totalled 1 million euros. This figure is 45.6% below the turnover achieved in the same period in 2019.

Since the accessories business is directly linked to car sales, which experienced a sharp decline in the last three months due to COVID-19, this naturally shows a sharper fall (compared to parts sales).

As mentioned, TCAP's results (parts and accessories sales) in the first half of 2020 reflect the scenario resulting from the emergence and spread of the COVID-19 pandemic, as well as its economic and social consequences. The first impacts were felt in the first half of March. Even so, at the end of the first quarter, the parts turnover goal was achieved at 101.8%.

In the following weeks, Portugal witnessed the consequences of the health crisis taking hold worldwide: population in lockdown, lay-offs / job losses and dwindling consumer confidence. In view of this nationwide scenario, as well as limited availability at the network's service centres, there was naturally a decrease.

In this period, TCAP's priority was to provide maximum immediate support to the dealership / RTA network, to allow keeping the business running.

Thus, the TCAP team immediately, dynamically and diligently committed to creating several countermeasures to face the situation, in order to provide the network with economic support.

These measures most notably include:

- Extending deadlines for presenting parts warranties;
- Extending deadlines for maintenance on vehicles with a maintenance contract;
- Creating and disseminating various sanitising solutions, to provide maximum safety to Toyota and Lexus employees and customers.
- Launching the "Home delivery" service
- Extending parts payment deadlines.
- Making the Toyota Ozone Disinfection Service available;
- Creating new means of communication as part of TradePro; (over-the-counter parts sales)
- The launch of a Summer Check-Up campaign, in mid-June, to encourage visits to the service centres, while providing proper sanitising and safety conditions;

These measures sought to create a climate of trust and to ensure the customers' quick, swift and sustainable return to service centres and branches within the dealership network. In June, we witnessed sales figures very close to those achieved the previous year.

It is our expectation that the remaining months of this financial year will bring us back to normal, thereby resuming the levels of activity experienced prior to COVID-19.

INDUSTRIAL MACHINERY

TOYOTA INDUSTRIAL EQUIPMENT

	MARKET			TOYOTA SALES				
	'19	'20	VARIATION	'19		'20		VARIATION
			%	QTY	SHARE	QTY	SHARE	%
Counterbalanced Forklift Trucks	823	458	-44,3%	237	28,8%	94	20,5%	-60,3%
Warehouse Equipment	1403	934	-33,4%	368	26,2%	153	16,4%	-58,4%
TOTAL MMC	**2226**	**1392**	**-37,5%**	**605**	**27,2%**	**247**	**17,7%**	**-59,2%**

Source: FEM

MARKET

In the first half of 2020, the Cargo-Moving Machinery market recorded a 37.5% drop, which reflected the impact caused by the COVID-19 Pandemic.

With regard to Toyota, the impact that was felt was greater than in the market, with only 247 orders placed, resulting in a YOY decline of 59.2%, corresponding to a 17.7% market share.

TOYOTA SALES PERFORMANCE BY SEGMENT

Regarding the segment of Counterbalanced Forklifts, we notice that the number of ordered units decreased significantly (-60.3%) compared to the same period of the previous year. This decline reflects the impact of lockdown measures put in place from March to May, which brought about an abrupt stoppage or significant slowdown of nearly every activity and the consequent postponement or suspension of investment.

In the Warehouse equipment segment, the decrease in orders stood at 58.4%, due to the aforementioned reasons.

PROSPECTS FOR THE END OF THE YEAR

In spite of the high degree of uncertainty still generating a lack of market confidence, we predict a gradual and progressive recovery in the 2nd half of the year, which will undoubtedly be contingent on the pandemic situation (whether or not a 2nd wave occurs).

With regard to the budget that was originally prepared and approved, this will obviously not be met, given the extraordinary events that have occurred. In spite of such events, the outlook calls for positive and quite satisfactory results for this activity.

CAETANO AUTO, S.A.

In line with the trend already recorded in the last financial year (2019 against 2018), Caetano Auto began 2020 with an accumulated turnover in February, which also showed an upward trend compared to the same period in 2019.

However, March 2020 marked the start of the COVID-19 pandemic in Portugal, plunging the nation (and the world) into a pronounced downturn of the entire business nearly without exception.

Within this context, in the second quarter of 2020 Caetano Auto also recorded a very sharp decline in its business, all the more since the car dealership business was included in a governmental list of activities temporarily suspended because of this pandemic.

On the other hand, and in addition to the contingency measures adopted by the company to mitigate this effect (layoff, teleworking, disinfection of the facilities, distancing at the premises, etc.), from the commercial point of view the business was geared to other channels that are more in line with this exceptional situation (auctions, internet, more aggressive marketing, more promotional events, etc.).

With these measures, Caetano Auto minimised the effect of this crisis, but was unable to prevent a drop in turnover of around 33% for the first half of this year compared to the first half of 2019.

(Thousands Euros)

	2019	2020
Turnover	116.694	78.672

With regard to expenses, and as a result of careful management, these remained adjusted to the business, even recording a significant decline, due to layoffs, in staff expenditures and also in fuels and other travel and accommodation expenses incurred when providing external supplies and services, as per the following table:

(Thousands Euros)

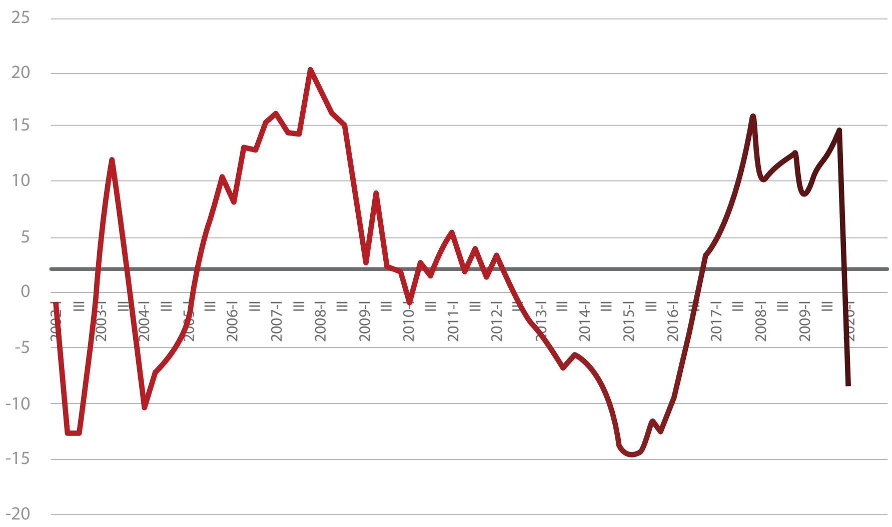
	2019	2020
External supplies and services	7.195	6.168
Staff expenses	11.552	9.107

Despite these reductions in the area of expenses, in this period it was impossible to maintain the positive results achieved in the 1st half of the previous financial year. Even so, we believe that, since normal activity is expected to be resumed in the 2nd half of the year, Caetano Auto will be able to return to a more acceptable level of results, namely with figures getting back in the black, if everything remains as expected.

CAETANO AUTO CABO VERDE, S.A.

The 1st quarter of 2020 shows that the climate indicator (shown below) reversed the upward trend of previous quarters; that is, the economic growth rate slowed down significantly in the first quarter of 2020, recording the lowest figure of the last fifteen (15) straight quarters. The indicator lies below the series average, having undergone an unfavourable change relative to the same period in 2019. This shows that the business climate is unfavourable.

ECONOMIC CLIMATE INDICATOR



Source: Statistics Cape Verde

However, without the disclosure of results for the 2nd quarter of 2020, we expect to see a climate marked by an even sharper decline: as a result of the pandemic, Cape Verde declared a State of Emergency on 29/03/2020, which remained in place until 14/05/2020. During this period, all activities were shut down, except essential services.

Our activity was not considered essential, and so our doors remained closed this entire period. Currently, we are still in a state of public disaster, with several restrictions to normal life and to the normal course of business.

Our situation is worsening, as, during the first quarter of 2020, Caetano Auto CV, SA's operations were completely blocked by Cape Verde's Customs authorities. The most severe outcome was recorded in the month of January, harshly undermining its performance, but the negative repercussions derived from these measures taken by Cape Verdean authorities were still being felt in February and March 2020.

COMMERCIAL ACTIVITY

VEHICLES

				VARIATION	
SEGMENT	BRAND	2019	2020	QTY.	%
Light-Duty Passenger Vehicles	Toyota	79	38	-41	-51,9%
Light Commercial Vehicles	Toyota	136	88	-48	-35,3%
Heavy Commercial Vehicles	Toyota	7	10	3	42,9%
Total		**222**	**136**	**-86**	**-38,7%**

Comparing the 1st half of 2020 with the same period from the previous year, we notice that we sold 86 less vehicles in 2020 than in 2019. This represents a 38.7% drop in the number of units sold.

We see a sharper drop in the Light Passenger Vehicle segment as a result of people's fear of purchasing new vehicles in view of the pandemic scenario we are facing.

AFTER-SALES

Thousands CVE

SALES	2019	2020	VARIATION	%
Parts/Accessories	88.614	83.808	-4.806	-5,42%
Workout (Labour)	21.370	17.390	-3.980	-18,62%
	109.984	**101.198**	**-8.786**	**-7,99%**

After-Sales Service has also recorded a decline compared to the previous year, when comparing semi-annual periods. Even though the period of 2020 under analysis does not include the entire uptime occurred in 2019, we can see that the number of admissions at the service centre remains stable, along with a reasonable performance in parts compared to the previous year. Including June 2020, the period marking the end of the State of Emergency, we managed to attain the budget originally prepared for 2020.

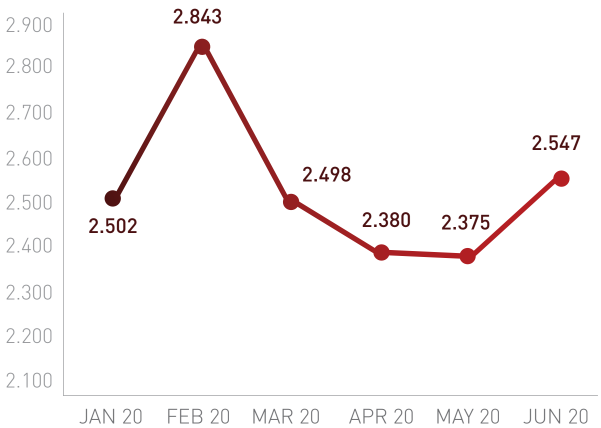
With lockdown eased and a gradual return to normal economic activity, we expect to be able to lessen the negative effects of this crisis; by the end of the financial year, we expect to achieve a balanced result, considering all of the adversities experienced to date.

CAETANO RENTING, S.A.

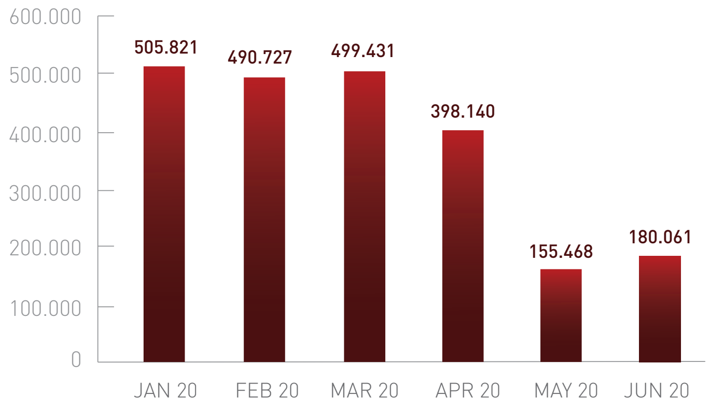
The year 2020 is completely atypical, considering the COVID-19 pandemic which we have been facing since March. This situation is having a highly negative impact on our economy, affecting, to a large extent, the tourism sector, which Caetano Renting is a part of.

We closed the 1st half of the year with a fleet of 2.547 units, representing a drop of around 38.07%, compared to the same period in the previous year. This is because Rent A Cars, which are our main market segment, cancelled orders for new units that were scheduled for the first half of 2020, and some even returned several vehicles.

FLEET



TURNOVER



Also stemming from the pandemic, various customers were granted moratoria, mostly Rent A Cars, in this case, for 4 months, starting in April. This caused a decline in our Turnover, which was 46.60% in June, compared to the same period in 2019.

We believe that, in the 2nd half of 2020, economic recovery will be achieved and that we can, thus, return to pre-pandemic normalcy.

PERSONNEL MANAGEMENT AND DEVELOPMENT

In the first half of 2020, Toyota Caetano Portugal and every company experienced challenges never before imagined or written in forecast scenarios, caused by the pandemic the world is facing. However, we ensured the organisation's continued Integrated People Management strategy.

In keeping with the Ser Caetano spirit, Toyota Way was the basis for adaptation to the context that marked this first part of the year, hinged on the willingness to always want to make daily improvements to processes and make them more efficient. Only a good People development project can enable us to attract and retain top talent and, subsequently, continue modelling the business to every new challenge.

In this first half of 2020 that has come to an end, People Management's biggest challenge consisted, and still consists, of taking advantage of the transformation that the pandemic hastened and included this change in our DNA. While the Internet and digitisation advances had long been predicted to catapult to work methodologies per se, we never thought this would happen so suddenly. Also surprising was the way the Toyota Team went from the 2020 reality to that of 2030 without having to go from 0 to 100.

Telework was the major trend that the entire organisation had to embrace. At Toyota Caetano Portugal, over 50% of its People started working digitally, with a highly positive level of adaptation and results.

The migration of the Kaizen methodology to digital tools was a significant step towards the success of this remote work process. Both the daily/weekly Kaizen per team and project monitoring meetings through the Hoshin Plan were ensured, using the available platforms. This way, we proceeded with continuous improvement procedures, we maintained communication between teams and, in the processes and actions where this was possible, a reply was given while keeping in mind future challenges.

Turning to the simplified Lay-off scheme allowed us to maintain the staff plan, where there were no significant changes. Aware of the effort asked of our People, but also of our responsibility as employers, this was the way we came up with to overcome the first impact of this pandemic.

In virtue of all this, many recruiting processes were delayed or cancelled. However, the effort and resilience to keep on building a strong employing brand with a sense of purpose and the willingness to beef up our Culture remained in place, most notably for improvements in the A.R.T.E. portal (Attracting and Retaining Talent Exponentially) – redesigning the strategy and integrated work of the Recruitment, Communication and Brand teams - and our participation in online job initiatives.

Another challenge we faced involved fostering remote Organisational Culture, with digital Communication and Training platforms as our main ally. Both Toyota's LMS platform, with several years' e-learning experience, and the Ser Caetano @cademy were very active at this stage in training & developing Employees. Through Toyota Brand--specific contents and the development of hard and soft skills, the idea was to ensure the efficiency of continuous training processes, Teleworking tips, as well as information on HR processes, considering the legal framework stemming from the Pandemic. On the other hand, youth training also had to adapt to the reality of distance learning, until we get back to predominantly practical learning, which distinguishes our Training Centres scattered nationwide. The challenge was taken up by trainees, instructors and the entire structure, and so we were able to minister the 35 courses, involving around 600 young people.

To interconnect all this, internal communication at this stage took on unprecedented importance. Increased communication with Employees was a concern, as part of the team was mobilised for this effort. On top of labour and health communications on the pandemic caused by COVID-19, we also reinforced our organisational alignment, namely through the launch of a newsletter for senior managers.

Toyota Caetano Portugal has been increasingly focused on its ethics and transparency policy, by materialising its sustainability strategy in line with a responsible social and environmental management. Examples of this include the involvement of its People in the Toyota 2050 Environmental Challenge, its participation, for the seventh straight year, in the "Carbon Disclosure Project (CDP) – Climate Change" sustainability report, in energy efficiency and in continuing the "One Toyota, One Tree" programme.

Throughout this semester, the Corporate Social Responsibility policy has also been reviewed, by developing a plan of action geared towards the situation we are experiencing. This strategy was grounded on a support initiative for Employees going through difficult financial situations brought about by the pandemic, which is called Caetano Presente.

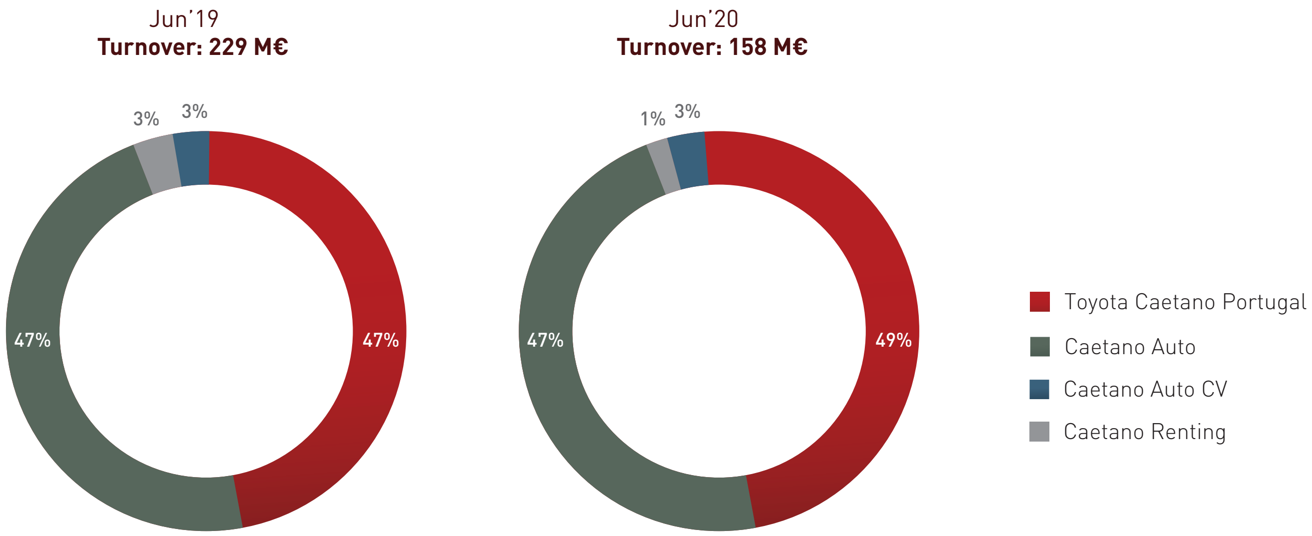
All of these initiatives and projects reflect our commitment to People and with the organisation's future, continually working to make Toyota Caetano Portugal an excellent place to live, grow and work.

FINANCIAL ACTIVITY

Consolidated analysis

After the first half of 2020, in a context of total unpredictability due to the COVID-19 pandemic, the automotive sector has emerged as one of the most affected industries, with a sharp drop in vehicle sales as a result of the behaviour of the market in recent times, an impact that was also felt by the Toyota Caetano Portugal Group.

In this context, the Group recorded a turnover of around 158 million euros, showing a drop of 31% compared to the same period of 2019; this result was primarily influenced by the vehicles and parts sales component, which fell by 32%, and mitigated by a smaller decline in workshop services, which dropped by 21%.



Despite a decrease in activity, it was possible to achieve a slight improvement in the sales margin, with lower operating expenses and, more significantly, lower staff costs, which allowed the Group to continue securing positive results.

The drop in staff costs compared to the same period of 2019 is directly related to the fact that some of the companies that make up the Group applied for the Simplified Lay-off scheme and to the associated support provided by the Portuguese Social Security.

As a result of the partnership established with Toyota Financial Services, thanks to which the activity between the Distributor and the Dealer Network was operationalised with the goal of reducing the average collection time, and consequently bank debt, Toyota Caetano Portugal recorded a 14% drop in the Customer's account compared to the end of the year, and 38%, compared to the same period of 2019. Similarly, we already started witnessing improvements in terms of indebtedness, with net bank financing standing at around 34 million euros, compared to around 80 million euros in June 2019.

In this context, the Group continues to reflect the ongoing pursuit of a policy aimed at managing the available means to create an adequate capital structure, refraining from turning to the moratorium schemes provided by law and made available by financial institutions.

The Group's degree of financial autonomy stands at 45.4%, 5 p.p. above that recorded in June 2019.

In order to summarise the recent developments in the activity and performance of the Toyota Caetano Portugal Group, the table below shows a number of comparative indicators, in thousands of euros, which reflect all the above:

	JUN'19	JUN'20	VARIATION
Turnover	228.167	157.622	-30,9%
Gross Profit	44.513	32.714	-26,5%
% (f) sales	19,5%	20,8%	
External supplies and services	23.426	19.524	-16,7%
% (f) sales	10,3%	12,4%	
Staff expenses	21.002	17.244	-17,9%
% (f) sales	9,2%	10,9%	
E.B.I.T.D.A.	21.414	12.257	-42,8%
% (f) sales	9,4%	7,8%	
Operating income	9.943	1.466	-85,3%
% (f) sales	4,4%	0,9%	
Net financial income	-1.157	-1.145	1,0%
% (f) sales	-0,5%	-0,7%	
Consolidated net income	6.447	34	-99,5%
% (f) sales	2,8%	0,0%	
Net Bank Credit	79.572	33.961	-57,3%
Degree of financial autonomy	40,1%	45,4%	

We should point out that, with the spread of the pandemic and, particularly, after the declaration of a state of emergency in the 2nd half of March, our Group was faced with a significant reduction in its activity, which dropped more than 60% in the following months (April/May). Obviously, such strong and sudden/unexpected reductions do not allow for an immediate reaction to guarantee an immediate balance of the cost/income ratio.

Thus, in the months mentioned above as the most critical ones, the Toyota Caetano Group was faced with losses, namely in the automotive retail areas, which virtually absorbed the good results achieved in the first 2 months of the year.

However, as a result of the support measures launched by the Government, together with a set of management decisions aimed at reducing costs, we were able to re-balance our results in June, thus creating the bases for a full recovery in the 2nd semester.

FY 2020 will evidently be atypical, considering the developments showed by the Group in recent years, but unless a strong 2nd wave of the new coronavirus strikes us next autumn, everything suggests that this will be a year with positive results, although significantly distant from those achieved in the recent past.

On 8 August 2019, Salvador Caetano Auto - S.G.P.S., S.A., in its capacity as a shareholder of Toyota Caetano Portugal, proposed that a resolution be discussed at a General Meeting of shareholders to be held on 30 August 2019, under the terms and for the purposes of the provisions under article 27(1)(b) of the Portuguese Securities Market Code, regarding Toyota Caetano Portugal S.A.'s loss of its status as a publicly traded company. Toyota Caetano Portugal shareholders present at the General Meeting of 30 August 2019 voted unanimously in favour of Salvador Caetano Auto, SGPS, SA.'s aspiration. Following that decision and subsequent notification to CMVM, the latter appointed the audit firm CFA – Cravo, Fontes, Antão & Associados, SROC, Lda to evaluate Toyota Caetano Portugal, bearing in mind the definition of the fair value of the securities representing the company. As we were informed by the company Salvador Caetano Auto, SGPS, SA, the per-share amount calculated by CFA – Cravo, Fontes, Antão & Associados, SROC, Lda and notified to CMVM on 17 April 2020 was not accepted by Salvador Caetano Auto, SGPS, SA; as a result, this company gave up its idea of acquiring Toyota Caetano Portugal, SA's remaining securities, and made CMVM aware of this fact in a release addressed on 22 April 2020.

Thus, Toyota Caetano Portugal, SA's status as a publicly traded company remained unchanged.

RISK MANAGEMENT

Loans and advances to customers

Toyota Caetano's credit risk is mainly associated with loans to customers, related to its operating activity.

The main goal of Toyota Caetano's credit risk management is to ensure the effective collection of the operating receivables from its Customers, according to the negotiated payment terms.

In order to mitigate the credit risk resulting from the potential customer-related defaults on payments, the Group's companies exposed to this risk have:

- A specific Credit Risk analysis and monitoring department;
- Proactive credit management processes and procedures that are implemented and always supported by information systems;
- Hedging mechanisms (credit insurance, letters of credit, bank guarantees, etc.).

Interest Rate Risk

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

Toyota Caetano has been using financial derivatives to hedge, at least partially, its exposure to interest rate variations.

Exchange Rate Risk

As a Group with geographically diversified commercial relationships, the exchange rate risk is mainly the result of commercial transactions, arising from the purchase and sale of products and services in a currency that is different from the functional currency of each company.

The exchange rate risk management policy seeks to minimise the volatility of the investments and operations denominated in foreign currencies, contributing toward reducing the sensitivity of the Group's results to exchange rate fluctuations. The Group's exchange rate management policy is focused on a case-by-case assessment of the opportunity to hedge this risk, taking into account, particularly, the specific circumstances of the currencies and countries in question.

Toyota Caetano has been using financial derivatives to hedge, at least partially, its exposure to exchange rate variations.

Liquidity Risk

The goal of Toyota Caetano's liquidity risk management is to ensure that the company has the ability to obtain, in a timely manner, the necessary funding to be able to undertake its business activities, implement its strategy and meet its payment obligations when due, while avoiding the need to obtain funding under unfavourable terms.

For this purpose, the Group's liquidity management involves the following aspects:

a) A consistent financial planning based on operating cash flow forecasts for different time horizons (weekly, monthly, annual and multi-annual);

b) The diversification of funding sources;

c) The diversification of the maturities of the debt issued in order to avoid excessive concentrations of debt repayments in short periods of time;

d) The arrangement of committed (and uncommitted) credit facilities, commercial paper programmes and other types of financial operations with relationship Banks, ensuring the right balance between satisfactory liquidity levels and adequate commitment fees.

For detailed information, please refer to the Corporate Governance Report.

Own Shares

The company did not purchase or sell any own shares during this fiscal year. On 30 June 2020, the company did not hold any own shares.

Subsequent Events

Since the end of the six-month period under analysis, to date, there were no relevant facts worthy of note.

TO WHOM IT MAY CONCERN

We hereby declare, under the terms and for the purposes set forth in Article 246(1)(c) of the Securities Code (CVM), that, to the best of our knowledge, the consolidated financial statements of Toyota Caetano Portugal for the first half of 2020 were prepared in accordance with the applicable accounting standards, giving a true and fair view of the assets and liabilities, financial position and results of the company and that the interim management report faithfully sets out the information required under Article 246(2) of the CVM.

Vila Nova de Gaia, 27 August 2020

THE BOARD OF DIRECTORS

José Reis da Silva Ramos – Chairman

Maria Angelina Martins Caetano Ramos

Salvador Acácio Martins Caetano

Miguel Pedro Caetano Ramos

Gisela Maria Falcão Sousa Pires Passos

Matthew Peter Harrison

Katsutoshi Nishimoto

INFORMATION ON THE PARTICIPATION OF THE MANAGING AND SUPERVISORY BOARDS OF TOYOTA CAETANO PORTUGAL, S.A.

(Pursuant to article 447 of the Commercial Companies Code and according to Article 9(c) and Article 14(4), both of Regulation 5/2008 of CMVM)

In compliance with the provisions of article 447 of the Portuguese Commercial Companies Code, it is hereby declared that, in the first half of 2020, the members of the Company's management and supervisory boards did not hold any of its shares or bonds.

Furthermore, it is hereby stated that the members of the Company's management and supervisory boards were not engaged, during the first semester of 2020, in any acquisitions, encumbering or disposals involving the Company's shares or bonds.

It is further stated that the Company's securities held by companies in which the directors and auditors hold corporate positions are as follows:

– the shareholder Salvador Caetano Auto, SGPS, S.A. (of which Ms. **Maria Angelina Martins Caetano Ramos** is Chairwoman of the Board of Directors, Mr. **Salvador Acácio Martins Caetano** is Vice-Chairman of the Board of Directors and Mr. **Miguel Pedro Caetano Ramos** is Member of the Board of Directors), acquired: on 16 March 2020, 1,000 shares at the amount of 2.70 € each; 18 March 2020, 17,289 shares at the amount of 2.80 € each; 19 March 2020, 113,377 shares at the amount of 2.80 € each; on 23 March 2020, 15,976 shares at the amount of 2.80 € each; on 27 March 2020, 801 shares at the amount of 2.80 € each; on 30 March 2020, 10,221 shares at the amount of 2.80 € each; on 30 March 2020, 45 shares at the amount of 2.80 € each; on 1 April 2020, 3,461 shares at the amount of 2.80 € each; on 2 April 2020, 83 shares at the amount of 2.80 € each; on 8 April 2020, 3,200 shares at the amount of 2.80 € each; on 20 April 2020, 33,413 shares at the amount of 2.80 € each; on 22 April 2020, 25,000 shares at the amount of 2.80 € each; on 23 April 2020, 223,776 shares at the amount of 2.80 € each; on 15 May 2020, 8,870 shares at the amount of 2.70 € each; 18 May 2020, 5,000 shares at the amount of 2.70 € each; on 21 May 2020, 5,554 shares at the amount of 2.70 € each; on 24 June 2020, 1,865 shares at the amount of 2.70 € each; and so, on 30 June 2020, the company held 24,406,596 shares at the nominal value of 1 euro each.

- the shareholder COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A. (of which **Maria Angelina Martins Caetano Ramos** is the Chairwoman of the Board of Directors and **José Reis da Silva Ramos** is the spouse of the Chairwoman of the Board of Directors) performed no transactions, and so, on 30 June 2020, it held 393,252 shares, with a nominal value of 1 euro each.

For the purpose provided in the final section of article 447(1) of the Commercial Companies Code (companies in a control or group relationship with the company), it is stated that:

- **José Reis da Silva Ramos**, Chairman of the Board of Directors, holds:
  - 39,49%[1] of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company;

  [1] This percentage includes shares held by the spouse

- **Maria Angelina Martins Caetano Ramos**, Member of the Board of Directors, holds:
  - 39,49%[1] f of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company;

  [1] This percentage includes shares held by the spouse

- **Salvador Acácio Martins Caetano**, Member of the Board of Directors, holds:
  - 39,49%[1] of the share capital of Group Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company;

  [1] This percentage includes shares held by the spouse

- **Miguel Pedro Caetano Ramos**, Member of the Board of Directions, holds:
  - 0,00223% of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company.

QUALIFIED SHAREHOLDINGS

(Pursuant to CMVM Regulation 5/2008)

On 30 June 2020, the shareholders with qualified shareholdings in the company's share capital are the following:

SHAREHOLDER	SHARES	% OF VOTING RIGHTS
Salvador Caetano - Auto - S.G.P.S., S.A.	24.406.596	69,733
Toyota Motor Europe NV/SA	9.450.000	27,000

CONSOLIDATED ACCOUNTS

Toyota Caetano Portugal, S.A.

CONSOLIDATED FINANCIAL HIGHLIGHTS

	JUN'20	JUN'19
TURNOVER	157.621.769	228.166.890
CASH-FLOW	11.830.392	20.829.708
INTEREST AND OTHERS	1.145.411	1.157.154
PERSONNEL EXPENSES	17.243.691	21.002.023
NET INVESTMENT	5.176.051	20.896.724
NUMBER OF EMPLOYEES	1.517	1.608
NET INCOME WITH MINORITY INTEREST	34.104	6.446.949
NET INCOME WITHOUT MINORITY INTEREST	94.621	6.391.195
DEGREE OF AUTONOMY	45,43%	40,08%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2020 AND 31 DECEMBER 2019

(Amounts in Euros)

ASSETS	NOTES	30/06/2020	31/12/2019
NON-CURRENT ASSETS:			
Goodwill	7	611.997	611.997
Intangible assets	8	529.165	465.385
Tangible fixed assets	5	104.419.878	110.019.605
Investment properties	6	13.462.004	13.676.728
Instruments at fair value through capital	9	4.059.806	3.923.974
Deferred tax assets	14	2.669.135	2.611.486
Accounts receivable	11	565.362	608.975
Total non-current assets		126.317.347	131.918.150
CURRENT ASSETS:			
Inventories	10	113.294.845	105.470.028
Accounts receivable	11	46.462.149	54.236.551
Other debtors	12	2.403.801	2.538.178
Income tax receivable	20	246.268	262.011
Other current assets	13	3.710.046	3.380.652
Cash and cash equivalents	4	22.325.693	12.693.644
Total current assets		188.442.802	178.581.064
Total assets		**314.760.149**	**310.499.214**
SHAREHOLDERS' EQUITY & LIABILITIES			
EQUITY:			
Share capital		35.000.000	35.000.000
Legal reserve		7.498.903	7.498.903
Other reserves		98.961.285	87.231.469
Net income for the period		94.621	11.593.984
	15	141.554.809	141.324.356
Non-controlling interests	16	1.453.467	1.514.227
Total equity		143.008.276	142.838.583
LIABILITIES: NON-CURRENT LIABILITIES:			
Loans	17	25.520.541	36.880.225
Pension Fund defined benefit plan liabilities	22	9.476.000	9.476.000
Provisions	23	972.515	944.772
Deferred tax liabilities	14	1.500.361	1.500.361
Total non-current liabilities		37.469.417	48.801.358
CURRENT LIABILITIES:			
Loans	17	30.766.139	7.353.166
Accounts payable	18	28.747.076	38.236.935
Other creditors	19	47.964.284	51.854.470
Other current liabilities	21	26.196.359	21.414.702
Pension Fund defined benefit plan liabilities	22	608.598	-
Total current liabilities		134.282.456	118.859.273
Total liabilities		171.751.873	167.660.631
Total liabilities and shareholder' equity		**314.760.149**	**310.499.214**

The notes to the financial statements integrate this statement at 30 June 2020.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Matthew Peter Harrison; Katsutoshi Nishimoto

CONSOLIDATED INCOME STATEMENT FOR THE SIX-MONTH PERIODS ENDED AT 30 JUNE 2020 AND 2019

(Amounts in Euros)

	NOTES	30/06/2020	30/06/2019
Operating Income:			
Sales	25	146.304.398	213.851.546
Services rendered	25	11.317.371	14.315.345
Other operating income	28	18.362.690	23.686.689
Variation of products	10	(2.157.255)	1.181.177
Total operating income		173.827.204	253.034.757
Operating expenses:			
Cost of sales	10	(122.750.020)	(184.834.903)
External supplies and services	26	(19.524.391)	(23.425.907)
Payroll expenses	27	(17.243.691)	(21.002.023)
Depreciations and amortizations	5, 6 and 8	(10.790.890)	(11.471.536)
Provisions	23	(94.934)	99.145
Impairment losses	23	(684.537)	(923.996)
Other operating expenses	28	(1.272.595)	(1.532.599)
Total operating expenses		(172.361.058)	(243.091.819)
Operational Income		1.466.146	9.942.938
Expense and financial losses	29	(1.155.124)	(1.167.689)
Income and financial gains	29	9.713	10.535
Profit before taxation		320.735	8.785.784
Income tax for the year	24	(286.631)	(2.338.835)
Net income for the period		34.104	6.446.949
Net income for the period attributable to:			
Equity holders of the parent		94.621	6.391.195
Non-controlling interests	16	(60.517)	55.754
		34.104	6.446.949
Earnings per share:			
Basic	36	0,001	0,184
Diluted	36	0,001	0,184

The notes to the financial statements integrate this statement for the six-month period ended at 30 June 2020.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Matthew Peter Harrison; Katsutoshi Nishimoto

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE SIX-MONTH PERIOD ENDED AT 30 JUNE 2020 AND FOR THE YEAR ENDED AT 31 DECEMBER 2019

(Amounts in Euros)

				OTHER RESERVES								
	NOTES	SHARE CAPITAL	LEGAL RESERVE	REVALUATION RESERVES	TRANSLATION RESERVES	FAIR VALUE RESERVES	OTHER RESERVES	TOTAL RESERVES	NET PROFIT	SUBTOTAL	NON--CONTROLLING INTERESTS	TOTAL
Balances at 1 of January 2019		**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**552.731**	**76.061.568**	**88.613.148**	**12.786.759**	**136.399.907**	**1.473.222**	**137.873.129**
Changes in the period:												
Application of the consolidated net income 2018		-	-	-	-	-	12.786.759	12.786.759	(12.786.759)	-	-	-
Available for sale financial assets fair value changes	9	-	-	-	-	330.465	-	330.465	-	330.465	-	330.465
		-	-	-	-	**330.465**	**12.786.759**	**13.117.224**	**(12.786.759)**	**330.465**	-	**330.465**
Consolidated net income for the period		-	-	-	-	-	-	-	11.593.984	11.593.984	52.615	11.646.599
Consolidated comprehensive income		-	-	-	-	330.465	-	330.465	11.593.984	11.924.449	52.615	11.977.064
Transactions with equity holders												
Acquisition of non-controlling interests		-	-	-	-	-	-	-	-	-	(11.610)	(11.610)
Distributed dividends		-	-	-	-	-	(7.000.000)	(7.000.000)	-	(7.000.000)	-	(7.000.000)
Balances at 31 of December 2019		**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**883.196**	**81.848.327**	**94.730.372**	**11.593.984**	**141.324.356**	**1.514.227**	**142.838.583**
Balances at 1 of January 2020		**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**883.196**	**81.848.327**	**94.730.372**	**11.593.984**	**141.324.356**	**1.514.227**	**142.838.583**
Changes in the period:												
Application of the consolidated net income 2019		-	-	-	-	-	11.593.984	11.593.984	(11.593.984)	-	-	-
Available for sale financial assets fair value changes	9	-	-	-	-	135.832	-	135.832	-	135.832	-	135.832
		-	-	-	-	**135.832**	**11.593.984**	**11.729.816**	**(11.593.984)**	**135.832**	**-**	**135.832**
Consolidated net income for the period		-	-	-	-	-	-	-	94.621	94.621	(60.517)	34.104
Consolidated comprehensive income		-	-	-	-	135.832	-	135.832	94.621	230.453	(60.517)	169.936
Transactions with equity holders												
Acquisition of non-controlling interests		-	-	-	-	-	-	-	-	-	(243)	(243)
Distributed dividends	15	-	-	-	-	-	-	-	-	-	-	-
Balances at 30 of June 2020		**35.000.000**	**7.498.903**	**6.195.184**	**(1.695.238)**	**1.019.028**	**93.442.311**	**106.460.188**	**94.621**	**141.554.809**	**1.453.467**	**143.008.276**

The notes to the financial statements integrate this statement for the six-month period ended at 30 June 2020.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Matthew Peter Harrison; Katsutoshi Nishimoto

CONSOLIDATED STATEMENT OF THE COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDED AT 30 JUNE 2020 AND 2019

(Amounts in Euros)

	30/06/2020	30/06/2019
Consolidated net income for the period, including non-controlling interests	34.104	6.446.949
Components of other consolidated comprehensive income, that could not be recycled by profit and loss:		
Instruments at fair value through capital changes (Note 9)	135.832	122.887
Consolidated comprehensive income	169.936	6.569.836
Attributable to:		
Equity holders of the parent company	230.453	6.514.082
Non-controlling interests	(60.517)	55.754

The notes to the financial statements integrate this statement for the six-month period ended at 30 June 2020.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Matthew Peter Harrison; Katsutoshi Nishimoto

CONSOLIDATED CASH FLOWS STATEMENT FOR THE SIX-MONTH PERIOD ENDED AT 30 JUNE 2020 AND FOR THE YEAR ENDED AT 31 DECEMBER 2019

(Amounts in Euros)

OPERATING ACTIVITIES	JUN/20		DEC/19	
Collections from Customers	221.936.307		570.499.446	
Payments to Suppliers	(196.924.461)		(471.202.261)	
Payments to Employees	(13.935.367)		(35.993.325)	
Operating Flow		**11.076.479**		**63.303.860**
Payments of Income Tax		(259.603)		(7.050.561)
Other Collections/Payments Related to Operating Activities		(7.625.980)		(12.797.985)
Cash Flow from Operating Activities		**3.190.896**		**43.455.314**
INVESTING ACTIVITIES				
Collections from:				
Investments Properties	-		284.000	
Tangible Fixed Assets	3.269.724		3.140.426	
Interest and Other income	8.361	3.278.085	28.499	3.452.925
Payments to:				
Financial Investments	(243)		-	
Investments Properties	-		(444.769)	
Tangible Fixed Assets	(1.320.911)		(4.007.343)	
Intangible Assets	(13.346)	**(1.334.500)**	(289.371)	**(4.741.483)**
Cash Flow from Investment Activities		**1.943.585**		**(1.288.558)**
FINANCING ACTIVITIES				
Collections from:				
Loans (Note 17)	52.433.008		93.162.682	
Leases	-	**52.433.008**	434.563	**93.597.245**
Payments to:				
Loans (Note 17)	(42.410.358)		(122.400.000)	
Leases	(4.597.361)		(8.405.927)	
Interest and Other costs	(936.749)		(2.465.234)	
Dividends	(11.297)	**(47.955.765)**	(7.016.060)	**(140.287.221)**
Cash Flow from Financing Activities		**4.477.243**		**(46.689.976)**
CASH				
Cash and Cash Equivalents at Beginning of Period (Note 4)		12.530.961		17.075.155
Changes in perimeter		-		(20.974)
Cash and Cash Equivalents at End of Period (Note 4)		22.142.685		12.530.961
Net Flow in Cash Equivalents		**9.611.724**		**(4.523.220)**

The notes to the financial statements integrate this statement for the six-month period ended at 30 June 2020.

Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira
Board of Directors: José Reis da Silva Ramos - President; Maria Angelina Martins Caetano Ramos; Salvador Acácio Martins Caetano; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Matthew Peter Harrison; Katsutoshi Nishimoto

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, creation and operation of training projects and development of human resources, as well the management and rental of own properties, and rental of short or long-term vehicles, with or without driver.

Toyota Caetano Portugal, S.A., belongs to the Salvador Caetano Group (led by Grupo Salvador Caetano S.G.P.S., S.A.), being held directly by Salvador Caetano Auto, S.G.P.S., S.A., since the end of the year of 2016.

Toyota Caetano is the distributor of the brands Toyota, Lexus and BT in Portugal and is the head of a group of companies ("Toyota Caetano Group").

As of June 30, 2020, 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.	Vila Nova de Gaia
Caetano - Auto, S.A.	Vila Nova de Gaia
Caetano Renting, S.A.	Vila Nova de Gaia
With headquarters in foreign countries:	
Caetano Auto CV, S.A.	Praia (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 2.4.

Impact of the COVID-19 pandemic on the interim Group Consolidated Financial Statements

The six-month period ended at June 30, 2020 was mainly influenced by the effects of the COVID-19 pandemic. This event had a significant impact on the economy and mainly for the Toyota Caetano Portugal Group, as the automotive sector was one of the most sectors negatively affected by the pandemic.

Regarding vehicle sales, there was a significant decrease, which was directly reflected in the sale of vehicle parts. Vehicle production was also affected, due to Ovar facilities stoppage and customer order´s cancellation. The services rendered also decreased, as Showrooms and workshops were one of the activities temporarily closed in the pandemic period. However, the Group adopted measures to mitigate the effect of COVID-19, conducting the business to other ways of attracting the customers (use of digital media), as well as the adoption of measures to reduce expenses and to ensure the staff maintenance (layoff and "work from home").

Thus, and in compliance with required by applicable standard, the impacts on the main items of the consolidated financial statements are showed and detailed in the Management Report, prepared by the Board of Directors.

During this six-month period, the Group did not present treasury difficulties, being supported by available credit lines conceded by financial institutions. Thus, Management is convinced that the continuity of operations is guaranteed.

2. BASIS OF PRESENTATION AND MAIN ACCOUNTING POLICIES

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

2.1 BASIS OF PRESENTATION

Interim financial statements are presented in accordance with IAS 34 – "Interim Financial Reporting".

These interim financial statements, prepared in accordance with the above-mentioned framework, do not include all the required information to be included in the annual consolidated financial statements. Therefore, they should be read along with the consolidated financial statements as of December 31, 2019.

Comparative information regarding December 31, 2019, included in consolidated financial statements was audited.

The accompanying consolidated financial statements have been prepared on a going concern basis and under the historical cost convention, except for some financial instruments which are stated at fair value, from the books and accounting records of the companies included in consolidation (Note 3).

2.2 ADOPTION OF NEW OR REVISED IAS/IFRS

- The impact of the adoption of the new standards, amendments to standards and interpretations that became effective as of January 1, 2020:

(i) Standards:

- **IFRS 3** (amendment), 'Definition of a business. The amendment revises the definition of a business in order to account for business combinations. The new definition requires that an acquisition include an input, as well as a substantial process that jointly generate outputs. Outputs are now defined as goods and services rendered to customers, that generate investment income and other income, and exclude returns as lower costs and other economic benefits for shareholders. Optional 'concentration tests' for the assessment if one transaction is the acquisition of an asset or a business combination, are allowed. This amendment did not have any impact in the Group consolidated financial statements.
- **IFRS 9, IAS 39 and IFRS 7** (amendment), 'Interest rate benchmark reform'. These amendments are part of the first phase of IASB 'IBOR reform' project and provide certain reliefs in connection with interest rate benchmark reform. The relief relate to hedge accounting, in terms of: i) risk components; ii) 'highly probable' requirement; iii) prospective assessment; iv) retrospective effectiveness test (for IAS 39 adopters); and v) recycling of the cash flow hedging reserve, with the objective that interest rate benchmark reform does not cause hedge accounting to be discontinued. However, any hedge ineffectiveness should continue to be recorded in the income statement. This amendment did not have any impact in the Group consolidated financial statements.
- **IAS 1 and IAS 8** (amendment), 'Definition of material'. These amendments revise the concept of "material". Includes clarifications as to obscured information, its effect being similar to the omission or distortion of information; and also, clarifications as to the term 'primary users of general purpose financial statements', defined as 'existing or potential investors, lenders and other creditors' that rely on general purpose financial statements to obtain a significant part of the information that they need. This amendment did not have any impact in the Group consolidated financial statements.
- **Conceptual framework**, 'Amendments to references in other IFRS'. As a result of the publication of the new Conceptual Framework, the IASB introduced changes to the text of various standards and interpretations, like: IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, SIC 32, in order to clarify the application of the new definitions of asset / liability and expense / income, in addition to some of the characteristics of financial information. These amendments are retrospective, except if impractical. This amendment did not have any impact in the Group consolidated financial statements.

- Standards (new and amendments) that have been published and are mandatory for the accounting periods beginning on or after 1 June, 2020, but are not yet endorsed by the EU:

(i) Standards:

- **IFRS 16** (amendment), 'Leases – COVID-19 related rent concessions' (effective for annual periods beginning on or after 1 June 2020). This amendment is still subject to endorsement by the European Union. This amendment introduces a practical expedient for lessees (but not for lessors), which exempts them from assessing whether the rent concessions granted by lessors under COVID-19 are a modification to the lease contract, when three criteria are cumulatively met: i) the change in lease payments results in a revised fee for the lease that is substantially equal to, or less than, the fee immediately prior to the change; ii) any reduction in lease payments only affects payments due on or before June 30, 2021; and iii) there are no substantive changes to other lease terms and conditions. Lessees that choose to apply this practical expedient, recognise the change in rent payments, as variable rents in the period(s) in which the event or condition leading to the payment reduction occurs. This amendment is applied retrospectively with the impacts reflected as an adjustment to retained earnings (or another equity component, as appropriate) at the beginning of the annual reporting period in which the lessee applies this amendment for the first time. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.
- **IAS 1** (amendment), 'Presentation of financial statements – classification of liabilities' (effective for annual periods beginning on or after 1 January 2022). This amendment is still subject to endorsement by the European Union. This amendment intends to clarify that liabilities are classified as either current or non-current balances depending on the rights that an entity has to defer its payment, at the end of each reporting period. The classification of liabilities is not affected by the entity's expectations (the assessment should determine whether a right exists, but should not consider whether or not the entity will exercise that right), or by events occurring after the reporting date, such as the non-compliance of a given "covenant". This amendment also introduces a new definition of "settlement" of a liability. This amendment is applied retrospectively. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.
- **IFRS 3** (amendment), 'Reference to the Conceptual framework' (effective for annual periods beginning on or after 1 January 2022). This amendment is still subject to endorsement by the European Union. This amendment updates the references to the Conceptual Framework in the text of IFRS 3, without changing the accounting requirements for business combinations. This amendment also clarifies the accounting treatment to be given to contingent liabilities and liabilities under IAS 37 and IFRIC 21, incurred separately versus within a business combination. This amendment is applied prospectively. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.
- **IAS 16** (amendment), 'Proceeds before intended use' (effective for annual periods beginning on or after 1 January 2022). This amendment is still subject to endorsement by the European Union. This amendment changes the accounting treatment of the proceeds obtained from the sale of products that resulted from the production test phase of property, plant and equipment, prohibiting their deduction to the acquisition cost of assets. This amendment is applied retrospectively without restating comparatives. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.
- **IAS 37** (amendment), 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022). This amendment is still subject to endorsement by the European Union. This amendment specifies that when assessing whether a contract is onerous or not, only expenses directly related to the performance of the contract, such as incremental costs related to direct labour and materials and the allocation of other expenses directly related to the allocation of depreciation expenses of tangible assets used to carry out the contract, can be considered. This amendment must be applied to contracts that, at the beginning of the first annual reporting period to which the amendment is applied, still include contractual obligations to be satisfied, without restating comparatives. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.
- **Annual Improvements 2018 - 2020** (effective for annual periods beginning on or after 1 January 2022). These improvements are still subject to endorsement by the European Union. The 2018-2020 annual improvements impact: IFRS 1, IFRS 9, IFRS 16 and IAS 41. This standard is still subject to endorsement by the European Union. It is not expected significant impact of future adoption of these improvements on the Group consolidated financial statements.

- **IFRS 17** (new), 'Insurance contracts' (effective for annual periods beginning on or after 1 January 2023). This standard is still subject to endorsement by the European Union. This new standard replaces IFRS 4 and applies to all entities issuing insurance contracts, reinsurance contracts and investment contracts with discretionary participation characteristics. IFRS 17 is based on the current measurement of technical liabilities at each reporting date. The current measurement can be based on a complete "building block approach" or "premium allocation approach". The "building block approach" is based on discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ('CSM'), which represents the unearned profit of the contract. Subsequent changes in estimated cash flows are adjusted against the contractual service margin, unless it becomes negative. IFRS 17 is applied retrospectively. It is not expected significant impact of future adoption of this standard on the Group consolidated financial statements.
- **IFRS 17** (amendment), 'Insurance contracts' (effective for annual periods beginning on or after 1 January 2023). This standard is still subject to endorsement by the European Union. This amendment includes specific changes in eight areas of IFRS 17, such as: i) scope; ii) level of aggregation of insurance contracts; iii) recognition; iv) measurement; v) modification and derecognition; vi) presentation of the Statement of Financial Position; vii) recognition and measurement of the Income statement; and viii) disclosures. This amendment also includes clarifications, which aim to simplify some of the requirements of this standard and ease transition. IFRS 17 is applied retrospectively. It is not expected significant impact of future adoption of this amendment on the Group consolidated financial statements.

2.3 CONSOLIDATION PRINCIPLES AND MAIN ACCOUNTING POLICIES

The accompanying financial statements were prepared in accordance with the accounting policies disclosed in the notes to the consolidated financial statements as of December 31, 2019.

2.4 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 minimize 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.

As mentioned above, these principles and policies are properly described in the notes to the consolidated financial statements as of December 31, 2019.

In this context, we presented below some risk indicators as of June 30, 2020, considered particularly relevant:

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 economic 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.

The Group foreign currency risk management hedge policies are decided casuistically, considering the foreign currency and country specific circumstances (as of June 30, 2020, December 31, 2019 and June 30, 2019, 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.

Foreign subsidiaries assets and liabilities 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 at June 30, 2020, December 31, 2019 and June 30, 2019 can be summarized as follows:

	ASSETS			LIABILITIES		
	JUN/20	DEC/19	JUN/19	JUN/20	DEC/19	JUN/19
Cape Verde Escudo (CVE)	6.464.432	6.183.612	6.746.542	2.025.130	1.528.665	1.952.524
Great Britain Pounds (GBP)	-	-	-	-	31	31
Japanese Yen (JPY)	-	-	-	1.335.214	399.992	1.364.938

The sensitivity of the Group to foreign exchange rate changes can be summarized as follows (increases/(decreases)):

		JUN/20		DEC/19	
	VARIATION	NET INCOME	EQUITY	NET INCOME	EQUITY
Great Britain Pounds (GBP)	5%	-	-	(2)	-
Japanese yen (JPY)	5%	(66.761)	-	(20.000)	-

Concerning the sensitivity of variations in the exchange rate of the Cape Verde Escudo (CVE), the Group does not have associated currency risk, because the exchange rate defined does not change.

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 2020 and 2019, the Group has been exposed to the risk of variation of "Instruments at fair value through capital" prices. At June 30, 2020, December 31, 2019 and June 30, 2019, the referred caption is composed only by shares of the closed property investment fund Cimóvel – Fundo de Investimento Imobiliário Fechado (Real Estate Investment Fund).

The Group's sensitivity to price variations in "instruments at fair value through capital" can be summarized as follows (increases/(decreases)):

		JUN/20		DEC/19		JUN/19	
	VARIATION	NET INCOME	EQUITY	NET INCOME	EQUITY	NET INCOME	EQUITY
CIMÓVEL FUND	10%	-	403.297	-	389.714	-	368.956
CIMÓVEL FUND	-10%	-	(403.297)	-	(389.714)	-	(368.956)

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, analysing the debt structure, the inherent risks and the different options available in the market, particularly considering the type of interest rates (fixed / variable), 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 0,25 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, changes in some assumptions may be correlated.

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

		JUN/20		DEC/19		JUN/19	
	VARIATION	NET INCOME	EQUITY	NET INCOME	EQUITY	NET INCOME	EQUITY
Guaranteed account	0,25 p.p.	25.000	-	-	-	-	-
Bank Overdrafts	0,25 p.p.	458	-	407	-	4.617	-
Commercial Paper	0,25 p.p.	-	-	-	-	90.000	-
Long-term Bank Loan	0,25 p.p.	25.000	-	25.000	-	50.000	-
Bond Loan	0,25 p.p.	31.250	-	31.250	-	62.500	-
Total		**81.708**	**-**	**56.657**	**-**	**207.117**	**-**
Guaranteed account	(0,25 p.p.)	(25.000)	-	-	-	-	-
Bank Overdrafts	(0,25 p.p.)	(458)	-	(407)	-	(4.617)	-
Commercial Paper	(0,25 p.p.)	-	-	-	-	(90.000)	-
Long-term Bank Loan	(0,25 p.p.)	(25.000)	-	(25.000)	-	(50.000)	-
Bond Loan	(0,25 p.p.)	(31.250)	-	(31.250)	-	(62.500)	-
Total		**(81.708)**	**-**	**(56.657)**	**-**	**(207.117)**	**-**

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 maximization of the return obtained and minimization 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 minimization of the probability of default in the repayment of any application in funds; and

iii) Financial Efficiency, which is ensuring that the Companies maximize 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.

As of June 30, 2020 and December 31, 2019, the Group presents a net debt of 33.960.987 Euros and 31.539.747 Euros, respectively, divided between current and non-current loans (Note 17) and cash and cash equivalents (Note 4), agreed with the different financial institutions.

The Group has available credit facilities as of June 30, 2020 amounting to approximately 70 Million Euros, which can be used in future operational activities and to fulfil financial commitments (Note 17). There are no restrictions on the use of these facilities.

v) Capital Risk

The main objective of the Board of Directors 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 Group. 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 or adjusting an adequate capital structure, the Board can propose to the General shareholders meeting the measures considered necessary.

The Group 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 monitored through the financial leverage ratio (defined as net debt/ (net debt + equity)).

	JUN/20	DEC/19	JUN/19
Loans	56.286.680	44.233.391	89.760.117
Cash and cash equivalents	(22.325.693)	(12.693.644)	(10.187.677)
Net Debt	33.960.987	31.539.747	79.572.440
Equity	143.008.276	142.838.583	137.438.696
Leverage Ratio	19,19%	18,09%	36,67%

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

vi)Credit risk

The Group credit risk results mainly from:

i) the risk of recovery of monetary assets entrusted to third parties, and

ii) the risk of recovery of loans granted to entities outside the group. Credit risk is assessed at the initial moment and over time in order to monitor its evolution.

A significant portion of the amounts receivable from customers is dispersed among a large number of entities, a factor that contributes toward reducing the credit concentration risk. Generally, the Group customers are not assigned a credit rating.

Credit risk is monitored by the Group financial department, under the supervision of the Board of Directors, based on: i) the rating assigned by the credit insurance company, with which the Group has negotiated a credit insurance agreement; (ii) the debtors' corporate nature; iii) the type of transactions originating the accounts receivable; iv) the experience of past transactions; and (v) the credit limits established for each customer.

The Group considers the probability of default upon the initial recognition of the asset and, according to the occurrence of significant increases in credit risk continuously in each reporting period. In order to assess whether there has been a significant increase in credit risk, the Group compares the risk of default occurring by reference to the reporting date, with the risk of default assessed by reference to the date of initial recognition. Adequate and duly supported prospective information is considered. The following indicators are considered:

- Internal credit risk;
- External credit risk (when available);
- Current or expected adverse changes in the debtor's operating results;
- Significant increases in the credit risk of the debtor's other financial instruments;
- Significant changes in the value of collateral for liabilities, or in the quality of third-party guarantees;
- Significant changes in the debtor's expected performance and behaviour, including changes in the debtor's payment conditions at the level of the Group to which it belongs, as well as changes at the level of its operating results.

Macroeconomic information (such as market interest rates or growth rates) is incorporated into the domestic credit model.

Irrespective of the above analysis, a significant increase in credit risk is presumed to exist if a debtor is in default by more than 30 days from the contractual payment date.

Default is deemed to exist when the counterparty fails to make contractual payments within 90 days of the invoice due date. When financial assets are derecognized, the Group continues to take the necessary measures to recover the amounts owed. In cases of successful recovery, the recovered amounts are recognized in the income statement for the year.

Financial assets are derecognized when there is no real expectation of recovery. The Group classifies a loan or account receivable to be derecognized when the debtor fails to make contractual payments within 30 days.

Impairment of financial assets

a) Accounts receivable and other debtors

The Group uses the simplified approach to calculate and record the expected credit losses required by IFRS 9, which allows using estimated impairment losses for all "Accounts receivable" and "Other debtors". In order to measure expected credit losses, "Accounts receivable" and "Other debtors" were aggregated based on the shared credit risk characteristics, as well as on the days of delay. Impairment losses on June 30, 2020 and December 31, 2019 are determined as follows; the expected credit losses include information from prospective estimates. Accounts receivable ageing balances in Note 11.

b) Loans granted to related entities

The balances in "Loans granted to related parties" are considered to have a low credit risk and, therefore, impairment in credit losses recognized during the period are limited to expected credit losses estimated for 12 months. These financial assets are considered to have a "low credit risk" when they have a low irrecoverable risk and the debtor has a high capacity to meet its contractual cash flow liabilities in the short-term.

Regarding independent dealership customers, the Group requires guarantees "on first demand", that, as disclosed in the notes to the consolidated financial statements of December 31, 2019, whenever these amounts are exceeded, these customers' supplies are suspended.

The impairments for accounts receivable are calculated considering (a) the client risk profile, (b) the average receipt time and (c) the client financial situation. The movements of these adjustments for the years ending at June 30, 2020 and 2019 are stated in Note 23.

At June 30, 2020, the Group considers that there is no need for additional impairment losses, besides the amounts registered on those dates and stated, briefly, in Note 23.

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

c) Cash equivalents

The following tables present, on June 30, 2019 and December 31,2019, the credit quality of bank deposits:

30/06/2020

DEPOSITS LONG-TERM RATING	RATING AGENCY	VALUE
A1	Moody's	35.337
A2	Moody's	2.579
A3	Moody's	245.945
Aa3	Moody's	25.096
B1	Moody's	462.437
B2	Moody's	256.247
Baa1	Moody's	7.037.562
Baa3	Moody's	11.765.721
	Others without rating assigned	2.377.818
Total		**22.208.741**

31/12/2019

DEPOSITS LONG-TERM RATING	RATING AGENCY	VALUE
A2	Moody's	59.201
A3	Moody's	181.963
Aa3	Moody's	10.868
B1	Moody's	485.101
B2	Moody's	181.648
B3	Moody's	517.954
Baa1	Moody's	3.008.670
Baa2	Moody's	68.385
Baa3	Moody's	6.520.472
	Others without rating assigned	1.536.614
Total		**12.570.876**

The ratings presented correspond to ratings assigned by the Rating Agency Moody's.

2.5 CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

Exchange rates used in the conversion of foreign affiliated companies, as of June 30, 2020 and December 31, 2019 were as follows:

30/06/2020	CURRENCY	FINAL EXCHANGE RATE FOR JUN-20	AVERAGE EXCHANGE RATE FOR JUN-20	EXCHANGE RATE AT THE DATE OF INCORPORATION	FINAL EXCHANGE RATE FOR DEC-19
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

31/12/2019	CURRENCY	FINAL EXCHANGE RATE FOR JUN-20	AVERAGE EXCHANGE RATE FOR JUN-20	EXCHANGE RATE AT THE DATE OF INCORPORATION	FINAL EXCHANGE RATE FOR DEC-19
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

3. GROUP COMPANIES INCLUDED IN CONSOLIDATION

The affiliated companies included in consolidation by the full consolidation method and share of capital held as of June 30, 2020 and December 31, 2019, are as follows:

COMPANIES	EFFECTIVE PERCENTAGE HELD	
	JUN/20	DEC/19
Toyota Caetano Portugal, S.A.	Parent Company	
Caetano Auto CV, S.A.	81,24%	81,24%
Caetano Renting, S.A.	100,00%	100,00%
Caetano - Auto, S.A.	98,43%	98,43%

These subsidiaries were included in the consolidated financial statements using the full consolidation method, as established in IFRS 10 – "Consolidated Financial Statements" (subsidiary control through the major voting rights and exposure to variable returns in relevant activities).

4. CASH AND CASH EQUIVALENTS

As of June 30, 2020, December 31, 2019 and June 30, 2019, cash and cash equivalents detail were the following:

	JUN/20	DEC/19	JUN/19
Cash	116.952	122.767	94.786
Bank Deposits	22.208.741	12.570.877	10.092.891
	22.325.693	**12.693.644**	**10.187.677**
Bank Overdrafts (Note 17)	(183.008)	(162.683)	(923.301)
	22.142.685	**12.530.961**	**9.264.376**

5. TANGIBLE FIXED ASSETS

As of June 30, 2020 and December 31, 2019, the movement in tangible fixed assets, as well as in the respective accumulated depreciation and impairment losses, was as follows:

30/06/2020	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	OTHER FIXED ASSETS	TANGIBLE ASSETS IN PROGRESS	RIGHT-OF--USE ASSETS	TOTAL
Gross Assets:									
Opening Balances	17.195.806	87.612.619	62.460.383	38.454.361	8.950.525	4.797.116	1.142.255	71.191.220	291.804.285
Additions	-	156.680	284.824	3.796.497	27.970	64.870	101.807	11.421.759	15.854.407
Disposals and Write-offs	(183)	-	(6.269)	(4.312.146)	169	267	-	(872.359)	(5.190.521)
Inventories transfers	-	-	-	(7.846.624)	-	-	-	(4.017.643)	(11.864.267)
Transfer and reclassifications	-	600.530	(2.247)	-	-	(2.862)	(600.530)	-	(5.109)
Ending Balances	**17.195.623**	**88.369.829**	**62.736.691**	**30.092.088**	**8.978.664**	**4.859.391**	**643.532**	**77.722.977**	**290.598.795**
Accumulated Depreciation and Impairment losses:									
Opening Balances	-	64.066.808	58.138.994	16.443.832	7.528.716	4.325.527	-	31.280.803	181.784.680
Depreciations	-	1.133.901	423.381	2.543.823	106.174	50.752	-	6.218.007	10.476.038
Disposals and Write-offs	-	-	(6.269)	(1.785.737)	169	(267)	-	(810.272)	(2.602.376)
Inventories transfers	-	-	-	(2.516.025)	-	-	-	(963.354)	(3.479.379)
Transfer and reclassifications	-	-	(46)	9	(9)	-	-	-	(46)
Ending Balances	**-**	**65.200.709**	**58.556.060**	**14.685.902**	**7.635.050**	**4.376.012**	**-**	**35.725.184**	**186.178.917**
Net Tangible Fixed Assets	**17.195.623**	**23.169.120**	**4.180.631**	**15.406.186**	**1.343.614**	**483.379**	**643.532**	**41.997.793**	**104.419.878**

31/12/2019	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	OTHER FIXED ASSETS	TANGIBLE ASSETS IN PROGRESS	RIGHT-OF--USE ASSETS	TOTAL
Gross Assets:									
Opening Balances	18.920.052	90.552.569	61.802.798	99.627.898	8.421.472	4.506.599	1.132.876	-	284.964.264
Accounting policies changes	(1.805.867)	(5.406.201)	(103.432)	(57.225.580)	-	-	-	66.626.071	2.084.991
Additions	81.621	1.441.169	857.538	44.416.374	537.451	290.829	1.034.796	5.628.537	54.288.315
Disposals and Write-offs	-	-	(96.521)	(6.246.037)	(8.398)	(312)	-	(1.063.388)	(7.414.656)
Inventories transfer	-	-	-	(42.118.294)	-	-	-	-	(42.118.294)
Transfer and reclassifications	-	1.025.082	-	-	-	-	(1.025.417)	-	(335)
Ending Balances	**17.195.806**	**87.612.619**	**62.460.383**	**38.454.361**	**8.950.525**	**4.797.116**	**1.142.255**	**71.191.220**	**291.804.285**
Accumulated Depreciation and Impairment losses:									
Opening Balances	-	62.859.307	57.207.267	40.521.279	7.338.174	4.245.545	-	-	172.171.572
Accounting policies changes	-	(914.486)	(2.694)	(20.228.768)	-	-	-	21.145.948	-
Depreciations	-	2.121.987	1.030.943	10.010.948	198.940	80.235	-	11.119.904	24.562.957
Disposals and Write-offs	-	-	(96.522)	(2.493.765)	(8.398)	(253)	-	(985.049)	(3.583.987)
Inventories transfer	-	-	-	(11.365.862)	-	-	-	-	(11.365.862)
Ending Balances	**-**	**64.066.808**	**58.138.994**	**16.443.832**	**7.528.716**	**4.325.527**	**-**	**31.280.803**	**181.784.680**
Net Tangible Fixed Assets	**17.195.806**	**23.545.811**	**4.321.389**	**22.010.529**	**1.421.809**	**471.589**	**1.142.255**	**39.910.417**	**110.019.605**

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.

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.

The accumulated impairment losses recorded as of June 30, 2020 and December 31, 2019 amounts to 150.000 Euros.

As of June 30, 2020 and December 31, 2019, the assets acquired through leases are presented as follows:

FIXED TANGIBLE ASSETS ACQUIRED THROUGH LEASES	JUN-20			DEC-19		
	GROSS ASSETS	ACCUMULATED DEPRECIATION	NET TANGIBLE ASSETS	GROSS ASSETS	ACCUMULATED DEPRECIATION	NET TANGIBLE ASSETS
Santarém Stand	1.400.000	333.375	1.066.625	1.400.000	320.250	1.079.750
Santarém Colisão	235.000	16.450	218.550	235.000	14.688	220.312
Carnaxide	3.246.231	659.391	2.586.840	3.246.231	628.957	2.617.274
Santa Maria da Feira	670.950	33.547	637.403	670.950	27.258	643.692
Caldas da Rainha	936.837	43.914	892.923	936.837	35.131	901.706
Maia Colisão	723.050	41.357	681.693	723.050	30.568	692.482
Workshop Equipment	103.432	12.391	91.041	103.432	9.158	94.274
Industrial Equipment	41.774.999	27.702.326	14.072.673	41.146.951	25.587.331	15.559.619
Transport Equipment	21.407.181	4.947.475	16.459.706	20.643.779	3.330.040	17.313.740
TOTAL	**70.497.680**	**33.790.226**	**36.707.454**	**69.106.230**	**29.983.381**	**39.122.849**

6. INVESTMENT PROPERTIES

As of June 30, 2020, December 31, 2019 and June 30, 2019, the caption "Investment properties" refers to real estate 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 1.410.670 Euros as the six-month period ended as of June 30, 2020 (1.503.095 Euros as of June 30, 2019) (Note 28).

Additionally, in according with appraisals reported to December 31, 2019, the fair value of those investment properties amounts to, approximately, 54 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 June 30, 2020 and December 31, 2019 is made up as follows:

LOCATION	JUN/20			DEC/19		
	NET ACCOUNTING VALUE	FAIR VALUE	APPRAISAL	NET ACCOUNTING VALUE	FAIR VALUE	APPRAISAL
Vila Nova de Gaia - Av. da República	119.978	1.192.400	Internal	121.972	1.192.400	Internal
Braga - Av. da Liberdade	-	2.330.000	External	-	2.330.000	External
Porto - Rua do Campo Alegre	738.532	3.315.000	Internal	757.734	3.315.000	Internal
Viseu - Teivas	686.272	1.841.000	External	711.644	1.841.000	External
Caldas da Rainha - Rua Dr. Miguel Bombarda	17.531	85.000	Internal	17.531	85.000	Internal
Viseu - Quinta do Cano	1.699.562	1.625.750	Internal	1.704.237	1.625.750	Internal
Amadora - Rua Elias Garcia	172.371	149.000	Internal	174.100	149.000	Internal
Portalegre - Zona Industrial	170.962	173.000	Internal	173.533	173.000	Internal
Portimão - Cabeço do Mocho	524.781	550.000	Internal	524.781	550.000	Internal
Rio Maior	107.000	107.000	Internal	107.000	107.000	Internal
Castelo Branco - Repair Shop	700.034	1.100.000	Internal	719.734	1.100.000	Internal
Teivas	117.835	72.800	External	118.344	72.800	External
Vila Nova de Gaia - Av. Vasco da Gama (A and B buildings)	2.473.261	8.692.000	Internal	2.584.894	8.692.000	Internal
Vila Nova de Gaia - Av. Vasco da Gama (G building)	773.969	9.165.200	External	784.140	9.165.200	External
Carregado - Quinta da Boa Água / Quinta do Peixoto	4.937.154	23.120.000	Internal	4.951.364	23.120.000	Internal
Vila Nova de Gaia - Rua das Pereiras	222.762	788.000	Internal	225.721	788.000	Internal
	13.462.004	**54.306.150**		**13.676.728**	**54.306.150**	

The investment properties fair value disclosed in June 30, 2020 and December 31, 2019 was determined on an annual basis by an independent appraiser (the fair value was determined by the average of the evaluations by Market Method, Cost Method and Return Method).

In accordance to the classification of the evaluation methods mentioned above, and related with the fair value hierarchy (IFRS 13), they are classified as follows:

- Market Method – Level 2 (fair value determined based on observable market data);
- Cost Method and Return Method – Level 3 (fair value determined based on non-observable market data, developed to reflect assumptions to be used by independent appraisers).

As of June 30, 2020 the values of the evaluation will be published at December 31, 2019 on the grounds that, given the generalized inexistence of major works in 2019 and 2020, the inexistence of relevant claims in 2019 and 2020 and the inexistence of properties in areas of accelerated degradation there will be no significant change to the fair value of these properties. The Management believes will not have been significant changes to the fair value of these buildings, believing they are still valid and current values of the last external evaluation carried out in 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019.

The movement in the caption "Investment properties" as of June 30, 2020 and December 31, 2019 was as follows:

30/06/2020

GROSS ASSETS:	LAND	BUILDINGS	TOTAL
Opening Balances	8.995.216	35.252.218	44.247.434
Ending Balances	**8.995.216**	**35.252.218**	**44.247.434**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:			
Opening Balances	-	30.570.706	30.570.706
Depreciations	-	214.724	214.724
Ending Balances	**-**	**30.785.430**	**30.785.430**
Net Investment Properties	**8.995.216**	**4.466.788**	**13.462.004**

31/12/2019

GROSS ASSETS:	LAND	BUILDINGS	TOTAL
Opening Balances	9.305.659	35.408.776	44.714.435
Additions	-	40.294	40.294
Disposals and Write-offs	(210.443)	(197.187)	(407.630)
Transfer	(100.000)	335	(99.665)
Ending Balances	**8.995.216**	**35.252.218**	**44.247.434**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES:			
Opening Balances	-	30.383.721	30.383.721
Depreciations	-	437.677	437.677
Disposals and Write-offs	-	(150.692)	(150.692)
Transfer	-	(100.000)	(100.000)
Ending Balances	**-**	**30.570.706**	**30.570.706**
Net value	**8.995.216**	**4.681.512**	**13.676.728**

The accumulated impairment losses recorded as of June 30, 2020 and December 31, 2019 amounts to 2.680.809 Euros.

7. GOODWILL

During the six-month period ended at June 30, 2020 and for the year ended at December 31, 2019 there were not any movements in item "Goodwill".

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

The Goodwill is not amortized. Impairment tests are made annually to the Goodwill. At June 30, 2020 there are no signs of impairment, so it was not necessary to carry out impairment tests.

8. INTANGIBLE ASSETS

As of June 30, 2020 and December 31, 2019, the movement in intangible assets, as well as in the respective accumulated amortization and accumulated impairment losses, was as follows:

30-06-2020

	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL PROPERTY	GOODWILL	COMPUTER PROGRAMS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross Assets:						
Opening Balances	1.477.217	615.997	81.485	2.154.870	202.804	4.532.373
Additions	10.850	-	-	100.000	53.057	163.907
Ending Balances	1.488.067	615.997	81.485	2.254.870	255.861	4.696.280
Accumulated Amortization and Impairment losses:						
Opening Balances	1.477.217	358.038	81.485	2.150.247	-	4.066.987
Amortizations	-	82.594	-	17.534	-	100.128
Ending Balances	1.477.217	440.632	81.485	2.167.781	-	4.167.115
Net Intangible Assets	**10.850**	**175.365**	**-**	**87.089**	**255.861**	**529.165**

31-12-2019

	RESEARCH AND DEVELOPMENT EXPENSES	INDUSTRIAL PROPERTY	GOODWILL	COMPUTER PROGRAMS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross Assets:						
Opening Balances	1.477.217	551.031	81.485	2.150.170	-	4.259.903
Additions	-	64.965	-	5.200	202.804	272.969
Changes in Perimeter	-	-	-	(500)	-	(500)
Ending Balances	1.477.217	615.996	81.485	2.154.870	202.804	4.532.372
Accumulated Amortization and Impairment losses:						
Opening Balances	1.477.217	198.131	81.485	2.142.706	-	3.899.539
Amortizations	-	159.907	-	8.041	-	167.948
Changes in Perimeter	-	-	-	(500)	-	(500)
Ending Balances	1.477.217	358.038	81.485	2.150.247	-	4.066.987
Net Intangible Assets	**-**	**257.958**	**-**	**4.623**	**202.804**	**465.385**

9. INSTRUMENTS AT FAIR VALUE THROUGH CAPITAL

During the period ended as of June 30, 2020, December 31, 2019 and June 30, 2019 the movements in item "Instruments at fair value through capital" were as follows:

	JUN/20	DEC/19	JUN/19
Instruments at fair value through capital			
Opening Balances	3.923.974	3.633.413	3.633.413
Decrease during the year	-	(39.904)	(39.904)
Increase/(decrease) in fair value	135.832	330.465	122.887
Ending Balances	4.059.806	3.923.974	3.716.396

As of June 30, 2020, "Instruments at fair value through capital" include the amount of 4.032.974 Euros (June 30, 2019: 3.689.564 Euros) corresponding to 580.476 shares of Cimóvel - Real Estate Investment Fund (9,098%), which are recorded at its fair value at June 30, 2020 (the acquisition cost of those shares ascended to 3.013.947 Euros, with a reserve in equity (Fair Value Reserve – Instruments at fair value through capital) in the amount to 1.019.028 Euros). The remaining "Instruments at fair value through capital" 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 during the six-month period ended as of June 30, 2020 and 2019 from recording "Instruments at fair value through capital" at fair value can be summarized as follows:

	JUN/20	JUN/19
Fair value variation	135.832	122.887
Effect on equity	135.832	122.887

10. INVENTORIES

As of June 30, 2020, December 31, 2019 and June 30, 2019, this caption breakdown is as follows:

	JUN/20	DEC/19	JUN/19
Raw and subsidiary Materials	14.202.235	6.772.894	7.867.671
Production in Process	1.132.615	763.239	985.273
Finished and semi-finished Products	36.283	2.567.925	2.371.507
Merchandise	101.791.045	98.814.645	98.534.186
	117.162.178	108.918.703	109.758.637
Accumulated impairment losses in inventories (Note 23)	(3.867.333)	(3.448.675)	(2.813.619)
	113.294.845	**105.470.028**	**106.945.018**

During the six-month period ended as of June 30, 2020 and 2019, cost of sales was as follows:

	JUN/20			JUN/19		
	MERCHANDISE	RAW AND SUBSIDIARY MATERIALS	TOTAL	MERCHANDISE	RAW AND SUBSIDIARY MATERIALS	TOTAL
Opening Balances	98.814.645	6.772.894	105.587.539	90.219.827	8.885.206	99.105.033
Net Purchases	105.894.489	15.397.005	121.291.494	156.109.236	20.731.834	176.841.070
Transfers to inventories	11.864.267	-	11.864.267	15.290.657	-	15.290.657
Ending Balances	(101.791.045)	(14.202.235)	(115.993.280)	(98.534.186)	(7.867.671)	(106.401.857)
Total	**114.782.356**	**7.967.664**	**122.750.020**	**163.085.534**	**21.749.369**	**184.834.903**

During the six-month period ended as of June 30, 2020 and 2019, the variation in production was computed as follows:

	JUN/20			JUN/19		
	FINISHED AND SEMI-FINISHED PRODUCTS	PRODUCTION IN PROCESS	TOTAL	FINISHED AND SEMI-FINISHED PRODUCTS	PRODUCTION IN PROCESS	TOTAL
Ending Balances	36.283	1.132.615	1.168.898	2.371.507	985.273	3.356.780
Inventories adjustments	-	5.011	5.011	-	(105)	(105)
Opening Balances	(2.567.925)	(763.239)	(3.331.164)	(1.242.750)	(932.748)	(2.175.498)
Total	**(2.531.642)**	**374.387**	**(2.157.255)**	**1.128.757**	**52.420**	**1.181.177**

11. ACCOUNTS RECEIVABLE

As of June 30, 2020, December 31, 2019 and June 30, 2019, the detail of this caption was as follows:

	CURRENT ASSETS			NON -CURRENT ASSETS		
	JUN/20	DEC/19	JUN/19	JUN/20	DEC/19	JUN/19
Customers, current accounts	45.167.705	52.716.981	74.234.031	565.362	608.975	705.764
Doubtful Accounts Receivable	10.965.066	10.978.343	9.696.611	-	-	-
	56.132.771	63.695.324	83.930.642	565.362	608.975	705.764
Accumulated impairment losses in accounts Receivable (Note 23)	(9.670.622)	(9.458.773)	(8.963.990)	-	-	-
	46.462.149	54.236.551	74.966.652	565.362	608.975	705.764

Accounts receivable from customers recorded as non-current assets corresponds to the customers of the affiliated company Caetano Auto, 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

Debt maturity without recognition of losses by impairment

30/06/2020	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	26.876.735	2.881.867	1.823.140	8.106.198	39.687.940
Employees	1.219	-	-	3.590	4.809
Independent Dealers	5.756.202	103.628	92.717	87.771	6.040.318
Total	**32.634.156**	**2.985.495**	**1.915.857**	**8.197.559**	**45.733.067**

31/12/2019	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	36.836.276	2.029.986	2.110.790	4.720.187	45.697.240
Employees	14	-	-	4.430	4.444
Independent Dealers	7.596.637	20.771	-	6.864	7.624.272
Total	**44.432.927**	**2.050.757**	**2.110.790**	**4.731.481**	**53.325.956**

Debt maturity with recognition of losses by impairment

30/06/2020	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Doubtful Accounts Receivable	23.620	3.357	12.854	10.925.235	10.965.066
Total	**23.620**	**3.357**	**12.854**	**10.925.235**	**10.965.066**

31/12/2019	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Doubtful Accounts Receivable	116.219	102.497	26.244	10.733.383	10.978.343
Total	**116.219**	**102.497**	**26.244**	**10.733.383**	**10.978.343**

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.

Accounts receivable ageing against maturity

30/06/2020	NOT DUE	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	11.910.723	18.379.088	3.123.090	1.901.092	10.419.074	45.733.067
Total	**11.910.723**	**18.379.088**	**3.123.090**	**1.901.092**	**10.419.074**	**45.733.067**

31/12/2019	NOT DUE	- 60 DAYS	60-90 DAYS	90-120 DAYS	+ 120 DAYS	TOTAL
Accounts receivable	20.137.752	24.124.247	1.732.833	1.280.080	6.051.043	53.325.956
Total	**20.137.752**	**24.124.247**	**1.732.833**	**1.280.080**	**6.051.043**	**53.325.956**

12. OTHER DEBTORS

As of June 30, 2020, December 31, 2019 and June 30, 2019, the detail of this caption was as follows:

	CURRENT ASSETS		
	JUN/20	DEC/19	JUN/19
Down Payments to Suppliers	62.452	36.402	103.621
Public Entities (VAT)	-	-	39.361
Other debtors	2.341.349	2.501.776	2.618.207
	2.403.801	**2.538.178**	**2.761.189**

Additionally, this caption ("Other debtors") includes, as of June 30, 2020 and 2019 the amount of, approximately, 800.000 Euros to be received from Salvador Caetano Auto Africa, S.G.P.S., S.A. (800.000 Euros as of December 31, 2019).

It is noted that this amount also includes as of June 30, 2020 an account receivable in the amount of 652.907 Euros from the related party Fundação Salvador Caetano (649.625 Euros as of December 31, 2019).

13. OTHER CURRENT ASSETS

As of June 30, 2020, December 31, 2019 and June 30, 2019, the detail of this caption was as follows:

	JUN/20	DEC/19	JUN/19
Accrued Income			
Commission	231.986	620.339	102.048
Rappel	668.545	1.095.844	593.143
Warranty claims	65.257	80.066	135.882
Fleet programs and Bonus suppliers	138.653	435.273	760.998
Assignment of staff	16.200	31.173	49.114
Fee's	5.009	2.795	3.002
Training subsidy	329.000	-	-
Lay-off support	535.940	-	-
Others	746.016	357.586	869.637
	2.736.607	2.623.076	2.513.824
Deferred expenses			
Insurance	111.254	164.588	187.789
Rentals	153.187	6.154	124.739
Interest	113.988	130.459	139.364
Others	595.009	456.375	838.115
	973.438	757.576	1.290.007
Total	**3.710.046**	**3.380.652**	**3.803.831**

14. DEFERRED TAXES

The detail and movements of deferred tax assets and liabilities recorded in the accompanying consolidated financial statements as of June 30, 2020 and December 31, 2019 is as follows:

30/06/2020	DEC/19	PROFIT AND LOSS IMPACT	JUN/20
Deferred tax assets:			
Provisions not accepted for tax purpose	352.913	-	352.913
Defined Benefit Plan Liabilities	1.611.745	-	1.611.745
Write-off margins of tangible assets/inventories	646.828	57.649	704.477
	2.611.486	57.649	2.669.135
Deferred tax liabilities:			
Depreciation as a result of legal and free revaluation of fixed assets	(531.552)	-	(531.552)
Effect of the reinvestments of the surplus in fixed assets sales	(70.077)	-	(70.077)
Fair value of fixed assets	(898.732)	-	(898.732)
	(1.500.361)	-	(1.500.361)
Net effect (Note 24)		57.649	

31/12/2019	DEC/18	PROFIT AND LOSS IMPACT	DEC/19
Deferred tax assets:			
Provisions not accepted for tax purpose	296.439	56.474	352.913
Defined Benefit Plan Liabilities	1.611.745	-	1.611.745
Write-off margins of tangible assets/inventories	926.746	(279.918)	646.828
	2.834.930	(223.444)	2.611.486
Deferred tax liabilities:			
Depreciation as a result of legal and free revaluation of fixed assets	(590.517)	58.965	(531.552)
Effect of the reinvestments of the surplus in fixed assets sales	(113.367)	43.290	(70.077)
Fair value of fixed assets	(898.732)	-	(898.732)
	(1.602.616)	102.255	(1.500.361)
Net effect (Note 24)		(121.189)	

At June 30, 2020 and 2019 the Group there was no tax losses.

As of June 30, 2020 and 2019 tax rates used to compute current and deferred tax assets and liabilities were as follows:

	TAX RATES	
	JUN/20	JUN/19
Country of origin of affiliate:		
Portugal	22,5% - 21%	22,5% - 21%
Cape Verde	25,5%	25,5%

Toyota Caetano Group companies with head office in Portugal, 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 period of four years. Therefore, the tax declarations since the year of 2017 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. EQUITY

Share Capital

As of June 30, 2020, the Company's share capital, fully subscribed and paid for, consisted of 35.000.000 bearer shares, fully subscribed and paid for, with a nominal value of 1 Euro each.

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

- Salvador Caetano - Auto - S.G.P.S., S.A.	69,73%
- Toyota Motor Europe NV/SA	27,00%

In 2020, Salvador Caetano-Auto - S.G.P.S., S.A. acquired 468.931 shares with a nominal value of 1 Euro each, fully paid up and representing 1,34% of the share capital.

Dividends

According to the General shareholders meeting deliberation, as of April 29, 2020, and given the current economic situation, it was decided not to distribute dividends to shareholders, waiting for a better opportunity for their realization.

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 cannot be distributed to the shareholders, 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 "instruments at fair value through capital" and cannot be distributed or used to absorb losses (Note 9).

Other Reserves

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

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 International Financial Reporting Standard (IFRS).

16. NON-CONTROLLING INTERESTS

Movements in this caption during the period ended as of June 30, 2020, December 31, 2019 and June 30, 2019 were as follows:

	JUN/20	DEC/19	JUN/19
Opening Balances as of January 1	1.514.227	1.473.222	1.473.222
Acquisition of non-controlling interests	(243)	(11.610)	(4.269)
Net profit attributable to non-controlling interests	(60.517)	52.615	55.754
	1.453.467	**1.514.227**	**1.524.707**

As of June 30, 2020 and December 31, 2019, the decomposition of the mentioned value by subsidiary company is as follows:

30/06/2020

	% NCI	NON-CONTROLLING INTERESTS	NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS
Caetano Auto CV	18,76%	821.556	(41.643)
Caetano Auto	1,57%	631.911	(18.874)
		1.453.467	**(60.517)**

31/12/2019

	% NCI	NON-CONTROLLING INTERESTS	NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS
Caetano Auto CV	18,76%	863.200	25.093
Caetano Auto	1,57%	651.027	27.522
		1.514.227	**52.615**

The resume of financial information at June 30, 2020 related to each subsidiary that is consolidated is presented below:

	CAETANO AUTO		CAETANO AUTO CV	
CAPTION	JUN/20	DEC/19	JUN/20	DEC/19
Non-current Assets	60.708.713	59.516.127	1.289.918	1.319.976
Current Assets	62.061.342	67.238.194	5.174.514	4.863.635
Total assets	**122.770.055**	**126.754.321**	**6.464.432**	**6.183.611**
Non-current Liabilities	7.287.822	7.599.200	98.878	98.878
Current Liabilities	75.442.318	77.801.154	1.926.252	1.527.813
Equity	**40.039.915**	**41.353.967**	**4.439.302**	**4.556.920**
Revenues	78.672.624	238.232.286	4.958.977	14.208.584
Operating Results	(1.153.345)	2.627.412	(215.645)	212.638
Financial Results	(38.479)	13.287	-	-
Taxes	145.932	(762.264)	32.398	(185.328)
Net Income	**(1.045.892)**	**1.878.435**	**(183.247)**	**27.310**

17. LOANS

As of June 30, 2020, December 31, 2019 and June 30, 2019 the caption "Loans" was as follows:

	JUN/20			DEC/19			JUN/19		
	CURRENT	NON--CURRENT	TOTAL	CURRENT	NON--CURRENT	TOTAL	CURRENT	NON--CURRENT	TOTAL
Bank Loan	20.000.000	-	20.000.000	-	10.000.000	10.000.000	18.000.000	10.000.000	28.000.000
Bank Overdrafts	183.008	-	183.008	162.681	-	162.681	923.301	-	923.301
Bond Loan	-	12.500.000	12.500.000	-	12.500.000	12.500.000	-	12.500.000	12.500.000
Leases	10.583.131	13.020.541	23.603.672	7.190.485	14.380.225	21.570.710	26.992.625	21.344.191	48.336.816
	30.766.139	**25.520.541**	**56.286.680**	**7.353.166**	**36.880.225**	**44.233.391**	**45.915.926**	**43.844.191**	**89.760.117**

The movement occurred in bank loans, bank overdrafts, other loans, commercial paper programs and bond loan during the six-month period ended at June 30, 2020 and for the year ended at December 31, 2019 were as follows:

30/06/2020	OPENING BALANCES	INCREASE	DECREASE	OTHER VARIATIONS(*)	TOTAL
Bank Loan	10.000.000	-	-	-	10.000.000
Bank Overdrafts	160.358	183.008	160.358	-	183.008
Guaranteed Account	-	13.250.000	3.250.000	-	10.000.000
Commercial Paper	-	39.000.000	39.000.000	-	-
Bond Loan	12.500.000	-	-	-	12.500.000
Leases	21.570.708	-	4.597.361	6.630.325	23.603.672
	44.231.066	**52.433.008**	**47.007.719**	**6.630.325**	**56.286.680**

31/12/2019	OPENING BALANCES	INCREASE	ACCOUNTING POLICIES CHANGES IFRS 16	DECREASE	OTHER VARIATIONS(*)	TOTAL
Bank Loan	10.000.000	-	-	-	-	10.000.000
Bank Overdrafts	923.669	162.681	-	-	(923.669)	162.681
Car Financing	2.499.961	-	-	-	(2.499.961)	-
Guaranteed account	10.000.000	10.000.000	-	20.000.000	-	-
Commercial paper	19.400.000	83.000.000	-	102.400.000	-	-
Bond Loan	12.500.000	-	-	-	-	12.500.000
Leases	35.680.425	434.568	2.084.991	8.405.927	(8.223.348)	21.570.710
	91.004.055	**93.597.249**	**2.084.991**	**130.805.927**	**(11.646.978)**	**44.233.391**

(*) Without impact on consolidated cash flows statement

The amounts presented in "Other Variations" are related to lease-backs for forklifts recorded on Tangible Fixed Assets. This acquisitions results on an increase in liabilities, but without an immediate impact on Group cash flows.

As of June 30, 2020 and December 31, 2019, the detail of bank loans, overdrafts, other loans and Commercial Paper Programs, as well as its conditions, were as follows:

30/06/2020

DESCRIPTION/BENEFICIARY COMPANY	USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
Non-current				
Bond Loan				
Toyota Caetano Portugal	12.500.000	12.500.000	09/08/2018	5 years
	12.500.000	12.500.000		
Current				
Guaranteed account	10.000.000	10.000.000	22/04/2020	3 months
Mutual Loans				
Toyota Caetano Portugal	10.000.000	10.000.000	11/03/2016	5 years
Bank Overdrafts	183.008	1.500.000		
Confirming	-	4.350.000		
Commercial Paper:				
Toyota Caetano Portugal	-	14.000.000	27/02/2020	5 years
Toyota Caetano Portugal	-	10.000.000	18/08/2015	5 years
Toyota Caetano Portugal	-	4.000.000	17/07/2017	5 years
Toyota Caetano Portugal	-	4.000.000	10/11/2016	5 years
	20.183.008	57.850.000		
	32.683.008	**70.350.000**		

31/12/2019

DESCRIPTION/BENEFICIARY COMPANY	USED AMOUNT	LIMIT	BEGINNING DATE	DATE-LIMIT
Non-current				
Mutual Loans				
Toyota Caetano Portugal	10.000.000	10.000.000	11/03/2016	5 years
Bond Loan				
Toyota Caetano Portugal	12.500.000	12.500.000	09/08/2018	5 years
	22.500.000	22.500.000		
Current				
Guaranteed account	-	12.000.000		
Bank Overdrafts	162.681	5.500.000		
Confirming	-	4.350.000		
Commercial Paper:				
Toyota Caetano Portugal	-	14.000.000	27/02/2017	3 years
Toyota Caetano Portugal	-	10.000.000	18/08/2015	5 years
Toyota Caetano Portugal	-	4.000.000	17/07/2017	5 years
Toyota Caetano Portugal	-	5.000.000	10/11/2016	5 years
Toyota Caetano Portugal	-	4.000.000	24/02/2018	1 year
	162.681	58.850.000		
	22.662.681	**81.350.000**		

Interests relating to the financial instruments mentioned above are indexed to Euribor (floor zero), plus a spread which varies between 0,75% and 2,0%.

The Group and its affiliates have available credit facilities as of June 30, 2020 amounting to approximately 70 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. This amount is applied in several financial institutions and there is no excessive concentration in any of them.

The item "Leases" (current and non-current) is related to the Group's responsibilities as lessee with respect to the right to use facilities and equipment. The detail of this caption, as well as the reimbursement plan can be summarized as follows:

CONTRACT	LEASES	CURRENT	NON-CURRENT					TOTAL
		12M	12 - 24M	24 - 36M	36 - 48M	>48M	TOTAL	
2028278	Commercial facilities							
	Capital	99.002	69.453	-	-	-	69.453	168.455
	Interests	924	182	-	-	-	182	1.106
5653	Commercial facilities							
	Capital	25.189	25.582	25.982	26.387	303.546	381.497	406.686
	Interests	6.125	5.732	5.333	4.927	24.500	40.492	46.617
626064	Commercial facilities							
	Capital	181.547	188.004	194.690	245.044	-	627.738	809.285
	Interests	24.829	18.372	11.685	4.634	-	34.691	59.520
2032103	Commercial facilities							
	Capital	9.563	49.347	-	-	-	49.347	58.910
	Interests	2.728	1.832	-	-	-	1.832	4.560
30000343	Commercial facilities							
	Capital	42.857	43.722	44.605	45.505	323.208	457.040	499.897
	Interests	9.607	8.741	7.859	6.959	21.442	45.001	54.608
2017554	Commercial facilities							
	Capital	165.687	-	-	-	-	-	165.687
	Interests	3.348	-	-	-	-	-	3.348
105149	Commercial facilities							
	Capital	33.937	-	-	-	-	-	33.937
	Interests	566	-	-	-	-	-	566
Cimóvel								
	Capital	5.278.308	-	-	-	-	-	5.278.308
Several								
	Capital	12.031	-	-	-	-	-	12.031
Several	Industrial Equipment							
	Capital	4.735.010	5.069.242	3.308.138	1.916.615	1.141.471	11.435.466	16.170.476
	Interests	369.192	230.461	123.733	54.242	14.279	422.714	791.906
	Total Capital	10.583.131	5.445.350	3.573.415	2.233.551	1.768.225	13.020.541	23.603.672
	Total Interests	**417.319**	**265.320**	**148.610**	**70.762**	**60.221**	**544.912**	**962.231**

Liabilities by Maturity:

Loans

30/06/2020

	12M	12-24M	24-36M	36-48M	>48M	TOTAL
Loan - mutual contract and Guaranteed Account	20.000.000	-	-	-	-	20.000.000
Bond Loan	-	-	-	12.500.000	-	12.500.000
Bank Overdrafts	183.008	-	-	-	-	183.008
Leases	10.583.131	5.445.350	3.573.415	2.233.551	1.768.225	23.603.672
Total Loans	**30.766.139**	**5.445.350**	**3.573.415**	**14.733.551**	**1.768.225**	**56.286.680**

31/12/2019

	12M	12-24M	24-36M	36-48M	>48M	TOTAL
Mutual Loans	-	10.000.000	-	-	-	10.000.000
Bond Loan	-	-	-	-	12.500.000	12.500.000
Bank Overdrafts	162.681	-	-	-	-	162.681
Leases	7.190.485	5.311.768	4.116.145	2.436.914	2.515.398	21.570.710
Total Loans	**7.353.166**	**15.311.768**	**4.116.145**	**2.436.914**	**15.015.398**	**44.233.391**

Interests

30/06/2020

	12M	12-24M	24-36M	36-48M	>48M	TOTAL
Loan - mutual contract	168.729	-	-	-	-	168.729
Leases	417.319	265.320	148.610	70.762	60.221	962.231
Bond Loan	316.840	316.840	316.840	157.118	-	1.107.639
Total interests	**902.888**	**582.160**	**465.450**	**227.880**	**60.221**	**2.238.599**

31/12/2019

	12M	12-24M	24-36M	36-48M	>48M	TOTAL
Mutual Loans	226.208	55.625	-	-	-	281.833
Bond Loan	318.576	315.972	316.840	316.840	-	1.268.229
Leases	426.455	281.074	166.296	86.260	70.720	1.030.805
Total interests	**971.240**	**652.671**	**483.137**	**403.100**	**70.720**	**2.580.868**

18. ACCOUNTS PAYABLE

As of June 30, 2020, December 31, 2019 and June 30, 2019 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.

19. OTHER CREDITORS

As of June 30, 2020, December 31, 2019 and June 30, 2019 the detail of other creditors was as follows:

	CURRENT LIABILITIES		
	JUN/20	DEC/19	JUN/19
Income Taxes withheld	453.062	412.651	476.534
Value Added Taxes	10.576.525	11.686.476	14.455.635
Vehicles Tax	1.184.755	2.149.151	2.265.501
Custom Duties	-	-	3.315
Employee's social contributions	632.066	708.501	850.804
Taxes of local Authorities	198.883	177.019	247.207
Others	5.010	6.723	9.388
Public Entities: Sub-total	13.050.301	15.140.521	18.308.384
Shareholders	20.194	20.194	20.291
Advances from Customers	1.001.234	1.063.582	986.425
Other Creditors	33.892.555	35.630.173	10.700.960
Other Creditors: Sub-total	34.913.983	36.713.949	11.707.676
	47.964.284	**51.854.470**	**30.016.060**

In certain situations, the Group obtain credits from the brand's financial entities, in order to obtain the necessary funds to support the stock of vehicles for the levels of activities developed. The amounts owed to these entities are included in the caption "Other creditors" and amounts to 33.252.753 Euros as of 30 June 2020 (34.786.879 Euros as of December 31, 2019 and 9.849.123 Euros as of June 30, 2019).

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

20. INCOME TAX (STATEMENT OF FINANCIAL POSITION)

As of June 30, 2020, December 31, 2019 and June 30, 2019 the caption "Income tax" can be summarized as follows:

	JUN/20	DEC/19	JUN/19
Current Assets			
Public Entities:	246.268	262.011	-
Income Tax Receivable	246.268	262.011	-
Current Liabilities			
Public Entities:			
Income Tax Payable	-	-	1.008.189
	-	-	1.008.189

21. OTHER CURRENT LIABILITIES

As of June 30, 2020, December 31, 2019 and June 30, 2019 the caption "Other Current Liabilities" was as follows:

	JUN/20	DEC/19	JUN/19
Accrued Cost			
Vacation pay and bonus	8.256.410	6.049.904	8.407.089
Advertising Campaigns	1.684.800	1.392.856	1.847.997
Specialization cost assigned to vehicles sold	2.545.519	440.852	1.625.624
Warranty claims	-	-	896.736
Advance External Supplies and Services	817.454	600.851	1.210.055
Commission	1.329.393	1.020.731	1.391.345
Rappel charges attributable to fleet managers	184.567	448.447	530.870
Accrual for Vehicles Tax	839.321	773.973	712.490
Insurance	147.654	280.273	289.391
Municipal Property Tax	142.480	116.000	142.331
Interest	134.445	139.720	136.752
Royalties	-	68.816	140.164
Specialized work	219.197	-	91.620
Supply costs	4.293	541.486	673.249
Others	2.056.642	1.607.063	2.064.226
	18.362.175	13.480.972	20.159.939
Deferred Income			
Vehicle maintenance contracts	7.299.329	7.511.764	7.415.869
Subsidy granted	26.449	26.449	28.653
Advertising recovery	-	26.711	27.997
Interest Charged to Customers	13.446	20.256	27.061
Bonuses by suppliers	-	-	869.925
Others	494.960	348.550	207.014
	7.834.184	7.933.730	8.576.519
Total	**26.196.359**	**21.414.702**	**28.736.458**

22. PENSION FUND

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 February 2, 1994, in April 30,1996, in August 9, 1996, in July 4, 2003, in February 2, 2007, in December 30, 2008, December 23, 2011 and in December 31, 2013.

As of June 30, 2020, 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 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. To cover these responsibilities, it was constituted an Independent Fund (managed by BPI Vida e Pensões, S.A.).

However, following a request to change the functioning of these compensations, requested from the ISP - Instituto de Seguros de Portugal, this Defined Benefit Plan started to cover, as of January 1, 2008, only retired workers at that date, former employees of the Group with "deferred pensions" and the employees at that date and staff of the Group over 50 years of age and at least 15 years of service to the Group.

The actuarial assumptions used at June 30, 2020 by the fund manager include the "Current 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 1%, 0% and 1,11%, respectively. In December 31, 2019, the salary increase rate, pensions increase rate and discount rate of 1%, 0% and 1,57%, respectively.

As of June 30, 2020 and December 31, 2019, the Group's responsibilities to the defined benefit plan and the assets of the Fund allocated can be summarized as follows:

DEFINED BENEFIT PLAN	30/06/2020	31/12/2019
Responsibility amount	30.818.044	32.274.303
Fund Amount	24.846.260	25.765.129

The net liability of Toyota Caetano Portugal Group evidenced above is guaranteed by a provision recorded in the amount of about 10.084.598 euros, reflected in the statement of financial position under "Pension Fundo Defined Benefit Plan Liabilities".

23. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the six-month period ended as of June 30, 2020, and June 30, 2019 were as follows:

30/06/2020

	OPENING BALANCES	INCREASES	DECREASES	OTHER REGULARIZATIONS	ENDING BALANCES
Accumulated impairment losses in investments	2.680.809	-	-	-	2.680.809
Accumulated impairment losses in accounts receivable (Note 11)	9.458.773	230.224	(18.375)	-	9.670.622
Accumulated impairment losses in inventories (Note 10)	3.448.675	549.699	(77.010)	(54.031)	3.867.333
Provisions	944.772	94.933	-	(67.190)	972.515

30/06/2019

	OPENING BALANCES	INCREASES	DISPOSALS	OTHER REGULARIZATIONS	ENDING BALANCES
Accumulated impairment losses in investments	2.780.809	-	-	(100.000)	2.680.809
Accumulated impairment losses in accounts receivable (Note 11)	8.776.958	187.032	-	-	8.963.990
Accumulated impairment losses in inventories (Note 10)	2.221.105	736.964	-	(144.450)	2.813.619
Provisions	881.547	100.855	(200.000)	(52.257)	730.145

As of June 30, 2020 and June 30, 2019, the caption "Provisions" has the following breakdown:

	JUN/20	JUN/19
Warranty provisions	873.636	631.266
Litigations in progress	98.879	98.879
	972.515	**730.145**

24. INCOME TAX (INCOME STATEMENT)

The income tax for the six-month period ended as of June 30, 2020 and 2019 was as follows:

	JUN/20	JUN/19
Income Tax	344.280	1.928.828
Deferred income taxes (Note 14)	(57.649)	410.007
	286.631	**2.338.835**

25. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETS

The detail of sales and services rendered by geographic markets, during the years ended as of June 30, 2020 and 2019, was as follows:

MARKET	JUN/20		JUN/19	
	AMOUNT	%	AMOUNT	%
National	138.819.824	88,07%	197.040.209	86,36%
Belgium	11.439.407	7,26%	23.686.205	10,38%
African Countries with Official Portuguese Language	7.282.129	4,62%	7.096.355	3,11%
Spain	21.002	0,01%	20.636	0,01%
Germany	940	0,00%	3.711	0,00%
United Kingdom	5.054	0,00%	4.399	0,00%
Others	53.413	0,04%	315.376	0,14%
	157.621.769	**100,00%**	**228.166.891**	**100,00%**

Given the nature of the Group's business, revenue is all recorded "point in time" with the exception of a total of 2.088.298 euros related to the services rendered by the subsidiary Caetano Renting whose revenue is recognized "over the time".

As of 2019, Finance and Insurance became part of the Group's current activity, which until then was considered as supplementary income.

26. EXTERNAL SUPPLIES AND SERVICES

As of June 30, 2020 and 2019, the caption "External supplies and services" was as follows:

	JUN/20	JUN/19
Subcontracts	**840.294**	**825.212**
Specialized Services	**9.700.120**	**10.062.100**
Professional Services	2.973.701	2.940.373
Advertising	5.067.629	5.293.398
Vigilance and Security	288.255	246.611
Professional Fees	402.822	465.370
Commissions	80.169	180.870
Repairs and Maintenance	887.544	935.478
Materials	**336.451**	**436.321**
Tools and utensils	105.546	122.650
Books and technical documentation	135.969	187.480
Office supplies	82.396	105.401
Gifts	12.540	20.790
Utilities	**1.282.888**	**1.699.622**
Electricity	518.244	669.758
Fuel	595.098	796.095
Water	69.301	127.386
Others	100.245	106.383
Travel and transportation	**1.216.199**	**1.887.415**
Traveling expenses	472.130	973.323
Personnel transportation	37.924	52.945
Transportation of materials	706.145	861.147
Other supplies	**6.148.439**	**8.515.237**
Rent	1.813.324	1.986.749
Communication	305.750	380.909
Insurance	746.613	779.909
Royalties	127.612	254.137
Notaries	10.303	11.194
Cleaning and comfort	501.300	437.020
Other Services	2.643.537	4.665.319
	19.524.391	**23.425.907**

At June 30, 2020, the caption "Other services" includes about 1,1 million euros, relating to guarantees claims (2,5 million as of June 30, 2019).

27. PAYROLL EXPENSES

Payroll expenses are decomposed as follows:

	JUN/20	JUN/19
Payroll Management	268.735	250.560
Payroll Personnel	12.305.738	14.334.914
Benefits Plan	697.477	996.711
Termination Indemnities	49.635	95.538
Social Security Contribution	2.281.609	3.486.930
Workmen´s Insurance	166.153	210.650
Others	1.474.344	1.626.720
	17.243.691	**21.002.023**

Remuneration of Board Members

The remuneration of members of the board of Toyota Caetano Portugal, S.A. in the six-months ended as of June 30, 2020 and 2019 were as follows:

BOARD MEMBERS	JUN/20	JUN/19
Board of Directors		
Fixed remunerations	268.735	250.560

Average Number of Personnel

During the six-month period ended as of June 30, 2020 and 2019, the average number of personnel was as follows:

PERSONNEL	JUN/20	JUN/19
Employees	1.071	1.124
Workers	446	484
	1.517	**1.608**

28. OTHER OPERATING INCOME AND EXPENSES

As of June 30, 2020 and 2019, the caption “Other operating income” and “Other operating expenses” were as follows:

OTHER OPERATING INCOME	JUN/20	JUN/19
Lease Equipment	6.406.727	6.647.087
Guarantees recovered (Toyota)	1.312.052	2.829.649
Commissions	28.215	2.210.836
Rents charged	2.039.057	2.227.698
Work for the Company	1.176.417	1.913.545
Subsidies	2.872.768	1.711.339
Advertising expenses and sales promotion recovered	940.497	1.269.005
Other expenses recovered	355.996	741.612
Services provided	1.395.646	865.522
Transport expenses recovered	284.029	423.198
Gains in the disposal Tangible Fixed Assets	257.320	142.781
Materials	4.024	6.317
Others	1.289.942	2.698.100
	18.362.690	**23.686.689**

From the table presented above, we have:

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

OTHER OPERATING EXPENSES	JUN/20	JUN/19
Taxes	679.377	762.469
Losses in Inventories	26.873	14.667
Prompt payment discounts granted	713	3.902
Losses in other investments	-	1.815
Losses in other non-financial investments	3.475	26.187
Corrections to previous years	17.528	244.630
Donations	3.500	2.200
Subscriptions	29.962	15.298
Fines and penalties	13.141	14.754
Others	498.026	446.677
	1.272.595	**1.532.599**

29. FINANCIAL INCOME AND EXPENSES

Consolidated net financial results as of June 30, 2020 and 2019 were as follows:

EXPENSES AND LOSSES	JUN/20	JUN/19
Interest	812.944	830.478
Other Financial Expenses	342.180	337.211
	1.155.124	**1.167.689**

INCOME AND GAINS	JUN/20	JUN/19
Interest	9.713	10.535
	9.713	**10.535**

30. FINANCIAL ASSETS AND LIABILITIES

We summarize in the table below a resume of financial instruments of Toyota Caetano Group as of June 30, 2020, December 31, 2019 and June 30, 2019:

	NOTE	FINANCIAL ASSETS AT AMORTIZED COST			FINANCIAL LIABILITIES AT AMORTIZED COST		
		JUN/20	DEC/19	JUN/19	JUN/20	DEC/19	JUN/19
Instruments at fair value through capital	9	4.059.806	3.923.974	3.716.396	-	-	-
Accounts Receivable	11	47.027.511	54.845.526	75.672.416	-	-	-
Other Debtors - Current	12	2.403.801	2.501.776	2.721.828	-	-	-
Other current assets	13	2.736.607	2.623.076	2.513.824	-	-	-
Loans	17	-	-	-	56.286.680	44.233.391	88.951.084
Other creditors - Current	19	-	-	-	15.696.775	35.650.367	11.707.676
Accounts payable	18	-	-	-	28.747.076	38.236.935	43.864.631
Other current liabilities	21	-	-	-	17.939.949	7.431.068	20.329.369
Cash and Cash Equivalents	4	22.325.693	12.693.644	10.187.677	-	-	-
		78.553.418	**76.587.996**	**94.812.141**	**118.670.480**	**125.551.761**	**164.852.760**

Financial Instruments at Fair Value

	NOTE	ASSETS AT FAIR VALUE THROUGH COMPREHENSIVE INCOME		
		JUN/20	DEC/19	JUN/19
Instruments at fair value through capital	9	4.059.806	3.923.974	3.716.396
		4.059.806	**3.923.974**	**3.716.396**

Classification and Measurement

	INSTRUMENTS AT FAIR VALUE THROUGH CAPITAL		
	AT FAIR VALUE	AT COST	LEVEL
Cimóvel Fund	4.032.974	-	1)
Others	-	26.832	3)

According to the paragraph 93 of IFRS 13, we provide below, the disclosure of classification and measurement of financial instruments' fair value, by hierarchy level:

a) **Level 1** – quoted prices – Instruments at fair value through capital: 4.032.974 Euros (3.897.142 Euros in December 31, 2019);

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 (swap);

a) **Level 3** - inputs for the asset or liability that are not based on observable market data.

Impact on the Income Statement and Equity

	IMPACT ON EQUITY		
	JUN/20	DEC/19	JUN/19
Instruments at fair value through capital	135.832	330.465	122.887
	135.832	**330.465**	**122.887**

31. 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 (through Salvador Caetano Auto Group, S.G.P.S, S.A.) can be summarized as follows at June 30, 2020:

COMPANY	COMMERCIAL DEBTS		PRODUCTS		FIXED ASSETS		SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	DISPOSALS	RENDERED	OBTAINED	COSTS	INCOME
Amorim Brito & Sardinha, Lda.	1.845	-	-	-	-	-	-	-	-	-
Atlântica - Companhia Portuguesa de Pesca, S.A.	5.173	-	-	-	-	-	-	-	-	-
Auto Partner Imobiliária, S.A.	1.595	21.589	-	-	-	-	-	14.154	-	-
Cabo Verde Rent-a-Car, Lda.	257.993	27.942	54.370	51.093	-	-	426	113.723	-	1.088
Caetano Active, S.A.	676	-	503	-	-	-	5.184	-	-	-
Caetano Aeronautic, S.A.	367.587	10.992	-	-	-	-	17.774	-	8.937	14
Caetano Baviera - Comércio de Automóveis, S.A.	155.271	108.437	58.981	142.536	-	2.225	24.638	(8.464)	484	-
Caetano City e Active (Norte), S.A.	787.007	151.866	36	48.711	-	1.003.710	383	(694)	28.207	2.199
Caetano Drive, Sport e Urban, S.A.	5.489	87.792	(9.635)	1.444	-	303	(3.156)	105.072	-	-
Caetano Energy, S.A.	17.466	177	(2.547)	2.275	-	1.392	1.746	270	-	-
Caetano Fórmula, S.A.	19.190	129.737	(7.120)	299.305	-	-	(4.639)	(10.988)	-	-
Caetano Fórmula West África, S.A.	84	-	-	-	-	-	-	-	-	-
Caetano Motors, S.A.	79.911	434	(4.078)	2.015	-	363	(2.717)	9.540	-	-
Caetano Move África, S.A.	63	-	-	-	-	-	-	-	-	-
Caetano One CV, Lda.	1.954.287	47.412	160.089	156.178	-	2.244.934	18.149	2.619	-	21.033
Caetano Parts, Lda.	33.509	898.987	596.043	1.915.498	-	1.407	540	6.902	364	-
Caetano Power, S.A.	62.779	5.029	(5.328)	4.230	-	303	529	(4.721)	-	-
Caetano Retail (S.G.P.S.), S.A.	131.196	123	662	-	-	-	248	1.634	-	-
Caetano Retail España, S.A.U.	101.070	-	-	-	-	-	-	-	-	-
Caetano Squadra África, S.A.	10	-	-	-	-	-	-	-	-	-
Caetano Star, S.A.	26.945	101	63	-	-	976	-	159	-	-
Caetano Technik, Lda.	4.184	1.519	870	-	-	242	944	(1.245)	-	-
CaetanoBus - Fabricação de Carroçarias, S.A.	2.545.398	1.284.392	3.236	18.452	-	23.176	920.164	14.455	48.020	1.949
Caetsu Publicidade, S.A.	2.030	501.520	21.456	-	-	-	977	6.374	530.541	-
Carplus - Comércio de Automóveis, S.A.	28.571	-	6.925	-	-	-	22.085	-	-	-
Choice Car, S.A.	3.319	5.505	-	-	-	-	-	-	8.169	-
COCIGA - Construções Civis de Gaia, S.A.	15.914	96.244	-	-	73.519	-	6.532	-	740	-
COVIM - Soc. Agrícola, Silvícola e Imobiliária, S.A.	-	2.460	-	-	-	-	-	-	2.000	-
Finlog - Aluguer e Comércio de Automóveis, S.A.	147.999	204.798	758.825	2.144.831	-	287.363	166.550	266.620	132.767	-
Fundação Salvador Caetano	652.907	-	-	-	-	-	-	-	-	-
Guérin - Rent-a-Car (Dois), Lda.	682.231	1.549	13.660	-	-	22.875	458.537	1.086	-	23.345
Hyundai Portugal, S.A.	47.887	-	8.418	-	-	-	33.765	-	-	608
Lidera Soluciones, S.L.	3.465	-	-	-	-	-	-	54.563	-	-

COMPANY	COMMERCIAL DEBTS		PRODUCTS		FIXED ASSETS		SERVICES		OTHERS	
	RECEIVABLE	PAYABLE	SALES	PURCHASES	PURCHASES	DISPOSALS	RENDERED	OBTAINED	COSTS	INCOME
Lusilectra - Veículos e Equipamentos, S.A.	161.344	236.453	5.279	17.145	-	35.190	38.063	112.710	31.150	-
MDS Auto - Mediação de Seguros, S.A.	100.570	-	-	-	-	-	361.674	-	-	-
Movicargo - Movimentação Industrial, Lda.	3.359	271.114	248	-	-	-	230.731	111.948	156.818	-
P.O.A.L. - Pavimentações e Obras Acessórias, S.A.	17.806	-	-	-	-	-	-	-	-	-
Portianga - Comércio Internacional e Participações, S.A.	93.714	24.491	476	-	2.862	72.219	17.659	47.548	5.463	50
RARCON - Arquitectura e Consultadoria, S.A.	-	24.184	-	-	-	-	-	-	31.717	-
Rigor - Consultoria e Gestão, S.A.	90.996	882.680	1.550	-	10.370	-	104.160	544.174	721.390	73
Salvador Caetano Auto, (S.G.P.S.), S.A.	10	-	-	-	-	-	-	-	-	-
SIMOGA - Sociedade Imobiliária de Gaia, S.A.	1.374	-	-	-	-	-	-	-	-	-
Sózó Portugal, S.A.	3.870	-	-	-	-	-	-	-	-	-
Toyota Motor Corporation	-	5.290.238	-	-	-	942.398	11.786.759	-	50	-
Toyota Motor Europe, NV/SA	2.082.255	15.791.497	-	-	-	8.347.349	57.707.814	-	177.957	1.201
Turispaiva - Sociedade Turística Paivense, S.A.	738	-	-	-	-	-	-	-	-	-
VAS África (S.G.P.S.), S.A.	52	-	-	-	-	-	-	-	-	-
Vas Cabo Verde, Sociedade Unipessoal, S.A.	85.507	2.554	33.644	31.246	-	-	45.586	3.767	-	75.797
	10.784.646	**26.111.816**	**1.696.626**	**4.834.959**	**86.751**	**12.986.425**	**71.961.105**	**1.391.206**	**1.884.774**	**127.357**

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

32. SEGMENT INFORMATION

The main information relating to the business segments existing for the six-month period ended at June 30, 2020 and 2019, is as follows:

	NATIONAL								FOREIGN					ELIMINA-TIONS	CONSOLI-DATED
	VEHICLES				INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT				
30/06/2020	INDUSTRY	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRY	COMMERCIAL	MACHINES	SERVICES	RENTAL		
PROFIT															
External sales	29.680	167.368.110	8.340.839	11.447.319	6.099.675	2.285.063	7.052.288	-	11.529.433	8.601.137	2.005	36.454	11.730	(58.736.345)	164.067.388
INCOME															
Operational income	4.677	128.624	1.194.785	(795.525)	684.364	991.500	182.028	-	(250.599)	(146.617)	404	14.221	8.350	(550.066)	1.466.146
Financial income	(111)	(838.139)	(18.307)	(143.791)	(21.581)	(10.920)	(32.922)	-	(64.011)	(15.396)	(23)	(148)	(62)	-	(1.145.411)
Net Income with non-controlling interests	4.566	(902.232)	870.770	(727.970)	420.370	980.579	208.649	-	(314.610)	(162.175)	381	14.073	8.288	(366.585)	34.104
OTHER INFORMATION															
Total consolidated assets	23.520.669	269.345.419	12.894.086	25.831.031	6.416.681	1.486.342	21.746.964	47.888.748	-	6.627.294	-	-	-	(100.997.085)	314.760.149
Total consolidated liabilities	176.694	162.649.386	8.688.841	26.541.507	169.462	174.277	25.943.215	41.109	-	2.134.877	-	-	-	(54.767.495)	171.751.873
Capital Expenses	60.584	3.905.181	416.387	(1.188.162)	-	26.528	1.774.969	1.970	-	61.064	-	-	-	(18.300)	5.040.221
Depreciation	280.240	2.989.700	292.864	3.565.256	33.186	12.108	3.387.760	1.386	-	89.562	-	-	-	(75.894)	10.576.168

	NATIONAL								FOREIGN					ELIMINA-TIONS	CONSOLI-DATED
	VEHICLES				INDUSTRIAL EQUIPMENT			OTHERS	VEHICLES		INDUSTRIAL EQUIPMENT				
30-06-2019	INDUSTRY	COMMERCIAL	SERVICES	RENTAL	MACHINES	SERVICES	RENTAL		INDUSTRY	COMMERCIAL	MACHINES	SERVICES	RENTAL		
PROFIT															
External sales	33.558	256.449.991	8.757.766	17.422.028	7.499.652	1.975.362	6.659.987	-	23.689.052	10.346.986	273.433	10.058	3.195	(98.290.995)	234.830.073
INCOME															
Operational income	6.835	5.030.418	19.214	(163.896)	1.175.411	1.321.022	(204.207)	48	445.371	309.498	44.778	6.993	785	1.950.668	9.942.938
Financial income	(52)	(912.301)	(9.411)	10.198	(15.974)	(7.649)	(143.117)	(24)	(67.823)	(10.174)	(787)	(31)	(9)	-	(1.157.154)
Net Income with non-controlling interests	6.783	3.958.123	7.073	(153.698)	1.159.437	1.313.373	(347.325)	18	377.549	299.237	43.990	6.961	776	(225.348)	6.446.949
OTHER INFORMATION															
Total consolidated assets	26.195.729	362.822.840	12.149.549	3.760.328	7.653.597	1.793.365	64.012.973	30.584	-	7.133.160	-	-	-	(142.602.703)	342.949.423
Total consolidated liabilities	241.136	219.962.101	8.995.356	1.111.859	1.787.649	312.739	67.656.919	22.644	-	2.238.771	-	-	-	(96.818.447)	205.510.727
Capital Expenses	79.551	7.166.697	618.849	652.860	-	51.350	12.401.123	1.558	-	170.583	-	-	-	(2.546.097)	18.596.473
Depreciation	335.001	2.696.800	189.599	409.536	33.696	33.079	7.655.685	477	-	88.054	-	-	-	(193.344)	11.248.583

The line “Turnover” includes Sales, Service Rendered and the amount of about 6.445.618 Euros (6.663.182 Euros as of June 30, 2019) related to equipment rentals accounted in Other Operating Income (Note 28).

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

33. CONTINGENT ASSETS AND LIABILITIES

Financial commitments not included in the consolidated statement of financial position.

As of June 30, 2020, December 31, 2019 and June 30, 2019, Toyota Caetano Group had assumed the following financial commitments:

COMMITMENTS	JUN/20	DEC/19	JUN/19
Guarantees for Imports	4.000.000	4.000.000	5.664.423
Other financial guarantees	1.924.863	1.914.401	246.391
	5.924.863	**5.914.401**	**5.910.814**

The amount presented classified as "Guarantees for Imports", includes the amount of 4 million Euros related with guarantees on imports provided to Customs Agency, which is intended to guarantee the subsequent payment of the amounts resulting from the duties and taxes, as well as the vehicle tax in respective orders and registration requests.

Following the 26,5 million Euros debt contracting, that has expired its payment term, but partially renewed, the Toyota Caetano has granted mortgages to the respective financial institutions, valued at about 23,4 million Euros, at the financing date.

34. INFORMATION RELATED TO ENVIRONMENTAL AREA

The Group adopts the necessary measures relating to the environment, aiming to fulfil 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 the six-month period ended at 2020.

35. 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 VLF - the transfer of the liabilities in this process.

36. EARNINGS PER SHARE

The earnings per share for the six-month period ended as of June 30, 2020 and 2019 were computed based on the following amounts:

	JUN/20	JUN/19
Net Income		
Basic	34.104	6.446.949
Diluted	34.104	6.446.949
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,001	0,184

During the six-month period ended as of June 30, 2020 and June 30, 2019 there were no changes in the number of shares outstanding.

37. SUBSEQUENT EVENTS

Since the end of the semester to the present date, Salvador Caetano - Auto - S.G.P.S., S.A. acquired 1.552 shares of par value of 1 Euro each, fully realized and representative.

38. FINANCIAL STATEMENTS APPROVAL

The consolidated financial statements were approved by the Board of Directors on August 27th, 2020.

39. EXPLANATION ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese language in accordance with IFRS. In the event of discrepancies, the Portuguese language version prevails.

CHARTERED ACCOUNTANT

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS - President

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

GISELA MARIA FALCÃO SOUSA PIRES PASSOS

MATTHEW PETER HARRISON

KATSUTOSHI NISHIMOTO

OPINIONS

REPORT AND OPINION OF THE FISCAL COUNCIL

In accordance with the terms of item g) of Article 420.º of the Companies Code and of the Articles of Association, it competes us to appreciate the report of the management performed and proceed to the general appraisal of the documents and statement of consolidated accounts of TOYOTA CAETANO PORTUGAL, SA, referring to the first semester of 2020 and which were presented to us by the Board of Directors.

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

We have no knowledge of any situation which didn´t respect the articles of association and the legal terms applicable.

Thus,

All members of the Board of Auditors of the TOYOTA CAETANO PORTUGAL, SA under the terms of item c) of number 1 of Article 246.º of the Exchange Stock Code, hereby confirm, as far as it is our knowledge, that the information provided in item a) of the above referred article was elaborated according to accounting rules applicable, evidencing a correct and clear image of the assets and liabilities, of the financial highlights and results of Group TOYOTA CAETANO PORTUGAL, SA and that the report of the management clearly shows the business evolution, the performance and the position of the Group, evidencing as well a description of the mains risks and incertitude´s to be faced.

In these terms, we believe that the Financial Statements referring to the period ending at 30th June 2020 accurately reflect the result of all operations developed in that same period by the Group Toyota Caetano Portugal, S.A.

Vila Nova de Gaia, 27th August 2020

José Domingos da Silva Fernandes

Antonieta Isabel da Costa Moura

Daniel Broekhuizen