

Annual Report 2009

= Single Accounts =

Board Members

General Shareholders Meeting

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

Board of Directors

José Reis da Silva Ramos – President
Hiroyuki Ochiai – Member
Andrea Formica – Member
Maria Angelina Martins Caetano Ramos – Member
Salvador Acácio Martins Caetano – Member
Miguel Pedro Caetano Ramos - Member
Rui Manuel Machado de Noronha Mendes - Member

Shigeki Enami – Alternate Member

Board of Auditors

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

Statutory Auditor

António Manuel Martins Amaral on behalf of:
Deloitte & Associados, Sociedade de Revisores Oficiais de
Contas, SA.
Carlos Luís Oliveira de Melo Loureiro - Alternate

FINANCIAL HIGHLIGHTS

	(Euros)		
	2009	2008	2007
SALES	294.821.381	405.392.814	424.634.355
CASHFLOW	18.085.155	13.171.388	20.189.612
NET INCOME	5.443.819	3.176.750	10.706.466
INTEREST AND OTHERS	2.510.602	4.745.564	3.122.414
PERSONNEL EXPENSES	18.700.223	18.470.040	18.787.910
NET INVESTMENT	12.073.653	12.345.312	-13.306.602
GROSS WORKING CAPITAL	42.953.955	37.839.995	46.121.076
GVA	43.421.053	44.097.593	52.842.063
SALES UNITS	16.564	23.855	24.012
NUMBER OF EMPLOYEES	675	707	698

Board of Directors Report

MESSAGE FROM THE PRESIDENT

Companies are the People that work in them. They are shared experiences. They are the sum of all successes.

Toyota Caetano Portugal is proof of that. The solid work of a man who, after almost 65 years of total devotion, decided to pass it on to a new generation. This is a legacy with a long future, because its nature goes beyond time and space. It is a lasting feeling like being in a family, sharing values. It is a project made up of many projects. While, on the one hand, it is with deep gratitude that I welcome the work of our Founder Salvador Fernandes Caetano, on the other hand, I feel an immense sense of responsibility for continuing this work that we are all so proud of.

Highly valued both in Portugal and beyond our borders, widely recognised in public and in private as an example of business excellence, economic sustainability and social accountability, the group of companies that form Toyota Caetano Portugal demands professionalism, rigour and creativity of all of those who are involved in its daily life.

We live in an environment of few certainties, but we do have one: we will face the future committed to robust, transparent and entrepreneurial management of our company. Our mission is to continue to be a reference model. We have a strategy for sustainable development. We are a team that is motivated by the ambition to do more and to do it better. The quality we produce today will determine the quantity of our production tomorrow.

In this, the aftermath of a period of great social and economic difficulties for our country, we – for our part – are at the start of a new cycle, one of renewed confidence and business growth.

I am confident! I'm confident because I believe in People and that success is in sharing.

José Reis da Silva Ramos
President

INDUSTRIAL ACTIVITY

Ovar Manufacturing Division

The serious economic state of affairs verified all over the world and particularly affecting the automotive sector, has definitely marked the year of 2009 at Ovar Plant.

In 2009, Toyota production was of 1,967 units, corresponding to a 67% fall compared with the same period of the previous year. 1,578 Dyna units were produced (-70% than in the previous year) and 305 Hiace units (- 47%).

The external market represented only 34% of Dyna's production, which is a fall of 32% in the weight of exports compared with 2008.

Regarding Mini Buses business, in 2009 the production was of 86 units, corresponding to a fall of 44% in comparison to the same period of 2008.

The external market, as was the case last year, was the main destination for production with a weight of 58%, in spite of an 8% drop compared with 2008.

Regarding conversions and in 2008, 5,677 units were produced, a 44% fall in comparison to 2008.

Production	2009	2008	2007	2006	2005
Physical Toyota Units	1,967	5,947	4,924	3,831	3,920
No. of Homogenised Units	4,026	9,429	8,872	7,669	8,742
Physical Optimo Units	86	154	160	132	148
Conversion Units	5,677	10,046	11,682	6,865	6,726
Total employees	340	360	343	325	321

As a contingency measure, in March 2009 the Ovar plant joined the Automotive Sector Support Plan (PASA – *Plano de Apoio ao Sector Automóvel*), and then later renewed the agreement which will end in March 2010. This agreement facilitates an intensification of professional training programmes for our employees, to increase their skills and competencies, with a special focus on practical on-the-job training (OJT). 165 employees obtained certification for high school (9th and 12th years of the Portuguese Education System) under the Recognition, Validation and Certification of Competences system (RVCC – *Reconhecimento, Validação e Certificação de Competências*) and this process continues in 2010.

In parallel, the company established an agreement with the employees for the creation of an Hour Bank in order to allow greater work flexibility.

Other 2009 highlights: start of the activity relating to Quality Control Cycles; renewal of environmental certification ISO 14001:2004; transition to quality standard ISO 9001:2008; audit to Toyota Dyna product, with the overall objective of 0.20 dpu having been successfully achieved; the International Toyota Ecology Prize – Toyota Global Eco Award, for the project 'Sustainable Factory: Zero Waste'; the award granted to the Private Fire-fighters Team by the League of Portuguese Fire-fighters (Gold Level 25 years); and the international design prize for the Toyota Optimo Seven Mini-bus (Good Design Award).

COMMERCIAL ACTIVITY

TOTAL MARKET

Market	2009	2008	Deviation	
			2009 vs. 2008	
			Qt.	%
Light Passenger Vehicles	161,013	213,389	-52,376	-24.5%
Light Commercial Vehicles	38,906	55,404	-16,498	-29.8%
Heavy Commercial Vehicles	3,841	6,334	-2,493	-39.4%
Total	203,760	275,127	-71,367	-25.9%

Source: ACAP (License Plates)

The development of Motor vehicles market in Portugal in 2009 was characterised by a number of negative factors:

- Slow-down in economic activity in Portugal and world-wide;
- Negative growth of Gross Domestic Product (GDP) at -2.7%;
- Decline in Private Consumption (-0.9%), affecting particularly the durable goods sector, which includes the automotive sector.

- Very sharp fall in investment: -11.7%;
- Very sharp fall in Exports (-13%). Exports have been the motor of the Portuguese economy in recent years;
- Gradual increase in the Unemployment Rate (it reached 10.3% towards the end of 2009);
- Credit restrictions and more expensive credit – with impact in the automotive sector.

Increase of ISV – Imposto sobre Veículos (tax on vehicles) (mainly in Diesel Power Units, which stand for approximately 70% of the market sales) registered in January 2009.

In 2009, the automotive market of new vehicles ended the year with 203,760 units sold – a fall of 25.9% compared to 2008. The light passenger vehicles market, which represents around 79% of total sales, ended the year with 161,013 units, less 24.5% compared to 2008. The picture for light commercial vehicles was even bleaker with a yearend total of 38,906 units, a drop of 29.8%. In the heavy commercial vehicles sector, sales reached only 3,841 units, which is a reduction of 39.4% in comparison with the same period in the previous year. These are the lowest figures for the last 22 years – and we have to go back to 1988 to find a smaller market, in an era when quotas were in place to protect national production of certain models.

Another relevant factor is the fact that around 25% of light passenger vehicles sales included incentives to the recycling of end-of-life vehicles.

Almost all competing brands in Portugal suffered significant falls in sales in 2009. One has to go down to the 14th place in the list (far from high volume sales) to find a company which registered some growth in units sold.

Light Vehicles Registration Plates (EU and Portugal)

	2009	2008	Variation %
			Units
EU	18,362,817	21,165,009	-13.2%
Portugal	199,881	268,793	-25.6%

Source: ACEA

At European level also, and despite all of the incentives provided to replace old vehicles with new ones in most European countries (10 in addition to Portugal), sales of new light passenger and commercial vehicles fell by 13.2% in Europe. Yet, this was a lower fall than the fall registered in the Portuguese market.

TOYOTA VEHICLES

TOYOTA	2009	2008	2009 vs. 2008	
			Units	%
Light Passenger Vehicles	8,824	11,200	-2,376	-21.2%
Light Commercial Vehicles	3,337	5,262	-1,925	-36.6%
Heavy Commercial Vehicles	169	240	-71	-29.6%
Total	12,330	16,702	-4,372	-26.2%

Source: ACAP (License Plates)

In 2009, Toyota managed to maintain its global share of 6.1%, with 12,330 units sold, in which we can positively highlight the increase in share of passenger vehicles (5.5% of share and a 0.3% increase on 2008).

When comparing Toyota's and the market's performances, we face different realities if making a separate analysis between Light Passenger Vehicles and Commercial Vehicles.

On the one hand, sales performance of Toyota Light Passenger Vehicles (LPV) was better than that of the market as a whole – LPV sales fell by 21.2% (- 2,376 units sold), while the market fell by 24.5%. That is to say that Toyota increased its market penetration, reaching 5.5% of market share (+0.3 p.p.) with 8,824 units sold. This performance was due to the following factors:

Launch of New Models and of New Generations. Firstly the iQ in March and later the Urban Cruiser in May, brought an expansion into the range of Toyota Light Passenger Vehicles offer. The launch of the new Avensis generation in February, the new Verso generation in May and the Prius in September rejuvenated the Range, increasing the competitiveness of our brand.

The success of our Sales Promotion Campaign, which took place between May and July last year, and covered three models of great importance in the range of Toyota Passenger Vehicles – the Yaris, the Auris and the Corolla.

Yet, Toyota's Commercial Vehicles (CV) ended 2009 with a worse performance than the market. While the market fell 30.8%, Toyota's drop in performance was even more pronounced at -36.3%. The sectors in which we have the strongest presence – Chassis cabs (Toyota Dyna) and Pick-up trucks (Toyota Hilux) – were particularly affected by the fall in business investment, especially in the civil construction sector. Nonetheless, and as we approached the end of the year, Toyota started to show signs of recovery, with December's excellent performance – 615 units sold and 12.8% of market share – maintaining the fifth position in the market that was achieved in 2007, with 3,506 units sold and 8.2% (-0.7p.p.) share in the Commercial Vehicles segment. Within Toyota's Commercial Vehicles sales performance in 2009, we highlight the following:

Sales Promotion Campaign which took place between October and December and covered the whole range of Commercial Vehicles.

Keeping leadership in the Chassis cab segment, with Dyna model, produced locally at the Ovar assembly plant.

LEXUS VEHICLES

2008 was marked by a drop in sales within IS Range and the remaining ranges, with the exception of the RX Range. This reduction was a reaction to the economic crisis which also affected the Premium market and Lexus brand. As mentioned above, the only model which registered an increase in sales was RX, due to the launch of the New Generation RX450h in July 2009. The remaining hybrid models were affected to a considerable extent by the wave of launches by our competitor companies and, for this reason, we did not manage to maintain the sales levels reached in 2008.

Models	2009	2008
IS	198	226
GS	22	39
RX	41	34
LS	5	14
TOTAL	266	313

For 2010, taking into account the difficult economic background expected, with the premium market maintaining the same values of 2009, our commitment is towards maintaining the sales volumes of the past year. In order to do so, we will introduce new variants of Hybrid SUV RX450h at more competitive prices, and a renewed GS Range with lower CO₂ emissions and a price positioning more in line with the current reality of the segment. Finally, we will introduce renewed arguments in the IS Range. This model will continue to represent around 72% of total Lexus sales in 2010.

INDUSTRIAL MACHINES

Toyota Industrial Equipment

	Market			Toyota Industrial Equipment			
	2009	2008	Variation %	09 Qty.	08 %	Qty.	Variation %
Counter-balanced Forklift Trucks	1.172	1.568	-25,3	285	24,3	284	18,1
Warehouse Equipment	1.053	1.800	-41,5	278	26,4	176	9,8
Total	2.225	3.368	-33,9	563	25,3	460	13,7
							22,4

Source: ACAP

Market Analysis

In 2009 the Load Moving Machinery market, like the other business sectors, was deeply affected by the crisis that hit the Portuguese economy and therefore the business tissue, registering a sharp fall of -33.9%, with a total of 2,225 units sold, compared to 3,368 in 2008.

Analysis by type of equipment shows that the fall in Warehouse Equipment was much more pronounced (-41.5%) compared to the fall registered in Counterbalanced Forklift Trucks (-25.3%).

Performance of Toyota + BT Sales

Overall Toyota + BT sales bucked the market trend with a 0.4% growth in counterbalanced forklift trucks (285 units sold) and 58% in warehouse equipment (278 units sold) compared to 2008.

The launch of new models contributed to this performance, as did the expansion of the range and the creation of two large fleet businesses.

In terms of sales ranking Toyota + BT consolidated its market leadership, achieving a share of 25.3%.

PARTS

Global Sales

Product	Thousand Euro				
	Sales 2008	Sales 2009	Growth % 09/08	Management Budget	% Budget Execution
Parts/ Accessories	45,277	40,104	-11.4%	40,709	98.5%
Mandatory Services	2,113	1,444	-31.7%	1,300	111.1%
Total	47,390	41,548	-12.3%	42,009	98.9%

2009 was marked by the negative state of affairs which inevitably had impacts in the automotive industry.

In 2009, Toyota's After Sales Division invoiced approximately 40 million Euros in parts, accessories and merchandising. This sum represents a fall of 11.4% compared to the same period in the previous year and reflects with accuracy the difficulties of the sector.

Similarly, the sale of mandatory services (namely 'Eurocare', 'Extracare' and 'Euroassistance') also suffered from the crisis. Invoicing for these services, directly related to sales of new vehicles, totalled 1.4 million Euros, 31.7% less than in 2008.

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

Distribution of overall sales

	Weight (%) in Sales Total	
	2009	2008
Genuine Toyota Parts	85.70%	74.60%
Nationally Incorporated Parts	4.50%	4.90%
Accessories *	9.10%	19.30%
Merchandising *	0.80%	1.10%

* Accessories and Merchandising encompass both genuine and national material.

Genuine Toyota parts sales represent the largest slice of overall sales (85.7%). The increased percentage weight of these parts compared to 2008 was due, on the one hand, to the growth in the sales of genuine parts (+588,000 Euros) and, on the other hand, to the significant fall in the sales of accessories (-5.1 million Euros) and merchandising (-202,000 Euros).

The Official Toyota Assistance network is the main client of the After-Sales Division. This client got 89.8% of global invoicing, corresponding to 36 million Euros. However, this is a reduction of 0.2% (-86,000 Euros) when compared with the total for the previous year. Completion-rate for the budgeted value for 2009 for this client stood at 97.3%.

SALE OF ACCESSORIES

Invoicing for Accessories totalled, by the end of the year, 3.6 million Euros, 102.5% of the budgeted amount. However, this amount is still 58.4% below the sales in 2008.

This fall in sales of accessories is essentially the result of two factors:

- The sharp drop in sales of new vehicles which, as is well known, has a direct impact on sales of accessories. This impact is reflected both in a drop in sales for the Ovar plant (for the inclusion of accessories in new vehicles) and in direct sales to the Retailers' network.
- The reduction in sales of metal containers and scales for the Dyna to be exported.

SALE OF MERCHANDISING

Sales of merchandising in 2009 totalled 310,000 Euros, which was a drop of 39.4% in comparison with the value invoiced in 2008. Here too, the fall in sales of new vehicles had a decisive impact on merchandising activity.

FINAL NOTES:

Performance in sales of parts, accessories and merchandising during the year that has just ended reflected the world economic crisis. During the year, which was especially difficult, Toyota Caetano Portugal embarked on several initiatives in order to mitigate the difficulties:

- Ongoing investment in customer retention mechanisms such as Extracare, Eurocare, Maintenance Contracts and the After Sales Financial Programme.
- Development of Client Loyalty Workshop Campaigns.
- Stimulation of the 'Toyota Premium Trade' programme with the launch of three campaigns, one at national level, one for subscriber retailers with selection of products, a third, local campaign, for collisions.
- Expansion of the Optifit product range, with the launch of a further reconditioned product: the turbocharger.

- Leveraging the tyre business with the 'Leave Your Mark', 'Play with Tyres' and 'Big Team' challenges. The sale of this product was given a further incentive within the retention campaign, through the offer of free gifts.
- The launch of the Programme for the Stimulation of Accessory Sale (which included Toyota RedLine).

HUMAN RESOURCES

The complex and serious national and international state of affairs subject the Company's activity to certain conditions in 2009, and so the management of all resources, namely Human Capital, demanded additional efforts in terms of efficiency and commitment of all in order to minimise the difficulties we are facing.

It became absolutely indispensable to add expenditure control mechanisms to which all Employees were invited to contribute, without, however, jeopardizing motivation and incentives for all, in order to create the conditions to overcome this less positive period.

2009 was not so much a year of new engagements as of a great effort to keep existing jobs, with the overriding concern to ensure that the whole workforce remained committed to personal and organisational results and objectives.

During 2009, in addition to the preparation, follow-up and execution of the Training Plan, we supported the organisation and implementation of the Qualification and Employment Programme (PQE – *Programa de Qualificação e Emprego*) at Ovar Plant.

In fact, given the sharp drop in production registered at Ovar Plant, we sought to make great and balanced use of every means at our disposal that would help us minimise the impact of this situation.

In this sense, we signed up to the Qualification and Employment Programme, using the periods of reduced activity to improve Employee Qualification levels through Training.

315 employees were involved in this Programme with a total of 120,000 hours of training and RVCC.

The Toyota Caetano NOC (New Opportunities Centre), in addition to working with adults from different Companies and places, focused much of its activity on supporting the Qualification and Employment Programme at Ovar Plant. During 2009, 533 adults took part in the RVCC process, with 95 qualifying at Basic Level and 94 at Secondary Level.

The following table shows the training activity developed:

Type of Actions	2009		2008		2007	
	Courses	Participants	Courses	Participants	Courses	Participants
Rotational Learning	13	293	10	158	15	243
Professional Training of Active Employees	124	3,047	104	1,813	94	1,735
Professional Training of External Employees	196	3,744	244	4,776	187	4,466
Total	333	7,084	358	6,747	296	6,444

Regarding the qualification of young people, we kept the same volume of courses in Gaia and, under the Protocol signed with IEFP (Portuguese Employment and Professional Training Institute), we re-launched the Learning System courses in Ovar and in Carregado industrial plants.

In the area of Health, Hygiene and Safety at Work, given the new Technical Regulation on Fire Safety in Buildings, it was possible to determine the Self-Protection Measures applicable to each Building, namely the implementation of Safety Logs, Prevention Procedures and Plans, Emergency Procedures, Internal Emergency Plans, Awareness and Training Activities, Simulacrum with the aim of promoting safety and safeguarding the people and goods which are the Companies' capital.

In 2009, from the perspective of Social Accountability in a move promoted by the Associação Portuguesa de Ética Empresarial (Portuguese association for business ethics), we signed up to the Anti-Corruption Charter together with another 26 Companies.

We seek the constant improvement of our human resources management software to facilitate combined analyses, improving information quality and accuracy in order to contribute to more effective management decision-making.

The average age of employees continues to be one of our concerns. However, as shown in the following table, there is a slight upward trend compared to 2008, an increase that obviously deserves our attention with a view to rejuvenating the organisation in future periods.

	2008	2009
TOYOTA CAETANO PORTUGAL, S.A. - GAIA	43.6	43.65
TOYOTA CAETANO PORTUGAL, S.A. - OVAR	39.37	41.14
TOYOTA CAETANO PORTUGAL, S.A. - CARREGADO	42.46	41.69
TOTAL	41.26	42.18

In the meanwhile and after acknowledging the good results generated within the financial year under analysis, the Board of Directors decided to grant an Extraordinary Gratification to Employees, totalling 640,000 Euros, as profit-sharing. This gratification will be allocated in accordance with the work and dedication shown by all employees.

FINANCIAL ACTIVITY

2009 was expected to be a financial year of great uncertainty in the face of the economic and financial crisis that had plagued us since the 2nd half of 2008, the most serious impacts having affected the automotive sector after having significantly affected other sectors (financial, real estate ...).

Government measures implemented in the meantime (basically reflecting the decisions taken at the European Community level), on the one hand tried to stop the rise in unemployment, but on the other hand gave initially a strong support to the financial sector trying at all costs to avoid collapses that could prove to be fatal for the Economy as a whole.

We therefore witnessed the decisive actions of the ECB with massive injections of liquidity into the financial sector and the significant reduction in reference rates (Euribor).

On the other hand there was also a widespread and often unfounded rise in bank spreads as a reaction and an attempt to balance the financial sector in face of the difficulties being experienced.

This has been, withal, a 'different' crisis because, following its unexpected arrival and initial progress, Economies adjusted relatively rapidly, allowing us to foresee an 'accelerated' economic recovery when comparing the current crisis with the one experienced for example in the 1930s.

We can therefore even say that for a Company like ours, with a good rating, the contained rise of spreads together with the significant reduction in Euribor rates enabled us to absorb an overall financial cost which was far less serious than in previous periods.

We still needed to solve the other part of the equation which required us to implement tight cost controls as the only way of combating the reduction in revenues resulting from the fall in demand in the automotive market.

Acknowledging that the policy of salary restraint that was adhered to was important, we should not fail to highlight another package of expenditure control and filtering measures, particularly at the level of Marketing and Sales Promotion, which allowed us to reach levels of activity which, while obviously undergoing losses on the previous year, enabled us to maintain our relative position in the market in which we operate and at the same time achieve levels of profitability which were interesting in face of the context of the global economic picture mentioned above.

It was thus possible to achieve, in 2009 a turnover of 294.8 million Euros. The details are as follows:

(Thousand Euros)			
Sales	2009	2008	Var %
Internal Market	275,487	341,638	-19.4%
External Market	19,334	63,755	-69.7%
Total	294,821	405,393	-27.3%

We highlight the reduction registered in sales for External markets, with particular incidence in the Dyna model assembly carried out at Ovar Plant and aimed at several European markets.

This product is crucial for the Plant in question and needs to be rethought in terms of its European commercialisation and local Toyota Retailers should be more aware of the importance of extending their operations to the commercial vehicle segment, in order to consolidate and increase the brand share in European terms.

Toyota Caetano Portugal, S.A.

Origin of Funds			Application of Funds			(Million Euro)
Cash Flow	18	27%	Distribution	3	4%	
Cash and Deposits	1	2%	Banks	36	54%	
Customers	18	27%	Suppliers	11	17%	
Stocks	29	44%	Public Entities	1	1%	
			Investment	12	18%	
			Corporate Income			
			Tax	2	3%	
			Other	2	3%	
Total	66	100%	Total	66	100%	

The previous table shows that the Company was able to generate a Cash Flow of 18 million Euros, with the reductions in levels of credit granted and the appropriate adjustments in stock to the levels of activity developed logically leading to a significant reduction with respect to bank indebtedness.

In turn and as can be seen in the table below, the main operating indicators remained perfectly stable. Among these the high degree of financial autonomy is worthy of note - an extraordinarily high 50%.

Indicator	2009	2008
Average Stock Rotation (days)	73	81
Average Collection Term (days)	82	75
Average Payment Term (days)	34	33
Financial Autonomy	50%	40%

Pursuant to the above and after deduction of the estimate for Taxes, a net profit of 5.4 million Euros was obtained which represents an increase of more than 71% over the previous financial year.

Looking ahead to the financial year 2010, we would like to inform you that we believe that the brands we represent will continue their journey of recovery in what is still a very unstable market, but which we believe will see some growth. This, together with the maintenance of the market penetration levels achieved in 2009, will enable us to increase activity by more than 10% compared to 2009. It is still our objective to obtain very similar profits to those we achieved in 2009.

We can confirm that at the date of this report there were no compliance failures in respect of the Public Entities account, and until now there has been no event that could jeopardise the business and the accounts that have just been published.

We would also like to mention some extraordinary events that took place this financial year which allowed for an increase in income before taxes and that basically resulted in the award of 2.1 million Euros of subventions under the investment and employment support programmes (POE-SIME/PQE-PASA).

Given the application of the maximum rates provided for by law, depreciation for the financial year reached 10.7 million Euros and it was not felt necessary to strengthen existing adjustments for the coverage of current assets.

STATEMENT

All the members of the Board of Directors of Toyota Caetano Portugal, SA., under the terms of item c) of no.1 of article no. 245 of the Código de Valores Mobiliários (Portuguese Securities Code), do hereby declare that, to the best of their knowledge, the information foreseen in item a) of the abovementioned article was prepared in accordance with applicable accounting standards, thus giving a true and fair view of the assets and liabilities, the financial situation and the profits obtained by Toyota Caetano Portugal, SA., and that the management report faithfully expounds the development of the Company's business ventures, performance and standing, while further containing a description of the main risks and uncertainties which it currently faces.

PROPOSAL FOR THE ALLOCATION OF THE PROFITS

In accordance with the provisions of item b) of article no. 376 of the Código de Valores Mobiliários (Portuguese Securities Code), we propose the following allocation of the profits obtained during the fiscal year, to the amount of 5.443.818,71 Euros:

- a) For dividends to be attributed to the capital, at 0.15 Euros per share, which, considering its amount of 35.000.000 shares, totals
€ 5.250.000,00
- b) For attribution to the Social Bodies, as sharing of profits
€ 82.500,00
- c) The remainder for the reinforcement of Free Reserves € 111.318,71

CLOSINGS

Since the end of 2009 and up to the present date, no relevant facts worthy of being mentioned have been observed.

This report would be incomplete if we did not express our acknowledgement of the people or bodies who, in some manner, have contributed to the development of the Company's activity or for the profits achieved in 2009, namely:

- The Members of the Board of Directors that ceased their functions with an obvious highlight to the Founder who will always be the reference for the decisions of a business or social accountability nature to be made in the future.
- Our Customers and Retailers, for the stimulus they have given us through the confidence shown in our products and for their distinguished preference;
- The Banking Entities, for the collaboration demonstrated in concomitance with the development of our activity;
- The Social Bodies for their cooperation at all times;
- All the Employees for the dedication with which they have immersed themselves in the fulfilment of the Company's objectives.

Vila Nova de Gaia, 8 April 2010

The Board of Directors

José Reis da Silva Ramos – President
Hiroyuki Ochiai
Andrea Formica
Maria Angelina Martins Caetano Ramos
Salvador Acácio Martins Caetano
Miguel Pedro Caetano Ramos
Rui Manuel Machado de Noronha Mendes

INFORMATION ON THE SHAREHOLDING OF THE BOARD AND SUPERVISORY BODIES

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS: has no changes and as such as at 31 December 2009, he held 86.000 shares, with the nominal value of one Euro each.

HIROYUKI OCHIAI – Holds no shares or obligations.

ANDREA FORMICA - Holds no shares or obligations.

MARIA ANGELINA MARTINS CAETANO RAMOS – Holds no shares or obligations. Her spouse registered no changes and as such as at 31 December 2009, he held 86.000 shares, with the nominal value of one Euro each.

SALVADOR ACÁCIO MARTINS CAETANO – Holds no shares or obligations.

MIGUEL PEDRO CAETANO RAMOS – Appointed by cooptation on the 29th of January 2010, this Company registered no changes and as such at 31 December 2009, held 1.130 shares , with the nominal value of one Euro each..

RUI MANUEL MACHADO DE NORONHA MENDES - Appointed by cooptation on the 29th of January 2010, holds no shares or obligations.

SHIGEKI ENAMI – Holds no shares or obligations.

Maria Angelina Martins Caetano Ramos, spouse of **José Reis da Silva Ramos**, President of the Board of Directors, and **Salvador Acácio Martins Caetano**, and **Ana Maria Martins Caetano**, members of the Board of Directors of GRUPO SALVADOR CAETANO, SGPS, S.A., this Company registered no changes and as such as at 31 December 2009, held 21.000.000 shares, with the nominal value of one Euro each.

José Reis da Silva Ramos, spouse of **Maria Angelina Martins Caetano Ramos**, Director of FUNDAÇÃO SALVADOR CAETANO, this Company registered no changes and as such as at 31 December 2009, held 670.006 shares, with the nominal value of one Euro each.

Maria Angelina Martins Caetano Ramos, spouse of **José Reis da Silva Ramos**, member of the Board of Directors of COCIGA – Construções Civis de Gaia, S.A., this Company registered no changes and as such as at 31 December 2009, held 290 shares, with the nominal value of one Euro each.

AUDIT BOARD

José Jorge Abreu Fernandes Soares – Holds no shares or obligations.

Kenichiro Makino – Holds no shares or obligations.

António Pimpão & Maximino Mota, SROC represented by António Maia Pimpão – Holds no shares or obligations.

STATUTORY AUDITOR

DELOITTE & ASSOCIADOS, Sociedade de Revisores Oficiais de Contas, S.A. represented by António Manuel Martins Amaral - Holds no shares or obligations.

**INFORMATION ON THE SHAREHOLDING OF THE BOARD AND SUPERVISORY
BODIES ON TOYOTA CAETANO PORTUGAL, S.A. SHARE CAPITAL**
(UNDER ARTICLE 447 OF C.S.C.)

	Shares Held As at 31.12.08	Shares Acquired As at 2009	Shares Sold As at 2009	Shares Held As at 31.12.09
JOSÉ REIS DA SILVA RAMOS (President)	86.000	--	--	86.000
HIROYUKI OCHIAI (Member)	--	--	--	--
ANDREA FORMICA (Member)	--	--	--	--
MARIA ANGELINA M. CAETANO RAMOS (Member)	--	--	--	--
SALVADOR ACACIO MARTINS CAETANO (Member)	--	--	--	--
MIGUEL PEDRO CAETANO RAMOS (Member)	1.130	--	--	1.130
RUI MANUEL MACHADO DE NORONHA MENDES (Member)	--	--	--	--
SHIGEKI ENAMI (Director - Alternate)	--	--	--	--
JOSÉ JORGE ABREU FERNANDES SOARES (President of the Audit Board)	--	--	--	--
KENICHIRO MAKINO (Member of the Audit Board)	--	--	--	--
ANTÓNIO PIMPÃO & MAXIMINO MOTA, SROC, REPRESENTED BY ANTÓNIO MAIA PIMPÃO (Member of the Audit Board)	--	--	--	--
DELOTTE & ASSOCIADOS, SROC, S.A., REPRESENTED BY ANTÓNIO MANUEL MARTINS AMARAL (Statutory Auditor)	--	--	--	--

**INFORMATION ON THE SHAREHOLDING OF
TOYOTA CAETANO PORTUGAL, S.A.
(UNDER ARTICLE 448 OF C.S.C.)**

SHAREHOLDINGS HIGHER THAN ONE TENTH OF THE CAPITAL

SHAREHOLDERS	Shares Held As at 31.12.2008	Shares Acquired As at 2009	Shares Sold As at 2009	Shares Held As at 31.12.09
TOYOTA MOTOR EUROPE NV/SA	9.450.000	--	--	9.450.000

SHAREHOLDINGS HIGHER THAN HALF OF THE CAPITAL

SHAREHOLDERS	Shares Held As at 31.12.2008	Shares Acquired As at 2009	Shares Sold As at 2009	Shares Held As at 31.12.09
GRUPO SALVADOR CAETANO, SGPS, SA	21.000.000	--	--	21.000.000

**LIST OF QUALIFIED SHAREHOLDINGS HIGHER THAN 2%
OF THE SHARE CAPITAL**

SHAREHOLDER	Shares	% of voting rights
GRUPO SALVADOR CAETANO - SGPS, SA	21.000.000	60,00
TOYOTA MOTOR EUROPE NV/SA	9.450.000	27,000
SALVADOR FERNANDES CAETANO	1.167.465	3,336
<p>Millenium BCP – Gestão de Fundos de Investimentos, S.A. representing the securities' funds it manages, as follows:</p> <ul style="list-style-type: none">• Millennium Acções Portugal 701.163 2,00• Millennium PPA 541.020 1,55• Millennium Poupança PPR 85.296 0,24• Millennium Investimento PPR 48.823 0,14• Millennium Aforro PPR 11.752 0,03		

BALANCE SHEET

(Euros)

ASSETS	Notes	Gross Assets	Depreciations Adjustements	Net Assets 2009	Net Assets 2008
FIXED ASSETS					
INTANGIBLE FIXED ASSETS					
Installation Expenses		1.272.956	1.272.956		1.740
R & D Expenses	8	3.068.233	2.925.926	142.307	330.997
Goodwill		983.568	983.568		
	10	<u>5.324.757</u>	<u>5.182.450</u>	<u>142.307</u>	<u>332.737</u>
TANGIBLE FIXED ASSETS					
Land		12.234.483		12.234.483	12.234.483
Buildings		63.010.337	50.769.846	12.240.491	14.591.900
Machinery and Fixtures		39.779.184	33.418.327	6.360.857	7.350.379
Vehicles		32.198.282	13.297.440	18.900.842	13.600.749
Tools		9.112.185	9.019.032	93.153	232.325
Administrative Equipment		6.830.983	6.574.228	256.755	351.702
Other Fixed Assets		2.771.712	2.494.620	277.092	333.183
Construction in Progress		903.473		903.473	980.990
	10 and 13	<u>166.840.639</u>	<u>115.573.493</u>	<u>51.267.146</u>	<u>49.675.711</u>
INVESTMENTS					
Investments on Affiliates	16	40.145.414	22.047.310	18.098.104	18.098.104
Investments in Other Companies		41.400	1.496	39.904	39.904
Loan to Affiliates	16	9.830.000		9.830.000	9.830.000
	10 and 21	<u>50.016.814</u>	<u>22.048.806</u>	<u>27.968.008</u>	<u>27.968.008</u>
CURRENT ASSETS					
INVENTORIES					
Raw Materials and Others	41	7.782.071		7.782.071	14.648.842
Production in Process	42	7.066.213		7.066.213	7.178.424
Built-up and Finished Products	42	3.820.977		3.820.977	6.876.239
Goods	21 and 41	33.933.811	1.300.000	32.633.811	51.577.147
		<u>52.603.072</u>	<u>1.300.000</u>	<u>51.303.072</u>	<u>80.280.652</u>
CREDITS AT MEDIUM AND LONG TERM					
Accounts Receivable					1.124.374
CREDITS AT SHORT TERM					
Accounts Receivable	16	74.653.578		74.653.578	91.600.729
Doubtful Accounts Receivable	21 and 23	5.502.982	4.625.562	877.420	885.378
Down Payments		39.035		39.035	22.447
Group Companies	16	1.074.749		1.074.749	268.822
Accrued Taxes					806.022
Other Credits					1.956
		<u>81.270.344</u>	<u>4.625.562</u>	<u>76.644.782</u>	<u>93.585.354</u>
AVAILABILITIES					
Bank Deposits		1.846.812		1.846.812	3.190.512
Cash		137.898		137.898	120.618
		<u>1.984.710</u>		<u>1.984.710</u>	<u>3.311.130</u>
ACCRUED AND DEFERRED					
Accrued Income	52	2.200		2.200	241.866
Deferred Costs	52	546.987		546.987	875.677
Assets for deferred tax	6	773.666		773.666	773.666
		<u>1.322.853</u>		<u>1.322.853</u>	<u>1.891.209</u>
Total Depreciations			<u>120.755.943</u>		
Total Adjustements			<u>27.974.368</u>		
TOTAL ASSETS		359.363.189	148.730.311	210.632.878	258.169.175

BALANCE SHEET

(Euros)

SHAREHOLDERS' EQUITY & LIABILITIES	Notes	Equity and Liabilities 2009	Equity and Liabilities 2008
EQUITY			
SHARE CAPITAL	36 and 40	35.000.000	35.000.000
ADJUSTMENTS TO FINANCIAL INVESTMENTS	40	(22.853.306)	(22.853.306)
RESERVE FOR REVALUATION OF FIXED ASSETS	40	6.195.184	6.195.184
RESERVE			
Legal Reserve	40	7.498.903	7.498.903
Other Reserve	40	74.544.546	74.217.796
NET INCOME	40	5.443.819	3.176.750
		<u>Total Equity</u>	<u>105.829.146</u>
			<u>103.235.327</u>
LIABILITIES			
PROVISIONS			
Reserve According to Industrial Tax Code	34	<u>2.576.815</u>	<u>2.596.546</u>
MEDIUM AND LONG TERM LIABILITIES			
Other Loans	51	2.119.358	
Group Companies	16	3.555.648	3.265.244
Accounts Payable Fixed Assets	15	<u>3.506.970</u>	<u>1.919.861</u>
		<u>9.181.976</u>	<u>5.185.105</u>
CURRENT LIABILITIES			
Bank Loan	50	44.970.000	84.949.633
Accounts Payable	16	24.374.663	35.343.390
Shareholders		36.583	32.432
Down Payments		69.513	128.828
Accounts Payable Fixed Assets	15	1.431.341	355.064
Accrued Taxes	49	11.679.262	12.488.801
Other Credits		641.348	5.281
		<u>83.202.710</u>	<u>133.303.429</u>
ACCRUED AND DEFERRED			
Accrued Costs	52	7.400.261	12.061.484
Deferred Income	52	1.814.598	729.537
Liabilities for deferred tax	6	<u>627.372</u>	<u>1.057.747</u>
		<u>9.842.231</u>	<u>13.848.768</u>
		<u>Total Liabilities</u>	<u>104.803.732</u>
			<u>154.933.848</u>
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		210.632.878	258.169.175

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President
 HIROYUKI OCHIAI
 ANDREA FORMICA
 MARIA ANGELINA MARTINS CAETANO RAMOS
 SALVADOR ACÁCIO MARTINS CAETANO
 MIGUEL PEDRO CAETANO RAMOS
 RUI MANUEL MACHADO DE NORONHA MENDES

BALANCE SHEET

(Euros)

SHAREHOLDERS' EQUITY & LIABILITIES	Notes	Equity and Liabilities 2009	Equity and Liabilities 2008
EQUITY			
SHARE CAPITAL	36 and 40	35.000.000	35.000.000
ADJUSTMENTS TO FINANCIAL INVESTMENTS	40	(22.853.306)	(22.853.306)
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RESERVE			
Legal Reserve	40	7.498.903	7.498.903
Other Reserve	40	74.544.546	74.217.796
NET INCOME	40	5.443.819	3.176.750
		<u>Total Equity</u>	<u>105.829.146</u>
			<u>103.235.327</u>
LIABILITIES			
PROVISIONS			
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Other Loans	51	2.119.358	
Group Companies	16	3.555.648	3.265.244
Accounts Payable Fixed Assets	15	<u>3.506.970</u>	<u>1.919.861</u>
		<u>9.181.976</u>	<u>5.185.105</u>
CURRENT LIABILITIES			
Bank Loan	50	44.970.000	84.949.633
Accounts Payable	16	24.374.663	35.343.390
Shareholders		36.583	32.432
Down Payments		69.513	128.828
Accounts Payable Fixed Assets	15	1.431.341	355.064
Accrued Taxes	49	11.679.262	12.488.801
Other Credits		641.348	5.281
		<u>83.202.710</u>	<u>133.303.429</u>
ACCRUED AND DEFERRED			
Accrued Costs	52	7.400.261	12.061.484
Deferred Income	52	1.814.598	729.537
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		<u>9.842.231</u>	<u>13.848.768</u>
		<u>Total Liabilities</u>	<u>104.803.732</u>
			<u>154.933.848</u>
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		210.632.878	258.169.175

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President
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 MIGUEL PEDRO CAETANO RAMOS
 RUI MANUEL MACHADO DE NORONHA MENDES

INCOME STATEMENT

(Euros)

COSTS	Notes	2009		2008	
COST OF GOODS AND RAW MATERIALS					
Goods		203.704.894		252.841.020	
Raw Materials	41	32.190.635	235.895.529	82.641.587	335.482.607
SUPPLIES			38.739.911		53.178.442
PERSONNEL EXPENSES					
Wage and Salary		12.189.811		11.753.428	
Welfare					
Pension Fund	31	218.511		598.548	
Other		6.291.901	18.700.223	6.118.064	18.470.040
DEPRECIATIONS	10	10.672.647		9.375.104	
ADJUSTMENTS			10.672.647		9.375.104
PROVISIONS					
TAXES		466.890		695.478	
OTHER OPERACIONAL COSTS		8.317.861	8.784.751	10.152.670	10.848.148
	(A)		312.793.061		427.354.341
INTEREST					
Depreciations and Provisions for Financial Investments					
Other	45	3.038.976	3.038.976	6.082.486	6.082.486
	(C)		315.832.037		433.436.827
EXTRAORDINARY LOSSES	46		309.608		245.207
	(E)		316.141.645		433.682.034
INCOME TAXES	6 and 49		1.986.705		979.645
	(G)		318.128.350		434.661.679
NET INCOME			5.443.819		3.176.750
			323.572.169		437.838.429
PROFITS	Notes	2009		2008	
SALES					
Goods		245.035.080		303.989.141	
Built-up and Other Finished Products		44.236.654		95.117.261	
SERVICE PROVIDED	44	5.549.647	294.821.381	6.286.412	405.392.814
VARIATION OF PRODUCTS	42		(3.167.473)		3.343.153
WORKS OF THE COMPANY FOR ITSELF				85.117	
REVERSION OF DEPRETATIONS AND ADJUSTMENTS				360.111	
SUPPLEMENTARY INCOME		26.720.182		24.444.809	
SUBSIDIES		1.616.397	28.336.579	907.751	25.797.788
	(B)		319.990.487		434.533.755
INCOME FROM INVESTMENTS				566.587	
OTHER FINANCIAL INCOME					
Related to Other Affiliates					
Related to Other Companies			2.277		1.931
INTEREST					
Other	45	526.097	528.374	768.404	1.336.922
	(D)		320.518.861		435.870.677
EXTRAORDINARY PROFITS	46		3.053.308		1.967.752
	(F)		323.572.169		437.838.429
RESUMO:					
Operational Income (B)-(A) =			7.197.426		7.179.414
Financial Income (D-B)-(C-A) =			(2.510.602)		(4.745.564)
Current Income (D)-(C) =			4.686.824		2.433.850
Income Before Taxes (F)-(E) =			7.430.524		4.156.395
Net Income (F)-(G) =			5.443.819		3.176.750

CHARTERED ACCOUNTANT

ALBERTO LUIS LEMA MANDIM

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President

HIROYUKI OCHIAI

ANDREA FORMICA

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

RUI MANUEL MACHADO DE NORONHA MENDES

**NOTES TO THE BALANCE SHEET
AND
INCOME STATEMENT**

INTRODUCTION

Toyota Caetano Portugal, S.A. (“Toyota Caetano” or “the Company”) was incorporated in 1946, with its headquarters in Vila Nova de Gaia, which mainly carries economic activities included in the automotive sector, namely the import, assembly and commercialization of light and heavy vehicles, import and sale of industrial equipment, as well as the corresponding technical assistance. Its shares are listed in the Lisbon Stock Exchange Market.

Toyota Caetano is the distributor of the brands Toyota and Lexus in Portugal and is the head of a group of companies (“Toyota Caetano Group”) that mainly carry economic activities included in the automotive sector, which are described in Note 16, together with other financial information.

According to Note 54 of the Notes to the Balance Sheet and Income Statement of 2008, the Company has decided to adhere to the Program of Qualification and Employment for the Automotive Industry (PASA), which took place between March 2009 and March 2010 (Note 53).

During the year 2009 were received the incentives related to the application to the Support Program POE 1.2 SIME A and to the Support Program IDT-OPTIMO SEVEN (Note 53).

According to the applicable legislation, Toyota Caetano will present separately, financial consolidated statements as at 31 of December 2009 prepared in accordance with International Financial Rules of Statement (IAS/IFRS) adopted in the European Union.

The following notes are numbered as defined by the Official Chart of Accounts (“Plano Oficial de Contabilidade - POC) and the notes that are not included herein are either not applicable to Toyota Caetano or their inclusion is not significant to the reading of the accompanying financial statements.

Amounts mentioned in these notes are expressed in Euros.

3. BASIS OF PRESENTATION AND PRINCIPLE ACCOUNTING POLICIES

The accompanying financial statements have been prepared on a going concern basis from books and accounting records of Toyota Caetano, maintained in accordance with generally accepted accounting principles in Portugal and defined in “POC” (Portuguese GAP).

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

a) Intangible assets

Installations expenses, goodwill and development expenses, which mainly comprise costs with technological development and studies and conception of prototypes, are depreciated on a straight-line basis over a period of three years.

b) Tangible fixed assets

Tangible fixed assets acquired up to 31 December 1997 are stated at cost and can be restated in accordance with Portuguese legislation (Note 12). Tangible fixed assets acquired after that date are stated at cost.

Depreciation is computed on straight line basis on an annual basis, accordingly with the following useful lives:

	<u>Years</u>
- Buildings and Other Constructions	20 - 50
- Machinery and Equipment	7 - 16
- Transport Equipment	4 - 5
- Tools and Utensils	4 - 14
- Administrative Equipment	3 - 14
- Other Fixed Assets	4 - 8

The depreciations of the period ended at 31 of December 2009 were increased as a result of the restatement done. A part (40%) of this amount is not accepted as a cost for corporate income tax purposes (IRC). Additionally, 40% of the depreciations of future exercises related to the effect of the restatement on fixed assets not yet depreciated will not be accepted as fiscal cost either, and the company recorded the correspondent liability for deferred tax (Note 6).

c) Lease contracts

Tangible fixed assets acquired under financial lease contracts and the corresponding liabilities are recorded by the financial method. Under this method the cost of the fixed assets and the corresponding liability determined in accordance with the contractual financial plan are recorded and reflected in the balance sheet. Installments are composed of interest and capital refunding. Interest included in the lease installments and depreciation of the fixed assets is recognized in the income statement of the period to which they apply (Note 15).

d) Financial investments

Financial investments over 20% in Toyota Caetano Group companies (Note 16), are stated at cost, and a provision is recorded to reduce costs to its net realizable value for each investment which was stated against the equity caption “Adjustments to Financial Investments” according with the Portuguese Official Chart of Accounts.

Dividends from Group companies are recorded in the Statement of income of the period in which they are received.

e) Inventories

Merchandise, raw, subsidiary and consumable materials are stated at average cost, which is lower than market value.

A provision for depreciation of used cars was created to face the strong fluctuation of these product's market prices (Note 21).

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

f) Provisions

Includes the remaining part of the provision recorded in previous years according to the previous Corporate Income Tax Code (“ex - Código da Contribuição Industrial”) and is held to face doubtful accounts and inventories depreciation marginal risks, or other general risks.

g) Subsidies

Non refundable subsidies received to finance fixed and intangible assets are recorded when granted as deferred income, and recognized in the Statement of profit and loss proportionally to the depreciation of the subsidized assets (Notes 46 and 53).

Operating subsidies are recorded as “Operating income” in the period in which they are received (Note 53).

h) Accruals basis

Toyota Caetano records income and expenses on an accrual basis. Under this basis income and expenses are recorded in the period to which they are related independently of when the amounts are received or paid. The differences between the amounts received and paid and the corresponding income and expenses are recorded in “Accruals and Deferrals” captions (Note 52).

i) Employee termination indemnities

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

During the period ended in 31 December 2009 were paid indemnities in the amount of approximately Euros 913.000 (approximately Euros 678.000 in 31 December 2008).

j) Balances and transactions expressed in foreign currencies

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

k) Deferred taxes

The company, according with the Accounting Standard nº 28/01, recorded in the period, in “Accruals and deferrals” captions, deferred income tax related to the tax effect of timing differences between the results determined for accounting and taxation purposes (Notes 6).

6. INCOME TAXES

In accordance with current legislation the Company tax returns are subject to review and correction by the tax authorities during a period of four years. Consequently, the tax returns for the years 2006 to 2009 are still subject to review. Social Security returns can be reviewed during a period of ten years till 2000, included, and five years since 2001. The Board of Directors of Toyota Caetano believes that any corrections resulting from reviews/inspections by the tax authorities to the tax returns open to inspection will not have a significant effect on the financial statements of this Company.

As a result of favorable decisions on the judicial impugnation processes, referring to the additional payments of the Corporate Income Tax and relating to the fiscal years of 1995, 1997, 1998 and 1999 it is forecasted that the return of the remaining tax timely paid-in, added by the respective compensatory interest may occur soon.

During the period ended at 31 December 2009 and regarding the additional notes of 1996, the amount of Euros 36.770 were received (Note 46).

In what concerns the fiscal audit to the year of 1995 the additional note related to Corporate Income tax already paid in the amount of 706.345 Euros was judicially claimed and the company thinks there are juridical reasons to act in this way.

Toyota Caetano Portugal, S.A.

Regarding the fiscal audit to the years 1997, 1998 and 1999 the additional notes related to Corporate Income Tax already paid, were claimed, of Euros 1.308.711 as the Company understands that there are legal reasons to this procedure

Regarding the fiscal audit to the years 2003 and 2004 the additional notes were claimed, although paid and recognized as extraordinary costs in previous exercises, in the amount of Euros 725.542.

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

	Balance 31 December 2009		
	Deferred tax assets	Deferred tax liability	Reflected in Income Statement
Provisions not accepted as fiscal costs	773.666		
40% of depreciation as a result of legal revaluation of fixed assets		(106.551)	(32.766)
Effect of the reinvestments of the gains in fixed assets sales		(484.150)	(63.288)
Gains in fixed assets according n°7 Art. 7º Law 30/G		(36.671)	(6.112)
	773.666	(627.372)	(102.166)
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

Additionally the Income Statement caption “Income taxes” was determined like follows:

Income taxes in 2009 (Note 49)	2.088.871
Deferred income taxes in 2009	-102.166
	<hr style="border-top: 1px solid black;"/>

In March 2007 the Company took the decision to apply to the Corporate Income Tax for the Group (RETGS) according to the article 63º and 64º of Income Tax Code (CIRC) and beginning in 01 January 2007.

In consequence the parent company (Toyota Caetano Portugal, S.A.) shall book the income tax calculated in the Group Companies to obtain the group income tax.

Toyota Caetano Portugal, S.A.

The amount of group income tax for the exercise 2009 in the caption State and Other Public Entities was as follows (Note 49):

Company	Amount
Toyota Caetano Portugal, S.A.	1.591.261
Saltano SGPS, S.A.	-33.155
Caetano Components, SA	-106.591
Caetano Renting, S.A.	-33.263
Caetano Auto, S.A.	1.087.988
Corporate Income Tax(payments in advance)	-341.676
	2.164.564

7. AVERAGE NUMBER OF PERSONNEL

The average number of employees was as follows:

Items	Dec '09	Dec '08
Employees	447	475
Production Personnel	254	244
	701	719

8. RESEARCH AND DEVELOPMENT EXPENSES

As of 31 December 2009, the net value of this item was as follows:

Research and development expenses:

- Studies and prototypes of Optimo's new buses	821.963
- Study of the new Dyna's model	1.924.039
- Environment Study	135.095
- SIME consulting	20.410
- International events participation	166.726
- Depreciation	(2.925.926)
 Total	 142.307
	=====

Toyota Caetano Portugal, S.A.

10. MOVEMENT IN FIXED ASSETS

During 2009, the movement in intangible and tangible fixed assets, and financial investments as well as in the accumulated depreciation and provisions was as follows:

FIXED ASSETS

Items	Opening Balances	Increases	Disposals	Transfers and Write-Offs	Ending Balances
<u>Intangible Fixed Assets</u>					
Installation Expenses	1.272.956				1.272.956
Research & Development Expenses	3.012.785	55.448			3.068.233
Key Money	983.568				983.568
	5.269.309	55.448			5.324.757
<u>Tangible Fixed Assets</u>					
Land	12.234.483				12.234.483
Buildings and Other Constructions	63.297.503	3.414		-290.580	63.010.337
Machinery and Equipment	39.286.004	546.943	53.763		39.779.184
Vehicles	23.397.163	13.904.510	5.089.564	-13.827	32.198.282
Tools	9.069.682	42.503			9.112.185
Administrative Equipment	6.776.866	61.658	7.386	-155	6.830.983
Other Fixed Assets	2.739.615	32.097			2.771.712
Construction in Progress	980.990			-77.517	903.473
	157.782.306	14.591.125	5.150.713	-382.079	166.840.639
<u>Investments</u>					
Investments on Group Companies	40.145.414				40.145.414
Investments on Other Companies (Note 48)	41.400				41.400
Loan to Group Companies	9.830.000				9.830.000
	50.016.814				50.016.814

DEPRECIATIONS AND ADJUSTMENTS

Items	Opening Balances	Increases	Disposals	Transfers and Write-Offs	Ending Balances
<u>Intangible Fixed Assets</u>					
Installation Expenses	1.271.216	1.740			1.272.956
Research & Development Expenses	2.681.788	244.138			2.925.926
Key Money	983.568				983.568
	4.936.572	245.878			5.182.450
<u>Tangible Fixed Assets</u>					
Buildings and Other Constructions	48.705.603	2.354.823		-290.580	50.769.846
Machinery and Equipment	31.935.625	1.536.465	53.763		33.418.327
Vehicles	9.796.414	6.109.013	2.601.074	-6.913	13.297.440
Tools	8.837.357	181.675			9.019.032
Administrative Equipment	6.425.164	156.605	7.386	-155	6.574.228
Other Fixed Assets	2.406.432	88.188			2.494.620
	108.106.595	10.426.769	2.662.223	-297.648	115.573.493
<u>Investments</u>					
Investments on Group Companies	22.047.310				22.047.310
Investments on Other Companies	1.496				1.496
Loan to Group Companies					
	22.048.806				22.048.806

12. RESTATEMENT OF TANGIBLE FIXED ASSETS (LEGISLATION)

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

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

A part (40%) of the increase in depreciation result of the legal revaluation of fixed assets is not acceptable as a cost for corporate income tax purposes (IRC), and the company recorded the liability for deferred tax (Note 6).

13. RESTATEMENTS OF TANGIBLE FIXED ASSETS

As of 31 December 2009, the acquisition cost and corresponding legal restatements of tangible fixed assets are as follows:

Items	Cost	Restatement	Net Restated Value
<u>Tangible Fixed Assets</u>			
Land and Natural Resources	6.629.922	5.604.561	12.234.483
Buildings and Other Construction	11.245.537	994.954	12.240.491
Machinery and Equipment	6.348.613	12.244	6.360.857
Transport Equipment	18.900.842		18.900.842
Tools and Utensils	93.153		93.153
Administrative Equipment	256.755		256.755
Other Fixed Assets	277.092		277.092
Construction in Progress	903.473		903.473
	44.655.387	6.611.759	51.267.146

14. FIXED ASSETS BY LOCATION

As of 31 December 2009, the total amount of tangible fixed assets, including construction in progress, regarding the company's premises, is as follows:

Items	Tangible Fixed Assets	Construction in Progress	Total
Head Office and Gaia Plant	63.506.740	903.473	64.410.213
Ovar Plant	40.489.871	0	40.489.871
Lisbon/ Carregado Facilities	61.940.555	0	61.940.555
	165.937.166	903.473	166.840.639

15. LEASE CONTRACTS

In 31 of December of 2009, the company was maintaining responsibilities like tenant relative to future installments of financial lease contracts in the amount of 4.938.311 Euros, which are included in the caption "Accounts Payable Fixed Assets" and had the following plan of refund:

2010	1.431.341
2011	1.299.705
2012	976.858
2013 and following	1.230.407

	3.506.970

	4.938.311
	=====

16. GROUP AND ASSOCIATED COMPANIES

As of 31 December 2009, the detail of Group and associated companies as for headquarters, percentage of share capital held, equity and net income, was as follows:

Group Companies	% of capital held	Total Equity	Net Income	Balance Value
Saltano - Investimentos e Gestão (SGPS), SA. Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	99,98%	20.812.772	298.425	4.488.183
Caetano - Auto, SA. Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	93,18%	46.921.079	1.606.593	9.868.048
Salvador Caetano (UK), Ltd. Mill Lane, Heather-Coalville-Leicestershire United Kingdom	99,82%	3.529.540	41.174	24.195.690
Cabo Verde Motors Terra Branca - Praia Cabo Verde	81,24%	5.950.238	607.272	463.493
Caetano Renting, SA. Rua José Mariani, 164 - Santa Marinha Vila Nova de Gaia	99,98%	2.286.383	917.413	
Caetano Components, SA. Rua da Pereiras,275 Vila Nova de Gaia	99,98%	2.102.691	-339.330	
Movicargo - Movimentação Industrial, Lda. Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	100,00%	427.617	-44.896	1.130.000

Affiliated Companies	% of capital held	Total Equity	Net Income	Balance Value
Auto Partner SGPS, SA Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	46,59%	2.249.871	-48.354	
Auto Partner - Comercio Automóveis, SA Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	46,59%	-319.189	-461.852	
Auto Partner II-Rep C Automoveis SA Av. Vasco da Gama, 1410 - Oliveira do Douro - Vila Nova de Gaia	46,59%	51.679	-38.554	

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Due and payable balances with Group and Associated companies, which, as of 31 December 2009, were recorded in the captions “Customers accounts receivable”, “Accounts payable to suppliers”, “Loans granted to Group companies” and “ Obtained Loans from Group Companies”, were as follows:

- Accounts receivable	40.872.313
- Accounts payable	-791.269
- Group Companies (“RETGS”)	
. Saltano, S.A.	-64.420
. Caetano Components, S.A.	-255.015
. Caetano Renting, S.A.	-233.268
. Caetano auto, S.A.	1.627.452

	1.074.749
	=====
- Granted loans	
. Saltano, SA.	9.830.000
- Obtained loans	
. Salvador Caetano UK, Ltd	-3.215.648
. Movicargo, Lda	-340.000

	-3.555.648
	=====

21. MOVEMENT OCCURRED IN ADJUSTMENTS

During 2009, the following movements occurred in the caption Adjustments:

Items	Opening Balances	Increases	Transfers (Note 34)	Utilisation Reversion	Ending Balances
Investments	22.048.806				22.048.806
Doubtful Accounts Receivable	4.623.848				4.625.562
Stocks	1.300.000		19.731	18.017	1.300.000
	27.972.654	-	19.731	18.017	27.974.368

23. DOUBTFUL ACCOUNTS RECEIVABLE

In 31 of December 2009, accounts receivable considered as doubtful are included in the corresponding captions, amounting to Euros 5.502.982.

31. FINANCIAL COMMITMENTS NOT INCLUDED IN THE BALANCE SHEET

Pension Fund

Toyota Caetano (along with other associated companies) constituted, by public deed dated 29 December 1988, the Salvador Caetano Pension Fund, which was subsequently updated in 2 January 1994 and in 29 December 1995, in 23 December 2002 and in 30 March 2009.

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

On the 18 December 2007, a dossier was sent to Instituto de Seguros de Portugal containing the proposals of changes in the “Constitutive Contract” of Salvador Caetano Pension Fund, as well as the minute of approval of these alterations by the Accompanying Committee of the fund, and asking, with effects to 1 January 2008, the approval by the above mentioned organism of these changes.

The proposal for these changes in the pensions regime, dully approved by the Accompanying Committee, includes the maintenance of the “defined benefit” for the actual pensioners plus the already negotiated beneficiaries of future pensions, as well as to all the workers of the companies included in the Salvador Caetano Pension Fund having reached 50 years of age and more than 15 years of service by the 1st of January 2008, being thus created a new group of beneficiaries (constituted by the remaining universe of workers of the associated companies to the Salvador Caetano Pension Fund) which will be included in a “Defined Contribution” Plan. This last group of people represented according to the data of the actuarial valuation as at 31st December 2007, near 15% of the total estimated responsibilities.

On the 29 December 2008 the Company received a letter from ISP- Instituto de Seguros de Portugal attesting the approval by this entity of the proposed changes, and that these changes will become effective after 1st January 2008. ISP also determined in their approval that the workers which at the 1st of January 2008 had already completed 15 years of service despite not being yet 50 years of age, (and that will integrate the “Defined Contribution” scheme) would be entitled to an individual “initial capital” according to the new Plan, and fixed according to the actuarial responsibilities as at 31st December 2007 which were based in the assumptions and criteria used in this last exercise.

Toyota Caetano Portugal, S.A.

In accordance with the actuarial valuation presented by the fund manager, Toyota Caetano made during 2009 a contribution to the fund of 220 thousand Euros (600 thousand Euros in 31 December 2008) which led to the Net Assets pension fund associated to the Company as of 31 December 2009 amount to approximately 19,5 million of Euros, corresponding to the minimum legally established by “ISP-Instituto de Seguros de Portugal”. The part of the global responsibilities estimated actuarially to the “Defined Benefit” Plan and regarding this Company, as of 31 December 2009, amounts to approximately 17,1 millions of Euros.

These liabilities were calculated by the pension fund manager using the “Projected Unit Credit” method, the TV 77/73 mortality tables and the SuisseRe 2001 handicapped tables, as well as salary increase, pensions increase and average rate of return of 2%, 0% e 5%, respectively.

The total of the responsibilities of the Salvador Caetano Pension Fund as at 31st December 2009 ascended to 19.757.126 Euros.

The allocation of this amount can be resumed as follows:

Defined Benefit Plan	17.083.470
Defined Contribution Plan	2.673.656

The movements in the Fund responsibilities in the period of 2009 and regarding the “Defined Benefit” plan can be resumed as follows:

Responsibilities as of 1 January 2009	16.807.692
Current services costs	145.492
Interest costs	812.610
Gains/ Losses actuaries	428.651
Pension payments	(1.110.975)
Responsibilities as of 31 December 2009	17.083.470

The movement in net assets of the Fund during 2009 can be resumed as follows:

Items	Defined benefit plan	Defined contribuition plan	Total
Net assets Fund as of 31 December 2008	16.489.683	2.242.322	18.732.005
Contributions	14.931	205.085	220.016
Return of Fund assets	1.480.843	226.249	1.707.092
Pension payments	-1.110.975		-1.110.975
Net assets Fund as of 31 December 2009	16.874.482	2.673.656	19.548.138

32. COMMITMENTS ASSUMED BY GUARANTEES

As of 31 December 2009, Toyota Caetano had assumed the following commitments in favor to others entities:

Responsibilities	Value
S.C. UK (GBP 2.000.000,00)	2.244.921
CONTRAC GMBH	2.500.000
CUSTOMS SERVICE	8.500.000
Others	2.116.150

34. MOVEMENT IN PROVISIONS

During 2009, the movement in Provisions was as follows:

Items	Opening Balances	Increases	Utilisation	Transfers (Note 21)	Ending Balances
Provision for Other Risks and Charges	2.596.546			-19.731	2.576.815

36. COMPOSITION OF SHARE CAPITAL

As of 31 December 2009 Toyota Caetano share capital was represented by 35.000.000 bearer shares, totally subscribed and realized, with a nominal value of 1 Euro.

37. IDENTIFICATION OF CORPORATE ENTITIES WITH MORE THAN 20% OF ISSUED CAPITAL

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

40. VARIATION IN EQUITY ACCOUNTS

The movement in equity accounts, during the first semester 2009 was as follows:

Items	Opening Balances	Increase	Decreases	Transfers	Ending Balances
Share Capital	35.000.000				35.000.000
Adjustments to Financial Investments (Notes 10 and 21)	-22.853.306				-22.853.306
Revaluation Reserve	6.195.184				6.195.184
Legal Reserve	7.498.903				7.498.903
Other Reserves	74.217.796				74.544.546
Net Income for the Year	3.176.750	5.443.819	-2.850.000	326.750 -326.750	5.443.819

The decrease in equity during the period ended 31 of December 2009, was due to the deliberation of the General Shareholders' Meeting held on 30 April 2009, to distribute dividends amounting Euros 2.450.000 and bonus to Employees and Governing Bodies of Euros 400.000.

The movements in "Transfers" were due to the application of the profit of the year 2008 as mentioned above.

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 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 capitalized or used to absorb accumulated losses once other reserves have been exhausted.

The revaluation reserve results from the revaluation of tangible fixed assets in accordance with current legislation (Note 12). This reserve is not available for distribution but may be capitalized or used in other ways specified in legislation.

41. COST OF GOODS SOLD AND CONSUMED

The cost of goods sold and consumed for the year ended in 31 December 2009 was as follows:

Items	Goods	Raw Materials	Total
Opening Balances	52.877.147	14.648.842	67.525.989
Purchases	184.761.558	25.323.864	210.085.422
Closing Balances	33.933.811	7.782.071	41.715.882
	203.704.894	32.190.635	235.895.529

42. VARIATION OF PRODUCTION

The variation of production for the year ended in 31 December 2009 was as follows:

Items	Finished and Intermediate Goods	Work in Progress	Total
Closing Balances	3.820.977	7.066.213	10.887.190
Opening Balances	6.876.239	7.178.424	14.054.663
	-3.055.262	-112.211	-3.167.473

43. REMUNERATION OF THE BOARD MEMBERS

The remuneration of the members of Toyota Caetano Governing Bodies during 2009 was as follows:

Board Members	Amount
Board of Directors	580.239
Shareholder's Assembly	758
Board of Auditors	22.381

44. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETS

Sales and services rendered by geographic markets, in the year ended 2009, was as follows:

Items	Internal Market	External Market	Total
Light vehicles	211.131.072	17.597.656	228.728.728
Heavy vehicles	7.797.838	327.702	8.125.540
Industrial vehicles	10.709.893	375.775	11.085.668
Spare Parts and Accessories	40.305.111	1.026.687	41.331.798
Others	5.543.158	6.489	5.549.647
	275.487.072	19.334.309	294.821.381

45. STATEMENTS OF FINANCIAL INCOME AND EXPENSES

The financial income and expenses for 2009 and 2008 comprise:

Costs and Losses	Dec'09	Dec'08
Interest	2.663.694	5.380.752
Unfavourable Exchange Rate Differences	94.140	530.230
Cash Discount Granted	11.896	23.662
Other Financial Costs	269.246	147.842
Net Financial Expenses	-2.510.602	-4.745.564
	528.374	1.336.922

Income and Gains	Dec'09	Dec'08
Interest	240.784	579.001
Dividends		566.587
Favourable Exchange Rate Differences	272.101	177.284
Obtained Cash Discounts	14.613	13.352
Other Financial Income	876	698
	528.374	1.336.922

46. STATEMENTS OF EXTRAORDINARY INCOME AND EXPENSES

The extraordinary income and expenses for 2009 and 2008 comprise:

Expenses	Dec'09	Dec'08
Donations	48.370	90.585
Losses on Inventories	75.338	104.965
Losses on Fixed Assets	40.993	25.290
Fines and Penalties	144.907	15.226
Other Extraordinary Expenses		9.141
Net Extraordinary Income	2.743.700	1.722.545
	3.053.308	1.967.752

Income	Dec'09	Dec'08
Tax Recover (Note 6)	36.770	205.754
Gains on Inventories	261	
Gains on Fixed Assets	304.713	341.806
Reduction of Depreciations and Provisions	1.171.901	978.994
Other Extraordinary Income (Note 53)	1.539.663	441.198
	3.053.308	1.967.752

49. STATE AND OTHER GOVERNMENT ENTITIES

The liability caption “State and other Public entities”, as of 31 December 2009, does not include outstanding overdue debts, and comprise:

Items	Amount
Corporate Income Tax for the Year 2009	2.088.871
Corporate Income Tax for the Year 2009 (RETGS)	914.979
Corporate Income Tax(payments in advance) for the Year 2009	-839.286
	Sub-Total (Note 6)
Corporate Income Tax for the Year 2008 (RETGS)	2.164.564
Vehicles Tax	-953.739
Custom Duties	2.439.866
Value Added Tax	771.895
Other Tax	6.701.145
	555.531
Total	11.679.262

50. BONDS AND BANK LOANS

As of 31 December 2009, bank loans of short term, paying interests at market rates, can be detailed as follows:

Bank Loans

Commercial Paper Programs	40.000.000
Current loans	4.970.000

	44.970.000
	=====

51. OTHERS LOANS

With the closure of the project application No. 00/07099 to the Support Program POE 1.2 SIME A AICEP (Agency for Investment and External Commerce of Portugal, EP) granted a support refundable with the following plan of reimbursement (Note53):

2011	210.612
2012	545.355
2013 and following	1.363.391

	2.119.358
	=====

52. ACCRUALS AND DEFERRED

As of 31 December 2009, these items were as follows:

Accrued Income

Bonus	2.200
=====	

Deferred Costs

Multi-annual maintenance of fixed assets	138.631
Insurance	211.913
Interest from Commercial Paper Programs	120.196
Other	76.246

	546.986
	=====

Accrued Costs

Vacations pay and bonus	2.231.458
Sales Campaigns	1.873.055
Anticipated costs related with sold vehicles	1.299.782
Car Tax related with disposed vehicles not registered	693.073
Warranty Claims	279.201
Interest	251.618
Royalties	53.010
Insurance	128.418
Other	590.646

	7.400.261
	=====

Deferred Income

Investments Support (Note 53)	541.731
Debtors interest	161.479
Program of Qualification and Employment for the Automotive Industry (PASA) (Note 53)	59.935
Others	1.051.453

	1.814.598
	=====

53. SUPPORT RECEIVED

The detail of the movements in captions subsidies and support received during the exercise 2009 is as follows(Introduction and Note 3 al g):

PROGRAM	Subsidies Received	Refundable (Note 51)	Not Refundable	Considered in the period (Note 46)	Deferred to future (Note 52)
POEI.2 – SIME A application 00/07099	3.953.379	2.119.358	1.834.021	1.320.313	513.708
SIME IDT - OPTIMO SEVEN	208.708		208.708	180.685	28.023
sub-total for subsidies to fixed and intangible assets	4.162.087	2.119.358	2.042.729	1.500.998	541.731
Program of Qualification and Employment for the Automotive Industry (PASA)	662.755		662.755	602.820	59.935
Operational Program for the Human Potencial (POPH)	1.013.578		1.013.578	1.013.578	
sub-total for operating subsidies	1.676.333		1.676.333	1.616.398	59.935

54. END-OF-LIFE VEHICLES

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

Producers/Distributors will have to bear at least a significant part of the cost of the take back of vehicles put on the market as of July 1, 2002 and from January 1, 2008 for vehicles put on the market.

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

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

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

55. EXPLANATION ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in accordance with generally accepted accounting principles in Portugal and the format and disclosures required by the Portuguese Official Chart of Accounts ("Plano Oficial de Contabilidade – POC), some of which may not conform with or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Chartered Accountant
Alberto Luís Lema Mandim

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

Statement of Income by Activities

(Euros)

		Years	
		2009	2008
1	Sales and Services Rendered	294.821.381	405.392.814
2	Cost of Goods	254.732.401	355.280.263
3	Gross Profit	40.088.980	50.112.551
4	Other Operating Costs/Profits	-2.581.028	254.259
5	Distribution Costs	25.701.740	33.660.794
6	General & Administrstr Expenses	7.114.834	7.805.940
	Operating Results	9.853.434	8.391.558
7	Income from Investments		
	On Affiliated Companies		
	On Other Companies		566.587
8	Financial Income		
	Related with Affiliated Companies		
	Other		
9	Interest Received:		
	Related with Affiliated Companies		
	Other	240.784	579.002
10	Provisions and Depreciation from Investments		
11	Interest Supported:		
	Related with Affiliated Companies		
	Other	2.663.694	5.380.752
	Current Results	7.430.524	4.156.395
14	Extraordinary Income		
15	Extraordinary Expenses		
	Income Before Taxes	7.430.524	4.156.395
	Income Tax for the Year	1.986.705	979.645
19	Net Income for the Year	5.443.819	3.176.750
	Net Income per Share	0,16	0,09

CHARTERED ACCOUNT

ALBERTO LUÍS LEMA MANDIM

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President

HIROYUKI OCHIAI

ANDREA FORMICA

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

RUI MANUEL MACHADO DE NORONHA MENDES

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES	2009	2008	(Euros)
Collections from Customers	393.117.449	506.529.921	
Payments to Suppliers	-310.846.204	-452.032.536	
Payments to Personnel	<u>-13.595.713</u>	<u>-14.075.457</u>	
Operating Flow	68.675.532	40.421.928	
Payments of Income Tax	-802.520	-3.888.410	
Other Collections/Payments Related to Operating Activities	<u>-28.754.588</u>	<u>-36.064.768</u>	
Operating Flow before Extraordinary Items	39.118.424	468.750	
Collections Related to Extraordinary Items	390.570	814.262	
Payments Related to Extraordinary Items	<u>-50.407</u>	<u>340.163</u>	<u>-202.044</u>
			612.218
Flow in Operating Activities	39.458.587	1.080.968	
INVESTING ACTIVITIES			
Collections from:			
Investments		5.855.010	
Tangible Fixed Assets	3.137.163	3.004.698	
Investment Subsidy	2.042.729		
Interest and Others	2.277	1.931	
Dividends	<u>5.182.169</u>	<u>566.587</u>	9.428.226
Payments to:			
Investments		-7.095.000	
Tangible Fixed Assets	-1.809.230	-3.096.382	
Intangible Fixed Assets	<u>-198.551</u>	<u>-2.007.781</u>	<u>-483.384</u>
			-10.674.766
Flow in Investing Activities	3.174.388	-1.246.540	
FINANCING ACTIVITIES			
Collections from:			
Loan	<u>2.459.358</u>	2.459.358	17.182.260
			17.182.260
Payments to:			
Loan	-40.029.229		
Lease Down Payments	-1.461.871		-76.255
Interest and Others	-2.481.804		-5.616.911
Dividends	<u>-2.445.849</u>	<u>-46.418.753</u>	<u>-8.731.057</u>
			-14.424.223
Flow in Financing Activities	-43.959.395	2.758.037	
CASH			
Cash and Cash Equivalents at Beginning of Period	3.311.130	718.665	
Cash and Cash Equivalents at End of Period	1.984.710	3.311.130	
Net Flow in Cash Equivalents	-1.326.420	2.592.465	

CHARTERED ACCOUNT

ALBERTO LUÍS LEMA MANDIM

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS -President

HIROYUKI OCHIAI

ANDREA FORMICA

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

RUI MANUEL MACHADO DE NORONHA MENDES

Toyota Caetano Portugal, S.A.

NOTES TO STATEMENT OF CASH FLOWS

1-a) Detail of collections from Investments

RUBRICAS	2009	2008
Disposal of investments in Banco Comercial Português SA	-	3.319.305
Disposal of investments in Banco Português InvestimentoSA	-	2.535.705
Collections from Investments	-	5.855.010
Aquisition of investments in Movicargo Lda	-	1.130.000
Loans to affiliates received	-	5.965.000
Payments to Investments	-	7.095.000

2- Detail of cash and cash equivalents:

ITEMS	2009	2008
Money	101.250	101.250
Bank Deposits at Immediate Disposal	1.846.812	3.190.512
Cash Equivalents	36.648	19.368
Cash and Cash Equivalents	1.984.710	3.311.130
AVAILABILITIES AS IN BALANCE SHEET	1.984.710	3.311.130

CHARTERED ACCOUNT

ALBERTO LUÍS LEMA MANDIM

BOARD OF DIRECTORS

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**LEGAL CERTIFICATION OF ACCOUNTS
AND AUDIT REPORT**

INDIVIDUAL ACCOUNTS

(Translation of a report originally issued in Portuguese)

Introduction

1. In compliance with the applicable legislation we hereby present our Legal Certification of Accounts and Audit Report on the financial information contained in the Management Report and in the financial statements of Toyota Caetano Portugal, S.A. for the year ended 31 December 2009 which comprise the Balance sheet as of 31 December 2009, that reflects a total of 210,632,878 Euros and shareholders' equity of 105,829,146 Euros, including a net profit of 5,443,819 Euros, the Statements of profit and loss by natures and functions and the Statement of cash flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of financial statements that present a true and fair view of the financial position of the Company, the result of its operations and its cash flows; (ii) the preparation of historical financial information in accordance with generally accepted accounting principles and that is complete, true, up-to-date, clear, objective and licit, as required by the Securities Market Code ("Código dos Valores Mobiliários"); (iii) adopting adequate accounting policies and criteria and the maintenance of an appropriate internal control system; (iv) information on any relevant facts that have influenced its activity, financial position or results.
3. Our responsibility is to examine the financial information contained in the documents of account referred to above, including the verification that, in all material respects, the information is complete, true, up-to-date, clear, objective and licit, as required by the Securities Market Code, and issuing a professional and independent report based on our work.

Scope

4. Our examination was performed in accordance with the Technical Review/Audit Standards and Directives ("Normas Técnicas e as Directrizes de Revisão/Auditoria") issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"), which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the financial statements are free of material misstatement. Such an examination included verifying, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the significant estimates, based on judgements and criteria defined by the Company's Board of Directors, used in their preparation. Such an examination also included assessing the adequacy of the accounting principles used, their uniform application and disclosure, taking into consideration the circumstances, verifying the applicability of the going concern concept, assessing the adequacy of the overall presentation of the financial statements and assessing that, in all material respects, the information is complete, true, up-to-date, clear, objective and licit. Our examination also included verifying that the financial information included in the Management Report is consistent with the other documents of account. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the financial statements referred to in paragraph 1 above, present fairly, for the purpose referred to in paragraph 6 below, in all material respects, the financial position of Toyota Caetano Portugal, S.A. as of 31 December 2009 and the result of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles in Portugal and the information contained therein is, in terms of the definitions included in the technical standards and review recommendations referred to in paragraph 4 above, complete, true, up-to-date, clear, objective and licit.

Emphasis

6. The financial statements referred to in paragraph 1 above, reflect only the individual non consolidated accounts of the Company and were prepared, in accordance with generally accepted accounting principles in Portugal, for publication in accordance with legal requirements. As mentioned in Note 3 d) of the Notes to the financial statements, the financial investments in affiliated companies are stated at the lower of cost or market or realizable value. The Company will prepare, in accordance with legal requirements, consolidated financial statements in accordance with the International Financial Reporting Standards adopted by the European Union, for separate publication.

Porto, 8 April 2010

DELOITTE & ASSOCIADOS, SROC S.A.
Represented by António Manuel Martins Amaral