

# ***Interim Report***

***June 2012***

***- Consolidated Accounts -***

## **Governance Bodies**

### **Board of the General Meeting**

José Lourenço Abreu Teixeira – Chairman  
Manuel Fernando Monteiro da Silva – Deputy Chairman  
António Manuel de Oliveira Saramago – 1<sup>st</sup> Secretary  
Maria Olívia Almeida Madureira – 2<sup>nd</sup> Secretary

### **Board of Directors**

José Reis da Silva Ramos – Chairman  
Daniele Schillaci – Director  
Maria Angelina Martins Caetano Ramos – Director  
Salvador Acácio Martins Caetano – Director  
Miguel Pedro Caetano Ramos – Director  
Rui Manuel Machado de Noronha Mendes – Director  
Shigeki Enami – Alternate

### **Supervisory Board**

José Domingos da Silva Fernandes – Chairman  
Alberto Luis Lema Mandim – Director  
Takehiko Kuriyama – Director

### **Statutory Auditor**

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

## CONSOLIDATED FINANCIAL INDICATORS

	JUN '12	JUN '11	JUN '10
TURNOVER	117.230.829	152.323.880	212.990.469
CASH-FLOW	6.195.895	9.478.981	12.833.614
INTEREST AND OTHERS	1.632.907	-306.744	536.939
PERSONNEL EXPENSES	18.744.423	22.582.870	24.301.392
NET INVESTMENT	10.310.482	12.076.344	21.150.433
NUMBER OF EMPLOYEES	1.770	1.778	1.933
NET INCOME WITH MINORITY INTEREST	-2.354.115	495.492	6.290.546
NET INCOME WITH OUT MINORITY INTEREST	-2.235.808	520.171	6.291.688
DEGREE OF AUTONOMY	53,80%	51,50%	44,06%

## REPORT

### INTRODUCTION

In compliance with Article 246(1)(b) of the Securities Code, the following interim report has been prepared, containing, for each of the companies included in the consolidation perimeter of Toyota Caetano Portugal, a description of the significant events during the period and their impact on the financial statements.

The main prospects for the second half of the current financial year are also briefly summarised.

### **TOYOTA CAETANO PORTUGAL, S.A.**

### INDUSTRIAL ACTIVITY

#### OVAR MANUFACTURING PLANT

Economic conditions in Portugal deteriorated drastically during the first half of 2012 and this is reflected in the level of activity of the Ovar Plant.

The results show that 914 units were produced in the Toyota business, a decrease of 3% compared with the same period in 2011. Although the export market showed an increase of 11% compared with the first half of 2011, with 489 vehicles being produced, only 425 units were produced for the domestic market, a decrease of 15%.

The PPO/PDI activity prepared 1461 vehicles, a decrease of 40% compared with the same period in the previous year.

Production	2012 (Jan-Jun)	2011	2010	2009	2008
Toyota Physical Units	914	2025	2553	1967	5947
Physical Units Minibuses	0	12	91	86	154
Physical Units Transformed	1461	4274	6316	5677	10,046
Total Employees	208	214	297	340	360

In May APCER performed an audit of our Quality and Environmental Management Systems, which emphasised the high level of maturity of the Management System and the overall improvement in its performance despite the fact that the Plant is currently in a downturn situation.

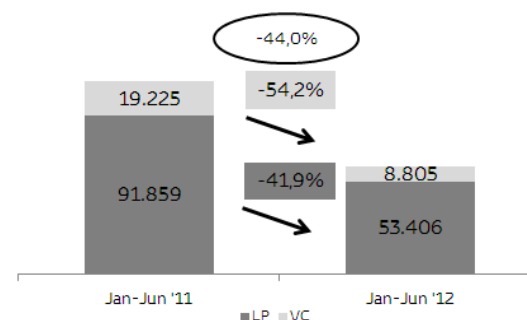
## SALES ACTIVITY

### VEHICLES

#### TOTAL MARKET

The first half of 2012 showed a sharp downturn, with the total market falling by approximately 44% compared with the same period last year, to a total of 62,211 units.

The fall in commercial vehicles was more pronounced than in passenger vehicles (54.2% and 41.9% respectively).



The downturn in the market can be explained by the following factors:

- 1) A highly adverse economic climate, with strong impacts on the purchasing power of both private consumers and public sector consumers;

- 2) Aggravation of Vehicle Tax (ISV) on commercial vehicles in 2012, leading to strong bringing forward of purchases at the end of 2011, particularly in the Passenger Derivatives, Vans and Pick-ups segments;

	Jan - May '11	Jan - May '12	Change
RAC	14,125	3703	- 73.8%
OTHERS	96,959	58,508	- 39.7%
TTL PC	111,084	62,211	- 44.0%
% RAC IN TTL	12.7%	6.0%	- 6.8 p.p.

Source: ACAP

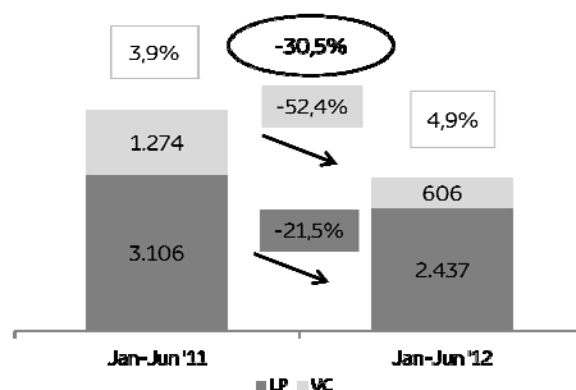
- 3) Strong downturn in the RAC segment, which showed a fall in May of 74% compared with 2011.

## TOYOTA

In line with the market trend, Toyota showed a sharp fall, with total sales of 3043 units, a decrease of 30.5%.

This fall is less than for the total market, resulting in an increase in market share of about 1 p.p.

Given the extremely adverse macroeconomic climate, and with a sharply falling motor vehicle market, the performance in the first half is extremely positive, whether we are talking about Light Passenger Vehicles or Commercial Vehicles:



Source: ACAP

- In Light Passenger Vehicles Toyota showed a fall of around 21%, significantly below that of the market, with market share rising to 4.6% (+1.2 p.p. compared with 2011).

This positive trend in market share is mainly attributable to:

- (1) The launch of the MC Aygo'12 in March this year;
- (2) An extremely successful sales campaign for the Yaris and Auris models, with substantial gains in market share in the segments in which they compete (+3.2 p.p. and +0.7 p.p. respectively).

## Toyota Caetano Portugal, S.A.

- In **Commercial Vehicles**, Toyota showed a fall of around 52%, with market share rising to 6.9% (+0.3 p.p. compared with 2011).

This performance is mainly explained by:

(1) The growth in sales of Passenger Derivatives, including the Yaris Bizz, under last year's tax rules;

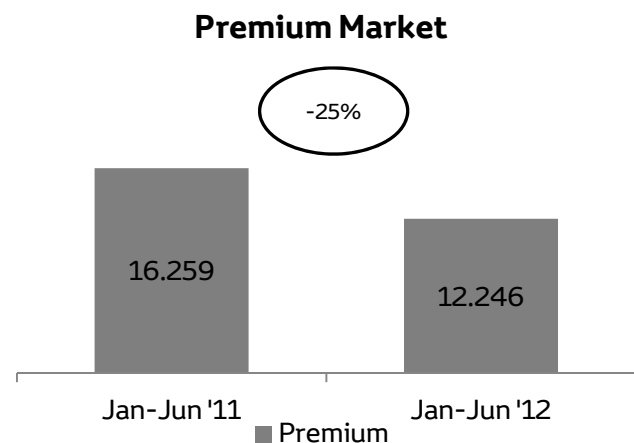
(2) Retention of first place in the Chassis-Cab segment, in which we achieved a 24.3% market share;

We foresee an extremely challenging second half of 2012, both because of the level of uncertainty, and because of the expected increase in commercial aggressiveness by our main competitors.

### Premium Market

The trend in the premium market in the first half of 2012 was less negative when compared with the trend in the total passenger market, with a fall of 25% compared to 42% in the market as a whole.

This implies an increase in the weight of the premium market in the total passenger market from 18% to 23% – an increase of 5 p.p. – due to:



Source: ACAP

- Refreshing of leading competitors' ranges – BMW 1 Series and 3 Series, Mercedes B Class;

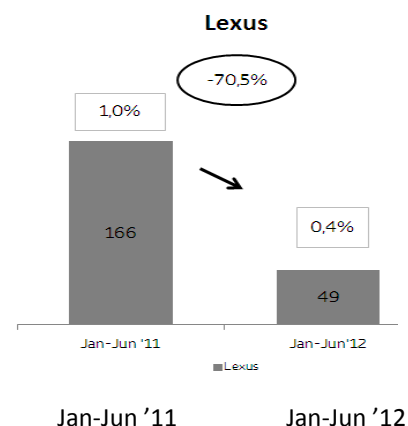
- Increased commercial aggressiveness of the leading competitors – BMW, Mercedes and Audi

It is expected that this trend will be accentuated in the second half due to the launch of the new A Class.

## LEXUS

In line with market performance, Lexus also showed a downward trend compared with last year: approximately 71%, implying a fall in the Premium Segment market share of 0.6 p.p.

This less positive performance is explained by the refreshing of competitors' ranges and their increased commercial aggressiveness.



An improvement in performance is forecast for the second half of the year as a result of the launches of the new generation GS and the facelift of the RX.

## INDUSTRIAL MACHINES

### Toyota Industrial Equipment

	MARKET			TOYOTA + BT SALES				
	1 <sup>st</sup> Half		Change	1 <sup>st</sup> Half '11		1 <sup>st</sup> Half '12		Change
	'11	'12	%	Qty.	Share	Qty.	Share	%
Counterbalanced Forklifts	420	334	-20.5%	81	19.3%	88	26.3%	8.6%
Warehouse Equipment	584	423	-27.6%	175	30.0%	83	19.6%	-52.6%
TOTAL LMM	1004	757	-24.6%	256	25.5%	171	22.6%	-33.2%

Source: ACAP

### Market

At the end of the first half of 2012, the domestic market for load movement machines (LMM) showed an overall decrease of the order of 24.6 %. This decrease is a reflection of the current economic situation in Portugal where investment by companies continues to shrink as a result of the deep economic crisis.



## Toyota Caetano Portugal, S.A.

Analysed by segment, the market for counterbalanced forklifts contracted by 20.5% and the warehouse equipment market contracted by 27.6%. The latter reflects the deferral of contracts to the detriment of fleet renewal.

### Toyota + BT Sales

Overall, sales decreased by 33.2 %, slightly more than the market as a whole but still enabling us to retain leadership with a market share of 22.6%.

In terms of Toyota Counterbalanced Forklifts, 88 units were sold in the first six months of the year, an increase in sales of 8.6%, with a cumulative market share of 26.3%.

As regards BT Warehouse Equipment, sales totalled 83 units, with a cumulative market share to June of 19.6%.

## PARTS

### TOTAL SALES

Product	Sales 1st Half 2011	Sales 1st Half 2012	Growth % 2012/2011
Parts/Accessories/Merchandising	21,503,902	17,904,022	-16.7%
ExtraCare/Eurocare Services	979,339	425,898	-56.5%
Total	22,483,241	18,329,920	-18.5%

During the first half of 2012, the Toyota After Sales Division invoiced 18.3 million euros. This corresponds to a decrease of 18.5% compared with turnover in the first half of 2011.

Analysing sales of services ("Eurocare", "ExtraCare" and "Euroassistance") a downward trend is also evident. Turnover from these services totalled 426 thousand euros, 56.5% lower than in the previous year. "Mandatory" services, which are dependent on sales of new cars (to which they are directly linked), continued to suffer a sharp downturn.

**Note:** the analysis below relates only to sales of parts, accessories and merchandising (not including sales of services).

## Toyota Caetano Portugal, S.A.

### *Distribution of total sales:*

	Proportion (%) of Total Sales	
	1 <sup>st</sup> Half 2011	1 <sup>st</sup> Half 2012
<b>Toyota Genuine Parts</b>	<b>87.4%</b>	<b>87.4%</b>
<b>Local Content Parts</b>	<b>4.1%</b>	<b>4.5%</b>
<b>Accessories *</b>	<b>7.9%</b>	<b>7.4%</b>
<b>Merchandising *</b>	<b>0.6%</b>	<b>0.7%</b>

\* Accessories and Merchandising include genuine Toyota parts and local content parts.

Sales of Genuine Toyota parts accounted for the largest slice of total sales in the first half of 2012, corresponding to 87.4%.

The Toyota Official After Sales Service network was the main customer of the After Sales Division. This customer accounted for 92.0% of total turnover, corresponding to 16 million euros. This represents a decrease of 16.4% (-3 million euros) compared with the first half of 2011.

The sales results for the first half of this year testify to the current downturn in the Portuguese economy. Affected by the adverse economic climate that began in 2011, the motor vehicle business has continued to decline in 2012.

In order to counteract this adverse situation, Toyota Caetano Portugal has adopted various measures focused especially on customer retention by Toyota workshops, including:

- “Genius 2012” Customer Retention Campaign, with attractive prices for oil and filter changes.
- Launch of “Maintenance Contracts” for the entire range of cars and light commercial vehicles. These contracts cover all scheduled maintenance in Toyota workshops up to the vehicle’s fifth year or 195,000 km.
- Launch of “Insurance on the Road” for Toyota and Lexus vehicles. This new version complements the previous Toyota insurance, intended only for vehicles for sale. This new product is intended to reach Toyota cars that are serviced by After Sales.
- Promotion of Extracare Plus. This service, which comprises an extended warranty covering the 6<sup>th</sup> and 7<sup>th</sup> years up to a maximum of 160,000 km, can be purchased at any Toyota dealer or repairer before the end of the 5<sup>th</sup> year.
- In addition, other steps have been taken to boost the After Sales business, such as:

## Toyota Caetano Portugal, S.A.

- Launch of the Premium Trade 2012 Programme, for public counter parts customers. This programme is intended to stimulate direct sales to the general public.
- Launch of the Toyota Spring Campaign, also focused on public counter customers.
- Continuous promotion of the tyre business during the year, for example within customer retention campaigns.
- Changes to the business model for paints which, from this year, will be sold in Local Content Parts, with orders sent directly to the supplier Spies Hecker. This new project will allow the introduction of new technologies and workshop methods.

## **CAETANO AUTO, S.A.**

As a result of the current recession in the market, CA also saw a significant reduction in turnover in the first half of 2012 (approximately 20 million euros) compared with the same period in the previous year (including a reduction of 381 new units invoiced – 1333 in 2012 as against 1714 in the same period in 2011).

However, the after sales business minimised this fall as a result mainly of improved occupancy rates, generating EBITDA in excess of 2 million euros from sales of parts and workshop services.

Meanwhile, redundancies were made in this half year which will reduce staff costs significantly in the short term, although giving rise to approximately 365 thousand euros in compensation.

## **AUTO PARTNER – COM. AUTOMOVEIS, S.A.**

It was predicted in last year's report that 2012 would be a difficult year in the midst of economic recession.

The first half of 2012 saw the current economic crisis experienced to the full by Auto Partner – Comércio de Automóveis, with a 28% reduction in units invoiced in the first half of 2012 (99 units), compared with 138 units in the same period in 2011.

However, the after sales business managed to lessen the negative impact caused by the reduction in the vehicle sales business through somewhat improved occupancy rates, although not enough to balance the company's overall turnover.

## Toyota Caetano Portugal, S.A.

To cope with the recession, Auto Partner – Comércio de Automóveis has carried out restructuring and made better use of available synergies, resulting in significant reductions in “External supplies and services” (29%) and in own “Staff costs” (18%).

### **CAETANO COLISÃO (NORTE). S.A.**

Despite the economic crisis we are going through, the turnover of Caetano Colisão (Norte) in this half year has been broadly similar to that in the same period last year.

Efforts to win and retain major customers such as fleet managers and insurers by optimising structures contributed greatly to this outcome, thereby enhancing results.

The positive results achieved to June 2012 have thereby contributed to recouping the losses incurred in the previous year.

### **CAETANO AUTO CABO VERDE. S.A.**

#### **VEHICLES**

		2012	2011	Change	
MARKET	MAKE	1 <sup>st</sup> Half	1 <sup>st</sup> Half	Qty.	%
Light Passenger Vehicles	Toyota	36	30	6	20.00%
	Daihatsu	7	14	-7	-50.00%
Light Commercial Vehicles	Toyota	60	111	-51	-45.95%
Heavy Goods Vehicles	Toyota	30	69	-39	-56.52%
		133	224	-91	-40.63%

The serious economic situation affecting the entire world, especially the automotive sector, was the defining characteristic of the first half of 2012.

Caetano Auto CV showed a sharp fall in the first half of 2012 (-40.63% compared with the same period in the previous year), particularly in the Commercial Vehicle market. The Light Passenger Vehicle market countered this trend due to the sale of 11 vehicles of the Auris range (0 in the same period in the previous year).

The main reasons for such a sharp decline in vehicle sales are:

## Toyota Caetano Portugal, S.A.

- lack of bank liquidity; restrictions on car loans and a greater tendency by consumers to delay consumption/investment decisions due to the economic crisis.
- few construction companies with sufficiently long contracts in hand to stimulate the economy.

### After Sales

	2012	2011	Change
MARKET	1 <sup>st</sup> Half	1 <sup>st</sup> Half	%
Parts/Accessories	81,407,819	101,662,765	-19.92%
Workshop (Labour)	17,675,374	19,731,633	-10.42%
	99,083,193	121,394,398	-18.38%

(Figures in ECV)

During the first half of 2012 Caetano Auto CV's turnover on parts and accessories was 81,407,819 ECV, representing a decrease of 19.92% compared with the same period in the previous year. Workshop turnover decreased by 10.42% compared with the same period in 2011.

A factor in these decreases is the remodelling of the premises which limited activity during the first half. Although no major change in the economic situation is forecast for the second half of the year, the completion of the works and inauguration of the new premises will enable us to view the second half of the year with greater optimism. We remain committed to developing activities that will grow the After Sales business in order to surmount the current difficulties in the market.

## **CAETANO RENTING, S.A.**

The company's total fleet at the end of the first half of 2012 consisted of 2100 units, a decrease of approximately 4.9% compared with the same period last year. The occupancy rate was very close to 100%.

The average fleet size was 1540 units, as against 1831 in the previous year, which helps to explain why turnover has fallen significantly (by 21.54%).

660 units were acquired in June, whose impact on turnover will only be visible in the second half.

## **CAETANO COMPONENTS, S.A.**

The half year just ended did not provide much cause for satisfaction. In the light of the cancellation of orders for C5 chassis and the uncertainty about the resumption of production, very painful staffing adjustment measures were introduced. Despite efforts to redeploy employees in other roles or in other companies of the Salvador Caetano Group, we were unable to avoid making 21 employees redundant. For the remainder of employees, temporary layoffs between 1 June and 30 November also proved unavoidable. It will be easily understood from these measures that the first half of 2012 was not positive for the business. The tight sales margins, but especially the high levels of under-occupation, were determining factors underlying this unsatisfactory performance.

We forecast a second half of the year marked by a stoppage of production, with sales focused on finished products in stock. We intend to make use of this time to implement a range of actions including reorganisation of the production layout, improvement of operations methods, physical inventorying of stocks, maintenance of equipment and facilities and retraining of employees for new roles, among others.

However, the start-up of current projects by our customer Caetanobus may bring forward the resumption of production and lead to interruption of the layoffs. In our worst scenario, we will resume production in December.

Now in the final stages of negotiation and following completion of the detachment of Hall C from the land registry entry, we expect that its sale will take place in the second half of the year.

## **MOVICARGO**

Company not trading during the period and in the process of being formally wound up.

## FINANCIAL ACTIVITY / PROSPECTS

### Financial Activity

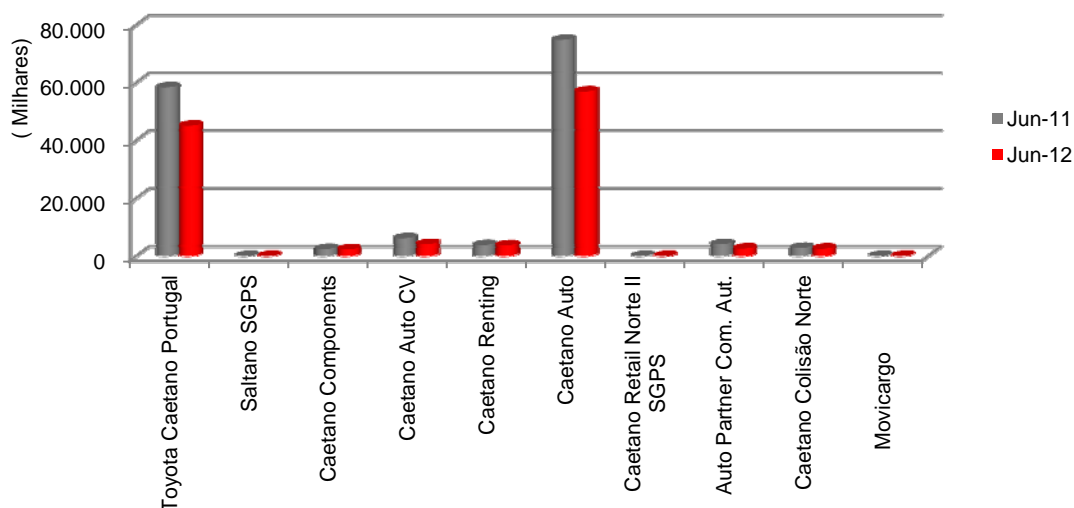
#### Framework

According to the projections published by the Bank of Portugal in the summer issue of the economic bulletin, 2012 awaits a sharp contraction in the economic activity – surrounding 3% - which is still better than that predicted in the previous bulletin (3.4%). The year 2013 foresees stagnation in the growth of the Gross Domestic Product (GDP). It should be noted that these projections are included in an adjustment process within the scope of the Financial and Economic Assistance Programme, where important structural reforms are being implemented in order to provide the foundation for sustained increase in productivity.

In the current economic situation, the main macroeconomic indicators are obviously penalised – namely domestic demand (-6.4% in 2012; -1.4% in 2013) - bearing a negative influence on the performance of the automotive industry, where Grupo Toyota Caetano mostly works.

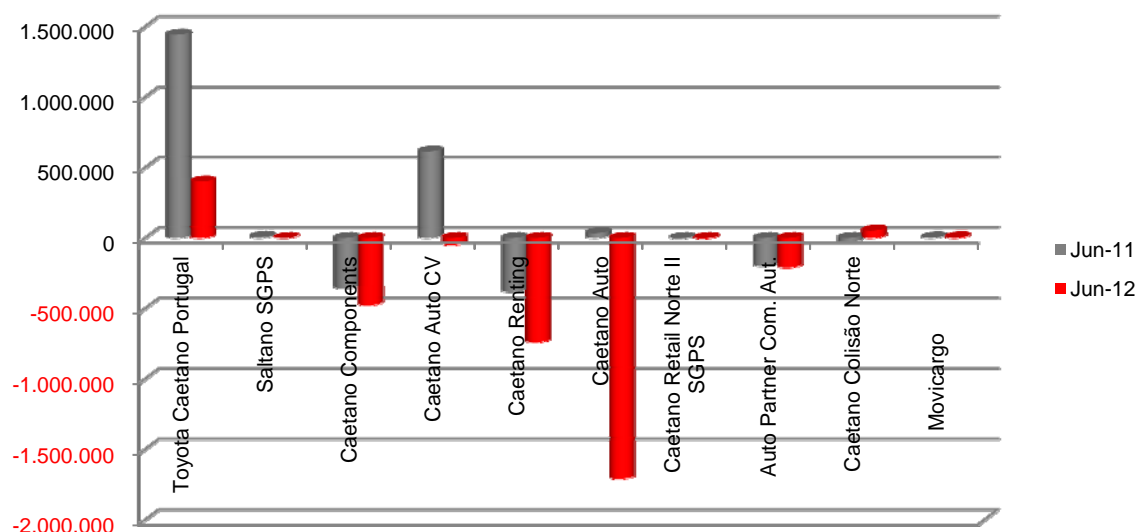
#### Consolidated analysis

In a period where the consolidation perimeter remained the same, the group's turnover in the 1st semester of 2012 is 117 million Euros, leading to a negative variation of 23% when compared to the same period of the year before, justified by the current macroeconomic environment and registered development of the automotive industry. The graph below highlights the contribution of each company within this indicator towards the consolidated profit and loss, where a general fall in billing is obvious:



## Toyota Caetano Portugal, S.A.

Due to the observed fall in activity, profit and loss before taxes was obviously affected with a loss of 2.7 million Euros in the first semester compared to a profit of 1.1 million Euros in the same period of 2011. The following graph shows the contribution of each company towards the consolidated profit and loss:



From reading the aforementioned graph, we realise that Caetano Auto has had in fact a serious decrease in profit and loss, incorporating the effect of the carried out restructuring with an impact on indemnities reaching 365 thousand Euros.

Financial expenses also contributed towards consolidated loss within the amount of 1.7 million Euros during the referenced period, being the culmination of a continuous exponential growth of debt burdens by means of a progressive increase in spreads not offset by the decrease in referenced interest rates. In this respect - and at a time where credit access is tighter - the main developed strategy in finances is based on the renegotiation of short-term credit lines, making them longer, as portrayed in the relative share occupied by the non-current liabilities within the group's ownership structure.

In order to allow for a reduction in bank liabilities, the level of inventories and granted credit to clients has depended on the performed activity, therefore calculating company structures based on the current reality.

According to history, the achieved equity to assets ratio has been approximately 54%.



## **Prospects**

We foresee that by the end of the fiscal year the activity level will remain abnormally low; a reality reflected by the operational profit and loss of Grupo Toyota. However, we hope that the new models being launched this year – the new Auris, the new Yaris Hybrid generation, the new Prius+ and Plug-in - may lessen the expected impact of this recession.

Some measures shall be implemented as a way to cut expenses and obtain additional income, namely: new restructuring measures, particularly in industrial areas– although in some cases reallocation may occur within the scope of Grupo Salvador Caetano - and the disposal of non-current assets held for sale.

## **DECLARATION**

We hereby declare, pursuant to and for the purposes of Article 246(1)(c) of the Securities Code that, to the best of our knowledge, the consolidated financial statements of Toyota Caetano Portugal for the first half of 2012 were prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and that the interim management report faithfully discloses the information required by Article 246(2) of the Securities Code.

Vila Nova de Gaia , 24 August 2012

The Board of Directors

José Reis da Silva Ramos – Chairman

Daniele Schillaci

Maria Angelina Martins Caetano Ramos

Salvador Acácio Martins Caetano

Miguel Pedro Caetano Ramos

Rui Manuel Machado de Noronha Mendes

## **INFORMATION ON HOLDINGS OF AND TRANSACTIONS BY THE MANAGEMENT AND SUPERVISORY BODIES**

(Pursuant to Article 447 of the Companies Code and in accordance with Article 9(a) and Article 14(6 & 7) of Regulation 5/2008 of the CMVM)

### **BOARD OF DIRECTORS**

#### **JOSÉ REIS DA SILVA RAMOS (Chairman of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

GRUPO SALVADOR CAETANO, SGPS, S.A., of which he is a Member of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 21,288,281 shares with a nominal value of €1.00 per share.

FUNDAÇÃO SALVADOR CAETANO, of which he is the Chairman of the Board of Directors, acquired the following Toyota Caetano Portugal, S.A. shares during the first half of 2012: on 2 January 2012, 2565 shares at a price of €3.90 per share; on 11 June 2012, 100 shares at a price of €1.78 per share. Accordingly, at 30 June 2012 it owned 8832 shares with a nominal value of €1.00 per share.

COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A., of which his spouse is Chairman of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 393,252 shares with a nominal value of €1.00 per share.

COCIGA - Construções Civas de Gaia, S.A., of which his spouse is Chairman of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 290 shares with a nominal value of €1.00 per share.

#### **DANIELE SCHILLACI (Member of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

## **Toyota** Caetano Portugal, S.A.

### **MARIA ANGELINA MARTINS CAETANO RAMOS (Member of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

GRUPO SALVADOR CAETANO, SGPS, S.A., of which she is Chairman of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 21,288,281 shares with a nominal value of €1.00 per share.

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COCIGA - Construções Civas de Gaia, S.A. of which she is Chairman of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 290 shares with a nominal value of €1.00 per share.

### **SALVADOR ACÁCIO MARTINS CAETANO (Member of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

GRUPO SALVADOR CAETANO, SGPS, S.A., of which he is Deputy Chairman of the Board of Directors, did not transact any Toyota Caetano Portugal, S.A. shares during the first half of 2012. At 30 June 2012 therefore, it continued to own 21,288,281 shares with a nominal value of €1.00 per share.

FUNDAÇÃO SALVADOR CAETANO, of which he is a Member of the Board of Directors, acquired the following Toyota Caetano Portugal, S.A. shares during the first half of 2012: on 2 January 2012, 2565 shares at a price of €3.90 per share; on 11 June 2012, 100 shares at a price of €1.78 per share. Accordingly, at 30 June 2012 it owned 8832 shares with a nominal value of €1.00 per share.

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### **MIGUEL PEDRO CAETANO RAMOS (Member of the Board of Directors):**

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### **RUI MANUEL MACHADO DE NORONHA MENDES (Member of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

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### **SHIGEKI ENAMI (Member of the Board of Directors):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

## **SUPERVISORY BOARD**

### **José Domingos da Silva Fernandes (Chairman of the Supervisory Board):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

## **Toyota** Caetano Portugal, S.A.

### **Takehiko Kuriyama (Member of the Supervisory Board):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

### **Alberto Luis Lema Mandim (Member of the Supervisory Board):**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

### **STATUTORY AUDITOR:**

**PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda., represented by José Pereira Alves, or by Hermínio António Paulos Afonso:**

Does not own any shares or bonds in Toyota Caetano Portugal, S.A.

**Toyota** Caetano Portugal, S.A.

**INFORMATION ON THE HOLDINGS OF SHAREHOLDERS OF  
TOYOTA CAETANO PORTUGAL, S.A.  
(PURSUANT TO ARTICLE 448 OF THE COMPANIES CODE)**

**HOLDINGS IN EXCESS OF ONE TENTH OF THE SHARE CAPITAL**

SHAREHOLDERS	Shares Owned	Shares Acquired	Shares Sold	Shares Owned
	At 31.12.2011	In 2012	In 2012	At 30.06.2012
TOYOTA MOTOR EUROPE NV/SA	9,450,000	-	-	9,450,000

**SHAREHOLDINGS IN EXCESS OF HALF OF THE SHARE CAPITAL**

SHAREHOLDERS	Shares Owned	Shares Acquired	Shares Sold	Shares Owned
	At 31.12.2011	In 2012	In 2012	At 30.06.2012
GRUPO SALVADOR CAETANO, SGPS, SA	21,288,281	-	-	21,288,281

## Toyota Caetano Portugal, S.A.

### LIST OF QUALIFYING HOLDINGS IN EXCESS OF 2% OF THE SHARE CAPITAL

SHAREHOLDER	Shares	% of voting rights
GRUPO SALVADOR CAETANO, SGPS, SA	21 288 281	60.824
TOYOTA MOTOR EUROPE NV/SA	9 450 000	27.000
SALVADOR FERNANDES CAETANO (HEIRS OF)	1 399 255	3.998
Millennium bcp – Gestão de Fundos de Investimentos, S.A., representing the securities funds managed by it, as follows:		
• Millennium Ações Portugal	630 540	1.80
• Millennium PPA	473 468	1.35
• Millennium Poupança PPR	71 826	0.21
• Millennium Investimento PPR	41 205	0.12
• Millennium Aforro PPR	9896	0.03

**Toyota Caetano Portugal, S.A.**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011, 31 DECEMBRE 2010

ASSETS	Notes	30-06-2012	31-12-2011
<b>NON-CURRENT ASSETS</b>			
Goodwill	7	611.997	611.997
Intangible Assets	8	821.387	906.488
Tangible Fixed Assets	5	91.928.561	89.833.363
Investment property	6	16.846.173	17.113.956
Available for sale Investments	9	3.186.494	3.092.979
Other financial investments	9	5.000.000	-
Deferred tax	14	2.178.995	2.088.849
Accounts Receivable	11	1.083.786	1.189.734
Total non-current assets		<u>121.657.393</u>	<u>114.837.366</u>
<b>CURRENT ASSETS</b>			
Inventories	10	51.810.834	69.020.200
Accounts Receivable	11	42.182.348	50.053.168
Other Credits	12	8.457.893	6.572.497
Public Entities	20	2.141.147	1.016.070
Other Current Assets	13	2.575.063	1.787.306
Cash and cash equivalents	4	12.518.150	18.006.246
Total current assets		<u>119.685.435</u>	<u>146.455.487</u>
Total assets		<u><u>241.342.828</u></u>	<u><u>261.292.853</u></u>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	15	35.000.000	35.000.000
Legal Reserve	15	7.498.903	7.498.903
Revaluation reserves	15	6.195.184	6.195.184
Translation reserves	15	(1.695.238)	(1.695.238)
Fair value reserves	15	107.911	14.396
Other Reserve	-	84.036.870	86.270.795
Net Income	-	(2.235.808)	(2.218.405)
		<u>128.907.822</u>	<u>131.065.635</u>
Non-controlled Interests	16	930.055	1.058.180
Total equity		<u>129.837.877</u>	<u>132.123.815</u>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES</b>			
Loans	17	16.525.816	6.781.250
Pension Fund liabilities	22	2.106.140	2.662.859
Provisions	23	353.356	345.026
Deferred tax	14	1.626.459	1.626.459
Total non-current liabilities		<u>20.611.771</u>	<u>11.415.594</u>
<b>CURRENT LIABILITIES</b>			
Loans	17	44.255.644	64.980.984
Accounts Payable	18	24.002.266	31.493.607
Other Creditors	19	2.544.793	2.186.237
Public Entities	20	5.133.433	6.374.333
Other current liabilities	21	14.417.711	12.329.927
Derivative financial instruments	24	539.333	388.356
Total current liabilities		<u>90.893.180</u>	<u>117.753.444</u>
Total liabilities and shareholder' equity		<u><u>241.342.828</u></u>	<u><u>261.292.853</u></u>

The notes to the financial statements integrates this statement for the period ending at 30 June 2012 .

CHARTERED ACCOUNTANT

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President

DANIELE SCHILLACI

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

RUI MANUEL MACHADO DE NORONHA MENDES



CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD ENDED AT 30 JUNE 2011 and 2010

	Notes	30-06-2012	01-04 a 30-06-2012 (Non Audit)	30-06-2011	01-04 a 30-06-2011 (Non Audit)
Operational Income:					
Sales	26	107.437.146	58.111.831	140.365.770	70.334.366
Service Rendered	26	9.793.683	4.693.394	11.958.110	5.781.699
Variation of Products	10	(480.672)	(2.912.083)	(2.777.185)	(3.175.124)
Other Operating Income	28	16.358.765	8.290.262	16.953.979	9.192.575
		<u>133.108.922</u>	<u>68.183.404</u>	<u>166.500.674</u>	<u>82.133.516</u>
Operational Costs:					
Cost of sales	10	87.711.581	45.704.417	112.697.993	54.984.894
External Supplies and Services		17.776.068	9.187.019	19.745.953	9.163.348
Payroll Expenses	27	18.744.423	9.425.718	22.582.870	11.297.529
Depreciations and Amortizations	5 and 8	8.206.628	4.252.811	8.698.493	4.026.290
Investment property Amortization	6	268.025	133.928	286.141	63.623
Provisions and Impairment loss	23	370.047	228.399	(305.700)	156.048
Other Operating expenses	28	1.128.844	411.765	1.972.124	775.691
		<u>134.205.616</u>	<u>69.344.057</u>	<u>165.677.874</u>	<u>80.467.423</u>
Operational Income		(1.096.694)	(1.160.653)	822.800	1.666.093
Finance costs	29	(1.732.981)	(974.897)	(1.020.161)	(505.785)
Finance Income	29	100.074	-	1.326.905	380.070
Profit before taxation from continuing operations		(2.729.601)	(2.135.550)	1.129.544	1.540.378
Income tax for the year	25	375.486	218.440	(634.052)	(535.337)
Net profit for the period		<u>(2.354.115)</u>	<u>(1.917.110)</u>	<u>495.492</u>	<u>1.005.041</u>
Net profit for the period attributable to:					
Equity holders of the parent		(2.235.808)	(1.790.941)	520.171	1.053.862
Non-controlled interest		(118.307)	(126.169)	(24.679)	(48.821)
		<u>(2.354.115)</u>	<u>(1.917.110)</u>	<u>495.492</u>	<u>1.005.041</u>
Earnings per share:					
Basic	33	-0,067	-0,055	0,014	0,029
Diluted	33	-0,067	-0,055	0,014	0,029

The notes to the financial statements integrates this statement for the period ending at 30 June 2012 .

CHARTERED ACCOUNTANT  
ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS  
JOSE REIS DA SILVA RAMOS – President  
DANIELE SCHILLACI  
MARIA ANGELINA MARTINS CAETANO RAMOS  
SALVADOR ACACIO MARTINS CAETANO  
MIGUEL PEDRO CAETANO RAMOS  
RUI MANUEL MACHADO DE NORONHA MENDES

Toyota Caetano Portugal, S.A.

EQUITY MOVEMENTS IN CONSOLIDATED STATEMENT

FOR THE PERIOD ENDED AT 30 JUNE 2012 and 2011

(Amounts expressed in Euros)

	Equity attributable to parent company							Non-controlled	
	Share capital	Legal Reserves	Revaluation Reserves	Translation reserves	Fair value reserves	Other Reserve	Net profit	Total	Interests
<b>Balances at 31 of December 2010</b>	<b>35.000.000</b>	<b>7.498.903</b>	<b>6.195.184</b>	<b>(1.695.238)</b>	<b>(271.329)</b>	<b>81.278.229</b>	<b>11.740.117</b>	<b>139.745.866</b>	<b>1.081.820</b>
Changes in the period:									
Application of the Consolidated Net Income 2010	-	-	-	-	-	11.740.117	(11.740.117)	-	-
Total comprehensive income for the year	-	-	-	-	-	-	520.171	520.171	(24.679)
Fair value of available for sale Investments	-	-	-	-	(22.328)	-	-	(22.328)	-
Others	-	-	-	-	-	(106.909)	-	(106.909)	(8.006)
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22.328)</b>	<b>11.633.208</b>	<b>(11.219.946)</b>	<b>390.934</b>	<b>(32.685)</b>
Transactions with equity holders:	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	(6.650.000)	(6.650.000)	(43.643)
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6.650.000)</b>	<b>(6.650.000)</b>	<b>(43.643)</b>
<b>Balances at 30 of June 2011</b>	<b>35.000.000</b>	<b>7.498.903</b>	<b>6.195.184</b>	<b>(1.695.238)</b>	<b>(293.657)</b>	<b>92.911.437</b>	<b>(6.129.829)</b>	<b>133.486.800</b>	<b>1.005.492</b>
<b>Balances at 31 of December 2011</b>	<b>35.000.000</b>	<b>7.498.903</b>	<b>6.195.184</b>	<b>(1.695.238)</b>	<b>14.396</b>	<b>86.270.795</b>	<b>(2.218.405)</b>	<b>131.065.635</b>	<b>1.058.180</b>
Changes in the period:									
Application of the Consolidated Net Income 2011	-	-	-	-	-	(2.218.405)	2.218.405	-	-
Total comprehensive income for the year	-	-	-	-	-	-	(2.235.808)	(2.235.808)	(118.307)
Fair value of available for sale Investments	-	-	-	-	93.515	-	-	93.515	-
Others	-	-	-	-	-	(15.520)	-	(15.520)	(9.818)
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93.515</b>	<b>(2.233.925)</b>	<b>(17.403)</b>	<b>(2.157.813)</b>	<b>(128.125)</b>
Transactions with equity holders:	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balances at 30 of June 2012</b>	<b>35.000.000</b>	<b>7.498.903</b>	<b>6.195.184</b>	<b>(1.695.238)</b>	<b>107.911</b>	<b>84.036.870</b>	<b>(2.235.808)</b>	<b>128.907.822</b>	<b>930.055</b>

The notes to the financial statements integrates this statement for the period ending at 30 June 2012 .

CHARTERED ACCOUNTANT

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President  
DANIELE SCHILLACI  
MARIA ANGELINA MARTINS CAETANO RAMOS  
SALVADOR ACÁCIO MARTINS CAETANO  
MIGUEL PEDRO CAETANO RAMOS  
RUI MANUEL MACHADO DE NORONHA MENDES

CONSOLIDATED STATEMENT OF THE COMPREHENSIVE INCOME  
FOR THE PERIOD ENDING AT 30 JUNHO 2012 AND 2011  
(Amounts expressed in Euros)

	<u>IAS/IFRS</u> <u>30-06-2012</u>	<u>IAS/IFRS</u> <u>30-06-2011</u>
Consolidated net profit for the period, including non-controlled interest	(2.354.115)	495.492
Components of other consolidated comprehensive income, net of tax:		
Available for sale Investments fair value changes (Note 10)	93.515	(22.328)
Others	(25.338)	(106.909)
Consolidated comprehensive income	<u>(2.285.938)</u>	<u>366.255</u>
Atributable to:		
Equity holders of the parent company	(2.157.813)	390.934
Non-controlled interest	(128.125)	(24.679)

The notes to the consolidated financial statements integrates this statement for the period ending at 30 June 2012.

CHARTERED ACCOUNTANT

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President  
DANIELE SCHILLACI  
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RUI MANUEL MACHADO DE NORONHA MENDES

## STATEMENT OF CONSOLIDATED CASH FLOWS

(Euros)

### OPERATING ACTIVITIES

Jun'12

Jun'11

Collections from Customers	135.935.389	185.759.256
Payments to Suppliers	(94.069.370)	(133.625.913)
Payments to Personnel	(15.658.335)	(20.212.715)
<b>Operating Flow</b>	<b>26.207.684</b>	<b>31.920.628</b>
Payments of Income Tax	(396.277)	(1.884.676)
Other Collections/Payments Related to Operating Activities	(12.413.329)	(14.504.688)
<b>Flow in Operating Activities</b>	<b>13.398.078</b>	<b>15.531.264</b>

### INVESTING ACTIVITIES

Collections from:		
Investments	-	-
Tangible Fixed Assets	6.151.050	6.860.453
Intangible Fixed Assets	-	5.526
Subsidies	11.893	-
Interest and Others	776	-
Dividends	-	-
	6.163.719	6.865.979
Payments to:		
Investments	(5.000.000)	(29.012)
Tangible Fixed Assets	(7.315.542)	(16.835.064)
Intangible Fixed Assets	(594)	(247.098)
	(12.316.136)	(17.111.174)
<b>Flow in Investing Activities</b>	<b>(6.152.417)</b>	<b>(10.245.195)</b>

### FINANCING ACTIVITIES

Collections from:		
Loan	1.579.785	273.624
Payments to:		
Loan	(11.843.377)	(3.778.511)
Lease Down Payments	(717.182)	(1.728.102)
Interest and Others	(1.748.998)	(1.560.458)
Dividends	(3.985)	(6.672.290)
	(14.313.542)	(13.739.361)
<b>Flow in Financing Activities</b>	<b>(12.733.757)</b>	<b>(13.465.737)</b>

### CASH

Cash and Cash Equivalents at Beginning of Period (Note 4)	18.006.246	20.102.376
Cash and Cash Equivalents at End of Period (Note 4)	12.518.150	11.922.708
<b>Net Flow in Cash Equivalents</b>	<b>(5.488.096)</b>	<b>(8.179.668)</b>

#### ADMINISTRATIVE MANAGER

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

#### BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS – President  
DANIELE SCHILLACI  
MARIA ANGELINA MARTINS CAETANO RAMOS  
SALVADOR ACÁCIO MARTINS CAETANO  
MIGUEL PEDRO CAETANO RAMOS  
RUI MANUEL MACHADO DE NORONHA MENDES

## NOTES TO STATEMENT OF CASH FLOWS

Detail of cash and cash equivalents:

(Euros)

ITEMS	30-06-2012	30-06-2011
Money	254.957	148.975
Bank Deposits at Immediate Disposal	12.190.071	11.775.547
Cash Equivalents	73.122	-1.816
Cash and Cash Equivalents	12.518.150	11.922.706
<b>AVAILABILITIES AS IN BALANCE SHEET</b>	<b>12.518.150</b>	<b>11.922.706</b>

ADMINISTRATIVE MANAGER  
ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS  
JOSÉ REIS DA SILVA RAMOS – President  
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SALVADOR ACÁCIO MARTINS CAETANO  
MIGUEL PEDRO CAETANO RAMOS  
RUI MANUEL MACHADO DE NORONHA MENDES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

1. INTRODUCTION

Toyota Caetano Portugal, S.A. ("Toyota Caetano" or "the Company") was incorporated in 1946, with its head office in Vila Nova de Gaia, and is the Parent Company of a Group ("Toyota Caetano Group"), whose companies mainly develop economic activities included in the automotive industry, namely the import, assembly and retail of light and heavy vehicles, production of buses, retail and rentals of cargo movement industrial equipment (forklifts), retail of vehicles spare parts, as well as the corresponding technical assistance.

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

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

As of 30 June 2012, the companies included in Toyota Caetano Group, their headquarters and the abbreviations used, are mentioned in Note 3.

The attached financial statements are stated in Euros (rounded by the unit), as this is the functional currency used in the economic environment where the Group operates. Foreign transactions are included in the consolidated financial statements in accordance with the policy mentioned in Note 2.3.

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

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 31 December 2011.

Comparative information regarding 31 December 2011, 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).

During the preparation of the accompanying consolidated financial statements, estimates were used which have an impact on the recorded amounts of assets and liabilities, as well as in recorded expenses and income in the period. However, all estimates and assumptions made by the Board of Directors were based on the best knowledge of events and transactions in course, available at the date of approval of these consolidated financial statements.

2.2 CONSOLIDATION PRINCIPLES AND MAIN MEASUREMENTS METHODS

The accompanying financial statements were prepared in accordance with the accounting policies disclosed in the notes to the consolidated financial statements as of 31 December 2011.

Financial risk management policies

The Group's activity exposed it 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

i) Foreign currency risk

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

	Assets		Liabilities	
	Jun-12	Dec-11	Jun-12	Dec-11
Cape Verde escudo (CVE)	7.558.305	6.854.306	1.485.957	741.638
Great Britain pounds (GBP)	370.039	338.654	3.466	751
Swedish krona (SEK)	41	37.550	-	-
Japanese yen (JPY)	-	-	377.326	732.429
US Dollar (USD)	18.661	-	859	(298)
Norwegian krone (NOK)	202.345	-	-	-
Danish krone (DKK)	224.256	-	-	-

ii) Price risk

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

	Variation	Jun-12	
		Net Income	Equity
FUNDO CIMOVEL	10%		312.186
FUNDO CIMOVEL	-10%		(312.186)

iii) Interest rate risk

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

	Variation	Jun-12	
		Profit or Loss	Equity
Guaranteed account	1 p.p	63.000	-
Bank Credits	1 p.p	125.000	-
Commercial Paper	1 p.p.	225.00	-
Total		443.000	-
Guaranteed account	(1 p.p)	(63.000)	-
Bank Credits	(1 p.p)	(125.000)	-
Commercial Paper	(1 p.p)	(225.00)	-
Total		(443.000)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

iv) Liquidity risk

On 30 June 2012 and 31 December 2011, the Group has a net debt of 48.263.310 euro and 53.755.988 euro, respectively, split between current and non-current loans (Note 17) and cash and cash equivalents (Note 4) contracted with several institutions.

v) Credit risk

For customers who represent car dealers and repairers, the Group requires to obtain bank guarantees "on first demand", which, as disclosed in Notes to Consolidated Financial Statements 31 December 2011, when exceeded, implies the cessation of supplies.

In these consolidated financial statements, Toyota Caetano Portugal, SA, didn't apply any standard or interpretation issued by the IASB until 30 June 2012, which mandatory application date is subsequent to the mentioned date.

The following standard was endorsed by the European Union and it is mandatory in fiscal years beginning in or after 1 January 2012. It will be adopted by the first time in the fiscal year ended at 31 December 2012:

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

The standards mentioned below were endorsed by the IASB, and will be effective for periods beginning on or after 1 January 2012. They haven't been adopted yet, since it's pending E.U. endorsement.

**IAS 12** (amendments), 'Income Taxes' (applicable to periods beginning on or after 1 January 2012). This amendment is pending European Union endorsement. This change requires entities to recognize deferred taxes related to assets if entities expect to recover the carrying amount of assets through use or sale, except for investment properties at fair value. This amendment includes in IAS 12 the principles formerly included in SIC 21, which is withdrawn. This amendment does not have any impact in the financial statements of Toyota Caetano Portugal.

**IFRS 1** (amendment), 'First-time Adoption of International Financial Reporting'. This amendment is pending European Union endorsement. This amendment aims to include a specific exemption for entities that formerly operated in hyperinflationary economies and that will adopt IFRS for the first time. This exemption allows the entity to recognize some assets and liabilities at fair value and to use fair value as deemed cost on its first financial statements under IFRS. Furthermore, it replaces references to specific dates for "transition date to IFRS" regarding the exemption from retrospective application of IFRS. This amendment does not have any impact in the financial statements of Toyota Caetano Portugal, since it already adopts IFRS.

Following, we present new standards and amendments that are to be applied in periods beginning on or after 1 July 2012:

- **IFRS 1** (amendment) 'First-time Adoption of International Financial Reporting – Government loans' (to be applied in periods beginning on or after 1 January 2013). This standard is subject to de adoption process by the E.U., and it aims to clarify how accounting for a government loan with interest rate below the market rate. This amendment does not have any impact in the financial statements of Toyota Caetano Portugal, since it already adopts IFRS.

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

- **IAS 1** (amendment), 'Presentation of Financial Statements' (applicable to periods beginning on or after 1 July 2012). This amendment is pending European Union endorsement. This amendment requires entities to separately present items recognized as Other Comprehensive Income, depending on whether they might or might not be taken through profit or loss, and the related tax effect, if items are presented before tax. This amendment does not have any impact in the financial statements of Toyota Caetano Portugal.
- **IFRS 9** (new), 'Financial Instruments' – classification and measurement (applicable to periods beginning on or after 1 January 2015). This amendment is pending European Union endorsement. IFRS 9 refers to the first phase of the new standard on financial instruments and includes two measurement categories: amortized cost and fair value. All financial instruments are to be measured at fair value. A debt instrument is measured at amortized cost only when the entity owns it to receive contractual cash flows and these ones represent face value and interest. Otherwise, debt instruments are measured at fair value through profit or loss. Toyota Caetano Portugal will adopt IFRS 9 when it becomes effective.
- **IFRS 10** (new), 'Consolidated Financial Statements' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 10 replaces all control and consolidation principles included in IAS 27 and SIC 12. Definition of control is changed, along with criteria used for determining control. The base principle that consolidated financial statements present parent company and subsidiaries as an only entity remains unchanged. The entity applies the IFRS 10, in the exercise in which becomes effective.
- **IFRS 11** (new) 'Joint Arrangements' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 11 focus on the rights and obligations of joint arrangements rather than on the legal form. Joint arrangements might be Joint Operations (rights over assets and liabilities) or Joint Ventures (rights to the net assets through application of Equity Method). Proportionate consolidation is no longer permitted. Toyota Caetano Portugal will apply the standard when it becomes effective.
- **IFRS 12** (new), 'Disclosure of Interests in Other Companies' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. This standard sets out disclosure requirements for all types of interests in other entities, including joint arrangements, associates and special purpose entities, in order to assess the nature, risk and financial effects related to interest in other companies. An entity may disclose some or all the information without having to fully apply IFRS 12 or IFRS 10 and 11 and IAS 27 and 28. Toyota Caetano Portugal will apply the standard when it becomes effective.
- **IFRS 13** (new), 'Fair Value Measurement' (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IFRS 13 aims to increase consistency by precisely defining fair value and being the only source of requirements to measure and disclose fair value across IFRS. Toyota Caetano Portugal will apply the standard when it becomes effective.
- **IAS 27** (revised 2011), 'Separate Financial Statements', (applicable to periods beginning on or after 1 January 2013). This amendment is pending European Union endorsement. IAS 27 was revised after IFRS 10 was issued and contains the recognition and disclosure requirements for investments in subsidiaries, joint arrangements and associates in an entity's separate financial statements. Toyota Caetano Portugal will apply the standard when it becomes effective.
- **IAS 28** (revised 2011), 'Investments in Associates and Joint Ventures', (applicable to periods beginning on or after 1 January 2013). IAS 28 was revised after IFRS 11 was issued and sets out the recognition criteria for investments in associates along with the requirements for applying equity method. Toyota Caetano Portugal will apply the standard when it becomes effective.
- **IAS 19** (amendment), 'Employee Benefits' (applicable to periods beginning on or after 1 January 2013). This amendment includes significant changes to recognition and measurement of defined benefit costs and termination costs along with changes to disclosures related to all kinds of employee benefits. Actuarial gains and losses should be immediately recognized through Other Comprehensive Income (the corridor method is not allowed). Finance cost of plans with asset funds is calculated over the net basis of unfunded liability. Toyota Caetano Portugal will apply the standard when it becomes effective.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

2.3 CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

Exchange rates used in the conversion of foreign affiliated companies, as of 30 June 2012 and 31 December 2011 were as follows:

30-06-2012

	Currency	Final Exchange Rate for Jun-12	Average Exchange Rate for Jun-12	Exchange Rate at the Date of Incorporation	Final Exchange rate for 2011
Caetano Auto CV, S.A.	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Equity	Income Statement	Share Capital	Retained Earnings

31-12-2011

	Currency	Final Exchange Rate for Dec-11	Average Exchange Rate for Dec-11	Exchange Rate at the Date of Incorporation	Final Exchange rate for 2010
Caetano Auto CV, S.A.	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Equity	Income Statement	Share Capital	Retained Earnings

3. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements consolidated by the full consolidation method and percentage of share capital held by the Group as of 30 June 2012 and 31 December 2011 are as follows:

Companies	Head office	Effective Percentage Held	
		Jun-12	Dec-11
Toyota Caetano Portugal, SA	Vila Nova de Gaia	Parent Company	
Saltano - Investimentos e Gestão (SGPS), SA	Vila Nova de Gaia	99,98%	99,98%
Caetano Components, SA	Vila Nova de Gaia	99,98%	99,98%
Caetano Auto CV, SA	Vila Nova de Gaia	81,24%	81,24%
Caetano Renting, SA	Vila Nova de Gaia	99,98%	99,98%
Caetano - Auto, SA	Vila Nova de Gaia	98,39%	98,39%
Caetano Retail (Norte) II SGPS, SA	Vila Nova de Gaia	49,20%	49,20%
Auto Partner - Comércio de Automóveis, SA	Vila Nova de Gaia	49,20%	49,20%
Caetano Colisão (Norte), SA	Vila Nova de Gaia	49,20%	49,20%
Movicargo - Movimentação Industrial, Lda.	Vila Nova de Gaia	100,00%	100,00%

These group companies were consolidated using the full consolidation method, as established by IAS 27 – “Consolidated and Separate Financial Statements” (control of the subsidiary through the majority of voting rights, or any other mechanism, being company’s capital shareholder).

During the period ended 30 June 2012 there were no changes to the consolidation perimeter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

4. CASH AND CASH EQUIVALENTS

As of 30 June 2012, 31 December 2011 and 30 June 2011, the caption "Cash and cash equivalents" was as follows:

	Jun-12	Dec-11	Jun-11
Cash	254.957	349.572	148.975
Bank Deposits	12.190.071	17.655.731	11.775.549
Cash equivalents	73.122	943	(1.816)
	12.518.150	18.006.246	11.922.708

The Company and its affiliates have credit lines available as of 30 June 2012 by an amount of, approximately, 77 Million Euros that may be used for future operational activities and to comply with financial commitments, as there aren't any restrictions to its use.

5. FIXED TANGIBLE ASSETS

During the six month period ended as of 30 June 2012 and 2011, movements in fixed tangible assets as well as in accumulated depreciation and accumulated impairment losses, were as follows:

30-06-12								
	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
<b>Gross Assets:</b>								
Opening Balances	14.632.311	86.773.405	59.873.383	56.300.601	7.702.379	4.163.309	2.675.056	232.120.444
Additions	-	428.043	149.149	14.716.707	13.972	48.738	465.579	15.822.188
Disposals	-	(222.126)	(695.586)	(8.779.867)	(28.260)	(69.482)	-	(9.795.321)
Transfer and Write-offs	-	68.796	(113.180)	-	-	113.180	(68.796)	-
Ending Balances	14.632.311	87.048.118	59.213.766	62.237.441	7.688.091	4.255.745	3.071.839	238.147.311
<b>Accumulated Depreciation and Impairment losses:</b>								
Opening Balances	-	55.566.616	52.409.163	23.568.102	7.214.027	3.529.173	-	142.287.081
Depreciations	-	1.361.176	1.008.162	5.556.008	80.649	114.742	-	8.120.737
Transfer and Write-offs	-	(153.427)	(676.848)	(3.389.697)	(28.261)	59.165	-	(4.189.068)
Ending Balances	-	56.774.365	52.740.477	25.734.413	7.266.415	3.703.080	-	146.218.750
<b>Net Tangible Assets</b>	<b>14.632.311</b>	<b>30.273.753</b>	<b>6.473.289</b>	<b>36.503.028</b>	<b>421.676</b>	<b>552.665</b>	<b>3.071.839</b>	<b>91.928.561</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

30-06-11

	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
<b>Gross Assets:</b>								
Opening Balances	16.215.089	87.181.644	59.512.044	58.358.849	7.719.612	4.197.971	1.441.335	234.626.544
Additions	101.250	631.402	400.700	18.956.586	56.045	9.604	99.924	20.255.511
Disposals	(109.247)	(1.288.219)	(84.224)	(12.512.014)	(19.690)	(1.180)	-	(14.014.574)
Transfer and Write-offs	-	11.612	-	-	(500)	-	(16.700)	(5.588)
Ending Balances	16.207.092	86.536.439	59.828.520	64.803.421	7.755.467	4.206.395	1.524.559	240.861.893
<b>Accumulated Depreciation and Impairment losses:</b>								
Opening Balances	-	54.507.624	50.353.072	20.822.436	7.119.409	3.380.675	-	136.183.216
Depreciations	-	1.390.961	1.208.952	5.845.382	112.551	119.052	-	8.676.898
Transfer and Write-offs	-	(788.153)	(27.516)	(4.651.655)	(19.881)	(1.039)	-	(5.488.244)
Ending Balances	-	55.110.432	51.534.508	22.016.163	7.212.079	3.498.688	-	139.371.870
<b>Net Tangible Assets</b>	<b>16.207.092</b>	<b>31.426.007</b>	<b>8.294.012</b>	<b>42.787.258</b>	<b>543.388</b>	<b>707.707</b>	<b>1.524.559</b>	<b>101.490.023</b>

The movements recorded in the caption "Transport equipment" mainly refer to vehicles and forklifts that are being used by the Group and for operational rental purposes.

At 31 December 2011, the Group used independent specialized entities to determine the fair value of certain of its Tangible Fixed Assets for which, taking into account internal and external factors, there were indications that could be booked at a value higher than its fair value.

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

As of 30 June 2012, the caption Tangible assets in progress refers mainly to auto buildings remodelling works (Caetano Auto).

## 6. INVESTMENT PROPERTIES

As of 30 June 2012, 31 December 2011 and 30 June 2011, the caption "Investment properties" refers to real estate assets that are held to earn rental income or for capital appreciation or both. These real estate assets are stated at their historical cost.

Gains related to "Investment properties" are recorded in the caption "Finance income" and amounted to 1.402.924 Euros in the six month period ended as of 30 June 2012 (672.263 Euros as of 30 June 2011) (Note 33).

Additionally, in accordance with appraisals recorded as of 31 December 2011 performed by independent experts, and in accordance with evaluation criteria usually accepted for real estate markets, the fair value of those investment properties amounted to, approximately, 48 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 30 June 2012, 31 December 2011 and 30 June 2011 can be detailed as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

Building	Local	Jun-12		Dec-11		Jun-11	
		Net accounting value	Fair Value (2011)	Net accounting value	Fair Value (2011)	Net accounting value	Fair Value (2010)
Industrial facilities	V.N. Gaia	909.692	9.121.000	965.663	9.121.000	1.036.746	11.035.000
Industrial facilities	Carregado	6.238.235	21.026.000	6.285.496	21.026.000	7.666.250	24.100.000
Industrial Warehouse	V.N. Gaia	1.405.097	6.111.000	1.456.718	6.111.000	1.508.339	5.235.000
Commercial facilities	Several places	3.034.950	5.760.000	3.133.186	5.760.000	3.401.102	6.536.000
Lands not in use	Several places	3.955.357	4.633.000	3.955.357	4.633.000	3.110.723	4.675.000
Others		1.302.842	1.327.000	1.317.537	1.327.000	-	-
		16.846.173	47.978.000	17.113.956	47.978.000	16.723.161	51.581.000

The fair value of the Investment properties that are disclosed as of 30 June 2012 was determined in accordance with an appraisal performed in 2010 and 2008 by an independent appraiser – American Appraisal (Market Method, Cost Method and Return models).

The movement in the caption “Investment properties” as of 30 June 2012 and 2011 was as follows:

30-06-2012

Gross Assets	Land	Buildings	Total
Opening Balances	9.813.893	32.576.383	42.390.276
Transfer and Write-offs	-	-	-
Impairment loss	-	(29.562)	(29.562)
Ending Balances	9.813.893	32.546.821	42.360.714

Accumulated Depreciation	Land	Buildings	Total
Opening Balances	-	25.276.320	25.276.320
Additions	-	268.025	268.025
Transfer and Write-offs	-	(29.804)	(29.804)
Ending Balances	-	25.514.541	25.514.541

30-06-2011

Gross Assets	Land	Buildings	Total
Opening Balances	8.919.187	32.633.940	41.553.127
Transfer and Write-offs	53.072	335.558	388.630
Impairment loss	-	-	-
Ending Balances	8.972.259	32.969.498	41.941.757

Accumulated Depreciation	Land	Buildings	Total
Opening Balances	-	24.642.599	24.642.599
Additions	-	286.141	286.141
Transfer and Write-offs	-	289.856	289.856
Ending Balances	-	25.218.596	25.218.596

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

7. GOODWILL

During the six month period ended as of 30 June 2012 there were no movements in the caption "Goodwill".

Goodwill is not amortized. It is subject to impairment tests on an annual basis.

8. INTANGIBLE ASSETS

During the six month period ended as of 30 June 2012 and 2011, movements in Intangible assets as well as in accumulated depreciation and accumulated impairment losses, are made up as follows:

30-06-12

	Industrial Property	Goodwill	Computer Programs	Intangible assets in progress	Total
<b>Gross Assets:</b>					
Opening Balances	140.816	81.485	2.016.656	594	2.239.551
Additions	-	-	-	594	594
Transfer and Write-offs	-	-	-	-	-
Ending Balances	140.816	81.485	2.016.656	1.188	2.240.145
<b>Accumulated Depreciation and Impairment losses:</b>					
Opening Balances	71.519	81.485	1.180.059	-	1.333.063
Depreciations	11.648	-	74.243	-	85.891
Transfer and Write-offs	(196)	-	-	-	(196)
Ending Balances	82.971	81.485	1.254.302	-	1.418.758
<b>Net Intangible Assets</b>	<b>57.845</b>	<b>-</b>	<b>762.354</b>	<b>1.188</b>	<b>821.387</b>

30-06-11

	Industrial Property	Goodwill	Computer Programs	Intangible assets in progress	Total
<b>Gross Assets:</b>					
Opening Balances	140.816	81.485	1.164.675	200.000	1.586.976
Additions	-	-	117.768	129.330	247.098
Transfer and Write-offs	-	-	500	-	500
Ending Balances	140.816	81.485	1.282.943	329.330	1.834.574
<b>Accumulated Depreciation and Impairment losses:</b>					
Opening Balances	47.604	81.485	1.144.086	-	1.273.175
Depreciations	12.217	-	9.378	-	21.595
Transfer and Write-offs	(195)	-	500	-	305
Ending Balances	59.626	81.485	1.153.964	-	1.295.075
<b>Net Intangible Assets</b>	<b>81.190</b>	<b>-</b>	<b>128.979</b>	<b>329.330</b>	<b>539.499</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012**9. FINANCIAL INVESTMENTS****9.1. Available for sales investments**

As of 30 June 2012 and 2011, the movements in the caption "Available for sale investments" are made up as follows:

	Non-current assets		
	Jun-12	Dec-11	Jun-11
<u>Available for sale Investments</u>			
Fair value at January 1	3.092.979	3.395.705	3.395.705
Acquisitions during the period	-	-	29.012
Disposals during the period	-	(588.451)	-
Increase/(decrease) in fair value	93.515	285.725	(22.328)
Fair value at period end	3.186.494	3.092.979	3.402.389

"Available for sale investments" include the amount of 3.121.858 Euros corresponding to 580.476 shares of Cimóvel - Real Estate Investment Fund, which are recorded at its fair value (the acquisition cost of those shares ascended to 3.013.947 Euros and accumulated change in fair value to 107.911 Euros as of 30 June 2012).

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

Additionally, the impact in equity and in the statement of profit and loss as of 30 June 2012 and 2011 from recording "Available for sale investments" at fair value can be summarized as follows:

	Jun-12	Jun-11
Increase in fair value	93.515	(22.328)
Deferred tax liabilities	(24.781)	5.917
	<u>68.734</u>	<u>(16.411)</u>

**9.2. Other financial investments**

This line includes advances for investments, in order to purchase a company that holds a property that is being used by the group for operational purposes, and is expected to be accomplished until the end of the year.

**10. INVENTORIES**

As of 30 June 2012, 31 December 2011 and 30 June 2011, Inventories are as follows:

	Jun-12	Dec-11	Jun-11
Raw and subsidiary Materials	6.851.762	10.714.407	10.178.179
Production in Process	3.986.511	5.229.612	3.876.749
Finished and semi-finished Products	6.227.121	5.470.765	3.488.580
Merchandise	37.498.391	50.095.180	47.347.162
	54.563.785	71.509.964	64.890.670
Accumulated impairment losses in inventories (Note 23)	(2.752.951)	(2.489.764)	(2.472.330)
	<u>51.810.834</u>	<u>69.020.200</u>	<u>62.418.340</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

Cost of goods sold as of 30 June 2012 and 2011 were computed as follows:

	Jun-12			Jun-11		
	Merchandise	Raw and subsidiary Materials	Total	Merchandise	Raw and subsidiary Materials	Total
Opening Balances	50.095.180	10.714.407	60.809.587	49.655.887	9.398.703	59.054.590
Net Purchases	61.895.436	9.356.711	71.252.147	96.105.827	15.062.917	111.168.744
Ending Balances	(37.498.391)	(6.851.762)	(44.350.153)	(47.347.162)	(10.178.179)	(57.525.341)
Total	74.492.225	13.219.356	87.711.581	98.414.552	14.283.441	112.697.993

The variation in production as of 30 June 2012 and 2011, was computed as follows:

	Finished and semi-finished products	
	Jun-12	Jun-11
Ending Balances	10.213.632	7.365.329
Inventories adjustments	967.417	5.516.944
Opening Balances	(10.700.377)	(10.105.088)
Total	480.672	2.777.185

11. ACCOUNTS RECEIVABLE

As of 30 June 2012, 31 December 2011 and 30 June 2011, this caption was made up as follows:

	CURRENT ASSETS			NON-CURRENT ASSETS		
	Jun-12	Dec-11	Jun-11	Jun-12	Dec-11	Jun-11
Customers, current accounts	43.643.266	51.782.069	49.414.683	1.083.786	1.189.734	1.490.105
Customers, notes receivable	6.517	10.971	80.876	-	-	-
Doubtful Accounts Receivable	11.149.489	10.816.033	10.360.104	-	-	-
	54.799.272	62.609.073	59.855.663	1.083.786	1.189.734	1.490.105
Accumulated impairment losses in accounts Receivable (Note 23)	(12.616.924)	(12.555.905)	(12.871.318)	-	-	-
	42.182.348	50.053.168	46.984.345	1.083.786	1.189.734	1.490.105

Accounts receivable from customers recorded as non current assets include an amount that refer to customers of the affiliated Caetano Auto, S.A., under deferred payment agreements (whose periods of payment vary between 1 to 6 years and bear interests).

Group exposure to credit risk is mainly related to trade receivables resulting from its operational activity. Before accepting new customers, the Group obtains information from credit risk analysis agencies and performs internal credit risk assessments through specific departments of credit control, collections and management of client claims, establishing credit limits, taking into account the information gathered.

The amounts presented in the consolidated balance sheet are net of accumulated impairment losses for doubtful accounts estimated by the Group, in accordance with its experience and evaluation of the economical environment as of the date of the financial statements. Concentration on credit risk is limited, as the customer basis is comprehensive and non relational. The Board of Directors understands that the carrying amount of accounts receivable is similar to its fair value.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

12. OTHER DEBTORS

As of 30 June 2012, 31 December 2011 and 30 June 2011, this caption was made up as follows:

	Current Assets		
	Jun-12	Dec-11	Jun-11
Down Payments to Suppliers	47.151	9.102	36.244
Other debtors	8.410.742	6.563.395	7.818.770
	8.457.893	6.572.497	7.855.014

The caption "Others" includes the amount of, approximately, 5.2 Million Euros (5.2 Million Euros as of 31 December 2011 and 5 Million Euros as of 30 June 2011) referring to advance payments made by the Group related to construction works and leasehold improvements in commercial facilities for automotive retail, re-invoiced to the entity responsible for financing the project. The amount will be paid in the short term.

Additionally, this caption also includes as of 30 June 2012, the amount of, approximately, 800.000 Euros to be received from the related party Salvador Caetano Auto Africa, SGPS, S.A. (800.000 Euros as of 31 December 2011 and 30 June 2011).

13. OTHER CURRENT ASSETS

As of 30 June 2012, 31 December 2011 and 30 June 2011, this caption was made up as follows:

	Jun-12	Dec-11	Jun-11
Accrued Income			
Warranty claims	367.944	350.852	460.745
Fleet programs	247.494	469.277	278.829
Interest	139.966	93.418	94.931
Assignment of staff	117.616	-	-
Insurance	69.194	38.806	-
Financing contracts commissions	22.199	22.200	239.594
Rentals	-	72.000	36.000
Others	252.184	99.595	281.566
	1.216.597	1.146.148	1.391.665
Deferred Expenses			
Insurance	361.680	244.412	267.344
Mutual agreements	264.122	-	-
Interest	235.770	93.481	209.096
Rentals	123.898	138.701	51.882
Pension Fund	92.744	-	-
Charges on bank guarantees	59.583	-	-
Workshop costs	-	15.461	84.459
Others	220.669	149.103	147.292
	1.358.466	641.158	760.073
Total	2.575.063	1.787.306	2.151.738

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

14. TAXES AND DEFERRED TAXES

The detail of the amounts and nature of assets and liabilities for deferred taxes recorded in the accompanying consolidated financial statements as of 30 June 2012 and 2011, are as follows:

30-06-2012				
	Dec-11	Profit and Loss Impact	Equity Impact	Jun-12
<u>Deferred tax assets:</u>				
Provisions not accepted for tax purpose	909.496	-	-	909.496
Tax losses	157.111	-	-	157.111
Intra-group transactions	876.797	50.137	-	926.934
Write-off of deferred costs	27.781	-	-	27.781
Derivative financial instruments valuation	117.664	40.009	-	157.673
	<u>2.088.849</u>	<u>90.146</u>	<u>-</u>	<u>2.178.995</u>
<u>Deferred tax liabilities:</u>				
Depreciation as a result of legal and free revaluation of fixed assets	(1.090.890)	-	-	(1.090.890)
Effect of the reinvestments of the surplus in fixed assets sales	(368.225)	-	-	(368.225)
Future costs that will not be accepted fiscally	(142.899)	-	-	(142.899)
Tax gains according to n.º 7 Artº7 30/G 2000 Portuguese Law	(24.445)	-	-	(24.445)
	<u>(1.626.459)</u>	<u>-</u>	<u>-</u>	<u>(1.626.459)</u>
Net effect ( Note 25)		<u>90.146</u>	<u>-</u>	

30-06-2011				
	Dec-10	Profit and Loss Impact	Equity Impact	Jun-11
<u>Deferred tax assets:</u>				
Provisions not accepted for tax purpose	1.156.801	-	-	1.156.801
Tax losses	215.574	-	-	215.574
Intra-group transactions	1.036.015	(59.681)	-	976.334
Write-off of deferred costs	37.040	-	-	37.040
Derivative financial instruments valuation	61.067	(46.317)	-	14.750
	<u>2.506.497</u>	<u>(105.998)</u>	<u>-</u>	<u>2.400.499</u>
<u>Deferred tax liabilities:</u>				
Depreciation as a result of legal and free revaluation of fixed assets	(1.124.447)	1.437	-	(1.123.010)
Effect of the reinvestments of the surplus in fixed assets sales	(426.002)	-	-	(426.002)
Future costs that will not be accepted fiscally	(190.529)	-	-	(190.529)
Tax gains according to n.º 7 Artº7 30/G 2000 Portuguese Law	(30.557)	-	-	(30.557)
Derivative financial instruments valuation	-	(11.761)	-	(11.761)
	<u>(1.771.535)</u>	<u>(10.324)</u>	<u>-</u>	<u>(1.781.859)</u>
Net effect ( Note 25)		<u>(116.322)</u>	<u>-</u>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

In accordance with the applicable tax legislation in Portugal, tax losses can be carried forward for a period of four years (six years for tax losses related to years prior 2010) after their occurrence and subject to deduction to tax profits realized during that period.

In accordance with the applicable tax legislation in Portugal, tax losses can be carried forward as follows:

- i) Tax losses related to years prior 2009: six years;
- ii) Tax losses related to years 2010 and 2011: four years;
- iii) Tax losses related to year 2012 and subsequent periods: five years.

As of 31 December 2011 (date of the last tax declarations delivered), the Group companies that had tax losses available to be carried forward in relation to which deferred tax assets were recorded, were as follows:

Dec-11			
With Latest date of utilization:	Tax Losses	Deferred tax Assets	Expiry date
<u>At 2006</u>			
- Caetano Retail (Norte) SGPS SA	2.059	-	2012
- Caetano Colisão, SA	388.146	-	2012
<u>At 2007</u>			
- Caetano Retail (Norte) SGPS SA	63.772	-	2013
- Auto Partner CA, SA	81.957	-	2013
- Caetano Colisão, SA	1.100.930	-	2013
<u>At 2008</u>			
- Caetano Retail (Norte) SGPS SA	70.511	-	2014
- Caetano Colisão, SA	117.929	-	2014
- Auto Partner CA, SA	343.145	85.786	2014
<u>At 2009</u>			
- Caetano Retail (Norte) SGPS SA	48.248	-	2015
- Auto Partner CA, SA	409.584	71.325	2015
<u>At 2010</u>			
- Caetano Retail (Norte) SGPS SA	11.898	-	2014
	<u>2.638.179</u>	<u>157.111</u>	

On a prudential basis, some of the Group Companies do not record deferred tax assets related to tax losses carried forward.

As of 30 June 2012 and 2011, tax rates used to compute deferred tax assets and liabilities were as follows:

Affiliate country:	Tax rates	
	30.06.2012	30.06.2011
Portugal	26,5%/25%	26,5%/25%
Cape Verde	35,0%	35,0%

Except for Movicargo, Toyota Caetano Group companies with head office in Portugal started to be taxed on an aggregated basis, in accordance with the "Group Special Taxation Regime" ("Regime Especial de Tributação de Grupos de Sociedades - RETGS") established by articles 69 and 70 of the Corporate Income Tax Code.

In accordance with the applicable legislation, the income tax returns of Toyota Caetano and other Group companies with head office in Portugal are subject to review and correction by the tax authorities for a four year period. Therefore, the tax declarations of the Group Companies for the years 2007 to 2011 are still subject to review. Declarations relating to Social Security may be reviewed for a period of 10-years up to 2001, inclusive, and 5-year period for the years as from 2002. The Board of Directors believes that the corrections that may arise from such reviews/inspections will not have a significant impact in accompanying consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

In accordance with article 88 of Corporate Income Tax Code ("Código do Imposto sobre o Rendimento das Pessoas Colectivas"), Group companies with head office in Portugal are also subject to an autonomous taxation over a group of expenses at the rates defined in the referred article.

**15. EQUITY**

As of 30 June 2012, the Company's share capital, fully subscribed and paid for, consisted of 35.000.000 bearer shares, with a nominal value of 1 Euro each.

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

- Grupo Salvador Caetano – SGPS, S.A.	60,82%
- Toyota Motor Europe NV/SA	27,00%

Dividends

In accordance with the decision of the General Shareholders Meeting held on 27 April 2012, it was not paid any dividend. On 28 April 2011, Toyota distributed a dividend of 0,19 Euros per share (total dividend amounting to 6.650.000 Euro).

Legal reserve

Portuguese commercial legislation determines that at least, 5% of annual net profit must to be allocated to the legal reserve until it represents 20% of a company's share capital. This reserve cannot be distributed to shareholders unless the company is to be liquidated. This reserve can be used to compensate accumulated losses provided that all other reserves are used first and can be incorporated into share capital.

Revaluation reserves

The revaluation reserves may not be distributed to shareholders unless they are fully depreciated or if the property subject to reassessment has been sold.

Currency conversion reserves

The currency conversion reserves reflect the exchange rate changes occurred in the transposition of the financial statements of subsidiaries in currencies other than Euro and cannot be distributed or used to absorb losses.

Fair value reserves

The fair value reserves reflect the changes in fair value of financial investments available for sale and cannot be distributed or used to absorb losses.

Under Portuguese law, the amount of distributable reserves is determined according to the individual financial statements of Toyota Caetano Portugal, presented according to the Normas Contabilísticas e de Relato Financeiro (NCRF, Portuguese GAAP).

**16. NON CONTROLLING INTERESTS**

The variation occurred in this caption during the six month period ended as of 30 June 2012 and 2011, was as follows:

	Jun-12	Jun-11
Opening Balances as of January 1	1.058.180	1.081.820
Dividends	-	(43.643)
Others	(9.818)	(8.006)
Net profit attributable to Non-controlling Interests	(118.307)	(24.679)
	930.055	1.005.492

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

17. LOANS

As of 30 June 2012, 31 December 2011 and 30 June 2011, the caption "Loans" was as follows:

	Jun-12			Dec-11		
	Current	Non-Current	TOTAL	Current	Non-Current	TOTAL
Bank Loan	39.642.105	10.657.895	50.300.000	56.070.000	-	56.070.000
Leases	1.302.767	4.603.216	5.905.983	1.382.258	5.240.907	6.623.165
Overdrafts	2.682.082	-	2.682.082	6.900.036	-	6.900.036
Other Loans	628.690	1.264.705	1.893.395	628.690	1.540.343	2.169.033
	44.255.644	16.525.816	60.781.460	64.980.984	6.781.250	71.762.234

Interests relating to the above mentioned bank loans are indexed to Euribor interest rates, increased with a spread that varies from 1 to 5,9 *bps*.

As of 30 June 2012, Toyota Caetano Portugal obtained a loan in the amount of 12,5 million Euros (10,7 million Euros non-current amount and 1,8 million Euros current amount), including a warrant for the Property's mortgage in Prior Velho, Nacala's street, valued at 31 December 2011 by American Appraisal by the market value of 14.8 million Euros.

As of 30 June 2012, the caption "Other loans" refers to a reimbursable subsidy to investment granted in the first semester of 2010, with the following reimbursement plan:

2012	628.690
2013 and following years	1.264.705
	-----
	1.893.395
	=====

The caption "Leases" (current e non-current) refers to the Group responsibilities as lessee for the purchase of facilities and capital equipment. The detail of this caption, as well as the payment plan can be summarized as follows:

			Non-Current					
Contract	Rented asset	Current	2013	2014	2015	> 2015	TOTAL	TOTAL
2028278	Commercial facilities:							
	Amounts payable	115.831	44.937	91.459	93.072	587.281	816.749	932.580
599769	Commercial facilities:							
	Amounts payable	94.733	28.252	57.372	58.253	838.403	982.280	1.077.013
626064	Commercial facilities:							
	Amounts payable	72.902	70.047	145.076	137.515	1.628.742	1.981.380	2.054.281
Others	Industrial equipment:							
	Amounts payable	1.019.302	383.960	434.397	4.451		822.808	1.842.109
	Total	1.302.767	527.195	728.304	293.291	3.054.426	4.603.216	5.905.983

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

18. ACCOUNTS PAYABLE

As of 30 June 2012, 31 December 2011 and 30 June 2012, this caption was composed of short-term current accounts with suppliers.

The Group, as to manage financial risks, has implemented policies to ensure that all liabilities are paid within established payment deadlines.

19. OTHER CREDITORS

As of 30 June 2012, 31 December 2011 and 30 June 2011, the detail of this caption was as follows:

	Current Liabilities			Non-Current Liabilities		
	Jun-12	Dec-11	Jun-11	Jun-12	Dec-11	Jun-11
Shareholders - Others	33.501	37.486	37.535	-	-	-
Advances from Customers	409.601	876.085	300.840	-	-	-
Fixed Assets Suppliers	-	-	1.540.114	-	-	5.888.646
Other Creditors	2.101.691	1.272.666	1.083.653	-	-	-
	2.544.793	2.186.237	2.962.142	-	-	5.888.646

20. PUBLIC ENTITIES

As of 30 June 2012, 31 December 2011 and 30 June 2011, the detail of this caption was as follows:

	Current Assets			Non-Current Assets		
	Jun-12	Dec-11	Jun-11	Jun-12	Dec-11	Jun-11
Public Entities						
Value Added Taxes	2.141.147	1.016.070	3.098.044	-	-	-
	2.141.147	1.016.070	3.098.044	-	-	-

	Current Liabilities			Non-Current Liabilities		
	Jun-12	Dec-11	Jun-11	Jun-12	Dec-11	Jun-11
Public Entities						
Income Taxes withheld	312.530	315.658	694.807	-	-	-
Value Added Taxes	4.758.489	4.478.923	4.815.137	-	-	-
Income Tax (estimated tax) (Note 25)	(285.341)	34.058	517.730	-	-	-
Income Tax (recover tax)	(98.646)	-	267.201	-	-	-
Income Tax (advance tax pay)	(1.660.049)	(1.533.222)	(570.633)	-	-	-
Vehicles Tax	1.026.946	2.052.759	2.089.739	-	-	-
Custom Duties	87.747	170.407	137.396	-	-	-
Employee's social contributions	757.965	642.098	847.319	-	-	-
Others	233.792	213.652	205.688	-	-	-
	5.133.433	6.374.333	9.004.383	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 201221. OTHER CURRENT LIABILITIES

As of 30 June 2012, 31 December 2011 and 30 June 2011, the caption "Other current liabilities" was as follows:

	Jun-12	Dec-11	Jun-11
Accrued Cost			
Vacation pay and bonus	6.746.104	4.820.418	7.239.435
Publicity and advertisement campaigns	1.202.769	1.441.979	1.580.534
Expenses with sold Vehicles	903.857	791.536	1.477.138
Commission	470.144	319.861	904.985
Insurance	475.341	191.852	126.434
External supplies and services	438.962	406.822	660.185
Accrual for Vehicles Tax	418.832	449.996	332.332
Warranty claims	115.125	59.709	140.060
Property Tax	75.014	77.526	65.227
Specialized work	69.924	36.263	138.439
Royalties	52.409	73.890	79.563
Interest	50.311	48.349	156.083
Others	1.317.553	1.227.219	848.010
	12.336.345	9.945.420	13.748.425
Deferred Income			
Publicity recuperation	939.028	971.796	1.011.011
Investment subsidy	662.849	674.742	697.630
Equipment rental	283.749	-	-
Interest Charged to Customers	-	37.287	60.912
Rappel	-	306.960	-
Others	195.740	393.722	169.980
	2.081.366	2.384.507	1.939.533
Total	14.417.711	12.329.927	15.687.957

22. PENSION COMMITMENTS

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

As of 30 June 2012, the following companies of Toyota Caetano Group were associated with Salvador Caetano Pension Fund:

- Toyota Caetano Portugal, S.A.
- Caetano Auto, S.A.
- Caetano Components, S.A.
- Caetano Renting, S.A.

This set up Pension Fund establishes that, as long as Toyota Caetano Group maintains the decision to make contributions to the above mentioned fund, employees (beneficiaries) may receive, at their retirement date, non updatable pension complement, computed based on a percentage of the salary, among other conditions.

As a result of the actual economic environment and the increasing liabilities that a fund structure as ours causes to the group of associated companies, a request was made as of 19 December 2006 to the fund manager of the Salvador Caetano Pension Fund (ESAF – Espírito Santo Activos Financeiros, S.A.), to act near "ISP - Instituto de

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

Seguros de Portugal” and take the necessary measures to change the defined benefit plan into a defined contribution plan, among other changes.

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

The proposal to change the pension complement, dully approved by the Pension Funds Advisory Committee (“Comissão de Acompanhamento do Fundo de Pensões”), includes the maintenance of a defined benefit plan for the retired workers and ex-employees with acquired rights until 1 January 2008, as well as for all the employees with more than 50 years and more than 15 years of service completed until 1 January 2008, being created a new group (formed by the remaining universe of employees working for the Salvador Caetano Pension Fund associates) that will be included in a defined contribution plan.

As of 29 December 2008 Toyota Caetano Portugal, S.A. received a letter from ISP - Instituto de Seguros de Portugal with the approval of the requested changes starting as of 1 January 2008. ISP determined in the above mentioned approval that the employees associated to the Salvador Caetano Pension Fund who as of 1 January 2008 had already completed 15 years of service and were under 50 years of age (and that shall integrate a Defined Contribution Plan) had the right to an individual “initial capital” according to the new plan, determined in accordance with the actuarial responsibilities as of 31 December 2007 and based on the assumptions and criteria used on that year.

The actuarial assumptions used by the fund manager include the “Projected Unit Credit” calculation method, the Mortality Table and Disability Table TV 73/77 and SuisseRe 2001, respectively, as well as a salary increase rate, pension increase rate and average rate of return of 2%, 0% e 5%, respectively.

Additionally, during the first semester of 2012, Toyota Caetano Group, recorded an accrual for the above mentioned Pension Fund that amounted to, approximately, 557 thousand Euros (690 thousand Euros as of 30 June 2011), which was reflected in the statement of profit and loss caption “Payroll expenses”.

**23. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES**

Movements in provisions and accumulated impairment losses over the six month period ended as of 30 June 2012 and 2011 were as follows:

30-06-2012

	Opening Balances	Increases	Disposals and Others	Ending Balances
Accumulated impairment losses in investments (Note 9)	1.781.995	-	-	1.781.995
Accumulated impairment losses in accounts Receivable (Note 11)	12.555.905	60.815	204	12.616.924
Accumulated impairment losses in inventories (Note 10)	2.489.764	310.629	(47.442)	2.752.951
Provisions	345.026	46.045	(37.715)	353.356

30-06-2011

	Opening Balances	Increases	Disposals and Others	Ending Balances
Accumulated impairment losses in investments (Note 9)	1.781.995	-	-	1.781.995
Accumulated impairment losses in accounts Receivable (Note 11)	12.878.734	-	(7.416)	12.871.318
Accumulated impairment losses in inventories (Note 10)	2.361.786	149.956	(39.412)	2.472.330
Provisions	1.101.702	43.290	(806.294)	338.698



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

As of 30 June 2012, 31 December 2011 and 30 June 2011, the caption "Provisions" has the following breakdown:

	Jun-12	Dec-11	Jun-11
Warranty provision	153.342	145.012	138.684
Litigations in progress	200.014	200.014	200.014
	353.356	345.026	338.698

24. DERIVATIVE FINANCIAL INSTRUMENTSInterest rate derivatives

It is three derivatives contracted with the objective of hedging interest rate loans (cash flow hedges), which contribute to reducing the exposure to changes in interest rates or to optimize the cost of funding, has not been designated for accounting purposes cover. The fair value of these derivative financial instruments at June 30, 2012 is negative for 445,108 Euros (31 December 2011 was negative at 388,356 Euros). Two of these derivative financial instruments comprise a total exposure of 20 million euro, for a period of three years, counting from 21<sup>st</sup> December of 2010, and another contract was signed on 22nd June, 2012, comprising an exposure of about of 12,500,000 Euros.

These derivatives were evaluated at 30th June of 2012 by the bank with whom they were employed, taking into account future cash flows and risk estimates. That measure, falls within the Level 2 fair value hierarchy as set out in paragraph 27-A of IFRS 7 (measurement inputs based on assumptions indirectly observable in the market).

The main characteristics of these contracts can be summarized as follows:

Derivative	Swap rate	Fair Value		Changes in financial statement
		Jun-12	Dec-11	
Interest rate Swap	1,9975%	(332.891)	(293.168)	(39.723)
Interest rate Swap	1,9350%	(105.922)	(89.964)	(15.958)
Interest rate Swap	1,1000%	(6.295)	-	(6.295)
		(445.108)	(383.132)	(61.976)

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

Exchange rate Derivatives

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

The fair value of these derivative financial instruments at 30 June, 2012 was negative in 94.225 Euros (negative in 5.224 at 31 December, 2011), comprising a nominal value of 217.617 GBP, for a period of one year (monthly payments) starting on 17 January 2011.

The derivative financial instrument was valued at 31 December 2011 by the bank with whom it was hired, taking into account future cash flows and risk estimates. It is the intention of Toyota Caetano to hold this instrument until its maturity, so this form of assessment reflects the best estimate of present value of future cash flows to be generated by this instrument. That measure, falls within the Level 2 of the fair value hierarchy as set out in paragraph 27-A of IFRS 7 (measurement inputs based on assumptions indirectly observable in the market).

**25. CORPORATE INCOME TAX**

The Corporate Income Tax recorded in the six month period ended as of 30 June 2012 and 2011 was made up as follows:

	Jun-12	Jun-11
Income Tax (Note 20)	(285.341)	517.730
Deferred income taxes (Note 14)	(90.146)	116.322
	(375.486)	634.052

**26. SALES AND SERVICES RENDERED BY GEOGRAPHIC MARKETS AND BY ACTIVITIES**

The detail of sales and services rendered by geographic markets, for the six months period ended as of 30 June 2012 and 2011, was as follows:

Market	Jun-12		Jun-11	
	Amount	%	Amount	%
National	102.405.580	87,35%	134.717.111	88,44%
African Countries with Official Portuguese Language	5.411.803	4,62%	7.326.187	4,81%
Belgium	6.890.931	5,88%	6.997.476	4,59%
Germany	1.454.836	1,24%	2.546.728	1,67%
Spain	21.942	0,02%	279.593	0,18%
United Kingdom	133.474	0,11%	134.816	0,09%
Others	912.263	0,78%	321.969	0,21%
	117.230.829	100,00%	152.323.880	100,00%

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

Activity	Jun-12		Jun-11	
	Amount	%	Amount	%
Vehicles	80.368.129	68,56%	109.377.950	71,81%
Spare Parts	24.641.079	21,02%	28.091.241	18,44%
Repairs and after sales services	7.443.024	6,35%	8.843.172	5,81%
Others	4.778.597	4,08%	6.011.517	3,95%
	117.230.829	100,00%	152.323.880	100,00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

27. PAYROLL EXPENSES

27.1. REMUNERATION OF BOARD MEMBERS

The remuneration of members of the board of Toyota Caetano Portugal, S.A. in the six months ended 30 June 2012 and 2011 were as follows:

Board Members	Jun-12	Jun-11
Board of Directors		
Fixed remunerations	324.318	280.068
Variable remunerations	-	183.016

27.2. AVERAGE NUMBER OF SATFF EVOLUTION

During the six month period ended as of 30 June 2012 and 2011, the average number of personnel was as follows:

Personnel	Jun-12	Jun-11
Employees	1.203	1.182
Workers	567	596
	1.770	1.778

28. OTHER OPERATING INCOME AND EXPENSES

As of 30 June 2012 and 2011, the caption "Other operating income" was made up as follows:

Other operating income	Jun-12	Jun-11
Lease Equipment	4.936.244	4.911.502
Guarantees recovered (Toyota)	3.066.922	3.265.531
Gains in the disposal Tangible Fixed Assets	630.764	1.349.652
Work for the Company	735.809	1.054.709
Commissions	625.746	813.806
Services provided	874.172	790.789
Subsidies	1.045.713	695.836
Rents expenses recovered	512.578	589.318
Transport expenses recovered	220.373	572.278
Advertising expenses and sales promotion recovered	540.309	540.146
Materials	10.313	204.475
Revenue from Investment Properties (Note 6)	1.402.924	-
Additional tax assessments recovered	363.183	-
Others	1.393.716	2.165.937
	16.358.765	16.953.979

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

In 2012, the revenue from investment properties is presented in the caption "Other Operating income".  
The caption "Other Operating expenses" refers essentially to business incentives and bonuses.

29. FINANCIAL RESULTS

As of 30 June 2012 and 2011, the consolidated financial results were as follows:

Expenses and Losses	Jun-12	Jun-11
Interest	1.341.768	1.020.161
Other Financial Expenses	391.213	-
	<u>1.732.981</u>	<u>1.020.161</u>

Income and Gains	Jun-12	Jun-11
Interest	100.074	435.479
Revenue from Investment Properties (Note 6)	-	672.263
Gains on Disposals of Financial Investments	-	<u>219.163</u>
	<u>100.074</u>	<u>1.326.905</u>

As mentioned in Note 28, in 2012, the revenue from investment properties is presented in the caption "Other Operating income".

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

## 30. 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, and, as such, they will not be disclosed in this Note. Balances and transactions details between Toyota Caetano Group and its related parties can be summarized as follows:

COMPANY	Commercial Debts		Products		Fixed assets	Services		Others	
	Receivable	Payable	Sales	Purchases	Purchases	Rendered	Obtained	Income	Costs
ALBITIN, LDA	463	8.810	226	15.520	-	151	4.480	-	-
AMORIM BRITO & SARDINHA, LDA	436	-	-	-	-	-	-	-	355
AUTO PARTNER IMOBILIARIA, SA	-	105.525	-	-	-	-	161.575	-	-
BAVIERA - COMÉRCIO DE AUTOMÓVEIS, SA	208.372	519.534	1.774.688	230.271	-	14.749	58.515	256.840	109.537
CAETANO ACTIVE (SUL),LDA	26.679	14.122	3.079	7.808	-	162	7.608	-	19.012
CAETANO CITY E ACTIVE (NORTE), SA	81.671	111.397	2.451	89.541	-	5.590	3.324	-	33.746
CAETANO DRIVE,SPORT E URBAN, SA	867.479	1.179.394	(17.438)	101.571	1.138.792	(10.575)	112.524	-	1.216.963
CAETANO FORMULA (NORTE), SA	65.164	212.041	1.777	122.466	49.344	9.569	11.515	-	96.387
CAETANO MOTORS, SA	8.089	39.542	(1.661)	11	21.138	(11.044)	14.381	-	91.866
CAETANO PARTS, LDA	76.137	2.164.875	413.977	1.860.529	-	17.696	7.122	-	121.656
CAETANO POWER, SA	17.669	78.094	5.377	26.448	-	2.142	2.016	-	91.701
CAETANO RETAIL (SUL) SGPS, S.A.	38.608	-	-	-	-	-	-	-	31.389
CAETANO RETAIL SERVIÇOS, SA	-	-	-	-	-	-	-	-	14
CAETANO SPAIN, SA	371.074	648	19.089	-	-	-	-	-	-
CAETANO STAR (SUL), SA	156.354	100.529	29.227	117.320	-	5.397	(5.356)	-	118.420
CAETANO TECHNIK E SQUADRA, LDA	22.969	381.976	22.408	304.721	17.992	35.876	23.278	-	93.088
CAETANO UK LIMITED	-	4.840	-	-	-	-	-	-	-
CAETANOBUS-FABRICAÇÃO DE CARROÇARIAS, SA	7.638.912	293.310	2.833.673	25.479	-	70.660	216.825	23.174	1.420.071
CAETANOLYRSA, S.A	88	1.029	-	-	-	-	2.141	-	417
CAISB - COMPANHIA ADMINISTRADORA IMOBILIÁRIA SÃO BERNARDO,S.A.	6.050	89	-	-	-	-	197.568	768	-
CARPLUS-COMÉRCIO DE AUTOMÓVEIS, SA	154.226	62.201	31.564	75.090	-	13.490	846	-	298.899
CATEDRAL DO AUTOMÓVEL,SA	-	1.082	-	-	-	-	-	-	-
CHOICE CAR , SA	1.247	-	-	-	-	-	-	-	1.014
CIBERGUIA - INTERNET MARKETING, SA.	9.954	-	-	-	-	-	-	-	-
CIMÓVEL	5.250.548	-	-	-	-	-	-	-	34.971
COCIGA ANGOLA	-	-	2.742	-	-	-	-	-	-
COCIGA-CONSTRUÇOES CIVIS GAIA LDA	55.291	26.851	11.189	-	224.505	7.658	27.782	-	1.933
CONTRAC GMBH MASCHINEN UND ANLAGEN	-	320.155	11.746	(15.450)	-	-	20.107	-	-
DICUORE - DECORAÇÃO, S.A.	16.409	2.653	-	-	-	-	28.131	-	19.652
E3C CAETSU PUBLICIDADE,SA	792	562.898	293	-	-	523	1.912.962	1.200	326
ENP-ENERGIAS RENOVÁVEIS PORTUGAL, S.A.	5.627	126	-	-	-	886	698	-	3.386
EUFER-CAETANO-ENERGIAS RENOVÁVEIS,LDA	41.082	-	-	-	-	-	-	-	-
FINLOG - ALUGUER E COMÉRCIO AUTO, SA	96.172	610.003	104.543	-	-	56.695	566.870	67.400	32.207
GILLCAR NORTE, SA	-	53.002	-	25.581	-	-	20.960	-	-
GRUPO SALVADOR CAETANO,SGPS, SA	-	954	-	-	-	-	735	-	-
GUÉRIN-RENT-A-CAR(DOIS),LDA	469.534	125.299	31.511	-	-	472.494	116.775	-	17.803
IBERICAR AUTO NIPON, SA	27.568	12.550	-	-	-	-	12.550	-	-
IBERICAR KELDENICH,SL	-	-	-	-	-	-	-	-	280
ISLAND RENT, ALUGUER DE AUTOMÓVEIS, S.A.	1.231	-	-	-	-	-	-	-	1.001
LAVORAUTO-ADMINISTRAÇÃO E CONSULTORIA DE EMPRESAS,SA	-	243.681	-	-	-	-	12.749	-	-
LIDERA SOLUCIONES, S.L.	-	65.625	-	-	-	-	103.125	-	-
LUSILECTRA - VEÍCULOS E EQUIPAMENTOS, SA	12.164	71.997	8.925	170.006	-	2.984	104.680	9.630	8.965
LUSO ASSISTÊNCIA-GESTÃO DE ACIDENTES , SA	971	1.724	712	-	-	305	337	-	684
MDS-AUTO, SA	7.328	75.531	2.353	-	-	1.009	11.899	610.624	102.919
PORTIANGA - COMÉRCIO INTERNACIONAL E PARTICIPAÇÕES, SA	47.417	2.227	31.975	-	-	418	10.682	-	42.422
RARCON-ARQUITECT E CONSULT SA	-	35.198	-	-	48.936	-	49.373	-	656
RIGOR - CONSULTORIA E GESTÃO, SA	110.287	1.139.817	2.216	57.747	-	66.820	1.912.075	206	218.268
ROBERT HUDSON ,LTD	4.302	-	-	-	-	-	-	-	24.543
SALVADOR CAETANO AUTO AFRICA, SGPS,SA	813.214	-	-	-	-	-	150	-	-
SIMANOR-COMÉRCIO DE AUTOMÓVEIS, LDA	414	-	-	-	-	-	-	-	-
SIMOGA, SA	52.858	-	460	-	-	307	-	-	43
SOL GREEN WATT,SL	-	-	42	-	-	18	-	-	-
TOVICAR, SOCIEDADE COMERCIAL DE AUTOMÓVEIS,SA	39.792	9.075	-	-	-	-	-	-	-
TURISPAIVA, LDA	-	-	-	-	-	-	-	-	724
	16.804.644	8.638.405	5.327.144	3.214.657	1.500.707	763.977	5.731.004	969.842	4.255.317

Purchase and sale of goods and services rendered to related parties were made at market prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

31. SEGMENT INFORMATION

During the six month period ended as of 30 June 2012 and 2011, the detail in segment information was as follows:

30-06-2012															
NATIONAL								FOREIGN						Removals	Consolidated
Vehicles				Industrial Equipment			Others	Vehicles			Industrial Equipment				
Industry	Commercial	Services	Rental	Machines	Services	Rental		Industry	Commercial	Machines	Services	Rental			
PROFIT															
External sales	8.507.094	122.135.847	9.226.526	3.181.755	3.177.932	1.187.497	5.433.388		8.886.295	7.552.256	66.594	1.426	450	(47.223.015)	122.134.045
Income															
Operational income	(1.187.735)	(1.278.449)	876.454	(398.048)	(28.707)	742.935	467.115		(793.035)	227.551	(2.194)	1.041	(180)	460.627	(1.096.694)
Financial income	(75.237)	(853.423)	46.108	(193.218)	(16.559)	(13.003)	(389.149)		(101.373)	(36.412)	(619)	(18)	(4)		(1.632.907)
Net Income with non-controlling interests	(1.148.992)	(2.352.016)	900.609	(475.471)	(45.343)	670.065	93.657		(894.408)	171.555	(2.813)	939	(183)	952.332	(2.354.115)
Other Information															
Total consolidated assets	73.984.026	167.784.791	27.669.713	20.790.363	7.665.883	370.666	46.325.485			7.680.391				(146.519.997)	241.342.828
Total consolidated liabilities	28.762.700	82.589.437	16.618.055	19.850.234	2.579.240	132.675	20.653.715			1.608.083				(75.622.129)	111.504.951
Capital Expenses	251.648	721.005	141.876	7.667.148	69.501	6.729	1.109.385			298.811				(49.377)	10.216.725
Depreciation	894.007	1.788.854	656.427	2.291.724	166.917	16.160	2.301.835			97.771				(7.067)	8.206.628

30-06-2011															
NATIONAL								FOREIGN						Removals	Consolidated
Vehicles				Industrial Equipment			Others	Vehicles			Industrial Equipment				
Industry	Commercial	Services	Rental	Machines	Services	Rental		Industry	Commercial	Machines	Services	Rental			
PROFIT															
External sales	13.392.072	161.755.743	10.308.836	2.080.171	4.351.253	1.303.531	5.457.036	-	7.707.578	9.416.929	156.995	6.740	-	(58.817.252)	157.119.631
Income															
Operational income	(1.928.590)	4.597.127	(213.909)	(196.295)	(18.690)	779.493	539.923	(212.268)	(1.617.079)	514.966	1.267	3.918	-	(754.801)	1.495.063
Financial income	(75.088)	(1.093.259)	(4.770)	(130.561)	(11.685)	(7.851)	(258.330)	14.390	(43.472)	(21.040)	(853)	(41)	-	1.267.041	(365.519)
Net Income with non-controlling interests	(2.002.237)	1.675.469	1.179.678	(326.857)	(30.374)	734.719	263.171	(197.879)	(1.660.551)	404.687	394	3.691	-	451.581	495.492
Other Information															
Total consolidated assets	69.647.921	196.572.529	30.247.597	21.889.190	7.791.453	503.718	48.093.099	35.879.394	-	9.857.367	-	-	-	(159.350.023)	261.132.244
Total consolidated liabilities	30.420.641	108.002.359	7.302.643	20.741.087	3.096.869	212.171	23.901.463	12.882.807	-	146.238	-	-	-	(80.066.325)	126.639.952
Capital Expenses	510.088	1.190.711	225.607	8.049.438	89.766	13.289	2.566.251	-	-	45.777	-	-	-	(720.042)	11.970.886
Depreciation	936.048	2.142.273	671.345	1.431.397	132.816	19.663	3.280.839	-	-	101.194	-	-	-	(17.082)	8.698.493

The line "Turnover" includes Sales, Service Rendered and the amount of about 4.936.244 Euros (4.911.502 Euros as of 30 June 2011) related to equipment rentals accounted in Other Operating Income.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012**32. CONTINGENT ASSETS AND LIABILITIES**Taxes:Toyota Caetano Portugal, S.A.

As a result of favorable decisions on the judicial impugnation processes, regarding additional assessments of Corporate Income Tax and relating to the fiscal years of 1995, 1997, 1998 and 1999 it is still expected in the short-term for the reimbursement of the remaining of the additional taxes paid and recorded as expenses in previous years, added by the corresponding compensatory interests. During the period, ended in June 2010, has been recovered approximately 363.000 Euros recorded under "other operating income" (Note 28).

Regarding the tax inspection to the years 2003 and 2004, the additional assessments related with Corporate Income Tax already paid and recognized as expenses in previous years were claimed, amounting to 725.542 Euros. During the year of 2010 it has been recovered approximately 218.000 Euros recorded under "other operating income" related with this judicial process.

Caetano Auto, S.A.

Regarding the tax inspection to the year 2003, an additional Corporate Income tax assessment was received and paid during 2007, amounting to 453.895 Euros, although it was partially judicially claimed by the Company.

In relation to the tax inspection to the year 2004, additional tax assessments were received and paid during 2007, amounting to 677.473 Euros, and recorded as an expense, having the Company decided to claim them judicially. Also in relation with this tax inspection, the Group received a notification from the tax authorities to correct its carried forward tax losses, already used in prior years, amounting to 354.384 Euros, and recorded in the caption "Other operating expenses" in previous years.

Financial commitments not included in consolidated balance sheet:

As of 30 June 2012, 31 December 2011 and 30 June 2011, Toyota Caetano Group had assumed the following financial commitments:

Commitments	Jun-12	Dec-11	Jun-11
Credits	277.546	277.546	1.999.513
Guarantees of Imports	13.206.124	13.255.604	12.078.088
Property's mortgage in Prior Velho (Note 17)	14.797.000	-	-
	28.280.670	13.533.150	14.077.601

The financial commitments as of 30 June 2012 and 31 December 2011, classified as "Guarantees for Imports", include an amount of 8.080.910 Euros related with guarantees on imports provided to Portuguese Customs Agency (Direcção Geral das Alfândegas).

Environmental area information:

The Group takes the necessary measures regarding the environmental area, in order to comply with the prevailing legislation.

The Board of Directors of Toyota Caetano Portugal believes that there are no risks associated to environmental protection and improvement, and confirms that no communication or sanction related with these matters was received in the first semester of 2011.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2012

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, in accordance with this legislation, to support at least a significant part of the cost of dismantling vehicles placed in the market after 1 July 2002, as well as vehicles produced before this date when presented to be dismantled after 1 January 2007.

This legislation will have an impact in Toyota vehicles sold in Portugal. Toyota Caetano Portugal and the brand Toyota are closely monitoring the development of Portuguese National Legislation in order to assess the impact of these operations in its financial statements.

However, it is our conviction, in accordance with studies performed on the Portuguese market, and taking into account the possible future usage of the vehicles parts resulting from the dismantlement, that the effective impact of this legislation in the Company accounts will be reduced or nil.

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

**33. EARNINGS PER SHARE**

Earnings per share over the six month period ended as of 30 June 2012 and 2011 were computed based on the following amounts:

	Jun-12	Jun-11
Net Income		
Basic	(2.354.115)	495.492
Diluted	(2.354.115)	495.482
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	(0,067)	0,014

During the six month period ended as of 30 June 2012 and 2011 there were no changes in the number of shares.

**34. FINANCIAL STATEMENTS APPROVAL**

These consolidated financial statements were authorized for emission by the Board of Directors as of 30 August 2012.

**35. EXPLANATION ADDED FOR TRANSLATION**

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards (IFRS/IAS), some of which may not conform or be required by generally accepted accounting principles in other countries. 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  
DANIELE SCHILLACI  
MARIA ANGELINA MARTINS CAETANO RAMOS  
SALVADOR ACÁCIO MARTINS CAETANO  
MIGUEL PEDRO CAETANO RAMOS  
RUI MANUEL MACHADO DE NORONHA MENDES



## **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 2012 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.

We analysed the limited revision Report elaborated by the registered auditor in CMVM (Comissão Mercado Valores Mobiliários) under number 9077, with which we agree.

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 2012 accurately reflect the result of all operations developed in that same period by the Group Toyota Caetano Portugal, S.A.

Vila Nova de Gaia, 30th August 2012

José Domingos da Silva Fernandes - President

Alberto Luis Lema Mandim

Takehiko Kuriyama



***Limited Review Report Prepared by Auditor Registered  
with the Securities Market Commission (CMVM)  
on the Consolidated Half Year Information***

***(Free translation from the original in Portuguese)***

***Introduction***

1 In accordance with the Portuguese Securities Market Code (CVM), we present our limited review report on the consolidated financial information for the six-month period ended 30 June 2012 of Toyota Caetano Portugal, S.A. included in the consolidated Directors' Report, consolidated statement of financial position (which shows total assets of Euro 241,342,828 and total shareholders' equity of Euro 129,837,877, including non-controlling interests of Euro 930,055 and a net loss of Euro 2,235,808), consolidated income statement by nature, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and the corresponding notes to the accounts.

2 The amounts in the consolidated financial statements, as well as those in the additional financial information, are derived from the respective accounting records.

***Responsibilities***

3 It is the responsibility of the Board of Directors: (a) to prepare consolidated financial information which present fairly, in all material respects, the financial position of the companies included in the consolidation, the consolidated results and the consolidated comprehensive income of their operations, the changes in consolidated equity and the consolidated cash flows; (b) to prepare historical financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union and which is complete, true, up-to-date, clear, objective and lawful as required by the CVM; (c) to adopt appropriate accounting policies and criteria; (d) to maintain appropriate systems of internal control; and (e) to disclose any significant matters which have influenced the activity, financial position or results.

4 Our responsibility is to verify the financial information included in the documents referred to above, namely as to whether it is complete, true, up-to-date, clear, objective and lawful, as required by the CVM, for the purpose of issuing an independent and professional report based on our work.

***Scope***

5 Our work was performed with the objective of obtaining moderate assurance about whether the financial information referred to above is free from material misstatement. Our work was performed in accordance with the Standards and Technical Recommendations issued by the Institute of Statutory Auditors, planned according to that objective, and consisted, primarily, in enquiries and analytical procedures, to review: (i) the reliability of the assertions included in the financial information; (ii) the appropriateness and consistency of the accounting principles used, as applicable; (iii) the applicability, or not, of the going concern basis of accounting; (iv) the presentation of the financial information; (v) as to whether the consolidated financial information is complete, true, up-to-date, clear, objective and lawful.

6 Our work also covered the verification that the consolidated financial information included in the consolidated Directors' Report is consistent with the remaining documents referred to above.

7 We believe that the work performed provides a reasonable basis for the issue of this limited review report on the half year information.

### ***Conclusions***

8 Based on the work, which was performed with the objective of obtaining a moderate level of assurance, nothing has come to our attention that leads us to conclude that the consolidated financial information for the six-month period ended 30 June 2012 contain material misstatements that affect its conformity with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union and that it is not complete, true, up-to-date, clear, objective and lawful.

### ***Report on other requirements***

9 Based on the work, nothing has come to our attention that leads us to believe that the consolidated financial information included in the consolidated Directors' Report is not consistent with the consolidated financial information for the period.

August 27, 2012

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

José Pereira Alves, R.O.C.