Toyota Caetano Portugal, S.A.

Progress Report
June 2016

- Consolidated Accounts -

Corporate Bodies

Board of the General Assembly

José Lourenço Abreu Teixeira – Chairman
Manuel Fernando Monteiro da Silva – Deputy Chairman
Jorge Manuel Coutinho Franco da Quinta – 1st Secretary
Maria Olívia Almeida Madureira – 2nd Secretary

Board of Directors

José Reis da Silva Ramos – Chairman
Maria Angelina Martins Caetano Ramos – Member
Salvador Acácio Martins Caetano – Member
Miguel Pedro Caetano Ramos – Member
Matthew Peter Harrison – Member
Nobuaki Fujii – Member
Rui Manuel Machado de Noronha Mendes – Member
Yoichi Sato – Alternate Member

Supervisory Board

José Domingos da Silva Fernandes - Chairman
Alberto Luis Lema Mandim – Member
Daniel Broekhuizen – Member
Maria Lívia Fernandes Alves – Alternate Member
Kenichiro Makino – Alternate Member

Statutory Auditor

José Pereira Alves, Ph.D., or José Miguel Dantas Maio Marques, Ph.D., representing Pricewaterhouse Coopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. [Statutory Auditors Firm]
António Joaquim Brochado Correia - Alternate Member

REPORT

INTRODUCTION

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

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

TOYOTA CAETANO PORTUGAL, S.A.

INDUSTRIAL ACTIVITY

OVAR PLANT

In the first semester of 2016, the Plant produced a total of 1,249 vehicles, thus completing the first year of the Land Cruiser 70 project (Jul '15/Jun '16) with 2,530 vehicles produced. This number is in keeping with what we had forecast for this period.

In the PPO/PDI activity, 2,232 vehicles were transformed/prepared, in keeping with the same period from the previous year.

At the start of this year, we placed greater focus on training, supported under the skill and multiskilling development project, capable of increasing the capabilities of the plant and of its employees for the future.

For the second semester, we expect product changes and even greater focus on cost-reducing activities.

PRODUCTION	**2016** (JAN-JUN)	**2015**	**2014**	**2013**	**2012**
Toyota Physical Units	1.249	1.629	1.664	1.111	1.381
Converted Physical Units	2.232	4.353	3.271	2.339	2.174
Total Employees	199	206	170	181	190

We also highlight the following events:
- Accumulated production of 300,000 plant-assembled vehicles, on 5 February, 2016;
- A new time bank signed between Employees and the Company, making labour more flexible in order to meet market needs and fluctuations.
- Audit conducted by APCER as part of the Quality Management System ISO 14001 (renewal) and Quality ISO 9001 (follow-up), on 23, 24 and 27 May.
- Audit coordinated by TME with support from Tokyo Marine Kiln, Risk Assessment – assessment of fire hazards the facility is exposed to and its responsiveness in critical scenarios.

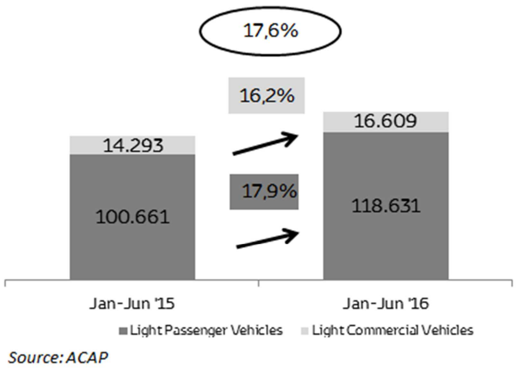
COMMERCIAL ACTIVITY

VEHICLES

TOTAL MARKET

In the 1st semester of 2016, the rising trend from the last few years remained unchanged, with the overall market growing some 18%.

Such recovery is based on the positive development of both passenger vehicles and light commercial vehicles, which have increased by 17.9% and 16.2%, respectively.

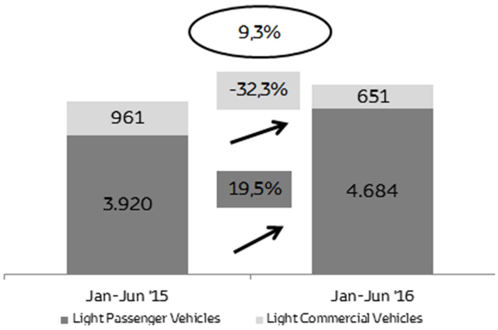


TOYOTA

In the first semester of the year, Toyota achieved total sales of 5,335 units, translating into a 9.3% increase, compared to the same period in the previous year.

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

- In **Light Passenger Vehicles,** Toyota grew by around 20%, with a market share of 3.9%.



Source: ACAP

This performance hinges on the growth of sales volume of the Yaris and Auris, the RAV4, whose new model was launched in late 2015, as well as in increased hybrid vehicle sales (+75% compared to 2015).

- As far as **Light Commercial Vehicles** are concerned, Toyota shows a quite strong drop of 32%, with a market share of 3.9% (-2.8 percentage points compared to 2015).

This drop occurs because the Dyna model was discontinued in late 2015.

Prospects are favourable for the second semester of the year.

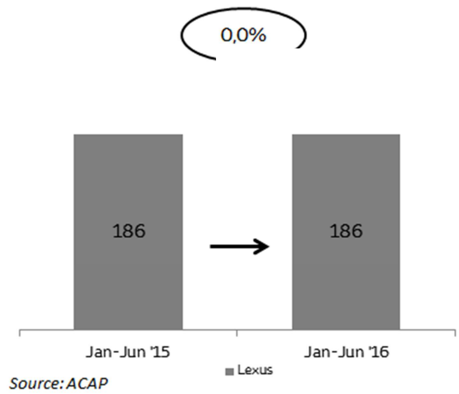
Light Passenger Vehicles are expected to keep up the good performance, through continued investment in hybrid vehicles and with the launch of the new C-HR model, which represents Toyota's inroads into the Crossover segment, which has achieved sturdy growth in the last few years.

As concerns the Light Commercial Vehicles market, the outlook is for market share recovery, due to the launch of 2 important New-Generation Models – Hilux and Proace – in the pick-up and van segments. This will certainly bring about greater sales volume.

LEXUS

Lexus maintained the sales volume of the first semester of the past year

For the 2nd semester, we expect improvement in the brand's performance, hinged on greater streamlining of Lexus' distribution network, which will be associated with normalised supply of vehicles from Japan.



INDUSTRIAL MACHINES

Toyota Industrial Equipment

	MARKET CHM			TOYOTA + BT Sales				
	1st semester.		Variation	1st. Sem.'15		1st. Sem.'16		Variation
	'15	'16	%	Qtd.	Quota	Qtd.	Quota	%
CB	544	581	6.8%	166	30.5%	195	33.6%	17.5%
WH	1036	773	-25.4%	648	62.5%	300	38.8%	-53.7%
TOTAL CHM	1580	1354	-14.3%	814	51.5%	495	36.6%	-39.2%

Source: ACAP

Market

In the 1st semester of 2016, the domestic market for cargo handling machines (CHM) decreased by 14.3%, compared to the same period in 2015.
This variation resulted in 6.8% growth for the counterbalanced equipment segment and a 25.4% slide in the warehouse equipment segment.

However, it should be pointed out that this decrease compared to the previous year mirrors normal market correction, as in 2015 this was influenced by a large BT fleet deal comprising 349 pieces of equipment.

Toyota + BT Sales

Overall Toyota / BT sales decreased 39.2%.

As explained in the market analysis, this fact was basically due to the large BT fleet deal in the 1st semester of 2015, thus enabling our market share to rise to unusually high figures (62.5%)

Upon performing the corresponding analysis by segment, we noticed the following:

Regarding the Toyota Counterbalanced Forklifts, in the first six months of the year, 195 units were sold, representing sales growth of 17.5%, and a cumulative share of 33.6%, indicating some stability in this segment, where Toyota has remained the leader for several years now.

In relation to the BT warehouse equipment 300 units were sold in the first 6 months, representing a 53.7% drop in sales and an accumulated share quota of 38.8%.

Overall, Toyota/BT remains the market leader with an accumulated share quota of 36.6%.

Year-end outlook

Considering the upcoming vacation period, there will be a slowdown in operations until mid-September, at which time such operations should return to normal, with a slight increase in the last few months of the year, as has been customary.

With regard to the budget, in terms of number of units, we expect to be in compliance therewith, since its degree of implementation by June'16 amounts to 71.1% of the annual budget.

AFTER-SALES

MEuros

Parts	Sales 1st Sem. 2015	Sales 1st Sem. 2016	% Variation
Toyota Genuine	11,977	11,551	-3.6%
Local Parts	1,159	1,203	3.8%
Accessories	1,162	1,307	12.5%
Merchandising	136	138	1.5%
Total	14,434	14,199	-1.63%

The reduction and ageing of the car pool and the lower average mileage of vehicles have been adversely influencing After-Sales business results.

However, while maintaining a pro-active position, Toyota Caetano Portugal is committed to streamlining programs that contribute toward recovering and carrying on the After-Sales business in the automotive industry, with particular focus on customer retention at the Toyota repair shop. Overall, this has caused goals to be met during the 1st semester.

Main tools for streamlining the business, as influenced during the period under consideration:

- New edition in the Toyota network regarding the annual VCI (Value Chain Index) challenge for the year 2016. This initiative encourages all the Toyota dealers to achieve good performances in some of the indicators that considered strategic for the After-Sales business.
- Extending the offer of the 3-year/45,000 km maintenance contract in the purchase of the Auris, Verso and Corolla models. Maintenance Contracts, which ensure the visit of Toyota vehicles to the service centre network, are currently the main customer retention tool.
- Extension of the Service 5+ offer (geared to customers owning vehicles over 5 years old). In 2016, on top of fixed prices for oil and filter changes, prices will also be set nationwide to include clutches, shock absorbers and timing belts.
- Launching of the 2016 Accessories Programme (Extra Incentive), aimed at improving the sales of these products.
- The “Business Plus” card, geared to customers that own fleets of at least 10 vehicles.
  The idea is to invite them to conduct the pre-inspection and/or Scheduled Inspection for the next two months.
- Development of Maintenance Contracts for the new-generation RAV4 and Prius.
- Continuous promotion of the tire business, as part of specific campaigns held by the different brands.
- Launch of a Windshield Wiper and Blade campaign.
- Relaunching of the Minor Damage Repair service. Just like in the previous item, Reception is the ideal time to identify opportunities for applying this service.
- Launching of new Reconditioned products: starter motors and alternators. Expansion of the range of Reconditioned Turbo.

CAETANO AUTO, S.A.

Caetano Auto's turnover in the first semester of 2016 was analogous to that of the previous year, having achieved 93.5 million euros and invoicing 4,888 new and used vehicles.

In 2016, the weight of the cost of goods sold on the company's turnover still comprises the same ratio as in 2015, and so the margin remains virtually unchanged; 15.5% in 2016, versus 15.4% in 2015.

Also in terms of the main expenses, especially Personnel expenditures and/or Supplies and external services, the figure for 2016 is comparable to that of 2015, as a result of a continued effort, chiefly in fixed expenditures.

As for amortisations and especially considering the assets held by Caetano Auto, mainly property, this heading still accounts for over 1 million euros per semester, significantly influencing the end result achieved.

Following this framework, we should also add that, in the first semester of 2016, Caetano Auto “contributed” toward the Group's results, with a pre-tax figure of 313,000 euros, compared to 260,000 euros achieved in the same period of the previous year.

CAETANO AUTO CABO VERDE, S.A.

Introduction

In this first semester of the year, National Assembly elections were held in Cape Verde. The MPD, the opposition party in the last 15 years, won these elections. This political change had direct influence on the positive deviation in Caetano Auto CV, S.A.'s new vehicle sales. The main sales channels favourably affected were “companies” (building construction) and “official bodies.”

As forecast in the last year, work started at Ilhéu de Santa Maria, in the city of Praia. This major tourist investment alone will be a major boost to the construction industry, as we forecast a good 2nd semester in terms of commercial vehicle sales.

COMMERCIAL ACTIVITY

		2015	2016	Variation	
SEGMENT	**BRAND**			**Qty.**	**%**
Light Passenger Vehicles	Toyota	35	42	+7	+20%
Light Commercial Vehicles	Toyota	83	116	+33	+40%
Heavy Commercial Vehicles	Toyota	5	10	+5	+100.00%
		123	168	+45	+37%

Compared to the same period of 2015, Caetano Auto, CV, S.A sold 45 more units (+37%), with expected business margins maintained.
The models that contributed the most toward the achieved growth were Dyna, Hiace and Hilux commercial vehicles, along with the Avensis model of passenger vehicles.

For its part, the Corolla model (nearing the end of production) and the Fortuner (with the new model to be launched in July) experienced reductions in their marketing.

After-Sales

SALES	2015	2016	% Variation
Parts/Accessories	77,521	68,860	-11.2%
Workshop (Labour)	16,262	17,809	+9.5%
	93,783	86,669	-7.6%

((Amounts in thousands CVE)

In terms of After-Sales, on the one hand, Labour sales rose (+9.5%) chiefly in the area of mechanics, as the sale of parts and accessories dropped 11.2%. The main deviation is centred on counter parts and crash components.
The reduction of units in operation (UIOs) resulting from lower vehicle marketing levels occurred in the last few fiscal years somehow justifies the decrease noted and already forecast. With the economic recovery and the gradual increase of vehicle sales, the after-sales area will unequivocally mirror the growth of the "serviceable" pool, while naturally improving their performance.

With regard to the PGO+ assessment, Caetano Auto achieved a result of 84%, which places it at the level of European facilities.

CAETANO RENTING, S.A.

This business unit concluded the 1st semester with 1,963 fleet units, accounting for a 36.2% rise compared to the same period from the previous fiscal year.
The fleet shows the following structure:

Passenger Vehicles:	1,644 units	(83.75%)
Industrial Equipment:	319 units	(16.25%)

Turnover came to 1.9 ME, for a 13.3% rise compared to the same period in the previous year.
However, it should be pointed out that some 500 vehicles were purchased in the month of June for the RAC segment, whose impact on Turnover alone will have repercussions in the following semester.

For its part, Reintegration expenses experienced an increase of around 30%, due to the fleet increase, as mentioned.

In relation to the 2nd semester, there is a positive outlook, as we expect to dispose some 600 RAC vehicles, which will give rise to significant gains, thereby favourably contributing toward the company's end result.

FINANCIAL ACTIVITY

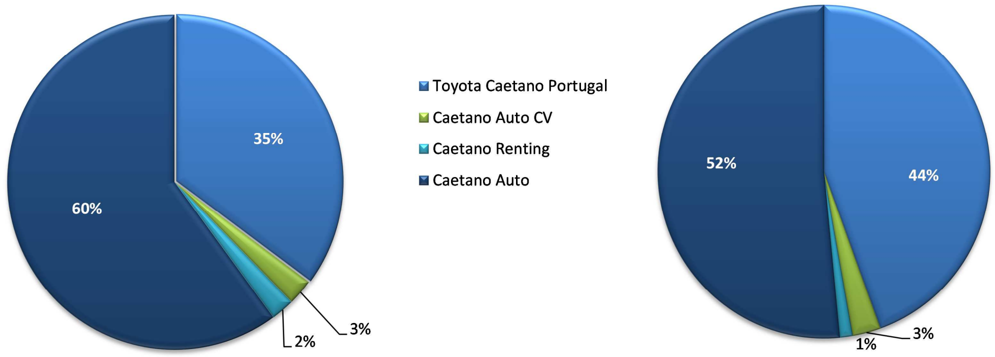
Consolidated analysis

Over the first semester of 2016, Toyota Caetano Group's consolidation perimeter remained unchanged, when compared to the end of the year 2015 and the same period of 2015.

In the semester under analysis the Group presents a turnover of approximately 176 million euros, nearly 27 million euros higher than the one obtained in the same period of 2015. This growth is directly related to the project for the assembly of off-road vehicles for export at the Ovar manufacturing unit, which only came into effect from the second semester of 2015 onwards. So, the contribution of the automotive industry to the Group's turnover is of approximately 24 million euros, compared to the nearly 8 million years recorded in the same period of 2015.

Jun'15
Turnover: 149 M€

Jun'16
Turnover: 176 M€



With the aim of continuously striving to position, the brand Toyota as a key player in the automotive market, there was the need to implement a strategy to reduce the trade margin that, together with an appropriate management of the costs related to the business, allowed obtaining an E.B.I.T.D.A. of approximately 10.3 million euros, nearly 1.2 million euros higher than the one recorded in 2015.

The negative financial results of approximately 1 million euros are similar to the ones recorded in the same period of 2015, reflecting the effectiveness of the negotiation to lower the indebtedness price, considering that it grew 26% compared to the same period under analysis. The growth in credit is directly related to the increase of financial leases, which is also clear in the tangible fixes assets heading.

In view of the above, together with the fact that in the second quarter of 2016 the variation in the Income Tax includes an amount of approximately 750 thousand euros, regarding a received reimbursement of tax additionally paid in 2007 and now recovered as a result of a judicial decision, on a contestation in due time elaborated, it was possible to achieve a consolidated net profit of approximately 2 million euros in the semester in question, almost double in the same period of 2015.

The level of financial autonomy of 47% reflects an appropriate management of the capital structure.

In order to summarize the progress of the business and performance of the Toyota Caetano Portugal Group, the table below shows the comparative aggregates expressed in thousands of euros:

	Jun'15	Jun'16	Variation
Turnover	149,071	176,316	*18.3%*
Gross Profit	27,199	30,471	*12.0%*
% (f) sales	*18.2%*	*17.3%*	
External supplies and services	17 226	18 190	5,6%
% (f) sales	11,6%	10,3%	
Staff expenses	19,593	20,044	*2.3%*
% (f) sales	*13.1%*	*11.4%*	
E.B.I.T.D.A.	9,116	10,310	*13.1%*
% (f) sales	*6.1%*	*5.8%*	
Operating income	2,810	2,942	*4.7%*
% (f) sales	*1.9%*	*1.7%*	
Net financial income	-961	-1,010	*-5.1%*
% (f) sales	*-0.6%*	*-0.6%*	
Gross Cash Flow	8,115	9,556	*17.8%*
% (f) sales	*5.4%*	*5.4%*	
Consolidated net profit for the year	1,084	1,992	*83.7%*
% (f) sales	*0.7%*	*1.1%*	
Net Bank Credit	47,068	59,692	*26.8%*
Level of financial autonomy	49.2%	47.2%	

RISK MANAGEMENT

<u>Loans and advances to clients</u>

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

The main objective of credit risk management at Toyota Caetano is to ensure effective collection of operating receivables from Clients in accordance with the negotiated terms and conditions.
In order to mitigate the credit risk arising from potential default of payment by Clients, the Group companies exposed to this type of risk have:
- Established a specific department for analysis and follow-up of Credit Risk;
- Implemented proactive credit management processes and procedures, always supported by information systems;

- Hedge mechanisms (credit insurances, letters of credit, bank guarantees etc.).

Interest Rate Risk

As a result of the significant proportion of variable rate debt in its Consolidated Balance Sheet, and of the consequent interest payment cash flows, Toyota Caetano is exposed to interest rate risk.
Toyota Caetano has been making use of financial derivatives to hedge, at least partially, its exposure to changes in interest rates.

Exchange Rate Risk

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

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

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

Liquidity Risk

Liquidity risk management at Toyota Caetano seeks to ensure that the company has the capacity to obtain the timely funding required to carry out its business activities, implement its strategy and meet its payment obligations when due, while avoiding the need to obtain such funding on unfavorable terms.
To this end, liquidity management in the Group includes the following:
a) Consistent financial planning based on forecasts of operating cash flows in accordance with different time horizons (weekly, monthly, annual and multi-annual);

b) Diversification of funding sources;
c) Diversification of maturities of issued debt in order to avoid too excessive concentration for debt payment on short periods of time;
d) Using partner Banks to open up short-term credit lines, commercial paper programs and other types of financial operations, to ensure a balance between adequate levels of liquidity and commitment fees incurred.

Subsequent Events

Since the end of 1st semester 2016 and up to current date, no relevant facts occurred worth of being mentioned.

STATEMENT

Pursuant to article 246 (1-c) of the Código de Valores Mobiliários (Portuguese Securities Code) we state that, to the best of our knowledge, Toyota Caetano Portugal consolidated financial statements, for the 1st half of 2016, were prepared in compliance with the applicable accounting standards, giving a true and fair view of the company's assets and liabilities, financial position and income and that the interim management report faithfully describes the information required under article 246 (2) of CVM.

Vila Nova de Gaia, 31st August 2016

The Board of Directors

José Reis da Silva Ramos – Chairman
Maria Angelina Martins Caetano Ramos
Salvador Acácio Martins Caetano
Miguel Pedro Caetano Ramos
Matthew Peter Harrison
Nobuaki Fujii
Rui Manuel Machado de Noronha Mendes

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

(Pursuant to article 447 of the Portuguese Commercial Companies Code, and according to article 9(1) (c), and of article 14(7), both from Regulation 5/2008 issued by the Securities Market Regulating Entity - CMVM)

In compliance with the provisions of article 447 of the Portuguese Commercial Companies Code, it is hereby declared that, on June 30th, 2016, the members of the Company's management and supervisory boards did not hold any of its shares or bonds.

Furthermore, it is hereby stated that the members of the Company's management and supervisory boards were not engaged, during the first semester of 2016, in any acquisitions, encumbering or disposals involving the Company's shares or bonds.

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

- GRUPO SALVADOR CAETANO, SGPS, S.A. (of which **Salvador Acácio Martins Caetano** is the Chairman of the Board of Directors, **Maria Angelina Martins Caetano Ramos** is the Deputy-Chairman of the Board of Directors, and **José Reis da Silva Ramos** and **Miguel Pedro Caetano Ramos** are Members of the Board of Directors) performed no transactions and, thus, on 30 June, 2016, held 21,288,281 shares, with a nominal value of 1 euro each.

- FUNDAÇÃO SALVADOR CAETANO (of which **José Reis da Silva Ramos** is the Chairman of the Board of Directors, **Maria Angelina Martins Caetano Ramos** is the spouse of the Chairman of the Board of Directors, and **Salvador Acácio Martins Caetano** and **Rui Manuel Machado de Noronha Mendes** are Members of the Board of Directors) performed no transactions and thus, on 30 June 2016, held 138,832 shares, with a nominal value of 1 euro each.

- COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A. (of which **Maria Angelina Martins Caetano Ramos** is the Chairwoman of the Board of Directors, and **José Reis da Silva Ramos** is the spouse of the Chairwoman of the Board of Directors) performed no transactions and thus, on 30 June, 2016, held 393,252 shares, with a nominal value of 1 euro each.

- COCIGA - Construções Civis de Gaia, S.A. (of which **Maria Angelina Martins Caetano Ramos** is the Chairwoman of the Board of Directors, **José Reis da Silva Ramos** is the spouse of the Chairwoman of the Board of Directors, and **Salvador Acácio Martins Caetano** is a Member of the Board of Directors) performed no transactions and thus, on 30 June, 2016, held 290 shares, with a value of 1 euro each.

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

- **José Reis da Silva Ramos**, Chairman of the Board of Directors, holds:

- 39.49%[1] of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company.

[1] This percentage includes shares held by the spouse

- **Maria Angelina Martins Caetano Ramos**, Member of the Board of Directors, holds:

- 39.49%[1] of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company.

[1] This percentage includes shares held by the spouse

- **Salvador Acácio Martins Caetano**, Member of the Board of Directors, holds:

- 39.49%[1] of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company.

[1] This percentage includes shares held by the spouse

- **Miguel Pedro Caetano Ramos**, Member of the Board of Directors, holds:

- 0.00223% of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company in a control relationship with the Company.

INFORMATION REGARDING THE PARTICIPATION OF SHAREHOLDERS IN TOYOTA CAETANO PORTUGAL, S.A.

In accordance with article 448(4) of the Commercial Companies Code, the following is the list of shareholders that, on June 30th, 2016, held, at least, 10%, 33% or 50% of the share capital of this company, as well as of the shareholders that have ceased to hold the aforementioned capital percentages:

Shareholders Holders of at least 10%	Shares			
	Held [1] 31.12.2015	Purchased 2016	Sold 2016	Held [2] 30.06.2016
TOYOTA MOTOR EUROPE NV/SA	9,450,000	--	--	9,450,000

[1] Share capital on 31.12.2015: € 35,000,000.00, represented by 35,000,000 shares with the nominal value of € 1.00 each.
[2] Share capital on 30.06.2016: € 35,000,000.00, represented by 35,000,000 shares with the nominal value of € 1.00 each.

Shareholders Holders of at least 50%	Shares			
	Held [1] 31.12.2015	Purchased 2016	Sold 2016	Held [2] 30.06.2016
GRUPO SALVADOR CAETANO, SGPS, SA	21,288,281	--	--	21,288,281

[1] Share capital on 31.12.2015: € 35,000,000.00, represented by 35,000,000 shares with the nominal value of € 1.00 each.
[2] Share capital on 30.06.2016: € 35,000,000.00, represented by 35,000,000 shares with the nominal value of € 1.00 each.

QUALIFIED SHAREHOLDINGS

(Pursuant to Regulation 5/2008, issued by the Portuguese Securities Market Regulating Entity - CMVM)

On June 30th, 2016, the shareholders with qualified shareholdings in the company's share capital are the following:

SHAREHOLDER	Shares	% of voting rights
Group 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

Toyota Caetano Portugal, S.A.

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2016 AND 31 DECEMBER 2015

ASSETS	Notes	30/06/2016	31/12/2015
NON-CURRENT ASSETS			
Goodwill	7	611 997	611 997
Intangible Assets	8	1 290 000	1 460 526
Tangible Fixed Assets	5	95 803 396	83 589 227
Investment properties	6	16 388 315	16 665 199
Available for sale Financial Investments	9	3 367 091	3 463 450
Deferred tax Assets	14	2 077 153	2 248 042
Accounts Receivable	11	138 841	46 553
Total non-current assets		119 676 793	108 084 994
CURRENT ASSETS			
Inventories	10	70 720 221	82 163 203
Accounts Receivable	11	58 302 788	56 830 687
Other Credits	12	3 242 065	3 146 581
Public Entities	20	3 616 000	1 254 043
Other Current Assets	13	3 473 870	3 074 581
Cash and cash equivalents	4	8 310 031	11 364 954
Total current assets		147 664 975	157 834 049
Total assets		267 341 768	265 919 043
SHAREHOLDERS' EQUITY & LIABILITIES			
EQUITY			
Share capital		35 000 000	35 000 000
Legal Reserve		7 498 903	7 498 903
Revaluation reserves		6 195 184	6 195 184
Translation reserves		(1 695 238)	(1 695 238)
Fair value reserves		286 407	382 767
Other Reserve		75 374 506	74 490 374
Net Income		1 962 558	6 134 247
	15	124 622 320	128 006 237
Non-controlled Interests	16	1 676 790	1 647 295
Total equity		126 299 110	129 653 532
LIABILITIES:			
NON-CURRENT LIABILITIES			
Loans	17	39 022 621	27 011 863
Pension Fund liabilities	22	5 700 000	5 700 000
Provisions	23	341 263	303 252
Deferred tax liabilities	14	1 723 613	1 723 613
Total non-current liabilities		46 787 497	34 738 728
CURRENT LIABILITIES			
Loans	17	28 979 742	36 801 453
Accounts Payable	18	30 355 943	36 237 691
Other Creditors	19	1 351 089	1 265 885
Public Entities	20	12 059 192	9 663 087
Other Current Liabilities	21	21 445 417	17 464 135
Derivative Financial Instruments	24	63 778	94 532
Total current liabilities		94 255 161	101 526 783
Total liabilities		141 042 658	136 265 511
Total liabilities and shareholder' equity		267 341 768	265 919 043

The notes to the financial statements integrates this statement for the period ending at 30 June 2016.

CHARTERED ACCOUNTANT
ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS
JOSE REIS DA SILVA RAMOS –President
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NOBUAKI FUJII
RUI MANUEL MACHADO DE NORONHA MENDES

Toyota Caetano Portugal, S.A.

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD ENDED AT 30 JUNE 2016 AND 2015

	Notes	30/06/2016	01-04 a 30-06-2016 0 (Non Audit)	30/06/2015	01-04 a 30-06-2015 (Non Audit)
Operating Income:					
Sales	26	166 250 797	84 220 424	139 374 119	70 240 197
Service Rendered	26	10 065 659	5 166 617	9 697 104	4 841 190
Other Operating Income	29	19 920 201	10 388 569	20 321 463	11 221 631
Variation of Products	10	(174 834)	(1 120 325)	102 121	(1 979 281)
		196 061 823	98 655 285	169 494 807	84 323 737
Operating expenses:					
Cost of sales	10	(145 670 389)	(73 537 291)	(121 974 515)	(59 543 953)
External Supplies and Services	27	(18 189 740)	(9 604 354)	(17 225 619)	(9 431 960)
Payroll Expenses	28	(20 043 767)	(10 013 165)	(19 592 549)	(9 922 958)
Depreciations and Amortizations	5, 6 and 8	(7 367 586)	(3 916 122)	(6 305 778)	(3 444 357)
Provisions and Impairment loss	23	(350 848)	(87 528)	(28 388)	(41 999)
Other Operating expenses	29	(1 497 247)	(409 368)	(1 558 018)	(909 654)
		(193 119 577)	(97 567 828)	(166 684 867)	(83 294 881)
Operational Income		2 942 246	1 087 457	2 809 940	1 028 856
Expense and financial losses	30	(1 085 476)	(601 030)	(1 021 661)	(481 075)
Income and financial gains	30	75 388	32 182	60 329	33 498
Profit before taxation from continuing operations		1 932 158	518 609	1 848 608	581 279
Income tax for the year	25	59 949	491 855	(764 138)	(454 478)
		1 992 107	1 010 464	1 084 470	126 801
Net profit for the period		1 992 107	1 010 464	1 084 470	126 801
Net profit for the period from continuing operations attributable to:					
Equity holders of the parent		1 962 558	988 661	1 059 322	109 907
Minority interest		29 549	21 803	25 148	16 894
		1 992 107	1 010 464	1 084 470	126 801
Net profit for the period from discontinued operations attributable to:					
Equity holders of the parent		-	-	-	-
Minority interest		-	-	-	-
		-	-	-	-
Net profit for the period attributable to:					
Equity holders of the parent		1 962 558	988 661	1 059 322	109 907
Non-controlled interests		29 549	21 803	25 148	16 894
		1 992 107	1 010 464	1 084 470	126 801
Earnings per share:					
from continuing operations	36	**0,057**	**0,029**	**0,031**	**0,004**
from discontinued operations		-	-	-	-
Basic		**0,057**	**0,029**	**0,031**	**0,004**
from continuing operations	36	**0,057**	**0,029**	**0,031**	**0,004**
from discontinued operations		-	-	-	-
Diluted		**0,057**	**0,029**	**0,031**	**0,004**

The notes to the financial statements integrates this statement for the period ending at 30 June 2016.

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Toyota Caetano Portugal, S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE PERIOD ENDED AT 30 JUNE 2016 AND 2015

(Amounts expressed in Euros)

	Equity attributable to the parent company										
	Share capital	Legal Reserves	Reavaluation Reserves	Translation reserves	Fair value reserves	Other Reserve	Total reserves	Net profit	Subtotal	Non-controlled Interests	Total
Balances at 31 of December 2014	**35 000 000**	**7 498 903**	**6 195 184**	**(1 695 238)**	**38 951**	**76 591 909**	**88 629 709**	**3 973 763**	**127 603 472**	**1 630 768**	**129 234 240**
Changes in the period:											
Application of the Consolidated Net Income 2014	-	-	-	-	-	3 973 763	3 973 763	(3 973 763)	-	-	-
Available for sale Investments fair value changes	-	-	-	-	215 414	-	215 414	-	215 414	-	215 414
Others	-	-	-	-	-	-	-	-	-	1	1
	-	-	-	-	215 414	3 973 763	4 189 177	(3 973 763)	215 414	1	215 415
Consolidated net profit for the period	-	-	-	-	-	-	-	1 059 322	1 059 322	25 148	1 084 470
Consolidated comprehensive income	-	-	-	-	215 414	-	215 414	1 059 322	1 274 736	25 148	1 299 884
Transactions with equity holders											
Distributed dividends	-	-	-	-	-	(4 550 000)	(4 550 000)	-	(4 550 000)	-	(4 550 000)
Balances at 30 of June 2015	**35 000 000**	**7 498 903**	**6 195 184**	**(1 695 238)**	**254 365**	**76 015 672**	**88 268 886**	**1 059 322**	**124 328 208**	**1 655 917**	**125 984 125**
Balances at 31 of December 2015	**35 000 000**	**7 498 903**	**6 195 184**	**(1 695 238)**	**382 767**	**74 490 374**	**86 871 990**	**6 134 247**	**128 006 237**	**1 647 295**	**129 653 532**
Changes in the period:											
Application of the Consolidated Net Income 2015	-	-	-	-	-	6 134 247	6 134 247	(6 134 247)	-	-	-
Available for sale Investments fair value changes	-	-	-	-	(96 360)	-	(96 360)	-	(96 360)	-	(96 360)
Others	-	-	-	-	-	(115)	(115)	-	(115)	-	(115)
	-	-	-	-	(96 360)	6 134 132	6 037 772	(6 134 247)	(96 475)	-	(96 475)
Consolidated net profit for the period											
Total comprehensive income for the year	-	-	-	-	-	-	-	1 962 558	1 962 558	29 549	1 992 107
	-	-	-	-	(96 360)	-	(96 360)	1 962 558	1 866 198	29 549	1 895 747
Transactions with equity holders											
Acquisition of non controlled interest	-	-	-	-	-	-	-	-	-	(54)	(54)
Distributed dividends	-	-	-	-	-	(5 250 000)	(5 250 000)	-	(5 250 000)	-	(5 250 000)
Balances at 30 of June 2016	**35 000 000**	**7 498 903**	**6 195 184**	**(1 695 238)**	**286 407**	**75 374 506**	**87 659 762**	**1 962 558**	**124 622 320**	**1 676 790**	**126 299 110**

The notes to the financial statements integrates this statement for the period ending at 30 June 2016.

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CONSOLIDATED STATMENT OF THE COMPREHENSIVE INCOME

FOR THE PERIOD ENDING AT 30 JUNE 2016 AND 2015

(Amounts expressed in Euros)

	IAS/IFRS 30/06/2016	IAS/IFRS 30/06/2015
Consolidated net profit for the period, including minority interest	1 992 107	1 084 470
Components of other consolidated comprehensive income, net of tax, that could be recycled by profit and loss:		
Available for sale Financial Investments fair value changes	(96 360)	215 414
Consolidated comprehensive income	1 895 747	1 299 884
Attributable to:		
Equity holders of the parent company	1 866 198	1 274 736
Non-controlled interests	29 549	25 148

The notes to the financial statements integrates this statement for the period ending at 30 June 2016.

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CONSOLIDATED CASH FLOWS STATEMENT

(Euros)

OPERATING ACTIVITIES	jun/16		jun/15	
Collections from Customers	174 525 149		154 504 159	
Payments to Suppliers	(157 181 045)		(138 103 169)	
Payments to Employees	(14 358 360)		(14 140 904)	
Operating Flow		**2 985 744**		**2 260 086**
Payments of Income Tax		683 408		(456 268)
Other Collections/Payments Related to Operating Activities		12 165 218		11 442 906
Cash Flow from Operating Activities		**15 834 370**		**13 246 724**

INVESTING ACTIVITIES				
Collections from:				
Tangible Fixed Assets	1 502 275		1 278 352	
Interest and Other income	110 190		70 626	
Dividends	-	1 612 465	-	1 348 978
Payments to:				
Investments	(11)		(6 407)	
Tangible Fixed Assets	(13 255 166)		(9 624 632)	
Intangible Assets	(43 680)	(13 298 857)	(192 200)	(9 823 239)
Cash Flow from Investment Activities		**(11 686 392)**		**(8 474 261)**

FINANCING ACTIVITIES				
Collections from:				
Loans	828 244	828 244	-	
Payments to:				
Loans	-		(2 893 731)	
Lease Down Payments	(1 653 145)		(1 134 784)	
Interest and Other costs	(1 128 348)		(1 028 266)	
Dividends	(5 249 652)	(8 031 145)	(4 553 790)	(9 610 571)
Cash Flow from Financing Activities		**(7 202 901)**		**(9 610 571)**

CASH				
Cash and Cash Equivalents at Beginning of Period (Note 15)		11 364 954		12 530 999
Changes in perimeter (Note 4)		-		
Cash and Cash Equivalents at End of Period (Note 15)		8 310 031		7 692 891
Net Flow in Cash Equivalents		**(3 054 923)**		**(4 838 108)**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2016

(Amounts in Euros)

1. INTRODUCTION

Toyota Caetano Portugal, S.A. ("Toyota Caetano" or "Company") was incorporated in 1946, has its headquarters in Vila Nova de Gaia, and is the Parent Company of a Group of companies ("Toyota Caetano Group" or "Group"), which mainly develop economic activities included in the automotive sector, namely the import, assembly and commercialization of vehicles, bus and coach industry, sale and rental of industrial equipment forklifts, sale of vehicles parts, as well as the corresponding technical assistance.

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

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

As of June 30, 2016, 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 (rounding by unit), as this is the functional currency used in the economic environment where the Group operates. Foreign operations and transactions are included in the consolidated financial statements in accordance with the policy described in Note 2.3.

2. MAIN ACCOUNTING POLICIES

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

2.1 BASIS OF PRESENTATION

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

These interim financial statements, prepared in accordance with the above mentioned framework, do not include all the required information to be included in the annual consolidated financial statements. Therefore, they should be read along with the consolidated financial statements as of December 31, 2015.

Comparative information regarding December 31, 2015, 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).

The following standards, interpretations, amendments and revisions endorsed by the European Union and mandatory in the fiscal years beginning on or after January 1, 2016, were adopted by the first time in this period:

a) Standards and interpretations that became effective as of 1 January 2016:

(i) Standards:

- **Annual Improvements 2010 – 2012.** The 2010-2012 annual improvements affects: IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16 and 38, and IAS 24. This amendment does not have any impact in the financial statements of the Entity.

- **IAS 19** (amendment), 'Defined benefit plans – Employee contributions'. This amendment applies to contributions from employees or third parties to defined benefit plans and aims to simplify the accounting when contributions are not associated to the number of years of service. This amendment does not have any impact in the financial statements of the Entity.

- **IAS 1** (amendment), 'Disclosure initiative'. This amendment provides guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements, the disclosure of accounting policies and OCI items presentation when arising from investments measured at equity method. This amendment does not have any impact in the financial statements of the Entity.

- **IAS 16 and IAS 38** (amendment), 'Acceptable methods of depreciation and amortisation calculation'. This amendment clarifies that the use of revenue-based methods to calculate the depreciation / amortization of an asset is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an asset. It shall be applied prospectively. This amendment does not have any impact in the financial statements of the Entity.

- **IAS 16 and IAS 41** (amendment), 'Agriculture: bearer plants'. This amendment defines the concept of a bearer plant and removes it from the scope of IAS 41 – Agriculture, to the scope of IAS 16 – Property, plant and equipment, with the consequential impact on measurement. However, the produce growing on bearer plants will remain within the scope of IAS 41 - Agriculture. This amendment does not have any impact in the financial statements of the Entity.

- **IAS 27** (amendment), 'Equity method in separate financial statements'. This amendment allows entities to use equity method to measure investments in subsidiaries, joint ventures and associates in separate financial statements. This amendment applies retrospectively. This amendment does not have any impact in the financial statements of the Entity.

- **IFRS 11** (amendment), 'Accounting for the acquisition of interests in joint operations. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business, through the application of IFRS 3's principles. This amendment does not have any impact in the financial statements of the Entity.

- **Annual Improvements 2012 - 2014**. The 2012-2014 annual improvements affects: IFRS 5, IFRS 7, IAS 19 and IAS 34. This amendment does not have any impact in the financial statements of the Entity.

b) The following amendments to existing standards have been published and are mandatory for the accounting periods beginning on or after 1 January 2016, but that are not yet endorsed by the European Union:

(i) Standards:

- **Amendment to IFRS 10, 12 and IAS 28**, 'Investment entities: applying consolidation exception'' (effective for annual periods beginning on or after 1 January 2016). This amendment is still subject to endorsement by the European Union. This amendment clarifies that the exemption from the obligation to prepare consolidated financial statements by investment entities applies to an intermediate parent which is a subsidiary of an investment entity. The policy choice to apply the equity method, under IAS 28, is extended to an entity which is not an investment entity, but has an interest in an associate, or joint venture, which is an investment entity. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

c) The following standards and amendments to existing standards have been published and are mandatory for the accounting periods beginning on or after 1 January 2017, but that are not yet endorsed by the European Union:

(i) Standards:

- **IAS 7**, 'Cashflow statement – Disclosure initiative' (effective for annual periods beginning on or after 1 January 2017). This amendment is still subject to endorsement by the European Union. This amendment introduces an additional disclosure about the changes in liabilities arising from financing activities, disaggregated between cash changes and non-cash changes and how it reconciles with the reported cash flows from financing activities, in the Cash Flow Statement. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **IAS 12**,'Income taxes – Recognition of deferred tax assets for unrealised losses' (effective for annual periods beginning on or after 1 January 2017). This amendment is still subject to endorsement by the European Union. This amendment clarifies how to account for deferred tax assets related to assets measured at fair value, how to estimate future taxable profits when temporary deductible differences exist and how to assess recoverability of deferred tax assets when restrictions exist in the tax law. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **IFRS 2**, 'Classification and measurement of share-based payment transactions' (effective for annual periods beginning on or after 1 January 2018). This amendment is still subject to endorsement by the European Union. This amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications to a share-based payment plan that change the classification an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **IFRS 9** (new), 'Financial instruments' (effective for annual periods beginning on or after 1 January 2018). This standard is still subject to endorsement by the European Union. IFRS 9 replaces the guidance in IAS 39, regarding: (i) the classification and measurement of financial assets and liabilities; (ii) the recognition of credit impairment (through the expected credit losses model); and (iii) the hedge accounting requirements and recognition. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **IFRS 15** (new), 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 January 2018). This standard is still subject to endorsement by European Union. This new standard, applies only to contracts with customers to provide goods or services, and requires an entity to recognise revenue when the contractual obligation to deliver the goods or services is satisfied and by the amount that reflects the consideration the entity is expected to be entitled to, following a five step approach. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **Amendments to IFRS 15** 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 January 2018). These amendments are still subject to endorsement by European Union. These amendments refer to additional guidance for determining the performance obligations in a contract, the timing of revenue recognition from a license of intellectual property, the review of the indicators for principal versus agent classification, and to new practical expedients to simplify transition. No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

- **IFRS 16** (new), 'Leases' (effective for annual periods beginning on or after 1 January 2019). This standard is still subject to endorsement by European Union. This new standard replaces the IAS 17 with a significant impact on the accounting by lessees that are now required to recognise a lease liability reflecting future lease payments and a "right-of-use asset" for all lease contracts, except for certain short-term leases and for low-value assets. The definition of a lease contract also changed, being based on the "right to control the use of an identified asset". No estimated impact of the future adoption of these improvements in the financial statements of the Entity.

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 June 30, 2016.

FINANCIAL RISK MANAGEMENT POLICIES

The Group's activity is exposed to a variety of financial risks, such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. These risks arise from the unpredictability of financial markets that affect the capacity of projected cash flows and profits subject to a perspective of long term ongoing. Management seeks to minimise potential adverse effects that derive from that uncertainty in its financial performance.

The financial risks management is controlled by Toyota Caetano financial department, according to the policies established by the Group Board of Directors. The Board of Directors has established the main principles of global risk management as well as specific policies for some areas, as interest rate risk and credit risk. As mentioned above, these principles and policies are properly described in the notes to the consolidated financial statements as of December 31, 2015.

In this context, we presented below some risk indicators as of June 30, 2016, considered particularly relevant:

(i) Foreign currency risk

The Group operates internationally and has a subsidiary operating in Cape Verde. The group selects a functional currency for each subsidiary (Cape Verde Escudo, for the subsidiary Caetano Auto CV, S.A.), corresponding to the currency of the economical environment and the ones that better represents its cash flows composition. Foreign currency risk arises mainly from future commercial transactions, as a result of purchases and sales of products and services in a different currency than the functional currency used by each Company.

Foreign currency risk management policies seek to minimize the volatility of investments and transactions made in foreign currencies, aiming to reduce Group's results impact to changes in foreign exchange rates. The Group uses derivative instruments (currency forwards), as the management of foreign currency risk.

The Group foreign currency risk management hedge policies are decided casuistically, considering the foreign currency and country specific circumstances (as at June 30, 2016 and December 31, 2015 and June 30, 2015, this situation is not applicable to any of the Group Subsidiaries).
Foreign currency risk related to the foreign subsidiaries financial statements translation, also named translation risk, presents the impact on net equity of the Holding Company, due to the translation of foreign subsidiaries financial statements.

Foreign subsidiaries assets and liabilities are translated into Euros using the exchange rates at statement of financial position date, and gains and losses in the income statement are translated into Euros using the average exchange rate of the year. Resulting exchange differences are recorded in equity caption "Translation reserves".

The Group's assets and liabilities amounts (expressed in Euros) recorded in a different currency from Euro at June 30, 2016 and December 31, 2015 and June 30, 2015 can be summarized as follows:

	Assets			Liabilities		
	Jun-16	Dec-15	Jun-15	Jun-16	Dec-15	Jun-15
Cabo Verde Escudo (CVE)	9.026.912	7.636.574	7.726.302	3.051.466	1.818.789	1.890.097
Great Britain pounds (GBP)	-	1.644	1.644	989	989	989
Japanese yen (JPY)	-	-	-	620.712	266.553	54.270
US Dollar (USD)	-	-	-	-	-	293

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

		Jun-16		Dec-15	
	Variation	Net Income	Equity	Net Income	Equity
Great Britain pounds (GBP)	5%	(49)	-	33	-
Japanese yen (JPY)	5%	(31.036)	-	(13.328)	-

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

ii) Price risk

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

During 2016 and 2015, the Group has been exposed to the risk of variation of 'available for sale assets' prices. At June 30, 2016 and December 31, 2015 and June 30, 2015, the referred caption is composed only by shares of the closed property investment fund Cimóvel – Fundo de Investimento Imobiliário Fechado (Real Estate Investment Fund).

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

		Jun-16		Dec-15		Jun-15	
	Variation	Net Income	Equity	Net Income	Equity	Net Income	Equity
CIMOVEL FUND	10%	-	330.035	-	339.671	-	326.831
CIMOVEL FUND	-10%	-	(330.035)	-	(339.671)	-	(326.831)

(Amounts in Euros)

iii) Interest rate risk

Toyota Caetano debt is indexed to variable interest rates, exposing the total cost of debt to a high risk of volatility. The impact of this volatility on the Group's results and shareholders´ equity mitigated due to the effect of the following factors: (i) possible correlation between the market interest rate levels and economic growth, having a positive effect on the other lines of the Group's consolidated results (particularly operational), thus partially offsetting the increased financial costs ("natural hedge") and (ii) the availability of consolidated liquidity or cash, also remunerated at variable rates.

Toyota Caetano Board of Directors approves the terms and conditions of the funding, analyzing the debt structure, the inherent risks and the different options available in the market, particularly considering the type of interest rates (fixed / variable) and, permanently monitoring conditions and alternatives existing in the market, and decides upon the contracting of occasional interest rate hedging derivative financial instruments.

Interest rate risk sensitivity analysis

The sensitivity analyses presented below was based on exposure to changes in interest rates for financial instruments at the statement of financial position date. For floating rate liabilities, the analysis is prepared assuming the following:

(i) Interest rate is superior in 1 p.p. than the supported interest rate.
(ii) Calculation was made using the Group's debt at the end of the year.
(iii) Spreads maintenance throughout the year.

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated.

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

		Jun-16		Dec-15		Jun-15	
	Variation	Net Income	Equity	Net Income	Equity	Net Income	Equity
Loans- Mutual Contract	1 p.p.	51.316	-	60.256	-	69.737	-
Guaranteed account	1 p.p.	-	-	100.000	-	90.000	-
Bank Credits	1 p.p.	1.645	-	211	-	9.770	-
Commercial Paper	1 p.p.	135.000	-	217.000	-	127.000	-
Long-term Bank Loan	1 p.p.	190.000	-	90.000	-	90.000	-
Confirming	1 p.p.	99.493	-	-	-	-	-
Total		477.454	-	467.467	-	386.507	-
Loans- Mutual Contract	(1 p.p.)	(51.316)	-	(60.256)	-	(69.737)	-
Guaranteed account	(1 p.p.)	-	-	(100.000)	-	(90.000)	-
Bank Credits	(1 p.p.)	(1.645)	-	(211)	-	(9.770)	-
Commercial Paper	(1 p.p.)	(135.000)	-	(217.000)	-	(127.000)	-
Long-term Bank Loan	(1 p.p.)	(190.000)	-	(90.000)	-	(90.000)	-
Confirming	(1 p.p.)	(99.493)	-	-	-	-	-
Total		(477.454)	-	(467.467)	-	(386.507)	-

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

iv) Liquidity risk

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

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

(Amounts in Euros)

Toyota Caetano Group liquidity risk management has a threefold objective:

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

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

As of 30 June, 2016 and 31 December, 2015, the Group presents a net debt of 59.692.332 Euros and 52.448.362 Euros, respectively, divided between current and non current loans (Note 17) and cash and cash equivalents (Note 4), agreed with the different financial institutions.

v) Capital Risk

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

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

	Jun-16	Dec-15	Jun-15
Debt	68.002.363	63.813.316	54.761.333
Cash and Cash Equivalents	(8.310.031)	(11.364.954)	(7.692.891)
Net Debt	59.692.332	52.448.362	47.068.442
Equity	126.299.110	129.653.532	125.984.125
Leverage Ratio	32,09%	28,80%	27,20%

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

vi) Credit risk

Credit risk refers to the risk that the counterpart will default on its contractual obligations resulting in financial loss to the Group.

The Group's exposure to the credit risk is mainly associated to the receivable accounts of its ordinary activities. Before accepting new clients, the company obtains information from credit rating agencies and makes internal analysis to the collection risk and contingent processes through specific credit and legal departments, attributing credit limits by client, based on the information received.

Risk management seeks to guarantee an effective collection of its credits in the terms negotiated without impact on the financial Group's health. This risk is regularly monitored, being Management's objective (i) to impose credit limits to customers, considering the number of days of sales outstanding, individually or on groups of customers, (ii) control credit levels and (iii) perform regular impairment analysis. The Group obtains credit guarantees whenever the customers' financial situation demands.

Regarding independent dealership customers, the Group requires guarantees "on first demand", that, as disclosed in the notes to the consolidated financial statements of December 31, 2015, whenever these amounts are exceeded, these customers' supplies are suspended.

(Amounts in Euros)

The adjustments for accounts receivable are calculated considering (a) the client risk profile, (b) the average time of receipt, (c) the client financial situation. The movements of these adjustments for the periods ending at June 30, 2016 and 2015 are stated in Note 23.
At June 30, 2016, the Group considers that there is no need for additional impairment losses, besides the amounts registered on those dates and stated, briefly, in Note 23.

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

2.3 CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

Exchange rates used in the conversion of foreign affiliated companies, as of June 30, 2016 and December 31, 2015 were as follows:

30-06-2016

	Currency	Final Exchange Rate for Jun-16	Average Exchange Rate for Jun-16	Exchange Rate at the Date of Incorporation	Final Exchange rate for 2015
Caetano Auto CV, S.A.	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Shareholders	Income Statement	Share Capital	Retained Earnings

31-12-2015

	Currency	Final Exchange Rate for Dec-15	Average Exchange Rate for Dec-15	Exchange Rate at the Date of Incorporation	Final Exchange rate for 2014
Caetano Auto CV, S.A.	CVE	0,009069	0,009069	0,009069	0,009069
Captions		Balance Sheet except Shareholders	Income Statement	Share Capital	Retained Earnings

3. GROUP COMPANIES INCLUDED IN CONSOLIDATION

The affiliated companies included in consolidation by the full consolidation method and share of capital held as of June 30, 2016 and December 31, 2015, are as follows:

Companies	Effective Percentage Held	
	Jun-16	Dec-15
Toyota Caetano Portugal, S.A.	Parent Company	
Saltano - Investimentos e Gestão (S.G.P.S.), S.A.	99,98%	99,98%
Caetano Auto CV, S.A.	81,24%	81,24%
Caetano Renting, S.A.	99,98%	99,98%
Caetano - Auto, S.A.	98,40%	98,40%

These subsidiaries were included in the consolidated financial statements using the full consolidation method, as established in IFRS 10.

(Amounts in Euros)

4. CASH AND CASH EQUIVALENTS

As of June 30, 2016, December 31, 2015 and June 30, 2015 cash and cash equivalents detail was the following:

	Jun-16	Dec-15	Jun-15
Cash	124.827	118.992	354.689
Bank Deposits	8.185.204	11.245.962	7.337.067
Cash equivalents	-	-	1.135
	8.310.031	11.364.954	7.692.891

The Company and its affiliates have available credit facilities as of June 30, 2016 amounting to approximately 71 Million Euros (of which have been utilized 48 Million Euros), which can be used in future operational activities and to fulfil financial commitments. There are no restrictions on the use of these facilities. This amount is invested in different financial institutions, with no excessive concentration in any of them.

5. TANGIBLE FIXED ASSETS

During the six month period ended as of June 30, 2016 and 2015, the movement in tangible fixed assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

30-06-2016

	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
Gross Assets:								
Opening Balances	16.842.823	93.538.551	60.117.299	55.526.355	7.880.877	4.318.806	397.459	238.622.170
Additions	-	286.087	160.203	23.027.076	22.892	16.557	1.748	23.514.563
Disposals and Write-offs	-	(53.234)	(153.437)	(8.172.667)	(116.277)	(28.524)	-	(8.524.139)
Ending Balances	16.842.823	93.771.404	60.124.065	70.380.764	7.787.492	4.306.839	399.207	253.612.594
Accumulated Depreciation and Impairment losses:								
Opening Balances	-	60.281.003	54.610.829	28.543.554	7.514.630	4.082.927	-	155.032.943
Depreciations	-	1.220.287	600.011	4.818.681	53.194	37.286	-	6.729.459
Disposals and Write-offs	-	(45.882)	(148.632)	(3.625.703)	(109.415)	(27.625)	-	(3.957.257)
Transfer	-	4.053	-	-	-	-	-	4.053
Ending Balances	-	61.459.461	55.062.208	29.736.532	7.458.409	4.092.588	-	157.809.198
Net Tangible Assets	16.842.823	32.311.943	5.061.857	40.644.232	329.083	214.251	399.207	95.803.396

(Amounts in Euros)

30-06-2015

	Land	Buildings and Other Constructions	Machinery and Equipment	Transport Equipment	Administrative Equipment	Other Fixed Assets	Tangible assets in Progress	Total
Gross Assets:								
Opening Balances	16.746.095	93.363.990	58.647.320	45.865.853	7.649.868	4.266.949	69.000	226.609.075
Additions	37.978	94.417	1.664.406	20.804.887	74.558	22.265	1.083.967	23.782.478
Disposals and Write-offs	-	(1.491.839)	-	(7.378.767)	-	-	-	(8.870.606)
Transfer	-	(8.774)	-	-	-	-	-	(8.774)
Ending Balances	16.784.073	91.957.794	60.311.726	59.291.973	7.724.426	4.289.214	1.152.967	241.512.173
Accumulated Depreciation and Impairment losses:								
Opening Balances	-	59.461.724	54.104.202	26.833.929	7.396.976	4.006.782	-	151.803.613
Depreciations	-	1.189.541	621.303	3.936.437	55.100	42.195	-	5.844.576
Disposals and Write-offs	-	(1.491.839)	-	(2.843.102)	-	-	-	(4.334.941)
Transfer	-	3.043	(77)	-	125	-	-	3.091
Ending Balances	-	59.162.469	54.725.428	27.927.264	7.452.201	4.048.977	-	153.316.339
Net Tangible Assets	16.784.073	32.795.325	5.586.298	31.364.709	272.225	240.237	1.152.967	88.195.834

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

At June 30, 2015, the increases recorded in the period in buildings and basic equipment and tools, are essentially the investment made in Ovar Plant, for the production of the Land Cruiser 70 Series model, LC70, for the South African market. The caption tangible assets in progress is associated at the same project.

At June 30, 2016, the increases in buildings includes maintenance works in Caetano Auto buildings.

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 June 30, 2016 and December 31, 2015, the assets acquired through financial leases are presented as follows:

	Jun-16		
	Gross Value	Accumulated Depreciations	Net Value
Fixed Tangible Assets	28.133.268	7.252.060	20.881.208

	Dec-15		
	Gross Value	Accumulated Depreciations	Net Value
Fixed Tangible Assets	23.286.089	5.335.258	17.950.831

(Amounts in Euros)

6. INVESTMENT PROPERTIES

As of June 30, 2016, December 31, 2015 and June 30, 2015, the caption "Investment properties" refers to real estate assets held to obtain gains through its rental or for capital gain purposes. These real estate assets are recorded at acquisition cost.

Rentals related to "Investment properties" are recorded in the caption "Other Operating Income" and amounted to 1.841.472 Euros as the six month period ended as of June 30, 2016 (1.351.497 Euros as of June 30, 2015) (note 29).

Additionally, in according with appraisals reported to December 31, 2015, the fair value of those investment properties amounts to, approximately, 54 million Euros.

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

The real estate assets recorded in the caption "Investment properties" as of June 30, 2016 and December 31, 2015 is made up as follows:

Location	Jun-16 Appraisal	Jun-16 Net accounting value	Jun-16 Fair Value	Dec-15 Appraisal	Dec-15 Net accounting value	Dec-15 Fair Value
Vila Nova de Gaia - Av. da República	internal	85.633	1.192.400	internal	87.064	1.192.400
Braga - Av. da Liberdade	Internal	503	1.355.000	Internal	604	1.355.000
Porto - Rua do Campo Alegre	Internal	922.363	2.877.000	Internal	952.996	2.877.000
Viseu - Teivas	external	871.438	896.000	external	896.000	896.000
Óbidos - Casal do Lameiro	Internal	59.135	1.400.000	Internal	59.558	1.400.000
Castro Daire - Av. João Rodrigues Cabrilho	Internal	27.159	58.000	Internal	27.709	58.000
Caldas da Rainha - Rua Dr. Miguel Bombarda	Internal	17.531	85.000	Internal	17.531	85.000
Viseu - Quinta do Cano	internal/external	1.750.092	2.461.740	internal/external	1.758.024	2.461.740
Amadora - Rua Elias Garcia	Internal	186.205	149.000	Internal	187.935	149.000
Portalegre - Zona Industrial	internal	191.528	173.000	internal	194.099	173.000
Portimão - Cabeço do Mocho	internal	424.781	410.000	internal	424.781	410.000
Vila Real de Santo António - Rua de Angola	internal	25.345	83.000	internal	26.063	83.000
Rio Maior	internal	107.000	107.000	internal	107.000	107.000
S João de Lourosa - Viseu	internal	461.476	487.030	internal	463.268	487.030
Vila Nova de Gaia - Av. Vasco da Gama (edifícios A e B)	internal	3.345.614	11.448.000	internal	3.454.289	11.448.000
Vila Nova de Gaia - Av. Vasco da Gama (edifícios G)	internal	993.755	6.003.000	internal	1.044.637	6.003.000
Carregado - Quinta da Boa Água / Quinta do Peixoto	internal	5.111.211	21.518.000	internal	5.135.484	21.518.000
Lisboa - Av. Infante Santo	internal	1.185.285	1.247.000	internal	1.199.980	1.247.000
Vila Nova de Gaia - Rua das Pereira	internal	267.136	788.000	internal	273.052	788.000
Leiria - Azóia	internal	355.125	797.000	internal	355.125	797.000
		16.388.315	**53.535.170**		**16.665.199**	**53.535.170**

The investment properties fair value disclosed in December 31, 2015 was determined by property valuation by independents appraisers (Market Method, Cost Method, Return Method and Use Method models).

As of June 30, 2016 the values of the evaluation will be published at December 31, 2015 on the grounds that, given the generalized inexistence of major works in 2016, the inexistence of relevant claims in 2016 and the inexistence of properties in areas of accelerated degradation there will be no significant change to the fair value of these properties.

The Management believes will not have been significant changes to the fair value of these buildings, believing they are still valid and current values of the last external evaluation carried out in 2012, 2013, 2014 and 2015.

(Amounts in Euros)

The movement in the caption “Investment properties” as of June 30, 2016 and 2015 was as follows:

30-06-2016

Gross Assets	Land	Buildings	Total
Opening Balances	9.916.943	36.133.435	46.050.378
Ending Balances	9.916.943	36.133.435	46.050.378

Accumulated Depreciation and Impairment Losses:	Land	Buildings	Total
Opening Balances	-	29.385.179	29.385.179
Additions	-	280.937	280.937
Transfer	-	(4.053)	(4.053)
Ending Balances	-	29.662.063	29.662.063

30-06-2015

Gross Assets	Land	Buildings	Total
Opening Balances	9.985.217	36.926.900	46.912.117
Additions	-	45.360	45.360
Disposals	-	(669.169)	(669.169)
Transfer	-	(62.012)	(62.012)
Ending Balances	9.985.217	36.241.079	46.226.296

Accumulated Depreciation and Impairment Losses:	Land	Buildings	Total
Opening Balances	-	29.566.796	29.566.796
Additions	-	280.715	280.715
Disposals	-	(669.169)	(669.169)
Transfer	-	(62.014)	(62.014)
Ending Balances	-	29.116.328	29.116.328

7. GOODWILL

At June 30, 2016 and 2015 there were not any movements in item “Goodwill”.

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

The Goodwill is not depreciated. Impairment tests are made annually to the Goodwill. At June 30, 2016 there are no signs of impairment, so it was not necessary to carry out impairment tests.

(Amounts in Euros)

8. INTANGIBLE ASSETS

During the six month period ended as of June 30, 2016 and 2015, the movement in intangible assets, as well as in the respective accumulated depreciation and accumulated impairment losses, was as follows:

30-06-2016

	Research and Development Expenses	Industrial Property	Goodwill	Computer Programs	Intangible assets in progress	Total
Gross Assets:						
Opening Balances	1.394.907	284.179	81.485	2.003.979	60.760	3.825.310
Additions	-	-	-	142.984	43.680	186.664
Ending Balances	1.394.907	284.179	81.485	2.146.963	104.440	4.011.974
Accumulated Depreciation and Impairment losses:						
Opening Balances	464.969	163.243	81.485	1.655.087	-	2.364.784
Depreciations	232.485	9.166	-	115.539	-	357.190
Ending Balances	697.454	172.409	81.485	1.770.626	-	2.721.974
Net Intangible Assets	697.453	111.770	-	376.337	104.440	1.290.000

30-06-2015

	Research and Development Expenses	Industrial Property	Goodwill	Computer Programs	Intangible assets in progress	Total
Gross Assets:						
Opening Balances	-	259.977	81.485	1.985.411	24.202	2.351.075
Additions	471.104	-	-	18.567	-	489.671
Ending Balances	471.104	259.977	81.485	2.003.978	-	2.840.746
Accumulated Depreciation and Impairment losses:						
Opening Balances	-	144.391	81.485	1.470.283	-	1.696.159
Depreciations	78.517	9.568	-	92.402	-	180.487
Ending Balances	78.517	153.959	81.485	1.562.685	-	1.876.646
Net Intangible Assets	392.587	106.018	-	441.293	24.202	964.100

9. FINANCIAL INVESTMENTS

9.1 AVAILABLE FOR SALE FINANCIAL INVESTMENTS

During the period ended as of June 30, 2016, and December 31, 2015 and June 30, 2015 the movements in item “Investments available for sale” were as follows:

	Non-current assets		
	Jun-16	Dec-15	Jun-15
Available for sale Investments			
Fair value at January 1	3.463.450	3.119.634	3.119.634
Increase/(decrease) in fair value	(96.359)	343.816	215.414
Fair value at the date of reference	3.367.091	3.463.450	3.335.048

(Amounts in Euros)

As of June 30, 2016, the available for sale Investments break down as follows:

- Cimóvel - Real Estate Investment Fund: the amount of 3.300.354 Euros corresponding to 580.476 shares which are recorded at its fair value as of June 30, 2016. It should be noted that the acquisition cost of those shares amounted to 3.013.947 Euros, and constituted a reserve on equity (Fair value reserve) in the amount of 286.407, which reflects the subsequent valuation;

- The remaining “Investments available for sale” refer to small investments in non listed companies. The Board of Directors consider that the net accounting value is similar to its fair value.

Additionally, the impact in equity and impairment losses during the six month period ended as of June 30, 2016 and 2015 from recording “Investments held for sale” at fair value can be summarized as follows:

	Jun-16	**Jun-15**
Increase in fair value	(96.359)	215.414
	(96.359)	215.414

10. INVENTORIES

As of June 30, 2016, December 31, 2015 and June 30, 2015, this caption breakdown is as follows:

	Jun-16	Dec-15	Jun-15
Raw and subsidiary Materials	1.246.215	10.080.953	7.684.910
Production in Process	1.168.752	1.137.959	1.211.575
Finished and semi-finished Products	1.403.045	1.613.906	5.655.385
Merchandise	68.466.440	70.642.162	61.023.112
	72.284.452	83.474.980	75.574.982
Accumulated impairment losses in inventories (Note 23)	(1.564.231)	(1.311.777)	(1.876.301)
	70.720.221	82.163.203	73.698.681

The reduction occurring in the caption "Raw and subsidiary Materials", concerns the change version of LC70, model to be assembled in Ovar Plant.

During the six month period ended as of June 30, 2016 and 2015, cost of sales was as follows:

	Jun-16			Jun-15		
	Merchandise	Raw and subsidiary Materials	Total	Merchandise	Raw and subsidiary Materials	Total
Opening Balances	70.642.162	10.080.953	80.723.115	61.390.733	3.938.945	65.329.678
Net Purchases	121.876.708	12.783.221	134.659.929	115.296.452	10.056.407	125.352.859
Ending Balances	(68.466.440)	(1.246.215)	(69.712.655)	(61.023.112)	(7.684.910)	(68.708.022)
Total	124.052.430	21.617.959	145.670.389	115.664.073	6.310.442	121.974.515

During the six month period ended as of June 30, 2016 and 2015, the variation in production was computed as follows:

	Finished and semi-finished products	
	Jun-16	Jun-15
Ending Balances	2.571.797	6.866.960
Inventories adjustments	5.234	(203.332)
Opening Balances	(2.751.865)	(6.561.507)
Total	(174.834)	102.121

(Amounts in Euros)

11. ACCOUNTS RECEIVABLE

As of June 30, 2016, December 31, 2015 and June 30, 2015, the detail of this caption was as follows:

	CURRENT ASSEST			NON-CURRENT ASSETS		
	Jun-16	Dec-15	Jun-15	Jun-16	Dec-15	Jun-15
Customers, current accounts	58.130.427	56.738.200	51.941.935	138.841	46.553	116.239
Doubtful Accounts Receivable	9.878.019	9.803.136	10.345.503	-	-	-
	68.008.446	66.541.336	62.287.438	138.841	46.553	116.239
Accumulated impairment losses in accounts Receivable (Note 23)	(9.705.658)	(9.710.649)	(10.337.898)	-	-	-
	58.302.788	56.830.687	51.949.540	138.841	46.553	116.239

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

Group exposure to credit risk is mainly related to trade receivables resulting from its operational activity. Before accepting new customers, the Group contacts credit rating agencies and performs internal analysis of credit risk, through specific credit control, collection and legal service departments, and assigns credit limits by customer, based on the gathered information.

Accounts receivable aging

Debt maturity without recognition of losses by impairment

30-06-2016

	- 60 days	60-90 days	90-120 days	+ 120 days	Total
Accounts receivable	32.094.485	5.449.312	1.590.213	13.135.202	52.269.212
Personnel	4.363	143.988	104.869	40.854	294.074
Independent Dealers	5.119.439	545.822	33.857	6.864	5.705.982
Total	37.218.287	6.139.122	1.728.939	13.182.920	58.269.268

31-12-2015

	- 60 days	60-90 days	90-120 days	+ 120 days	Total
Accounts receivable	36.892.908	2.096.824	1.122.319	11.117.860	51.229.911
Personnel	73	9.756	2.094	86.911	98.834
Independent Dealers	5.228.706	202.707	17.731	6.864	5.456.008
Total	42.121.687	2.309.287	1.142.144	11.211.635	56.784.753

(Amounts in Euros)

Debt maturity with recognition of losses by impairment

30-06-2016

	- 60 days	60-90 days	90-120 days	+ 120 days	Total
Doubtful Accounts Receivable	4.960	75	1.112	9.871.872	9.878.019
Total	4.960	75	1.112	9.871.872	9.878.019

31-12-2015

	- 60 days	60-90 days	90-120 days	+ 120 days	Total
Doubtful Accounts Receivable	3.972	3.406	1.281	9.794.477	9.803.136
Total	3.972	3.406	1.281	9.794.477	9.803.136

The amounts presented in the consolidated Statement of financial position are net of accumulated impairment losses to doubtful accounts receivable estimated by the Group, in accordance with its experience based on its evaluation of the economic environment at the statement of financial position date. Credit risk concentration is limited, because the customers' basis is wider and not relational. Thus, the Board of Directors understands that the accounting values of accounts receivable are similar to their respective fair value.

12. OTHER CREDITS

As of June 30, 2016, December 31, 2015 and June 30, 2015, the detail of this caption was as follows:

	Current Assets		
	Jun-16	Dec-15	Jun-15
Down Payments to Suppliers	887.431	813.122	2.049.848
Other debtors	2.354.634	2.333.459	1.980.294
	3.242.065	3.146.581	4.030.142

This caption includes, as of June 30, 2016, the amount of, approximately, 800.000 Euros (800.000 Euros as of December 31, 2015) to be received from Salvador Caetano Auto Africa, SGPS, S.A..

It is noted that this amount also includes an account receivable in the amount of 617.686 Euros from the related party Fundação Salvador Caetano (683.000 Euros on December 31, 2015).

(Amounts in Euros)

13. OTHER CURRENT ASSETS

As of June 30, 2016, December 31, 2015 and June 30, 2015, the detail of this caption was as follows:

	Jun-16	Dec-15	Jun-15
Accrued Income			
Fleet programs and Bonus suppliers	533.903	-	231.036
Commissions	382.539	407.131	355.643
Warranty claims	190.441	163.732	235.607
Rappel	183.488	608.718	314.589
Fee's	73.923	39.794	-
Assignment of staff	28.256	30.807	30.110
Insurance	10.596	335.530	48.249
Interest	-	626	12.209
Others	846.727	586.455	661.619
	2.249.873	2.172.793	1.889.062
Deferred Expenses			
Insurance	314.415	126.848	231.854
Rentals	143.037	121.827	22.305
Interest	-	50.144	4.515
Pension Fund	-	201.710	-
Others	766.545	401.259	429.050
	1.223.997	901.788	687.724
Total	3.473.870	3.074.581	2.576.786

(Amounts in Euros)

14. DEFERRED TAXES

The detail of deferred tax assets and liabilities recorded in the accompanying consolidated financial statements as of June 30, 2016 and 2015 is as follows:

30-06-2016

	Dec-15	Profit and Loss Impact	Jun-16
Deferred tax assets:			
Provisions not accepted for tax purpose	287.440	-	287.440
Tax losses	502.622	(109.408)	393.214
Pension Fund liabilities	1.257.500	-	1.257.500
Write-off of tangible assets/inventories	164.460	(54.561)	109.899
Derivative financial instruments valuation	36.020	(6.920)	29.100
	2.248.042	(170.889)	2.077.153
Deferred tax liabilities:			
Depreciation as a result of legal and free revaluation of fixed assets	(659.109)	-	(659.109)
Effect of the reinvestments of the surplus in fixed assets sales	(165.772)	-	(165.772)
Fair value of fixed assets	(898.732)	-	(898.732)
	(1.723.613)	-	(1.723.613)
Net effect (Note 25)		(170.889)	

30-06-2015

	Dec-14	Profit and Loss Impact	Jun-15
Deferred tax assets:			
Provisions not accepted for tax purpose	372.370	-	372.370
Tax losses	1.248.074	(164.295)	1.083.779
Pension Fund liabilities	1.100.000	-	1.100.000
Write-off of tangible assets/inventories	410.521	(160.318)	250.203
Derivative financial instruments valuation	48.447	(17.722)	30.725
	3.179.412	(342.335)	2.837.077
Deferred tax liabilities:			
Depreciation as a result of legal and free revaluation of fixed assets	(703.938)	-	(703.938)
Effect of the reinvestments of the surplus in fixed assets sales	(190.200)	-	(190.200)
Tax gains according to n. º 7 Artº7 30/G 2000 Portuguese Law	(5.136)	-	(5.136)
Fair value of fixed assets	(898.732)	-	(898.732)
	(1.798.006)	-	(1.798.006)
Net effect (Note 25)		(342.335)	

(Amounts in Euros)

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

i) Tax losses reported in 2012 and 2013: 5 years
ii) Tax losses reported for periods beginning on or after 2014: 12 years

In June 30, 2016 (date of the latest tax returns delivered), the companies of the Group reported the following tax losses, for which tax deferred assets have been recognized:

	Jun-16		
With Latest date of utilization:	Tax Losses	Deferred tax Assets	Expiry date
At 2012			
- Consolidated Tax Toyota Caetano Portugal	1.818.924	381.974	2017
At 2013			
- Consolidated Tax Toyota Caetano Portugal	53.524	11.240	2018
	1.872.448	393.214	

From January, 2012 (inclusive), the deduction of tax losses carried forward, established in previous years or in progress (includes all reported losses identified in i), ii) and iii)) is limited to 75% of the taxable profit assessed in the relevant fiscal year and from 2014 (inclusive) is limited to 70% of taxable income in each year. This situation requires the annual evaluation of the amount of deferred tax can be recovered within the time indicated above.

As of June 30, 2016 and 2015 tax rates used to compute current and deferred tax assets and liabilities were as follows:

	Tax rates	
	Jun-16	Jun-15
Country of origin of affiliate:		
Portugal	22,5% - 21%	22,5% - 21%
Cape Verde	25,5%	25,5%

Toyota Caetano Group companies with head office in Portugal are taxed according to the Corporate Income Tax (CIT) in accordance with the Special Taxation Regimen for Groups of Companies (“Regime Especial de Tributação de Grupos de Sociedades - RETGS”) as established by articles 69 and 70 of the CIT.

In accordance with the applicable legislation, the income tax returns of Toyota Caetano and other Group companies with headquarters in Portugal are subject to review and correction by the tax authorities for a 4-year period. Therefore, the tax declarations since the year of 2012 and 2015 are still subject to review. Statements regarding the Social Security may be revised over a period of five years. The Board of Directors believe that the corrections that may arise from such reviews/inspections will not have a significant impact in the accompanying consolidated financial statements.

Under the terms of article 88 of the Corporate Income Tax Code, the companies with headquarters in Portugal are additionally subject to an income tax over a set of expenses at the rates foreseen in the above mentioned article.

(Amounts in Euros)

15. EQUITY

As of June 30, 2016, 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

According to the General shareholders meeting deliberation, as of April 28, 2016, was paid to shareholders a dividend of 0,15 Euros per share (5.250.000 Euros).

Legal reserve

Commercial legislation establishes that at least 5% of the net profit of each year must be appropriated to a legal reserve until this reserve equals the statutory minimum requirement of 20% of the share capital. This reserve is not available for distribution, except in case of dissolution of the Company, but may be used in share capital increases or used to absorb accumulated losses once other reserves have been exhausted.

Revaluation reserves

The revaluation reserves cannot be distributed to the shareholders, except if they are completely depreciated and if the respective assets that were revaluated have been alienated.

Translation reserves

The translation reserves reflect the currency variations during the passage of the financial statements of affiliated companies in a currency other than Euro and cannot be distributed or used to absorb losses.

Fair value reserves

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

Other Reserves

Referring to reserves with free reserves, making them distributable according to the commercial legislation in force.

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

16. NON CONTROLLED INTERESTS

Movements in this caption during the period ended as of June 30, 2016, December 31, 2015 and June 30, 2015 were as follows:

	Jun-16	Dec-15	Jun-15
Opening Balances as of January 1	1.647.295	1.630.768	1.630.768
Others	(54)	(16.015)	1
Net profit attributable to Non-controlled Interest	29.549	32.542	25.148
	1.676.790	1.647.295	1.655.917

(Amounts in Euros)

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

Subsidiary	% INC	Non Controlled Interests	Net Income attributable to Non Controlled Interests
Saltano - Investimentos e Gestão (S.G.P.S.), S.A.	0,02%	4.036	(1)
Caetano Auto CV, S.A.	18,76%	1.130.501	28.129
Caetano Renting, S.A.	0,02%	378	(155)
Caetano - Auto, S.A.	1,60%	541.875	1.576
		1.676.790	29.549

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

Caption	Caetano Auto	Caetano Renting	Saltano	Caetano Auto CV
Non Current Assets	49.713.784	20.867.233	20.739.683	1.476.819
Current Assets	58.295.275	5.111.546	2.051.218	7.550.093
Total Assets	**108.009.059**	**25.978.779**	**22.790.901**	**9.026.912**
Non Current Liabilities	5.932.512	200.014	-	-
Current Liabilities	67.503.977	23.613.573	3.580.823	3.051.466
Equity	**34.572.570**	**2.165.192**	**19.210.078**	**5.975.446**
Revenues	93.512.660	1.835.842	-	4.856.432
Operating Results	427.646	(574.772)	(2.273)	218.326
Financial Results	(114.837)	(87.648)	-	(6.701)
Taxes	(118.711)	-	-	(53.964)
Net Income	**194.098**	**(662.420)**	**(2.273)**	**157.661**

17. BANK LOANS

As of June 30, 2016, December 31, 2015 and June 30, 2015 the caption "Loans" was as follows:

	Jun-16			Dec-15			Jun-15		
	Current	Non-Current	Total	Current	Non-Current	Total	Current	Non-Current	Total
Bank Loan	25.291.401	22.289.475	47.580.876	33.542.105	13.210.526	46.752.631	23.542.105	14.131.579	37.673.684
Bank Overdrafts	164.509	-	164.509	20.276	-	20.276	977.040	-	977.040
Finance Leases	3.523.832	16.733.146	20.256.978	3.239.072	13.801.337	17.040.409	2.999.335	13.111.273	16.110.608
	28.979.742	39.022.621	68.002.363	36.801.453	27.011.863	63.813.316	27.518.480	27.242.852	54.761.332

(Amounts in Euros)

As of June 30, 2016 and December 31, 2015, the detail of bank loans, overdrafts, others loans and Commercial Paper Programs, as well as its conditions, were as follows:

30-06-2016

Description/Beneficiary Company	Used Amount	Limit	Beginning Date	Date-Limit
Non-current				
Loan – mutual contract				
Toyota Caetano Portugal	3.289.475	3.289.475	22-06-2012	5 years
Toyota Caetano Portugal	10.000.000	10.000.000	11-03-2016	5 years
Toyota Caetano Portugal	9.000.000	9.000.000	15-10-2014	5 years
	22.289.475	22.289.475		
Current				
Bank Loan	-	3.000.000		
Loan – mutual contract	1.842.104	1.842.104	22-06-2012	5 years
Bank Overdrafts	164.509	5.500.000		
Confirming	9.949.297	10.000.000	24-05-2016	
Commercial Paper:				
Toyota Caetano Portugal	9.200.000	9.200.000	27-11-2012	5 years
Toyota Caetano Portugal	4.300.000	4.300.000	26-11-2012	5 years
Toyota Caetano Portugal	-	10.000.000		
Toyota Caetano Portugal	-	5.000.000		
	25.455.910	48.842.104		
	47.745.385	71.131.579		

31-12-2015

Description/Beneficiary Company	Used Amount	Limit	Beginning Date	Date-Limit
Non-current				
Loan – mutual contract				
Toyota Caetano Portugal	4.210.526	4.210.526	22-06-2012	5 years
Toyota Caetano Portugal	9.000.000	9.000.000	15-10-2014	5 years
	13.210.526	13.210.526		
Current				
Bank Loan	10.000.000	10.000.000		
Loan - mutual contract	1.842.105	1.842.105	22-06-2012	5 years
Bank Overdrafts	20.276	5.500.000		
Confirming	-	-		
Commercial Paper:				
Toyota Caetano Portugal	9.200.000	9.200.000	27-11-2012	5 years
Toyota Caetano Portugal	5.000.000	5.000.000	26-11-2012	5 years
Toyota Caetano Portugal	2.500.000	10.000.000	18-08-2015	5 years
Toyota Caetano Portugal	5.000.000	5.000.000	17-07-2015	1 year (*)
	33.562.381	46.542.105		
	46.772.907	59.752.631		

(*) Automatically renewable up to 4 times.

(Amounts in Euros)

Next, we present below the debt amount outstanding, for which there have been granted mortgages (note 35):

- Loan - mutual contract: 5.131.579.
- Commercial Paper: 13.500.000.

Interests relating to the above mentioned bank loans are indexed to Euribor interest rates, increased with a spread that varies from 1,25 to 2,50 bps.

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

		Short-term	Medium-and long-term					
Contract	Leasings	12m	12 – 24m	24 – 36m	36 – 48m	> 48m	TOTAL	TOTAL
2028278	Commercial facilities							
	Capital	96.077	96.800	97.529	98.263	168.456	461.048	557.125
	Interests	3.849	3.126	2.397	1.663	1.106	8.292	12.141
559769	Commercial facilities							
	Capital	62.036	62.314	62.593	62.874	585.546	773.327	835.363
	Interests	3.608	3.330	3.051	2.770	11.488	20.639	24.247
626064	Commercial facilities							
	Capital	144.494	163.000	168.798	174.802	824.129	1.330.729	1.475.223
	Interests	44.683	43.375	37.578	31.574	61.874	174.401	219.084
2032103	Commercial facilities							
	Capital	18.416	19.358	20.318	21.389	101.799	162.864	181.280
	Interests	8.646	7.704	6.713	5.672	7.366	27.455	36.101
Various	Industrial Equipment							
	Capital	3.202.809	3.322.652	3.493.161	3.162.569	4.026.796	14.005.178	17.207.987
	Interests	557.152	407.595	255.214	122.373	16.256	801.438	1.358.590
	Total Capital	3.523.832	3.664.124	3.842.399	3.519.897	5.706.726	16.733.146	20.256.978
	Total Interests	617.938	465.130	304.953	164.052	98.090	1.032.225	1.650.163

Debt Maturity

The maturities of existing loans at June 30, 2016 can be summarized as follows:

	12m	12 – 24m	24 – 36m	36 – 48m	> 48m	Total
Loan – mutual contract	1.842.104	7.289.475	5.000.000	-	10.000.000	24.131.579
Confirming	9.949.297	-	-	-	-	9.949.297
Bank Overdrafts	164.509	-	-	-	-	164.509
Paper Commercial	13.500.000	-	-	-	-	13.500.000
Finance Leases	3.523.832	3.664.124	3.842.399	3.519.897	5.706.726	20.256.978
Total loans	28.979.742	10.953.599	8.842.399	3.519.897	15.706.726	68.002.363

(Amounts in Euros)

18. ACCOUNTS PAYABLE

As of June 30, 2016, December 31, 2015 and June 30, 2015 this caption was composed of current accounts with suppliers, which end at short term.

The Group, relating to financial risk management, has implemented policies to ensure that all liabilities are paid for within the defined payment period.

19. OTHER CREDITORS

As of June 30, 2016, December 31, 2015 and June 30, 2015 the detail of other creditors was as follows:

	Current Liabilities		
	Jun-16	Dec-15	Jun-15
Shareholders	12.172	11.998	12.045
Advance payments from customers	574.311	1.040.429	948.683
Other Creditors	764.607	213.458	672.536
	1.351.090	1.265.885	1.633.264

20. PUBLIC ENTITIES

As of June 30, 2016, December 31, 2015 and June 30, 2015 the caption public entities can be summarized as follows:

	Current Assets		
	Jun-16	Dec-15	Jun-15
Public Entities			
Income Tax	1.230.200	1.148.070	1.393.300
Value Added Taxes	2.385.800	105.973	1.348.537
	3.616.000	1.254.043	2.741.837

	Current Liabilities		
Public Entities	Jun-16	Dec-15	Jun-15
Income Taxes withheld	400.899	384.748	428.313
Value Added Taxes	8.186.655	6.455.178	6.193.267
Income Tax (estimated tax) (Note 25)	488.464	-	238.704
Vehicles Tax	1.706.590	1.590.785	2.033.735
Custom Duties	138.061	272.437	144.301
Employee's social contributions	795.100	687.222	799.031
Others	343.423	272.717	276.098
	12.059.192	9.663.087	10.113.449

(Amounts in Euros)

21. OTHER CURRENT LIABILITIES

As of June 30, 2016, December 31, 2015 and June 30, 2015 the caption “Other Current Liabilities” was as follows:

	Jun-16	Dec-15	Jun-15
Accrued Cost			
Vacation pay and bonus	6.592.493	5.075.222	6.689.841
Advertising Campaigns	2.216.796	2.072.912	1.112.499
Rappel charges attributable to fleet managers	2.080.768	1.556.149	1.986.618
Specialization cost assigned to vehicles sold	1.025.524	961.699	2.361.556
Commission	834.914	446.254	324.974
Advance External Supplies and Services	472.519	318.778	211.372
Insurance	468.663	317.508	387.254
Accrual for Vehicles Tax	455.329	526.486	414.422
Municipal Property Tax	149.946	127.849	143.106
Rents	126.478	80.000	79.199
Warranty claims	122.085	66.336	130.685
Royalties	95.622	108.164	-
Specialized work	62.732	49.812	232.538
Supply costs	56.388	367.524	578.773
Interest	50.628	92.530	239.768
Others	1.834.828	967.829	456.265
	16.645.713	13.135.052	15.348.870
Deferred Income			
Vehicle maintenance contracts	3.526.785	3.025.367	2.176.496
Publicity recuperation	550.391	539.568	589.166
Subsidy granted	509.507	509.507	513.581
Interest Charged to Customers	5.485	6.457	8.749
Others	207.536	248.184	54.284
	4.799.704	4.329.083	3.342.276
Total	21.445.417	17.464.135	18.691.146

22. LIABILITIES FOR RETIREMENT PENSION COMPLEMENTS

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

As of June 30, 2016, the following companies of Toyota Caetano Group were associates of the Salvador Caetano Pension Fund:

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

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

(Amounts in Euros)

A request was made as of December 19, 2006 to the fund manager of the Salvador Caetano Pension Fund (GNB-Sociedade Gestora de Fundo de Pensões.), to act near the "ISP - Instituto de Seguros de Portugal" and take the necessary measures to change the defined benefit plan into a defined contribution plan, among other changes.

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

The proposal for changing the pension complement, dully approved by the Pension Funds Advisory Committee ("Comissão de Acompanhamento do Fundo de Pensões"), includes the maintenance of a defined benefit plan for the current retired workers and ex-employees with acquired rights, as well as for all the current employees with more than 50 years and more than 15 years of service completed until January 1, 2008. A new group will be created to which all current employees with less than 50 years and/or less than 15 years of service will be transferred.

At December 29, 2008 Toyota Caetano Portugal, S.A. received a letter from ISP - Instituto de Seguros de Portugal (Portuguese Insurance Institute) with the approval of the pretended alterations and entering into force starting from January 1, 2008. ISP determined in the referred approval that the employees associated to the Salvador Caetano Pension Fund who at January 1, 2008 had achieved 15 years of service and had ages inferior to 50 years (and that shall integrate a Defined Contribution Plan) have the right to an individual "initial capital" according to the new Plan, determined according to the actuarial responsibilities as at December 31, 2007 and based on the presumptions and criteria used on that year.

The actuarial presumptions used at 2014 by the fund manager include the "Current Unit Credit" calculation method, the Mortality Table and disability TV 73/77 and SuisseRe 2001, respectively, as well as well as salary increase rate, pensions increase rate and discount rate of 0%, 0% and 2,3%, respectively. To this date were used the assumptions as December 31, 2015.

At December 31, 2015 the Group's responsibilities to the defined benefit plan and the assets of the Fund allocated can be summarized as follows:

Defined benefit plan	2015
Responsibility amount	33.997.681
Fund Amount	28.297.093

The net liability of Toyota Caetano Portugal Group evidenced above is guaranteed by a provision recorded in the amount of about 5,7 million euros, reflected in the balance sheet under "Pension Fund Liabilities".

(Amounts in Euros)

23. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the six month period ended as of June 30, 2016, and June 30, 2015 were as follows:

30-06-2016

	Opening Balances	Increases	Other regularizations	Ending Balances
Accumulated impairment losses in investment properties	2.780.809	-	-	2.780.809
Accumulated impairment losses in accounts Receivable (Note 11)	9.710.649	-	(4.991)	9.705.658
Accumulated impairment losses in inventories (Note 10)	1.311.777	252.454	-	1.564.231
Provisions	303.252	98.394	(60.383)	341.263

30-06-2015

	Opening Balances	Increases	Disposals and Other	Other regularizations	Ending Balances
Accumulated impairment losses in investment properties	1.781.995	-	-	-	1.781.995
Accumulated impairment losses in accounts Receivable (Note 11)	10.338.615	-	-	(717)	10.337.898
Accumulated impairment losses in inventories (Note 10)	1.901.129	-	(24.828)	-	1.876.301
Provisions	311.551	53.216	-	(58.714)	306.053

As of June 30, 2016, December 31, 2015 and June 30, 2015, the caption “Provisions” has the following breakdown:

	Jun-16	Dec-15	Jun-15
Warranty provision	108.917	103.238	106.039
Litigations in progress	232.346	200.014	200.014
	341.263	303.252	306.053

24. DERIVATIVE FINANCIAL INSTRUMENTS

The derivative financial instruments used by the group as of June 30, 2016 were as follows:

Interest rate Derivatives

Although these derivatives (two interest rate swap contracts) were contracted for interest rate hedging purposes as well as funding cost optimization, they haven’t been designated for hedge accounting. The fair value of these derivative financial instruments as of June 30, 2016 was negative on 63.778 Euros (115.980 Euros negative as of June 30, 2015) and comprises a total exposure of 6,1 million Euros since December 22, 2015 for the remaining period of one year and three months.

These derivatives’ valuations were provided as of June 30, 2016 by the bank with whom they were contracted, taking into account future cash flows and risk estimates (level 2 fair value hierarchy as set out in paragraph 27-A of IFRS7 - measurement inputs based on assumptions indirectly observable in the market).

(Amounts in Euros)

The main characteristics of this contract can be summarized as follows:

				Fair Value		
Derivate financial instrument	Swap rate	Rate receivable	Type	Jun-16	Dec-15	Changes in financial statement
Swap BBVA	1,1000%	Euribor 3M	Negotiation	(63.778)	(94.532)	(30.754)
				(63.778)	(94.532)	(30.754)

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

25. INCOME TAXES

The income tax for the six month period ended as of June 30, 2016 and 2015 was as follows:

	Jun-16	Jun-15
Insufficient taxes estimation	32.522	183.099
Tax Refunds	(751.824)	-
Current taxes estimation (Note 20)	488.464	238.704
Deferred income taxes (Note 14)	170.889	342.335
	(59.949)	764.138

The value of the caption "Tax refunds", relates to the 2004 tax refund, resulting of the correction to the gain of sale of a property.

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

The detail of sales and services rendered by geographic markets, during the six month periods ended as of June 30, 2016 and 2015, was as follows:

	Jun-16		Jun-15	
Market	Amount	%	Amount	%
National	147.879.600	83,87%	144.713.400	97,07%
Belgium	23.237.606	13,18%	16.560	0,01%
African Countries with Official Portuguese Language	5.072.845	2,88%	4.095.427	2,75%
Spain	23.409	0,01%	22.738	0,02%
Germany	2.775	0,00%	3.570	0,00%
United Kingdom	2.232	0,00%	119.382	0,08%
Others	97.989	0,06%	100.146	0,07%
	176.316.456	100,00%	149.071.223	100,00%

The increase occurred in the market "Belgium", refers to sales for the LC70 model.

(Amounts in Euros)

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

Activity	Jun-16		Jun-15	
	Amount	%	Amount	%
Vehicles	143.971.702	81,66%	115.438.763	77,44%
Spare Parts	21.014.807	11,92%	22.837.056	15,32%
Repairs and after sales services	8.858.433	5,02%	8.808.910	5,91%
Others	2.471.514	1,40%	1.986.494	1,33%
	176.316.456	100,00%	149.071.223	100,00%

27. EXTERNAL SUPPLIES AND SERVICES

The caption “External supplies and services” was as follows:

	Jun-16	Jun-15
Subcontracts	**871.821**	**992.244**
Specialized Services	**7.585.903**	**6.689.633**
Professional Services	2.514.096	2.508.946
Advertising	3.653.231	2.824.629
Vigilance and Security	202.692	200.499
Professional Fees	386.747	385.525
Commissions	120.860	95.161
Repairs and Maintenance	708.277	674.873
Materials	**365.176**	**350.446**
Utilities	**1.542.022**	**1.454.229**
Travel and transportation	**1.390.034**	**1.140.335**
Traveling expenses	691.289	628.175
Personnel transportation	48.835	48.703
Transportation of materials	649.910	463.457
Other supplies	**6.434.784**	**6.598.732**
Rent	1.628.316	1.330.495
Communication	335.903	319.535
Insurance	635.482	601.903
Royalties	199.987	80.130
Notaries	14.986	16.095
Cleaning and comfort	341.301	293.848
Others Services	3.278.809	3.956.726
	18.189.740	**17.225.619**

The c "Others services" includes about 1.9 million euros, relating to guarantees claims.

(Amounts in Euros)

28. PAYROLL EXPENSES

Payroll expenses are decomposed as follows:

	Jun-16	Jun-15
Payroll Management	235.930	235.930
Payroll Personnel	13.417.303	13.067.801
Benefits Plan	1.016.277	880.929
Termination Indemnities	98.401	75.408
Social Security Contribution	3.326.193	3.427.979
Workmen´s Insurance	208.927	187.225
Others	1.740.736	1.717.277
	20.043.767	**19.592.549**

28.1. REMUNERATION OF BOARD MEMBERS

The remuneration of members of the board of Toyota Caetano Portugal, S.A. in the six months ended as of June 30, 2016 and 2015 were as follows:

Board Members	Jun-16	Jun-15
Board of Directors		
Fixed remunerations	235.930	235.930

28.2. AVERAGE NUMBER OF PERSONNEL

During the six-month period ended as of June 30, 2016 and 2015, the average number of personnel was as follows:

Personnel	Jun-16	Jun-15
Employees	1.092	1.077
Workers	499	456
	1.591	1.533

(Amounts in Euros)

29. OTHER OPERATING INCOME AND EXPENSES

As of June 30, 2016 and 2015, the caption "Other operating income" and "Other operating expenses" were as follows:

Other operating income	Jun-16	Jun-15
Lease Equipment	5.706.504	5.514.469
Guarantees recovered (Toyota)	2.495.872	4.279.153
Commissions	1.936.915	1.628.021
Rents charged (Note 6)	1.841.472	1.351.497
Work for the Company	1.659.252	1.552.178
Subsidies	1.328.908	1.222.865
Advertising expenses and sales promotion recovered	950.759	845.378
Rents expenses recovered	559.054	489.799
Services provided	848.009	1.045.483
Transport expenses recovered	282.039	229.175
Gains in the disposal Tangible Fixed Assets	134.312	113.516
Materials	48.075	26.807
Others	2.129.030	2.023.122
	19.920.201	**20.321.463**

Other operating expenses	Jun-16	Jun-15
Taxes	583.918	661.269
Bad debts	-	895
Losses in Inventories	-	14.679
Prompt payment discounts granted	4.236	8.878
Losses in other investments	10	6.406
Losses in other non-financial investments	40.067	2.833
Corrections to previous years	86.252	54.622
Donations	4.750	730
Subscriptions	11.129	9.820
Fines and penalties	15.198	80.494
Others	751.687	717.392
	1.497.247	**1.558.018**

(Amounts in Euros)

30. FINANCIAL INCOME AND EXPENSES

Consolidated net financial results as of June 30, 2016 and 2015 were as follows:

Expenses and Losses	Jun-16	Jun-15
Interest	887.986	814.942
Other Financial Expenses	197.490	206.719
	1.085.476	1.021.661

Income and Gains	Jun-16	Jun-15
Interest	44.634	26.547
Other Financial Income	30.754	33.782
	75.388	60.329

31. FINANCIAL ASSETS AND LIABILITIES

We summarize in the table below a resume of financial instruments of Toyota Caetano Group as of June 30, 2016, December 31, 2015 and June 30, 2015:

	Financial Assets			Financial Liabilities		
	Jun-16	Dec-15	Jun-15	Jun-16	Dec-15	Jun-15
Derivate Financial Instruments	-	-	-	63.778	94.532	115.980
Available for sale Assets	3.367.091	3.463.450	3.335.048	-	-	-
Accounts Receivable	58.441.630	56.877.240	52.065.779	-	-	-
Other credits - Current	3.242.065	3.146.581	4.030.142	-	-	-
Public Entities	3.616.000	1.254.043	2.741.837	-	-	-
Loans	-	-	-	68.002.363	63.813.316	54.761.332
Other Creditors	-	-	-	1.351.090	1.265.885	1.633.264
Public Entities	-	-	-	12.059.192	9.663.087	10.113.449
Accounts Payable	-	-	-	30.355.943	36.237.691	37.456.785
Cash and Cash Equivalents	8.310.031	11.364.954	7.692.891	-	-	-
	76.976.817	76.106.268	69.865.697	111.832.366	111.074.511	104.080.810

Financial Instruments at Fair Value

	Financial Assets			Financial Liabilities		
	Jun-16	Dec-15	Jun-15	Jun-16	Dec-15	Jun-15
Derivate Financial Instruments		-	-	(63.778)	(94.532)	(115.980)
Available for sale Assets	3.367.091	3.463.450	3.335.048	-	-	-
	3.367.091	3.463.450	3.335.048	(63.778)	(94.532)	(115.980)

(Amounts in Euros)

Classification and Measurement

	Available for sale Assets		Derivate Financial Instruments		Level
	At fair value	At cost	Cash Flow Hedge Accounting	Negotiation	
Cimóvel Fund	3.300.355	-	-	-	1)
Others	-	66.736	-	-	3)
Interest rate swap	-	-	-	(63.778)	2)

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

a) level 1 – quoted prices – available for sale financial assets: 3.300.355 Euros (3.396.713 Euros in December 31, 2015);

b) level 2 - inputs different from quoted prices included on level 1 that are observable for the asset or liability, both directly (prices), or indirectly – negotiation derivatives (*swaps* e *forwards*): -63.778 Euros (-94.532 Euros in December 31, 2015);

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

Impact on the Income Statement and Other Comprehensive Income

	Impact on equity			Impact on Income		
	Jun-16	Dec-15	Jun-15	Jun-16	Dec-15	Jun-15
Derivate Financial Instruments	-	-	-	(30.754)	(55.230)	(33.782)
Available for sale Assets	(96.359)	(221.742)	215.414	-	-	-
	(96.359)	(221.742)	215.414	(30.754)	(55.230)	(33.782)

32. OPERATIONAL LEASE

During the six month period ended as of June 30, 2016 the minimum payments for operational leases amounted to approximately 6 million Euros (6.4 million Euros in 2015). Of that amount, 2.2 million relate to payments with maturity of one year and 3.8 million relate to payments to occur in the period between two to five years.

Minimum payments of operational lease	Jun-16	Dec-15
Not more than one year	2.285.176	2.204.088
More than one year and no more than five	3.756.052	4.172.432
More than five years	-	62.214
	6.041.228	6.438.734

(Amounts in Euros)

33. RELATED PARTIES

Balances and transactions between the Parent Company and its affiliates, which are related entities to the Parent Company, were eliminated in the consolidation process, so they will not be disclosed in this Note. Balances and transactions details between the Group and the related parties can be summarized as follows:

	Comercial Debts		Products		Fixed assets		Services		Others	
Company	Receivable	payable	Sales	Purchases	Purchases	Disposals	Rendered	Obtained	Costs	Income
Amorim Brito & Sardinha, Lda.	-	-	-	-	-	-	-	-	-	972
Atlântica - Companhia Portuguesa de Pesca, S.A.	5.152	-	-	-	-	-	-	-	-	34
Attentionfocus - Lda.	10	-	-	-	-	-	-	-	-	34
Auto Partner Imobiliária, S.A.	10	15.094	-	-	-	-	-	111.524	-	9
Cabo Verde Rent-a-Car, Lda.	99.742	66.094	86.839	-	-	-	-	66.592	-	-
Caetano Active (Sul), Lda.	3.625	-	473	4.384	-	-	1.107	3.752	-	665
Caetano Aeronautic, S.A.	545.165	-	548	-	-	-	15.436	-	-	220.341
Caetano Baviera - Comércio de Automóveis, S.A.	1.111.168	211.205	1.698.502	244.670	-	-	8.945	95.819	117.046	221.647
Caetano City e Active (Norte), S.A.	57	220	(500)	111	-	-	(615)	(327)	(44)	328
Caetano Drive ,Sport e Urban, S.A.	195.079	227.649	22.200	4.729	141.951	120.845	56.679	133.752	21.567	129.503
Caetano Energy, S.A.	925	-	624	-	-	-	370	-	-	2.548
Caetano Fórmula , S.A.	75.662	242.970	18.357	404.398	35.645	-	22.591	(16.940)	500	69.883
Caetano Formula East África, S.A.	-	-	-	-	-	-	-	-	-	3
Caetano Fórmula Moçambique S.A	-	-	-	-	-	-	-	-	-	60
Caetano Fórmula West África, S.A.	-	-	223	-	-	-	-	-	-	183
Caetano Motors, S.A.	40.251	34.841	(2.262)	143	-	-	(294)	14.965	-	81.981
Caetano Move África, S.A.	-	-	-	-	-	-	-	-	-	2
Caetano One CV, Lda.	271.315	73.762	78.514	2.478	-	-	-	65.980	-	-
Caetano Parts, Lda.	317.257	1.753.886	804.955	3.156.639	-	-	1.043	9.414	1.577	92.561
Caetano Power, S.A.	120.264	29.406	14.388	(80)	21.628	19.774	4.359	(4.319)	-	86.665
Caetano Retail (S.G.P.S.), S.A.	41.425	(1.188)	505	-	-	-	-	984	-	35.975
Caetano Star, S.A.	55.770	137.738	15.784	92.055	-	-	13.050	18.121	-	7.474
Caetano Technik, Lda.	107.510	55.071	(7.909)	608	-	-	(649)	(5.268)	2.956	84.933
CaetanoBus - Fabricação de Carroçarias, S.A.	7.422.319	132.327	24.023	42.850	-	-	8.339	70.351	26	1.614.033
Caetsu Publicidade, S.A.	3.551	684.408	48.701	-	-	-	9.304	1.442.677	-	1.477
Carplus - Comércio de Automóveis, S.A.	60.493	403	24.428	-	-	-	57.418	-	-	110.159
Choice Car, S.A.	3.807	-	-	-	-	-	-	-	-	3.095
Ciberguia, S.A.	9.954	-	-	-	-	-	-	-	-	-
COCIGA - Construções Civis de Gaia, S.A.	7.175	74.356	1.583	-	142.248	-	887	25.859	-	1.656
Dinâmiconverte - Energias Renováveis Unipessoal, Lda.	1.600	-	-	-		-	-	-	-	1.301
Finlog - Aluguer e Comércio de Automóveis, S.A.	1.629.478	429.555	2.765.933	418.293	-	-	119.133	544.797	27.018	89.650
Fundação Salvador Caetano	617.686	29.242	-	-	-	-	-	-	-	-
Globalwatt, (S.G.P.S.), S.A.	-	-	-	-	-	-	-	-	-	70
Grupo Salvador Caetano, (S.G.P.S.), S.A.	42	-	-	-	-	-	-	-	-	34
Guérin - Rent-a-Car (Dois), Lda.	96.270	22.228	1.265	87.097	-	-	311.167	23.173	-	11.564
Ibericar Auto Nipon, S.A.	775	-	-	-	-	-	-	-	-	-
Ibericar Benet, S.L.	248	-	-	-	-	-	-	-	-	848
Ibericar Cadi, S.A.	165	-	-	-	-	-	-	-	-	312
Ibericar Gestoso, S.L.	360	-	-	-	-	-	-	-	-	360
Ibericar MOVIL, S.L.	120	-	-	-	-	-	-	-	-	120
Ibericar Reicomsa, S.A.	355	-	-	-	-	-	-	-	-	355
LavorAuto - Administração e Consultoria de Empresas, S.A.	21	-	-	-	-	-	-	15.299	-	17
Lidera Soluciones, S.L.	194	2.600	-	-	-	-	-	56.110	-	194
Lusilectra - Veículos e Equipamentos, S.A.	117.499	110.066	31.209	28.698	122.537	-	38.391	170.373	420	29.368
MDS Auto - Mediação de Seguros, S.A.	461	-	316	-	-	-	151	(1.593)	(48.768)	89.194
Movicargo - Movimentação Industrial, Lda.	95.377	219.611	10	-	-	-	2.611	24.662	-	1.817
Platinium V.H. - Importação de Automóveis, S.A.	6.359	-	-	-	-	-	855	(499)	-	17.601
P.O.A.L. - Pavimentações e Obras Acessórias, S.A.	17.806	-	-	-	-	-	-	-	-	-
Portianga - Comércio Internacional e Participações, S.A.	38.982	31.132	2.619	56.698	-	-	20.379	90.463	-	16.210
RARCON - Arquitectura e Consultadoria, S.A.	1.230	23.755	18.738	-	1.748	-	873	17.524	-	39
Rigor - Consultoria e Gestão, S.A.	77.307	1.259.050	691	-	155.525	-	67.629	2.048.031	2.994	113.564
Robert Hudson, LTD	27.952	-	1.715	-	-	-	-	-	-	804
Salvador Caetano Auto África, (S.G.P.S.), S.A.	811.944	-	-	-	-	-	-	-	-	60
Salvador Caetano Equipamentos, S.A.	544	-	442	-	-	-	-	-	-	2
Salvador Caetano Indústria (S.G.P.S.), S.A.	252	-	-	-	-	-	-	-	-	252
SIMOGA - Sociedade Imobiliária de Gaia, S.A.	1.036	-	-	-	-	-	-	-	-	-
SPRAMO - Publicidade & Imagem, S.A.	-	681	-	-	-	-	-	42.033	-	153
Tovicar - Sociedade Comercial de Automóveis, S.A.	10.214	-	-	-	-	-	-	-	-	-
Turispaiva - Sociedade Turística Paivense, S.A.	541	-	-	-	-	-	-	-	-	440
VAS África (S.G.P.S.), S.A.	-	-	-	-	-	-	-	-	-	3
Vas Cabo Verde, Sociedade Unipessoal, S.A.	74.692	-	70.779	11.768	-	-	-	1.143	-	-
	14.127.196	5.866.162	5.723.693	4.555.539	621.282	140.619	759.159	5.064.452	125.292	3.140.553

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

(Amounts in Euros)

34. SEGMENT INFORMATION

The main information relating to the business segments existing on June 30, 2016 and 2015, is as follows:

30-06-2016

	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	281.836	193.425.076	7.618.246	1.645.553	9.269.710	2.046.551	6.236.394	957.346	23.615.483	8.428.725	24.515	4.829	8.820	(71.537.124)	182.025.960
Income															
Operational income	(129.226)	2.111.197	117.345	(407.839)	1.075.992	857.079	340.321	(2.150)	(1.382.397)	354.503	1.459	167	5.330	465	2.942.246
Financial income	4.932	(725.065)	(31.511)	(61.301)	(21.799)	(4.236)	(49.744)	(33)	(99.238)	(22.032)	(24)	-	(37)	-	(1.010.088)
Net Income with non-controlled interests	(124.294)	1.358.653	53.260	(469.140)	1.054.193	852.843	290.577	(2.217)	(1.481.635)	278.097	1.435	167	5.293	174.875	1.992.107
Other Information															
Total consolidated assets	22.475.980	247.347.206	29.637.240	22.299.076	17.370.969	9.473.292	31.844.475	22.821.888	-	9.399.508	-	-	-	(145.327.866)	267.341.768
Total consolidated liabilities	382.942	148.970.371	20.150.669	16.865.289	1.493.538	263.230	29.785.750	3.601.891	-	3.304.798	-	-	-	(83.775.820)	141.042.658
Capital Expenses	6.370	1.357.984	125.308	11.864.337	-	28.900	5.473.268	131	-	64.085	-	-	-	209.909	19.130.292
Depreciation	614.508	1.724.678	212.389	1.787.829	30.706	19.320	2.488.307	350	-	83.722	-	-	-	124.840	7.086.649

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2016

(Amounts in Euros)

30-06-2015

	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	7.530.475	180.851.106	7.765.607	2.880.909	12.203.203	1.036.853	6.016.131	-	222.600	7.377.449	49.936	4.616	8.820	(71.359.013)	154.588.692
Income															
Operational income	(2.253.483)	1.720.280	31.560	(106.080)	331.039	807.502	1.027.676	(1.520)	(36.968)	423.059	5.704	3.592	4.937	852.642	2.809.940
Financial income	(30.491)	(320.201)	(10.095)	237	(13.952)	(4.402)	(568.737)	(6)	(828)	(12.643)	(156)	(20)	(38)	-	(961.332)
Net Income with non-controlled interests	(2.283.974)	1.055.261	13.284	(105.843)	315.240	798.423	456.008	(1.531)	(37.796)	406.296	5.516	3.551	4.870	430.017	1.059.322
Other Information															
Total consolidated assets	37.418.184	255.286.828	8.758.337	13.542.316	8.636.052	2.114.116	31.736.320	23.902.272	-	10.437.275	-	-	-	(135.971.560)	255.860.140
Total consolidated liabilities	7.427.213	145.915.402	5.722.125	11.723.898	1.041.307	278.952	22.013.991	3.584.864	-	3.701.389	-	-	-	(71.533.126)	129.876.015
Capital Expenses	3.264.784	1.822.537	155.311	7.293.455	954.652	24.784	7.705.970	94	-	85.561	-	-	-	(1.582.529)	19.724.619
Depreciation	432.930	1.739.612	95.605	1.352.363	38.875	33.414	2.146.247	58	-	100.778	-	-	-	85.181	6.025.063

The line "Turnover" includes Sales, Service Rendered and the amount of about 5.709.504 Euros (5.517.469 Euros as of June 30, 2015) related to equipment rentals accounted in Other Operating Income (Note 29).

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

(Amounts in Euros)

35. CONTINGENT ASSETS AND LIABILITIES

Financial commitments not included in the consolidated balance sheet

As of June 30, 2016, December 31, 2015 and June 30, 2015, Toyota Caetano Group had assumed the following financial commitments:

Commitments	Jun-16	Dec-15	Jun-15
Credits	110.504	110.504	173.620
Guarantees of Imports	7.000.000	7.000.000	6.805.563
	7.110.504	7.110.504	6.979.183

The amounts presented classified as “Guarantees for Imports”, the amount of 4 million Euros is related with guarantees on imports provided to Customs Agency.

Following the 29,9 million Euros debt contracting process occurred in 2012, remaining, at the present date, approximately 18,6 million Euros outstanding as a liability in the consolidated statement of financial position (see note 17), the Group has granted mortgages to the respective financial institutions, valued at about 37,8 million Euros, at the financing date.

Taxes Liquidation:

Caetano – Auto, S.A.

The Company records in its assets, under the State Public Sector, the interest amount paid to the tax authorities in the amount of 24.909 Euros, which does not agree that the undue understand and, therefore, carried out the necessary judicial review, from the Administrative and Fiscal Court of Oporto.

As a consequence, Caetano Auto already received the judgment of the Administrative and Fiscal Court of Oporto which judged the appeal court fully founded and is only waiting the required deposit.

Litigations in progress

Claim against agency contract termination

The Board of Directors and its legal advisors believe that the arguments presented by a former agent, who claims compensation for the termination of the agency contract, is not in accordance with applicable law and thereby no losses will result to the company, so it was not recorded any provision in the financial statements. The referred agency contract termination was due to breach of contractual obligation.

As of January 2011, the court judgement was concluded with favourable decision to the Group. However, in 2011 the referred former agent made an appeal in order to reopen the case, pending further decision. During 2012, were presented claims and counter-claims of appeal to the Supreme Court.

In 2014, the company was notified of the decision of the Supreme Court having to pay compensation for indirect damage and personal injuries. At this compensation will be deducted amounts receivable and the related interest on a case brought by the company against the agent.

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

Judicial claim against collective dismissal

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

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

36. INFORMATION RELATED TO ENVIRONMENTAL AREA

The Group adopts the necessary measures relating to the environment, aiming to fulfil current applicable legislation.

The Toyota Caetano Group Board of Directors does not estimate that there are risks related to the environmental protection and improvement, not having received any infraction related to this matter during the first half of 2016.

37. END OF LIFE VEHICLES

In September 2000, the European Commission approved a Directive regarding end-of-life vehicles and the responsibility of Producers/Distributors for dismantling and recycling them.

Producers/Distributors will have to support at least a significant part of the cost of the dismantling of vehicles that went to the market after July 1, 2002, as well as in relation to vehicles produced before this date, but presented as of January 1, 2007.

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

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

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

(Amounts in Euros)

38. EARNINGS PER SHARE

The earnings per share for the six month period ended as of June 30, 2016 and 2015 were computed based on the following amounts:

	Jun-16	Jun-15
Net Income		
Basic	1.992.107	1.084.470
Diluted	1.992.107	1.084.470
Number of shares	35.000.000	35.000.000
Earnings per share (basic and diluted)	0,057	0,031

During the six month period ended as of June 30, 2016 and Jun 30, 2015 there were no changes in the number of shares outstanding.

39. SUBSEQUENT EVENTS

Since the conclusion of the 1st semester and up to date, no significant events occurred.

40. FINANCIAL STATEMENTS APPROVAL

The consolidated financial statements were approved by the Board of Directors on August 31th, 2016.

41. EXPLANATION ADDED FOR TRANSLATION

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

CHARTERED ACCOUNTANT

ALEXANDRA MARIA PACHECO GAMA JUNQUEIRA

BOARD OF DIRECTORS

JOSÉ REIS DA SILVA RAMOS - President

MARIA ANGELINA MARTINS CAETANO RAMOS

SALVADOR ACÁCIO MARTINS CAETANO

MIGUEL PEDRO CAETANO RAMOS

MATTHEW PETER HARRISON

NOBUAKI FUJII

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 2016 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 2016 accurately reflect the result of all operations developed in that same period by the Group Toyota Caetano Portugal, S.A.

Vila Nova de Gaia, 31th August 2016

José Domingos da Silva Fernandes
Alberto Luis Lema Mandim
Daniel Broekhuizen

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 2016 of Toyota Caetano Portugal, S.A. included in the consolidated Directors' Report, consolidated statement of financial position (which shows total assets of Euro 267,341,768 and total shareholders' equity of Euro 126,299,110, including non-controlling interests of Euro 1,676,790 and a net profit of Euro 1,962,558), 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.

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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 International Standard on Review Engagements 2410 (ISRE 2410), 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 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 2016 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 information included in the consolidated Directors' Report is not consistent with the consolidated financial information for the period.

August 31st, 2016

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Registered in the Comissão do Mercado de Valores Mobiliários with no. 9077
represented by:

José Miguel Dantas Maio Marques, R.O.C.