

Via Overnight Mail April 11, 2007

To:

Area General Managers

From:

Nancy Fein - Vice President Lexus Customer Services

Subject:

2007 Lexus ES 350 All Weather Floor Mats

As part of our constant efforts to provide our customers with the best in customer satisfaction and vehicle quality, Lexus will be informing them of a product usage caution regarding the placement of more than one floor mat in the driver's seating position of ES 350 vehicles.

In recent months, the National Highway Traffic Safety Administration (NHTSA) has received consumer concerns regarding the Lexus All Weather Floor Mat (floor mat constructed from heavy duty rubber) slipping forward and interfering with the movement of the accelerator pedal. It was possible in these cases that the Lexus All Weather Floor Mat was placed on top of the Carpeted Floor Mat, and therefore the All Weather Floor Mat was not properly secured to the floor by the two plastic retention hooks protruding from the vehicle floor. *The ES 350 driver's seating position is designed to accommodate only one floor mat.*

In order to address this possible condition, Lexus has decided to contact certain 2007 ES 350 customers via First Class Mail to remind them of the following product usage cautions regarding the placement of more than one floor mat in the driver's seating position of their ES 350 vehicle. Additionally, a caution label will be enclosed with the notification letter for installation on the Lexus All Weather Floor Mat if the customer has purchased this accessory. The letter will request the following of the customer:

- Never use more than one floor mat at a time in the driver's seating position.
- Confirm the floor mat is properly placed on the vehicle carpet. If the floor mat slips and interferes with the
 movement of the pedals during driving, it may cause an accident.
- Confirm the driver's floor mat is secured using the hooks provided on the floor. (*Reference the attachment enclosed with the owner letter or Owner's Manual for a diagram*)
- Install the enclosed Caution Label on the back of the All Weather Floor Mat. If the customer does not own Lexus All Weather Floor Mats (or any other rubberized floor mats), they will be asked to insert the Caution Label in the Owner's Manual for possible future use.

The customer notification will advise these owners on the procedure to check and confirm the proper placement of Lexus All Weather Floor Mats in their vehicle. However, some owners may feel more comfortable having their dealership check and confirm proper placement for them. In these limited cases, your dealerships should check and confirm proper placement of the mats and install the caution label for the customer.

Dealer notifications will be sent via Next Day UPS service to the attention of the service manager on Thursday, April 12. Owner notifications will be begin in late April, 2007.

A copy of the customer notification letter, the dealer notification and a Lexus Q&A is enclosed for your reference.

Warranty Reimbursement

To expedite the processing of claims Lexus will be taking advantage of the Customer Support Program claim processing system. Dealers should file any claims using the 'SC' claim type. A reimbursement operation code to be used for vehicle inspection and label installation when specifically requested by a customer will be provided later this month. Dealers should refrain from filing any claims until late April, 2007.

Operation Code	Description	Flat Rate Time
TBD	Assist the customer with confirming proper mat placement and installing the Caution Label onto the Lexus All Weather Floor Mat	0.2 Hr./Veh.

Note: This is a labor only operation. Lexus Warranty will not reimburse dealers for any other expense.

Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.

J. Chernus

Enclosures

cc: Area Assistant General Managers Area Customer Satisfaction Managers Area Customer Service Operations Managers Area Training Managers District Service and Parts Managers District Technical Managers Field Technical Specialists J. Alfonso R. Daly M. Kaminski D. Pettitt E. Bastien A. DeCarr J. Lana R. Pflughaupt J. Beseda T. Devany J. Lentz K. Rigberg R. Broughman R. Dufresne J. Marcotti G. Rush J. Colon D. Esmond E. Matsuda G. Soga G. Bryan N. Fein I. Miller E. Taira W. Burns F. Fontanella T. Minyon K. Yamamoto A. Cabito Y. Funo G. Morino D. Zellers D. Camden J. Hanson T. Nagashino B. Carter J. Hollis D. Ogilvie

D. Illingworth

K. Ohara

2007 Lexus ES 350 All Weather Floor Mat

Dear Lexus Customer:

Lexus is dedicated to the "Pursuit of Perfection."

As part of our constant efforts to provide you with the best in customer satisfaction and vehicle quality, Lexus would like to inform you of a product usage caution regarding the placement of more than one floor mat in the driver's seating position of your ES 350 vehicle.

To help protect the interior of your ES 350, your vehicle is factory-equipped with genuine Lexus Carpeted Floor Mats. *As an option*, you may have also purchased genuine Lexus All Weather Floor Mats (floor mats constructed from heavy duty rubber).

What is the concern?

In recent months, the National Highway Traffic Safety Administration (NHTSA) has received consumer concerns regarding the Lexus All Weather Floor Mat (floor mat constructed from heavy duty rubber) slipping forward and interfering with the movement of the accelerator pedal. It was possible in these cases that the Lexus All Weather Floor Mat was placed on top of the Carpeted Floor Mat, and therefore the All Weather Floor Mat was not properly secured to the floor by the two plastic retention hooks protruding from the vehicle floor. The ES 350 driver's seating position is designed to accommodate only one floor mat.

As our customer, your safety and satisfaction are very important to us and we apologize for any inconvenience this may have caused you.

What should you do?

In order to address this possible condition, Lexus is providing the following information to consumers:

- Never use more than one floor mat at a time in the driver's seating position.
- Please confirm the floor mat is properly placed on the vehicle carpet. If the floor mat slips and interferes with the movement of the pedals during driving, it may cause an accident.
- Confirm the driver's floor mat is secured using the hooks provided on the floor. (Please refer to the attachment enclosed with this letter or your Owner's Manual for a diagram)
- A Caution Label is enclosed with this owner letter for installation on the back of your All Weather Floor Mat.
 If you do not own Lexus All Weather Floor Mats (or any other rubberized floor mats), please insert the Caution Label in your Owner's Manual for possible future use.

We sincerely apologize for this inconvenience, and if you prefer, your local Lexus dealer will be more than happy to assist you in verifying the installation condition of your driver's seating position floor mat. If you choose to have the Lexus dealer inspect your vehicle, please present this notice and the enclosed Caution Label to the dealer at the time of your appointment.

What if you have other questions?

Please contact any Lexus dealer or call the Lexus Customer Assistance Center at 1-800-255-3987 Monday through Friday, 5:00 am to 6:00 pm and Saturday 7:00 am through 4:00 pm Pacific Standard Time.

We have sent this notice in the interest of your continued satisfaction with our products, and we sincerely regret any inconvenience this condition may have caused you.

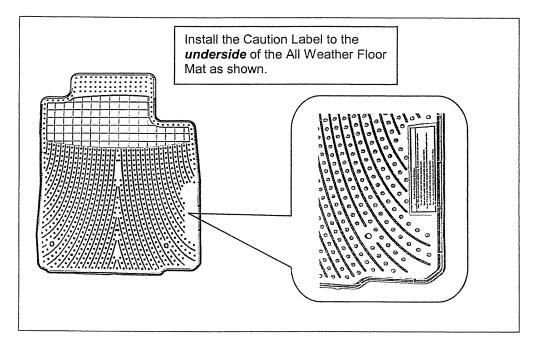
Thank you for driving a Lexus.

Sincerely,

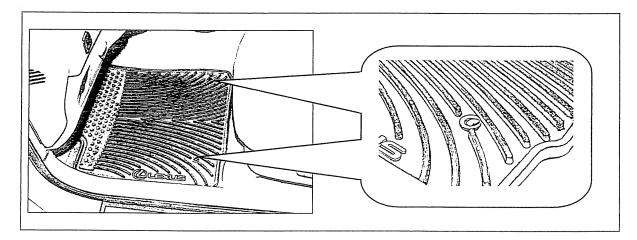
Lexus Division,
TOYOTA MOTOR SALES, U.S.A., INC.

Caution Label Installation Instructions (If your vehicle has the Lexus All Weather Floor Mat)

- 1. Remove the Driver's side Lexus All Weather Floor Mat from the vehicle.
- 2. Wipe the area where the Caution label will be affixed with a clean, dry cloth to remove any dust or dirt.
- 3. Affix the Caution Label at the indicated location while smoothing out any air bubbles in the new label.
 - Caution label installation location, see illustration below.



- 4. If the Carpet Floor Mat has been placed underneath, please remove it. (The ES 350 driver's side seating position is designed to accommodate only one floor mat at a time.)
- 5. Position the All Weather Floor Mat on the floor and secure the floor mat to the two hooks as shown.



If you prefer, your local Lexus dealer will be more than happy to assist you in installing the label. If you choose to have the Lexus dealer affix the Caution label, please present this notice, the enclosed Caution Label, and the All Weather Floor Mat to the dealer at the time of your appointment.



2007 Lexus ES 350 All Weather Floor Mat Q&A

Q1: What is the condition?

A1: On certain 2007 model year Lexus ES 350 vehicles, if the Lexus All Weather Floor Mat is placed on top of the existing Lexus Carpeted Floor Mats, the All Weather Floor Mats would not be secured by the retaining hooks (clips) and may slip forward interfering with the accelerator pedal.

Q2: What is the Lexus All Weather Floor Mat?

Q2: The 2007 model year ES 350 vehicle is equipped with the genuine Lexus Carpeted Floor Mats as a factory standard accessory. *As an option*, consumers may purchase the genuine Lexus All Weather Floor Mats (floor mats constructed from heavy duty rubber). Either the Lexus Carpeted Floor Mat or the All Weather Floor Mat for the driver's seating position must be secured to the vehicle by the retaining hooks which hold the mat in place through special grommet holes in the mat.

Q3: What is the cause of this condition?

A3: If the Lexus All Weather Floor Mat is placed on top of the existing Lexus Carpeted Floor Mats, the All Weather Floor Mats would not be secured by the retaining hooks (clips) and may slip forward interfering with the accelerator pedal.

Q4: Can customers confirm themselves if this condition exists?

A4: Yes. Please confirm only one floor mat is installed in the vehicle and is properly placed on the vehicle's carpet. If the floor mat slips and interferes with the movement of the pedals during driving, it may cause an accident. Customers should also confirm the driver's floor mat is secured using the hooks provided on the floor.

If the customer prefers, their local Lexus dealer will be more than happy to assist them in verifying the proper placement of their driver's seating position floor mat.

Q5: Which and how many vehicles are involved in this notification program?

A5: There are approximately 90,000 2007 model year Lexus ES 350 vehicles involved in the U.S. for this notification program.

Q6: Is this owner notification program a recall?

A6: No, this is not recall. Lexus is simply providing information to our owners.

Q7: Are there any other Toyota or Lexus vehicles involved?

A7: No, this owner notification program only affects certain 2007 model year Lexus ES 350 vehicles equipped with the Lexus All Weather Floor Mat.

Q8: Recently, the National Highway Traffic Safety Administration (NHTSA) opened a Preliminary Evaluation investigation on certain 2007 model year Lexus ES 350 vehicles. Is this owner notification program related to the investigation?

A8: Lexus is currently cooperating fully with the agency in its efforts to investigate the allegations. In terms of the relation to this Preliminary Evaluation, Lexus is in the midst of its own investigation. It is premature to comment further until the investigation is completed.

The ES 350 driver's seating position is designed to accommodate only one floor mat at a time. However in some of these cases, it is possible that the Lexus All Weather Floor Mat was placed on top of the Carpeted Floor Mat, and therefore the All Weather Floor Mat was not properly secured to the floor by the two plastic retention hooks protruding from the vehicle floor. We at Lexus care greatly about our customers and are taking proactive steps to inform them as soon as possible.

Q9: How many incidents of this condition have been reported?

A9: According to NHTSA, there have been 5 cases of this condition reported in the U.S. market.

Q10: How many incidents is Lexus aware of?

Lexus is currently cooperating fully with the agency to study each of these complaints. Our investigation will tell us if there are more vehicles involved.

Q11: Have there been any accidents reported?

A11: There have been 3 accidents reported by NHTSA which are possibly related to this condition in the U.S. market.

Q12: Have there been any reports of deaths or injuries?

A12: There have been 7 injuries and no deaths reported by NHTSA which are possibly related to this condition in the U.S. market.

Q13: What is Lexus going to do?

A13: Owners of the involved vehicles will receive an owner notification by first class mail beginning late April, 2007. Owners will be sent a label and requested to place the label on the driver's side Lexus All Weather Floor Mat, if so equipped.

Q14: How long will the label installation take?

A14: Installing the label may take less than five minutes.