



Via Overnight Mail
June 30, 2004

To: Area General Manager
From: Chuck Yaeger - National Customer Services Field Operations Manager
Subject: 2004 LS 430 Transmission Replacement

In July Lexus will initiate a voluntary Special Service Campaign (SSC) to replace the transmission on certain 2004 Model Year LS 430 vehicles.

Background

On June 30, 2004, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) regarding the transmission on approximately 13,000 LS 430 vehicles, with the intent to initiate a Special Service Campaign.

Condition

On certain 2004 Model Year LS 430 vehicles, when the accelerator is operated quickly, a small piece of metal may separate from a retaining collar located in the inner part of the automatic transmission. In the worst case, this small piece of metal may become caught in the parking lock mechanism, causing the parking lock system to be inoperative when the transmission shift lever is placed in the "P" (Park) position.

Status

An SSC to replace the transmission will be launched in early July 2004. Owner notification will begin in mid-July 2004 consistent with parts availability. The attached Dealer Daily message will be posted to all dealers informing them of the issue and SSC launch timing. If you or your staff receives any contacts from owners experiencing issues with the transmission, please direct the owner to their local Lexus dealer for diagnosis and/or repair. A Q&A is attached for your reference. As required by Federal Regulation, dealers are not to deliver any vehicle acquired in their inventory, which is involved in a safety recall, until the necessary repairs have been performed.

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

Thank you for your understanding and cooperation.

Enclosures

Cc: Area Assistant General Manager
Area Customer Satisfaction Manager
Area Field Technical Specialist
Area Operations Manager
Area Sales Manager
Area Technical Manager
District Operations Manager



Special Service Campaign (SSC) 4LC
2004 Model Year Lexus LS 430 Transmission Replacement Q&A

Q1: What is the condition?

A1: On certain 2004 Model Year LS 430 vehicles, the parking lock system may be inoperative when the transmission shift lever is placed in the "P" (Park) position.

Q2: What is the cause of this condition?

A2: When the accelerator is operated quickly, a small piece of metal may separate from a retaining collar located in the inner part of the automatic transmission. In the worst case, this small piece of metal may become caught in the parking lock mechanism of the transmission.

Q3: Are there any warnings that this condition has occurred?

A3: No, there are no specific warnings for this condition.

Q4: Which and how many vehicles are involved?

A4: Certain 2004 Model Year Lexus LS 430 vehicles are involved. There are approximately 13,000 vehicles involved in the U.S.

Q5: What is the production range of the involved vehicles?

A5: The affected LS 430 vehicles were produced from July 2003 to January 2004.

Q6: Are there any other Lexus or Toyota vehicles involved?

A6: No, this condition only affects certain 2004 MY LS 430 vehicles.

Q7: How many cases of this condition have been reported?

A7: There have been 4 cases of this condition reported in the affected LS 430 vehicles.

Q8: Have there been any accidents reported?

A8: There have been no reports of any accidents related to this condition.

Q9: What is Lexus going to do?

A9: Owners of the involved vehicles will receive a Special Service Campaign notification by first class mail starting in mid-July, 2004. Any Lexus dealer will replace the transmission at NO COST to the vehicle owner.

Q10: How long will the repair take?

A10: The repair may take approximately five hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q11: What should an owner do if they are concerned about this condition?

A11: Owners are requested to contact their local Lexus dealer for diagnosis and repair.

Kathy Wachs/Lexus Service & Parts Operations
July 1, 2004
Approved By: George Christoff

2004 LS 430 Transmission

– URGENT –

On June 30, 2004, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) regarding the transmission on approximately 13,000 LS 430 vehicles, with the intent to initiate a Special Service Campaign.

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This new SSC involves the replacement of the transmission. A dealer package including parts information and warranty reimbursement procedures will be mailed to your dealership in early July. Owner notifications will begin in mid July 2004.

In the event a vehicle owner who reports a problem with the transmission contacts you, please continue to conduct the appropriate repairs to the vehicles. As required by Federal Regulation, dealers are not to deliver any vehicle acquired in their inventory, which is involved in a safety recall, until the necessary repairs have been performed.

The following Q&A has been provided for your reference. All media inquiries should be directed to Bill Ussery at (310) 468-3282 in Lexus Public Relations.

Please contact your District Operations Manager if you have further questions.



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