



Via Overnight Mail
July 6, 2010

To: Lexus Area Managers
From: Al Smith, Vice President - Lexus Customer Services
Subject: Safety Recall ALE - Preliminary Notice
Certain Lexus GS 350, GS 450h, GS 460, IS 350, LS 460, LS 460L, LS 600h and LS 600h L Vehicles
Valve Spring

On Tuesday, July 6, 2010, Lexus filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on the following Lexus models:

- 2006-2008 IS350
- 2007-2008 GS350 and GS450h; 2008 GS460
- 2007-2008 LS460 and LS460L; 2008 LS600hL

On certain Lexus GS, IS, and LS vehicles there is a possibility that the engine valve springs may develop a crack and break. A broken valve spring may result in abnormal engine noise, vibration, and/or power reduction. In the worst case, the engine may stall or not accelerate as quickly as anticipated.

Lexus dealers will be requested to install newly designed valve springs at no charge to the vehicle owner, when parts are made available.

The following information is provided to inform you and your staff of the preliminary phase of the safety recall and your degree of involvement.

Dealer and Owner Notification Mailing Date

The attached dealer notification will be sent via Next Day UPS delivery to the attention of the service manager on July 6, 2010. Additionally, an e-mail with this information will be sent to dealer principals, general managers, service managers, parts managers and warranty administrators the morning of July 6. The owner notification will commence when parts become available in late July, 2010. The Lexus Q&A is attached for your use when responding to dealer and customer questions.

Only owners of the affected vehicles will be notified. If your dealers are contacted by owners who would like to know if their vehicle is affected, please instruct them to verify vehicle eligibility by confirming through TIS. The affected VINs will be posted on TIS on Wednesday, July 7, 2010.

Identification of Involved Vehicles

There are approximately 138,000 vehicles involved.

Model	WMI	Model Year	VDS	Serial
GS 350	JTH	2007	BE96S	0007930 - 0028367
			CE96S	0001838 - 0013164
		2008	BE96S	0023566 - 0041906
			CE96S	0013166 - 0021058
GS 450h		2007	BC96S	5000125 - 5012266
		2008	BC96S	5012274 - 5016761
GS 460		2008	BL96S	5000019 - 5002853
IS 350		2006	BE262	2000000 - 2007084
	2007	BE262	5000018 - 5011869	
			2006942 - 2013016	
			5011870 - 5017246	
	2008	BE262	2011547 - 2016223	
5017247 - 5021503				

LS 460	2007	BL46F	5000193 - 5051857
	2008	BL46F	5051858 - 5083639
LS 460 L	2007	GL46F	5000151 - 5020667
	2008	GL46F	5020680 - 5033001
LS 600h L	2008	DU46F	5000202 - 5009305

NOTE:

- Not all vehicles in the VIN range are affected by this Safety Recall.
- If a dealership is contacted by an owner who requests verification of *safety recall coverage, it should confirm through TIS.*

Implementation at Dealerships

Technical instructions, part information, and warranty claim submission instructions will be provided when parts become available. All associates who have a part in this safety recall should be familiar with the contents of this letter.

Pre-Owned Vehicles in Dealer Inventory

Lexus requests that dealers not deliver any pre-owned vehicles in their inventory which are involved in this safety recall until the defect has been remedied.

Parts Ordering

Part number information for the newly designed valve springs will be provided when it is available.

Customer Handling

This safety recall is a great opportunity to focus on assuring our customers that their safety remains Lexus' highest priority, which will go a long way toward preserving their faith in your dealers and the Lexus brand. Please ask your dealers to welcome these customers and answer any questions they may have. The attached Q&A is provided to assure a consistent message is communicated.

Media Contacts

For *news media inquires only*. Due to the nature of this Safety Recall, it is imperative that all media contacts (local and national) receive a consistent message. In this regard, *all media contacts* must be directed to Brian Lyons (310) 468-2552 or John Hanson (310) 468-4718 in Corporate Communications. (Please do not provide these numbers to customers or direct dealership associates to call).

Please review this entire package with your staff to familiarize them with the proper step-by-step procedures required to implement this Safety Recall.

Thank you for your understanding and cooperation.

Attachment

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|---------------------------------------|------------------------------|
| CC: Assistant Area General Managers | District Technical Managers |
| Customer Satisfaction Managers | Field Product Engineers |
| Customer Services Field Managers | Vehicle Field Sales Managers |
| Customer Services Operations Managers | Vehicle Operations Managers |
| District Service and Parts Managers | |



Safety Recall ALE

Certain Lexus GS 350, GS 450h, GS 460, IS 350, LS 460, LS460L, LS 600h, & LS 600h L Vehicles
Valve Spring - Q&A

Q1: Why is Lexus conducting a Safety Recall?

A1: On certain Lexus GS, IS, and LS vehicles there is a possibility that the engine valve springs may develop a crack and break. A broken valve spring may result in abnormal engine noise, vibration, and/or power reduction. In the worst case, the engine may stall or not accelerate as quickly as anticipated.

Q2: What is the cause of this condition?

A2: During the manufacturing process the valve springs on certain Lexus GS, IS, and LS vehicles were contaminated with a foreign material. As a result, the strength of the spring might be compromised. Over time, there is a potential for the valve spring to develop a crack and eventually break.

Q2a: What is a valve spring?

A2a: The valve springs provide tension to the intake and/or exhaust valves during engine operation. This helps control the dynamic compression of the engine as well as the flow of gasses (air, fuel, and exhaust) entering and exiting the engine's cylinders.

Q3: Are there any warnings that this condition exists?

A3: If this condition exists, the owner may notice an abnormal noise and vibration from the engine. Engine power may also be reduced.

Q4: Which and how many vehicles are covered by this Safety Recall?

A4: There are approximately 138,000 vehicles involved in the U.S.A.

Model	WMI	Model Year	VDS	Serial	UIO
GS 350	JTH	2007	BE96S	0007930 - 0028367	25,100
			CE96S	0001838 - 0013164	
		2008	BE96S	0023566 - 0041906	14,483
			CE96S	0013166 - 0021058	
GS 450h		2007	BC96S	5000125 - 5012266	3,398
GS 460		2008	BC96S	5012274 - 5016761	668
		2008	BL96S	5000019 - 5002853	1,641
IS 350		2006	BE262	2000000 - 2007084	15,501
				5000018 - 5011869	
		2007	BE262	2006942 - 2013016	8,961
				5011870 - 5017246	
2008		BE262	2011547 - 2016223	5,927	
	5017247 - 5021503				
LS 460	2007	BL46F	5000193 - 5051857	24,455	
	2008	BL46F	5051858 - 5083639	21,215	
LS 460 L	2007	GL46F	5000151 - 5020667	10,742	
	2008	GL46F	5020680 - 5033001	4,719	
LS 600h L	2008	DU46F	5000202 - 5009305	2,059	

Q4a: What is the likelihood that a customer will experience this condition?

A4a: Lexus has determined that 2 out of every 1,000 vehicles (0.2%) will experience valve spring failure.

Q5: What is the production period of the affected vehicles?

A5: The vehicles covered by this Safety Recall were produced from late August 2005 to late September 2008.

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

A6: Lexus has determined that this condition *does not* affect other models. The vehicles covered by this Safety Recall utilize a different design.

Q7: What is Lexus going to do?

A7: In late July 2010, Lexus will begin sending out owner notification by first class mail. The letter will advise owners to bring their vehicle to a Lexus dealer to have the affected valve springs replaced with newly designed ones at *no charge*.

Q8: How long will the repair take?

A8: The repair time will vary depending on vehicle model and the dealers work schedule. The repair time is currently under investigation.

Q9: Have any production changes been implemented?

A9: The wire diameter of the spring has been increased since August 2008.

Q10: How many reports of this condition have been received?

A10: There are 160 cases in the United States.

Q11: Have there been any accidents reported?

A11: There have been no reports of accidents related to this condition.

Q12: What if a customer has previously paid for repairs to his/her vehicle to address this specific condition?

A12: Reimbursement consideration instructions will be provided in the owner letter for those customers that have previously paid for repairs to address this specific condition.

Q13: What should an owner do if they experience this condition or have immediate concerns about his/her vehicle?

A13: Owners with questions or concerns are asked to contact their local Lexus dealer for diagnosis and repair if applicable. Owners may also contact Lexus Customer Satisfaction at 1-800-255-3987.

Q14: Until my vehicle is repaired, can I continue to drive it?

A14: If you notice symptoms, such as abnormal engine noise, vibration, poor performance, please contact any local Lexus dealer.

Q15: Are the parts already available?

A15: Lexus is working hard to secure enough valve springs to conduct the appropriate replacement work so dealers may begin scheduling replacement work for the vehicle owners soon.

Q16: Which parts will be replaced?

A16: The engine valve springs.