



DEALER LETTER

Date: January 28, 2008
To: Lexus Southern Area Dealership Principals, General Managers, and Sales Managers
Subject: 2008 MY IS F Launch Announcement

Dubbed the vehicle that is “everything you thought we weren’t,” the all-new IS F is expected to set the world on notice that Lexus is a true contender in the luxury performance arena. Our first production model to wear the new “F” badge, the IS F is also our fastest car ever built and should provide a halo for the Lexus brand.

We are pleased to provide you with the following update on our launch strategy for the MY2008 IS F. **Please understand that in the spirit of sharing details with you at an early stage, some information or dates may change.**

2008 Wholesale Forecast:

The national forecast for 2008 YTD wholesale is roughly 5,200 units. Based on our historical IS sales performance, the Southern Area estimates Area IS F wholesale to equal roughly 1,300 units YTD / 130 monthly.

Build Strategy:

The Southern Area’s anticipated builds for both ports will consist of one option combination:

- NL, PA*
Navigation System with Backup Camera and mark Levinson Premium Surround 14-speaker Audio + Intuitive Park Assist

*PA (Park Assist) was initially coded as WO (Clearance Sonar), which is the technical specification name. WO is reflected on 2008MY Reference Card only.

Please note also that these build scenarios do not include port installed options. For your convenience, you will find more build details attached; this information was reviewed/confirmed at our 2007 Area Production Meeting in the Bahamas in November 2007.

Allocation Methodology:

IS F will be included in the overall IS Master Series and will follow IS allocation methodology. Preference requests should be submitted to meet your market demand for the IS F model.

50% Sales Plan (Total Series) + 50% 90 Day Sales History (IS Master Series)

Allocation Timing:

We plan to begin allocating units on the 2nd allocation of February 2008 (please be sure to submit your preferences prior to that allocation). Every dealer will receive a minimum of one (1) IS F unit at launch. You can plan for vehicles to begin arriving at your dealership the first two weeks of March.

Pricing Announcement:

Overall pricing was sent out on January 10th. Based on Southern Area build, reviewed and approved at our 2007 Southern Area Production Meeting, you can expect the following pricing strategy:

Options	Description	MSRP
Base	n/a	\$56,000
NL	Navigation System with Backup Camera and Mark Levinson Premium Surround 14- speaker Audio	\$3,990
PA	Intuitive Park Assist	\$500
TOTAL MSRP (including DPH fee)		\$60,490

Neiman Marcus Special Edition:

For those of you who have customers taking delivery of the Neiman Marcus Special Edition IS F through your dealership, units are slated to begin arriving at dealerships in early to mid March.

Brochure Arrivals / Product Training:

Initial quantities of IS F brochures will be sent to dealerships the first week of March. They will also be available for ordering through the Material Distribution Center (MDC) at that time.

Additionally, you can look forward to the Performance Tour coming your way this spring. The tour will be held in West Palm Beach (Moroso Motor Speedway) March 20-21, Atlanta (Atlanta Motor Speedway) April 8-9, and Dallas (Texas Motor Speedway) April 22-23. This tour is designed to educate your sales team on the IS F and all-new "F" accessories and also put them into the IS F (and other vehicles) for a chance to drive them on the speedway and experience the performance first-hand.

Thank you in advance for your role in making the launch of the IS F a huge success.

Should you have any questions or comments, please don't hesitate to contact your District Sales Manager or myself.

Great Selling,



Cynthia Tenhouse
Vehicle Supply Manager
Lexus Southern Area

IS F Build Details

Long Beach Port

NL, PA	100%
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077:21	16%
1F2:21	16%
1G0:21	15%
212:21	25%
3R1:21	15%
8U1:21	13%
TTL	100%

Jacksonville Port

NL, PA	100%
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077:21	16%
1F2:21	16%
1G0:21	15%
212:21	25%
3R1:21	14%
8U1:21	14%
TTL	100%

Exterior Color Key:

077	Starfire Pearl
1F2	Mercury Metallic
1G0	Smoky Granite Mica
212	Obsidian
3R1	Matador Red Mica
8U1	Ultrasonic Blue Mica

Interior Color Key:

21	Black
20	Alpine*

*Note: Alpine available by special order only