

Land Cruiser Brake Survey Administration Center
c/o Rosenthal & Company LLC
P.O. Box 6177
Novato, CA 94948-6177

September 10, 2003

Dear Customer:

We are contacting you about a class-action lawsuit that may affect you as a possible current or past owner or lessee of a Land Cruiser. Land Cruisers have a well-deserved reputation for quality, dependability and reliability, but some owners of model years 1995-1997 vehicles have been dissatisfied with the lifespan of certain components of the braking system, including brake rotors. The lawsuit concerns how long these components last, not the safety of the vehicle.

We are sending you a description of the litigation, the proposed settlement, and a survey that asks you about your experience with the brakes on your Land Cruiser. Please read the description carefully and if the settlement applies to you, please return the survey.

Thank you for being a Toyota customer and for taking time to provide this information to us.

Sincerely,

Toyota Motor Sales, U.S.A., Inc.

DESCRIPTION OF LAWSUIT AND PROPOSED SETTLEMENT

A class-action lawsuit has been filed in the 347th District Court in Corpus Christi, Texas: *Gary McCluskey, et al. v. Toyota Motor Sales, et al.*, case number 99-933-B. The case was filed on behalf of all 1995-1997 Land Cruiser purchasers and lessees.

The lawsuit claims that certain components of the braking system, including brake rotors in the model year 1995, 1996 and 1997 Land Cruisers must be replaced too soon. Toyota maintains that rotors and other parts of the brakes are high quality components of the vehicle.

Toyota has proposed a customer relations program to identify original owners and lessees who experienced problems with these components and to settle any claims they may have. Plaintiffs' counsel believes that this is a fair and reasonable resolution of the dispute.

Under the program, you may be entitled to receive:

- Up to \$175 if you paid to replace your brake rotors within the three year / 36,000 mile warranty period
- Up to \$350 if you paid to replace those same rotors a second time before 42,000 miles

The actual amount of the payments may vary based on the number of claims, with the total amount of payments under the program not to exceed \$4 million. In addition, the attorneys who filed the suit will seek the Court's approval of this settlement and up to \$2,000,000 in fees and \$50,000 in expenses and incentive payments for the named plaintiffs, to be paid by Toyota. Plaintiffs' attorneys will base this request on a variant of the lodestar method. Toyota will not oppose Plaintiffs' attorneys' request. In total, Toyota has agreed to pay not more than \$6.05 million, inclusive of the attorneys' fees and expenses the Court approves.

To be eligible for a payment you must complete and return the attached survey form. Please answer the questions as honestly and accurately as you can. Toyota reserves the right to ask you for proof of payment. If you do not want to participate in this settlement or if you are not willing to release your possible claims against Toyota, you must advise the settlement administrator in writing that you are electing to opt out of the settlement. Your opt-out letter must state your name, address, model year and VIN number of your vehicle. All survey and opt-out letters must be mailed to Land Cruiser Brake Survey Administration Center, c/o Rosenthal & Company LLC, P.O. Box 6177, Novato, CA 94948-6177. Opt-out letters must be postmarked by November 1, 2003; Survey forms must be postmarked by December 16, 2003.

In exchange for conducting this customer relations program, Toyota will be released from all possibility of liability for any alleged defects in the rotors or any other brake component, unless the alleged defect leads to a physical injury or death. This release will apply to you, whether you receive a payment or not, unless you mail the opt-out letter within the time described above.

The Court will hold a hearing on November 14, 2003 at 8:30 a.m. before the 347th J.D. Court, Nueces County, 901 Leopard Street, Corpus Christi, TX to determine if it will approve this settlement as fair and reasonable. If you object to this settlement, you may participate in that hearing if you file a notice of appearance and your specific objections with the clerk of the Court not later than October 20, 2003. You must also serve those documents on (1) the attorneys for the plaintiffs: The Edwards Law Firm, L.L.P., 1400 Frost Bank Plaza, 802 North Carancahua, Corpus Christi, Texas; and, (2) the attorneys for Toyota: Beirne, Maynard & Parsons, L.L.P., 1300 Post Oak Boulevard, 24th Floor, Houston, Texas 77056.

If you have questions about the lawsuit or settlement, you may contact the attorneys representing the individuals suing Toyota or you may want to retain an attorney to represent you individually.

LAND CRUISER BRAKE SURVEY

c/o Rosenthal & Company LLC

P.O. Box 6177

Novato, CA 94948-6177

Please complete each of the questions below, sign the survey and return it so that it is postmarked by December 16, 2003.

Name and/or Address Changes, if any:

Tel. No. (_____) _____

VIN #: _____

1. Did you replace your Land Cruiser's brake rotors? Yes
 No
2. Did you replace the brake rotors within the 3-year/36,000 mile warranty period? Yes
 No
- 3a. Did you replace front, rear or both sets of rotors? Front
 Rear
 Both
- 3b. Did you pay for this replacement or was it covered by warranty? I paid for everything
 Covered by warranty
 I paid part; warranty covered part
- 4a. Did you replace the brake rotors a second time within the 3-year/36,000 mile warranty period? Yes
 No
- 4b. Did you replace front, rear or both sets of rotors? Front
 Rear
 Both
- 4c. Did you pay for this replacement or was it covered by warranty? I paid for everything
 Covered by warranty
 I paid part; warranty covered part
- 5a. Between 36,000 miles and 42,000 miles did you again replace any of the replacement rotors? Yes
 No
- 5b. Did you replace front, rear or both sets of rotors? Front
 Rear
 Both
- 5c. Did you pay for this replacement or was it covered by warranty? I paid for everything
 Covered by warranty
 I paid part; warranty covered part
6. Do you have the repair orders or receipts for the repair cost? Yes for all
 Yes for some
 No

Signature: _____ Date: _____

Fold this bottom edge up to the top edge, moisten to seal, affix stamp, and mail.