



THE MARKET

With the all new XK now in the market, 2007 will be an exciting year for Jaguar as the company gears up for the future. On the heels of the overwhelmingly positive response to the naturally aspirated

XK, the company is preparing for the launch of the super-charged XKR, which debuted at the London Motor Show in July 2006. The X-TYPE, S-TYPE and XJ also continue to improve and receive enhanced packaging and equipment levels.

Like all great Jaguar sports cars, the focus of the XK is firmly on the future, while acknowledging the marque's rich history. It heralds a new era for Jaguar in terms of both design and engineering and is the most technically advanced Jaguar ever built.

The all new sports car delivers on performance, dynamics, safety, exterior and interior design. All the quality expected of a brand which is a leader in the international market.

Jaguar's long standing commitment to creating beautiful, contemporary, fast cars is reinforced once again with the unveiling of the new, special edition 400bhp XJR Portfolio. This super-charged performance sedan continues the evolution of the design cues first seen on the striking Concept Eight show car, which starred at the New York International Auto Show in 2004, which were taken forward on the limited edition production model produced in 2005.

The Concept Eight was the first time that Jaguar had shown its new performance styling to the public, and the reaction was so positive that many of its key design details, such as the eyecatching polished wheels, side power vents and Satin American Walnut trim, were soon to grace the long wheelbase XJ Super V8 Portfolio, a

special edition XJ produced for the Canadian and other global markets.

Now, the new XJR Portfolio continues the successful theme of exclusive, sporting sedans with attitude, power and a modern character.

ACHIEVEMENTS

Jaguar has received the 2006 World Traffic Safety Symposium's Traffic Safety Achievement Award in the Automaker Category for the new XK's Pedestrian Impact Safety System. The World Traffic Safety Symposium recognizes organizations that are creating a safer environment for motorists and pedestrians.

Jaguar achieved a remarkable quadruple success in the latest J. D. Power and Associates Initial Quality Study released in 2006 in the United States.

The company improved to second position overall in the survey and was the highest ranked European nameplate.

The J. D. Power Study ranks new vehicle quality after 90 days in the hands of customers.

This major achievement for Jaguar was led by its best-performing model, the X-TYPE saloon, which improved 35 percent over last year's results.

In addition, Jaguar's Halewood plant, where the X-TYPE is manufactured, received J. D. Power's Gold Award for European plant performance. This state-of-the-art facility is now a centre of excellence for lean manufacturing, a discipline that focuses on elimination of waste, while driving high quality, continuous improvement.

HISTORY

For 50 years, the Jaguar story was the story of one man, founder Sir William Lyons, who built up one of the world's greatest automotive names: renowned for captivating style, breathtaking performance and a commitment to quality.

Since the company was founded in 1922, Jaguar has evolved from the production of motorcycle sidecars to become one of the world's leading designers and manufacturers of premium sedans and sports cars. The company's vision is simple: to produce beautiful, fast cars that are desired the world over. The company operates three manufacturing plants in the United Kingdom.

THE PRODUCT

The Jaguar X-TYPE: Jaguar's best-selling all-wheel-drive X-TYPE moved up to become Jaguar's best quality model with its impressive showing in the latest J. D. Power and Associates' Initial Quality Study in 2005. For 2007, Jaguar's X-TYPE adopts more standardized equipment including Dynamic Stability Control, moonroof, split/fold rear seats (sedan only), reverse park control (Sportwagon only) and a premium package for the Sportwagon. Also, while the Sport package is discontinued, a new luxury package replaces the VDP Package and Premium Package on the sedan.

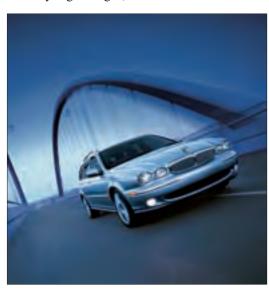
There are quite a few impressive things about the X-TYPE's performance, including the innovative aluminum suspension that provides improved handling, or the all-wheel-drive system, a Jaguar first that provides smooth traction in any road condition.



The Jaguar XK. In April 2006, Jaguar launched the all new 2007 Jaguar XK to overwhelmingly positive reviews from media, dealers and customers alike. Engineered to exceed the high demands that consumers rightly expect from a Jaguar sports car — complete with advanced aluminum chassis, sophisticated transmission and exquisite exterior and interior design — the all new 2007 XK Coupe and Convertible mark an exciting new era for Jaguar in terms of both design and engineering.

In July 2006, Jaguar unveiled the R Performance supercharged version of the XK Coupe and Convertible. Built using the same aluminum construction as the naturally aspirated XK, the supercharged 4.2-liter V8 will produce 420 bhp and 413 lb. ft. of torque, making this the fastest production Jaguar to date. The XKR will also feature unique styling geared toward power and performance.

The Jaguar S-Type is characterized by its distinctive appearance and instinctive performance. The premium mid-sized Jaguar S-TYPE sports sedan continues to tone its appearance and appeal with styling changes, and the addition of new



features and value-added packaging. Referring to the S-TYPE as a mere luxury vehicle misses the point. While Jaguar S-TYPE does feature uniquely sensual styling, reflecting its celebrated predecessors of the 1960s, its breathtaking combination of performance, technology and high-grade interior appointments make an S-TYPE literally impossible to mistake for anything else.

For 2007, Jaguar's premium mid-sized sports sedan — the S-TYPE — gains an additional ultra-luxurious package option for the S-TYPE R model — the "SV8." The S-TYPE R "SV8" comes complete with soft-grain leather seating with contrast piping, Burl Walnut veneers, chrome exterior trip and Adaptive Cruise Control. Also for 2007, the S-TYPE 3.0 and 4.2 get an increase in standard features, making them better equipped than ever.

The Jaguar XJ, the flagship of the Jaguar line, is the rare automobile that needs no calling card. A truly modern update of a timeless classic, the XJ range has undergone dramatic change over the past two years, expanding from three to five distinct derivatives to three new Long Wheelbase models — XJ Portfolio, Vanden Plas and Super V8 in 2005. And in 2006, all XJs are further refined with the addition of acoustic laminated side glass and a radio frequency based tire pressure monitoring system as well as being joined by



the most exclusive and luxurious production Jaguar ever built: the Super V8 Portfolio.

RECENT DEVELOPMENTS

Over the past several years, the Jaguar product range has gone through a period of remarkable change. There have been continuous developments, including revised versions of the compact X-TYPE and distinctive S-TYPE and the beautiful XK sports car range. Jaguar has also launched the all new aluminum XJ, and the beautiful XJ Long Wheelbase models, and now the all new aluminum Jaguar XK sports car.

Jaguar's 2007 XK is the most tested Jaguar ever. It will have been frozen at a bone-chilling minus 40 degrees in the icy wastes of Northern Canada, and cooked in the 120 degree furnace that is Death Valley, California. Its performance at maximum speed will have been tested on Italy's famous Nardo high-speed bowl, while its handling abilities will

have been honed around Germany's legendary Nürburgring race track. And to ensure that it protects those inside, it will have been crashed and analyzed at Volvo's Safety Center, in Gothenburg, Sweden — acknowledged as the world's most advanced safety testing facility.

Like any of the great Jaguar sports cars of the past fifty years and more, the all new XK pushes the boundaries of sports motoring. It is the most technically advanced Jaguar ever and undoubtedly, one of the most beautiful.

PROMOTION

In May 2005, Euro RSCG/Fuel Worldwide was hired by Jaguar to launch a global campaign. The new "Gorgeous" campaign's purpose is to reposition the brand image and make it more attractive to consumers of all ages and backgrounds.

New-Fashioned Luxury is the powerful strategic platform from which Fuel and Jaguar can communicate the brand image and personality across all consumer touch points. The Jaguar creative expression of New-Fashioned Luxury is "Gorgeous." Everything Jaguar does to engage, entice and communicate the brand worldwide will be Gorgeous.

Furthermore Jaguar puts a slant on the unique and distinctive characteristics of all its products. Indeed, they particularly paid attention to the design of their cars, making it seductive. They also kept their sporting luxury aspect, focusing on their use of various materials to enhance their feel and making cars that feel alive, rewarding all the senses. These cars stimulate the senses with precise, responsive and refined performances.

Euro RSCG/Fuel strives to craft the Jaguar brand to be imaginative, innovative and uncompromising, with a rich, colorful story. They give the brand a unique tone of voice, spoken in a warm, confident, exciting, highly individual way. They communicate in a way that breaks the codes of the automotive category.

BRAND VALUES

At the heart of Jaguar's product philosophy is a firm commitment to emotional engineering: the production of beautiful, fast cars that combine intelligent, relevant technologies and contemporary luxury. While modernization is part of this commitment, they do not lose sight of traditional values.

As a responsible international corporate citizen, Jaguar is fully engaged in environmental programs, community work and brand awareness exercises. For example, Jaguar Cars were named National Champion in the Green Apple Awards in 2003 — the sixth consecutive year that Jaguar won a

Green Apple Award in the national campaign to find Britain's greenest companies.

In 2005, Jaguar introduced a new campaign to assist in the effort of preserving the company's namesake, the jaguar. The Jaguar Conservation Trust provides grants and funding for projects that promote the preservation of the jaguar and its habitat, with actress and conservationist Stephanie Powers leading the development as advisor.

THINGS YOU DIDN'T KNOW ABOUT JAGUAR CANADA

- O Jaguar Canada is the exclusive automotive sponsor of the Four Season's Centre for the Performing Arts in Toronto, home of the world renowned Canadian Opera Company.
- O Jaguar Canada is the only North American market to sell the XJR Portfolio for the 2007 model year.

