

Mr Max Mosley and Members of the World Motor Sport Council
President
Federation Internationale de L'Automobile
7 Boulevard de Moulins
MC9800
Monaco

05 December 2007

Private & Confidential

>>> Dear Mr Mosley and Members of the World Motor Sport Council,

We have very recently received a copy of the report by the FIA Technical Department, to the World Motor Sport Council pursuant to its 13th September 2007 decision. In the light of this report and its conclusions we felt that it was appropriate to write directly to you to express our sincere regret in regard to some of the matters that had been brought to light. Whilst with great respect to the authors of the report, we do not agree with all of the conclusions that have been drawn following this most impressively thorough and daunting investigation into the engineering processes of McLaren Racing, we accept the central conclusion that some pieces of Ferrari information may have been disclosed via Nigel Stepney and Mike Coughlan, directly or indirectly to individuals within McLaren other than Pedro de la Rosa and Fernando Alonso. It is a matter of deep regret for us that our understanding of the facts has improved as a result of the FIA inspection rather than our own prior investigations. We apologise unreservedly if our prior ignorance of some of these facts has misled the World Motor Sport Council and we can only assure you all that this was never our intention.

We must nonetheless accept that our own investigations into this matter were insufficient, although we would ask you to have regard to the fact that such investigations were conducted during a highly intense racing season and under significant time pressure. As a result, our investigations focused most strongly on satisfying ourselves that no Ferrari confidential information had been used directly or indirectly on the 2007 and 2008 cars.

The FIA investigation was extremely exhaustive, comprehensive and we trust that it is apparent, as is acknowledged in the report, that McLaren co-operated fully and speedily with all requests made by the investigating team. We also believe that the investigators found no evidence of concealment or data cleansing as they reviewed the comprehensive materials supplied. To put this investigation into context the investigating team interviewed 20 key engineers, accessed 22 personal computers belonging to key members of the organisation and retrieved by computer search 1.4 Terra Bytes of data stored on the central computer systems of McLaren Racing (this latter data is equivalent to approximately 75 million sheets of A4 typed information).

We would respectfully suggest, however, that despite our embarrassment that pieces of Ferrari information may have penetrated our organisation beyond our previous belief, the inspection has not reached any conclusion that McLaren used Ferrari confidential information on the 2007 or 2008 car (subject to issues as to the deployment of quickshift, fast fill, or CO2 as a tyre gas for 2008, in respect of which see below).

We do, however, accept that the inspection provides some support for the conclusion that is set out in paragraph 8.11 of the WMSC's decision of 13 September 2007. In particular that "*a number of McLaren employees... were in unauthorised possession of Ferrari technical information*" for which we have been most severely punished. However, it does not establish that the information in question was used on the 2007 or 2008 cars.

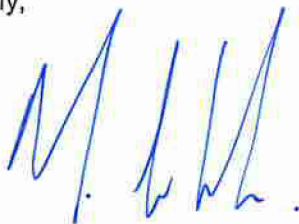
We understand that the World Motor Sport Council does not have time to receive a full hearing in regard to this matter during its meeting on 7th December. However, we are aware that the Council will make a procedural decision to determine how this matter is now addressed and taken forward. In this regard, we can only seek to provide the Council with the briefest understanding of the impact of this matter upon our team and respectfully request that the Council appreciates these facts and determines a process which is proportionate to the seriousness of the case taking into account the penalties that have already been inflicted upon the team. We respectfully request that the members of the Council consider the significant disruption that has occurred within the team as a consequence of this matter. Whilst McLaren has a strong partnership with Mercedes-Benz which supplies its engines it is still an independent team which is responsible for the generation of the majority of its own budget for the design and development of the chassis and the subsequent operation of the cars. Therefore, apart from the morale sapping consequence within the team, its ability to continue its task of generating investment has, as I am sure anyone can imagine, been made virtually impossible. >>> Consequently, the long term damage to the team's previously outstanding record and commercial capability is significantly greater than that potentially envisaged by the fiscal penalty that was previously imposed upon the team. We would respectfully ask that in the light of this and the fact that it is reasonable to assume now that all of the damaging facts have been presented, that it may be appropriate and also incidentally in the interests of Formula One generally, to bring an urgent conclusion to this affair. Toward that end we would like to express our willingness, despite not agreeing with the findings, to enter into discussions with the FIA Technical Department as to a moratorium of an appropriate length in respect of the use of quickshift, fast fill and CO2 as a tyre gas.

We trust that the seriousness with which we regard this matter is apparent from this letter and that it gives you confidence that we will do everything in our power to avoid any repetition of these events. We have reflected on these matters carefully and critically and in particular on the comments made by the FIA President, Max Mosley to the effect that had we contacted Jean Todt as soon as we were aware of the "whistleblowing" information coming from Stepney these matters could all have been avoided.

Moving forward, we would like to reassure the Council that we have put in place procedures to prevent further recurrences of such conduct (see attached) and would like to offer to the FIA if this of interest to open a dialogue whereby McLaren would make every effort to try and improve its relationship with the FIA.

We apologise wholeheartedly once more that it has taken the intervention of the FIA and a time consuming process to expose all of the facts emanating from this matter but we hope that when the Council members have had time to consider the circumstances surrounding this case and the pressures that have been placed upon McLaren during our investigations that our lapses in this respect are at least partially excusable. We remain at your convenience if we can further assist your deliberations in respect of this matter.

Yours sincerely,



Martin Whitmarsh
Chief Operating Officer, McLaren Group