

# Analyst Day

December 15, 2009

The background of the slide features a blurred image of a blue car moving from left to right, overlaid with a semi-transparent financial chart. The chart includes a candlestick pattern with several green bars, a line graph, and a grid. The overall color scheme is a gradient of red and orange.

**ArvinMeritor**<sup>TM</sup>

# Analyst Day

December 15, 2009

**Brett Penzkofer**

Senior Director  
Investor Relations

**ArvinMeritor**<sup>TM</sup>

# Forward-Looking Statements

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*This presentation contains statements relating to future results of the company (including certain projections and business trends) that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "estimate," "should," "are likely to be," "will" and similar expressions. There are risks and uncertainties relating to the company's announced plans to divest the Body Systems business of LVS and any of the strategic options under which to pursue such divestiture. In the case of any sale of all or a portion of the business, these risks and uncertainties include the timing and certainty of completion of any sale, the terms upon which any purchase and sale agreement may be entered into (including potential substantial costs) and whether closing conditions (some of which may not be within the company's control) will be met. In the case of any shut down of portions of the business, these risks and uncertainties include the amount of substantial severance and other payments as well as the length of time we will continue to have to operate the business, which is likely to be longer than in a sale scenario. There is also a risk of loss of customers of this business due to the uncertainty as to the future of this business. In addition, actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to global economic and market cycles and conditions, including the recent global economic crisis; the demand for commercial, specialty and light vehicles for which the company supplies products; risks inherent in operating abroad (including foreign currency exchange rates and potential disruption of production and supply due to terrorist attacks or acts of aggression); whether our liquidity will be affected by declining vehicle production volumes in the future; availability and sharply rising cost of raw materials, including steel and oil; OEM program delays; demand for and market acceptance of new and existing products; successful development of new products; reliance on major OEM customers; labor relations of the company, its suppliers and customers, including potential disruptions in supply of parts to our facilities or demand for our products due to work stoppages; the financial condition of the company's suppliers and customers, including potential bankruptcies; possible adverse effects of any future suspension of normal trade credit terms by our suppliers; potential difficulties competing with companies that have avoided their existing contracts in bankruptcy and reorganization proceedings; successful integration of acquired or merged businesses; the ability to achieve the expected annual savings and synergies from past and future business combinations and the ability to achieve the expected benefits of restructuring actions; the ability to achieve anticipated or continued cost savings from reduction actions; success and timing of potential divestitures; potential impairment of long-lived assets, including goodwill; potential adjustment of the value of deferred tax assets; competitive product and pricing pressures; the amount of the company's debt; the ability of the company to continue to comply with covenants in its financing agreements; the ability of the company to access capital markets; credit ratings of the company's debt; the outcome of existing and any future legal proceedings, including any litigation with respect to environmental or asbestos-related matters; the outcome of actual and potential product liability and warranty and recall claims; rising costs of pension and other post-retirement benefits and possible changes in pension and other accounting rules; as well as other risks and uncertainties, including but not limited to those detailed from time to time in filings of the company with the SEC. These forward-looking statements are made only as of the date hereof, and the company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by law.*

*All earnings per share amounts are on a diluted basis. The company's fiscal year ends on the Sunday nearest Sept. 30, and its fiscal quarters end on the Sundays nearest Dec. 31, March 31 and June 30. All year and quarter references relate to the company's fiscal year and fiscal quarters, unless otherwise stated.*

# Agenda

	<b>Strategic Direction</b>	Chip McClure Chairman, CEO and President
	<b>Operations Strategy &amp; Performance Plus Commercial Truck</b>	Carsten Reinhardt Chief Operating Officer
	<b>Industrial &amp; Asia Pacific</b>	Tim Bowes President, Industrial & Asia Pacific
	<b>Aftermarket &amp; Trailer</b>	Joe Mejaly President, Aftermarket & Trailer
	<b>Manufacturing &amp; Supply Chain</b>	Chris Snodgrass Vice President, Worldwide Manufacturing & Supply Chain
	<b>Financial Overview</b>	Jay Craig Chief Financial Officer
	<b>Divestiture Update</b>	Mary Lehmann Senior Vice President, Strategic Initiatives

# Analyst Day

December 15, 2009

**Chip McClure**

Chairman, CEO & President

**ArvinMeritor**<sup>TM</sup>

# 2009 Priorities

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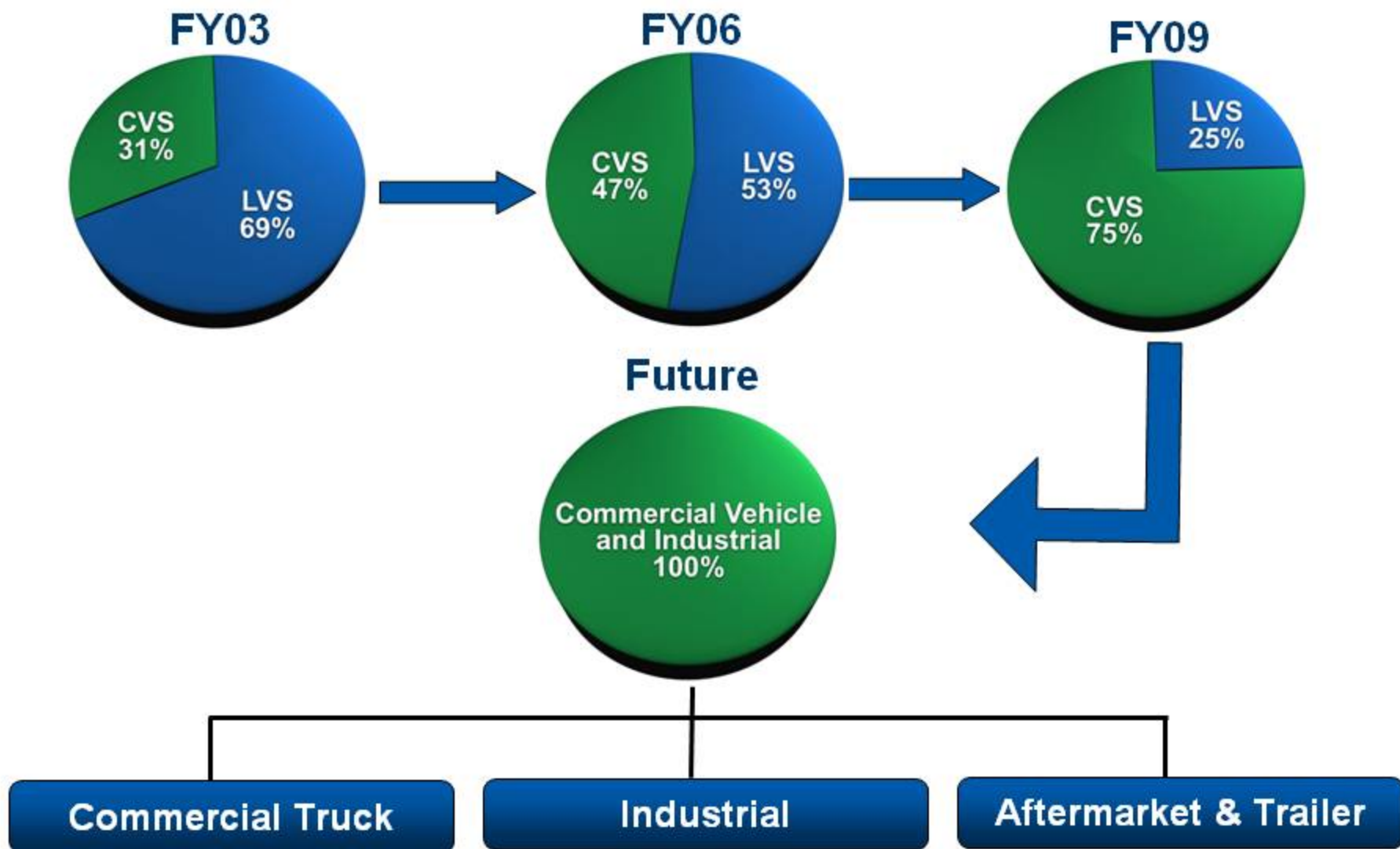
- Accelerate restructuring and other cost reductions
- Continue operational performance improvement
- Complete LVS separation
- Continue to grow high-margin segments
- Innovate and strengthen technology



**Did what we said we would do**

# Progress Toward Transformation

Based on Sales



# New Reporting Segments

## Commercial Truck



## Industrial



## Aftermarket & Trailer



## Light Vehicle Systems



# Commercial Truck

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## Strategic Priorities

- Maintain leadership position in delivering advanced drivetrain solutions
- Expand global brake leadership positions
- Invest in advanced technologies to improve vehicle efficiency
- Strengthen electronics and controls capability

# Industrial

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## Strategic Priorities

- Grow global off-highway, specialty and defense business
- Expand product and customer portfolio
- Grow market share in Asia Pacific
- Accelerate investments in engineering and technology capabilities in China and India

# Aftermarket & Trailer

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## Strategic Priorities

- Grow aftermarket through expansion of product portfolio and remanufacturing business
- Continue to expand aftermarket global distribution network and systems infrastructure
- Expand into emerging markets
- Increase global share of the growing trailer market

# Light Vehicle Systems

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## Strategic Priorities

- Continue commitment to LVS divestiture strategy
- Continue to invest and support customers
- Limit costs to carry the business

# Strong Leadership Team



# 2010 Priorities

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- Remain focused on rigorous cost management to realize improved operating leverage
- Continue transformation to focus the company on global commercial and industrial markets
- Successfully execute as global markets recover
- Drive innovation – accelerating new products and advanced fuel efficient technologies
- Maintain focus on sustainable profitable growth
- Continue focus on balance sheet management

# Analyst Day

December 15, 2009

Carsten Reinhardt  
Chief Operating Officer

**ArvinMeritor**<sup>TM</sup>

# Transforming the Business

## Commercial Truck

- Drivetrain systems and components including axles, drivelines, braking and suspension systems
- Medium and heavy duty trucks in NA, SA and Europe



## Industrial

- Drivetrain systems including axles, brakes, drivelines and suspensions
- Off-highway, military, construction, bus and coach, fire and emergency and other industrial
- On- and off-highway activities in Asia Pacific



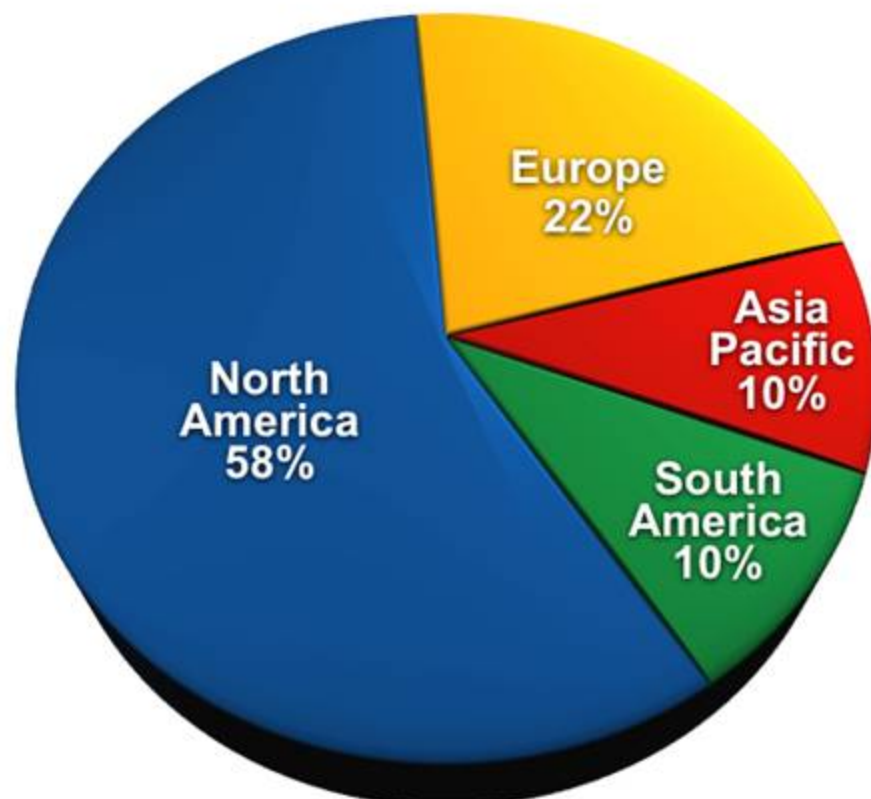
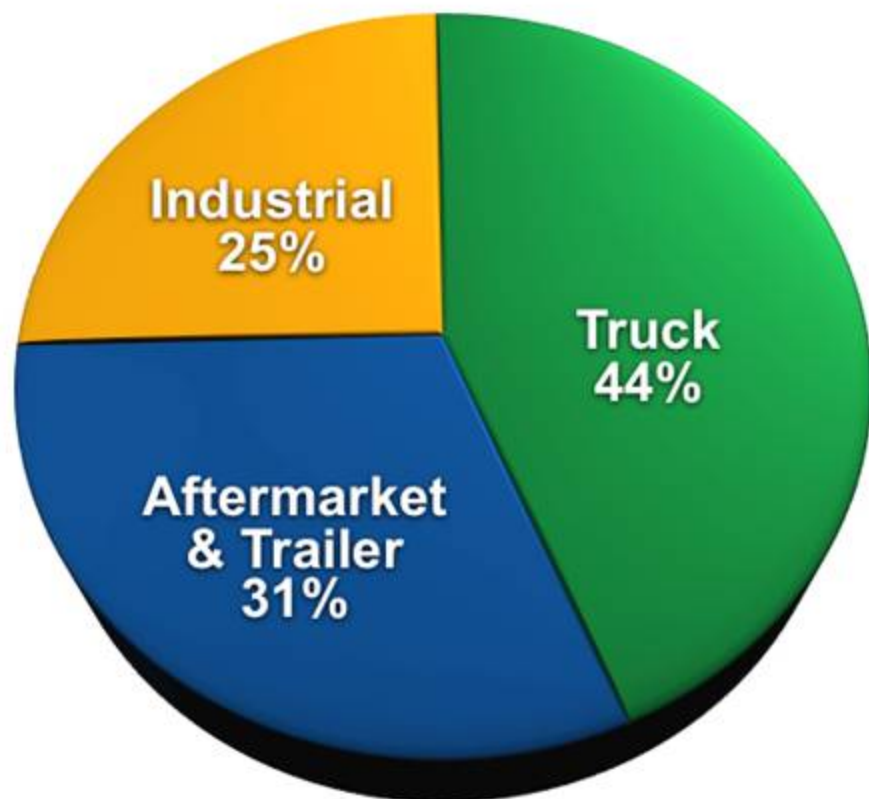
## Aftermarket & Trailer

- Axles, brakes, suspension and transmissions to commercial vehicle aftermarket customers
- Wide variety of undercarriage products and systems for trailer applications



# Regional and Segment Mix – Core Business

Commercial Truck, Industrial, Aftermarket & Trailer



**2009 Sales: \$3.1 billion**

# Market Leadership Positions<sup>(1)</sup>

Category	Asia Pacific	Europe	North America	South America
Truck drive axle <sup>(2)</sup> 	<b>#1</b> India & Australia	<b>#1</b>	<b>#1</b>	<b>#1</b>
Truck air brake 	Strategic Priority	<b>#2</b>	<b>#1</b>	<b>#1</b> Joint Venture
Trailer axle 	Developing ASEAN Region	<b>#3</b>	<b>#1</b>	<b>#1</b>
Commercial vehicle aftermarket 	Strategic Priority	<b>#3</b> Path to #1	<b>#1</b>	Strategic Priority
Off-highway axle <sup>(2)</sup> 	<b>#1</b> China Strategic Priority for Asia Pacific	Strategic Priority		
Military drivetrain, suspension & brakes 	Tactical Opportunity Australia & India	Tactical Opportunity	<b>#1</b>	Tactical Opportunity

<sup>(1)</sup> Based on market data and management estimates

<sup>(2)</sup> Independent, non-captive, supplier

# PERFORMANCE *plus*

## SIX MAIN AREAS DEFINED IN 2006

### Direct Material Optimization



- More than 450 initiatives in the pipeline; more than 1,300 complete
- Forty full-time employees
- Active business process in NA, EU, SA, India and China
- Reduced supply base by 15%

### Manufacturing



- Invested \$100 million in rationalization, flexibility and capacity
- Exceeded targeted annual labor and burden savings of 3% (net of economics)
- One plant opened, six plants closed and consolidated
- APS launched in 100% of our plants globally
- Investment initiated in additional capacity in lucrative, emerging markets in Brazil and China

### Overhead



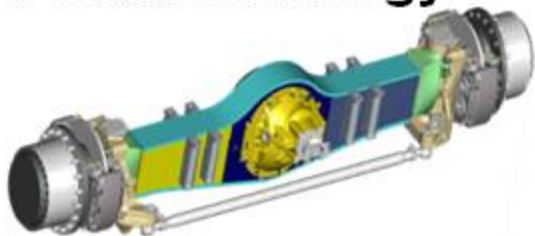
- Substantially exceeded risk-adjusted target of ~\$45 million
- Including 8% indirect material savings
- Additional G&A savings include: temp labor, travel & entertainment, shared services and outsourcing

**C  
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# PERFORMANCE *plus*

## SIX MAIN AREAS DEFINED IN 2006

### Product Strategy



- Defined key growth segments such as off-highway, defense, drivetrain efficiency and brake technology
- First products have hit the marketplace
- Focused program to improve profitability of products through pricing and complexity reduction

### Engineering R&D



- Increased engineering staff by 10%+
- Invested \$3 million in testing and validation
- Forty-seven major program launches since 2007
- Presented dual-mode hybrid technology
- Grew electronics and controls capabilities

### Aftermarket



- Increased revenue by approximately \$120 million or 17%
- Revenue growth of 70% in Remanufacturing
- Launched new products including Platinum Shield
- Combined trailer axle offering with remanufactured products to EU fleets for lower cost of operation
- Launched CVA product platform in BRIC countries

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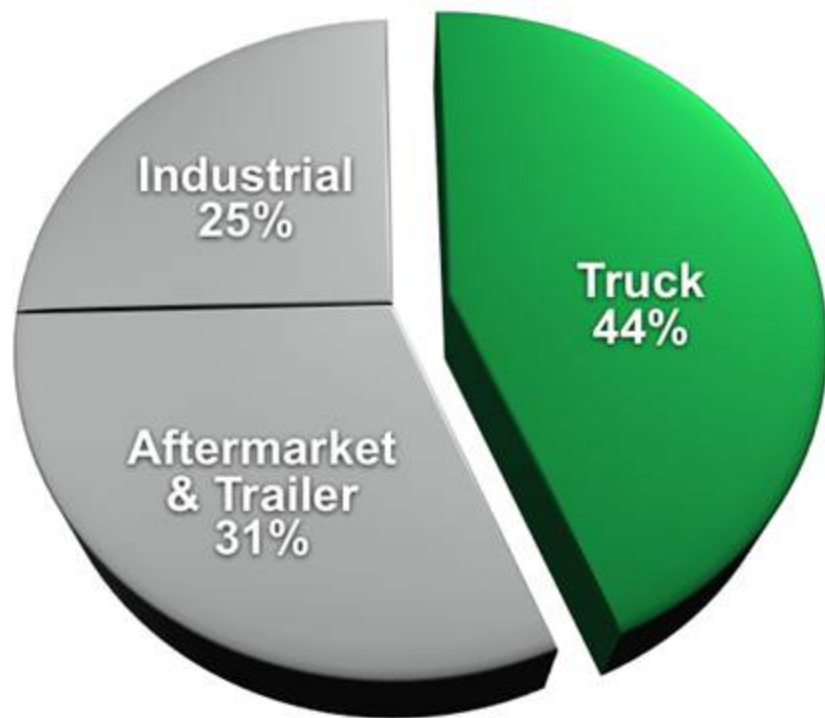
**Commercial Truck**



**ArvinMeritor**<sup>TM</sup>

# Commercial Truck

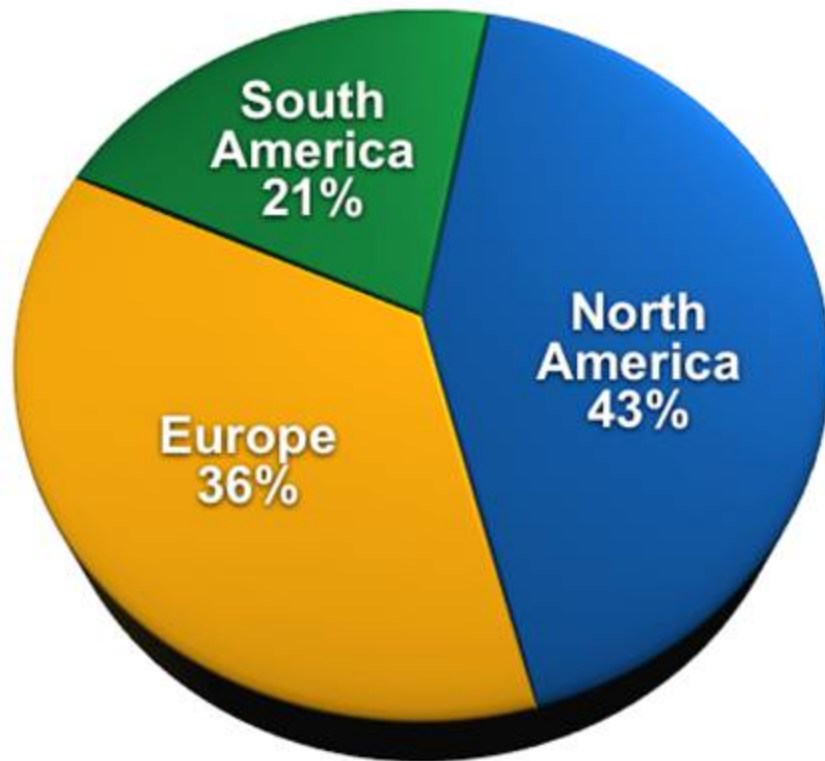
## Based on FY09 Sales



- Well-positioned to benefit from rebound in global commercial truck markets in North America and Europe
- Well-established position in South America
- Strong product portfolio and customer relationships
- Building on strong position to diversify customer mix
- Aggressive product launch cadence in 2010/2011/2012
- Designing products for vehicle efficiency

# Truck Markets and Customers

Based on FY09 Sales



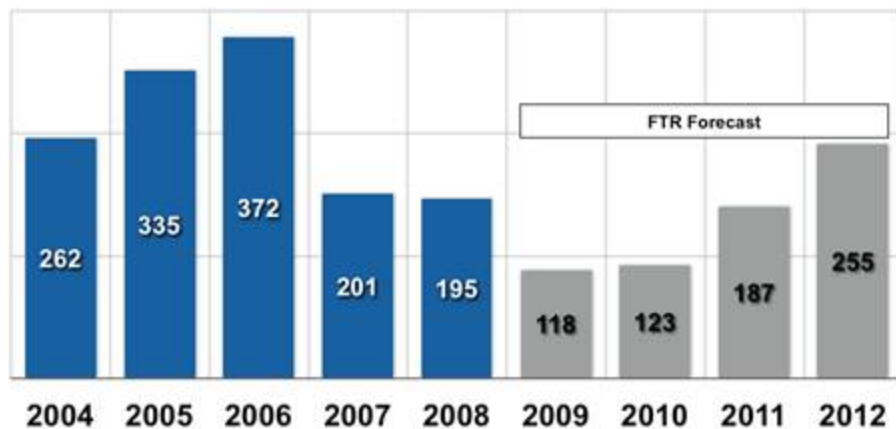
## Top Truck Customers 2009

Customer	North America	South America	Europe
	√	√	√
<b>NAVISTAR</b>	√		
<b>DAIMLER</b>	√	√	√
		√	
<b>IVECO</b>		√	√
<b>PACCAR</b>	√		√
	√	√	√
	√		

# Global Truck Production Trends

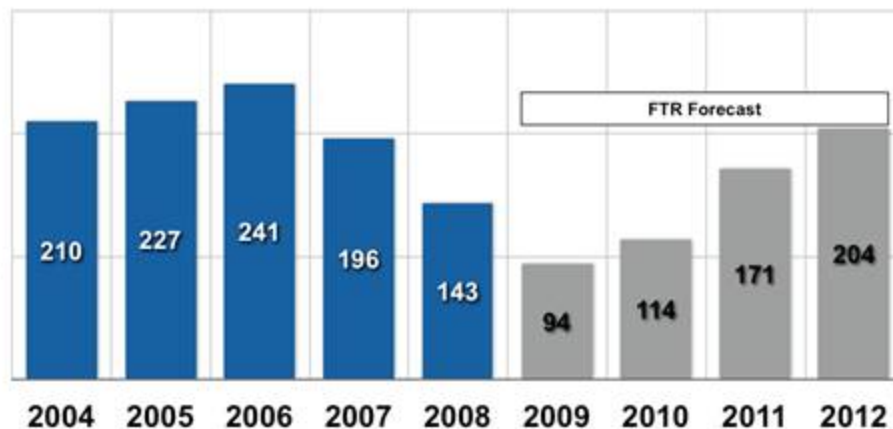
## North America

Class 8 Production (000)  
Calendar Year



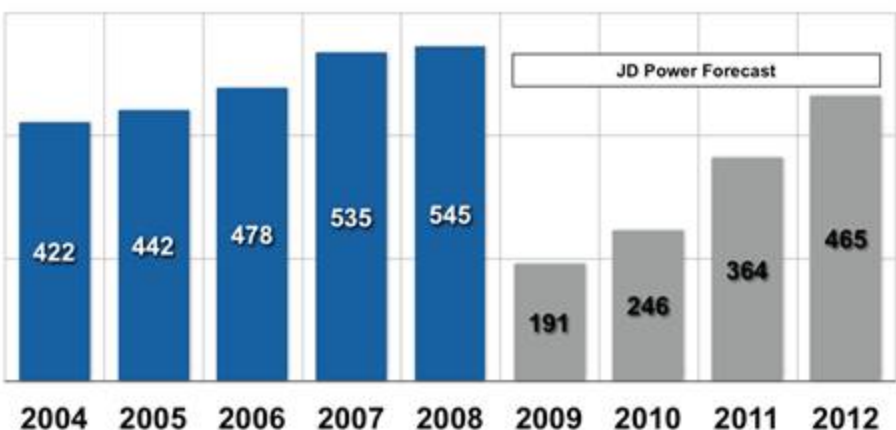
## North America

Class 4-7 Production (000)  
Calendar Year



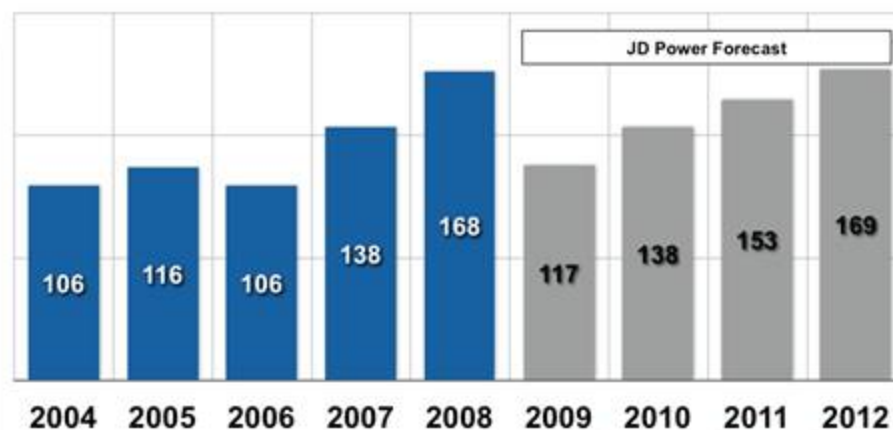
## Western Europe

Med. & Heavy Truck Production GVW>6t (000)  
Calendar Year



## South America

Med. & Heavy Truck Production GVW>6t (000)  
Calendar Year



# Growing Business in North America

## Navistar

- Signed 7-year axle agreement in March 2009
- Meritor axles now standard position on International medium duty trucks and IC Bus brand school and commercial buses
- Gained additional standard axle position on International's heavy-duty trucks
- Gained data book positions for Meritor WABCO



## Volvo

- Meritor will continue to be the standard drive axle supplier for the Volvo and Mack truck brands for the next three years
- RPL Meritor drivelines will be standard on Volvo
- RN Meritor drivelines will be standard on Mack



## DTNA

- Extends long-term relationship with DTNA
- Agreement through 2011
- Continues supply of axles, brakes and drivelines to Freightliner and Western Star at historical penetration levels
- Meritor WABCO awarded standard position for new SS1200 plus air dryer beginning January 2010



## PACCAR

- Meritor front and rear axles and brakes now standard on the KENMEX new T460 for cement mixer and dump truck applications
- KENMEX is the Mexican subsidiary of the Kenworth Truck Company, a PACCAR company



# Next Generation Technology

## MT-14X Tandem Axle

- New design addresses customer needs
  - Improved vehicle efficiency
  - Lowest weight in industry
  - Optimized driveline angularity
  - Higher torque/HP capability
  - Faster axle ratios



**Launch at Mid-America Trucking Show  
Start of Production March 2010**

# Next Generation Technology



## SMART Chassis Control Systems

- Suspension height control systems
- Tire pressure management systems

## Dual Mode Hybrid

- Regenerative braking and energy recovery
- Emission-free idling
- Electrified engine accessories
- Narrow-mode engine operation
- Improved fuel economy (15%+)



## High Efficiency SMART Tandem

- Meritor "high-efficiency" carrier
- Significantly lighter weight
- Less parasitic losses
- Automated traction control

# Growing Business in Western Europe

- Developing technologies to improve product cost, performance and vehicle efficiency to support key customers
- Successfully launched 17-X drive axle for European applications
- Plan to begin production of MS-18X for 60 ton GCW Global applications in 2Q11
- Significant investment planned to support foundation air disc brake business
- Increasing the scale of our well known, on-highway hub reduction technology with the 610 product platform



Hub Reduction Technology



17-X Technology



ELSA Disc Brake

**Capitalize on our unique technology to diversify customer base and grow axle and brake share in Europe**

**ArvinMeritor™**

# Growing Business in Russia

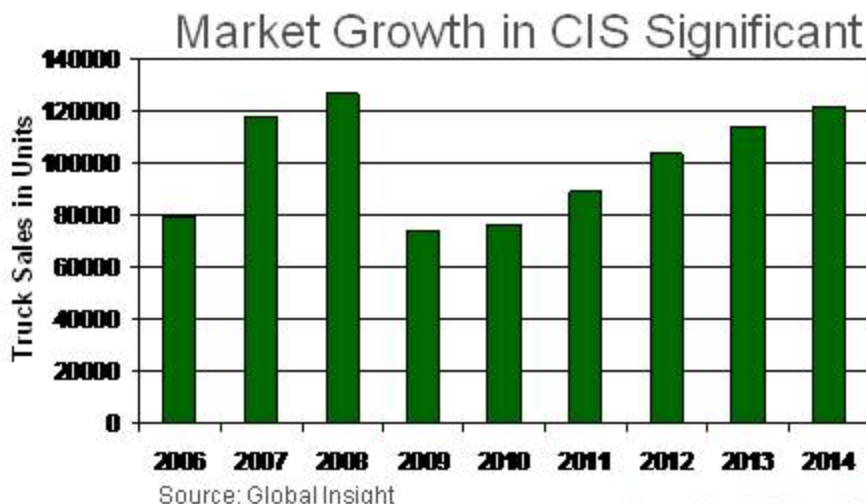
## Background

- ARM sales in the Commonwealth of Independent States (CIS) have increased to more than \$10 million as 100,000 new and used EU and NA trucks have been imported into the region
- Moscow office opened in 2008 to support region with aftermarket needs
- Further growth in CIS expected as conditions improve



## Next Steps





- Signed MOU to study feasibility of a joint venture for axles, brakes and trailer components in the region
- JV would serve the CIS and provide low cost manufactured components for other territories



# Strong Position in South America

**4** Manufacturing Facilities  
**2** Joint Ventures  
**1300** Employees

BRAZIL

Resende   
Osasco   
Caxias do Sul  

**KEY**

 MANUFACTURING  
 SALES & ADMINISTRATIVE  
 DISTRIBUTION CENTER  
 JOINT VENTURE

**Resende MAN/VW**

- Axle assembly for MAN

**ArvinMeritor do Brasil - Osasco, Brazil**

- Region's largest drive axle manufacturer
- Recently announced \$10 million investment to further expand axle and driveline capacity

**Master (JV with Randon) - Caxias do Sul, Brazil**

- Leader and largest manufacturer of brake systems for commercial vehicles in the region

**Suspensys (JV with Randon)- Caxias do Sul, Brazil**

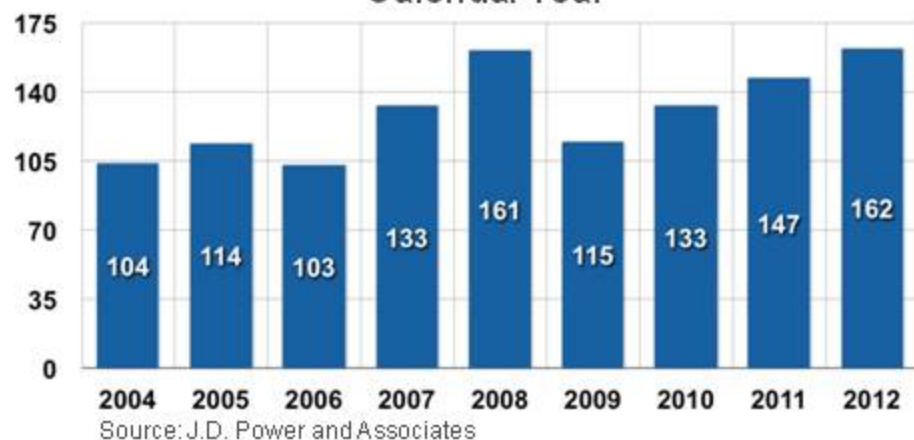
- Leader in suspensions, tag axles and wheel end components

# Brazil Economy Improving

- GDP expanded by 1.9% quarter-over-quarter in 2Q; estimates for approximately 5% real GDP growth through 2015
- Government plans to invest \$160 billion from 2009-2013 on recovery and production of recently discovered deep water oil reserves
- Expected government stimulus for 2014 World Cup and 2016 Summer Olympics
- Growth Acceleration Program will invest more than \$400 billion over next five years in infrastructure

Customer	Axles	Brakes	Suspension
			
DAIMLER			
			
			
IVECO			
			

Brazil  
Truck Production, GVW>6t  
Calendar Year



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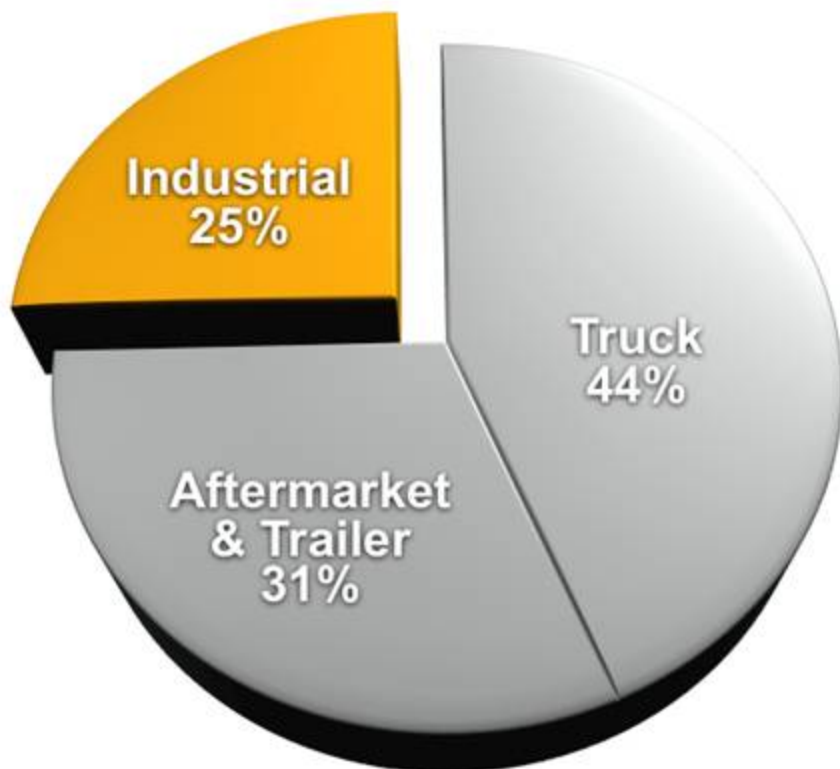
Tim Bowes

President, Industrial and Asia Pacific

**ArvinMeritor**<sup>TM</sup>

# Industrial and Asia Pacific

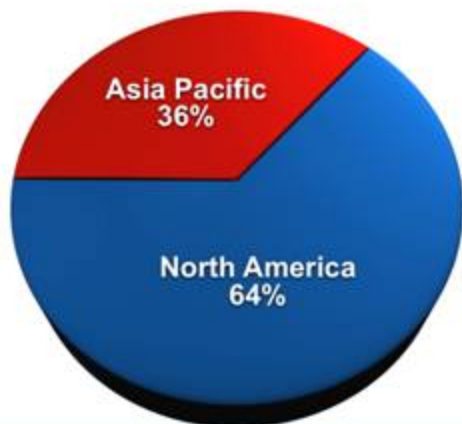
## Based on FY09 Sales



- Off-Highway
  - Leading independent off-highway axle supplier in China
  - Re-entering global off-highway market leveraging global scale and technology
- Defense
  - Largest independent drivetrain producer for tactical wheeled vehicles globally
- Commercial Vehicle
  - Largest independent supplier of axles in India and Australia
  - Leading supplier of drum brakes in China
- Specialty
  - Leader in Bus & Coach in U.S.
  - Leader in customized fire truck market in the U.S.
  - Leader in Class 5 AWD market in the U.S.
  - Expanding in premium bus & coach market in India and China

# Industrial and Asia Pacific

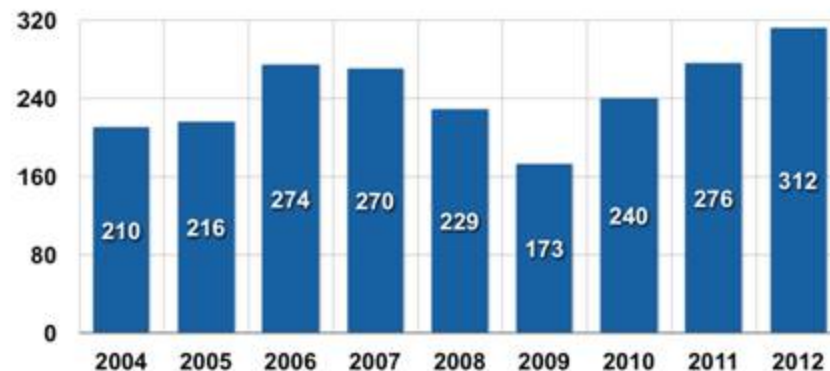
Based on FY09 Sales



## Top Customers 2009

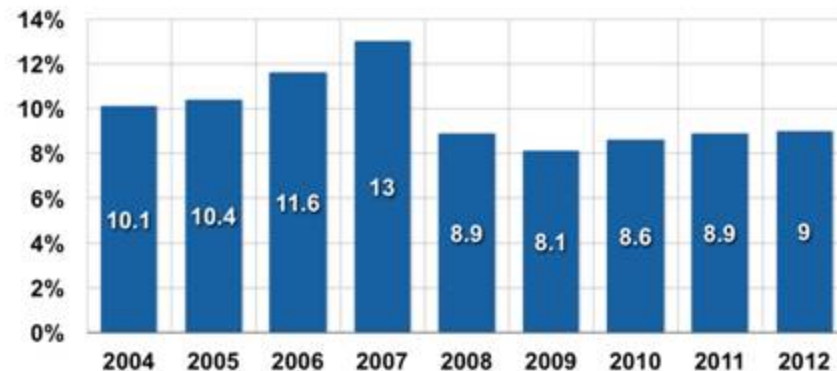
Customer	North America	China	India	Australia Japan
<b>BAE SYSTEMS</b>	√			
<b>NAVISTAR</b>	√		√	
<b>GILLIG</b>	√			
<b>XCMG</b>		√		
<b>CATERPILLAR SEM</b>	√	√		
<b>SANY</b>		√		
<b>YUTONG</b>		√		
<b>ANKAI</b>		√		
<b>ASHOK LEYLAND</b>			√	
<b>TATA</b>			√	

## India Truck Production GVW>6t



Source: J.D. Power and Associates

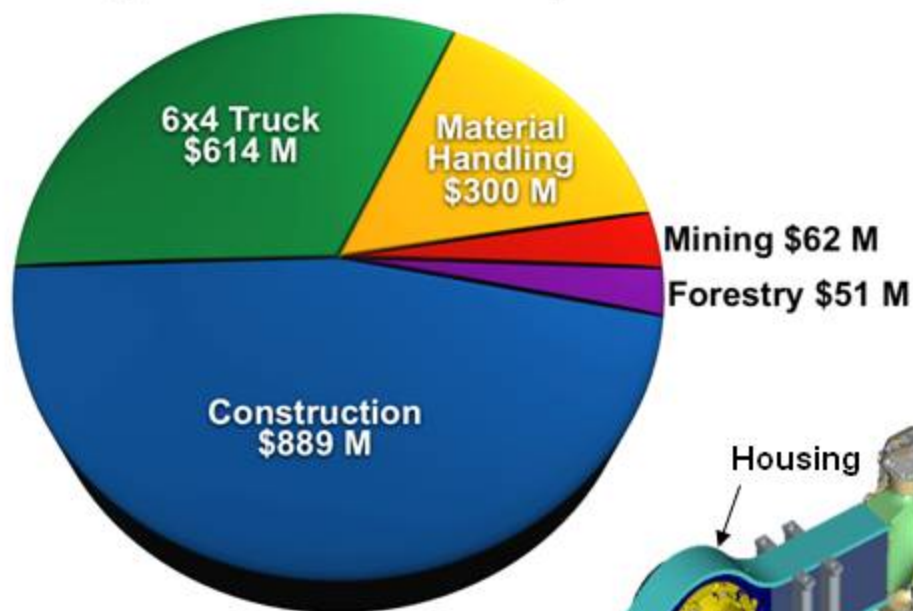
## China GDP Growth



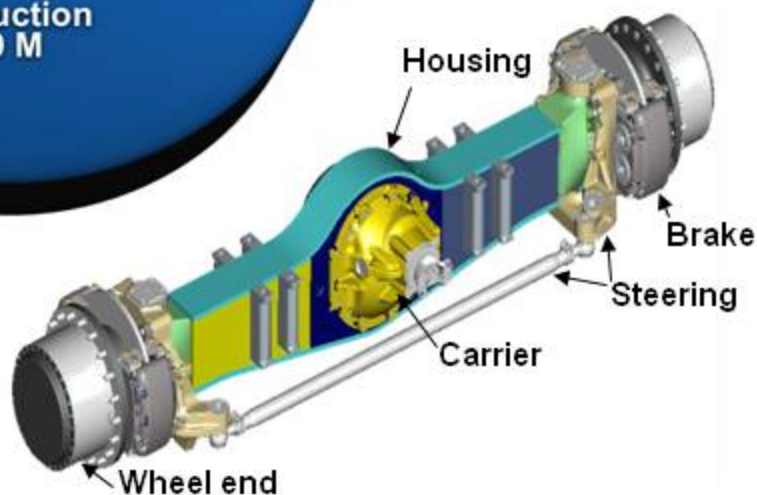
Source: J.D. Power and Associates

# Global Off-Highway Market

Target Launch Market of \$1.9B



AT Crane



- Demand expected to grow through 2014; AP major growth market
- Leveraging China installed base and commercial vehicle products
  - More than 50 new axle models
- Robust global product plans
  - New axle families from 35,000 lb-300,000 lb capacity
- Significant investment planned for Xuzhou Meritor Axle Co. joint venture
  - Targeting 20% increase in capacity

# Defense Programs

## Booked Business

### FMTV

- On-contract through 2010
- Re-buy contract starts in 2011

### MXT

- Production contract with British MoD
- Meritor TACTX™ High Mobility Independent Suspension

### Heavy Tactical Trucks

- Freightliner on contract through 2010

### Aftermarket Service for All Models

## Future Programs

### Joint Light Tactical Vehicle (JLTV)

- HMMWV replacement, production SOP 2013
- ArvinMeritor partnered with 2/3 current OEM's

### Marine Personnel Carrier (MPC)

- Next Generation LAV
- ArvinMeritor on team to build a demonstrator, production 2014

## DEFENSE STRATEGY

Secure North America position  
Expand in selective markets



MXT



FMTV

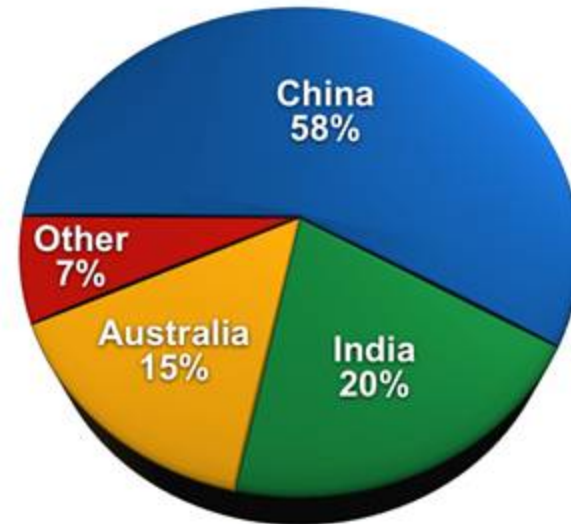


JLTV

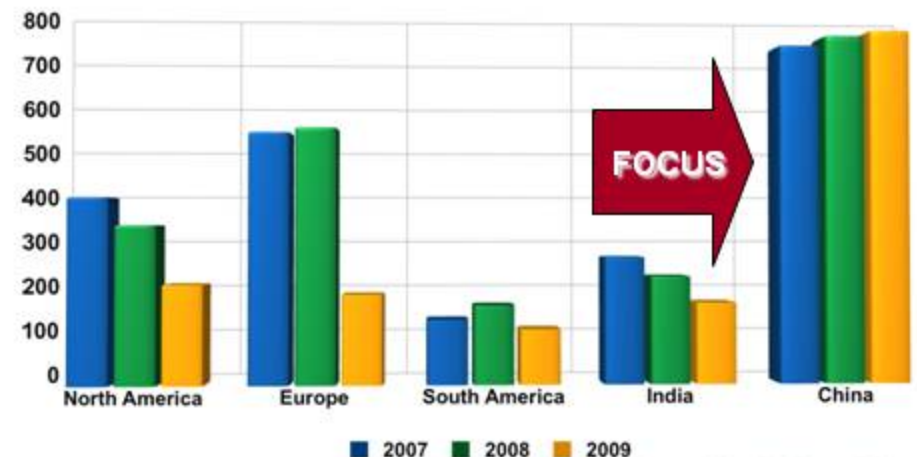
# Asia Pacific Strategy

- Market presence for nearly 30 years
- Strong in-region management with localized manufacturing and sourcing
- Regional product development leveraging global capabilities
- Strong relationships
- Focused on China, India and ASEAN region
- Exploring organic and inorganic growth opportunities
- Increasing engineering capabilities

Based on FY09 Sales



Regional Market Comparison for Truck Production



# Asia Pacific Footprint

**5** Countries  
**7** Manufacturing Facilities  
**4** Joint Ventures  
**2** Technical Centers  
**2600** Employees



# China Commercial Vehicle and Specialty

## ArvinMeritor Vehicle Systems Co., Ltd.

- **Location:** Wuxi, Jiangsu Province, China
- **Products:** Air disc brake, carrier assembly, axles, trailer beam and axle
- **Markets:** Bus & Coach



## Meritor Huayang Vehicle Braking Co., Ltd.

- **Location:** Shiyan, Hubei Province, China
- **Products:** Drum brakes
- **Markets:** Commercial vehicles, Bus & Coach and Off-Highway



## Growth Strategy

- Expand axle offering for high and mid-range OE Market (truck and bus)
- Increase brake capabilities
- Increase local engineering and customer service capability

# India Growth Strategy

## Meritor HVS (India) Ltd. and Automotive Axles Ltd.

- **Location:** Mysore
- **Main Products:** Drive axles, front steer axles, tag axles and brakes; significant engineering and validation capabilities exist
- **Established:** Partnerships with Kalyani Group established in 1998 and 1981



## Growth Strategy

- Sales growth in foundation and air disc brakes
- Expand product portfolio to meet increasing needs in the commercial vehicle market
- Strategically enter growing Indian off-highway market
- Opportunities in military market
- Advanced product design and development capabilities in Bangalore technical center

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**Joe Mejaly**

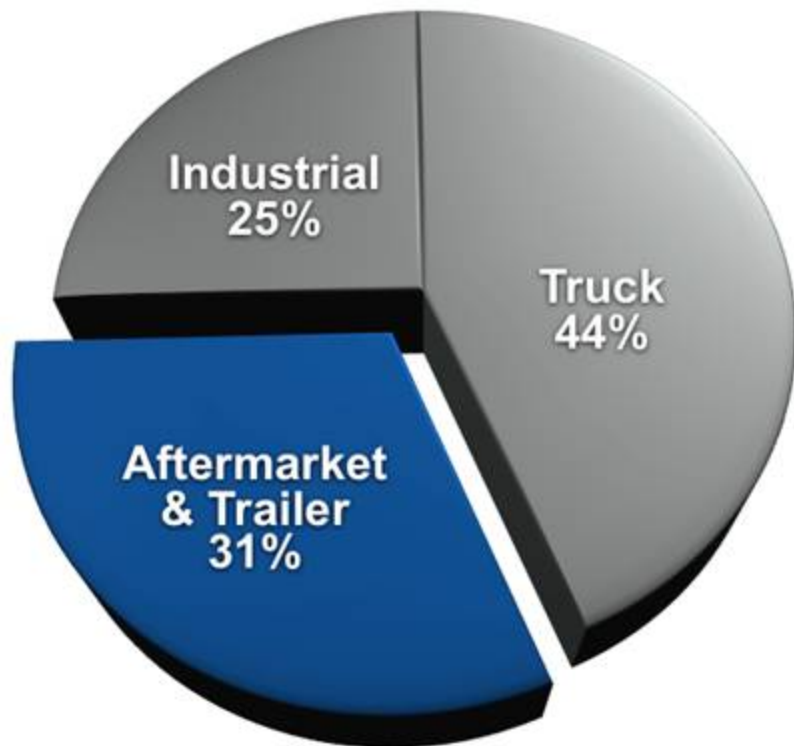
President

Aftermarket & Trailer

**ArvinMeritor**<sup>TM</sup>

# Aftermarket & Trailer Segment

## Based on FY09 Sales



### Global Aftermarket Business

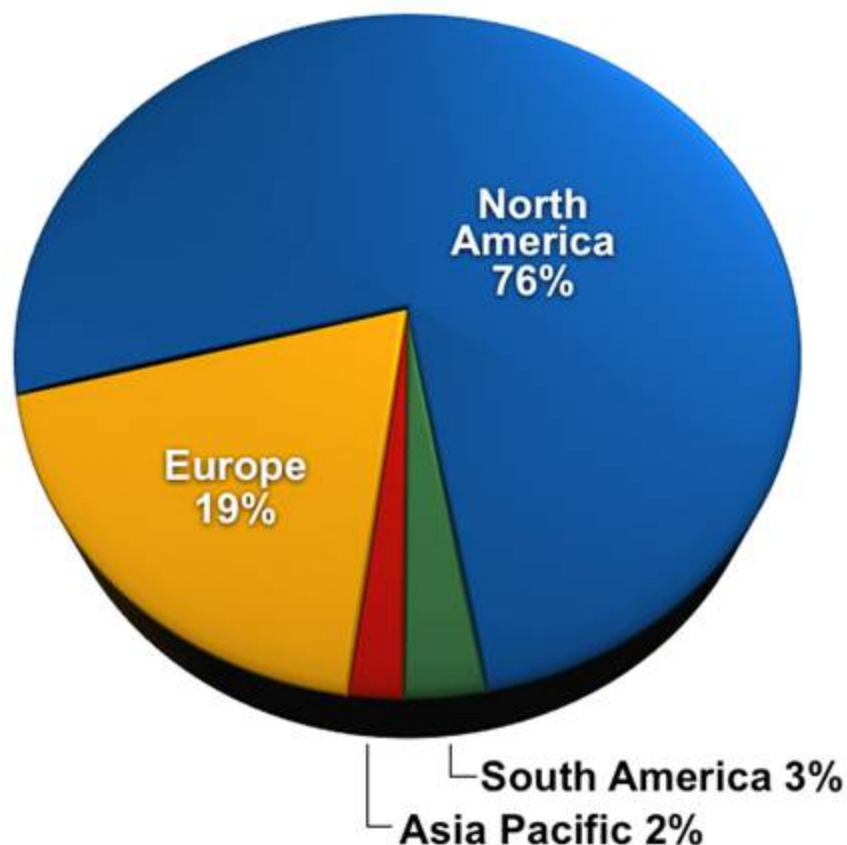
- Well-known brand portfolio and product life-cycle service and support
- World-class packaging and distribution
- Remanufacturing global enterprise
- Extensive product portfolio and “all makes” competitor product lines
- Industry-wide leader in customer service

### Global Trailer Business

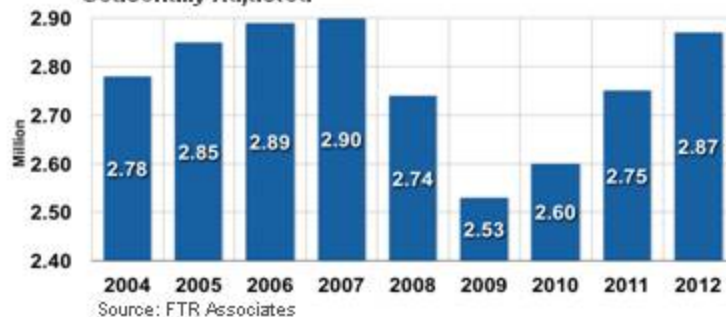
- Full-line axle, wheel-end and suspension supplier
- Established footprint in North America and Europe
- Leading market position with joint venture in South America
- Distribution in Asia Pacific region

# Aftermarket & Trailer

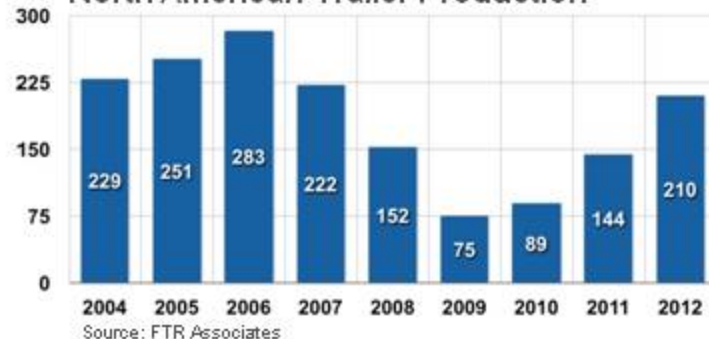
Based on FY09 Sales



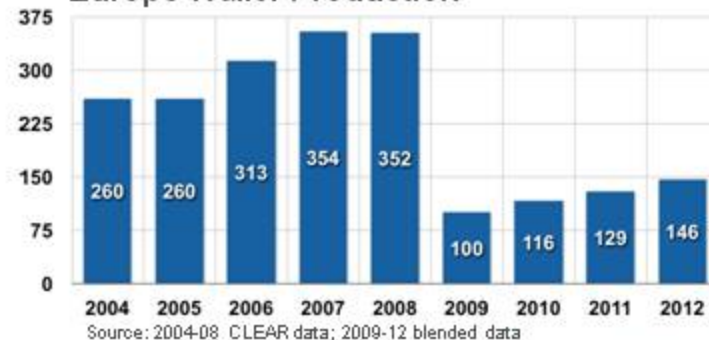
U.S. Truck Freight Ton Miles  
Seasonally Adjusted



North American Trailer Production



Europe Trailer Production



# Aftermarket Success Formula

## Servicing the Full Lifecycle of the Vehicle



## Product Brands



## Products

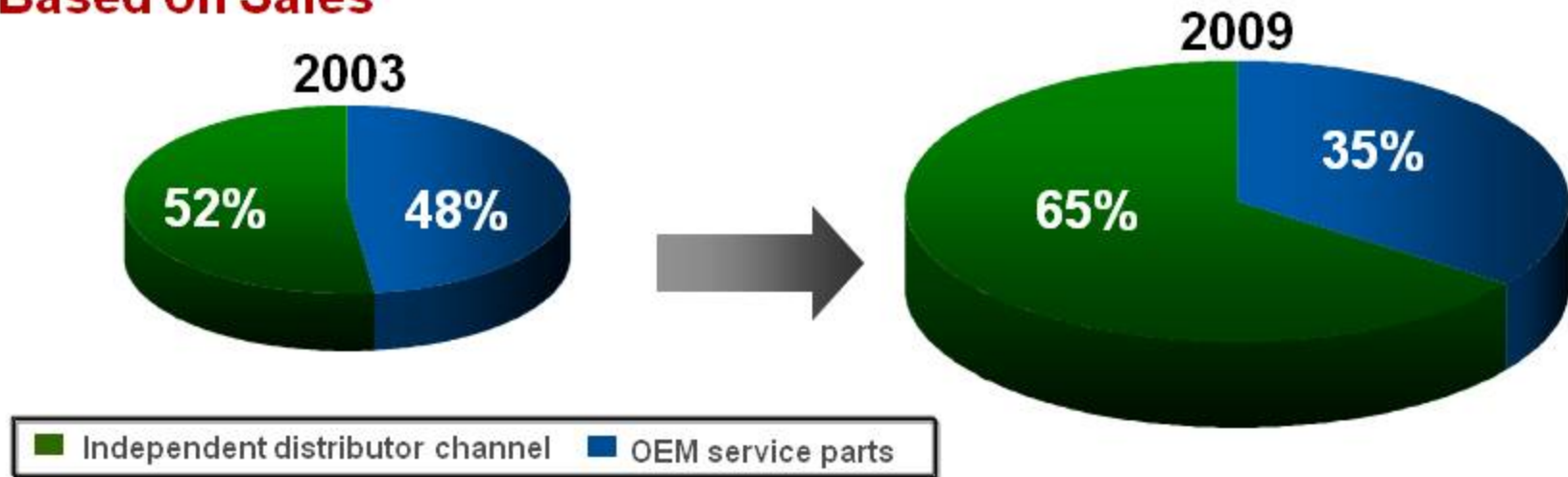
- Transmissions
- Axles
- Electronic products
- Braking components
- Drivelines
- Trailer axles/components
- Steering gears
- Air systems/components
- Clutches
- Hydraulic braking systems
- Remanufactured portfolio

## Distribution Expertise and Extensive Global Network

- Advanced warehousing management and distribution systems
  - Highly-automated component packaging capability
  - Same day shipment for vehicle-down emergencies
  - Lean warehousing and Six Sigma-driven processes
  - Highly-efficient order processing capability
  - Low transaction cost
- Global Reach
  - 11 distribution centers across 5 continents
  - 7 remanufacturing centers
  - 8 customer assistance call centers
  - 3,300 distributors
  - 2,600 OE dealers

# Aftermarket Growth Initiatives - Europe

## Based on Sales



## Growth driven by:

- All-makes extensions
- Reman offerings
- Brand differentiation
- Infrastructure investments
- Price point products for broad European market
- “Meritor Service Point”

# Strategy for Globalization



# Trailer Growth Initiatives

- Significantly reduced breakeven levels at current industry volumes
- Well-positioned with new product launches
- Prepared to capitalize on market recovery

<p><b>North America</b></p>	<ul style="list-style-type: none"> <li>• Maintain #1 position in trailer axles and braking systems</li> <li>• Expand product offerings               <ul style="list-style-type: none"> <li>• Launch new MTA air suspension in 2010</li> <li>• Introduce new advanced technologies (MTIS)</li> </ul> </li> </ul>	 <p><b>MTA Air Suspension</b></p>
<p><b>Europe</b></p>	<ul style="list-style-type: none"> <li>• Enhance product lines               <ul style="list-style-type: none"> <li>• Launched Euroflex new air suspension in 2009</li> </ul> </li> <li>• Drive growth by leveraging:               <ul style="list-style-type: none"> <li>• Sales and service support</li> <li>• Aftermarket distribution network</li> </ul> </li> </ul>	 <p><b>Euroflex</b></p>
<p><b>South America</b></p>	<ul style="list-style-type: none"> <li>• Grow with strong joint venture partner</li> <li>• Expand product offerings               <ul style="list-style-type: none"> <li>• Launch next generation air suspension in 2010</li> </ul> </li> </ul>	 <p><b>Suspensys</b></p>
<p><b>Asia Pacific</b></p>	<ul style="list-style-type: none"> <li>• Continue to build strong alignment with key customers</li> <li>• Increase market share in Australia and New Zealand and expand in other Asian countries</li> <li>• Expand mfg. and dist. footprint in region</li> </ul>	 <p><b>CS Suspension</b></p>

# Analyst Day

December 15, 2009

Chris Snodgrass

Vice President

Worldwide Manufacturing and Supply Chain

**ArvinMeritor**<sup>TM</sup>

# Manufacturing Operations Turnaround

Footprint



APS  
Lean



Supply Chain  
Management



Manufacturing  
Technology

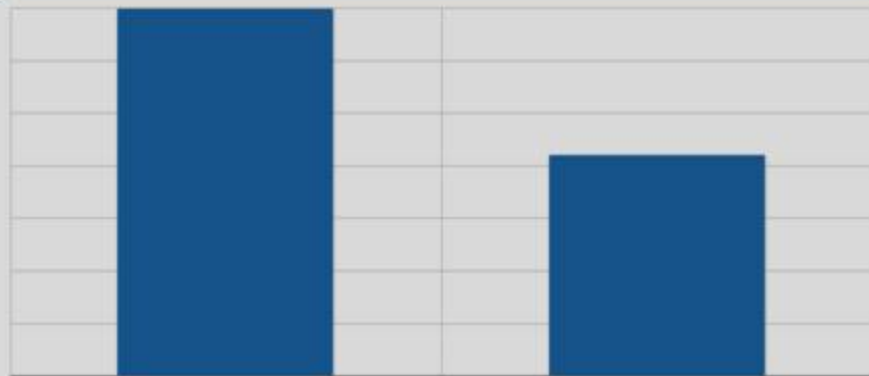


Customer  
Satisfaction



Labor and Burden

40% reduction in manufacturing  
conversion cost

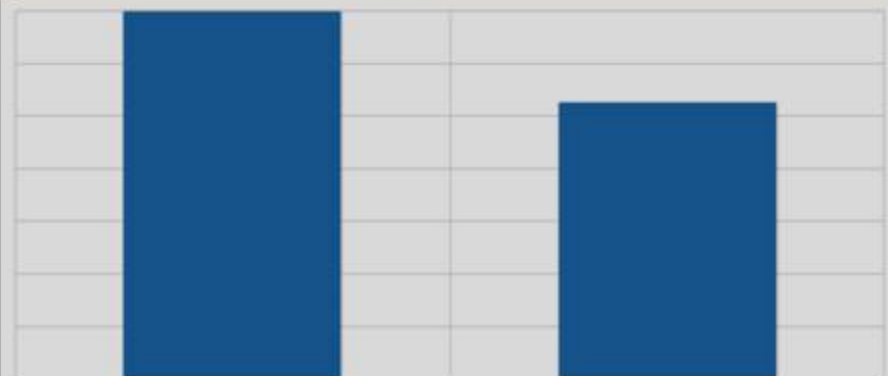


2007

2009

Inventory

25% reduction in inventory  
through performance

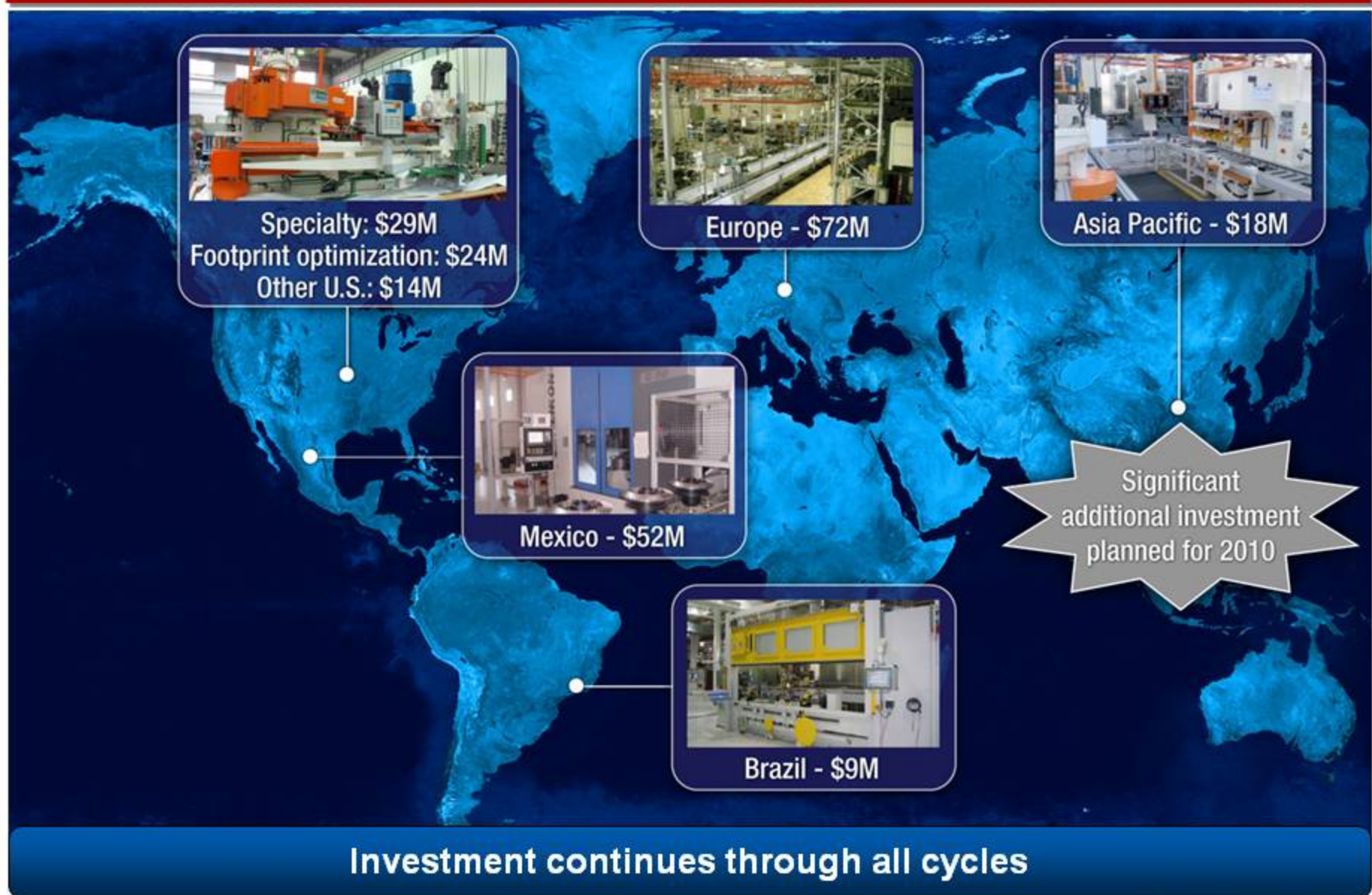


2007

2009

Five focus areas driven by a foundation of talented employees

# Global Manufacturing Investment 2007-2009



# Preparing North America for the Upturn

## North American Footprint



Consolidated footprint

## Mexico



Increased flexibility and capability

# Industrializing Footprint for Growth in Asia

## Asia Pacific Footprint



Positioning footprint for growth

## China



Localizing capability

# ArvinMeritor Production System

## 5S/TPM



- ✓ 5S - TPM
- ✓ Strong Metrics
- ✓ Kaizen
- ✓ Employee Empowerment
- ✓ Value Stream Mapping

## Empowerment



## Accountability

## Strong Metrics



Operating System

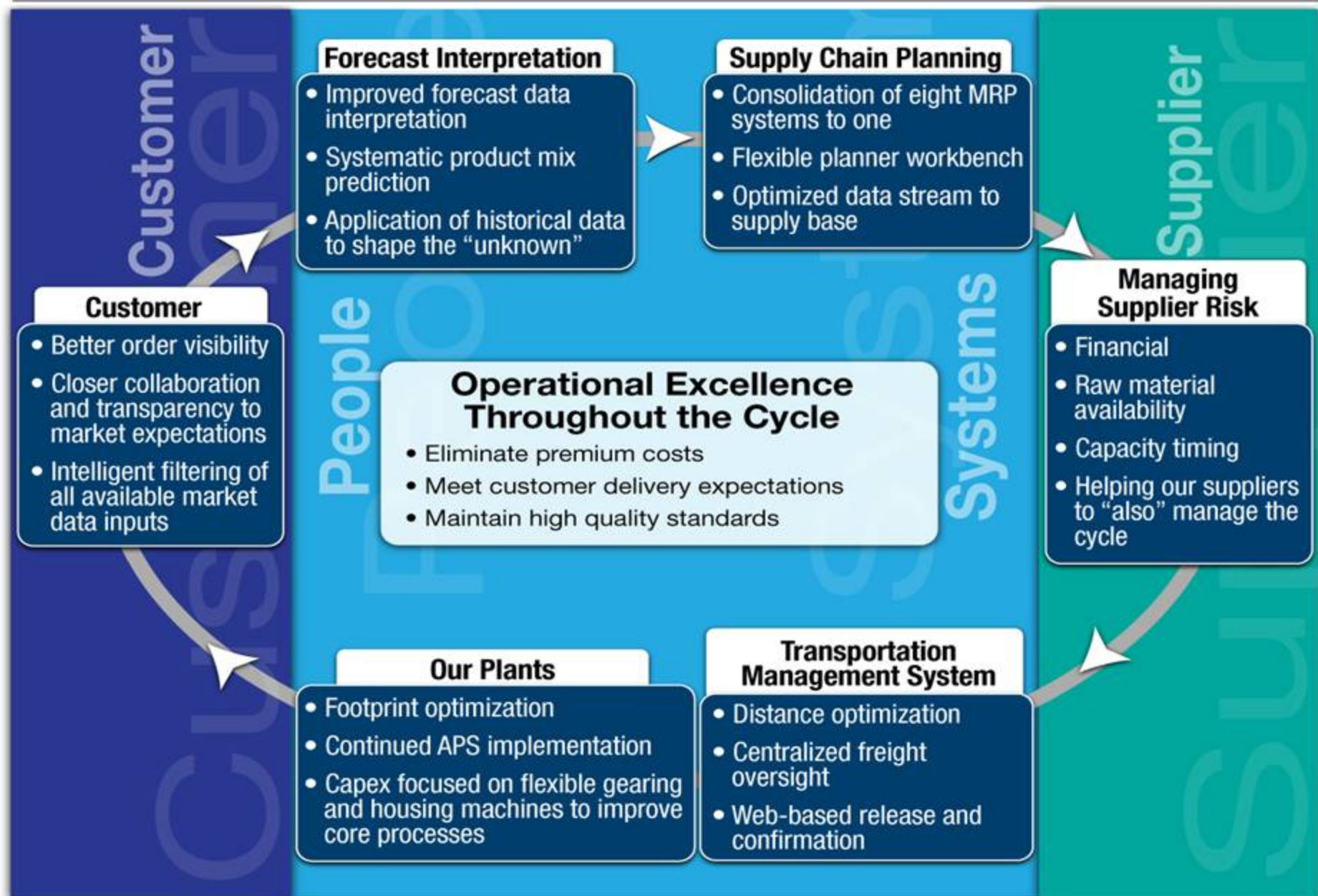
Management System

Mindset, Behaviors & Capabilities

## Kaizen



# Managing the Cycle



# Analyst Day

December 15, 2009

**Jay Craig**  
Chief Financial Officer

**ArvinMeritor**<sup>TM</sup>

# Segment EBITDA Before Special Items<sup>(1)</sup>

(in millions)

	Quarter Ended September 30,		Year Ended September 30,	
	2009	2008	2009	2008
<b>Sales</b>				
Commercial Truck	\$ 325	\$ 690	\$ 1,566	\$ 2,922
Industrial	220	290	888	1,117
Aftermarket & Trailer	219	307	954	1,183
Light Vehicle Systems	288	340	1,033	1,571
Intersegment Sales	(68)	(96)	(333)	(403)
<b>Total Sales</b>	<b>\$ 984</b>	<b>\$ 1,531</b>	<b>\$ 4,108</b>	<b>\$ 6,390</b>
<b>EBITDA</b>				
Commercial Truck	\$ 1	\$ 27	\$ (38)	\$ 116
Industrial	24	36	126	128
Aftermarket & Trailer	18	34	89	110
Light Vehicle Systems	-	5	(53)	15
<b>Segment EBITDA</b>	<b>\$ 43</b>	<b>\$ 102</b>	<b>\$ 124</b>	<b>\$ 369</b>
<b>Unallocated Corporate Costs</b>	<b>(3)</b>	<b>(15)</b>	<b>(8)</b>	<b>(39)</b>
<b>Total EBITDA</b>	<b>\$ 40</b>	<b>\$ 87</b>	<b>\$ 116</b>	<b>\$ 330</b>
<b>Total EBITDA Margin</b>	<b>4.1%</b>	<b>5.7%</b>	<b>2.8%</b>	<b>5.2%</b>

(1) Continuing operations before special items. See appendix – "Non-GAAP Financial Information."

# 2009 Income Tax Expense

## Continuing Operations – Before Special Items <sup>(1)</sup>

(in millions)

<b>Q409</b>	<b>BSI PBT Inc./ (Exp.)</b>	<b>BSI Inc. Tax Exp</b>	<b>Effective Rate</b>
Income not subject to VA	\$ 37	\$ 12	32.4%
Income subject to VA <sup>(2)</sup>	(35)	-	
Year-end tax adjustments	-	6	
<b>Total</b>	<b>\$ 2</b>	<b>\$ 18</b>	

<b>FY09</b>	<b>BSI PBT Inc./ (Exp.)</b>	<b>BSI Inc. Tax Exp</b>	<b>Effective Rate</b>
Income not subject to VA	\$ 122	\$ 32	26.2%
Income subject to VA <sup>(3)</sup>	(171)	-	
Year-end tax adjustments	-	6	
<b>Total</b>	<b>\$ (49)</b>	<b>\$ 38</b>	

(1) See appendix – "Non-GAAP Financial Information."

(2) Expected ~\$10 million benefit on losses (approx. 30% statutory rate) not realized in Q4 2009 due to valuation allowances established in fiscal year 2009.

(3) Expected ~\$51 million benefit on losses (approx. 30% statutory rate) not realized in FY 2009 due to valuation allowances established in fiscal year 2009.

# Free Cash Flow (1)

(in millions)

	Quarter Ended September 30,		Year Ended September 30,	
	2009	2008	2009	2008
Pretax Income from Continuing Operations	\$ (2)	\$ 23	\$ (361)	\$ 93
Impairments	-	-	223	-
Net Spending (D&A less Capital Expenditures)	4	(17)	(30)	(18)
Pension and Retiree Medical Net of Expense	(5)	6	(26)	22
Performance Working Capital (2)	41	234	210	(154)
Off Balance Sheet Securitization and Factoring	(15)	(83)	(275)	120
Other, including Restructuring	(13)	(84)	(131)	(21)
<b>Free Cash Flow from Continuing Ops.</b>	<b>\$ 10</b>	<b>79</b>	<b>\$(390)</b>	<b>\$ 42</b>
Discontinued Operations	12	24	(39)	(51)
<b>Free Cash Flow</b>	<b>\$ 22</b>	<b>\$ 103</b>	<b>\$ (429)</b>	<b>\$ (9)</b>
<b>Memo: Cash Flow Provided by Continuing Operations</b>	<b>\$ 27</b>	<b>\$ 127</b>	<b>\$ (279)</b>	<b>\$ 180</b>

(1) See appendix – "Non-GAAP Financial Information."

(2) Change in payables less changes in receivables, inventory and customer tooling.

# Fourth Quarter 2009 Results Comparisons<sup>(1)</sup>

---

	<b>FY09 Q3 Actual<sup>(2)</sup></b>	<b>FY09 Q4 Actual</b>
Sales	\$942 million	\$984 million
EBITDA BSI	\$28 million	\$40 million
EPS BSI	\$(0.29)	\$(0.28)
FCF before Factoring and Restructuring	\$158 million	\$48 million
FCF	\$73 million	\$22 million

(1) See appendix – "Non-GAAP Financial Information."

(2) Recast for LVS divestitures, including removal of Wheels, as reported in Q4 2009.

# Margins vs. Prior Quarter

## EBITDA Margin Before Special Items <sup>(1)</sup>

	EBITDA <sup>(1)</sup> Margin
<b>Q309 – As previously reported</b>	<b>3.3%</b>
Wheels and Chassis divestitures	(0.3)
<b>Q309 – Excluding Wheels and Chassis</b>	<b>3.0%</b>
Europe medium & heavy truck production volume	(1.0)
North America production volume	0.3
South America production volume	0.3
Performance Plus and other cost savings	1.6
Other	(0.2)
<b>Core Business subtotal</b>	<b>4.0%</b>
LVS	0.1
<b>Q409</b>	<b>4.1%</b>

(1) ArvinMeritor uses EBITDA as the primary basis for the chief operating decision maker to evaluate the performance of each of the company's reportable segments. See appendix for consolidation and comparison to GAAP measures. EBITDA margin equals EBITDA divided by sales.

# Structural Cost Reductions<sup>(1)</sup>

(in millions)

Core Business FY09 Savings <sup>(1)</sup>	Q4	FY	Run Rate
Structural Cost Reductions	\$34	\$97	\$136
Temporary Cost Reductions	\$13	\$48	\$52
Variable Labor (Volume related)	\$18	\$50	\$72
Total	\$65	\$195	\$260

FY10 and beyond



(1) Cost reductions represent expected savings based on current information and management's best estimates.

# Pension & OPEB Update

(in millions)

**FY07**

**FY08**

**FY09**

**FY10E<sup>(1)</sup>**

## Pension

**Unfunded Status**

**\$181**

**\$115**

**\$517**

**N/A**

**Expense<sup>(2)</sup>**

**\$69**

**\$46**

**\$22**

**\$38**

**Contributions**

**\$152**

**\$34**

**\$25**

**\$51**

## **Discount Rate**

**U.S.**

**6.35%**

**7.10%**

**5.70%**

**N/A**

## **Asset Returns**

**U.S.**

**Long-term return assumption currently at 8.5%**

## OPEB

**Contributions<sup>(3)</sup>**

**\$50**

**\$48**

**\$75**

**\$46**

(1) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

(2) Based on continuing operations excluding restructuring expenses.

(3) Includes \$28 million one-time settlement of USW retiree medical in Q1 2009.

# 2010 Planning Assumptions<sup>(1)</sup>

## Fiscal Year Basis

(in millions)		
Capital Expenditures	\$90 - \$110	✓
Interest Expense	\$95 - \$110	✓
Income Tax Expense - BSI	\$40 - \$60	✓
Cash Income Taxes	\$25 - \$50	✓

(1) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

# Update on First Quarter Outlook<sup>(1)</sup>

	FY 2009 Q4 Actual <sup>(2)</sup>	FY 2010 Q1 Outlook <sup>(1)</sup>
Sales	\$984 million	Higher ✓
EBITDA BSI	\$40 million	Higher ✓
Income before Taxes BSI	\$2 million	Higher ✓
FCF before Factoring and Restructuring	\$48 million	Slightly Negative ✓
FCF	\$22 million	Around Breakeven ✓

(1) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

(2) See appendix – "Non-GAAP Financial Information" for a reconciliation to GAAP.

# Stable Cash Flow Results<sup>(1)(2)</sup>

- Q1 FY 2010 Free Cash Flow is expected to be significantly better than previous years

(in millions)	FY 2010 Q1 Outlook <sup>(1)</sup>	FY 2009 Q1 Actual	FY 2008 Q1 Actual
Free Cash Flow	Around Breakeven	\$(386) million	\$(305) million

- We expect to achieve positive Free Cash Flow for three consecutive quarters

(in millions)	FY 2010 Q1 Outlook <sup>(1)</sup>	FY 2009 Q4 Actual	FY 2009 Q3 Actual	FY 2009 Q2 Actual	FY 2009 Q1 Actual
Free Cash Flow	Around Breakeven	\$22	\$73	\$(138)	\$(386)

(1) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

(2) See appendix – "Non-GAAP Financial Information."

(3) GAAP cash flow provided by (used for) continuing operations was \$ (338) million for fiscal year 2009 first quarter, \$(271) million for fiscal year 2008 first quarter, \$27 million for fiscal year 2009 fourth quarter, \$99 million for fiscal year 2009 third quarter and \$(102) million for fiscal year 2009 second quarter.

# Path to Long-Term EBITDA Target<sup>(1)(2)</sup>

(in millions)

FY 2008 adjusted Sales <sup>(3)</sup>	\$4,819	FY 2008 adjusted EBITDA <sup>(3)</sup>	\$354
10% EBITDA Target	~\$490	Structural Cost Reductions	\$135
FY 2008 adjusted EBITDA <sup>(3)</sup>	<u>\$354</u>	(see Slide – Structural Cost Reductions)	
Gap	~\$135	Increased costs for Growth initiatives	~\$(50)
		Return on incremental Sales	<u>~\$75</u>
		Potential EBITDA at 10% margin target	~\$515

## Requirements to Achieve Target

- Recovery of global commercial vehicle markets to reasonable levels of demand
- Maintain structural cost reductions as commercial vehicle industries rebound
- Continued execution of growth initiatives

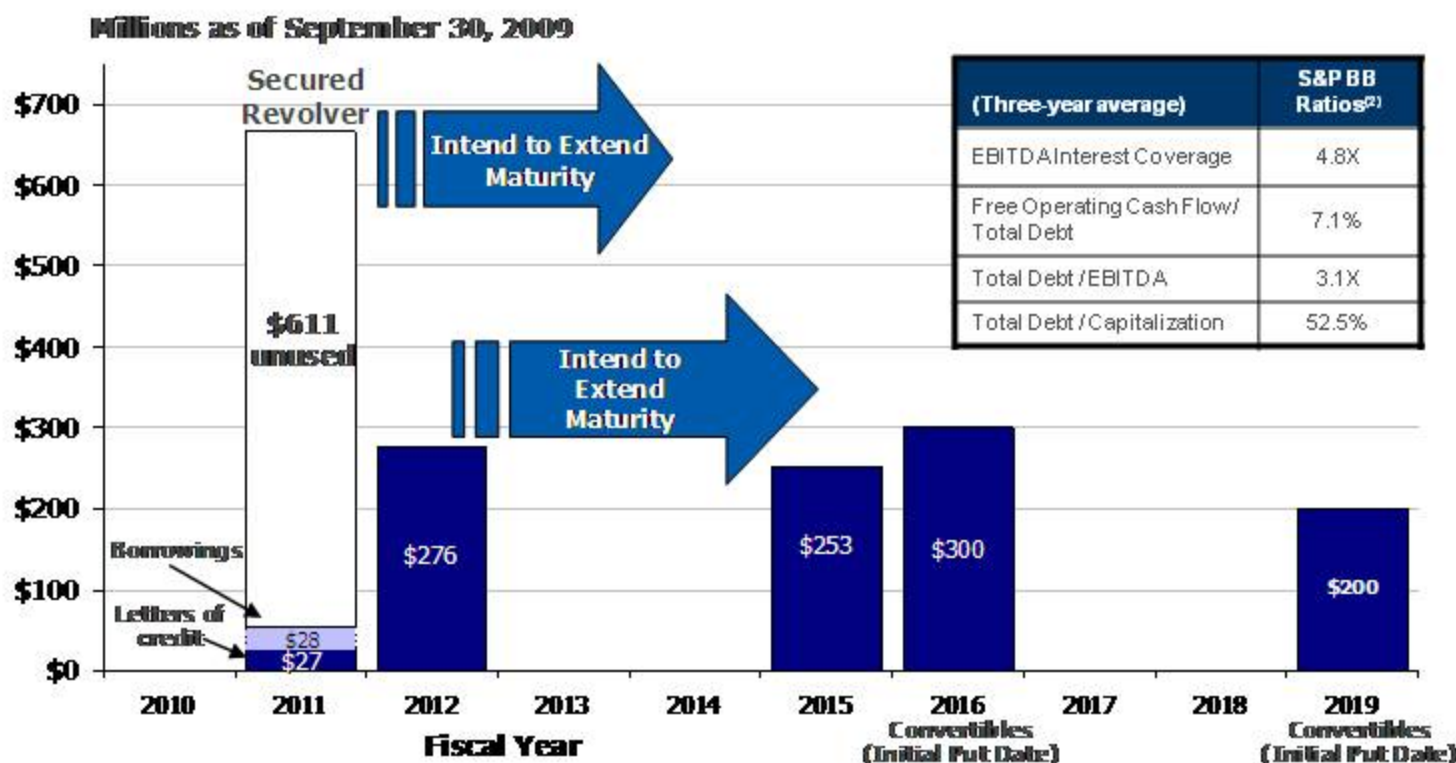
(1) EBITDA before special items target of 10% average through the cycle; based on management's long-term planning assumptions.

(2) Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

(3) Excludes LVS and unallocated corporate and sold businesses.

# Long-Term Capital Structure<sup>(1)</sup>

- FY10 plan to extend maturities of our revolver and bulk of 2012 notes
- Long-term objective of achieving credit statistics near investment grade



(1) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

(2) S&P key industrial financial ratios – Three-year (2005-2007) average medians for BB rated companies.

# Analyst Day

December 15, 2009

**Mary Lehmann**

Senior Vice President  
Strategic Initiatives

**ArvinMeritor**<sup>TM</sup>

# LVS Divestiture – Significant Progress to Date

## Chassis

- Transactions solidified ArvinMeritor's liquidity position
- Sold stake in Gabriel de Venezuela (June 2009)
- Sold Gabriel Ride Control North America U.S. (July 2009), Mexico (August 2009)
- Sold stake in joint venture with Mitsubishi Steel (MSSC) (October 2009)
- Sales from remaining Chassis businesses were \$106 million in FY09
- Remaining Chassis businesses have operated near breakeven; most will run off over the next two years as vehicle programs end

Chassis Operations  
2008 Sales



## Wheels

- Sold and closed in September 2009; \$166 million net proceeds

**Wheels complete; Chassis divestiture essentially complete**

# LVS Financial Update

3Q 2009

4Q 2009

Based on FY09 Sales

**Sales**

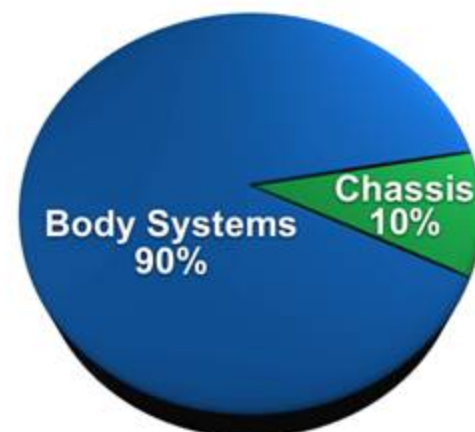
**\$259**

**\$288**

**EBITDA – BSI<sup>(1)</sup>**

**\$(6)**

**\$0**



**Free Cash Flow**  
(Before Factoring)

**Slightly  
Positive**

**About  
Breakeven**

**Capital  
Expenditures<sup>(2)</sup>**

**\$25 - \$30 million in FY 2010**  
(included in total company FY 2010  
assumption of \$90 - \$110 million)

(1) See appendix – "Non-GAAP Financial Information."

(2) Based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

# LVS Divestiture – Body Systems

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- Committed to divest Body Systems and will work to achieve the best outcome for our shareholders, customers and employees as we move through 2010
- Body Systems is believed to have stabilized at continuing depressed market volumes
  - EBITDA near breakeven levels in Q3 and Q4 2009
- Improved “cost to carry” should provide time to divest the business in the most economically advantageous way possible
- Preferred outcome is strategic buyer for the business
- External progress updates will be provided

# Analyst Day

December 15, 2009

**Chip McClure**

Chairman, CEO & President

**ArvinMeritor**<sup>TM</sup>

- Strong leadership team
- Strong focus
- Strong market positions
- Strong global foundation
- Strong profitable growth strategy

**A company prepared to realize its full potential**

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# Appendix

## Non-GAAP Financial Information

# Use of Non-GAAP Financial Information

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In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”) included throughout this presentation, the Company has provided information regarding income from continuing operations and diluted earnings per share before special items, which are non-GAAP financial measures. These non-GAAP measures are defined as reported income or loss from continuing operations and reported diluted earnings or loss per share from continuing operations plus or minus special items. Other non-GAAP financial measures include “EBITDA” and “free cash flow”. EBITDA before special items is defined as earnings before interest, taxes, depreciation and amortization, and losses on sales of receivables, plus or minus special items. Free cash flow represents net cash provided by operating activities less capital expenditures.

Management believes that the non-GAAP financial measures used in this presentation are useful to both management and investors in their analysis of the Company’s financial position and results of operations. In particular, management believes that free cash flow is useful in analyzing the Company’s ability to service and repay its debt. EBITDA is a meaningful measure of performance commonly used by management, the investment community and banking institutions to analyze operating performance and entity valuation. Further, management uses these non-GAAP measures for planning and forecasting in future periods. The company uses EBITDA as the primary basis for the chief operating decision maker to evaluate the performance of each of the company’s reportable segments.

These non-GAAP measures should not be considered a substitute for the reported results prepared in accordance with GAAP. Free cash flow should not be considered substitutes for cash provided by operating activities or other balance sheet or cash flow statement data prepared in accordance with GAAP or as a measure of financial position or liquidity. In addition, the calculation of free cash flow does not reflect cash used to service debt and thus, does not reflect funds available for investment or other discretionary uses. EBITDA should not be considered an alternative to operating income as an indicator of operating performance or to cash flows as a measure of liquidity. These non-GAAP financial measures, as determined and presented by the Company, may not be comparable to related or similarly titled measures reported by other companies.

Set forth on the following slides are reconciliations of these non-GAAP financial measures, if applicable, to the most directly comparable financial measures calculated and presented in accordance with GAAP.

In addition, financial data may be provided on a “trailing twelve month basis,” which equates to the sum of the measure in question for the four most recent quarters.

## Non-GAAP Financial Information

### Income Statement Special Items Walk 4Q 2009

	3 Months Ended 9/30/09	Restructuring	Income Tax Charges	Before Special Items 9/30/09
Sales	\$ 984	\$ -	\$ -	\$ 984
Gross Margin	83	-	-	83
Operating Income	12	4	-	16
Income (Loss) From Continuing Operations	(49)	4	25	(20)
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>				
Continuing Operations	<b>\$ (0.68)</b>	<b>\$ 0.06</b>	<b>\$ 0.34</b>	<b>\$ (0.28)</b>
DILUTED Shares Outstanding	72.7	72.7	72.7	72.7
<b>EBITDA</b>				
Commercial Truck	<b>\$ (2)</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 1</b>
Industrial	24	-	-	24
Aftermarket & Trailer	17	1	-	18
Light Vehicle Systems	2	(2)	-	-
Segment EBITDA	41	2	-	43
Unallocated Corporate Costs	(5)	2	-	(3)
Total EBITDA	<u>\$ 36</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 40</u>

## Non-GAAP Financial Information

### Income Statement Special Items Walk 3Q 2009

	3 Months Ended 6/30/09	Restructuring	LVS Separation Costs	Income Tax Charges	Before Special Items 6/30/09
Sales	\$ 942	\$ -	\$ -	\$ -	\$ 942
Gross Margin	69	-	-	-	69
Operating Income (Loss)	(4)	6	1	-	4
Loss From Continuing Operations	(32)	6	1	3	(21)
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>					
Continuing Operations	<b>\$ (0.44)</b>	<b>\$ 0.09</b>	<b>\$ 0.01</b>	<b>\$ 0.05</b>	<b>\$ (0.29)</b>
DILUTED Shares Outstanding	72.7	72.7	72.7	72.7	72.7
<b>EBITDA</b>					
Commercial Truck	<b>\$ (25)</b>	<b>\$ 5</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (20)</b>
Industrial	37	-	-	-	37
Aftermarket & Trailer	18	-	-	-	<b>18</b>
Light Vehicle Systems	(7)	1	-	-	(6)
Segment EBITDA	23	6	-	-	29
Unallocated Corporate Costs	(2)	-	1	-	(1)
Total EBITDA	<b>\$ 21</b>	<b>\$ 6</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 28</b>

## Non-GAAP Financial Information

### Income Statement Special Items Walk 4Q 2008

	3 Months Ended 9/30/08	Restructuring	LVS Separation Costs	Non-cash Income Tax Charges	BSI Tax Rate Impact	Before Special Items 9/30/08
Sales	\$ 1,531	\$ -	\$ -	\$ -	\$ -	\$ 1,531
Gross Margin	142	-	-	-	-	142
Operating Income	30	-	11	-	-	41
Income (Loss) From Continuing Operations	(160)	-	11	183	(8)	26
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>						
Continuing Operations	<b>\$ (2.22)</b>	<b>\$ -</b>	<b>\$ 0.15</b>	<b>\$ 2.53</b>	<b>\$ (0.11)</b>	0.35
DILUTED Shares Outstanding	72.2					73.4
<b>EBITDA</b>						
Commercial Truck	<b>\$ 28</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27</b>
Industrial	36	-	-	-	-	36
Aftermarket & Trailer	34	-	-	-	-	<b>34</b>
Light Vehicle Systems	4	1	-	-	-	5
Segment EBITDA	102	-	-	-	-	102
Unallocated Corporate Costs	(26)	-	11	-	-	(15)
Total EBITDA	<b>\$ 76</b>	<b>\$ -</b>	<b>\$ 11</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 87</b>

## Non-GAAP Financial Information

### Income Statement Special Items Walk FY 2009

	12 Months Ended 9/30/09	Restructuring	LVS Spin-Off Costs	Impairments	Income Tax Charges	Before Special Items 9/30/09
Sales	\$ 4,108	\$ -	\$ -	\$ -	\$ -	\$ 4,108
Gross Margin	304	-	-	-	-	304
Operating Income (Loss)	(290)	80	9	223	-	22
Income (Loss) From Continuing Operations	(1,077)	68	9	216	688	(96)
DILUTED EARNINGS (LOSS) PER SHARE Continuing Operations	<b>\$ (14.86)</b>	<b>\$ 0.94</b>	<b>\$ 0.13</b>	<b>\$ 2.98</b>	<b>\$ 9.49</b>	<b>\$ (1.32)</b>
DILUTED Shares Outstanding	72.5	72.5	72.5	72.5	72.5	72.5
EBITDA						
Commercial Truck	<b>\$ (98)</b>	\$ 52	\$ -	\$ 8	\$ -	<b>\$ (38)</b>
Industrial	124	2	-	-	-	126
Aftermarket & Trailer	88	1	-	-	-	89
Light Vehicle Systems	(281)	19	-	209	-	(53)
Segment EBITDA	(167)	74	-	217	-	124
Unallocated Corporate Costs	(29)	6	9	6	-	(8)
Total EBITDA	<b>\$ (196)</b>	<b>\$ 80</b>	<b>\$ 9</b>	<b>\$ 223</b>	<b>\$ -</b>	<b>\$ 116</b>

## Non-GAAP Financial Information

### Income Statement Special Items Walk FY 2008

	12 Months Ended 9/30/08	Restructuring	LVS Spin-Off Costs	Non-cash Income Tax Charges	BSI Tax Rate Impact	Before Special Items 9/30/08
Sales	\$ 6,390	\$ -	\$ -	\$ -	\$ -	\$ 6,390
Gross Margin	562	-	-	-	-	562
Operating Income	135	9	17	-	-	161
Income (Loss) From Continuing Operations	(115)	6	17	183	(10)	81
<b>DILUTED EARNINGS (LOSS) PER SHARE</b>						
Continuing Operations	<b>\$ (1.60)</b>	<b>\$ 0.08</b>	<b>\$ 0.23</b>	<b>\$ 2.54</b>	<b>\$ (0.14)</b>	1.11
DILUTED Shares Outstanding	72.1					73.0
<b>EBITDA</b>						
Commercial Truck	<b>\$ 117</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 116</b>
Industrial	128	-	-	-	-	128
Aftermarket & Trailer	110	-	-	-	-	<b>110</b>
Light Vehicle Systems	5	10	-	-	-	15
Segment EBITDA	360	9	-	-	-	369
Unallocated Corporate Costs	(56)	-	17	-	-	(39)
<b>Total EBITDA</b>	<b>\$ 304</b>	<b>\$ 9</b>	<b>\$ 17</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 330</b>

## Non-GAAP Financial Information

### EBITDA Reconciliation

	<b>Three Months Ended September 30, 2009</b>	<b>Three Months Ended September 30, 2008</b>	<b>Twelve Months Ended September 30, 2009</b>	<b>Twelve Months Ended September 30, 2008</b>	<b>Three Months Ended June 30, 2009</b>
Total EBITDA - Before Special Items	\$ 40	\$ 87	\$ 116	\$ 330	\$ 28
Asset Impairment Charges	-	-	(223)	-	-
Restructuring Costs	(4)	-	(80)	(9)	(6)
LVS Separation Costs	-	(11)	(9)	(17)	(1)
Loss on Sale of Receivables	-	(7)	(7)	(22)	(1)
Depreciation and Amortization	<b>(21)</b>	(31)	(81)	(120)	(18)
Interest Expense, Net	(21)	(16)	(86)	(80)	(22)
Provision for Income Taxes	(43)	(182)	(707)	(197)	(12)
Loss From Continuing Operations	<u>\$ (49)</u>	<u>\$ (160)</u>	<u>\$ (1,077)</u>	<u>\$ (115)</u>	<u>\$ (32)</u>

## Non-GAAP Financial Information

### Free Cash Flow

(in millions)	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2009	2008	2009	2008
Cash flows provided by (used for) continuing operations	\$ 27	\$ 127	\$ (279)	\$ 180
Capital expenditures - continuing operations	<u>(17)</u>	<u>(48)</u>	<u>(111)</u>	<u>(138)</u>
Free cash flows provided by (used for) continuing operations	<u>10</u>	<u>79</u>	<u>(390)</u>	<u>42</u>
Cash flows used for discontinued operations	19	30	(16)	(17)
Capital expenditures - discontinued operations	<u>(7)</u>	<u>(6)</u>	<u>(23)</u>	<u>(34)</u>
Free cash flow provided by discontinued operations	<u>12</u>	<u>24</u>	<u>(39)</u>	<u>(51)</u>
Free cash flow - full company	<u>\$ 22</u>	<u>\$ 103</u>	<u>\$ (429)</u>	<u>\$ (9)</u>
Free cash flows provided by operations	\$ 22			
Changes in receivables securitization and factoring	15			
Restructuring payments	<u>11</u>			
Free cash flows from continuing operations before restructuring and repayment of off-balance sheet factoring and securitization	<u>\$ 48</u>			

# Non-GAAP Financial Information

## Free Cash Flow

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(in millions)

	<u>2009 Fiscal Quarters Ended</u>			<u>3 Months Ended</u>
	<u>Jun. 30, 2009</u>	<u>Mar. 31, 2009</u>	<u>Dec. 31, 2008</u>	<u>Dec. 31, 2007</u>
Cash flows provided by (used for) operations	\$ 99	\$ (102)	\$ (338)	\$ (271)
Capital expenditures - continuing operations	(22)	(34)	(38)	(26)
Capital expenditures - discontinued operations	<u>(4)</u>	<u>(2)</u>	<u>(10)</u>	<u>(8)</u>
Free cash flows provided by (used for) operations - full company	<u>\$ 73</u>	<u>\$ (138)</u>	<u>\$ (386)</u>	<u>\$ (305)</u>
Free cash flows provided by operations - full company	\$ 73			
Changes in receivables securitization and factoring	74			
Restructuring payments	<u>11</u>			
Free cash flows from operations before restructuring and repayment of off-balance sheet factoring and securitization	<u>\$ 158</u>			