Barclays Capital Third Annual Industrial Select Conference

February 9, 2011

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ArvinMeritor™

Forward-Looking Statements

This press release 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. 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; reduced production for certain military programs and the return of volumes of selected long-term military contracts to more normalized levels; 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.

Transformation Complete

- Completed sale of Body Systems to an affiliate of Inteva Products, LLC on January 3, 2011
- Purchase price at closing was $27 million (1)
  - $12 million in cash at closing (adjusted for estimated balances in working capital and other items at the time of the closing), and further subject to adjustment for actual balances in working capital and other items
  - $15 million promissory note, principal repaid equally over the next five years
  - ArvinMeritor will also receive cash held at the time of the sale by Body Systems entities operating in China and Brazil of approximately $32 million (net of applicable taxes and other withholdings) at the time it becomes available for distribution
- Now focused solely on the commercial vehicle and industrial markets and planning name change to Meritor, Inc. at the end of March, along with NYSE ticker symbol change

(1) Excludes $12 million in outside advisory fees paid in connection with closing.

2011 Strategic Priorities

- Maintain focus on sustainable profitable growth
- Successfully execute as global markets recover
- Drive innovation – accelerating new products and advanced fuel efficient technologies
- Achieve EBITDA margin targets and sustain momentum of cash flow conversion
- Continue focus on strengthening the balance sheet

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Market Leadership Positions[1]

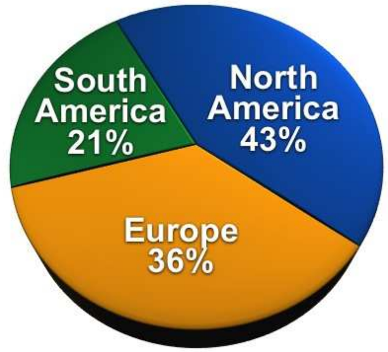
Category	Asia Pacific	Europe	North America	South America
Truck drive axle[2] 	#1 India & Australia	#1	#1	#1
Truck air brake 	Strategic Priority	#2	#1	#1 Joint Venture
Trailer axle 	Developing for Asia Pacific	#3	#1	#1 Joint Venture
Aftermarket 	Strategic Priority	#3 Path to #1	#1	Strategic Priority
Off-highway axle[2] 	#1 China Strategic Priority for Asia Pacific	Strategic Priority		
Military drivetrain, suspension & brakes 	Tactical Opportunity Australia & India	Tactical Opportunity	#1	Tactical Opportunity

[1] Based on market data and management estimates
[2] Independent, non-captive, supplier

Commercial Truck

- Well-positioned to benefit from rebound in global commercial truck markets in North America and Europe
- Established position in South America
- Strong product portfolio and customer relationships
- Building on strong position to diversify customer mix
- Aggressive product launch cadence in 2011/2012/2013
- Designing products for vehicle efficiency

FY 2009 Sales



FY 2010 Sales

Top Truck Customers 2010

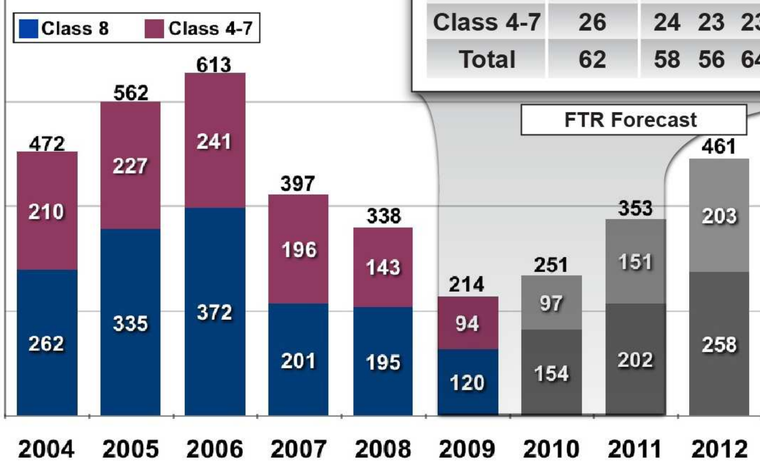
Customer	North America	South America	Europe
VOLVO	✓	✓	✓
NAVISTAR	✓		
DAIMLER	✓	✓	✓
MAN		✓	
IVECO		✓	✓
PACCAR	✓		✓
Ford	✓	✓	✓
HINO	✓		

Commercial Truck

North America

Class 8 & 4-7 Production (000)
Calendar Year

	2009	2010				2011				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Class 8	36	34	33	41	47	47	48	52	55	FY11 194k
Class 4-7	26	24	23	23	26	32	38	40	41	
Total	62	58	56	64	73	79	86	92	96	

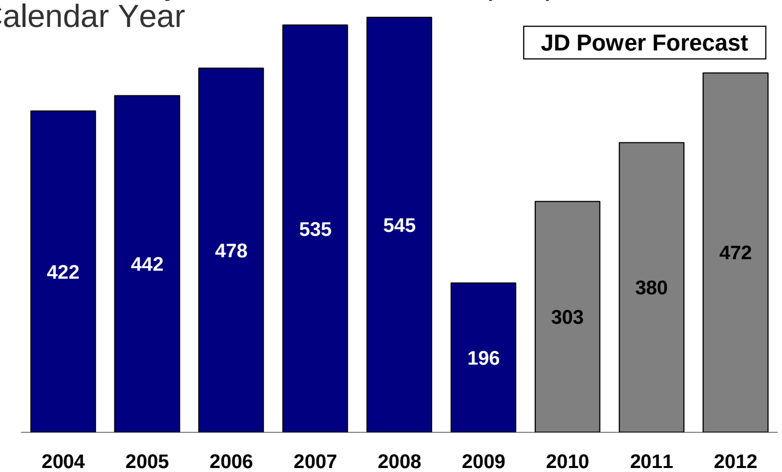


Source: FTR Associates

- N.A. recovery underway
  - FY11 Cl. 8 estimates range from ~190-220k
- Continued strengthening expected in Europe despite sovereign debt concerns
- Brazil continues at strong volumes

Western Europe

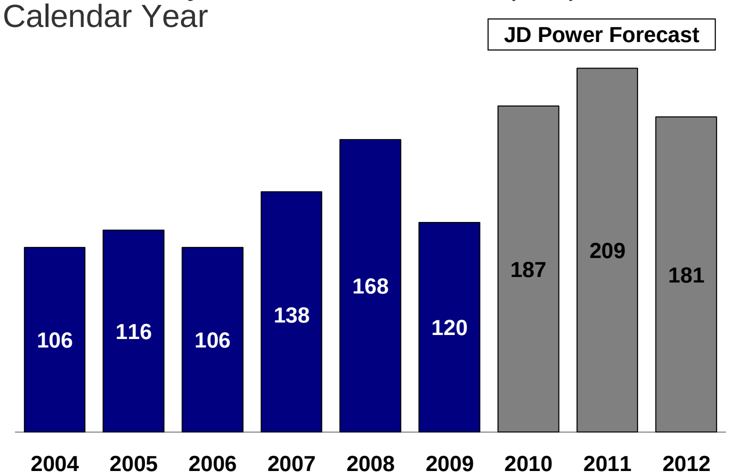
Med. & Heavy Production GVW>6t (000)
Calendar Year



Source: J.D. Power and Associates

South America

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



Source: J.D. Power and Associates

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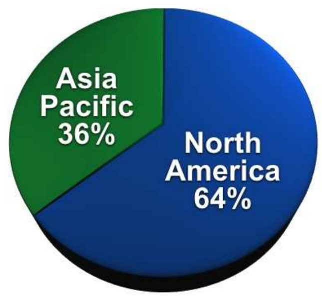
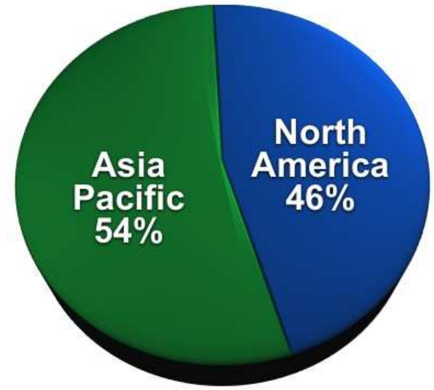
Industrial and Asia Pacific

- Off-Highway
  - Leading independent off-highway axle supplier in China
  - Leveraging scale and technology to grow business globally
- Defense
  - Largest independent drivetrain producer for tactical wheeled vehicles globally
- Commercial Vehicle
  - Largest independent axle producer in India
  - Producer of drum and disc brakes for the market in China
- Specialty
  - Growing market position in premium bus & coach market in China and India
  - Leader in bus & coach, custom fire truck, & vocational AWD market in the U.S.

FY 2009 Sales



FY 2010 Sales

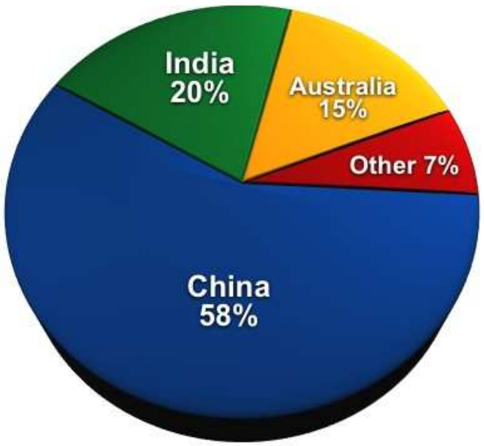


Top Customers 2010

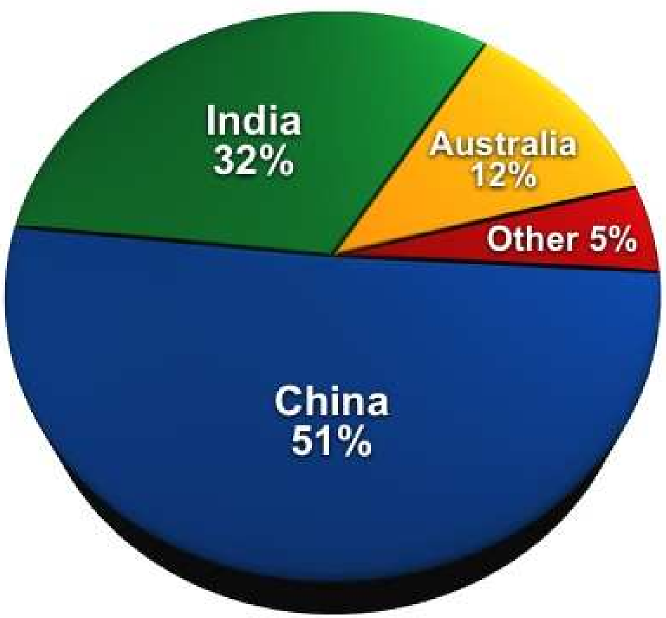
Customer	China	India	Australia	Japan	North America
XCMG	✓				
CATERPILLAR SEM	✓				✓
SANY	✓				
YUTONG	✓				
ASHOK LEYLAND		✓			
TATA		✓			
PACCAR			✓		
ISUZU				✓	
BAE SYSTEMS					✓
OSHKOSH					✓
NAVISTAR		✓			✓
DAIMLER					✓

Asia Pacific

FY 2009 Sales

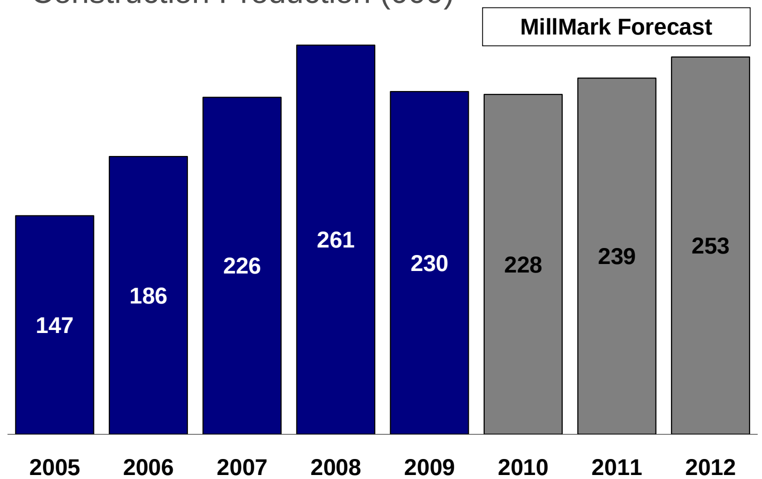


FY 2010 Sales



China

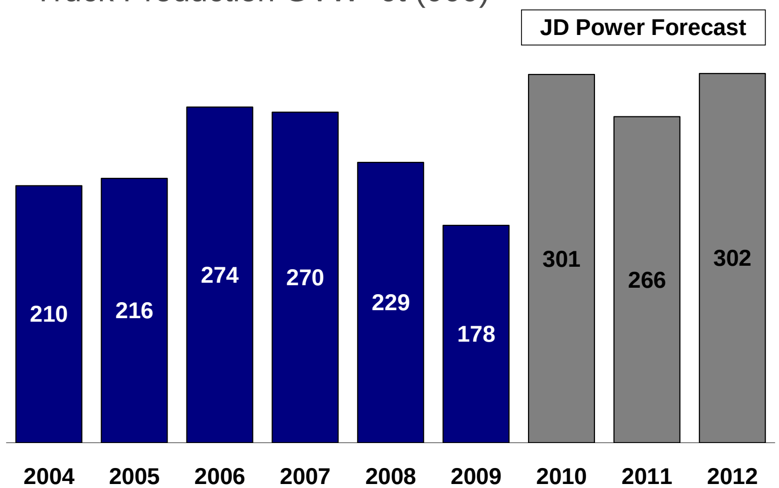
Construction Production (000)



Source: MillMark and Associates

India

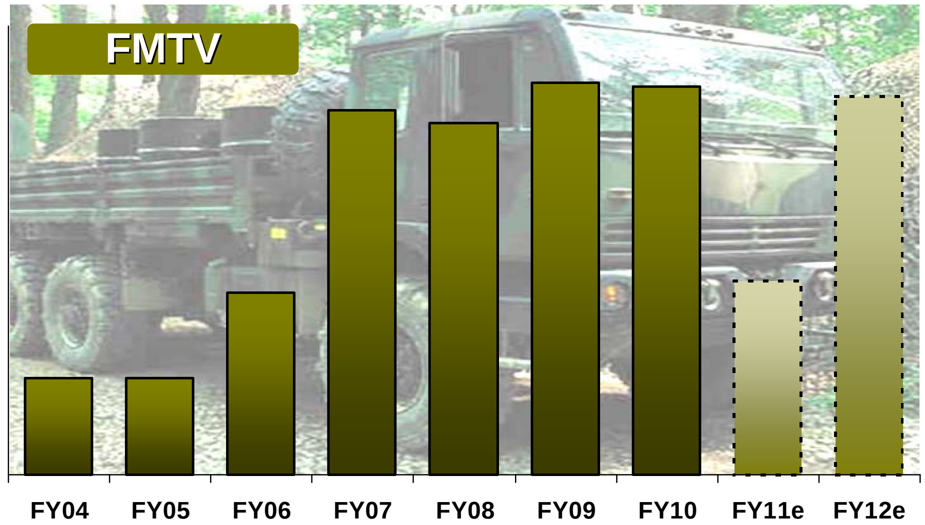
Truck Production GVW>6t (000)



Source: J.D. Power and Associates

Expected Increase in Defense Volumes

- Lower FMTV volumes expected in near-term as production shifts to new prime contractor; however, prior year production levels expected to return in FY 12
- Working on several new programs and products
  - MRAP upgrades
    - Awarded 1,700 BAE Caiman MRAP vehicle retrofits with open option for approximately 1,000 additional vehicles in FY12 utilizing the Meritor ProTec™ series 50 High Mobility Independent Suspension (HMIS)
  - Joint Light Tactical Vehicle (JLTV)
  - HMMWV recap



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Aftermarket & Trailer Segment

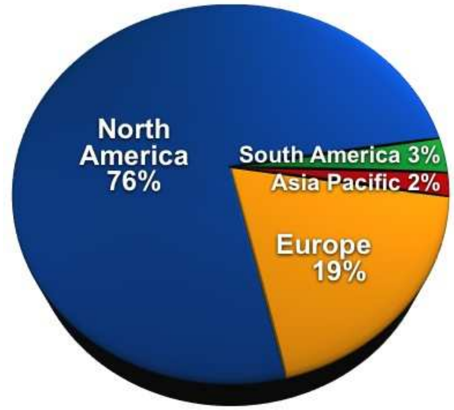
Global Aftermarket Business

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

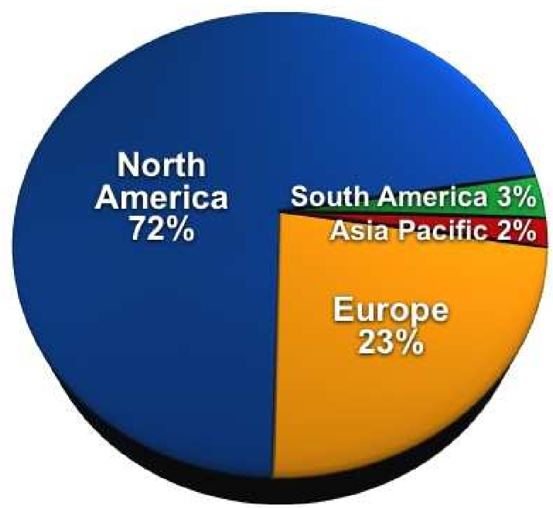
Global Trailer Business

- 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

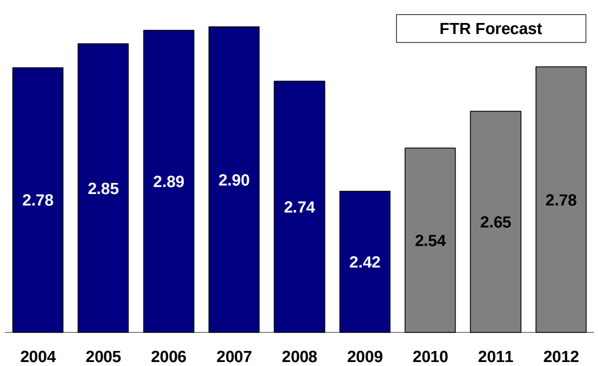
FY 2009 Sales



FY 2010 Sales

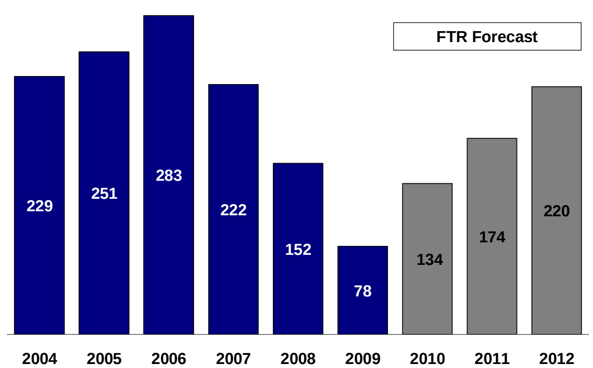


U.S. Truck Freight Ton Miles
Seasonally Adjusted (trillions)



Source: FTR Associates

North America Trailer Production
Calendar Year (thousands)



Source: FTR Associates

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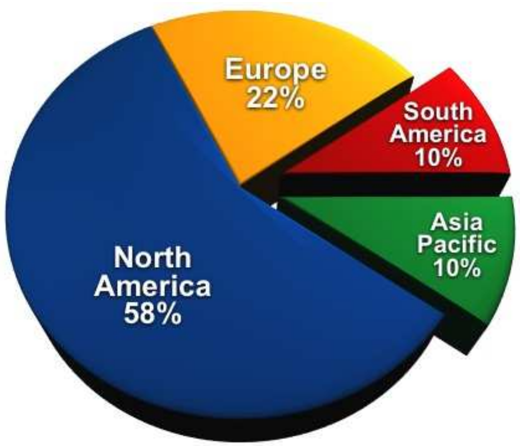
Segment and Regional Mix

2009 Sales: $3.1 billion



2010 Sales: $3.6 billion

Emerging markets up 74%

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Sequential Performance[1]

(in millions except EPS)

	2010 Q4	2011 Q1	Comments
Sales	$956	$971	Increased 2% quarter-over-quarter
Adjusted EBITDA[1]	$70	$62	$7M pension curtailment gain in 2010 Q4
Adjusted Income (Loss) from Cont. Ops.[2]	$8	($6)	Pension curtailment gain and mix of earnings effect on taxes
Adjusted EPS from Cont. Ops.[2]	$0.08	($0.07)	Pension curtailment gain and mix of earnings effect on taxes
Free Cash Flow[1][2]	$42	($74)	Working capital, variable compensation, and discontinued operations

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

(2) GAAP net income/(loss) was $2 million for Q4 2010 and ($2) million for Q1 2011. GAAP income/(loss) from continuing operations was $1 million for Q4 2010 and ($9) million for Q1 2011. GAAP diluted income/(loss) per share from continuing operations was $0.01 for Q4 2010 and ($0.10) for Q1 2011. Cash flow provided by (used for) operations was $72 million for Q4 2010 and ($49) million for Q1 2011.

Conversion Scorecard

(in millions)	Sales	Adj. EBITDA[1]
Q4 2010	**$956**	**$70**
Conversion on sales	$15	($1)
Pension curtailment gain		($7)
Q1 2011	**$971**	**$62**

- Slightly negative conversion on essentially flat sales due to:
  - Seasonal sales decreases in Aftermarket & Trailer and Americas Truck
  - Negative Europe Truck mix on additional sales
  - Expected trough in Defense volumes

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

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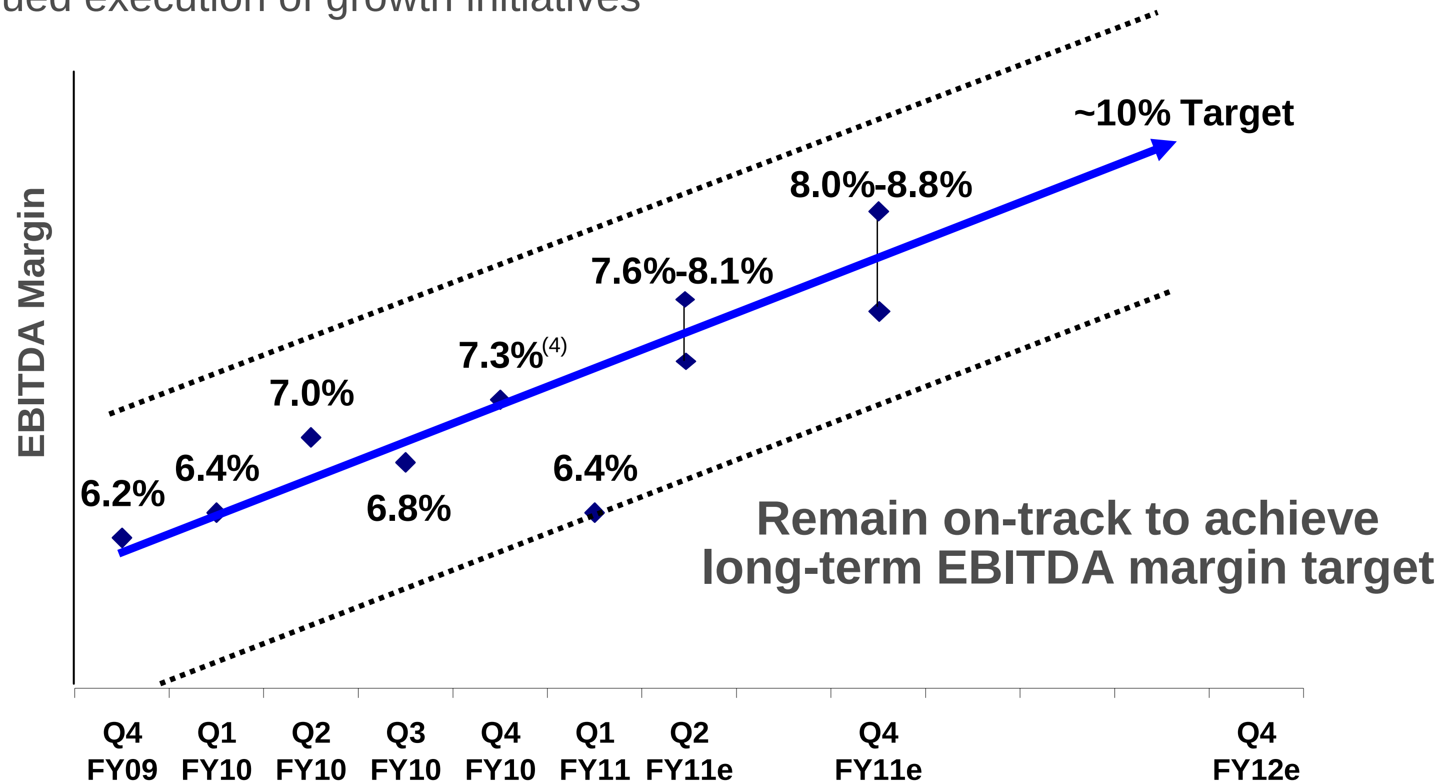
Path to Long-Term EBITDA Margin Target(1)(2)(3)

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



Sales:	$697	$800	$868	$966	$956	$971	$1,125-$1,175	$1.1-$1.2B	~$1.3B

(1) See Appendix – "Non-GAAP Financial Information."
(2) Adjusted EBITDA target of 10% average through the cycle; based on management's long-term planning assumptions. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."
(3) Amounts have been recast to reflect LVS as discontinued operations.
(4) Q4 2010 includes $7 million pension curtailment gain.

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Second Quarter Outlook[1][2]

Continuing Operations

(in millions)	FY 2011 Q1 Actual	FY 2011 Q2 Outlook[1]
Sales	$971	$1,125 - $1,175
Adjusted EBITDA	$62	$85 - $95
Adjusted Income from Cont. Ops.	($6)	$5 - $15
Free Cash Flow	($74)	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."

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2011 Planning Assumptions[1]

Fiscal Year Basis

Continuing Operations

(in millions)	Full Year Est.
Capital Expenditures	$75 -$90 ✓
Interest Expense	$100 - $110 ✓
Cash Interest	$85 -$95 ✓
Income Tax Expense	$70 - $90 ✓
Cash Income Taxes	$50 -$70 ✓

(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."

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First Quarter 2011 GAAP Income Tax Expense

Continuing Operations

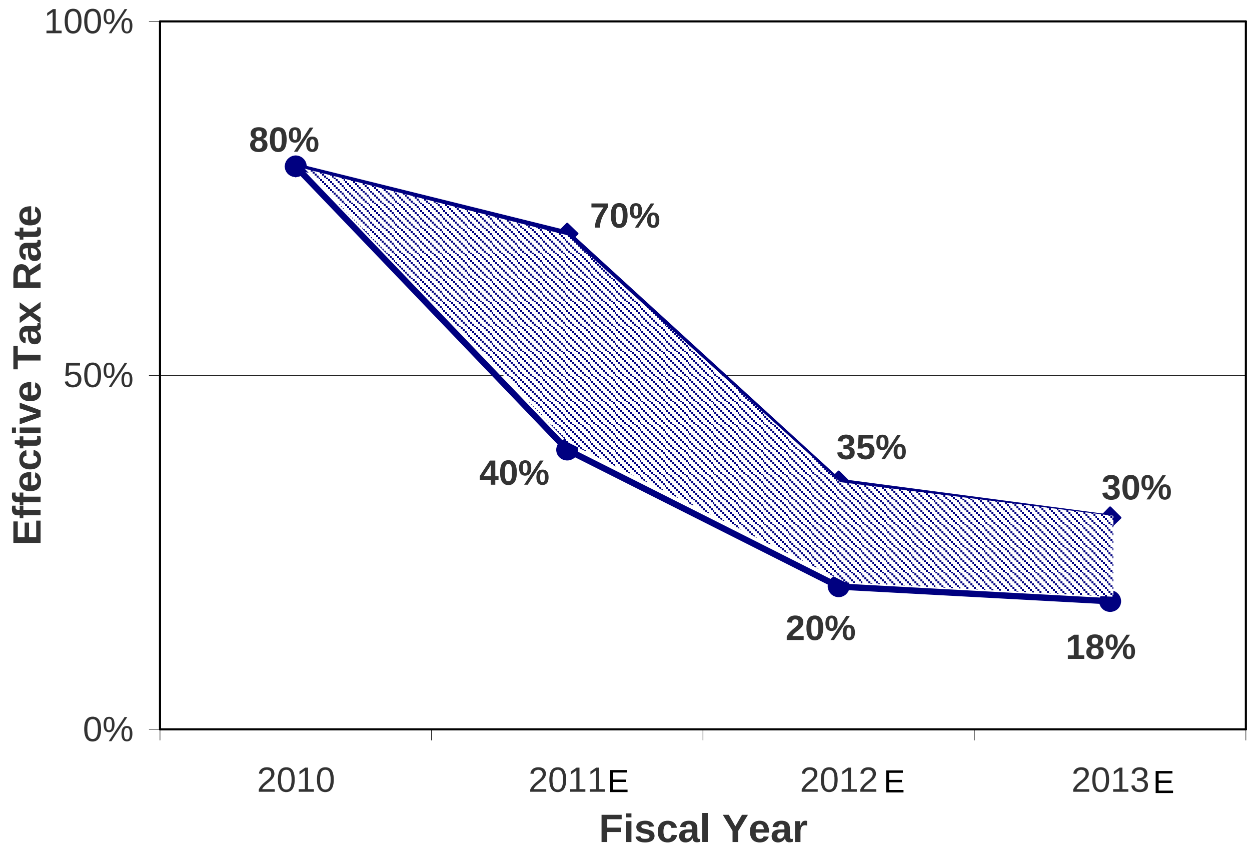
(in millions)	PBT Inc./(Exp.)	Inc. Tax Exp	Effective Rate
Income not subject to VA	$ 66	$ 18	27.3%
Income subject to VA[(1)]	(51)	-	
Other[(2)]	-	2	
Total	**$ 15**	**$ 20**	

(1) Expected ~$15 million benefit on losses (approx. 30% statutory rate) not realized in Q1 2011 due to valuation allowances established in fiscal year 2009.

(2) Relates to tax contingencies and other tax adjustments.

Tax Rate Forecast(1)

- Tax expense difficult to forecast since the company has not been able to record tax benefits in jurisdictions with valuation allowances
- NA and EU market recovery to more normalized levels, and specific initiatives identified to improve effectiveness in utilizing tax assets, will drive effective tax rate lower



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

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Free Cash Flow[1]

(in millions)	Three Months Ended December 31, 2010	2009[4]
Loss From Continuing Operations	$ (5)	$ (1)
Net Spending (D&A less Capital Expenditures)	(3)	5
Pension and Retiree Medical Net of Expense	1	4
Performance Working Capital[2]	(141)	(69)
Discontinued Operations[3]	(26)	9
Other	(16)	5
Free Cash Flow Before Restructuring and Off-Balance Sheet Securitization & Factoring	$ (190)	$ (47)
Restructuring Payments	(7)	(5)
Off-Balance Sheet Securitization & Factoring	123	54
Free Cash Flow	$ (74)	$ 2
Memo: Cash Flow Provided by (used for) Operations[4]	$ (49)	$ 27

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

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

(3) Before restructuring payments of $3 million and $2 million in Q1 2011 and Q1 2010, respectively. Before factoring of $4 million and $1 million in Q1 2011 and Q1 2010, respectively.

(4) Amounts have been recast to reflect LVS as discontinued operations.

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Frequently Asked Questions

1. What level of EBITDA conversion are you now targeting since 2Q guidance implies 15-16%?
2. What exposure do you have to higher steel prices?
3. What was the value of pension and OPEB liabilities disposed with the Body Systems divestiture?

FAQ #1: What level of EBITDA conversion are you now targeting since 2Q guidance implies 15-16%?

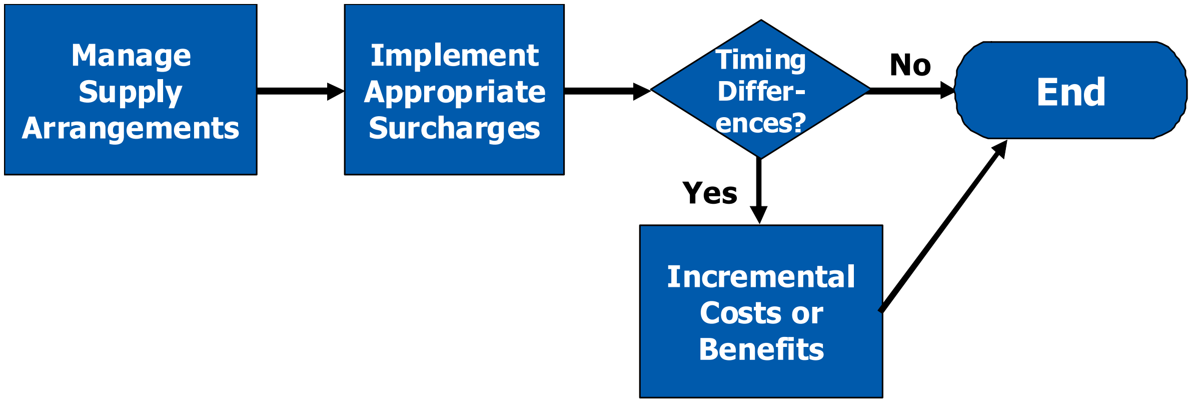
- We continue to target ~20% EBITDA conversion on incremental revenue

- 2Q guidance implies EBITDA conversion of 15%-16% on incremental sequential revenue due to some near-term headwinds:
  - Expecting net raw material pressures as steel cost increases outpace pass-through recoveries
  - Bouncing off the trough in defense volumes at FMTV and Caiman MRAP retrofit programs progress on increasing launch curves

- We believe we remain on-track to achieve our 10% long-term EBITDA margin target

FAQ #2: What exposure do you have to higher steel prices?

- We are experiencing raw material price increases, however we do not expect to experience any significant long-term impact from increasing steel prices
  - Contractually recover/refund steel price differences from/to our customers
  - Similar to prior periods of rising steel prices
  - Expect some near-term pressure as cost increases are expected to outpace recoveries
- Surcharges will increase/decrease in parallel with costs
- Commodity movements not viewed as cost or profit making opportunity



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FAQ #3: What was the value of pension and OPEB liabilities disposed with the Body Systems divestiture?

- In our first quarter results, liabilities associated with the Body Systems disposal group are included in liabilities of discontinued operations in the consolidated balance sheet

- These liabilities primarily consist of accounts payable, payroll and employee related accruals and other current liabilities of approximately $269 million, <u>accrued pension and post retirement benefits of $31 million</u> and other long-term liabilities of $24 million

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Appendix

Use of Non-GAAP Financial Information

In addition to the results reported in accordance with accounting principles generally accepted in the United States ("GAAP") included throughout this press release, the company has provided information regarding Adjusted income or loss from continuing operations, Adjusted diluted earnings per share from continuing operations, Adjusted EDITDA, Free cash flow and Free cash flow before restructuring payments and changes in off-balance sheet accounts receivable factoring and securitization, which are non-GAAP financial measures.

Adjusted income (loss) from continuing operations and Adjusted diluted earnings (loss) per share from continuing operations are defined as reported income or loss from continuing operations and reported diluted earnings or loss per share from continuing operations before restructuring expenses, asset impairment charges and other special items as determined by management. Adjusted EBITDA is defined as income (loss) from continuing operations before interest, income taxes, depreciation and amortization, non-controlling interests in consolidated joint ventures, loss on sale of receivables, restructuring expenses, asset impairment charges and other special items as determined by management. Free cash flow is defined as cash flows provided by (used for) operating activities less capital expenditures.

Management believes that the non-GAAP financial measures used in this press release 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 Adjusted EBITDA is a meaningful measure of performance as it is commonly utilized by management and the investment community to analyze operating performance in our industry. Further, management uses Adjusted EBITDA for planning and forecasting in future periods. Management believes that Free cash flow and Free cash flow before restructuring payments and changes in off-balance sheet accounts receivable factoring and securitization are useful in analyzing our ability to service and repay debt.

Adjusted income (loss) from continuing operations, Adjusted diluted earnings (loss) per share from continuing operations and Adjusted EBITDA should not be considered a substitute for the reported results prepared in accordance with GAAP and should not be considered as an alternative to net income as an indicator of our operating performance or to cash flows as a measure of liquidity. Free cash flow and Free cash flow before restructuring payments and changes in off-balance sheet accounts receivables factoring and securitization should not be considered a substitute for cash provided by (used for) operating activities, or other cash flow statement data prepared in accordance with GAAP, or as a measure of financial position or liquidity. In addition, these non-GAAP cash flow measures do not reflect cash used to service debt or cash received from the divestitures of businesses or sales of other assets and thus do not reflect funds available for investment or other discretionary uses. 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 pages are reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Non-GAAP Financial Information

EBITDA Reconciliation

	Three Months Ended December 31, 2010	Three Months Ended December 31, 2009 (1)	Three Months Ended September 30, 2010
Adjusted EBITDA	$ 62	$ 51	$ 70
Loss on Sale of Receivables	(1)	(1)	(1)
Depreciation and Amortization	(16)	(18)	(16)
Interest Expense, Net	(27)	(23)	(25)
Restructuring Costs	(3)	-	(5)
Asset Impairment Charges	-	-	(2)
Provision for Income Taxes	(20)	(10)	(17)
Non-controlling Interests	(4)	(3)	(3)
Income (Loss) From Continuing Operations Attributable to ArvinMeritor, Inc.	(9)	(4)	1
Income (Loss) From Discontinued Operations Attributable to ArvinMeritor, Inc.	7	4	1
Net Income (Loss) Attributable to ArvinMeritor, Inc.	$ (2)	$ -	$ 2
Income (Loss) From Continuing Operations Attributable to ArvinMeritor, Inc.	(9)	(4)	1
Adjustments:			
Restructuring Costs	3	-	5
Asset Impairment Charges	-	-	2
Adjusted Income (Loss) From Continuing Operations	$ (6)	$ (4)	$ 8
Adjusted Earnings (Loss) Per Share From Continuing Operations	$ (0.07)	$ (0.06)	$ 0.08
Diluted Shares Outstanding	93.3	72.7	96.5

(1) Amounts have been recast to reflect LVS as discontinued operations.

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Non-GAAP Financial Information

Free Cash Flow

	Three Months Ended		
	December 31, 2010	December 31, 2009	September 30, 2010
Cash provided by (used for) operating activities	$ (49)	$ 27	$ 72
Capital expenditures - continuing operations	(19)	(13)	(23)
Capital expenditures - discontinued operations	(6)	(12)	(7)
Free cash flow	$ (74)	$ 2	$ 42
Free cash flow	$ (74)	$ 2	$ 42
Restructuring payments - continuing operations	4	3	3
Restructuring payments - discontinued operations	3	2	1
Changes in receivables securitization and factoring [(1)]	(123)	(54)	(12)
Free cash flows from operations before restructuring and changes in off-balance sheet factoring and securitization	$ (190)	$ (47)	$ 34

(1) Includes changes in receivables securitization and factoring for December 31, 2010, December 31, 2009, and September 30, 2010 of ($127) million, ($55) million and ($5) million for continuing operations, respectively and $4 million, $1 million and ($7) million for discontinued operations, respectively.

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