

Deutsche Bank Leveraged Finance Conference

Jay Craig
Senior Vice President & CFO

Scottsdale
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ArvinMeritorTM

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. There are risks and uncertainties relating to the company’s announced plans to sell the Body Systems business of LVS, including the timing and certainty of completion of any sale and the fulfillment of closing conditions, some of which may not be within the company’s control. Until the closing of any sale, the company will be responsible for the operation of this business. Therefore, it is possible that an extended process could result in operating losses and cash requirements for which the company would be responsible, especially if economic conditions begin again to destabilize. In addition, although the company currently expects to sell the entire business, if the company fails to do so, the company may consider other available options, including restructurings and multiple sales of portions of the business (which may involve substantial costs and the potential to lose new or replacement customer awards due to the uncertainty as to the future of the 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.

Body Systems Agreement

- Agreement reached with an affiliate of Inteva Products, LLC to sell Body Systems business for approximately \$35 million
 - \$20 million cash and a promissory note for the remaining \$15 million
 - Excludes adjustments for items such as working capital fluctuations
 - Transaction subject to regulatory approvals and customary closing conditions
- Substantially completes the sale of ArvinMeritor's Light Vehicle Systems business
- Transaction is expected to close by the end of the calendar year
 - Light Vehicle Systems to be reported in discontinued operations in fiscal fourth quarter



Focus on Core Businesses

Commercial Truck

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



Aftermarket & Trailer

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









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



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 ASEAN Region	#3	#1	#1 Joint Venture
Commercial vehicle 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

As of June 2010

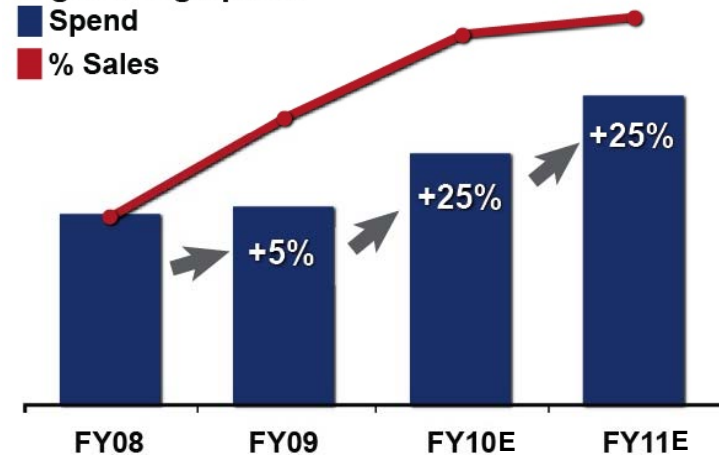
Increasing Investment in Technical Capabilities

Globally

- 30-percent increase in product development programs in past 18 months
- Investment in new enterprise PLM solution
- Increased number of technical experts in key critical areas

Priority in Engineering Growth

Engineering Spend:



Europe

- Doubling of EU engineering team
- Investment in increased bench test capabilities and capacities (axle and brake)
- \$42M brake business investment approved over four years
- Vehicle efficiency testing
- Further investment in analytical tools

U.S.

- \$25M Troy Research & Development investment over five years
- U.S. government support of \$6.5M in incentives
- 125 new Research & Development positions to be created in the coming years

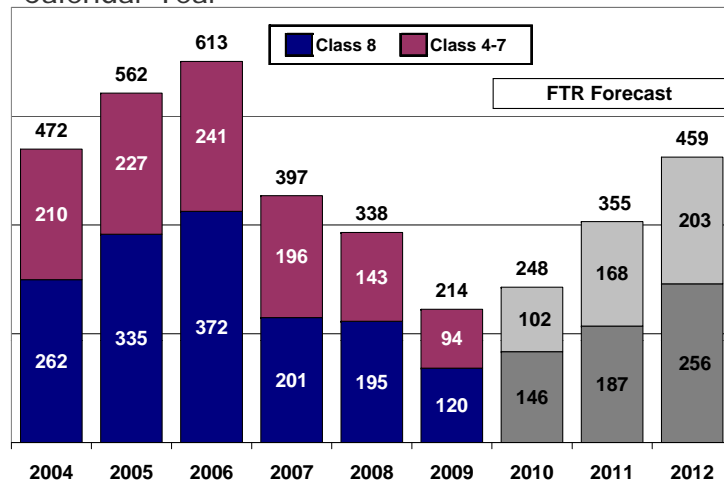
Asia Pacific

- Recently announced \$15M to expand technical capabilities with a new engineering center in Nanjing, China
- Accelerate ability to provide advanced product solutions and localized production for customers in China
- Expanded technical center in Bangalore, India

Rebound Continues Globally

North America

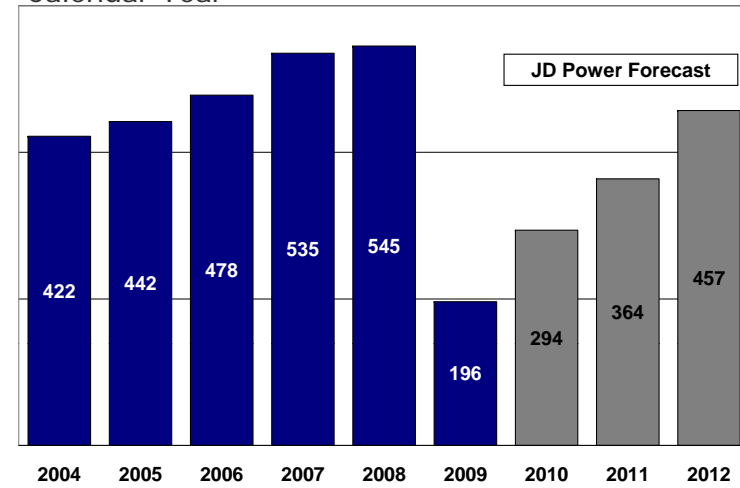
Class 8 & 4-7 Production (000)
Calendar Year



Source: FTR Associates

Western Europe

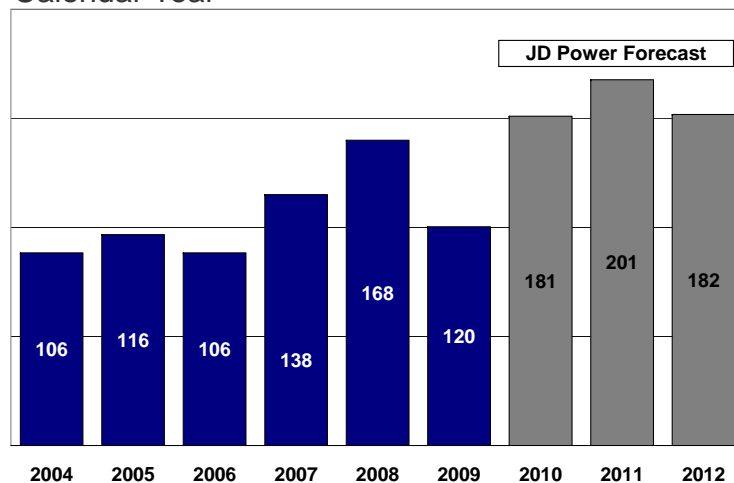
Med. & Heavy Production GVW>6t (000)
Calendar Year



Source: J.D. Power and Associates

South America

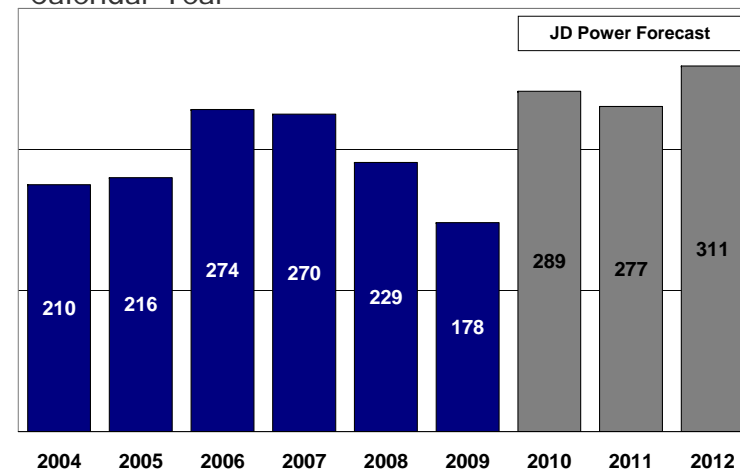
Truck Production GVW>6t (000)
Calendar Year



Source: J.D. Power and Associates

India

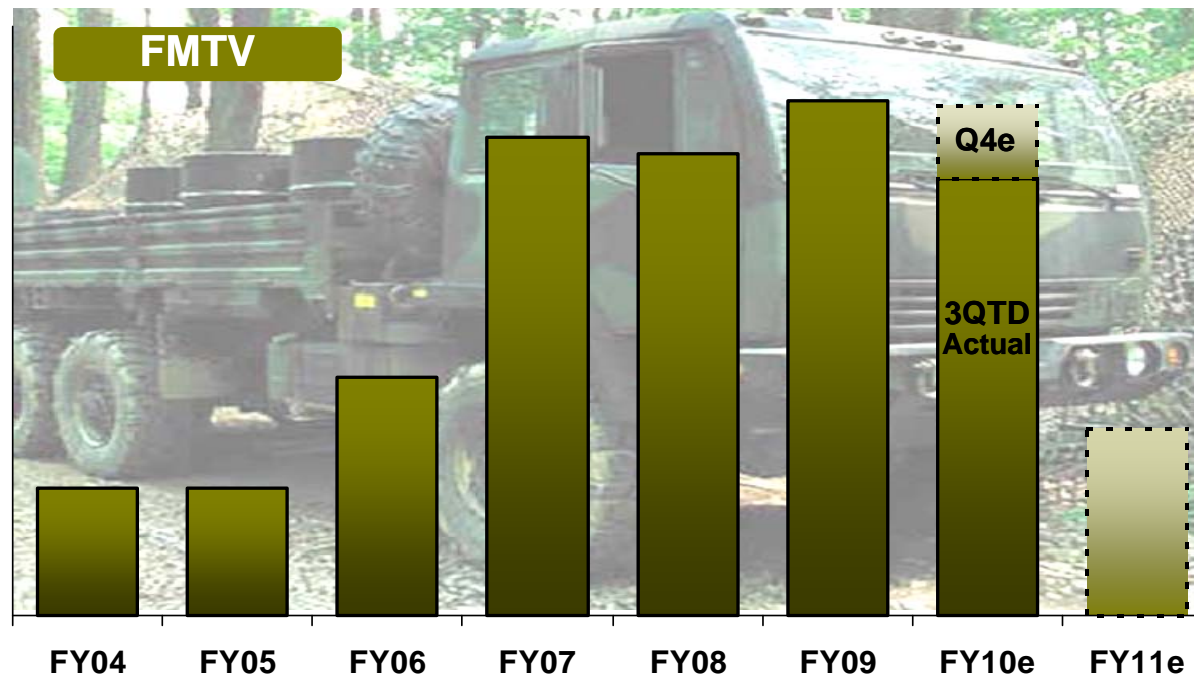
Truck Production GVW>6t (000)
Calendar Year



Source: J.D. Power and Associates

Lower FMTV Volumes

- Lower Family of Medium Tactical Vehicles (FMTV) volumes expected in near-term as production shifts to new prime contractor
- Working on several new programs and products
 - MRAP upgrades
 - HMMWV recap
 - JLTV



Incremental BAE Caiman Award

- Launched all-new line-up of Meritor ProTec™ High Mobility Independent Suspension (HMIS) and AWD Systems
- Announced ProTec™ Series 50 standard on BAE Systems' Caiman Mine Resistant Ambush Protected (MRAP) multi-terrain vehicles (MTV)
 - 1,700 vehicles with initial production deliveries expected to begin November 2010



Path to Long-Term EBITDA Target⁽¹⁾⁽²⁾

(in millions)

Core Business

FY 2008 adjusted Sales ⁽³⁾	\$4,819	FY 2008 adjusted EBITDA ⁽³⁾	\$354
10% EBITDA Target	~\$490	Structural Cost Reductions	\$136
FY 2008 adjusted EBITDA ⁽³⁾	<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.

Continuing to Convert on Incremental Sales

Total Company

	Sales	Adj. EBITDA ⁽¹⁾
Q2 2010	\$1,207	\$64
Conversion on Incremental Sales	\$68	\$15
Add back: Temporary Cost Reductions ⁽²⁾		(\$3)
Q3 2010	\$1,275	\$76

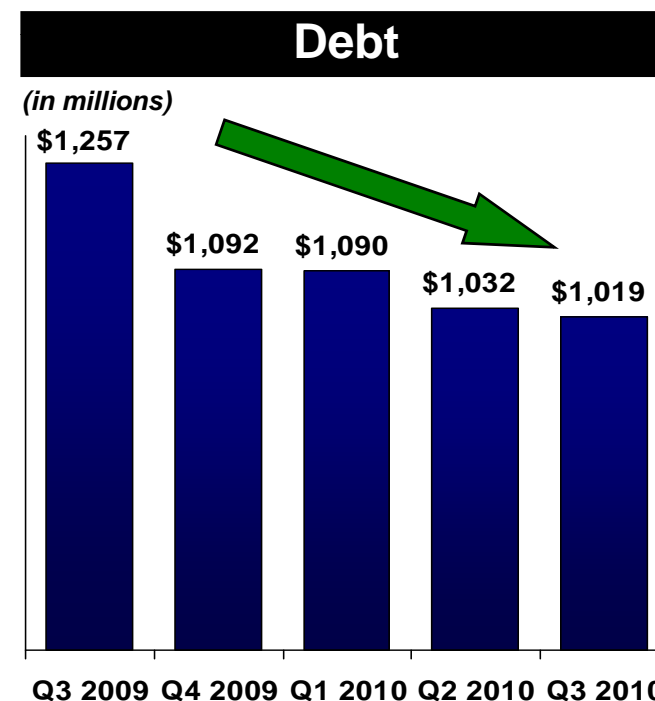
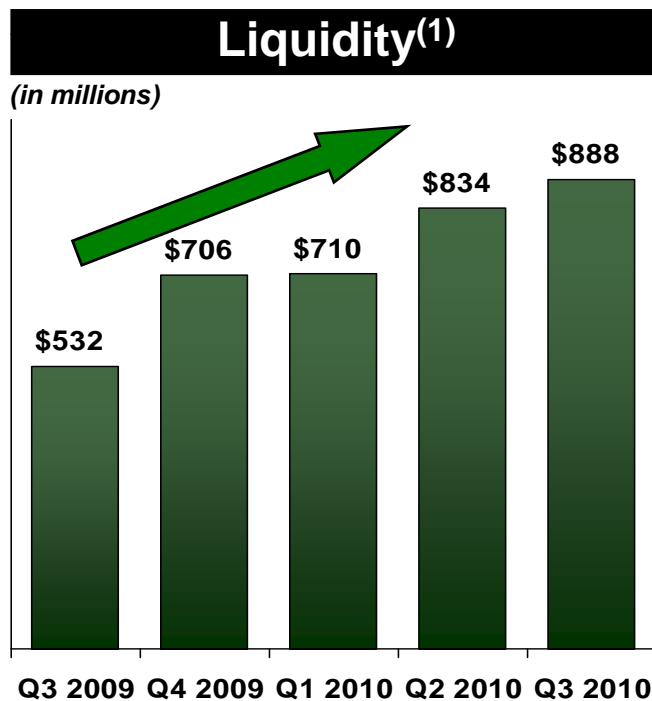
~22%

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

(2) Primarily variable compensation programs.

Improving Liquidity⁽¹⁾ and Declining Debt

- During Q3, opportunistically repurchased \$18 million of unsecured debt
 - \$17 million (par) of 8-3/4 percent notes due 2012
 - \$1 million (par) of 8-1/8 percent notes due 2015
- Recent corporate credit rating upgrades
 - S&P raised to 'B-, outlook stable'
 - Moody's raised to 'B3, outlook stable'

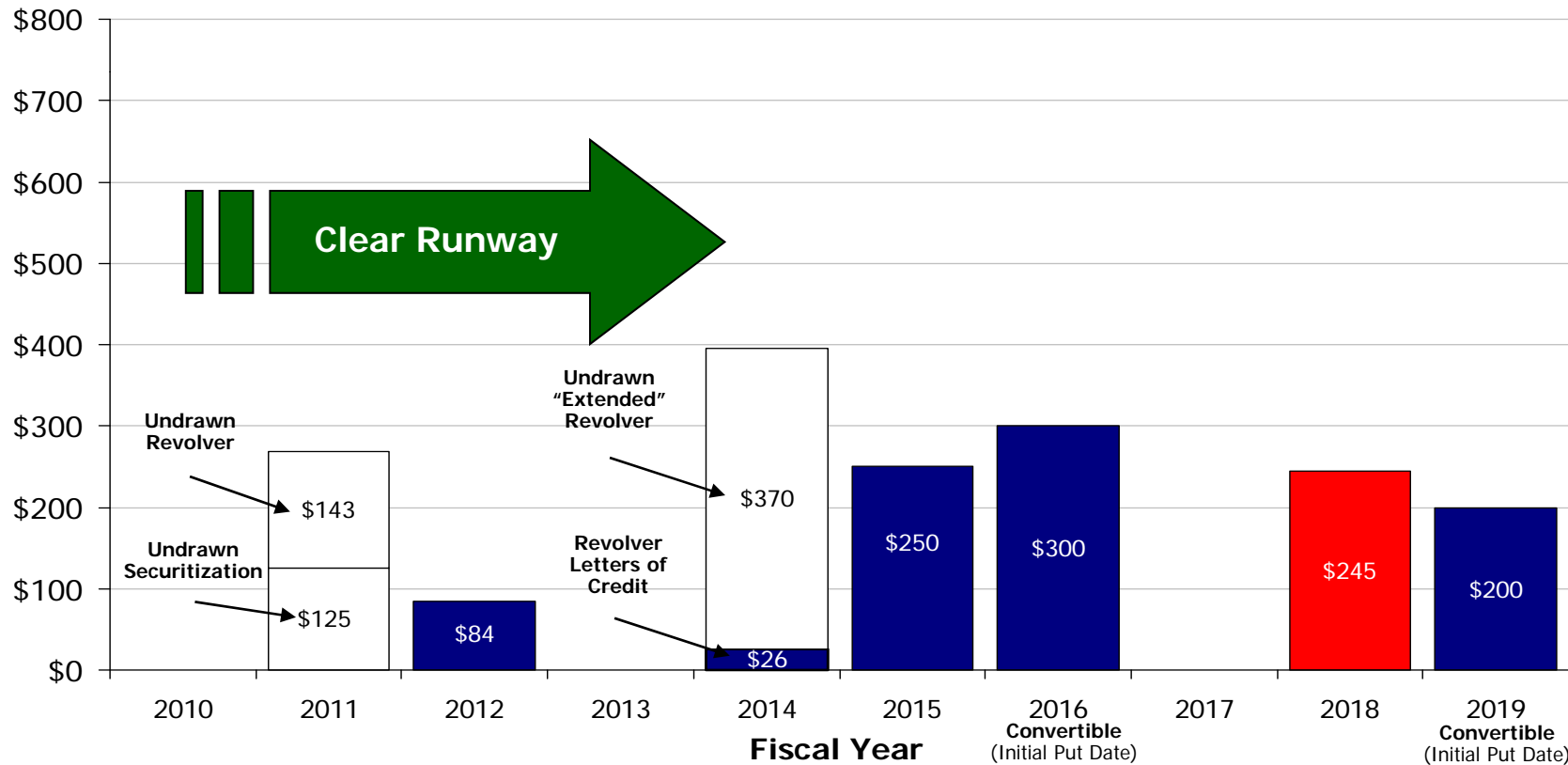


(1) Cash balances and unused, readily-available commitments under revolving credit and U.S. accounts receivable securitization facilities (without regard to financial covenants restricting availability only on the final day of the quarter).

Debt Maturity Profile

- New maturity profile gives the company relatively clear runway until the revolver matures in January 2014
 - Liquidity improved \$178 million since December 2009

Millions as of July 4, 2010



Investment Highlights

- Strategic repositioning as a leading supplier to commercial and industrial vehicle OEMs and the aftermarket
- Well balanced product portfolio with attractive geographic and customer diversification
- Well positioned to benefit from a rebound in core end markets
- Additional growth from penetration of new markets and customers
- \$136 million of permanent structural cost actions have lowered our break-even and improved our operating results

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 EBITDA, 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, 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 receivable 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 June 30, 2010	Three Months Ended March 31, 2010	Three Months Ended June 30, 2009
Adjusted EBITDA	\$ 76	\$ 64	\$ 28
Loss on Sale of Receivables	(1)	(1)	(1)
Depreciation and Amortization	(19)	(20)	(19)
Interest Expense, Net ⁽¹⁾	(27)	(31)	(24)
Restructuring Costs	(2)	-	(6)
LVS Separation Costs	-	-	(1)
Benefit (Provision) for Income Taxes	(26)	4	(11)
Income (Loss) From Continuing Operations			
Attributable to ArvinMeritor, Inc	1	16	(34)
Income (Loss) From Discontinued Operations			
Attributable to ArvinMeritor, Inc	(4)	(3)	(130)
Net Income (Loss) Attributable to ArvinMeritor, Inc.	\$ (3)	\$ 13	\$ (164)

ArvinMeritorTM