

MERITOR®

**J.P. Morgan 2012 Global High Yield
& Leveraged Finance Conference**

Jay Craig, Senior VP & CFO

February 28, 2012

Forward-Looking Statements

This 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 our ability to successfully manage rapidly changing volumes in the commercial truck markets and work with our customers to adjust their demands in view of rapid change in production levels; availability and sharply rising costs of raw materials, including steel, and our ability to manage or recover such costs; level production for certain military programs and the return of volumes of selected long-term military contracts to more normalized levels; global economic and market cycles and conditions, including the recent global economic crisis; 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); the ability to achieve the expected benefits of restructuring actions; the demand for commercial and specialty vehicles for which we supply products; whether the liquidity of the company will be affected by declining vehicle productions in the future; OEM program delays; demand for and market acceptance of new and existing products; successful development of new products; reliance on major OEM customers and possible negative outcomes from contract negotiations with our major 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; 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, warranty and recall claims; rising costs of pension and other postretirement benefits; and possible changes in accounting rules; as well as other substantial costs, risks and uncertainties, including but not limited to those detailed herein and from time to time in other 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.

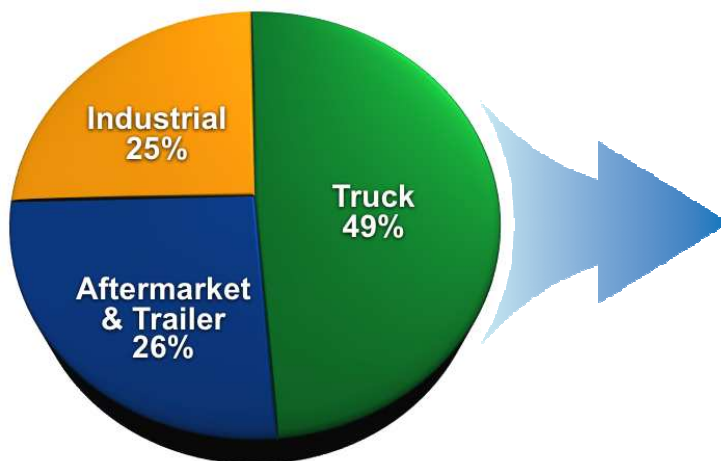
All earnings per share amounts are on a diluted basis. The company's fiscal year ends on the Sunday nearest Sept. 30, and its fiscal quarters generally end on the Sundays nearest Dec. 31, March 31 and June 30. All year and quarter references relate to the company's fiscal year and fiscal quarters, unless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



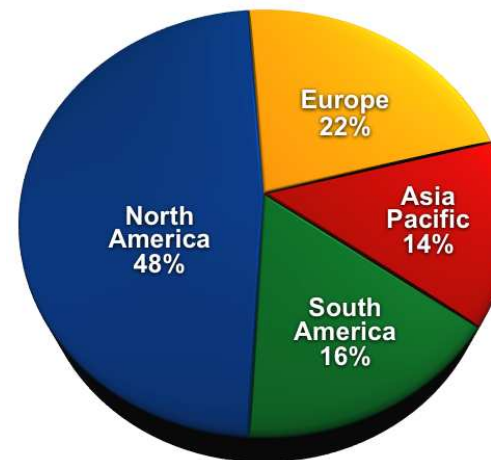
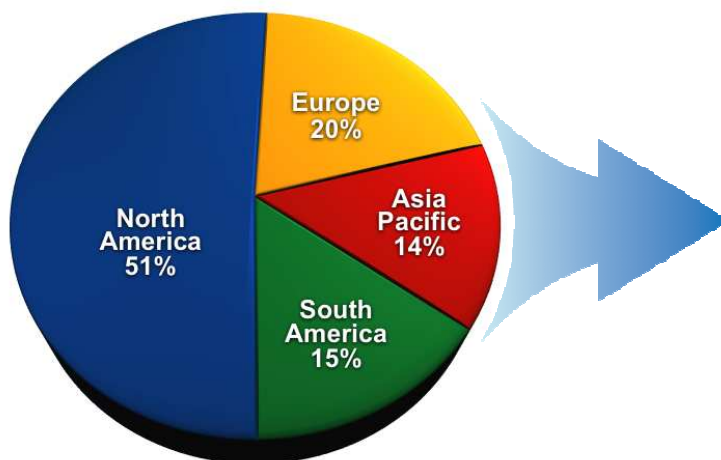
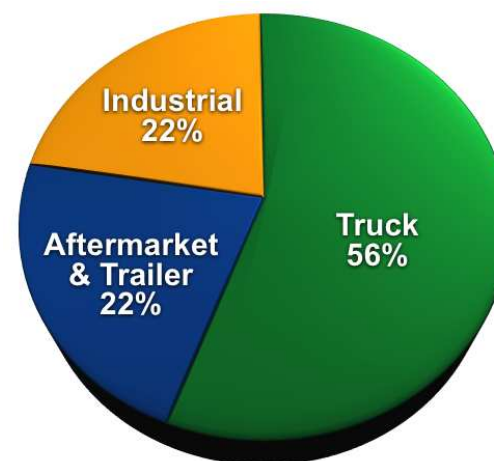
Meritor Segment and Regional Sales Mix

Global High Yield & Leveraged
Finance Conference
February 28, 2012

FY10 Sales: \$3.5B









FY11 Sales: \$4.6B



Approximately one-third of revenue in growth markets

Market Leadership Positions⁽¹⁾

Global High Yield & Leveraged
Finance Conference
February 28, 2012

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	Exit	#1	#1 Joint Venture
Aftermarket 	Strategic Priority	#3	#1	Strategic Priority
Off-highway axle ⁽²⁾ 	#1 China Strategic Priority for Asia Pacific	Future Opportunity		
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

Execution Highlights

- Pricing negotiations complete contributing to expected margin expansion starting in Q2 FY12
 - Base pricing to align to our value proposition
 - Improved commodity cost recovery mechanisms
- Rationalized European footprint as planned
 - Sale of St. Priest facility to Renault effective January 2, 2012
 - Negligible impact on European revenue
 - Anticipated strong payback starting in Q2 FY12
- S&P changes as of February 13, 2012
 - Raised corporate rating outlook to Positive from Stable
 - Raised senior secured credit rating to BB- from B+
 - Raised senior unsecured credit rating to B- from CCC+
- Fitch changes as of February 6, 2012
 - Raised corporate rating outlook to Positive from Stable

Focused Global Investment 2010 and 2011

Global High Yield & Leveraged
Finance Conference
February 28, 2012

(\$M)

North America
\$81M

Monterrey
Forging
Gearing
Assembly
Housing

Europe
\$33M

Assembly
Brake Through
Housing

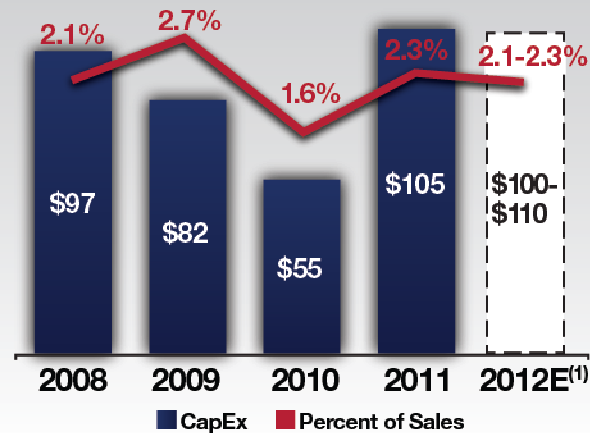
Asia Pacific
\$27M

Off-Highway

South America
\$19M

Resende
Gearing
Housing
Assembly

Capital Spending (\$M)



Investment continues through all cycles



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."

Reduced Layered Capacity and Freight Costs

Global High Yield & Leveraged
Finance Conference
February 28, 2012

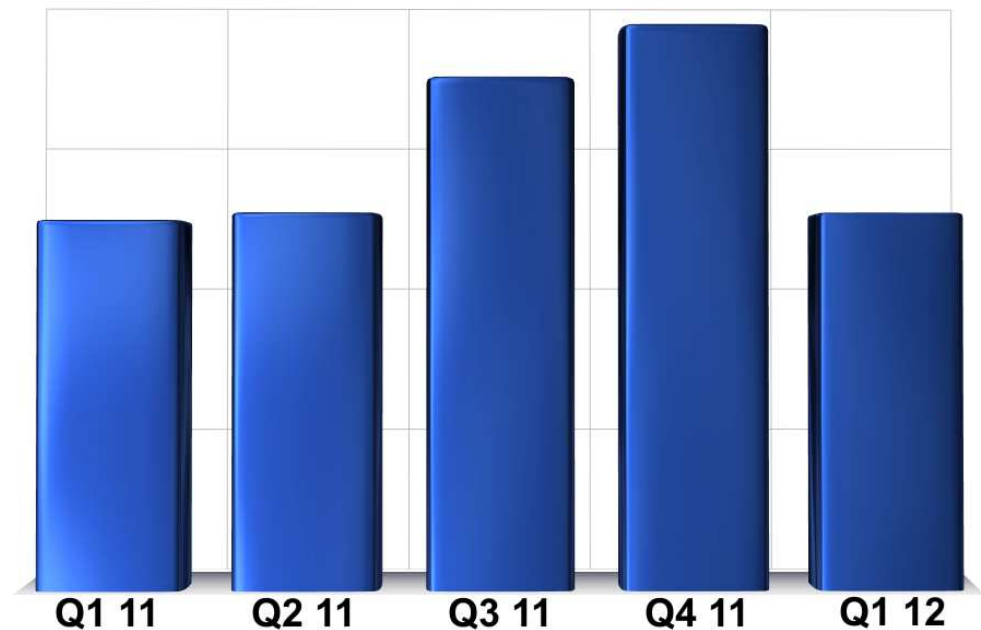
Layered Capacity

- Overall Equipment Effectiveness (OEE) improving
- Capital investments coming on line
- Managing demand with customers

Freight

- Expedited freight greatly reduced including elimination of same day shipments
- Standard freight reduced through load utilization improvements
- Freight logistics engineering delivering savings
- Transportation Management System implemented in Mexico

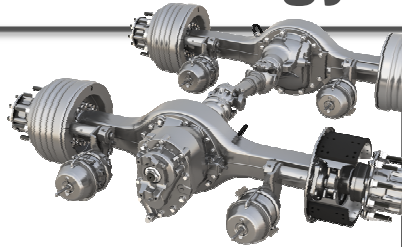
**NA Truck Freight and Layered Capacity
as a Percent of Purchases**



Product and Technology Leadership

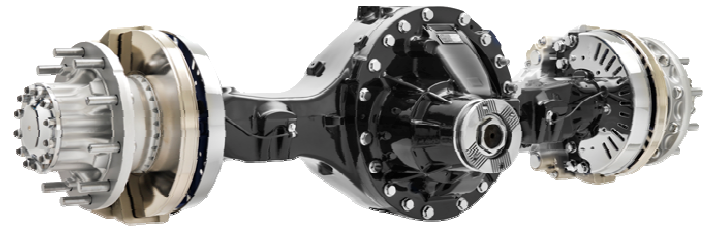
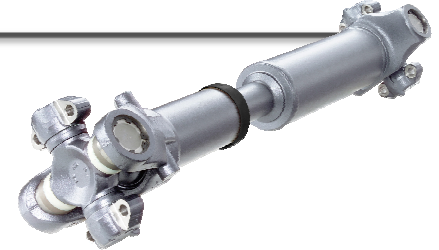
North America

- Additional ProTec orders confirmed for Caiman
- More than 90K 14X axles shipped since launch
- Fifteen SMARTandem units under fleet evaluation
- Approximately 1.4 billion miles logged on Meritor Q Plus™ – S-Cam drum brakes since July 2011
- More than 15 million reman shoes shipped with PlatinumShield since launch
- MTA25/30 added to trailer suspension line-up



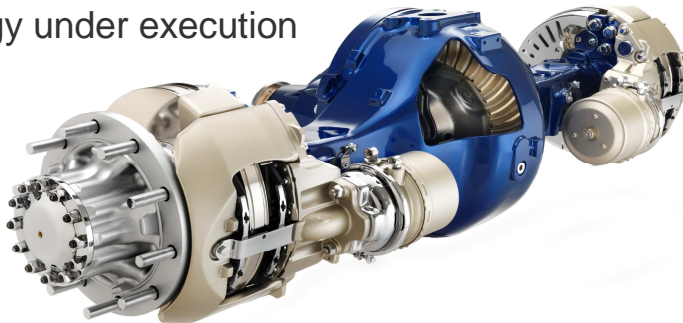
South America

- 17/18X product introduction in June 2012
- Drivelines launched; product releases began in 2011 to Iveco and MAN



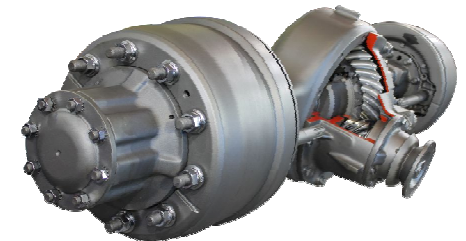
Europe

- 18X launched
- MT610 Hub Reduction application extended to new OEM
 - Development completed for additional OE in Asia to launch in early 2012
- ADB strategy under execution
 - Several RFQs in process



Asia Pacific

- Launched Light Commercial Vehicle axle with Nissan and Ashok Leyland
- Introduced two-speed “green” axle with Tata Motors
- Launched 610 hub reduction axle for 18 ton on-highway applications with Ashok Leyland

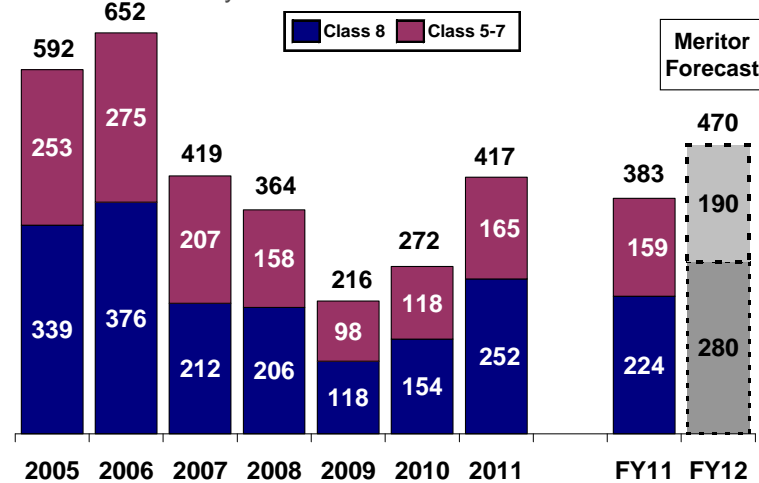


Industry Update⁽¹⁾

Global High Yield & Leveraged
Finance Conference
February 28, 2012

North America

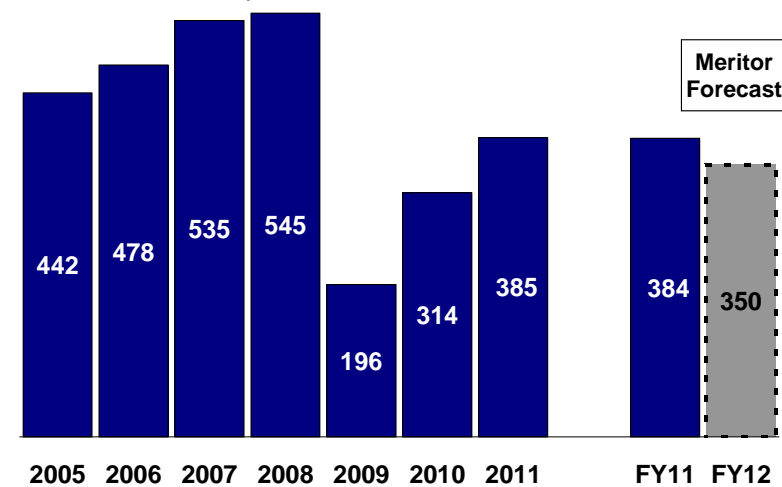
Class 8 & 5-7 Production (000)
Calendar Year History & Fiscal Year Forecast



Source: Periods through 2011 - ACT Research; FY 2012 forecast - Meritor estimates

Western Europe

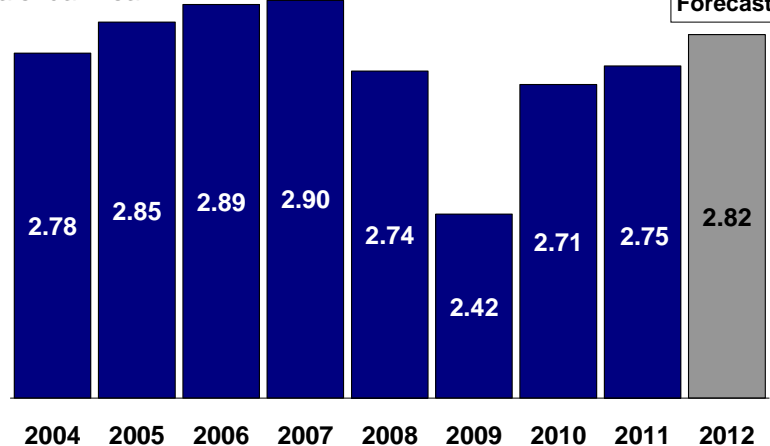
Med. & Heavy Production GVW>6t (000)
Calendar Year History & Fiscal Year Forecast



Source: Periods through 2011 - J.D. Power and Associates; FY 2012 forecast - Meritor estimates

U.S. Truck Freight Ton Miles

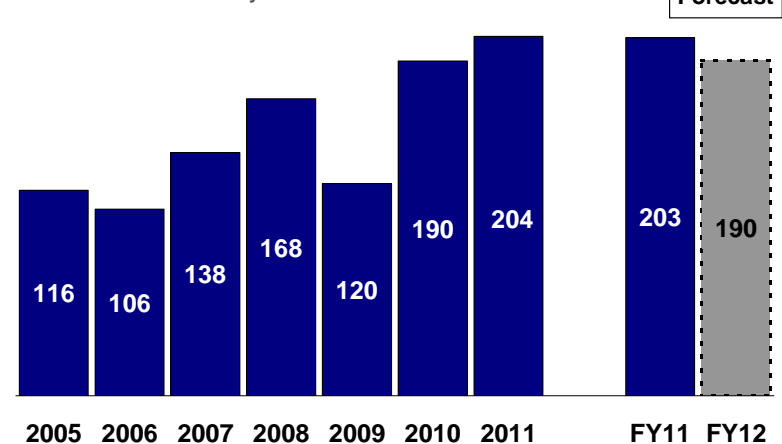
Seasonally Adjusted (trillions)
Calendar Year



Source: FTR Associates

South America

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



Source: Periods through 2011 - J.D. Power and Associates; FY 2012 forecast - Meritor estimates



MERITOR

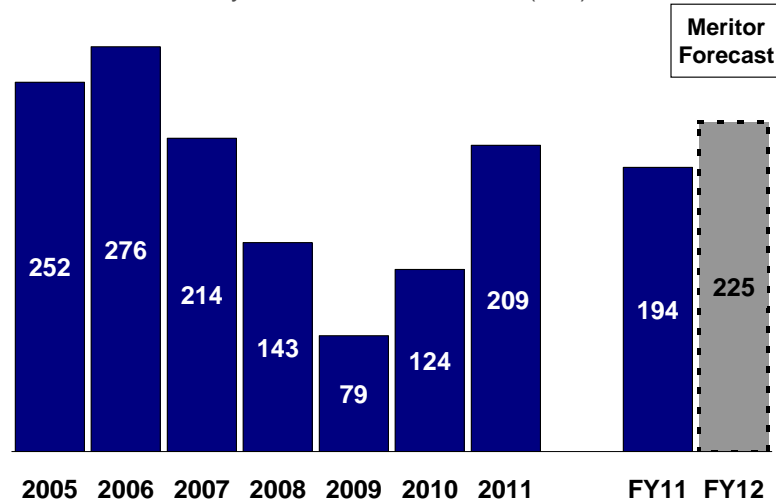
1) Meritor forecast based on management's current planning assumptions and other factors. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

Industry Update⁽¹⁾

Global High Yield & Leveraged
Finance Conference
February 28, 2012

North America Trailer Production

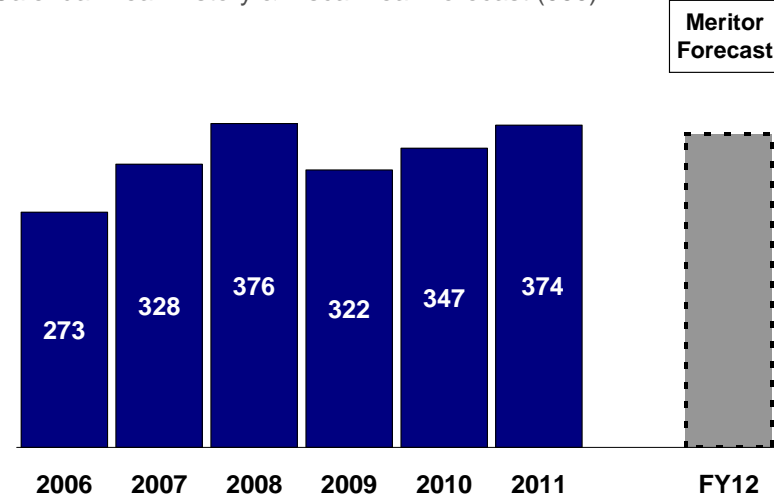
Calendar Year History & Fiscal Year Forecast (000)



Source: Periods through 2011 - ACT Research; FY 2012 forecast - Meritor estimates

China Construction Production

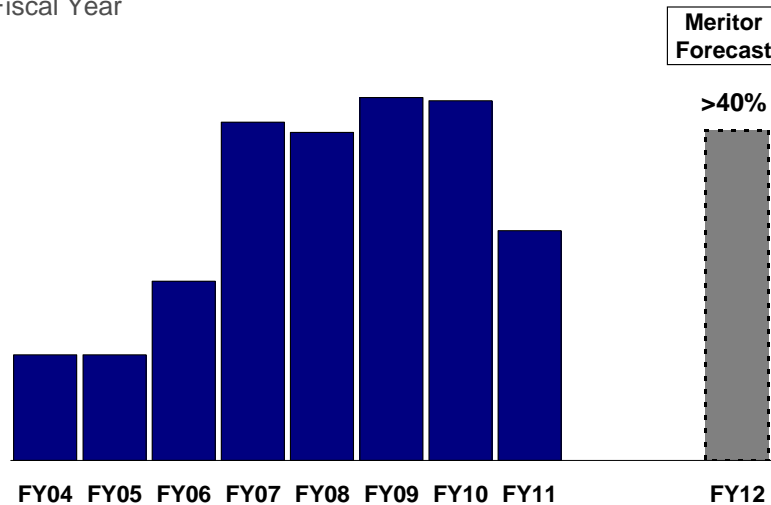
Calendar Year History & Fiscal Year Forecast (000)



Source: Periods through 2011 - MillMark & Associates (Data updated by MillMark to reflect additional OEMs); FY 2012 forecast - Meritor estimates

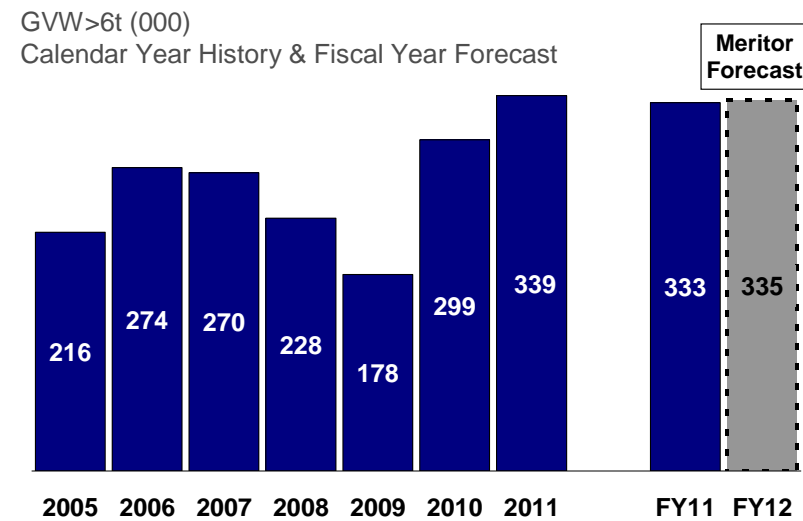
FMTV Production

Fiscal Year



India Truck Production

GVW>6t (000)



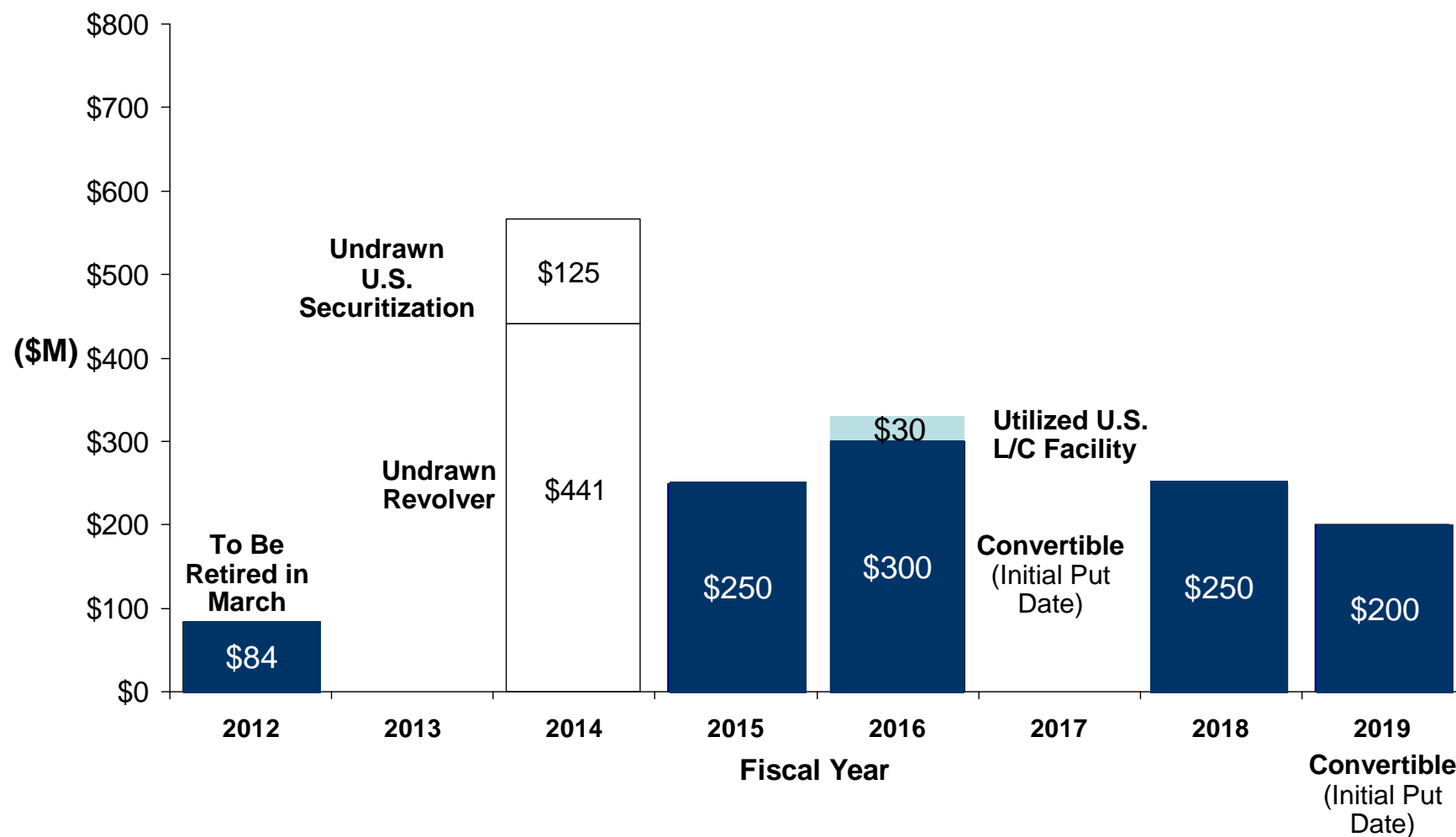
Source: Periods through 2011 - J.D. Power and Associates; FY 2012 forecast - Meritor estimates



1) Meritor forecast 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."

Debt Maturity Profile

Global High Yield & Leveraged
Finance Conference
February 28, 2012



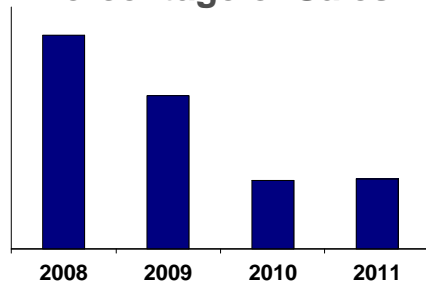
Meritor Value Proposition

Global High Yield & Leveraged
Finance Conference
February 28, 2012

Superior Product

- Broad, highly engineered product portfolio
- Unique product solutions for specific vehicle applications
- Focus on advanced technology
- Investing in global markets

Warranty as a
Percentage of Sales



Global Footprint

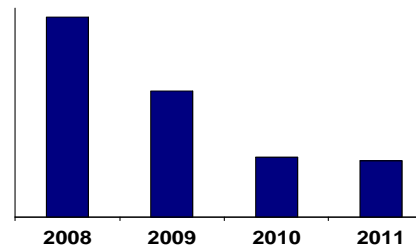
- Global market leader
- Common, advanced manufacturing
- Integrated supply chain
- Industry leading service
- Strong, integrated joint ventures



Customer Focus

- World-class quality and durability
- Highly efficient products
- Product proven in marketplace
- Dependable delivery
- Speed to market

Customer PPM



Financial Metrics

- Driving margin enhancement
- Supporting growth opportunities in emerging markets
- Strong liquidity with focus on de-leveraging





MERITOR[®]