MERITOR®

Jefferies Global Industrial and A&D Conference

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August 9, 2011

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 steeply increasing volumes in the commercial truck markets, working with our customers to adjust their demands in view of the rapid acceleration of production; availability and sharply rising costs of raw materials, including steel, and our ability to manage or recover such costs; reduced 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; 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.

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	Exit	#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

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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

Top Truck Customers 2010

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

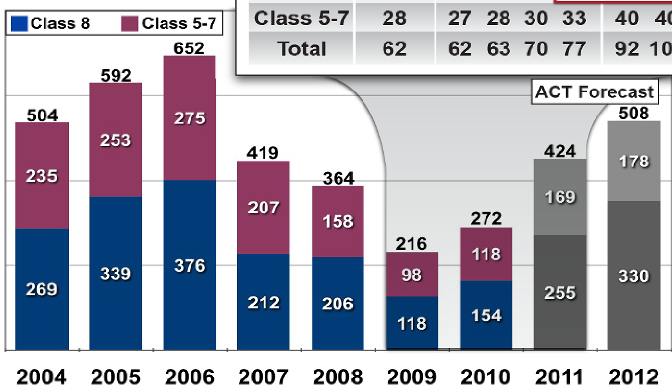
Commercial Truck

North America

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

	2009	2010				2011			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Class 8	34	35	35	40	44	52	62	69	72
Class 5-7	28	27	28	30	33	40	40	43	46
Total	62	62	63	70	77	92	102	112	118

FY11
227k

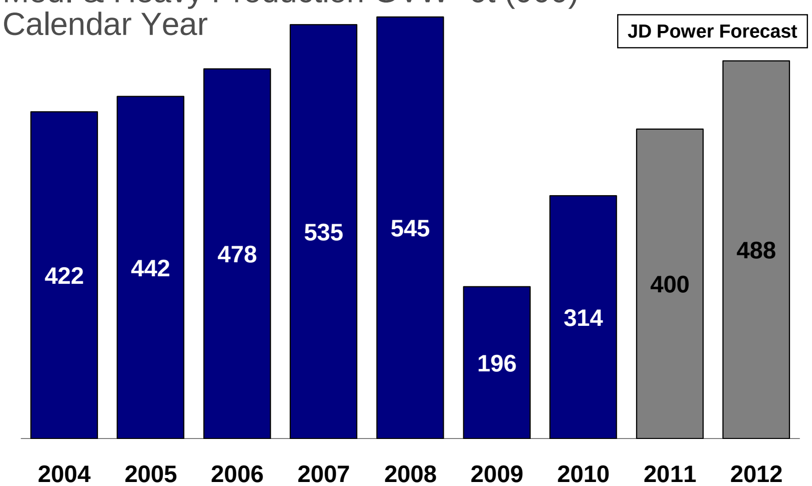


Source: ACT Research

- N.A. production rapidly increasing driven by strong fleet replacement cycle
- Continued strengthening expected in Europe led by northern economies
- Brazil volumes supported by Euro 5 pre-buy and continuation of FINAME incentives

Western Europe

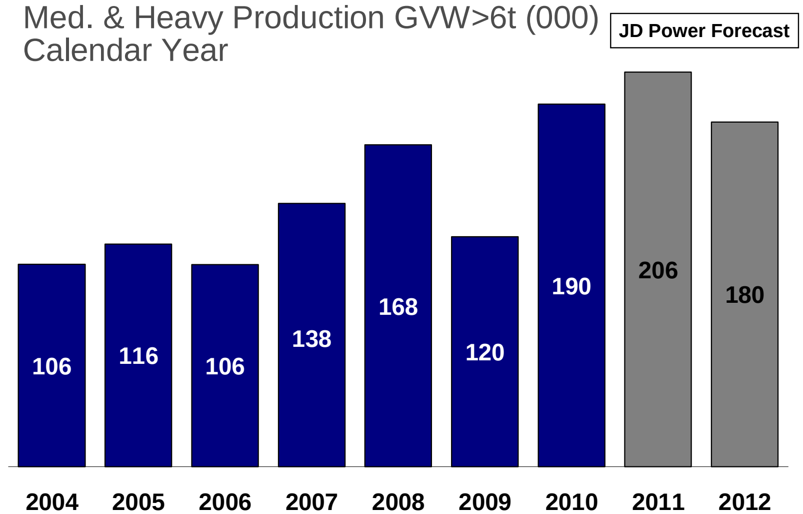
Med. & Heavy Production GVW>6t (000)
Calendar Year



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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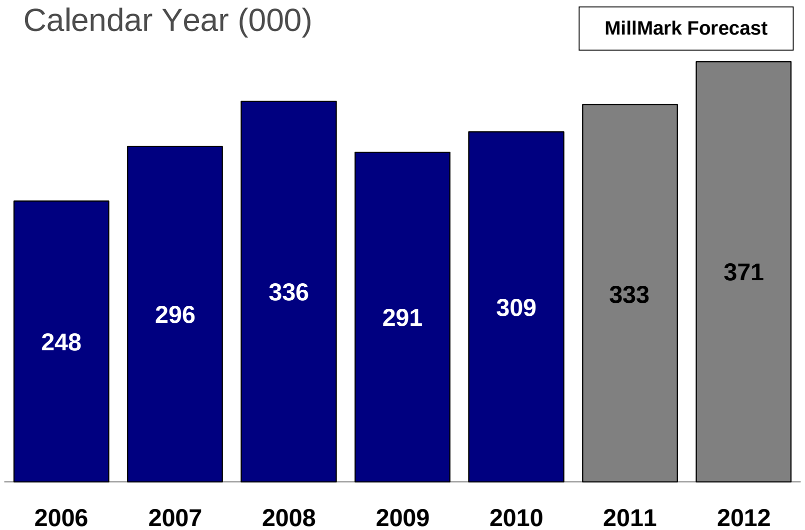
Industrial and Asia Pacific

China Construction Production

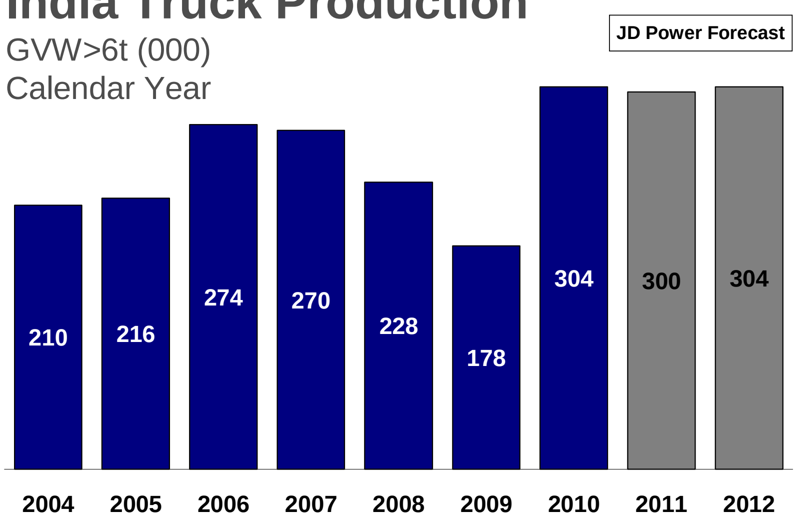
Calendar Year (000)



Source: MillMark and Associates (Data updated by MillMark to reflect additional OEMs)

India Truck Production

GVW>6t (000)
Calendar Year



Source: J.D. Power and Associates

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					✓

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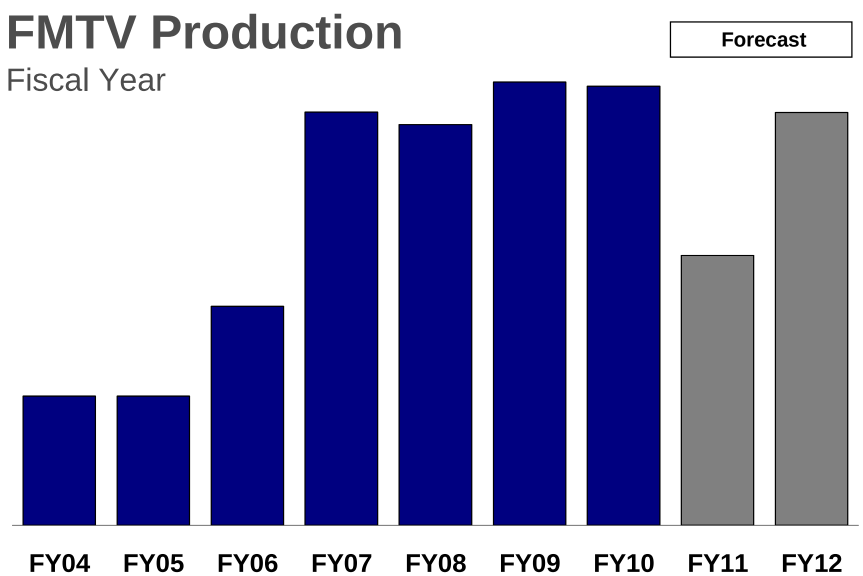
Defense Wheeled Vehicle Leadership

- Lower FMTV volumes have been experienced in FY 11 as production has shifted 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



Aftermarket & Trailer

Global Aftermarket Business

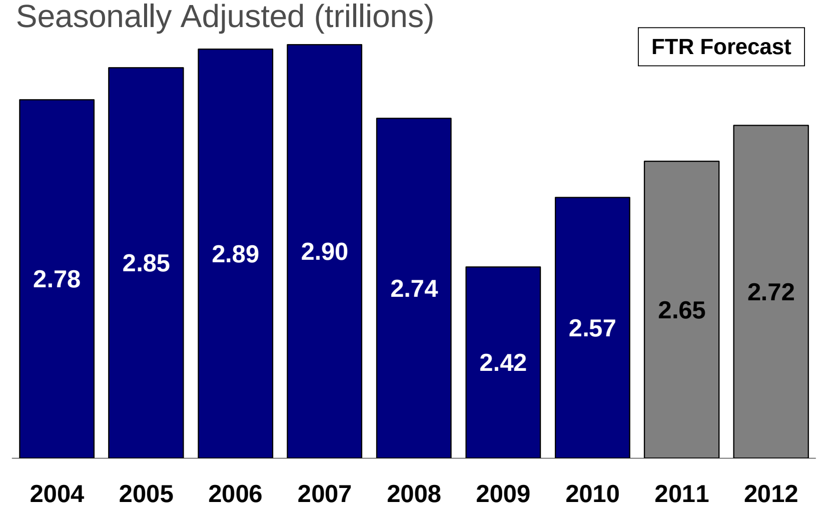
- Well-known brand portfolio and product life-cycle service and support
- World-class packaging and distribution
- Remanufacturing global enterprise
- Extensive product portfolio including competitor product lines
- Industry-wide leader in customer service

Global Trailer Business

- Full-line axle, wheel-end and suspension supplier
- Established North America business remains strong; not impacted by European closure
- Leading market position with joint venture in South America
- Distribution in Asia Pacific

U.S. Truck Freight Ton Miles

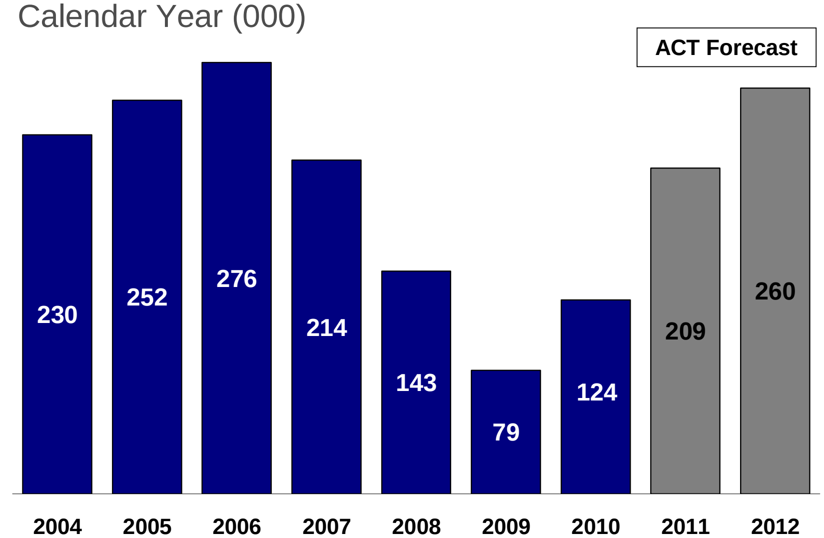
Seasonally Adjusted (trillions)



Source: FTR Associates

North America Trailer Production

Calendar Year (000)



Source: ACT Research

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Third-Quarter Highlights

- Sales were $1.287 billion, up 33 percent year-over-year
- Commercial Truck market share increasing and profit margins expanding
- Received 13 supplier awards from manufacturers in North America, South America and India
- Began production of fuel-efficient 18X axle in Europe for heavy, line haul operations
- Launched two-speed axle in India customized for local conditions

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Sequential Performance[1]

(in millions except EPS)

	2011 Q2	2011 Q3	Comments
Sales	$1,192	$1,287	Increased 8% quarter-over-quarter
Adjusted EBITDA ***Margin***	$81 ***6.8%***	$102 ***7.9%***	Increased 26% quarter-over-quarter
Adjusted Income from Cont. Ops.[2]	$14	$25	Improvement of $11 million
Adjusted EPS from Cont. Ops.[2]	$0.14	$0.26	Increased 86% quarter-over-quarter
Free Cash Flow[2]	($18)	($1)	Near breakeven despite inventory investment

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

2) GAAP net income was $17 million for Q2 2011 and $17 million for Q3 2011. GAAP income from continuing operations was $1 million for Q2 2011 and $23 million for Q3 2011. GAAP diluted income per share from continuing operations was $0.01 for Q2 2011 and $0.24 for Q3 2011. Cash flow provided by operations was $5 million for Q2 2011 and $25 million for Q3 2011.

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Year-over-Year Performance[1]

(in millions except EPS)

	2010 Q3	2011 Q3	Comments
Sales	$966	$1,287	Increased $321 million or 33% year-over-year
Adjusted EBITDA ***Margin***	$66 ***6.8%***	$102 ***7.9%***	Increased 55% year-over-year
Adjusted Income (Loss) from Cont. Ops.[2]	($6)	$25	Improvement of $31 million
Adjusted EPS from Cont. Ops.[2]	($0.06)	$0.26	Positive earnings per share
Free Cash Flow[2]	$33	($1)	Near breakeven despite inventory, and machinery & equipment investment

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

2) GAAP net income/(loss) was ($3) million for Q3 2010 and $17 million for Q3 2011. GAAP income/(loss) from continuing operations was ($6) million for Q3 2010 and $23 million for Q3 2011. GAAP diluted income/(loss) per share from continuing operations was ($0.06) for Q3 2010 and $0.24 for Q3 2011. Cash flow provided by operations was $47 million for Q3 2010 and $25 million for Q3 2011.

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Commercial Truck Segment

- Commercial Truck revenue up 11 percent from the second quarter; 48 percent year-over-year
- Commercial Truck EBITDA margin expanded 160 basis points from 3Q10
- North America volumes up 64 percent on a quarterly basis, 3Q11 over 3Q10
- Commercial truck market share continues positive sales trend
- Working with customers on efficient ramp-up
  - Fulfilled customer requirements more than 99% of the time
- Anticipate strong market demand to continue

Industry Production
(year-over-year)

North America
(Class 8)
Up 64%
Higher than largest quarterly increase during 2004-2006 cycle

Western Europe
(GVW > 6 tons)
Up 36%

South America
(GVW > 6 tons)
Up 15%

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Commercial Truck North America

- Accelerated internal production; added employees; bringing new suppliers online
- Additional CapEx to address constraints
  - Investments to respond to even stronger 2012 North America truck markets are being made now, given long-lead times
- Maintain daily collaboration with customers
  - Agreements in place with major customers for accelerated commodity cost recoveries; also collaborating on premium cost recoveries
- Organized effort underway to manage cycle in fiscally prudent way

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Third-Quarter Walk

(in millions, except margin %)

	Sales	Adjusted EBITDA[1]	
Q2 FY 2011	**$1,192**	**$81**	***6.8%***
Volume and mix		18	
Material economics net of recoveries		(6)	
Reduction in Caiman launch costs		2	
Foreign exchange		6	
Other		1	
Q3 FY 2011	**$1,287**	**$102**	***7.9%***
	+$95	**+$21**	**~22% Conversion**

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

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Fourth-Quarter Outlook(1)(2)

Continuing Operations

(in millions)	FY 2011 Q3 Actual	FY 2011 Q4 Outlook(1)
Sales	$1,287	$1,175 - $1,275
Adjusted EBITDA	$102	$90 - $100
Adjusted Income from Cont. Ops.	$25	$15 - $25
Free Cash Flow	($1)	Slightly Negative (Bond Interest Payment)

- Plan to provide fiscal year guidance for 2012 during FY 2011 Q4 earnings call

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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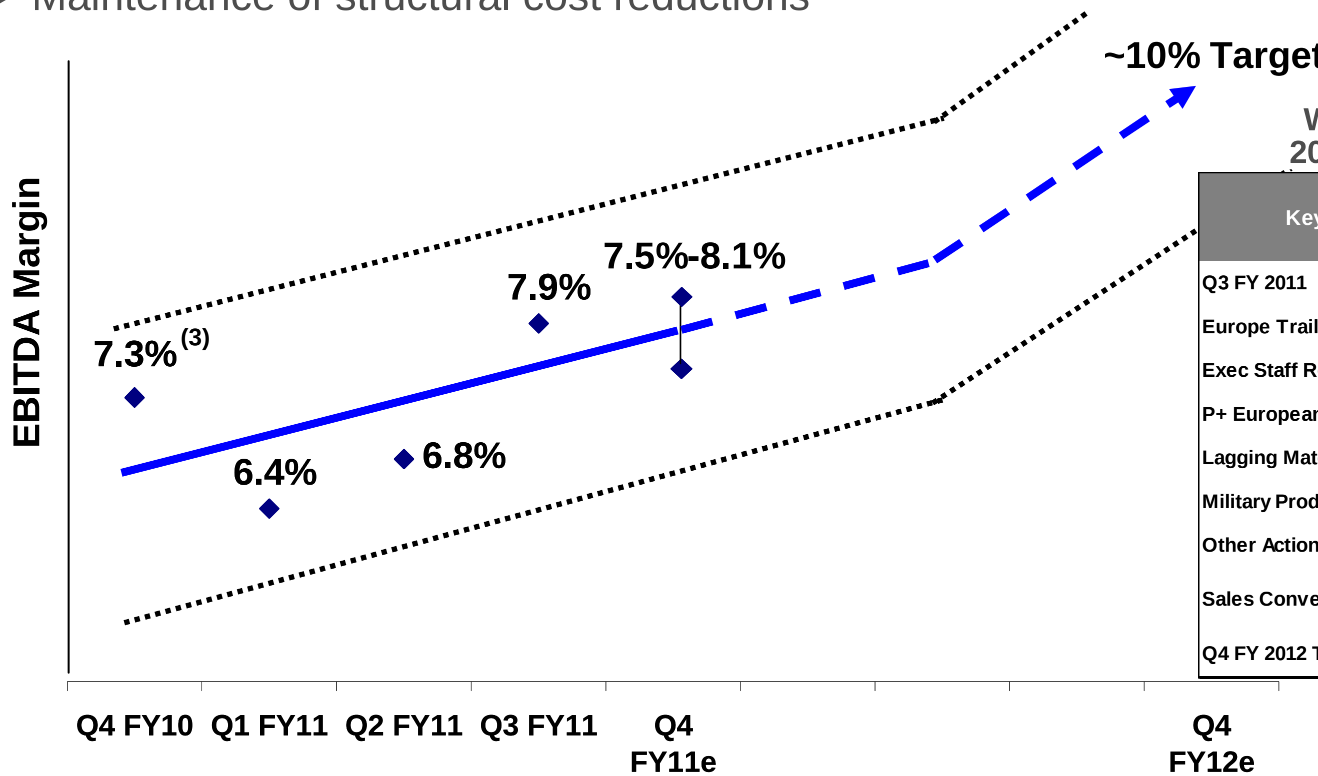
Path to 2012 EBITDA Margin Target(1)(2)

Requirements to Achieve Target

- Stabilization and/or successful mitigation of material economics (steel)
- Mitigation of excess supply chain costs due to dramatic volume increases
- Maintenance of structural cost reductions



Sales:	$956	$971	$1,192	$1,287	$1,175-$1,275	~$1.4B

We expect to achieve our 2012 EBITDA margin target

Key Steps	Timing	Sales	Adjusted EBITDA Margin(1)
Q3 FY 2011		$ 1,287	7.9%
Europe Trailer Closure	Q4 FY11		~1 pt
Exec Staff Reductions (4)	Q2 FY12		
P+ European Footprint	Q2 FY12		
Lagging Material Recoveries	Ongoing		
Military Product Mix	Ongoing		
Other Actions	Ongoing		
Sales Conversion @ ~20%			~1 pt
Q4 FY 2012 Target (2)		~$1,400	~10%

1) See Appendix – "Non-GAAP Financial Information."
2) Adjusted EBITDA target of 10% average through the cycle based on management's planning assumptions. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."
3) Q4 2010 includes $7 million pension curtailment gain.
4) Actions already executed and full benefit expected by Q2 FY12.

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Key Steps to Achieve Targets

Key Steps	Timing	Sales	Adjusted EBITDA Margin[1]
Q3 FY 2011		$ 1,287	7.9%
Europe Trailer Closure	Q4 FY11		
Exec Staff Reductions	Q2 FY12		
P+ European Footprint	Q2 FY12		~1 pt
Lagging Material Recoveries	Ongoing		
Military Product Mix	Ongoing		
Other Actions	Ongoing		
Sales Conversion @ ~20%			~1 pt
Q4 FY 2012 Target[2]		~$1,400	~10%

- Announced closure of Europe Trailer in March 2011
  - Europe Trailer financial results expected to be included in discontinued operations in Q4 fiscal 2011
- Executive staff reductions already implemented
  - Full benefit of cost reductions expected in Q2 fiscal 2012
- Completing steps to rationalize industrial footprint in Europe and eliminating one manufacturing facility
- Will benefit from lagging material cost recoveries as material costs stabilize
- FMTV volumes are expected to strengthen in fiscal year 2012
  - Could reach peak levels of around 8000 units

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

2) Adjusted EBITDA target of 10% average through the cycle based on management's planning assumptions. Actual results may differ materially from projections as a result of risks and uncertainties. Please see slide "Forward Looking Statements."

Significant Strengths

- Focused commercial vehicle and industrial company
- Strong global position
  - Operations in every major market
  - #1 or #2 independent supplier in most markets
  - Global aftermarket business servicing full lifecycle of the vehicle
  - Successful, well established businesses in South America, China & India
- Solid business and product portfolios
- Diversified customer base with long-term relationships
- Key innovation areas
  - Fuel efficiency and safety
- Robust manufacturing footprint & supply chain capabilities
- Ability to execute
- Financial strength
- Strong, stable leadership team and organization

Well-positioned for the future

Frequently Asked Questions

1. What are the key drivers of the 3Q FY11 revenue shortfall to original guidance?
2. Can you explain the decrease in your Q4 FY11 revenue guidance?
3. Did you receive benefit from acceleration of material cost recovery in 3Q FY11? When do you expect that to turn net positive?
4. Are the accelerated steel recoveries permanent?
5. Can you quantify the impact of the items listed in your glide path to 10% EBITDA margin in 2012?

FAQ #1: What are the key drivers of the 3Q FY11 revenue shortfall to original guidance?

- Commercial Truck as we worked closely with our customers to provide production commitments throughout the quarter. Based on those commitments, our customers were able to plan their truck builds accordingly.
  - Meritor was not the cause of de-cycling for our customers in Q3 FY11 as we successfully achieved on time delivery greater than 99%, related to our production commitments.
- Aftermarket as the seasonal maintenance period in North America and Europe came in slightly lower than anticipated.
  - Overall, record sales quarter for Aftermarket business
  - Truck tonnage weakened slightly over the third quarter
  - Small production constraints from Commercial Truck also impacted Aftermarket
  - Military parts replacement business continues to be weak
- Caiman sales retimed from Q3 FY11 to Q1 FY12

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FAQ #2: Can you explain the decrease in your Q4 FY11 guidance?

- The decrease in revenue is almost entirely due to FMTV orders being retimed from Q4 FY11 into 2012 at the request of Oshkosh.
- Consistent with Oshkosh’s earnings call, Oshkosh is targeting a ramp up to 40 trucks per day and 16 trailers per day by the end of calendar year 2011.
- We view the expected FMTV sales to be the same in total with a shift from our fourth quarter to future periods.
- We expect FY 2012 FMTV sales to be consistent with our past volumes in FY 2007 through FY 2010.

FAQ #3: Did you receive benefit from acceleration of material cost recovery in 3Q FY11? When do you expect that to turn net positive?

- Steel cost increases, premium cost increases and steel recoveries are included in the material economics line in our 2Q FY11 to 3Q FY11 sequential walk.
- Due to the successful acceleration of our steel recovery mechanisms, we started to see some benefit in 3Q FY11.
- As steel prices stabilize, we expect lagging steel recoveries to be positive in FY 2012, contributing toward our financial target of 10% EBITDA margin by the end of 2012.

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FAQ #4: Are the accelerated steel recoveries permanent?

- The revised steel recovery agreements do have end dates that vary depending on the customer. They are not indefinite.
- However, in the event steel prices do stay at this inflated level, we feel confident we would again be successful in any future negotiations with our customers, if required.

FAQ #5: Can you quantify the impact of the items listed in your glide path to 10% EBITDA margin in 2012?

- The following items are key contributors to achieving our financial targets in 2012 and are listed in the order of magnitude:
  - P+ European footprint rationalization
  - Lagging net material cost recoveries
  - Europe Trailer closure
  - Military product mix
  - Executive staff headcount reductions

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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 and free cash flow, 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 is 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 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[1]

	Three Months Ended				
	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
Adjusted EBITDA	$ 102	$ 81	$ 62	$ 70	$ 66
Depreciation and Amortization	(17)	(17)	(16)	(16)	(18)
Interest Expense, Net	(22)	(24)	(27)	(25)	(27)
Provision for Income Taxes	(30)	(19)	(20)	(17)	(21)
Non-controlling Interests	(5)	(5)	(4)	(3)	(4)
Loss on Sale of Receivables	(3)	(2)	(1)	(1)	(1)
Restructuring Costs	(7)	(11)	(3)	(5)	(1)
Asset Impairment Charges	-	-	-	(2)	-
Other Losses Related to LVS Divestitures	-	(2)	-	-	-
Gain on Note Receivable	5	-	-	-	-
Income (Loss) From Continuing Operations Attributable to Meritor, Inc	23	1	(9)	1	(6)
Income (Loss) From Discontinued Operations Attributable to Meritor, Inc	(6)	16	7	1	3
Net Income (Loss) Attributable to Meritor, Inc.	$ 17	$ 17	$ (2)	$ 2	$ (3)

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

Memo: Sales	1,287	1,192	971	956	966
Memo: Adjusted EBITDA Margin	7.9%	6.8%	6.4%	7.3%	6.8%

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1) Amounts have been recast to reflect LVS as discontinued operations.
Memo: Adjusted EBITDA margin equals Adjusted EBITDA divided by sales.

Non-GAAP Financial Information

Income from Continuing Operations Reconciliation[1]

	Three Months Ended		
	June 30, 2011	March 31, 2011	June 30, 2010
Income (Loss) From Continuing Operations Attributable to Meritor, Inc.	23	1	(6)
Adjustments:			
Restructuring Costs	7	11	1
Income Taxes	-	-	(1)
Other Losses Related to LVS Divestitures	-	2	-
Gain on Note Receivable	(5)	-	-
Adjusted Income (Loss) From Continuing Operations	$ 25	$ 14	$ (6)
Adjusted Earnings (Loss) Per Share From Continuing Operations	$ 0.26	$ 0.14	$ (0.06)
Diluted Shares Outstanding	96.8	96.9	93.2

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

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Non-GAAP Financial Information

Free Cash Flow Reconciliation

(in millions)	Three Months Ended June 30, 2011	Three Months Ended March 31, 2011	Three Months Ended June 30, 2010
Cash provided by operating activities	$ 25	$ 5	$ 47
Capital expenditures - continuing operations	(26)	(23)	(9)
Capital expenditures - discontinued operations	-	-	(5)
Free cash flow	$ (1)	$ (18)	$ 33

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