



FY 2008 Third Quarter Earnings Presentation

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July 29, 2008

ArvinMeritor™

Forward-Looking Statements

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 planned spin-off of ArvinMeritor’s LVS business, including the timing and certainty of completion of the transition. 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; 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); 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; 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; 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 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.

Q3 Highlights

- Earned \$0.77 per share from continuing operations before special items ⁽¹⁾
- Cash flow from operations net of capital expenditures of \$59 million
- Sales up more than \$340 million year-over-year due to stronger volumes and currencies outside North America
 - LVS sales up despite difficult industry conditions in the U.S. (down slightly on a constant-currency basis)
- Announced spinoff of Light Vehicle Systems and made meaningful progress toward completion
- Introduced electrically-driven global chassis control architecture for light vehicles
- Opened LVS technical center in Brazil

(1) GAAP diluted earnings per share from continuing operations was \$0.70; see Appendix – “Non-GAAP Financial Information”

Q3 Highlights (continued)

- Increased CVS margins before special items by 1.2 percentage points in the third quarter of fiscal year 2008 compared to the same quarter last year
- Continued profitable expansion of Commercial Vehicle Aftermarket unit
 - Acquired Trucktechnic, a leader in disc brake remanufacturing in Europe
- Received major awards for MRAP service parts and medium tactical vehicles
- Studying additional investment to support continuing strong growth in China off-highway market

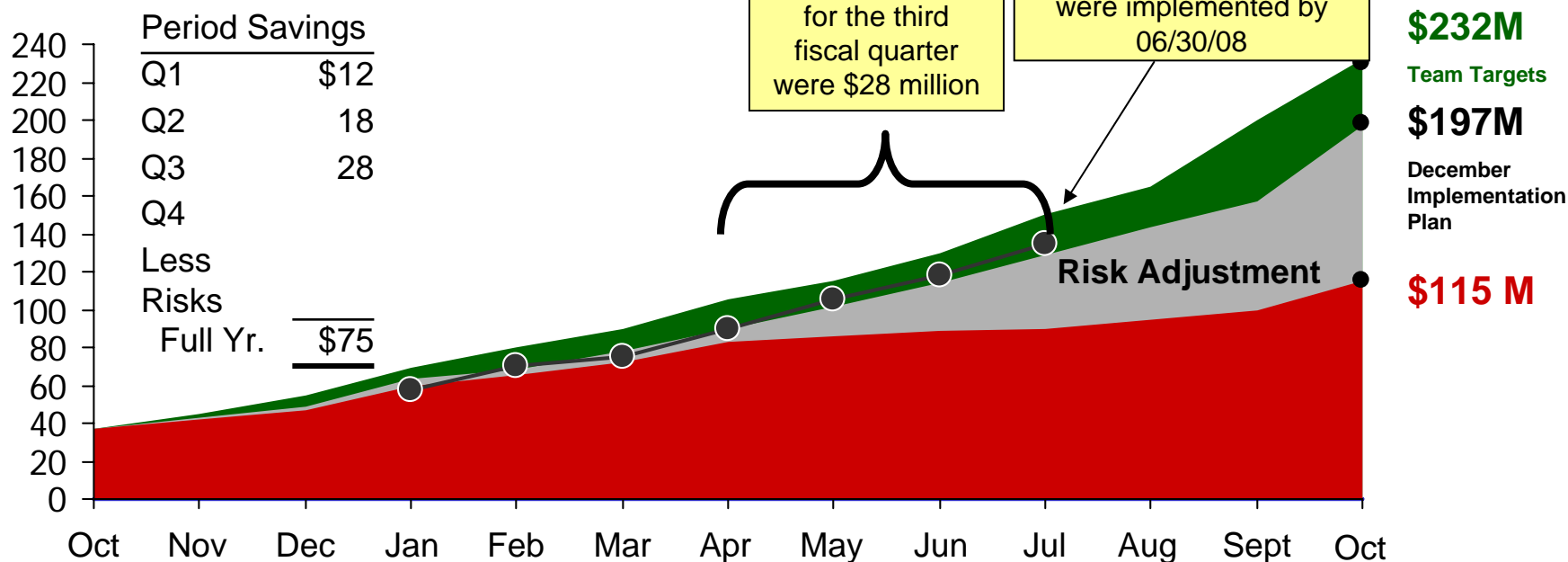
2008 Outlook

- Expect FY 2008 EPS guidance before special items at the high end of the previous range of \$1.40 to \$1.60
- Performance Plus cost reductions of \$75 million per year in 2008 and 2009 on track
- Sales forecast unchanged in a range of \$7.1 billion to \$7.3 billion
- Cash flow guidance of negative \$50 to \$100 million for FY 2008, \$25 million better than previous guidance

Announcing Wave 2 Performance Plus Effort to Increase Confidence in 2009 Savings Target

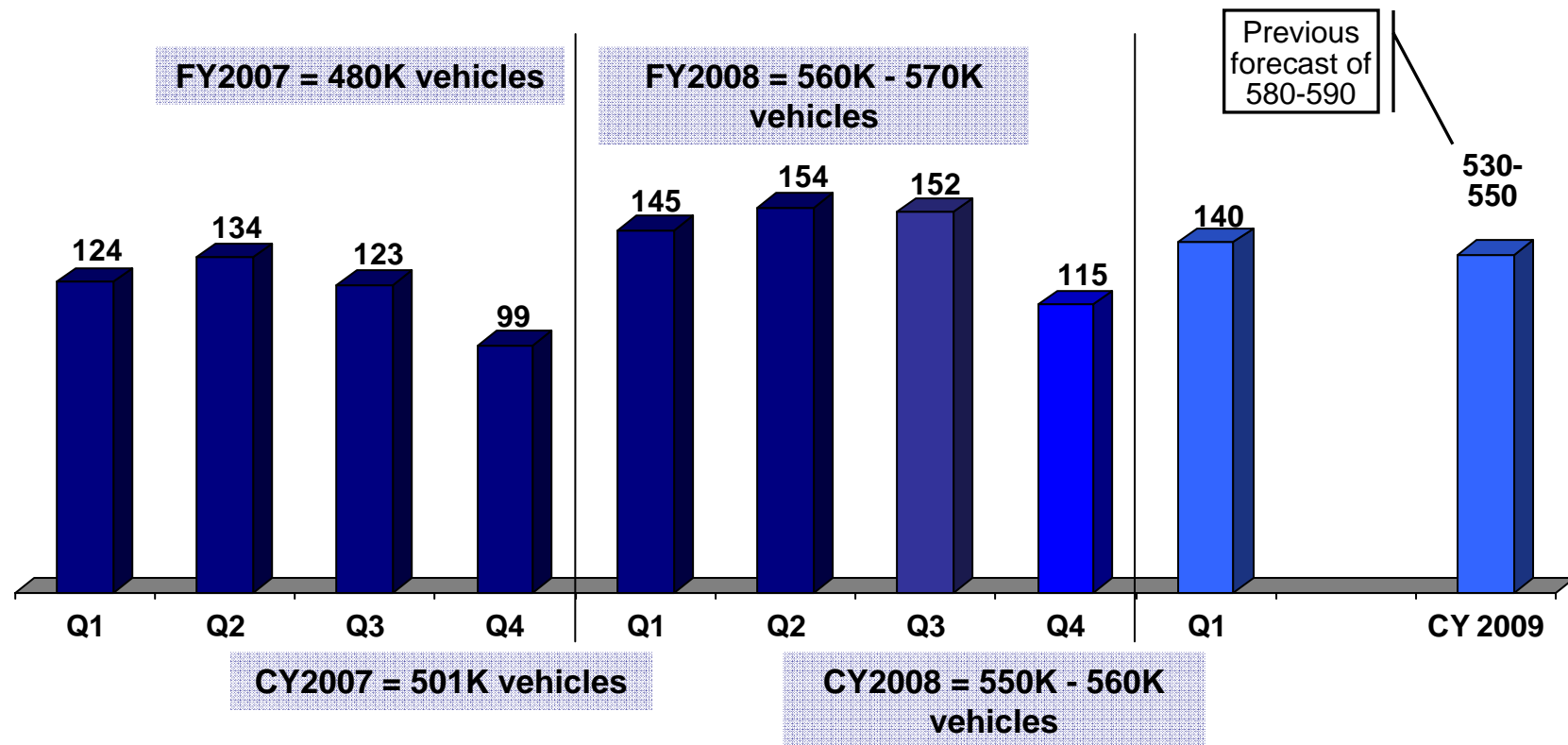
Annualized EBITDA Impact from Cost Saving Actions
\$ Millions

Period Savings	
Q1	\$12
Q2	18
Q3	28
Q4	
Less Risks	
Full Yr.	<u>\$75</u>



- Performance Plus cost reductions expected to fully achieve 2008 target of \$75 million savings net of material cost increases
- Strong implementation momentum late in the year positions the company well as full-year benefits accrue to 2009 compared to partial-year in 2008
- To increase confidence in achieving 2009 target in difficult material cost environment, we are launching a second wave of Performance Plus resources to accelerate idea generation and increase focus in Europe

Europe Medium and Heavy Truck Production



- Raised 2008 CY forecast by 5% last quarter reflecting breaking bottlenecks in the industry, then took it back down this quarter reflecting less robust demand growth (+11% YOY)
- Now project 2009 CY 3% lower than this year's record level (midpoint to midpoint)
- This magnitude of slowing will relieve high-volume premium costs and allow us to refocus capital expenditures on efficiency and flexibility initiatives

Continuing Growth in Remanufacturing

Trucktechnic Acquisition

- A major remanufacturer and distributor of commercial vehicle disc brakes and air system components, based in Liege, Belgium
- Expands the product breadth and market depth of ArvinMeritor's existing European aftermarket portfolio
- Provides complementary geographical footprint, capability, capacity and brand
- Continues execution of ArvinMeritor strategy to grow aggressively in the most profitable business units

Other Remanufacturing

- Integration pace and synergies with Mascot exceeding expectations
- Launched licensed remanufacturing of Allison transmissions
- Won major awards to provide remanufactured transmissions and axle carriers to Navistar Parts and to PACCAR's dealers in Canada

2008 Changes	North America	Europe
Brakes	✓	Strengthened
Drivelines	✓	Added
Drivetrain	Expanded	
Trailer Axles	Added	
Additional Product	Evaluate	Evaluate

Products that Enhance Fuel Economy



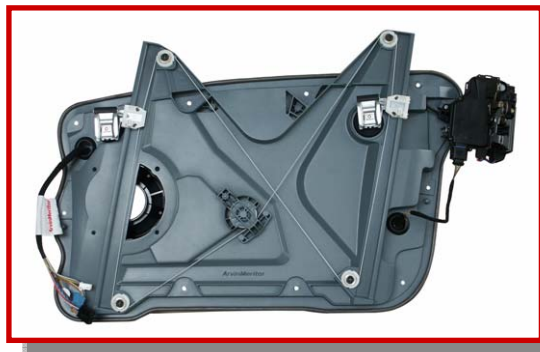
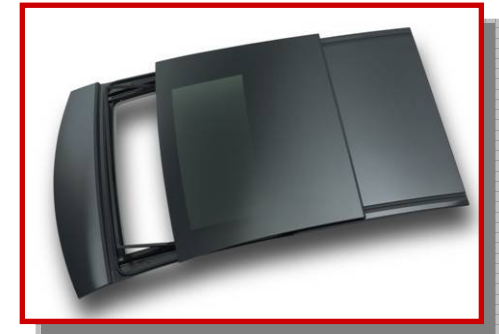
Unicell Quicksider
Battery-Electric Pickup
and delivery vehicle

**Meritor Tire
Inflation System**
Delivers higher fuel
economy by constantly
maintaining proper tire
air pressure



Wal-Mart Hybrid EV
Class-8 Hybrid
Diesel/Electric

**Long Fiber
Injection
Panoramic Roof**
Lightweight plastic
reduces vehicle
weight by 10 lbs.

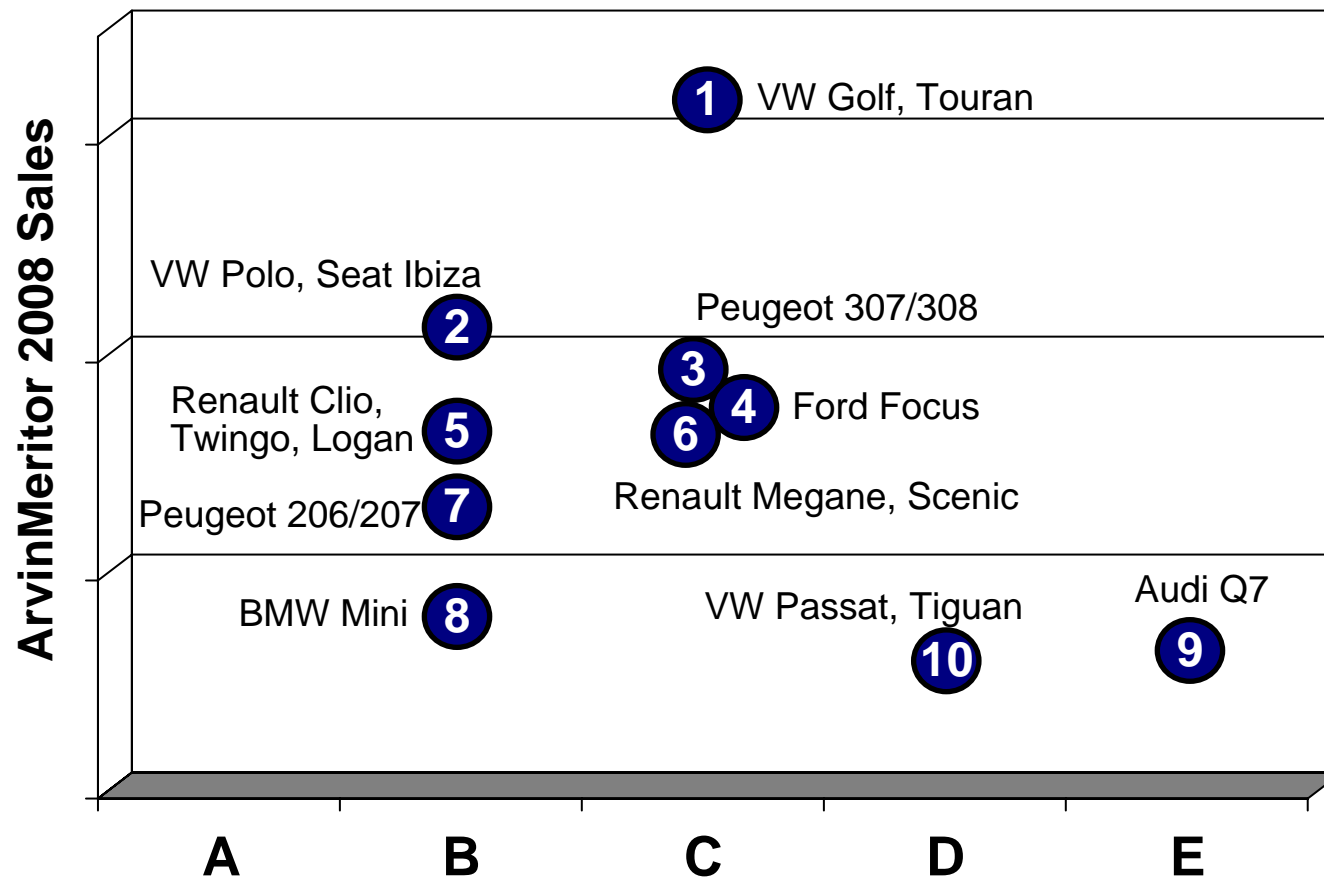


HIP Module
Highly-integrated
plastic door
module reduces
weight by 30%

**Low Energy
Release Latch**
Contains up to 50%
fewer parts, saving
5-7 lbs. per vehicle



LVS Top European Platforms by Segment



Progress on LVS Spinoff – On Track

- Announced spinoff on May 6
- Filed registration statement (Form 10) on May 28 and provided overview and update to the market
- Filed first amendment to Form 10 on July 28
- LVS achieved the third quarter milestones required in order to complete the spinoff, and is on track to achieve fourth quarter milestones
 - EBITDA and margins up year-over-year excluding effects of non-recurring items⁽¹⁾

(1) See Slide 28

Third Quarter Income Statement from Continuing Operations – Before Special Items (1)

(in millions, except per share amounts)

	Three Months Ended June 30,			
	2008	2007	Better/(Worse)	
			\$	%
Sales	\$ 2,003	\$ 1,662	\$ 341	21 %
Cost of Sales	(1,807)	(1,524)	(283)	(19) %
Gross Margin	196	138	58	42 %
SG&A and other	(124)	(93)	(31)	(33) %
Operating Income	72	45	27	60 %
Equity in Earnings of Affiliates	12	10	2	20 %
Interest Expense, Net	(19)	(27)	8	30 %
Income Before Income Taxes	65	28	37	132 %
Provision for Income Taxes	(2)	(5)	3	60 %
Minority Interests	(7)	(5)	(2)	(40) %
Income from Continuing Operations before Special Items ⁽²⁾	<u>56</u>	<u>18</u>	<u>38</u>	211 %
Diluted Earnings Per Share from Continuing Operations ⁽²⁾	<u>\$ 0.77</u>	<u>\$ 0.25</u>	<u>\$ 0.52</u>	208 %

(1) See Appendix – “Non-GAAP Financial Information”

(2) GAAP Income (Loss) from Continuing Operations was \$51 million and \$(4) million for quarters ended June 30, 2008 and 2007, respectively, or \$0.70 and \$(0.06) on a per diluted share basis.

Tax Rate for 2H and FY as Previously Guided

	Guidance/ Actual	Update	
Q1	59%	59%	Actual
Q2	34%	34%	Actual
Q3	Implied rate of 10-15% for 2H	3%	} Largely Unchanged
Q4		Implied 26-32%	
Full Year	22-26%	23-26%	Tightened

- First half EPS was reduced by unfavorable tax items, which more than reversed in the third quarter (\$0.17 non-recurring tax benefit to EPS)
- Full-year tax rate is as guided and is in line with forward projections

Third Quarter Segment EBITDA – Before Special Items⁽¹⁾

(in millions)

	Three Months Ended June 30			
	2008	2007	Better/(Worse)	
			\$	%
EBITDA				
Commercial Vehicle Systems	\$ 101	\$ 65	\$ 36	55 %
Light Vehicle Systems	26	31	(5)	(16) %
Segment EBITDA	<u>127</u>	<u>96</u>	<u>31</u>	<u>32 %</u>
Unallocated Corporate Costs	(6)	(2)	(4)	(200) %
ET Corporate Allocations	-	(9)	9	100 %
Total EBITDA ⁽²⁾	<u><u>\$ 121</u></u>	<u><u>\$ 85</u></u>	<u><u>36</u></u>	<u><u>42 %</u></u>
EBITDA Margins				
Commercial Vehicle Systems	7.4%	6.2%	1.2 pts	
Light Vehicle Systems ⁽³⁾	4.0%	4.9%	(0.9) pts	
Segment EBITDA Margins	6.3%	5.8%	0.5 pts	
Total EBITDA Margins ⁽²⁾	6.0%	5.1%	0.9 pts	

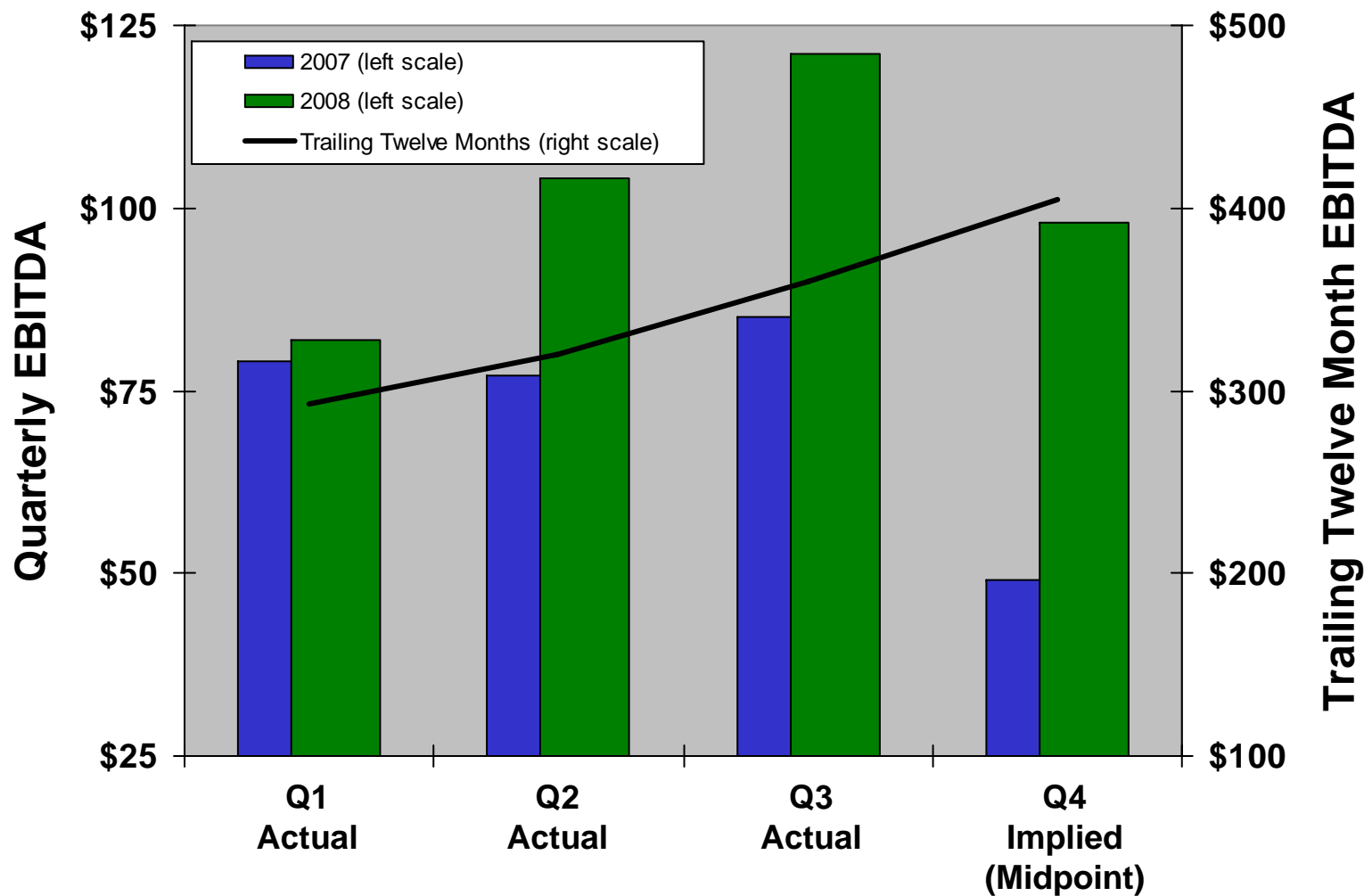
(1) See Appendix – “Non-GAAP Financial Information”

(2) 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. EBITDA margin equals EBITDA divided by sales. GAAP Operating Income was \$62 million and \$19 million for quarters ended June 30, 2008 and 2007, respectively, or 3.1% and 1.1% as a percentage of revenue.

(3) Prior year LVS margins are adjusted to reflect the impact of reduced volumes in our Brussels operations.

Trailing 12 Months EBITDA⁽¹⁾ Continues to Rise

Continuing Operations Before Special Items (millions)



(1) See Appendix – “Non-GAAP Financial Information”

CVS Margins vs. Prior Year

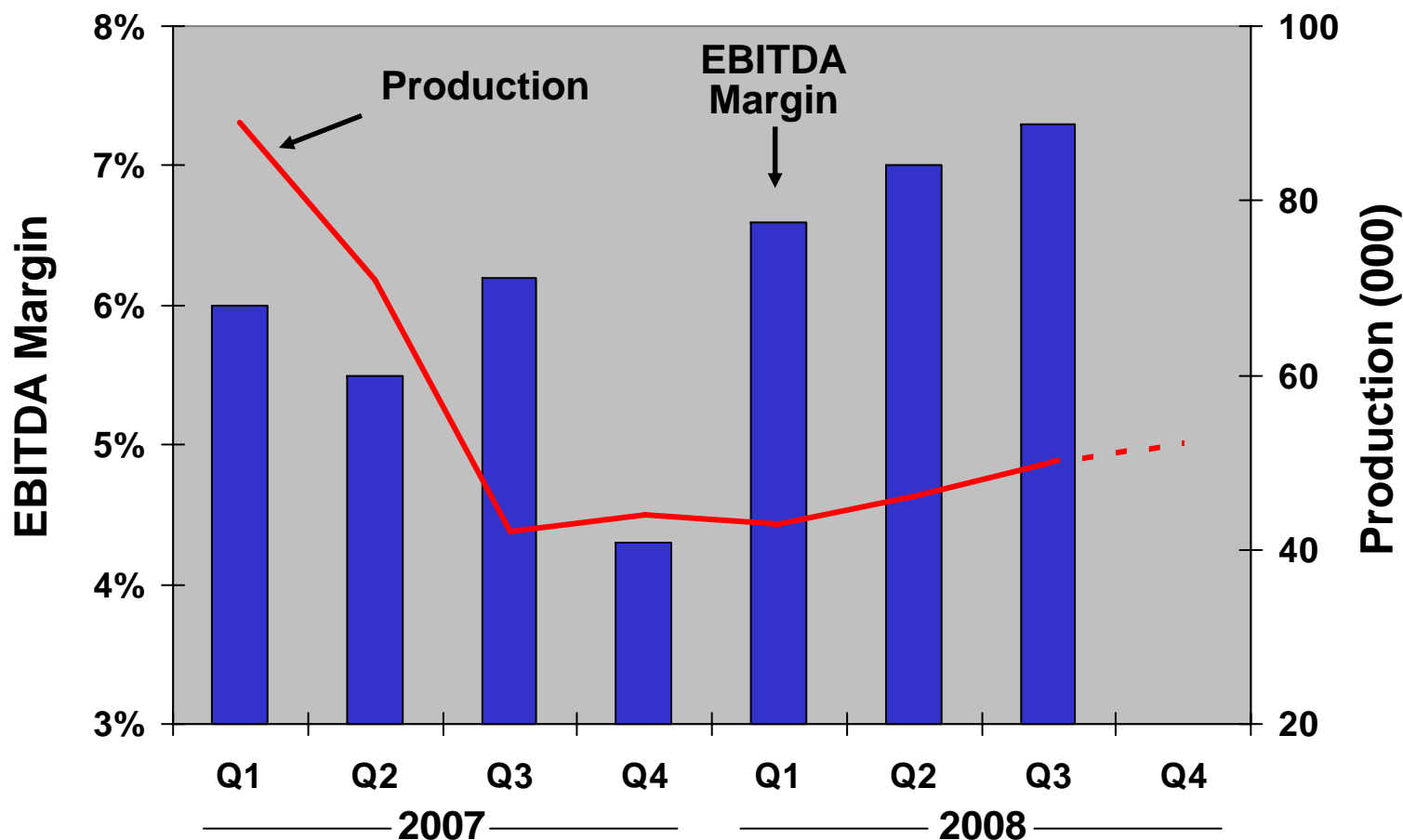
EBITDA Margin Before Special Items⁽¹⁾

	Segment EBITDA Margin
FY 2007 Q3	6.2%
North America Class 8 production volume	0.4
Europe medium & heavy truck production volume	1.0
South America production volume	0.6
Specialty and other volume and mix	0.9
Performance Plus and other cost savings	1.3
Steel and other raw material economics, net of pass-through	(0.4)
Central costs previously unallocated	(0.6)
SG&A costs	(1.5)
Other	(0.5)
FY 2008 Q3	7.4%

(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 slide 14 and the appendix for consolidation and comparison to GAAP measures. EBITDA margin equals EBITDA divided by sales.

CVS Margins vs. North America Class 8 Production

EBITDA Margin Before Special Items⁽¹⁾



(1) See Appendix – “Non-GAAP Financial Information.” EBITDA margin equals EBITDA divided by sales.

LVS Margins vs. Prior Year

EBITDA Margin Before Special Items⁽¹⁾

	Segment EBITDA Margin
FY 2007 Q3	4.9%
North America volume	(1.0)
Other volume and mix	0.6
Performance Plus and other cost savings	1.4
Steel and other raw material economics, net of pass-through	(0.5)
Legal/commercial dispute with customer	(0.8)
Central costs previously unallocated	(0.6)
Other	-
FY 2008 Q3	4.0%

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(2) Prior year LVS margins are adjusted to reflect the impact of reduced volumes in our Brussels operations.

Free Cash Flow

Millions

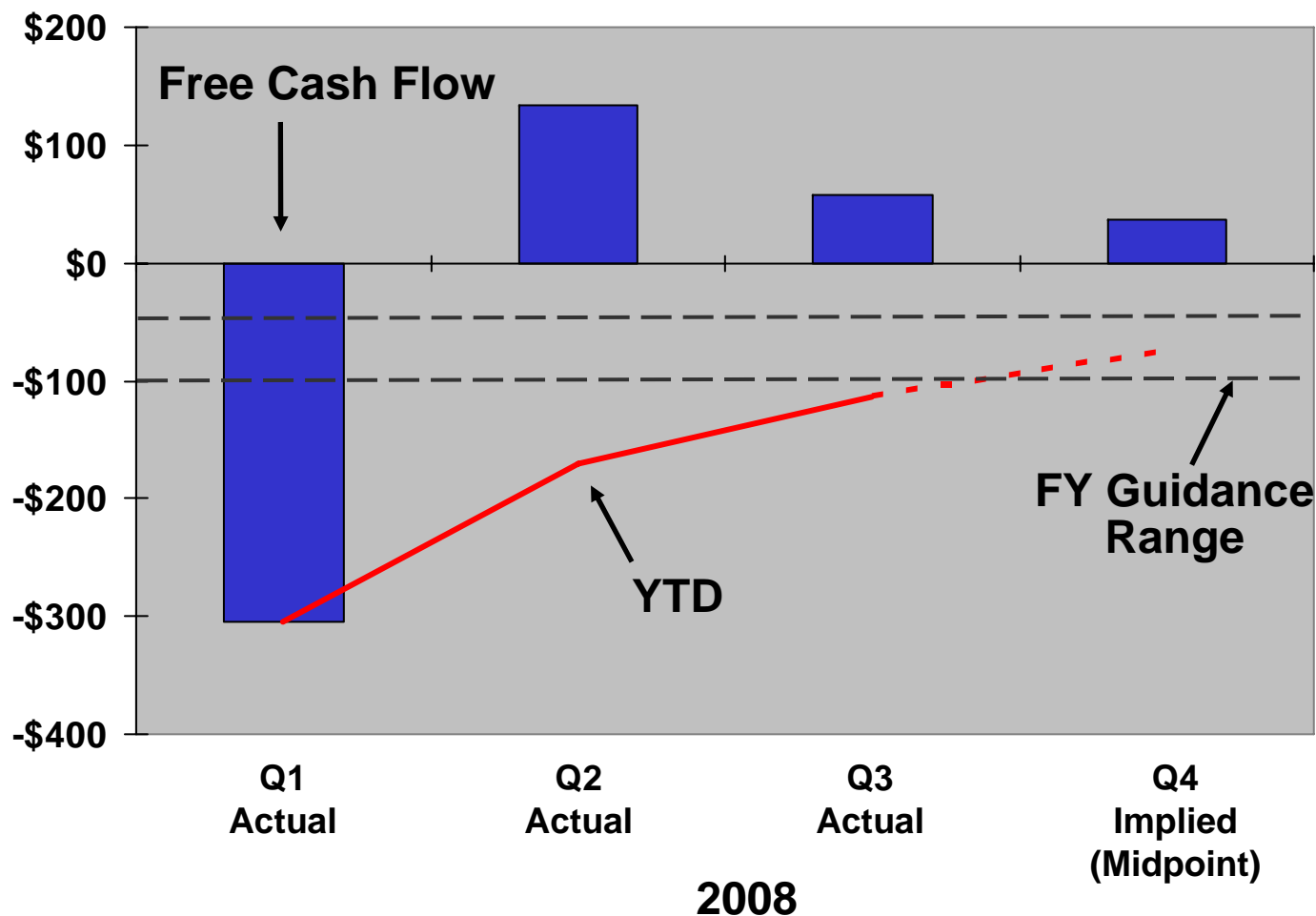
	Quarter Ended June 30,	
	2008	2007
Income (loss) from continuing operations	\$ 51	\$ (4)
Net spending (D&A less capital expenditures)	(17)	8
Pension and retiree medical, net of expense	7	(14)
Performance working capital ⁽¹⁾	(89)	(177)
Other changes, including restructuring	98	45
Discontinued operations	(3)	(109)
Free cash flow before non-recourse sales of receivables	\$ 47	\$ (251)
Non-recourse sales of receivables	12	95
Free cash flow ⁽²⁾	\$ 59	\$ (156)

(1) Change in receivables, payables, inventory and customer tooling

(2) Comprises cash provided by (used for) operating activities of \$114 million and \$(127) million and capital expenditures (including discontinued operations) of \$(55) million and \$(29) million for the periods ending 2008 and 2007.

Free Cash Flow⁽¹⁾ by Quarter

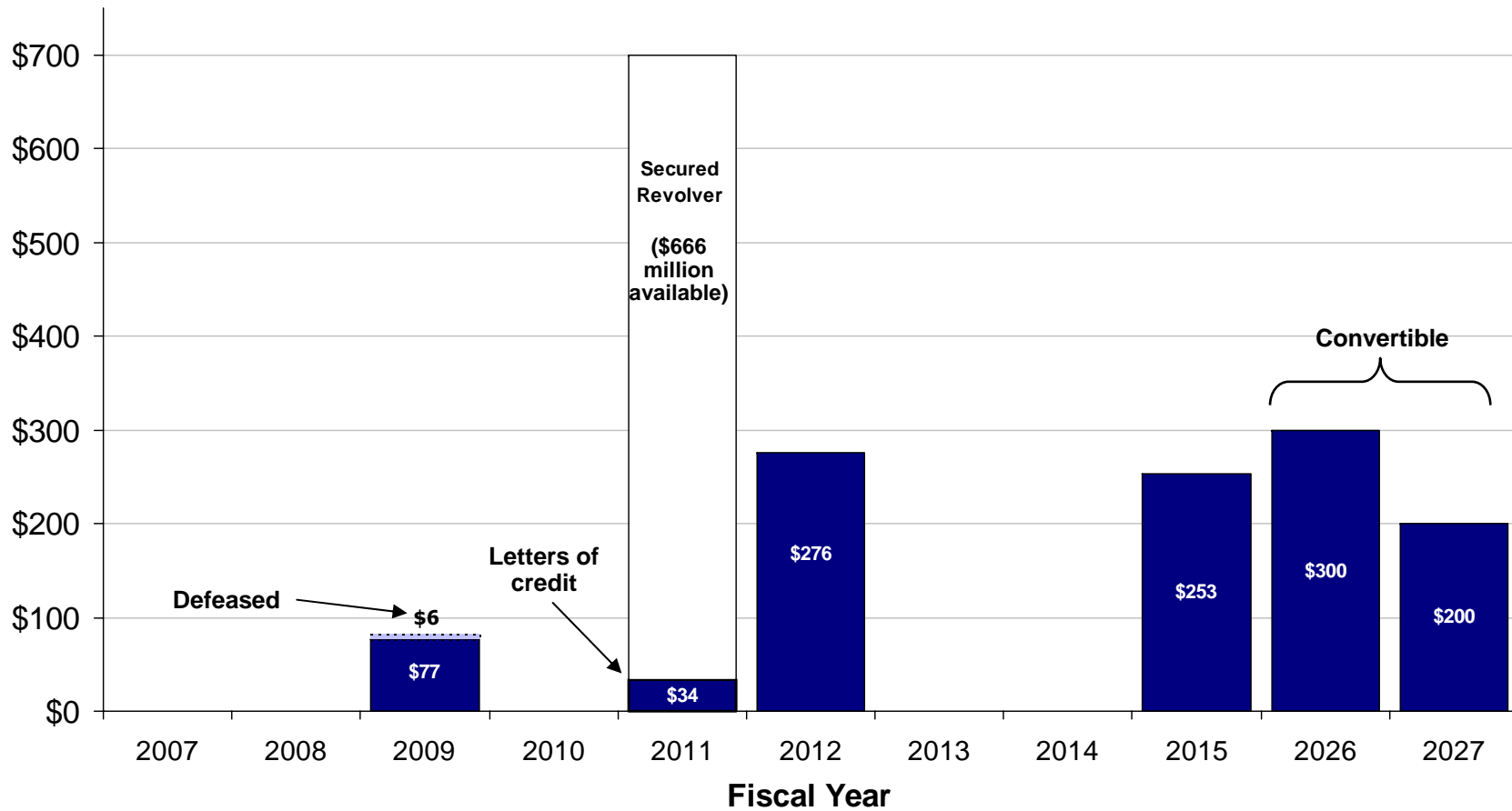
Millions



(1) See Slide 19 and the Appendix for reconciliation to the nearest GAAP equivalent

Limited Term Debt Refinancing

Millions as of June 30, 2008



2008 Planning Assumptions

Calendar Year Basis

North America		Other Regions/Metrics	
U.S. GDP growth	1.6%	Europe GDP growth	1.7%
U.S. light vehicle industry sales (millions)	14.4 - 14.6	W. Europe light vehicle industry sales (millions)	16.6 - 16.9
Class 8 truck production (000)	195 - 205	Europe medium & heavy truck production (000)	550 - 560
Class 5-7 truck production (000)	125 - 135	Europe trailer production	160 - 175
Trailer production (000)	170 - 185	Asia medium & heavy truck production (000)	1,340
CV aftermarket industry growth rate ex. pricing	Flat	Steel price change	Much Worse
MRAPs awarded	15,000	S. America light vehicle production (millions)	4.0

Color coding represents change from July 2 guidance update

Fiscal Year 2008 Outlook

Continuing Operations Before Special Items

(in millions except tax rate and EPS)

	FY 2008 Full Year Outlook ⁽¹⁾	
Sales	\$ 7,100	– \$ 7,300
EBITDA	400	– 410
Interest Expense	(87)	– (92)
Effective Tax Rate	23%	– 26%
Income from Continuing Operations	112	– 118
Diluted Earnings Per Share	Top end of \$1.40 - \$1.60 range	
Free Cash Flow	\$ (50)	– \$ (100)

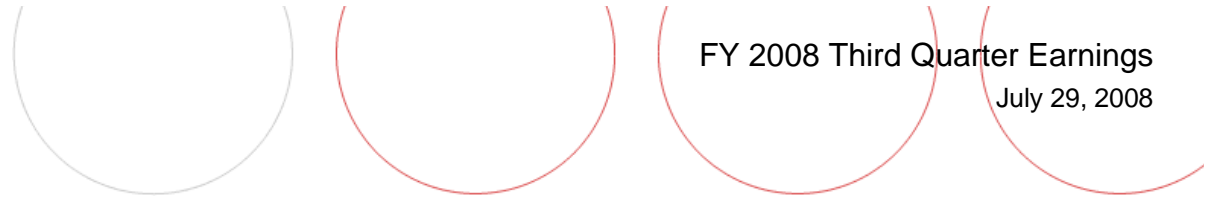
(1) Excluding gains or losses on divestitures, restructuring costs, and other special items

CVS 2009 Profit Improvement Intact

FY 2009 Compared to FY 2008	Better/ Worse	Comments
N.A. medium/heavy truck production	++	Up 20 to 40%
Europe medium/heavy truck production	0 / -	Down 0 to 5%, offset by volume efficiencies
South America volume/share	0 / +	
Asia Pacific volume/share	+	
Military vehicles	0	
Off-highway sales	+	
Commercial Vehicle Aftermarket growth	+	
Performance Plus cost savings	++	
Raw material costs net of recovery	0 / -	
Total	+ / ++	

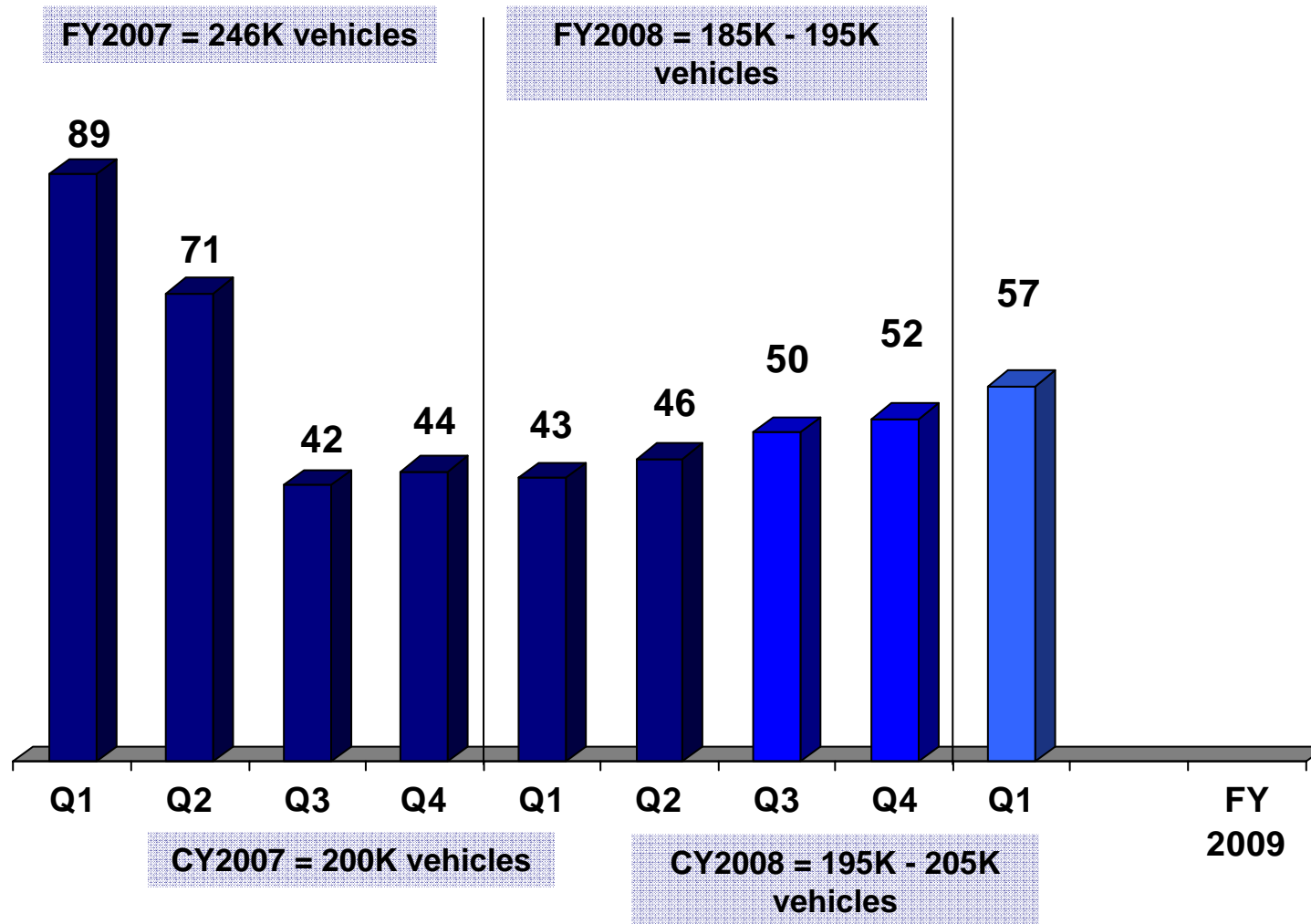
LVS 2009 Profit Outlook

FY 2009 Compared to FY 2008	Better/ Worse
U.S. light vehicle production and mix	0
Europe light vehicle production and mix	-
South America volume/share	0 / +
Asia Pacific volume/share	+
Footprint transition to LCCC	+
Material cost savings	+
Labor & burden cost savings	++
Raw material costs net of recovery	0 / -
Total	+



Appendix

North America Class 8 Production



LVS EBITDA Excluding Non-Recurring Items

	2008 FYTD	2007 FYTD	2008 Better/Worse Than 2007
EBITDA Before Special Items as Reported ⁽¹⁾	\$ 62	\$ 77	\$ (15)
Changes to Certain Benefit Programs	(2)	-	(2)
Legal/Commercial Dispute with Customer	14	-	14
Commercial Settlement with Supplier	2	-	2
ET Corporate Allocations	8	-	8
FX Revaluation	(2)	-	(2)
Adjustments to Tax Accruals	-	(2)	2
Adjustments to Pricing Reserves	-	(5)	5
Adjusted EBITDA on a Comparable Basis	\$ 82	\$ 70	\$ 12

(1) See Slide 29 – “Non-GAAP Financial Information”

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 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 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 3Q 2008

<i>(in millions)</i>	GAAP Q3 2008	Restructuring	Transaction Spin-Off Costs	Tax Impact	Before Special Items Q3 2008
Sales	\$ 2,003	\$ -	\$ -	\$ -	\$ 2,003
Gross Margin	196	-	-	-	196
Operating Income	62	4	6	-	72
Income (Loss) From Continuing Operations	51	3	4	(2)	56
DILUTED EARNINGS (LOSS) PER SHARE					
Continuing Operations	\$ 0.70	\$ 0.04	\$ 0.06	\$ (0.03)	\$ 0.77
EBITDA					
Commercial Vehicle Systems	\$ 101	\$ -	\$ -	\$ -	\$ 101
Light Vehicle Systems	23	3	-	-	26
Segment EBITDA	<u>\$ 124</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127</u>
EBITDA Margins					
Commercial Vehicle Systems	7.4%				7.4%
Light Vehicle Systems	3.6%				4.0%
Segment EBITDA Margins	6.2%				6.3%

For a reconciliation of EBITDA to its closest GAAP equivalent, see slide 34. EBITDA margin equals EBITDA divided by sales.

Non-GAAP Financial Information

Income Statement Special Items Walk 3Q 2007

(in millions, except per share amounts)	Q3 FY 07	Impact of			Q3 FY 07
	Reported	Work Stoppages	Restructuring	Income Taxes	Before Special Items
Sales	\$ 1,662	\$ -	\$ -	\$ -	\$ 1,662
Gross Margin	136	2	-	-	138
Operating Income	19	2	24	-	45
Income (Loss) from Continuing Operations	(4)	1	15	6	18
Diluted Earnings Per Share - Continuing Operations	\$ (0.06)	\$ 0.02	\$ 0.21	\$ 0.08	\$ 0.25
Segment EBITDA					
Commercial Vehicle Systems	\$ 63	\$ -	\$ 2	\$ -	\$ 65
Light Vehicle Systems	<u>12</u>	<u>2</u>	<u>17</u>	<u>\$ -</u>	<u>31</u>
Total Segment EBITDA	<u>\$ 75</u>	<u>\$ 2</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ 96</u>
Segment EBITDA Margins					
Light Vehicle Systems	6.0%				6.2%
Commercial Vehicle Systems	2.0%				4.9%
Total Segment EBITDA Margins	4.5%				5.8%

For a reconciliation of EBITDA to its closest GAAP equivalent, see slide 35. EBITDA margin equals EBITDA divided by sales.

Non-GAAP Financial Information Income Statement Special Items Walk 9 Months 2008

<i>(in millions)</i>	Q3 YTD FY 08		Transaction	Q3 YTD FY 08	
	Reported	Restructuring	Spin-Off Costs	Before Special Items	
Sales	\$ 5,447	\$ -	\$ -	\$ -	\$ 5,447
Gross Margin	493	-	-	-	493
Operating Income	146	19	6	6	171
Income Before Income Taxes	109	19	6	6	134
Income From Continuing Operations	74	11	4	4	89
DILUTED EARNINGS PER SHARE					
Continuing Operations	\$ 1.02	\$ 0.15	\$ 0.06	\$ 0.06	\$ 1.23
Segment EBITDA					
Commercial Vehicle Systems	\$ 256	\$ -	\$ -	\$ -	\$ 256
Light Vehicle Systems	44	18	-	-	62
Segment EBITDA	<u>300</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>318</u>
EBITDA Margins					
Commercial Vehicle Systems	7.1%				7.1%
Light Vehicle Systems	2.4%				3.4%
Total Segment Operating Margins	5.5%				5.8%

Non-GAAP Financial Information Income Statement Special Items Walk 9 Months 2007

<i>(in millions)</i>	Q3 YTD FY 07	Ride Control	Product	Debt	Tax	Q3 YTD FY 07	
	Reported	Fair Value Adjustment	Disruptions	Restructuring	Extinguishment	Impact	Before Special Items
Sales	\$ 4,857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,857
Gross Margin	383	-	(2)	-	-	-	381
Operating Income (Loss)	69	(10)	(2)	61	-	-	118
Income (Loss) Before Income Taxes	5	(10)	(2)	61	6	-	60
Income (Loss) From Continuing Operations	(7)	(6)	(2)	38	4	15	42
DILUTED EARNINGS (LOSS) PER SHARE							
Continuing Operations	\$ (0.10)	\$ (0.08)	\$ (0.02)	\$ 0.53	\$ 0.05	\$ 0.21	\$ 0.59
EBITDA							
Commercial Vehicle Systems	\$ 186	\$ -	\$ (9)	\$ 10	\$ -	\$ -	\$ 187
Light Vehicle Systems	34	(10)	7	46	-	-	77
Segment EBITDA	<u>220</u>	<u>(10)</u>	<u>(2)</u>	<u>56</u>	<u>-</u>	<u>-</u>	<u>264</u>
EBITDA Margins							
Commercial Vehicle Systems	5.9%						5.9%
Light Vehicle Systems	2.0%						4.6%
Segment Operating Margins	4.5%						5.4%

Non-GAAP Financial Information

EBITDA Reconciliation – FY08 Quarters

(in millions)	Quarter Ended <u>December 31, 2007</u>	Quarter Ended <u>March 31, 2008</u>	Quarter Ended <u>June 30, 2008</u>
Total EBITDA - Before Special Items	\$ 82	\$ 104	\$ 121
Restructuring Costs	(10)	(5)	(4)
Rising Sun Costs	-	-	(6)
Loss on Sale of Receivables	(4)	(5)	(6)
Depreciation and Amortization	(32)	(36)	(38)
Interest Expense, Net	(27)	(20)	(19)
Benefit (Provision) for Income Taxes	(10)	(14)	3
Income (Loss) From Continuing Operations	\$ (1)	\$ 24	\$ 51

Non-GAAP Financial Information

EBITDA Reconciliation – FY07 Quarters

(in millions)	<u>Quarter Ended December 31, 2006</u>	<u>Quarter Ended March 31, 2007</u>	<u>Quarter Ended June 30, 2007</u>	<u>Quarter Ended September 30, 2007</u>
Total EBITDA - Before Special Items	72	77	85	49
Restructuring Costs	-	(37)	(24)	(10)
Fair Value Adjustment	-	10	-	-
Impact of Work Stoppages	(2)	6	(2)	(14)
Loss on Sale of Receivables	(2)	(1)	(3)	(3)
Depreciation and Amortization	(30)	(34)	(32)	(33)
Interest Expense, Net	(27)	(34)	(27)	(22)
Benefit (Provision) for Income Taxes	(1)	-	(1)	10
Income (Loss) From Continuing Operations	<u>\$ 10</u>	<u>\$ (13)</u>	<u>\$ (4)</u>	<u>\$ (23)</u>

Non-GAAP Financial Information

Free Cash Flow

(in millions)	Quarter Ended June 30,	
	<u>2008</u>	<u>2007</u>
Cash provided by (used for) operating activities	\$ 114	\$ (127)
Less: Capital expenditures (1)	<u>(55)</u>	<u>(29)</u>
Free Cash Flow	<u>\$ 59</u>	<u>\$ (156)</u>

(1) Includes capital expenditures of discontinued operations.

Non-GAAP Financial Information

Free Cash Flow

(in millions)	Quarter Ended <u>December 31, 2007</u>	Quarter Ended <u>March 31, 2008</u>
Cash provided by (used for) operating activities	\$ (271)	\$ 163
Less: Capital expenditures	(34)	(29)
Free Cash Flow	<u>\$ (305)</u>	<u>\$ 134</u>

The logo for ArvinMeritor, featuring the brand name in a bold, italicized, red sans-serif font. The text is centered horizontally and partially overlaid by a grid of light gray circles. The top row of the grid consists of four red circles, while the remaining circles are light gray. The circles are arranged in a staggered pattern, with the text passing through the middle of the grid.

ArvinMeritor™