FY 2008 Fourth Quarter Earnings Presentation

Chip McClure, Chairman, CEO & President

Jay Craig, Senior Vice President & CFO

November 18, 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 separation of ArvinMeritor's LVS business, including the timing and certainty of completion of any transaction, the terms upon which any purchase and sale agreement may be entered into, and whether closing conditions will be met (some of which may not be in the company's control). 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 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; 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; 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.

2008 Financial Highlights(1)

(in millions, except EPS)

Measure	Full Year	Q4	Comment
Sales	$7,167	$1,720	**Up** 11% for the year (4% at constant exchange rates)
EPS from Cont. Ops. Before Special Items(2)	$1.60	$0.38	**Met** original and recent guidance
Free Cash Flow(1)	$(9)	$103	**Exceeded** recent guidance and within $10 million of original guidance

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

(2) GAAP diluted loss per share from continuing operations was $(1.26) for FY 2008 and $(2.29) for Q4

2008 Operational Highlights

- Achieved record CVS sales:
  - Europe
  - South America
  - Asia
  - Commercial Vehicle Aftermarket
  - Military
- Strengthened remanufacturing business by completing acquisitions of Mascot and Trucktechnic
- Improved manufacturing efficiency
  - Successful lean manufacturing initiatives
  - Investments to modernize production equipment
  - New inventory and supply chain management systems
- Achieved Performance Plus cost reductions of $75 million
- Expanded CVS margins by 1.8 percentage points(1)
- Announced planned separation of Light Vehicle Systems business

(1) Continuing Operations Before Special Items. See Appendix – "Non-GAAP Financial Information"

2009 Priorities

1. Accelerate restructuring and other cost reductions
   - Workforce reduction of 1,250, including permanent and contract
   - Tight controls on discretionary spending
   - Performance Plus Wave II
2. Continue operational performance improvement
   - Improve global capacity flexibility
   - Focus on supply chain management
   - Drive inventory down
3. Complete LVS separation
4. Continue to grow high-margin segments
   - Commercial Vehicle Aftermarket and Specialty
5. Innovate and strengthen technology
   - Hybrid commercial vehicles, new axle launch, fuel efficiency

LVS Separation Update

- Considering strategic alternatives for LVS
- Sale is now the prime path
- J.P. Morgan advising us on an active sale process
- Currently in negotiations
- Would likely involve all of LVS except Wheels

2009 Priorities

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   - Workforce reduction of 1,250, including permanent and contract
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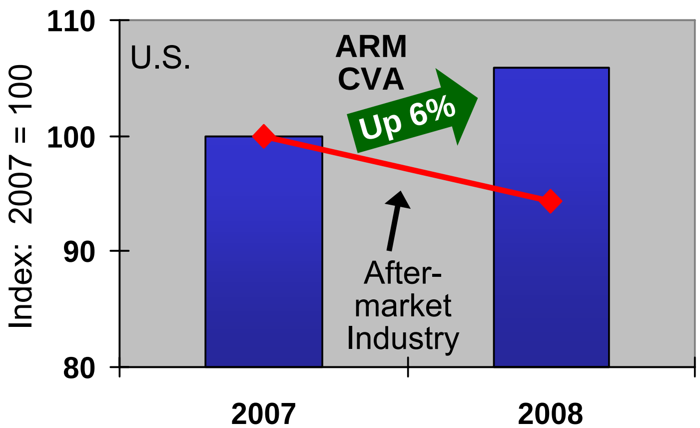
Progress in Strategic Growth Areas

Aftermarket



- Continuing global expansion
- CVA U.S. sales were up 6% year-over-year at constant price
  - U.S. truck replacement part industry was 6% lower on the same basis (Source: Mackay & Co.)
- Mascot and Trucktechnic acquisitions provide strategic platform for remanufacturing growth

Military

- Significant 2008 sales and profit contribution from MRAP
- Other ongoing business up in ‘09:
  - BAE Family of Medium Tactical Vehicles (FMTV)
  - Navistar medium tactical vehicles
  - Navistar Maxxpro Dash
  - MRAP service parts

2009 Outlook[1]

- Guidance assumes that LVS (excl. Wheels) will be treated as a discontinued operation in 2009
- Expect FY 2009 EPS in a range of $0.80 to $1.00
  - Continuing operations before special items
- Free cash flow from continuing operations about breakeven
- Performance Plus savings of $50 million year-over-year
  - Portion of $75 million target that relates to continuing operations
- $80 million savings from austerity plan announced Oct. 31
  - Portion of $125 million announced savings that relates to continuing operations, net of pull-ahead of some Performance Plus actions
  - $30 million fixed cost and $50 million variable labor
- Sales forecast in a range of $4.9 billion to $5.2 billion

(1) Excludes results of expected discontinued operations. LVS results until closing of a transaction will be included in our GAAP results. The LVS outlook continues to be weak and is subject to significant risks, including potentially large reductions in volume and significant cash requirements, which could affect our financial condition.

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

(in millions, except per share amounts)	Three Months Ended September 30,			
			Better/(Worse)	
	2008	2007	$	%
Sales	$ 1,720	$ 1,592	$ 128	8%
Cost of Sales	(1,560)	(1,474)	(86)	-6%
Gross Margin	160	118	42	36%
SG&A and other	(108)	(110)	2	2%
Operating Income	52	8	44	550%
Equity in Earnings of Affiliates	9	10	(1)	-10%
Interest Expense, Net and Other	(17)	(22)	5	23%
Income (Loss) Before Income Taxes	44	(4)	48	1200%
Benefit from/(Provision for) Income Taxes	(15)	5	(20)	-400%
Minority Interests	(1)	(5)	4	80%
Income (Loss) from Continuing Operations	$ 28	$ (4)	$ 32	800%
Diluted Earnings (Loss) Per Share				
Continuing Operations	$ 0.38	$ (0.06)	$ 0.44	733%

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

Q4 Segment EBITDA Before Special Items(1)

(in millions)	Three Months Ended September 30,			
			Better/(Worse)	
	2008	2007	$	%
EBITDA				
Commercial Vehicle Systems	$ 98	$ 45	$ 53	118%
Light Vehicle System	19	13	6	46%
Segment EBITDA	117	58	59	102%
Unallocated Corporate Costs	(11)	-	(11)	-100%
ET Corporate Allocations	-	(9)	9	100%
Total EBITDA	$ 106	$ 49	$ 57	116%
EBITDA Margins				
Commercial Vehicle Systems	8.2%	4.3%	3.9 pts	
Light Vehicle System	3.6%	2.3%	1.3 pts	
Segment EBITDA Margins	6.8%	3.6%	3.2 pts	
Total EBITDA Margins	6.2%	3.1%	3.1 pts	

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

Full Year 2008 Income Statement from Continuing Operations – Before Special Items[1]

(in millions, except per share amounts)	Twelve Months Ended September 30,			
			Better/(Worse)	
	2008	2007	$	%
Sales	$ 7,167	$ 6,449	$ 718	11%
Cost of Sales	(6,514)	(5,950)	(564)	-9%
Gross Margin	653	499	154	31%
SG&A and other	(430)	(373)	(57)	-15%
Operating Income	223	126	97	77%
Equity in Earnings of Affiliates	38	34	4	12%
Interest Expense, Net and Other	(83)	(104)	21	20%
Income Before Income Taxes	178	56	122	218%
Provision for Income Taxes	(46)	(3)	(43)	-1433%
Minority Interests	(15)	(15)	-	0%
Income from Continuing Operations	$ 117	$ 38	$ 79	208%
Diluted Earnings Per Share				
Continuing Operations	$ 1.60	$ 0.53	$ 1.07	202%

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

Full Year Segment EBITDA Before Special Items[1]

(in millions)	Twelve Months Ended September 30,			
			Better/(Worse)	
	2008	2007	$	%
EBITDA				
Commercial Vehicle Systems	$ 354	$ 232	$ 122	53%
Light Vehicle System	81	90	(9)	-10%
Segment EBITDA	435	322	113	35%
Unallocated Corporate Costs	(22)	(5)	(17)	-340%
ET Corporate Allocations	-	(36)	36	100%
Total EBITDA	413	$ 281	$ 132	47%
EBITDA Margins				
Commercial Vehicle Systems	7.3%	5.5%	1.8 pts	
Light Vehicle System	3.4%	4.0%	(0.6) pts	
Segment EBITDA Margins	6.1%	5.0%	1.1 pts	
Total EBITDA Margins	5.8%	4.4%	1.4 pts	

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

Free Cash Flow[1]

(In millions)

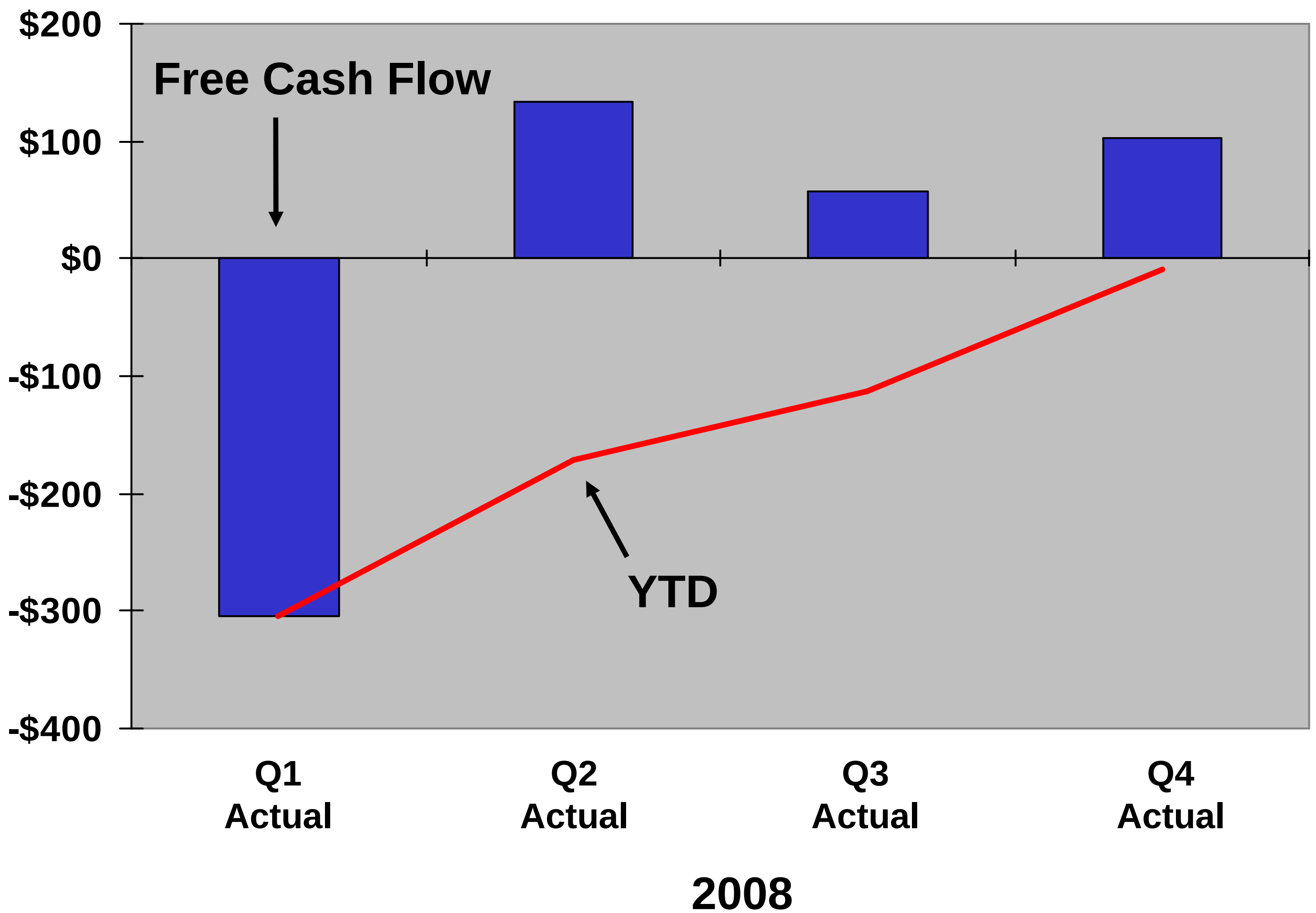
	Quarter Ended September 30, 2008	Quarter Ended September 30, 2007	Year Ended September 30, 2008	Year Ended September 30, 2007
Pretax Income from Continuing Operations	$ 32	$ (28)	$ 141	$ (23)
Net Spending (D&A less Capital Expenditures)	(15)	(15)	(27)	9
Pension and Retiree Medical Net of Expense	7	10	23	(73)
Performance Working Capital [2]	233	222	(228)	3
Off Balance Sheet Securitization and Factoring	(84)	(8)	125	139
Other, including Restructuring	(75)	23	(31)	5
Free Cash Flow from Continuing Ops.	$ 98	204	$ 3	$ 60
Discontinued Operations	5	(26)	(12)	(173)
Free Cash Flow	$ 103	$ 178	$ (9)	$ (113)

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

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

Free Cash Flow[1] by Quarter

(in millions)



(1) See Slide 14 and the Appendix for reconciliation to the nearest GAAP equivalent

CVS Margins vs. Prior Year

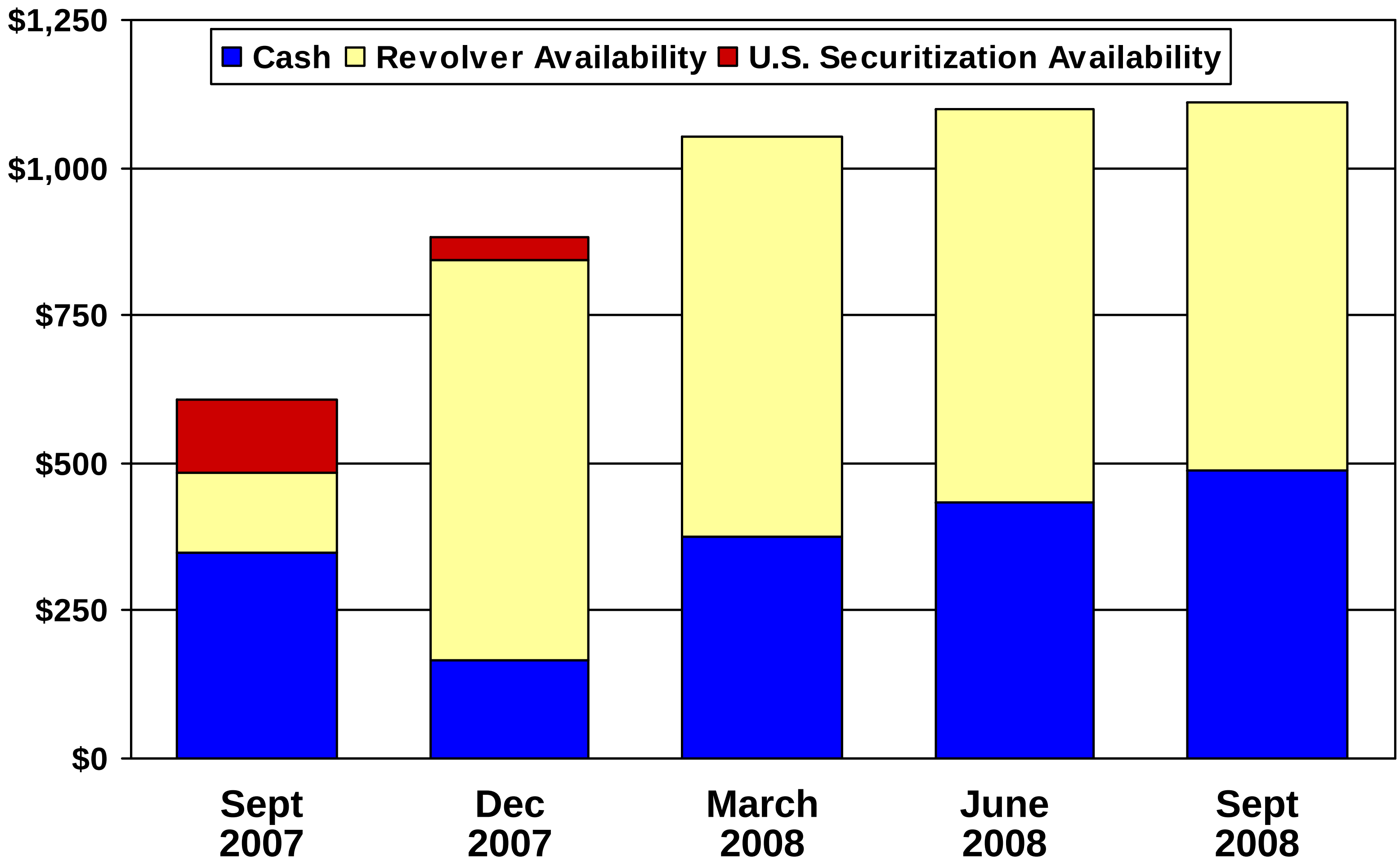
(in millions, before special items)

	Segment EBITDA(1) Margin
FY 2007	**5.5%**
North America Class 8 production volume	(0.5)
Europe medium & heavy truck production volume	0.6
South America production volume	0.2
Specialty and other volume and mix	0.9
Performance Plus and other cost savings	1.2
Central costs previously unallocated	(0.6)
Other SG&A costs (excl. Performance Plus savings)	(0.5)
Other	0.5
FY 2008	**7.3%**

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

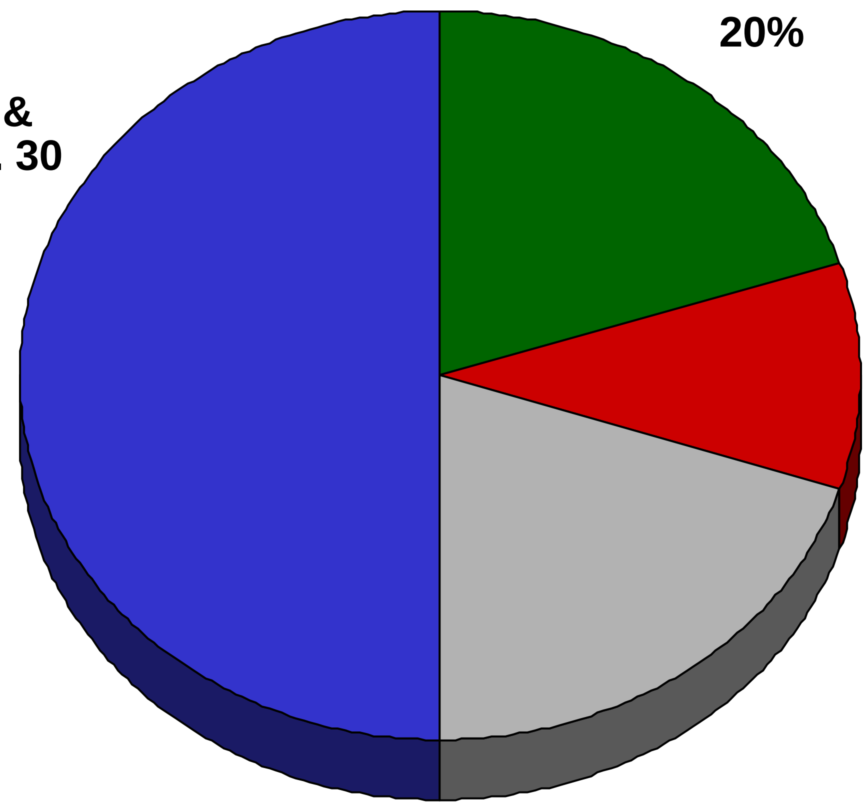
More than $1 Billion in Global Liquidity(1)

(in millions)



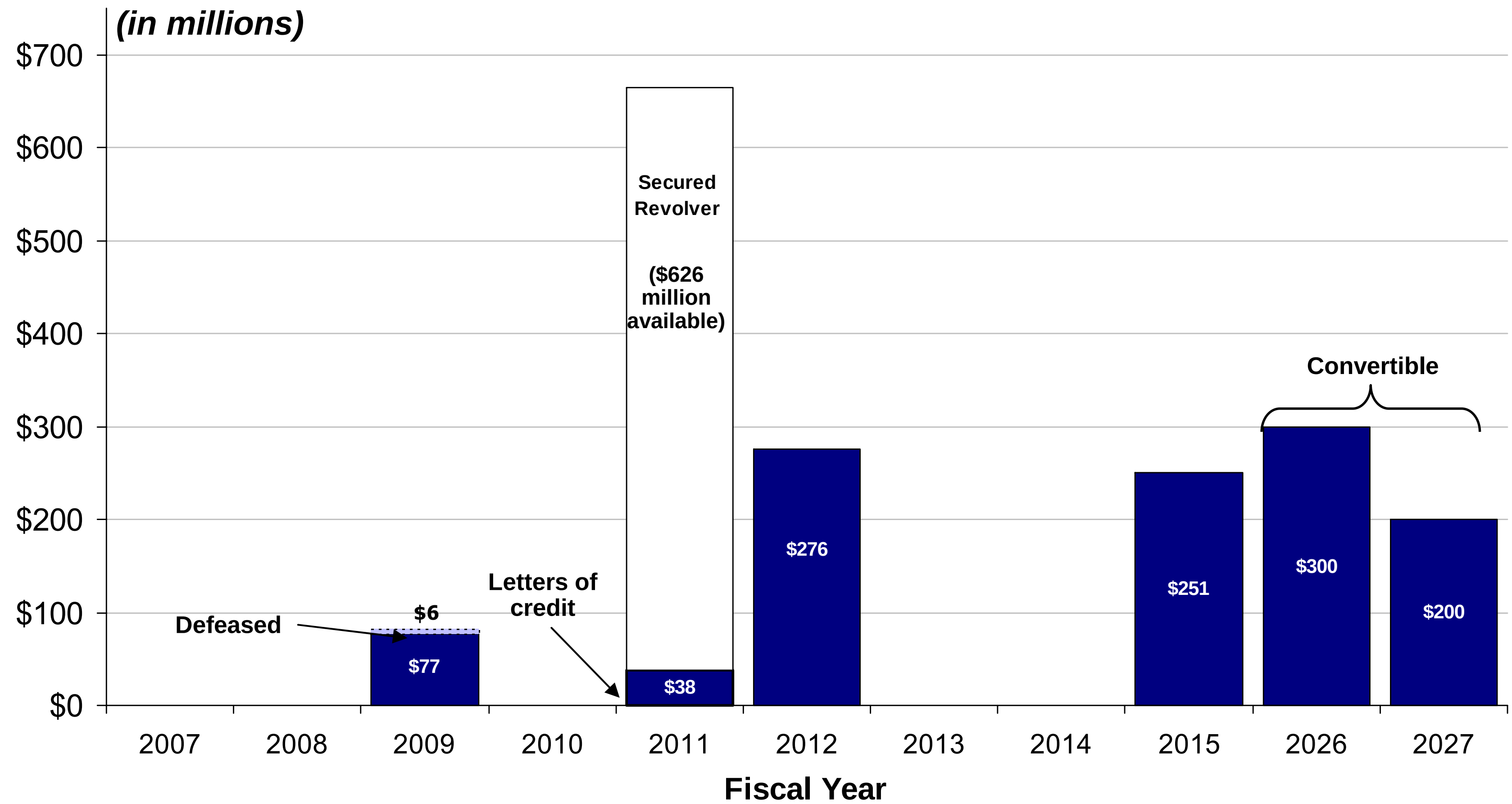
(1) Liquidity amounts available in the future will be based partially on level of vehicle volumes. To the extent vehicle volumes decline significantly, our liquidity could be negatively affected. See slide 2-- "Forward Looking Statements."

Majority of Cash Available in U.S. & Europe



Limited Term Debt Refinancing

As of September 30, 2008



2009 Net Cost Reductions

(in millions)

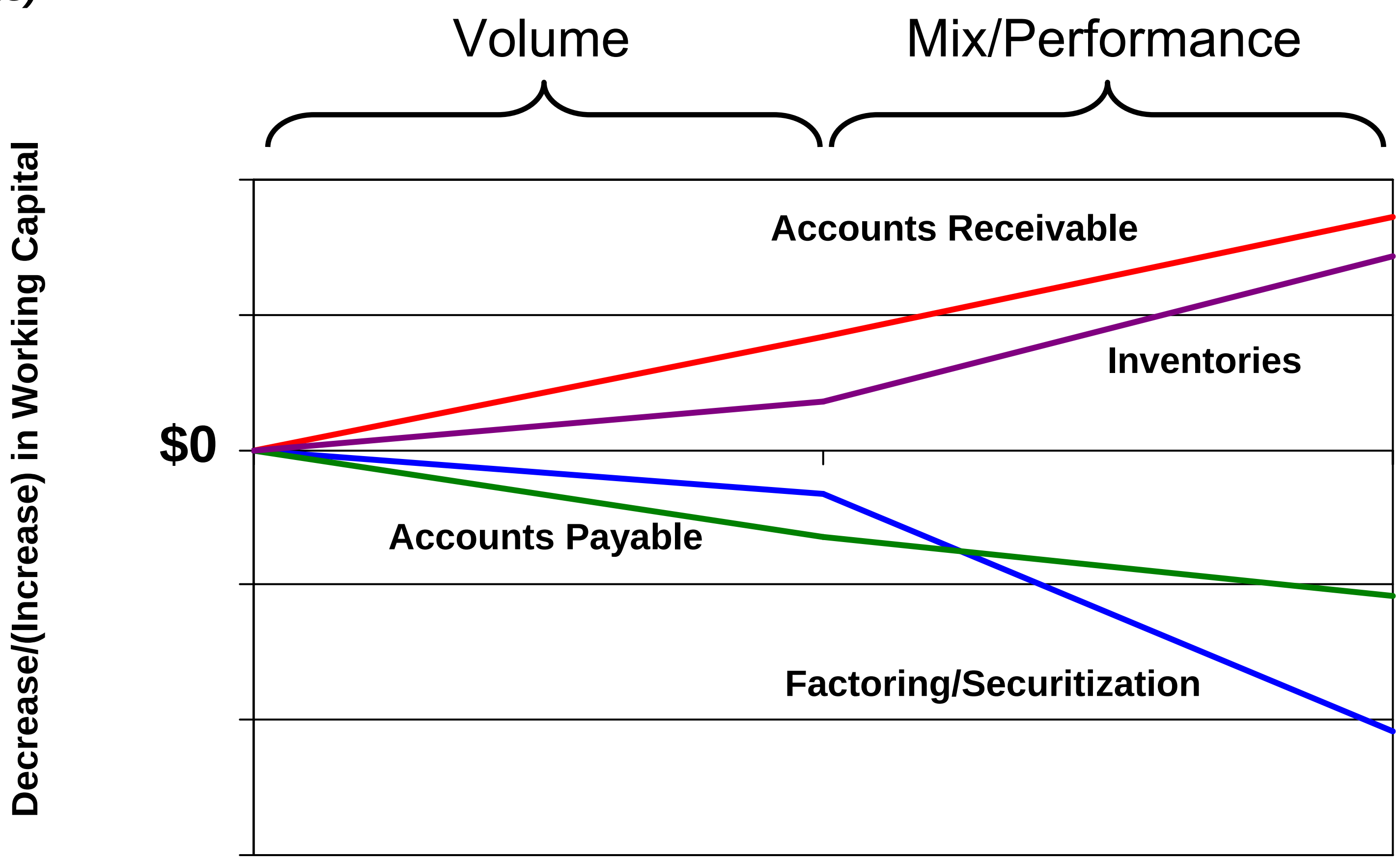
Year-over-year EBITDA Improvement	Expected Continuing Operations	Expected Discontinued Operations	Total
Cost Reductions Announced Oct. 31	$ 80	$ 45	$ 125
Less Variable Labor	(50)	(6)	(56)
Subtotal	$ 30	$ 39	$ 69
Performance Plus	50	25	75
Net Cost Reductions not Accounted for in Volume	**$ 80**		

Pension Will Be a Tailwind in 2009

- U.S. qualified plan fully funded as of June 30, 2008 measurement date
- Funded status did not deteriorate during fiscal Q4
  - Asset mix was favorable vs. peers
  - Asset returns were better than market average
  - Discount rate rose with corporate bond index
- Required funding has been determined for FY 2009
  - Planned pension funding is $28 million
  - Do not expect any U.S. plan remeasurement that would affect FY 2009 funding requirements
- Pension expense will be $13 million lower in FY 2009

2009 Working Capital Changes

(in millions)



Working capital benefit of lower volumes reflected in lower factoring/securitization balances rather than cash flow

2009 Planning Assumptions
Calendar Year Basis

North America		Other Regions/Metrics	
U.S. GDP growth	(0.4)%	Europe GDP growth	(0.1)%
Class 8 truck production (000)	200 - 220 (flat)	Europe medium & heavy truck production (000)	400 - 450 (-25%)
Class 5-7 truck production (000)	115 - 130 (-8%)	Europe trailer production	160 - 180 (flat)
Trailer production (000)	170 - 190 (flat)	Asia medium & heavy truck production (000)	-15%
CV aftermarket industry growth rate ex. pricing	Flat	S. America M & H truck production (millions)	Flat
Steel price change	Slightly lower		

2009 Guidance Compared to 2008

Diluted EPS from Continuing Operations Before Special Items[(1)]

FY 2008 Actual	$1.60
Lower commercial vehicle production globally	(0.90) - (1.00)
Impact of weaker foreign currencies	(0.30) - (0.40)
Growth investments (Off-highway and CVA)	(0.15) - (0.20)
Net cost reductions (excl. volume-related labor)	0.80
Lower pension and retiree healthcare expense	0.15
Higher tax rate	(0.05)
Provision for unforeseen	(0.10)
FY 2009 Guidance	$0.80 - $1.00

(1) Guidance assumes that LVS (excluding Wheels) will be treated as a discontinued operation in FY 2009. In addition, guidance is based on our planning assumptions as set forth on side 23. Should our planning assumptions decline, there can be no assurances this guidance will not be negatively affected. Please see slide 2 –" Forward-Looking Statements."

Fiscal Year 2009 Outlook(1)

Continuing Operations Before Special Items(2)

(in millions except tax rate and EPS)	**FY 2009 Full Year Outlook**
Sales	\$ 4,900 – \$ 5,200
EBITDA	290 – 310
Interest Expense	(80) – (90)
Effective Tax Rate	25% – 30%
Income from Continuing Operations	60 – 75
Diluted Earnings Per Share	\$ 0.80 – \$ 1.00
Free Cash Flow (Con. Ops.)	About breakeven

(1) Guidance assumes that LVS (excluding Wheels) will be treated as a discontinued operation in FY 2009. In addition, guidance is based on our planning assumptions as set forth on side 23. Should our planning assumptions decline, there can be no assurances this guidance will not be negatively affected. Please see slide 2 –" Forward-Looking Statements."

(2) Excludes results of expected discontinued operations. LVS results until closing of a transaction will be included in our GAAP results. The LVS outlook continues to be weak and is subject to significant risks, including potentially large reductions in volume and significant cash requirements, which could affect our financial condition.

Appendix

Revolving Credit Line Covenants

- Senior secured debt to TTM EBITDA ≤ Limit

Senior secured debt	TTM EBITDA	Limit
Revolver borrowings only	**TTM Adj. EBITDA as Reported** • **Include U.S. Securitization Interest** • **Include Off-Balance Sheet Factoring and Securitization Costs** • **Include cash special items**	• **2.5x through Mar. 31, 2009** • **2.0x thereafter**

- Capital expenditures ≤ $210 million annually

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 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 net debt is an important indicator of the Company's overall leverage and 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.

These non-GAAP measures should not be considered a substitute for the reported results prepared in accordance with GAAP. Free cash flow should not be considered a substitute for cash provided by operating activities or other 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 net 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.

Non-GAAP Financial Information
Income Statement Special Items Walk 4Q 2008

(in millions)	GAAP Q4 2008	Restructuring	LVS Spin-Off Costs	Non-cash Income Tax Charges	BSI Tax Rate Impact	Before Special Items Q4 2008
Sales	$ 1,720	$ -	$ -	$ -	$ -	$ 1,720
Gross Margin	160	-	-	-	-	160
Operating Income (Loss)	40	1	11	-	-	52
Income (Loss) From Continuing Operations	(165)	1	7	183	2	28
DILUTED EARNINGS (LOSS) PER SHARE						
Continuing Operations	$ (2.29)	$ 0.01	$ 0.10	$ 2.53	$ 0.03	$ 0.38
EBITDA						
Commercial Vehicle Systems	$ 99	$ (1)	$ -	$ -	$ -	$ 98
Light Vehicle Systems	17	2	-	-	-	19
Segment EBITDA	116	1	-	-	-	117
Unallocated Corporate Costs	(22)	-	11	-	-	(11)
Total EBITDA	$ 94	$ 1	$ 11	$ -	$ -	$ 106

Non-GAAP Financial Information
Income Statement Special Items Walk FY 2008

	Twelve Months Reported 9/30/08	Restructuring	LVS Spin-Off Costs	Non-cash Income Tax Charges	Before Special Items 9/30/08
Sales	$ 7,167	$ -	$ -	$ -	$ 7,167
Gross Margin	653	-	-	-	653
Operating Income	186	20	17	-	223
Income (Loss) From Continuing Operations	(91)	14	11	183	117
DILUTED EARNINGS (LOSS) PER SHARE					
Continuing Operations	$ (1.26)	$ 0.19	$ 0.16	$ 2.51	$ 1.60
Diluted Shares Outstanding	72.1	73.0	73.0	73.0	73.0
EBITDA					
Commercial Vehicle Systems	$ 355	$ (1)	$ -	$ -	$ 354
Light Vehicle Systems	61	20	-	-	81
Segment EBITDA	416	19	-	-	435
Unallocated Corporate Costs	(40)	1	17	-	(22)
Total EBITDA	$ 376	$ 20	$ 17	$ -	$ 413

Non-GAAP Financial Information
Income Statement Special Items Walk 4Q 2007

(in millions)	GAAP Q4 2007	Restructuring	Other (1)	Income Taxes	Before Special Items Q4 2007
Sales	$ 1,592	$ -	$ -	$ -	$ 1,592
Gross Margin	109	-	9	-	118
Operating Income (Loss)	(16)	10	14	-	8
Loss From Continuing Operations	(23)	6	9	4	(4)
DILUTED EARNINGS (LOSS) PER SHARE					
Continuing Operations	$ (0.32)	$ 0.08	$ 0.12	$ 0.06	$ (0.06)
EBITDA					
Commercial Vehicle Systems	$ 35	$ 1	$ 9	$ -	$ 45
Light Vehicle Systems	2	8	3	-	13
Segment EBITDA	$ 37	$ 9	$ 12	$ -	$ 58
Unallocated Corporate Costs	(3)	1	2	-	-
ET Corporate Allocations	(9)	-	-	-	(9)
Total EBITDA	$ 25	$ 10	$ 14	$ -	$ 49

(1) Other includes costs associated with product disruptions, supplier reorganizations, environmental remediations and other.

Non-GAAP Financial Information
Income Statement Special Items Walk FY 2007

	Twelve Month Reported 9/30/07	Ride Control Fair Value Adjustment	Restructuring	Other (1)	Debt Extinguishment	Income Taxes	Before Special Items 9/30/07
Sales	$ 6,449	$ -	$ -	$ -	$ -	$ -	$ 6,449
Gross Margin	492	-	-	7	-	-	499
Operating Income	53	(10)	71	12	-	-	126
Income (Loss) From Continuing Operations	(30)	(6)	44	8	4	18	38
DILUTED EARNINGS (LOSS) PER SHARE							
Continuing Operations	$ (0.43)	$ (0.08)	$ 0.62	$ 0.11	$ 0.05	$ 0.26	$ 0.53
Diluted Shares Outstanding	70.5	71.6	71.6	71.6	71.6	71.6	71.6
EBITDA							
Commercial Vehicle Systems	$ 221	$ -	$ 11	$ -	$ -	$ -	$ 232
Light Vehicle Systems	36	(12)	54	12	-	-	90
Segment EBITDA	257	(12)	65	12	-	-	322
Unallocated Corporate Costs	(11)	-	6	-	-	-	(5)
ET Corporate Allocations	(36)	-	-	-	-	-	(36)
Total EBITDA	$ 210	$ (12)	$ 71	$ 12	$ -	$ -	$ 281

(1) Other includes costs associated with product disruptions, supplier reorganizations, environmental remediations and other.

Non-GAAP Financial Information
EBITDA Reconciliation

	Quarter Ended September 30,		Twelve Months Ended September 30,	
	2008	2007	2008	2007
Total EBITDA - Before Special Items	$ 106	$ 49	$ 413	$ 281
Restructuring Costs	(1)	(10)	(20)	(71)
Spin-Off Transaction Costs	(11)	-	(17)	-
Reversal of Impairment Reserves	-	-	-	12
Other (1)	-	(14)	-	(12)
Loss on Sale of Receivables	(7)	(3)	(22)	(9)
Depreciation and Amortization	(39)	(33)	(145)	(129)
Interest Expense, Net and other	(17)	(22)	(83)	(110)
Benefit (Provision) for Income Taxes	(196)	10	(217)	8
Loss From Continuing Operations	$ (165)	$ (23)	$ (91)	$ (30)

(1) Other includes costs associated with product disruptions, supplier reorganizations, environmental remediation, severance and other.

Non-GAAP Financial Information
Free Cash Flow

(in millions)	Quarter Ended September 30,		Twelve Months Ended September 30,	
	2008	2007	2008	2007
Cash flows provided by continuing operations	$ 152	$ 252	$ 175	$ 180
Cash expenditures of continued operations	(54)	(48)	(172)	(120)
Free cash flow - continuing operations	98	204	3	60
Cash flows provided by (used for) discontinued operations	5	(26)	(12)	(144)
Cash expenditures of discontinued operations	-	-	-	(29)
Free cash flow - discontinued operations	5	(26)	(12)	(173)
Free cash flow - discontinued operations	$ 103	$ 178	$ (9)	$ (113)

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