1st

Earnings Conference Call and Webcast

2nd Quarter 2018 Financial Results

July 27, 2018

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Safe Harbor Statement*

This presentation contains statements that are not historical facts but rather forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those that address activities, events or developments that Autoliv, Inc. or its management believes or anticipates may occur in the future. All forward-looking statements, including without limitation, management's examination of historical operating trends and data, as well as estimates of future sales, operating margin, cash flow, effective tax rate or financial results, and the anticipated impact of the completion of the spin-off of our Electronics business and the outlook for Autoliv following the spin-off are based upon our current expectations, various assumptions and/or data available from third parties. Our expectations and assumptions are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that such forward-looking statements will materialize or prove to be correct as forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors which may cause actual future results, performance or achievements to differ materially from the future results, performance or achievements expressed in or implied by such forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "estimates", "expects", "anticipates", "projects", "plans", "intends", "believes", "may", "likely", "might", "would", "should", "could", or the negative of these terms and other comparable terminology, although not all forward-looking statements contain such words. Because these forward-looking statements involve risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statements for a variety of reasons, including without limitation, changes in light vehicle production; fluctuation in vehicle production schedules for which the Company is a supplier, changes in general industry and market conditions or regional growth or decline; changes in and the successful execution of our capacity alignment, restructuring and cost reduction initiatives and the market reaction thereto; loss of business from increased competition; higher raw material, fuel and energy costs; changes in consumer and customer preferences for end products; customer losses; changes in regulatory conditions; customer bankruptcies, consolidations, or restructurings; divestiture of customer brands; unfavorable fluctuations in currencies or interest rates among the various jurisdictions in which we operate; component shortages; market acceptance of our new products; costs or difficulties related to the integration of any new or acquired businesses and technologies; continued uncertainty in pricing negotiations with customers; successful integration of acquisitions and operations of joint ventures; successful implementation of strategic partnerships and collaborations; our ability to be awarded new business; product liability, warranty and recall claims and investigations and other litigation and customer reactions thereto; (including the resolution of the Toyota recall); higher expenses for our pension and other postretirement benefits, including higher funding requirements for our pension plans; work stoppages or other labor issues; possible adverse results of pending or future litigation or infringement claims; our ability to protect our intellectual property rights; negative impacts of antitrust investigations or other governmental investigations and associated litigation relating to the conduct of our business; tax assessments by governmental authorities and changes in our effective tax rate; dependence on key personnel; legislative or regulatory changes impacting or limiting our business; political conditions; dependence on and relationships with customers and suppliers; and other risks and uncertainties identified under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Reports and Quarterly Reports on Forms 10-K and 10-Q and any amendments thereto. For any forward-looking statements contained in this or any other document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we assume no obligation to update publicly or revise any forward-looking statements in light of new information or future events, except as required by law.

(*) Non-US GAAP reconciliations are disclosed in our regulatory filings available at www.sec.gov or www.autoliv.com

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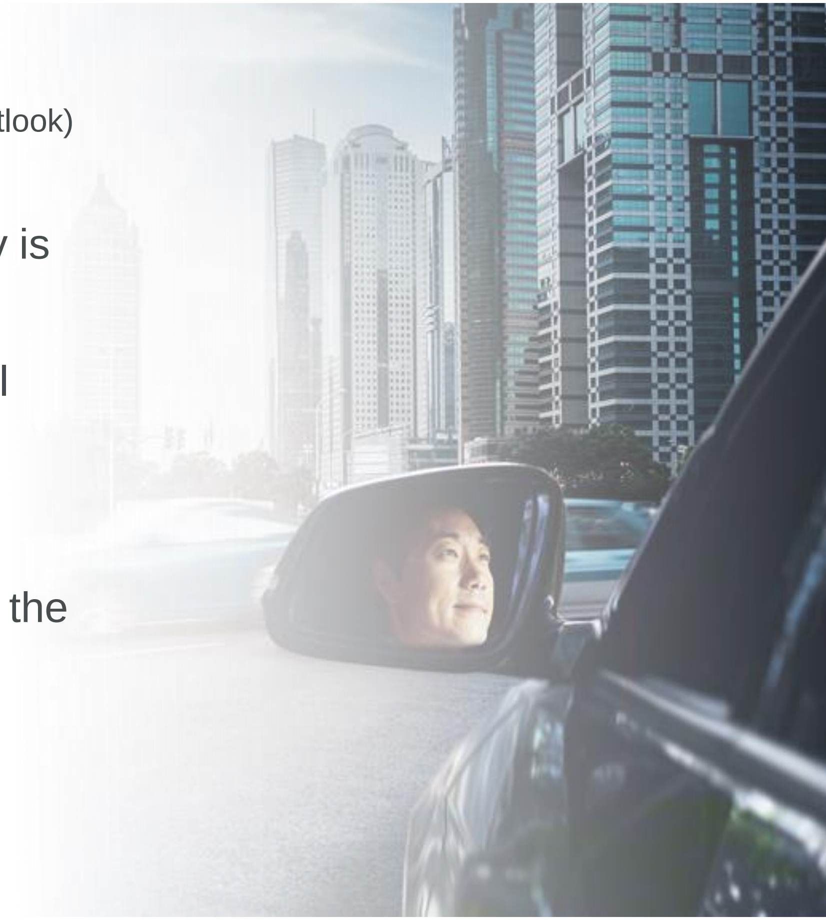
Q2´18 Highlights

- Successful completion of the spin-off of Veoneer on June 29, 2018
  - ~$1 billion capital injection into Veoneer while keeping long-term credit rating unchanged A- (with stable outlook)
- The management team is giving its full focus on 2020 target delivery. The full year growth and margin indication and continued strong order intake supports that Autoliv is on track towards 2020 targets
- The growth wave is here - strong organic growth from order intake in prior years, will accelerate in H2 vs H1
  - Launches on track albeit with slightly elevated launch related costs
  - Continued strong order intake supporting an increased market share
- Favorable fundamentals continued to drive higher global auto demand/production in the quarter. However, uncertainty about business fundamentals going forward



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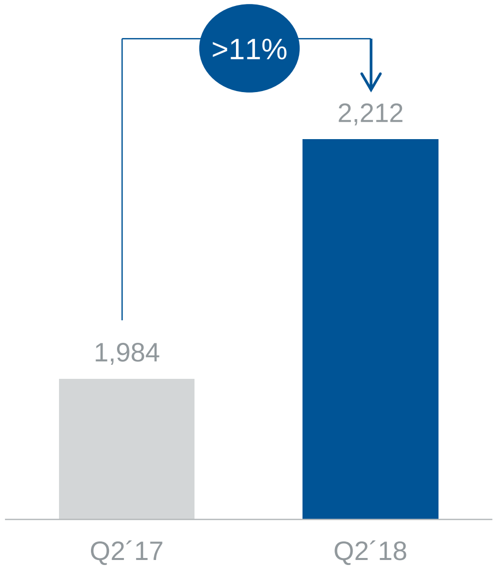
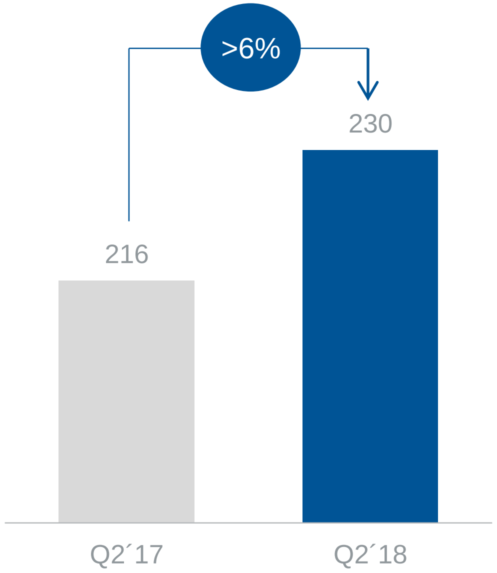
Q2´18 Financial Highlights

Step-up in sales growth from past three years order intake

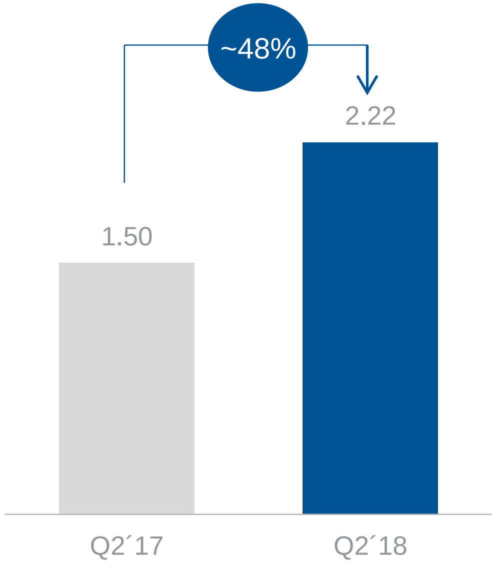
Consolidated Sales
$ million



Operating Income adjusted*
$ million



EPS adjusted*
$



(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters.

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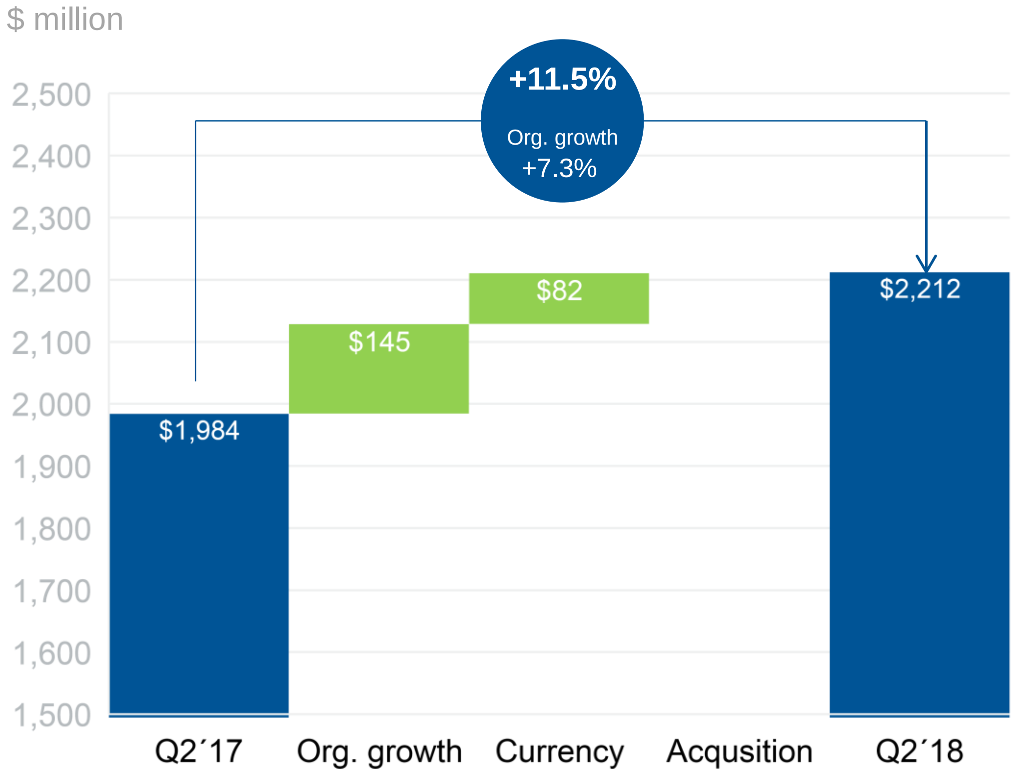
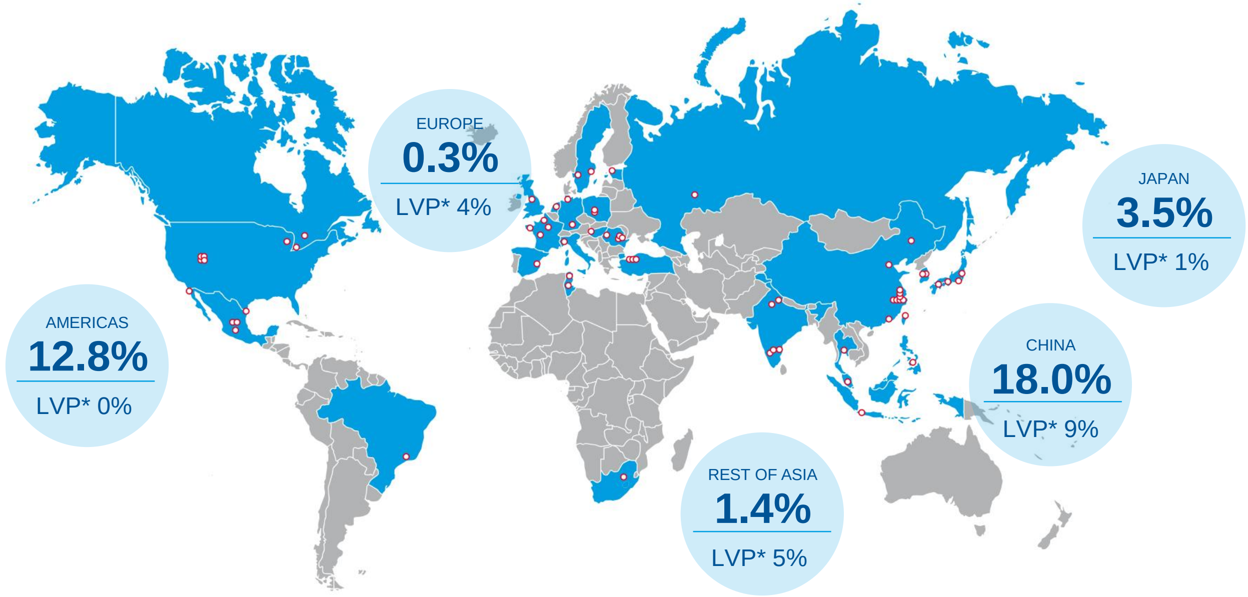
Q2´18 Sales Growth

Sales Bridge



Regional Organic Growth**



(*) Light Vehicle Production (LVP) according to IHS @ July 16, 2018,
(**) Non-US GAAP measure.

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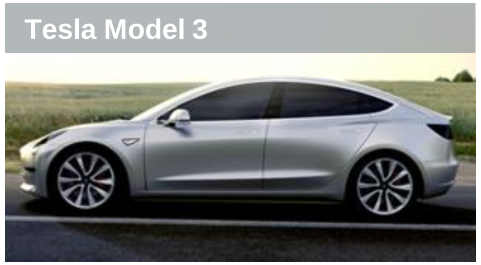
2018 - Key Models

Contributing to the ramp-up of organic sales* growth

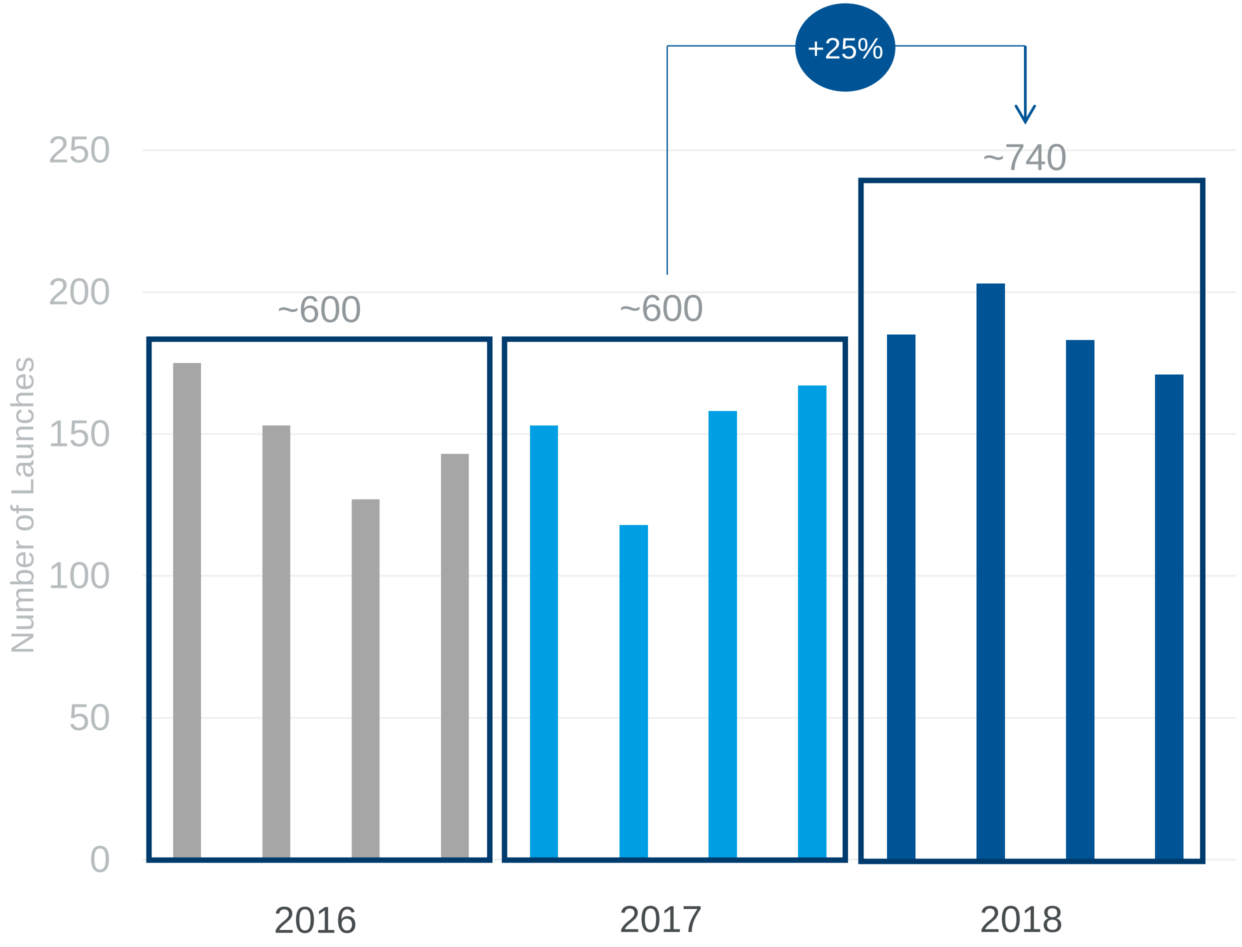


These models are anticipated to contribute ~$0.5B towards the expected Organic Sales growth of ~8% in FY'18

(*) Non-US GAAP measure.

Product Launches per Quarter

Q2'18 increased >70% YoY



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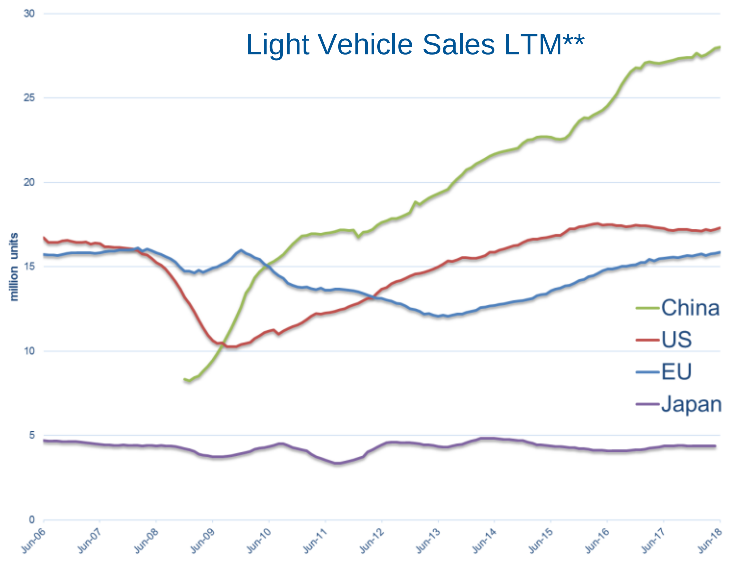
Overall Market Conditions

Major light vehicle markets remain uncertain

- **Asia**
  - In Q2´18, China’s LV sales rose by 8% to nearly 6.5 million behind strong deliveries in April and May
  - China inventory** levels are in line with last year, but have increased sequentially from Q1’18
  - The Q3’18 LVP* is expected to increase YoY* in China by ~3%, ~0% in RoA* and ~2% in Japan
- **Americas**
  - US SAAR** continues on a high level, despite headwinds from rising interest rates, fuel prices and geopolitical uncertainties. Inventories declined YoY to by ~250´units to ~68 days by the end of Q2’18
  - Q3’18 LVP in North America is expected to increase ~6% YoY. South America continues to rebound and is expected to increase ~14% YoY
- **Europe**
  - EU28** light vehicle registrations increased by ~5% YoY in Q2´18
  - Q3’18 LVP in Europe is expected to be relatively flat YoY whereof WEU* is expected to decrease by ~2% while EEU* is expected to increase by ~7%



FY’18 Light Vehicle Production*

Region	Millions of Vehicles	YoY Chg. @ July 16th
China	27.2	2%
Japan	9.0	0%
RoA*	13.1	4%
North America	16.0	1%
South America	3.6	10%
Europe	22.5	2%
Global	**94.2**	**2.2%**

For Q3’18 we see lower production of certain models due to WLTP and uncertainty around trade tariffs

(*) Light Vehicle Production (LVP) according to IHS @ July 16, 2018, Year over Year (YoY), Rest of Asia (RoA), Western Europe (WEU), Eastern Europe (EEU),
(**) Source: ACEA, Ward’s Auto, CAAM, CADA.

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Trade and Regulatory Update

- Autoliv continues to monitor the trade and regulatory environment
- Monitoring the potential U.S. auto tariff and potential NAFTA re-negotiations
- China/S.Korean/U.S. trade tariffs
  - Autoliv has imports/exports with both China and South Korea
  - Our U.S. suppliers are net importers from China
  - Chinese tariffs that have already impacted exports of vehicles from the US to China
  - Mitigating this risk through a geographically diverse supply chain
- Aluminum and steel tariffs in U.S.
  - Contributes to raw material headwind of ~$30M for FY'18
  - Autoliv has received exclusions from the new tariffs for certain products
  - Also mitigating this risk through a geographically diverse supply chain
- New EU emissions testing - Worldwide Harmonized Light Vehicles Test Procedure (WLTP)
  - OEMs have acknowledged may not be able to execute required volume of testing
  - OEMs may have to temporarily reduce production of certain models

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Q2´18 Financial Overview

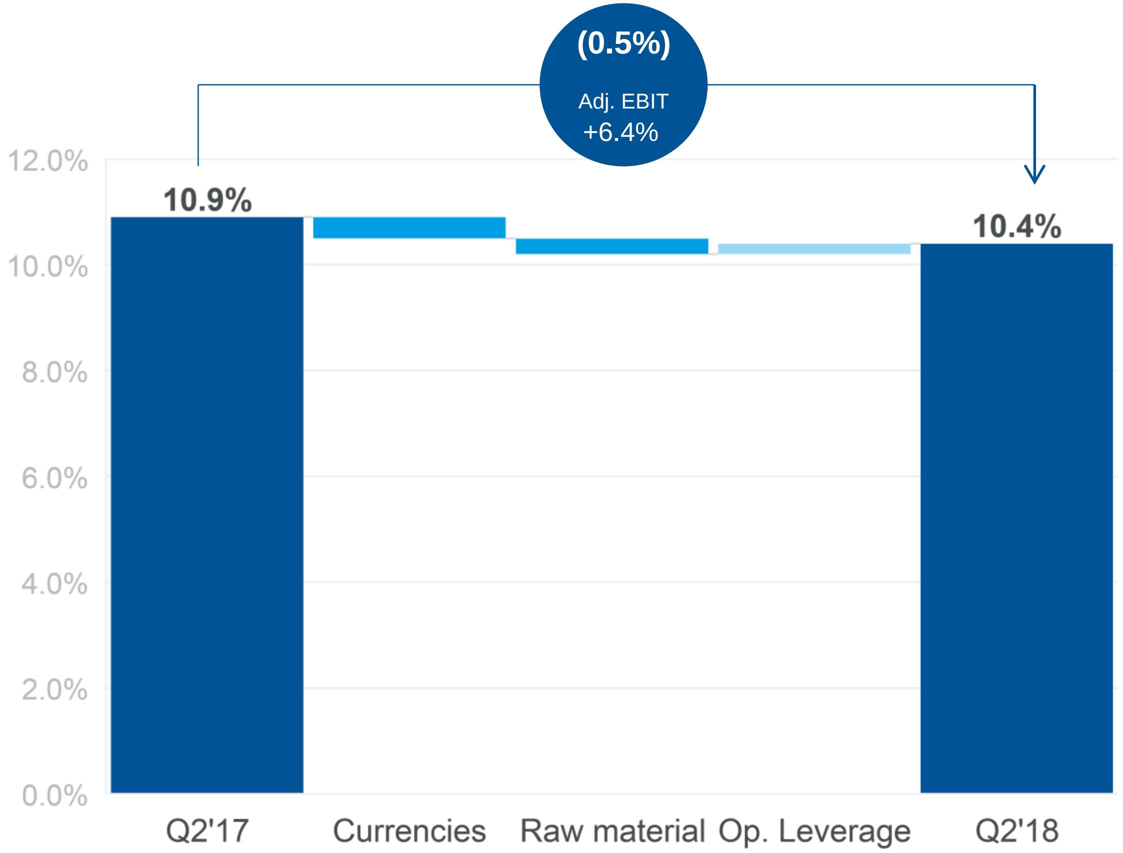
(US $ Millions unless specified)	2018		2017	
Sales	$2,212		$1,984	
Gross Profit	$440	19.9%	$415	20.9%
Operating Income*	$230	10.4%	$216	10.9%
EPS* (assuming dilution)	$2.22		$1.50	
RoCE*	21%		n/a	
RoE*	25%		n/a	
Operating cash flow**	$47		$179	
Dividend per share	$0.62		$0.60	
GLVP** (annual run rate)	~93M		~89M	

Step-up in growth for new focused Autoliv

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters. Earnings per share (EPS), Return on Capital Employed (RoCE) and Return on Equity (RoE), (**) Global Light Vehicle Production (GLVP) according to IHS @ July 16, 2018.
*** Cash flows is presented on a consolidated basis of both continuing and discontinued operations and net income attributable to a controlling interest.*

Operating Margin* Bridge

Q2’18 vs. Prior Year



Adjusted Operating Margin of 10.4% includes ~70 bps increase in Raw material and Currency impact

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters.

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Cash Flow – including discontinued operations

Investments for growth and shareholder returns

(US $ Millions unless specified)	Q2'18	Q2'17	LTM*	2017	2016	2015
Net Income	34	128	189	303	562	458
Depreciation & Amortization***	114	100	435	660	383	319
Other, net	33	10	29	(27)	1	0
Change in operating WC**	(134)	(58)	(217)	(0)	(78)	(26)
Operating cash flow	**47**	**179**	**670**	**936**	**868**	**751**
Capital Expenditures, net	(165)	(138)	(614)	(570)	(499)	(450)
Free cash flow**	**(117)**	**(71)**	**(33)**	**366**	**369**	**301**
Acquisitions, net****	0	112	89	128	227	128
Dividends paid	54	53	211	209	203	196
Shares repurchased	0	157	0	157	0	104

Operating Cash flow decrease primarily driven by impact from discontinued operations

(*) Last Twelve Months (LTM), (**) Non-US GAAP measure, before acquisitions, reconciliation of free cash flow is provided above,
(***) Includes one-time Goodwill impairment charge related to the ANBS JV in 2017, (****) includes investments in affiliates.

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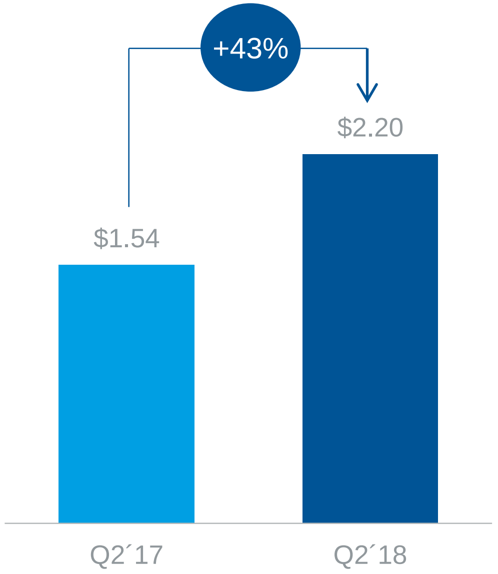
Underlying EPS* improvement

Driven by lower tax and higher operating income

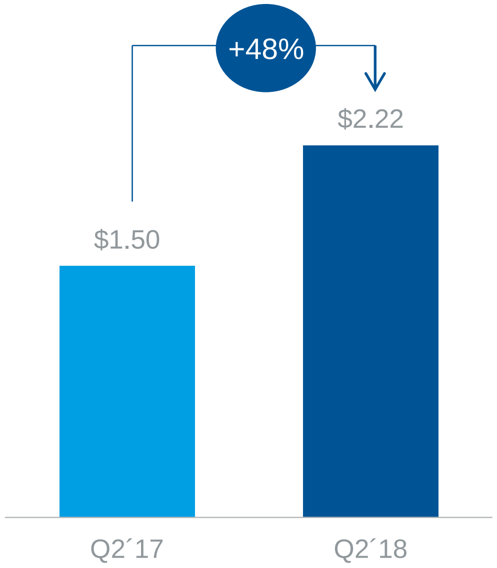
Continuing Operations

$



Continuing Operations excluding items affecting comparability*

$



The main items impacting EPS* were

- ~58 cents from tax rate
- ~12 cents from operating income

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters. Assuming dilution.

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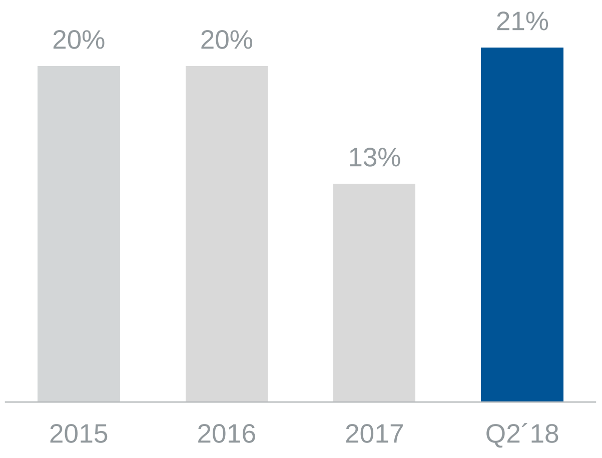
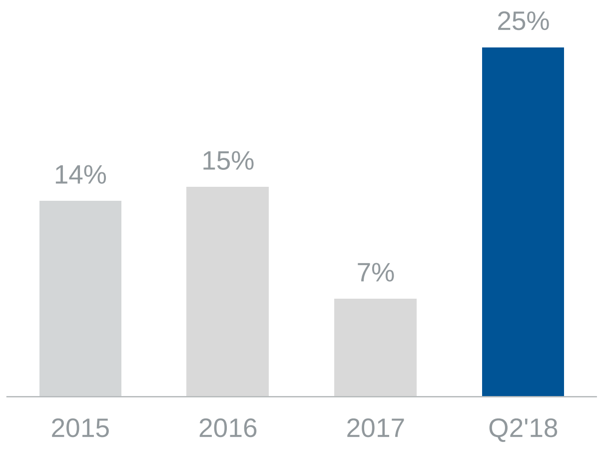
Capital Structure

Higher ROCE* and ROE* in the new corporate structure

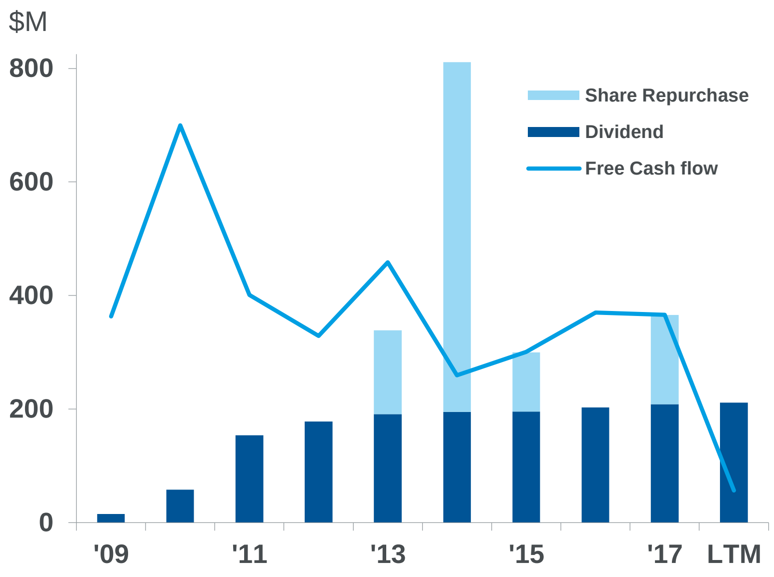
ROCE*



ROE*



Shareholder returns



Additionally we distributed approximately $4 billion to shareholders in the spin-off of Veoneer

(*) Non-US GAAP measure Return on Capital Employee (ROCE), Return on Equity (ROE). For the periods 2015-2017 all returns are on a pre-spin basis.

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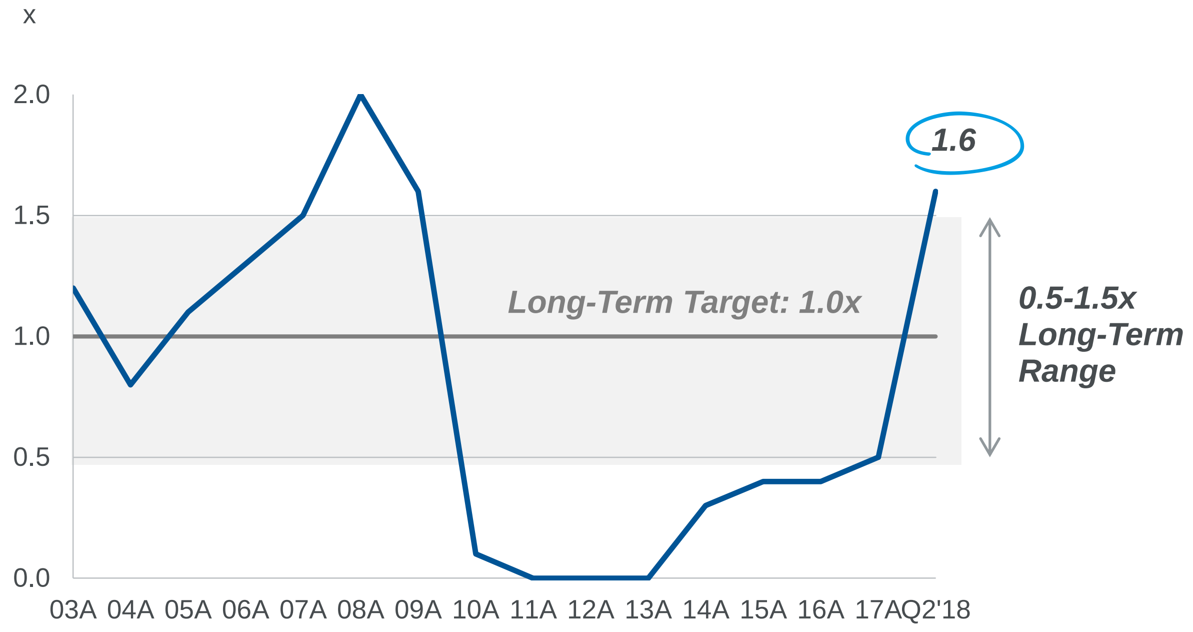
Strong Balance Sheet and Prudent Financial Policy

Committed to Maintain "Strong Investment Grade" Rating Supported by High FCF Conversion

Net Debt/ EBITDA(1)



- ✓ Provided $1B of cash liquidity for Veoneer at time of spin-off
  - Mix of new debt and existing cash
- ✓ S&P confirmed long-term credit rating A- (stable outlook)
- ✓ Q3'18 dividend set at unchanged level following the spinoff

- Focus unchanged,
  - Prudent balance sheet
  - Shareholder friendly capital allocation
- Primary tools for gearing remains buybacks and dividends
- Long term target remains Net Debt/ EBITDA(2) of 1.0x

(1) Autoliv Inc. group statistics, prior to spin; Non-US GAAP measure, please refer to past Annual Reports and 10-Q dated April 27, 2018, for reconciliations, Leverage Ratio and Net Debt includes Pension Liability,
(2) H1 Net Debt/ EBITDA (including pension liability), including additional new debt to fund $1B Capital Injection into Veoneer at spin.

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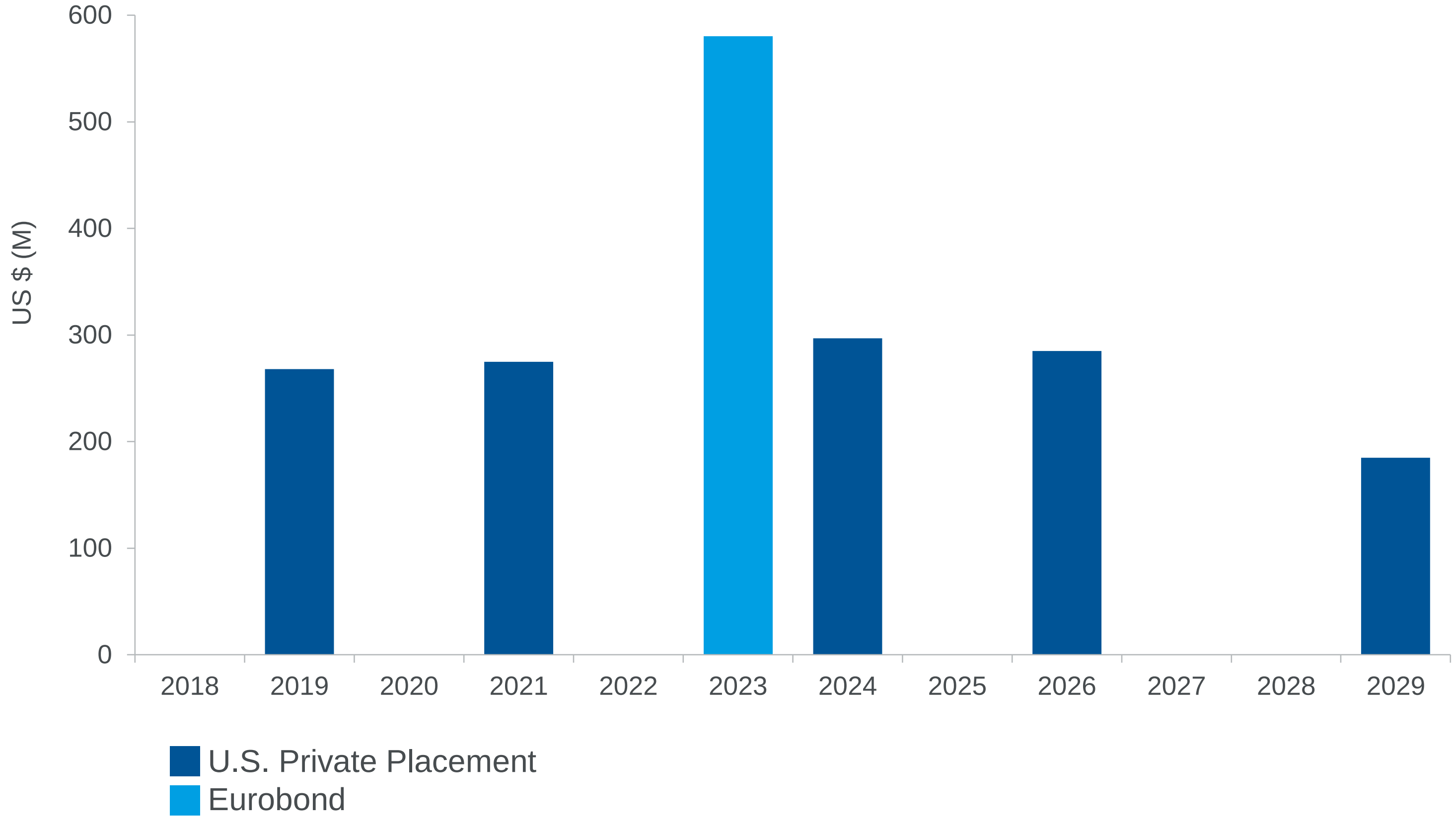
Long Term Debt

Maturity Structure of Long Term Debt



Considerations

- Well-balanced debt maturity profile
  - 500M€ Eurobond maturing 2023
  - $1.3B USPP notes with various maturities
- Unutilized RCF of $1.1B maturing in 2023

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Financial Outlook

Consolidated sales, net and operating margin*

	FY'18
Sales	
Organic*	~8%
Fx**	~2%
Consolidated Sales, net	**~10%**
Operating Margin*	**>11%**

Exchange rates**	FY'18
EUR / US$	1,1915
US$ / JPY	110,31
US$ / KRW	1100
US$ / MXN	19,03
US$ / CNY	6,52

(*) Non-US GAAP measures exclude costs for capacity alignments, antitrust related matters and separation of the Electronics segment,
(**) Mid-July 2018 exchange rates.

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