Earnings Conference Call and Webcast

3rd Quarter 2017 Financial Results

October 26, 2017

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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 other future operating statements related to the Company's strategic review or the terms, timing or structure of any such transaction as a result of such review, if any or financial results, 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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Q3’17 Highlights

Strengthening our market position and preparing for our step-up in growth

- **Financial Performance**
  - Organic Sales* growth 0.5%, lower than the LVP**
  - Operating Margin* 7.9%, in-line with our guidance with lower organic sales* growth
  - Operating cash flow $218M and EPS* $1.47
- **Capital Structure**
  - Returned $52M in dividends to shareholders
  - Leverage ratio* 0.7 times, RoCE* ~16%, RoE* ~12%
- **Positioning for Long-Term Growth**
  - Improving operating leverage on gross margin while investing in RD&E to support growth opportunities
    - RD&E, net 7.3% of sales for Q3’17, FY’17 is expected to be more than 7%
  - Product Portfolio:
    - Five new Technology collaborations (Seeing Machines, Ericsson, MIT AgeLab, Adient, MobilityXlab)
    - Signed agreement to acquire Optics* expertise in a “carve-out” of Fotonic

Maintained the higher-end of our guided Operating Margin range with Organic Sales* growth in the lower-end of our guided range*

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters, Earnings per share (EPS), Return on Capital Employed (RoCE), Return on Equity (RoE), Optics (includes LiDAR and Time of Flight Cameras), (**) Global Light Vehicle Production (LVP) according to IHS @ October 17, 2017.

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Q3'17 Strong Performing Models

Contributing to our overall Organic Sales* growth

Hyundai Grandeur / Azera | Nissan Qashqai / Rogue Sport | Toyota Camry | Nissan Kicks

Mercedes GLC | Honda CR-V | Toyota C-HR | Jeep Compass | Volvo S90 / V90

Strong Organic Sales growth on these models were mitigated by lower inflator replacement sales and model mix had a combined effect of ~1.5pp*

(*) Non-US GAAP measure.

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Q3'17 Product Volumes

Strong volume growth in high value-added Seatbelts

Autoliv Quantities Delivered (Millions unless specified)	**Q3'17**	**vs. PY**** (%)
Seatbelts	**35.6**	**4%**
▪ Pre-tensioners (of which)	16.8	5%
▪ Active Seatbelts (of which)	1.2	12%
Frontal Airbags	**12.4**	**5%**
▪ Knee Airbags (of which)	1.4	1%
Side Airbags	**23.3**	**3%**
▪ Chest (Thorax)	12.7	4%
▪ Head (Curtain)	10.6	1%
Steering Wheels	**4.0**	**(2)%**
Restraint Control Units	**4.4**	**(6)%**
Brake Systems Units	**0.5**	**(4)%**
Active Safety Units	**2.5**	**1%**
LVP* (Triad)	**9.3**	**(3)%**
LVP* (Global)	**21.8**	**2%**

Unit volume growth slightly above global LVP in most Passive Safety product areas*

(*) Light Vehicle Production (LVP) according to IHS @ October 17, 2017, TRIAD (Western Europe, North America, Japan), (**) Prior Year (PY).

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Technology Collaborations and Acquisition

Recently announced

seeingmachines

DRIVER MONITORING

Collaboration to develop driver monitoring systems

ERICSSON

CLOUD SOLUTIONS

Collaboration with Zenuity to develop Connected Cloud

FOTONIC

OPTICS EXPERTISE**

Acquisition in the product area of LiDAR and Time of Flight Cameras

MIT AGELAB

HUMAN CENTERED AI* EXPERTISE

Collaboration to support LIV "Learning Intelligent Vehicle"

ADIENT

SEATING EXPERTISE

Collaboration in the areas of safety, comfort and convenience of future cars

MobilityXlab

INNOVATION CONSORTIUM

Collaborating with start-ups to develop and demonstrate safer and more efficient transportation for tomorrow's world

Expanding our capabilities in secular growth trends through a blend of collaborations and acquisition

(*) Artificial Intelligence (AI), (**) the acquisition is pending and subject to customary closing conditions.

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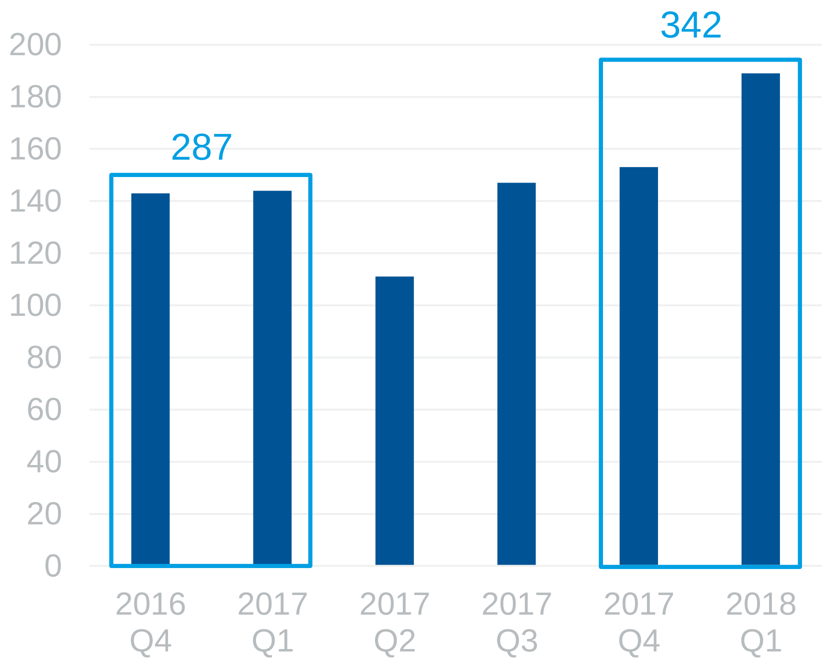
Business Outlook

Strong momentum continues in both segments

- **Passive Safety growth is ramping up**
  - Focus on flawless launch execution on new programs awarded in 2015 while maintaining flexibility to adapt to underlying market fluctuations and uncertainties
  - RD&E net as a % of sales peaked during H1'17
  - Order intake remains strong
- **Electronics growth opportunities are driving RD&E**
  - Lower growth in RCS* and BS* due to temporary timing of new customer program launches
  - Lower Active Safety growth reflects timing of radar contracts and lower order intake in previous years due to a change in our vision strategy in 2014
  - Strong customer RFQ* activity in all product areas
- **Zenuity**
  - ~470 employees and consultants, target is to reach 600 during 2018
  - Development targets remain on track, positive customer feedback beyond VCC*
  - ALV net cost in Q3'17 ~$10M, ALV net cost estimate in the range of $30-$35M for FY'17

New Program Launches Passive Safety



End of Decade (FY'19) Sales target remains more than $12B for ALV where we expect Passive Safety will be >$9.5B and Electronics ~$2.5B

(*) Passive Safety (PAS), Volvo Car Corporation (VCC), Restraint Control Systems (RCS), Brake Systems (BS), Request for Quote (RFQ).

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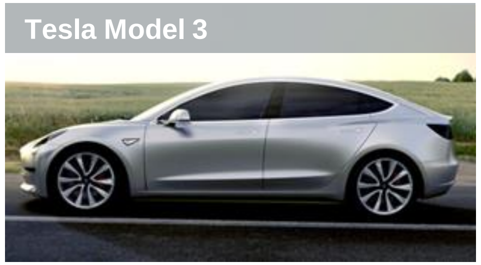
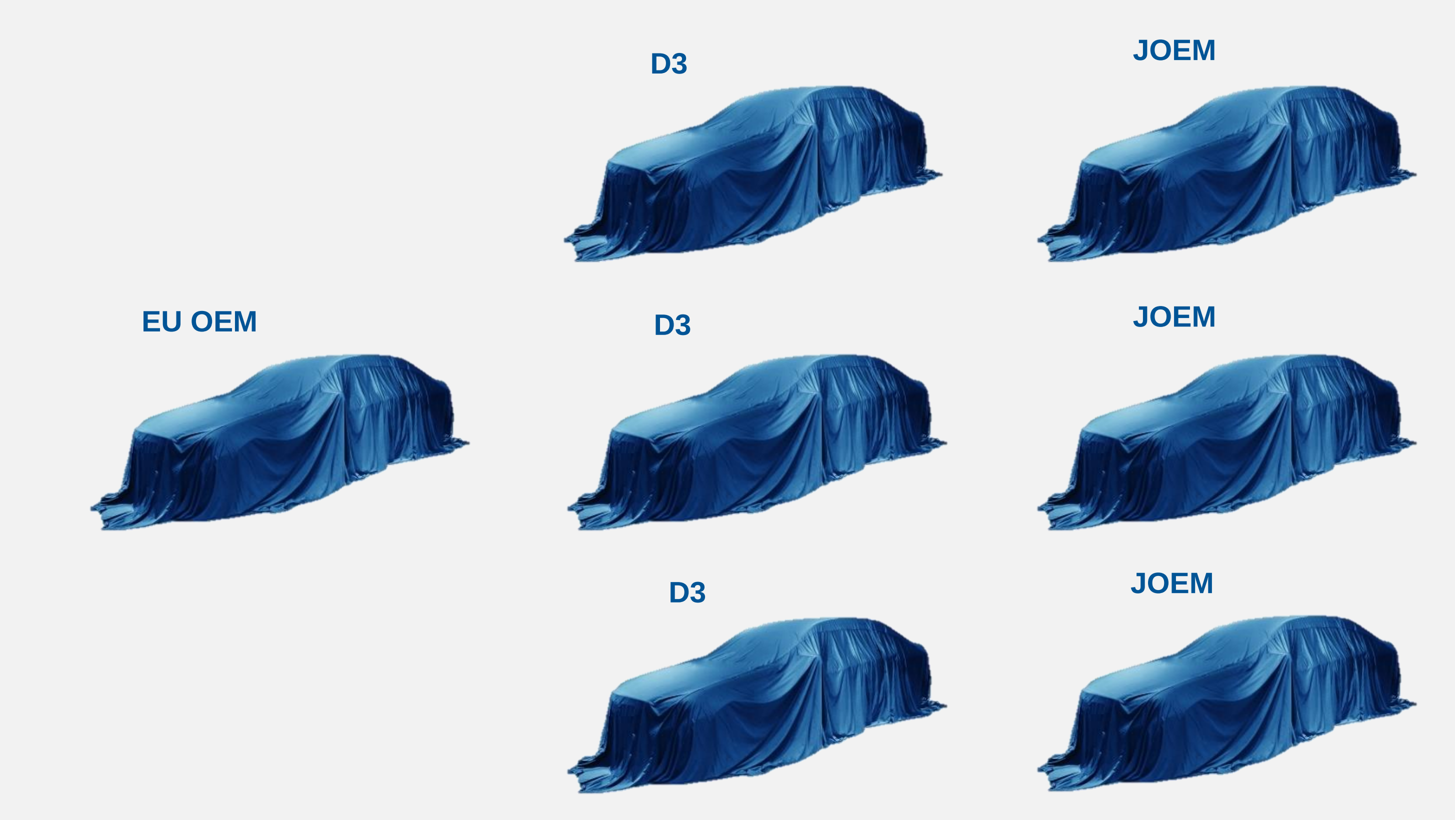
Key Launches in Passive Safety

Contributing to the ramp-up of our expected organic sales* growth





These new program launches are anticipated to contribute ~$500M towards our expected Organic Sales growth in 2018*

(*) Non-US GAAP measure.

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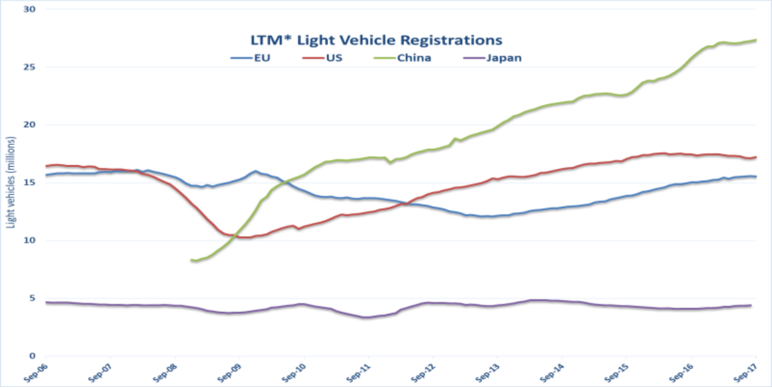
Overall Market Conditions

Remains mixed with some uncertainties

- **Asia**
  - LTM* LVP* in China is relatively flat while inventories** declined during Q3'17
  - The Q4'17 LVP is expected to increase YoY* in Japan ~5% while the LVP in China and RoA is expected to decline ~2% and ~1%, respectively
- **Americas**
  - US SAAR** remains relatively flat on a LTM basis while inventories declined during Q3'17 to ~3.8M vehicles (~64 days).
  - US consumer confidence remains strong
  - Q4'17 LVP in North America is expected to decline ~3% YoY while South America continues to recover and is expected to increase ~20% YoY
- **Europe**
  - EU27** LTM vehicle registrations are approaching "pre-crisis" levels
  - Q4'17 LVP in Europe is expected to increase ~7% YoY whereof WEU* is expected to increase ~7% and EEU* is expected to increase ~6%

FY 2017 LVP*			
Region	**Vehicles** (Millions)	**YoY Chg. @ Oct. 17**	**YoY Chg. @ Jul. 17**
China	26.4	+1%	+1%
Japan	9.1	+6%	+5%
RoA*	12.8	+3%	+3%
North America	16.0	(4)%	(3)%
South America	3.3	+21%	+15%
Europe	22.2	+4%	+3%
Global	**92.2**	**+2.3%**	**+1.9%**



In Q4'17 the global LVP is expected to increase ~1% YoY* and increase sequentially by ~13% from Q3'17*

(*) Light Vehicle Production (LVP) according to IHS @ October 17, 2017, Year over Year (YoY), Rest of Asia (RoA), Western Europe (WEU), Eastern Europe (EEU), Last Twelve Months (LTM), (**) Source: ACEA, Ward's Auto, CAAM.

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Q3 Financial Overview

Record Sales and Gross Profit for a 3rd quarter

(US $ Millions unless specified)	2017		2016	
Sales	$2,500		$2,461	
Gross Profit	$504	20.2%	$495	20.1%
Operating Income*	$196	7.9%	$199	8.1%
EPS* (assuming dilution)	$1.47		$1.63	
RoCE*	16%		18%	
RoE*	12%		14%	
Operating cash flow	$218		$271	
Dividend per share	$0.60		$0.58	
LVP** (Global annual run rate)	87.0		85.3	

Sales and Operating Margin both within our guidance ranges*

(*) 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), (**) Light Vehicle Production (LVP) according to IHS @ October 17, 2017.

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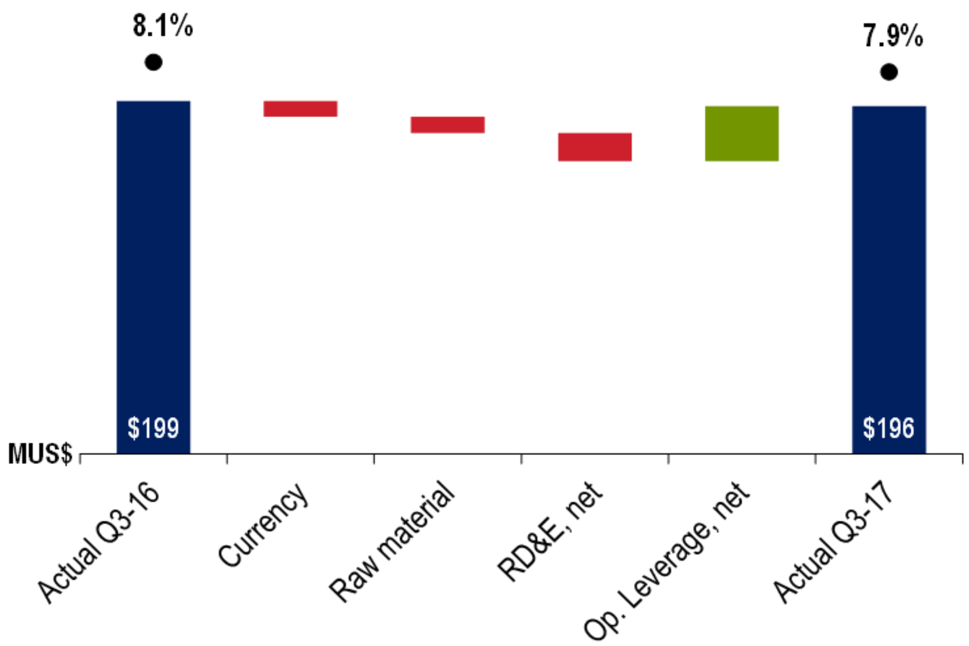
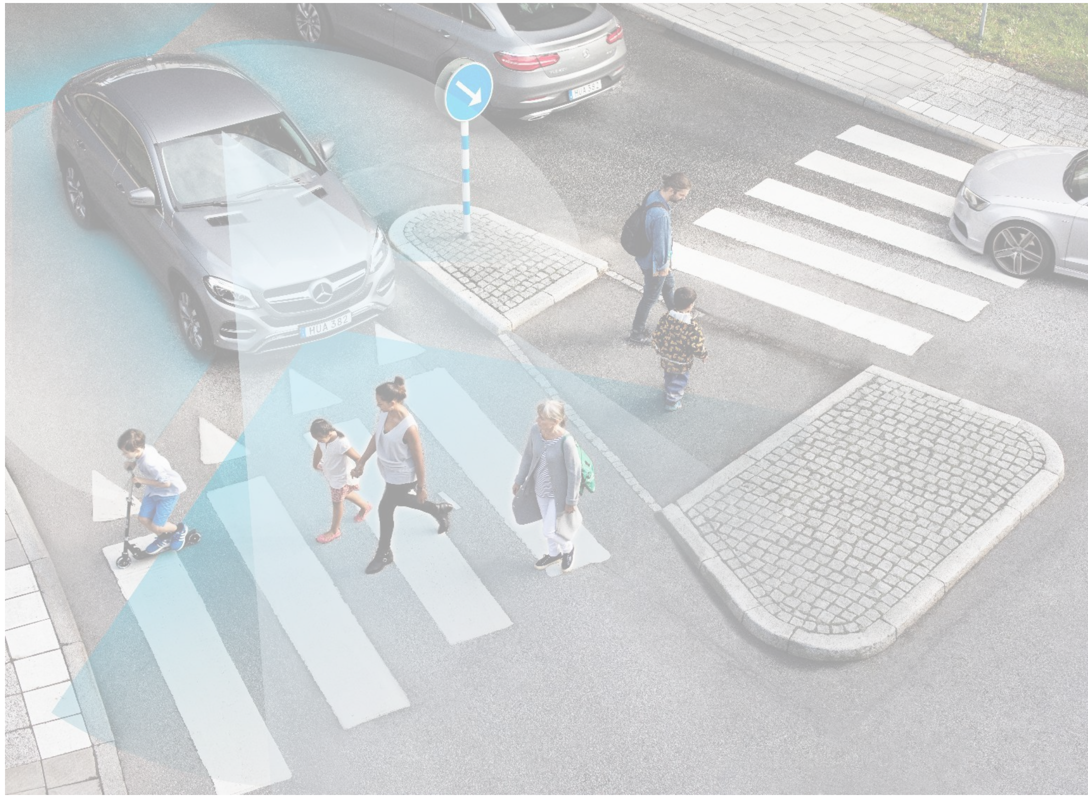
Operating Income* and Margin* Bridge

Q3’17 vs. Prior Year

Q3’17 vs. Prior Year (20 bps lower)





Operating Margin of 7.9% includes ~60 bps increase in RD&E, net vs. Prior Year*

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

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Cash Flow

Investments for growth and shareholder returns

(US $ Millions unless specified)	Q3'17	Q3'16	LTM**	2016	2015	2014	2013	2012
Net Income	88	136	503	562	458	469	490	486
Depreciation & Amortization	104	98	422	383	319	305	286	273
Other, net	(6)	13	(38)	1	0	42	43	10
Change in operating WC*	32	24	(46)	(78)	(26)	(103)	19	(80)
Operating cash flow	**218**	**271**	**841**	**868**	**751**	**713**	**838**	**689**
Capital Expenditures, net	(142)	(118)	(561)	(499)	(450)	(453)	(379)	(360)
Free cash flow*	**76**	**153**	**280**	**369**	**301**	**260**	**459**	**329**
Acquisitions, net	2	0	113	227	128	(1)	2	(3)
Dividends paid	52	51	208	203	196	195	191	178
Shares repurchased	0	0	157	0	104	616	148	0

Acquisitions and CapEx for growth along with Shareholder returns are ~$1.0B during the LTM

(*) Non-US GAAP measure, (**) Non-US GAAP measure, before acquisitions, reconciliation of free cash flow is provided above, Last Twelve Months (LTM).

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Q3 Segment Reporting

Strong operational performance in Passive Safety driving group profitability

	Organic Sales* Growth (%)	Sales (US$ Millions)		Operating Margin (%)		CapEx (%)		D&A (%)		Headcount	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Passive Safety ***	**1.3%**	**1,952**	**1,899**	**8.3**	**10.0**	**6.3**	**5.1**	**3.9**	**3.6**	**62,841**	**61,820**
▪ Airbags (incl. Steering Wheels)	(0.4)%										
▪ Seatbelts	4.7%										
Electronics ***	**(1.9)%**	**567**	**577**	**1.5**	**0.9**	**3.5**	**3.9**	**4.4**	**4.5**	**7,124**	**6,588**
▪ Restraint Control Systems	(3.3)%										
▪ Active Safety	6.2%										
▪ Brake Systems	(12.1)%										
Autoliv	**0.5%**	**2,500**	**2,461**	**6.3**	**7.8**	**5.8**	**4.9**	**4.2**	**4.0**	**70,390**	**68,778**
LVP ** (Global)	**2.1%**										

Passive Safety Segment Operating Margin includes 190 bps related to capacity alignments and antitrust related matters

(*) Non-US GAAP measure, (**) Light Vehicle Production (LVP) according to IHS @ October 17, 2017,
(***) Segment reporting, organic growth refers to net sales for the segments and external sales for product groups.

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Looking Ahead

Q4’17 Guidance

- **Sales**
  - **Organic Sales* growth ~0% YoY****
    - Strong growth in Europe, Japan and South America is essentially offset by a decline North America, South Korea, China and lower inflator replacement sales
  - **Currency translation ~4% YoY**
    - Continued weakening of the US$
- **Operating Margin* >9%**
  - **YoY**
    - Improved operating efficiencies on gross margin is offset by higher RD&E net and commodity costs
  - **Sequential**
    - In-line with the higher consolidated sales and considering normal seasonality effects

Q4’17 Operating Margin will be negatively impacted by investments for growth in RD&E net vs. prior year*

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

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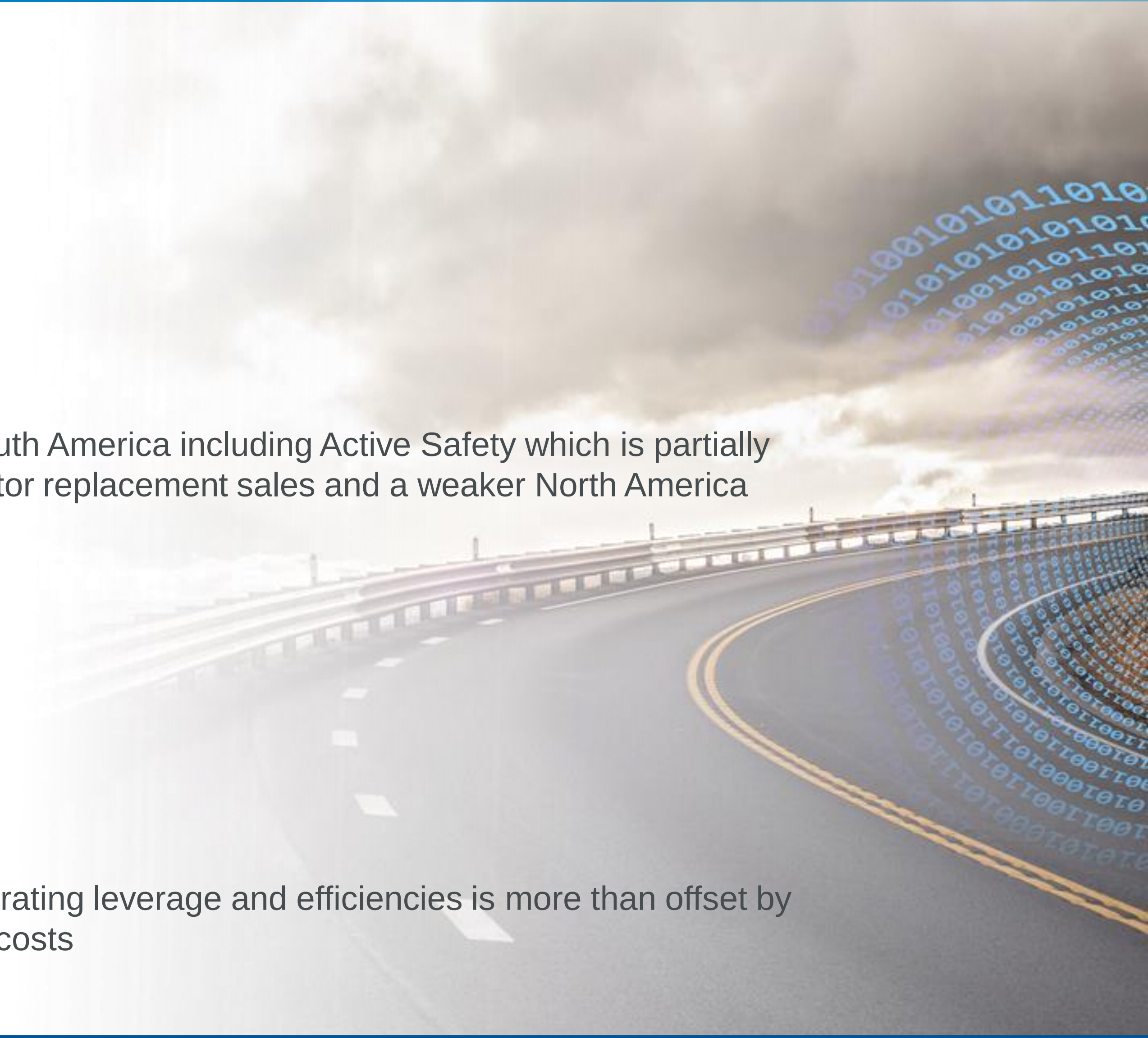
Looking Ahead

FY’17 Guidance

- **Sales**
  - **Organic Sales* growth >1% YoY****
    - Mainly related to strong growth in Europe, Japan, India, South America including Active Safety which is partially offset by lower Restraint Controls and Brake Systems, inflator replacement sales and a weaker North America
  - **Acquisition effects >1% YoY**
    - Related to the ANBS JV in Q1’17
  - **Currency translation ~0.5% YoY**
    - Mainly due to the weakening of the US$ during 2017
- **Operating Margin* ~8.5%**
  - **YoY**
    - Positive effect from organic sales growth and improved operating leverage and efficiencies is more than offset by the negative impact from higher RD&E net and commodity costs



FY’17 Guidance for Operating Margin remains unchanged despite lower Organic Sales* growth and higher than expected RD&E net*

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

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Financial Outlook

Consolidated sales, net and operating margin* remain unchanged for FY'17

	Q4'17	FY'17
Sales		
Organic*	**~0%**	**>1%**
Acquisitions	-	>1%
Fx**	~4%	~0.5%
Consolidated Sales, net	**~4%**	**~3%**
Operating Margin*	**>9%**	**~8.5%**

Exchange rates**	Q4'17	FY'17
EUR / US$	1.1863	1.1295
US$ / JPY	112.23	112.03
US$ / KRW	1132	1137
US$ / MXN	18.71	18.79
US$ / CNY	6.58	6.76

Solid Operating Margin for FY'17 despite a step-up in RD&E net to support future growth*

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters, (**) Mid-October 2017 exchange rates.

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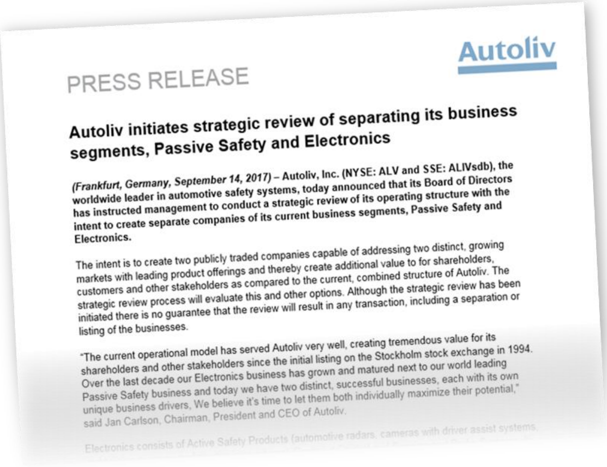
Initiates Strategic Review Process

Intent is to create two Publicly Traded Companies

- **Passive Safety and Electronics are two distinct businesses:**
  - The pace of technology advancement two businesses
  - Different market needs driving investments for growth and innovation (RD&E)
  - Different Sales growth rates over the near and long-term with limited customer or operational synergies
  - Skill set and talent of people throughout the organizations (leadership, engineering, sales)
  - Potentially a different shareholder profile due to the timing of returns



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PRESS RELEASE

Autoliv initiates strategic review of separating its business segments, Passive Safety and Electronics

(Frankfurt, Germany, September 14, 2017) **– Autoliv, Inc. (NYSE: ALV and SSE: ALIVsdb), the worldwide leader in automotive safety systems, today announced that its Board of Directors has instructed management to conduct a strategic review of its operating structure with the intent to create separate companies of its current business segments, Passive Safety and Electronics.**

The intent is to create two publicly traded companies capable of addressing two distinct, growing markets with leading product offerings and thereby create additional value to for shareholders, customers and other stakeholders as compared to the current, combined structure of Autoliv. The strategic review process will evaluate this and other options. Although the strategic review has been initiated there is no guarantee that the review will result in any transaction, including a separation or listing of the businesses.

"The current operational model has served Autoliv very well, creating tremendous value for its shareholders and other stakeholders since the initial listing on the Stockholm stock exchange in 1994. Over the last decade our Electronics business has grown and matured next to our world leading Passive Safety business and today we have two distinct, successful businesses, each with its own unique business drivers, We believe it's time to let them both individually maximize their potential," said Jan Carlson, Chairman, President and CEO of Autoliv.

Electronics consists of Active Safety Products (automotive radars, cameras with driver assist systems,

"The speed of change in our market and environment is unprecedented"

To provide greater value to stakeholders by allowing the two entities to maximize their potential

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Targets Stand Alone Passive Safety and Electronics

Financial Target Update

	2020 Target	2022 Target
Autoliv Passive Safety	▪ Sales >$10B ▪ Adj. Operating margin* ~13%	▪ Sales – at least hold market share and at least grow LVP plus 1% ▪ Adj. Operating Margin* – at least maintain margins from 2020 levels
Autoliv Electronics	▪ Sales ~$3B with AS** >$1B ▪ Adj. Operating Margin* 0-5%	▪ Sales ~$4B with AS** ~$2B ▪ Adj. Operating Margin* improve vs. 2020

(*) Non-US GAAP measures exclude cost for capacity alignments and antitrust related matters, (**) Active Safety.

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Each year, Autoliv's products save over 30,000 lives
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