1st

Autoliv

October 29th, 2018

Mikael Bratt
President & CEO

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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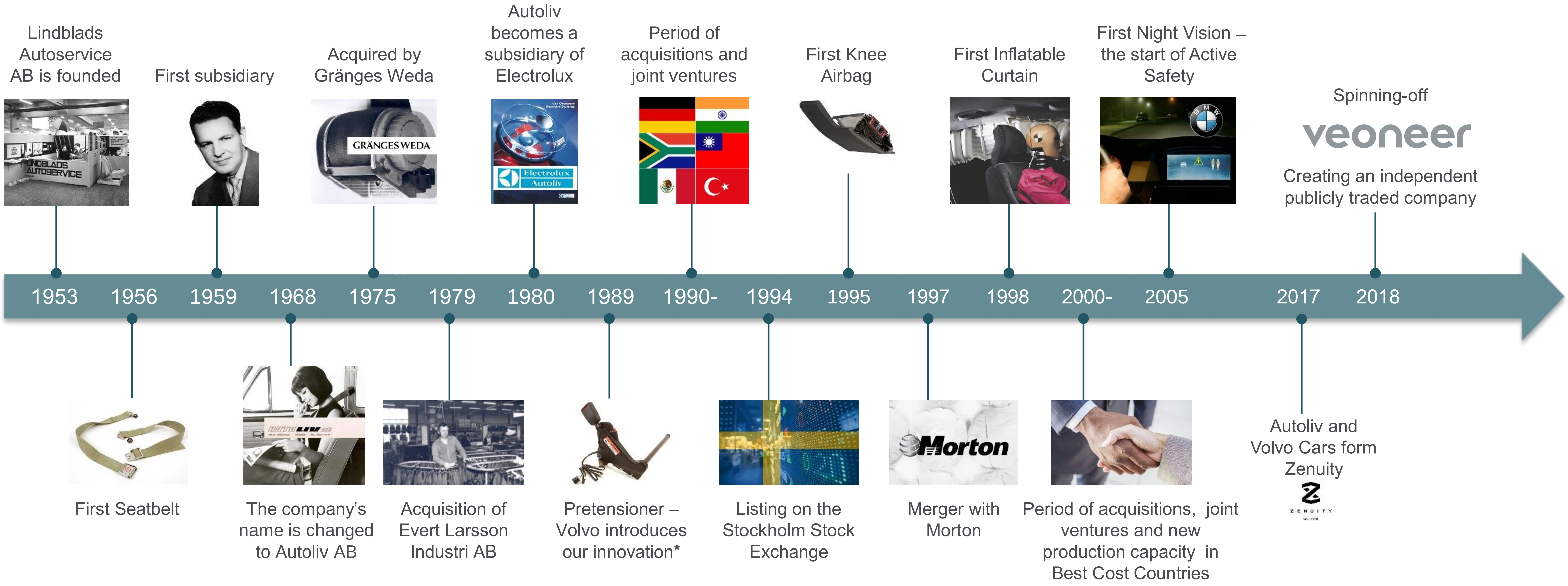
Autoliv – 65 years of Dedication to Saving Lives

Entering the next phase



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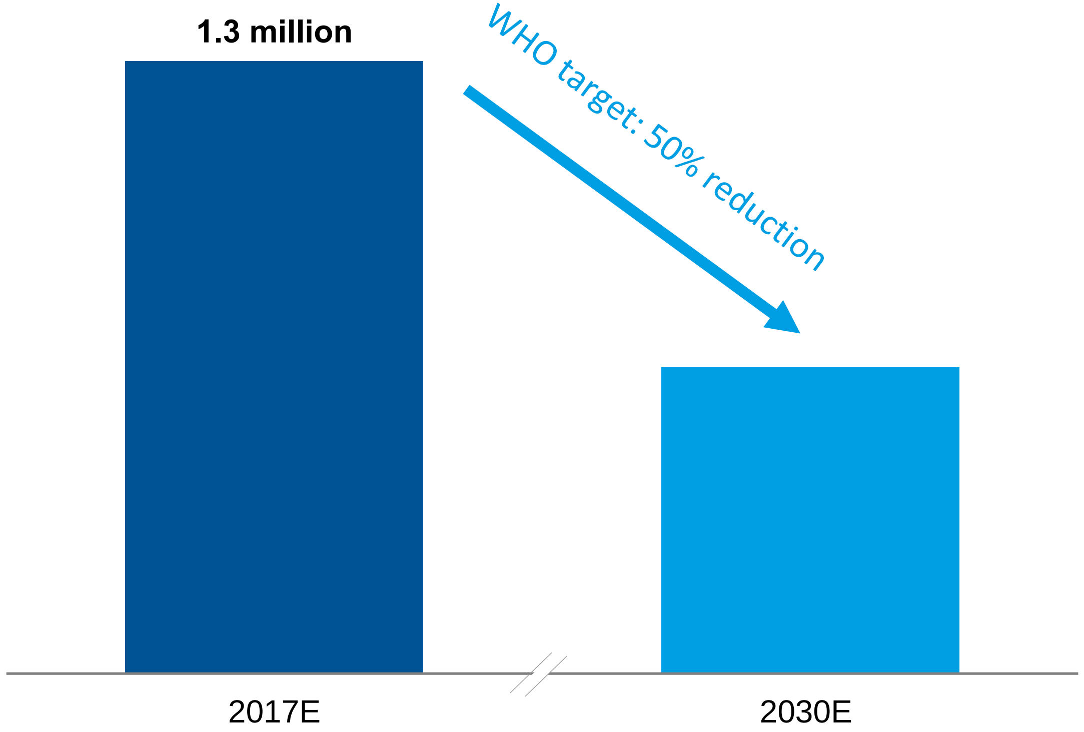
Millions of Reasons to Do More

Road Fatalities Worldwide

Number of Traffic Fatalities, Globally[1]



(1) WHO February, 2018

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Creating the New Autoliv

Our Strategic Direction

More Focused Strategy

Increased Operational Flexibility

Higher Potential for Profitable Growth

Dedicated Culture

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3rd Quarter 2018 Financial Results

Q3’18 Highlights

- Strong organic growth, despite weaker market development
  - Execution on strong order book
  - Launches on track albeit still with elevated launch related costs
  - Continued high order intake supporting our strong market position longer term

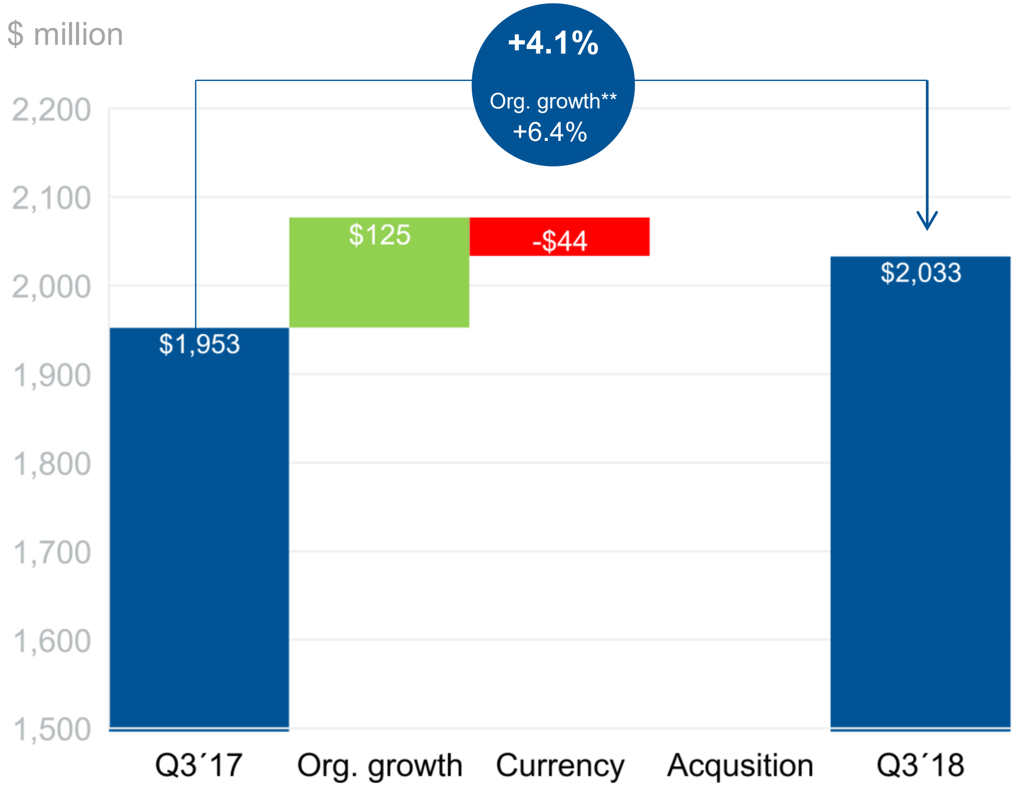
- Operating cash flow on a high level, supporting our full year indication of reaching last year’s level for continuing operations

- Unfavorable market fundamentals taking its toll on global auto demand/production in the quarter
  - LVP in W. Europe is estimated to have declined 9% mainly as a result of the new emission testing (WLTP)
  - China LVP declined 4%, more than 7pp worse than expected. The decline was more pronounced among local OEMs due to their higher exposure to lower tier cities where sales declined the most (partly due to government’s restrictions on peer to peer lending)
  - Trade policy and tariff uncertainties complicating planned process flows

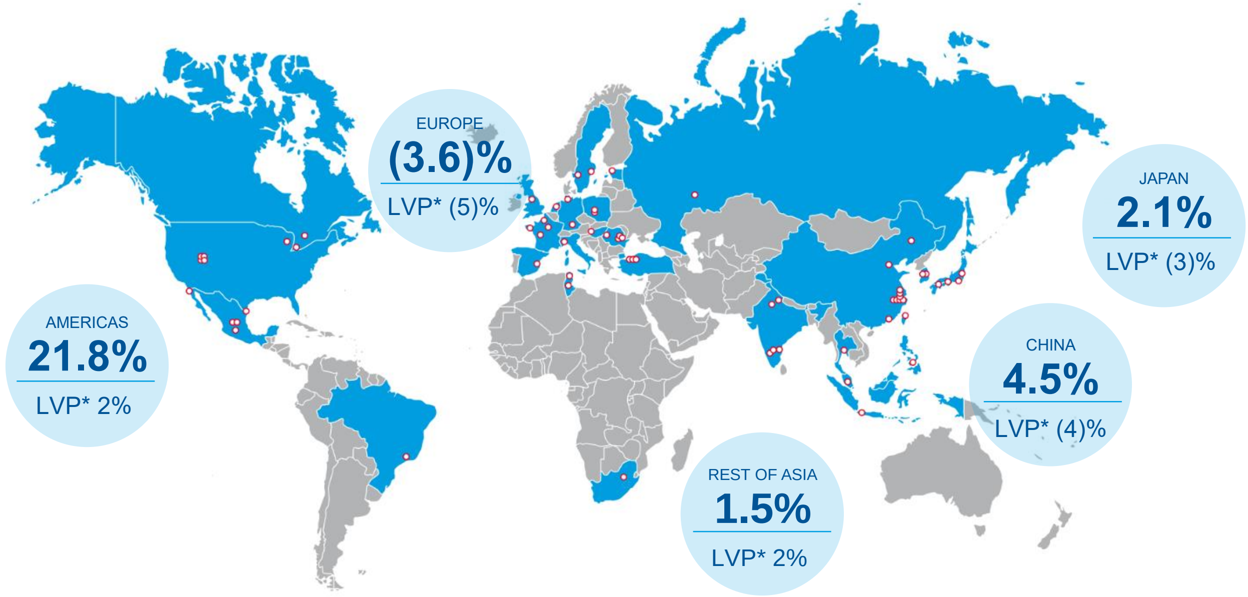
- Implementing actions to mitigate market softening and reduce elevated costs related to product launches

Q3´18 Sales Growth

Sales Bridge



Regional Organic Growth**



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

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Q3’18 - Key Model Launches

Honda Crider

Audi Q3

Chevrolet Silverado

Subaru Forester

VW Tharu

Haval F7

BMW X5

Audi A1

Nissan Altima

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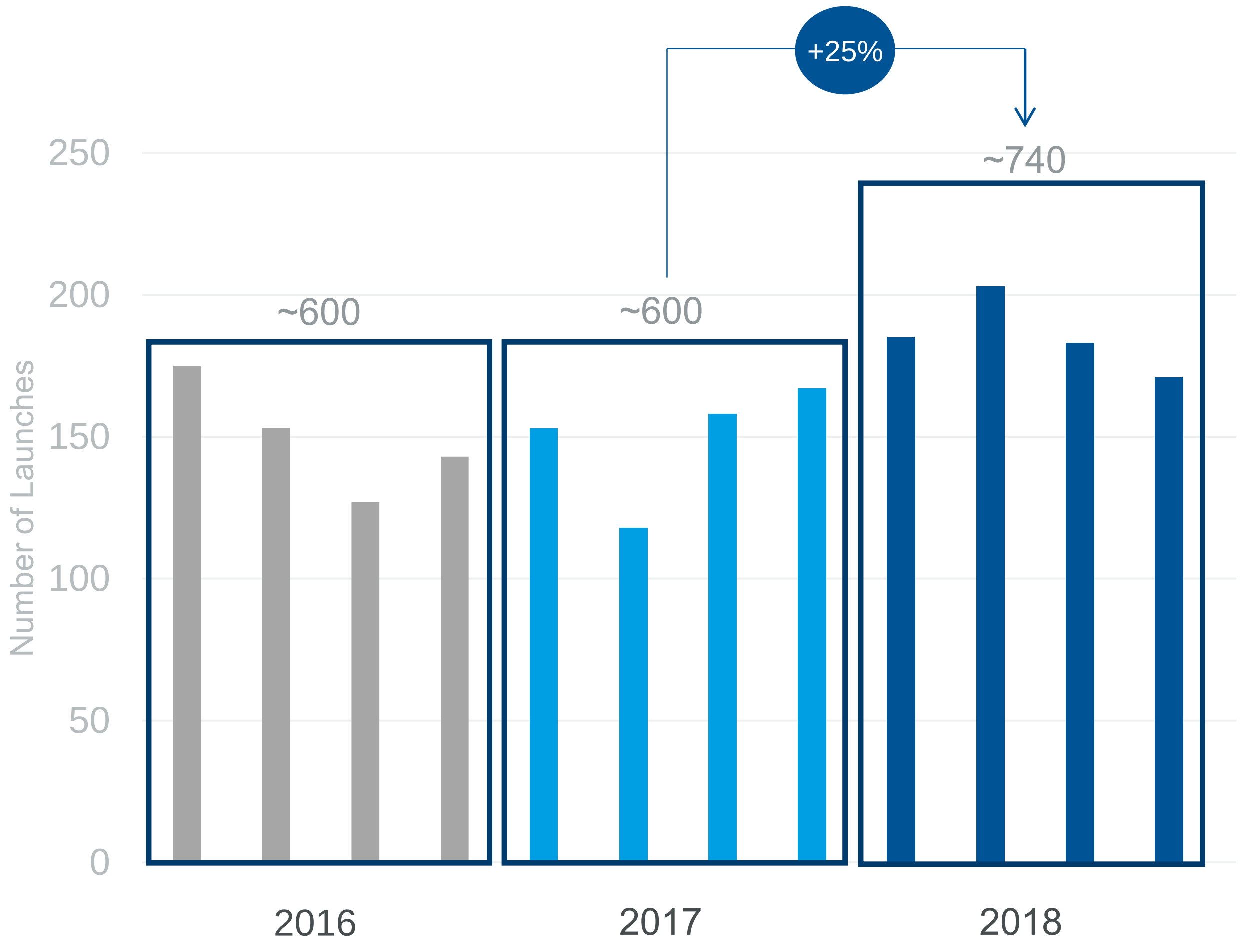
Product Launches per Quarter

YTD increased >30% YoY



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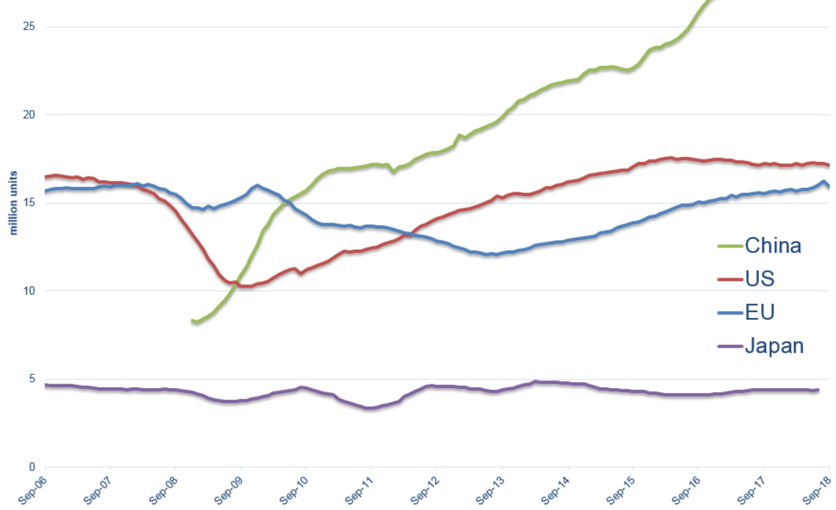
Overall Market Conditions

Softening of Major light vehicle markets

- **Asia**
  - In September, China's LV sales declined by 11%, marking the third consecutive monthly decline
  - LVP in the third quarter declined by 4%, this was more than 7 pp lower than expected in July
  - The Q4'18 LVP* is expected to decline YoY* by ~3% in China. While RoA and Japan are expected to grow by ~8% and by ~1%, respectively
- **Americas**
  - US SAAR** rebounded slightly in September from slowdowns in July and August. Inventories remain flat YoY at 3.7 million units, or ~65 days by the end of Q3'18
  - LVP in third quarter increased 2%, 6 pp lower than expected in the beginning of the quarter
  - Q4'18 LVP in North America is expected to increase ~3% YoY despite continued headwinds from rising interest and tough comps from Hurricane Harvey
  - South America continues to rebound and is expected to increase ~7% YoY
- **Europe**
  - EU28** light vehicle registrations fell by 23% in September, reversing August's inflated sales ahead of the introduction of the new more stringent WLTP CO_2 emission testing
  - LVP in W. Europe fell by ~9% in Q3 on WLTP headwinds at some OEMs, 7 pp lower than expected
  - Q4'18 LVP in Europe is expected to decline by less than 1%, whereof WEU* is expected to decrease by ~3% while EEU* is expected to increase by ~5%

Light Vehicle Sales LTM**



FY'18 Light Vehicle Production*		
Region	**Millions of Vehicles**	**YoY Chg. @ Oct 16th**
China	26.6	0%
Japan	9.0	0%
RoA*	13.1	4%
North America	15.8	0%
South America	3.5	7%
Europe	22.2	0%
Global	**92.9**	**1%**

Latest FY'18 GLVP forecast stands at 92.9 million units, ~1.3 million units lower than the July forecast

(*) Light Vehicle Production (LVP) according to IHS @ October 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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Q3´18 Financial Overview

(US $ Millions unless specified)	Q3'18		Q3'17	
Sales	$2,033		$1,953	
Gross Profit	$386	19.0%	$395	20.2%
Operating Income*	$194	9.5%	$205	10.5%
EPS (assuming dilution)	$1.34		$1.21	
RoCE**	20.4%		n/a	
RoE**	23.2%		n/a	
Operating cash flow	$238		$218	
Dividend per share	$0.62		$0.60	
GLVP*** (annual run rate)	~85M		~87M	

(*) Non-US GAAP measures exclude costs for capacity alignments, antitrust related matters and separation of our business segments. (**) Return on Capital Employed (RoCE) and Return on Equity (RoE), (***) Global Light Vehicle Production (GLVP) according to IHS @ October 16, 2018.

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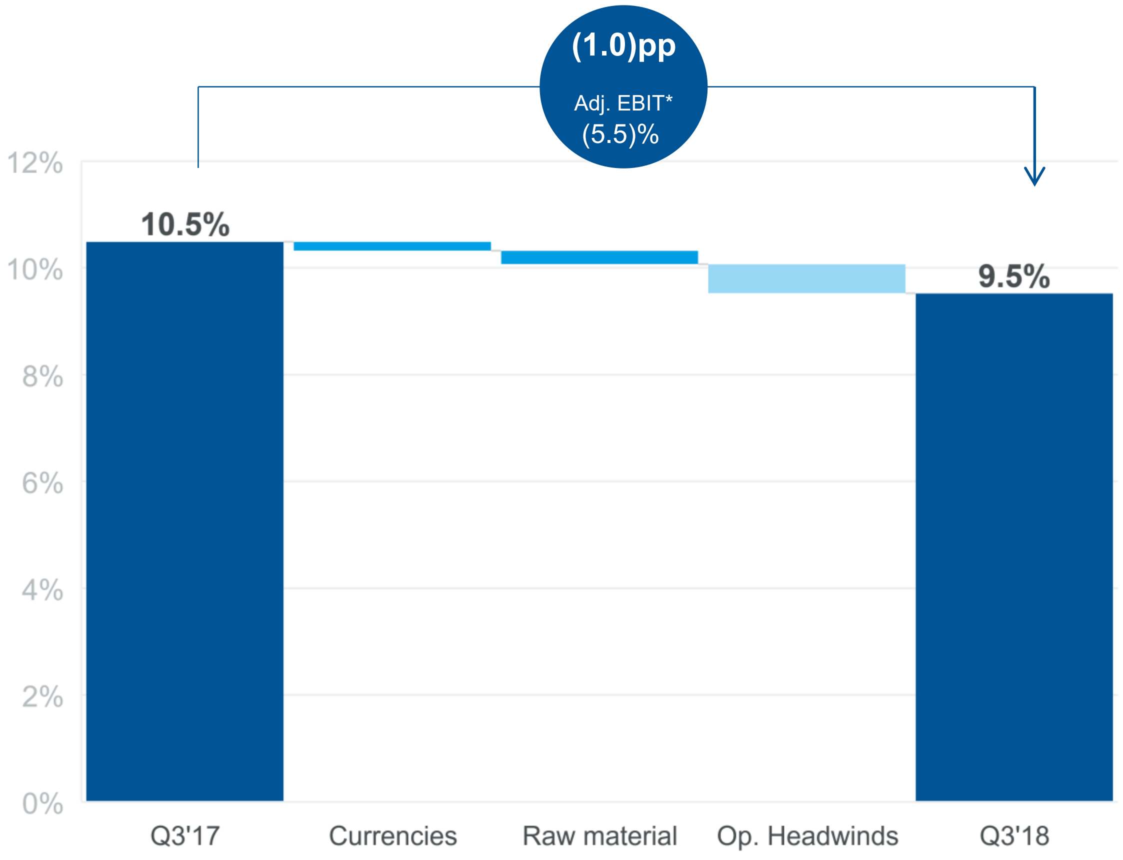
Adj. Operating Margin* Bridge

Q3’18 vs. Prior Year

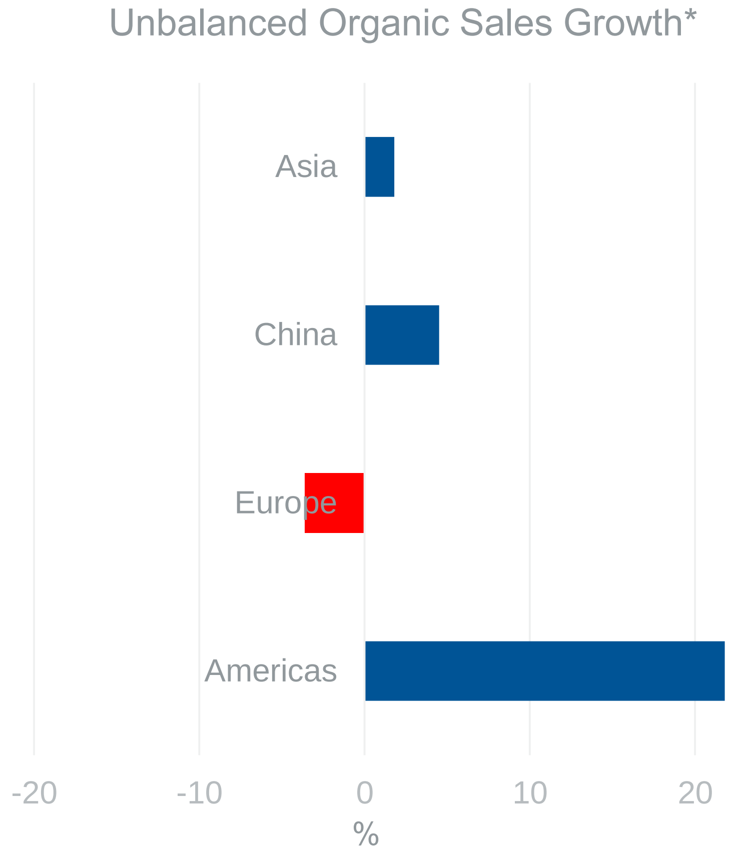


Adjusted Operating Margin of 9.5% includes ~40 bps increase in Raw material and Currency impact

(*) Non-US GAAP measure excludes costs for capacity alignments, antitrust related matters and separation of our business segments.

Margin headwinds Q3´18

- **Raw material**
  - Continued YoY headwinds from raw materials
- **Currencies**
  - Currency effects, translation and transaction, slightly worse than expected
- **Supply chain, production and logistic challenges**
  - Exceptional growth in Americas with continued elevated launch costs to secure quality and delivery
  - Lower and unbalanced capacity utilization in Europe due to uneven WLTP effects
  - Frequent and late changes of call-offs, especially in Europe and China, create challenges in production and resource management



(*) Non-US GAAP measure.

Cash Flow – including discontinued operations

Investments for growth and shareholder returns

(US $ Millions unless specified)	Q3'18	Q3'17	LTM*	2017	2016	2015
Net Income	118	88	219	303	562	458
Depreciation & Amortization***	85	104	650	660	383	319
Other, net	(8)	(6)	27	(27)	1	0
Change in operating WC**	43	32	(205)	(0)	(78)	(26)
Operating cash flow	**238**	**218**	**691**	**936**	**868**	**751**
Capital Expenditures, net	(117)	(142)	(589)	(570)	(499)	(450)
Free cash flow**	**121**	**76**	**102**	**366**	**369**	**301**
Acquisitions, net****	0	2	88	128	227	128
Dividends paid	54	52	213	209	203	196
Shares repurchased	0	0	0	157	0	104

Acquisitions and CapEx for growth along with Shareholder returns are ~$0.9B over the LTM

(*) 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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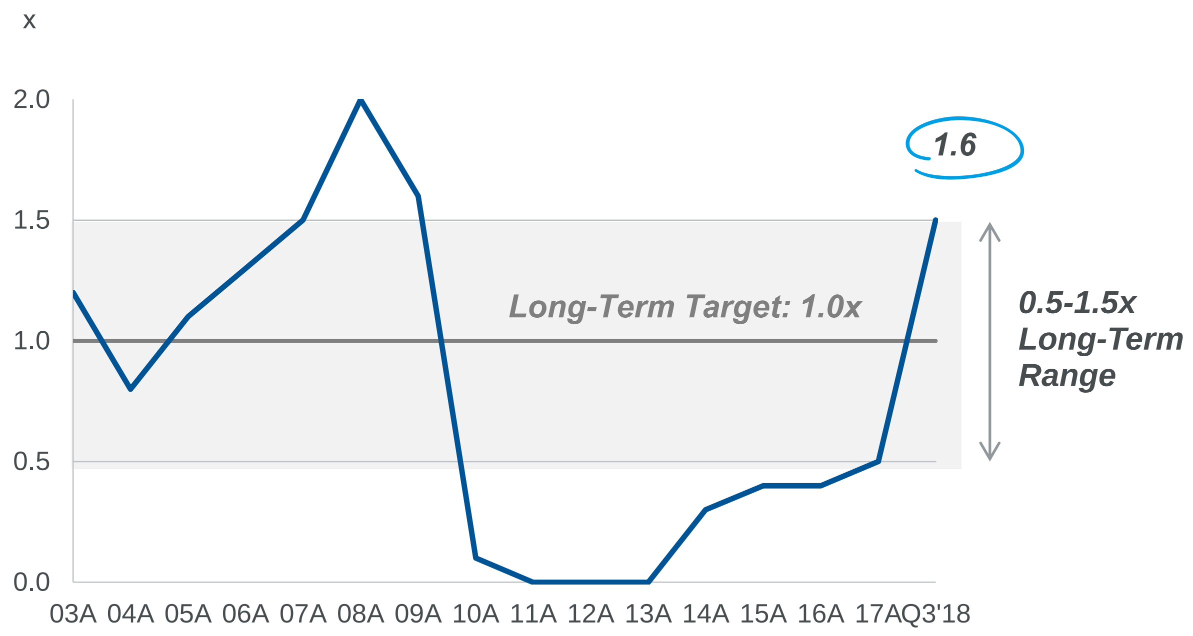
Strong Balance Sheet and Prudent Financial Policy

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

Net Debt/ EBITDA*



- ✓ 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)
- ✓ Q4'18 dividend set at unchanged level following the spinoff

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

(*) Autoliv Inc. group statistics, prior to spin; Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability.

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Financial Outlook

Consolidated sales, net and operating margin*

	FY'18
Sales	
Organic*	~6%
Fx**	~2%
Consolidated Sales, net	**~8%**
Operating Margin*	**~10.5%**

Exchange rates**	FY'18
EUR / US$	1,1858
US$ / JPY	110,31
US$ / KRW	1103
US$ / MXN	18,98
US$ / CNY	6,61

(*) Non-US GAAP measures exclude costs for capacity alignments, antitrust related matters and separation of our business segments,
(**) Mid-October 2018 exchange rates.

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Strategic Direction

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Autoliv Key Targets

>$10 Bn Revenue
2020

~13% Adj. Operating Margin*
2020

~1.0x Net Debt/ EBITDA
Over Time

(*) Non-US GAAP measure excludes costs related to Antitrust matters, Leverage Ratio and Net Debt includes Pension Liability. The forward looking non-U.S. GAAP financial measures herein are provided on a non-U.S. GAAP basis. Autoliv has not provided a U.S. GAAP reconciliation of these measures because items that impact these measures, such as costs related to capacity alignments and antitrust matters, cannot be reasonably predicted or determined. As a result, such reconciliation is not available without unreasonable efforts and Autoliv is unable to determine the probable significance of the unavailable information.

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Our road to Success

We are fully focused on delivering on our 2020 targets

We operate in a market with long-term sustainable growth

Operational excellence is in our DNA, and it is what will take us to the next level

We have the tools to maintain our new market position

Unprecedented Business Momentum Translating Into Growth

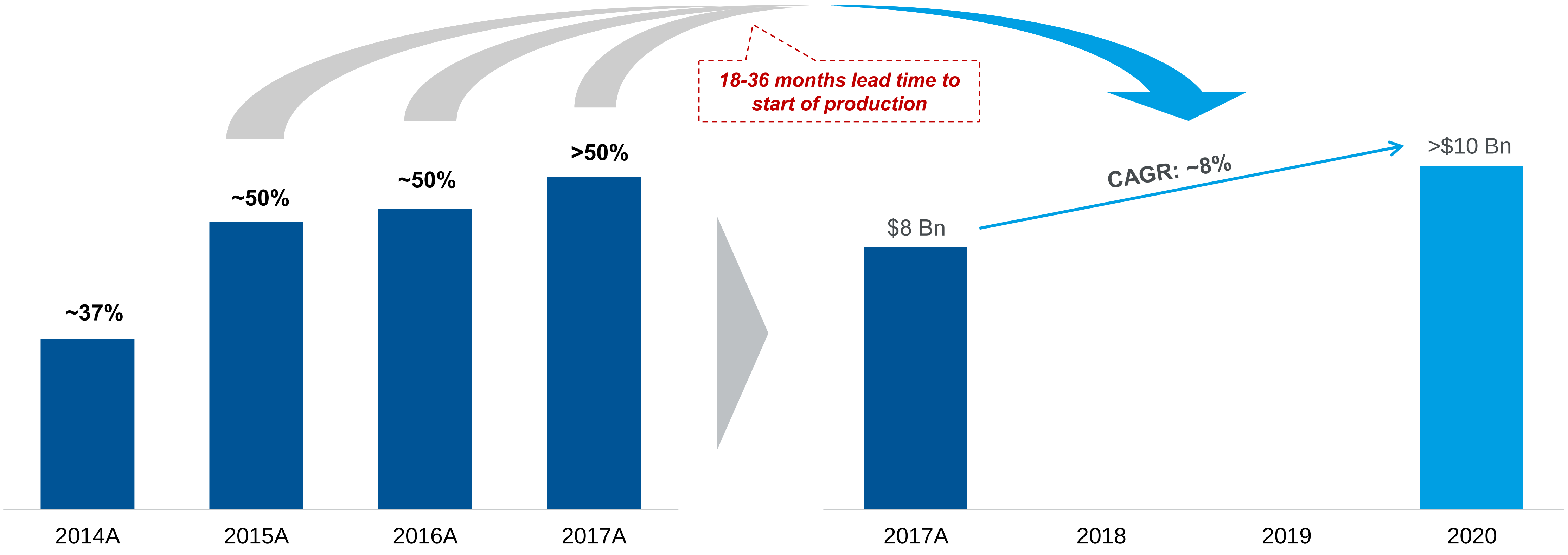
Order Intake Tailwind Driving Sales Growth: ~8% Revenue CAGR 2017A to 2020

Strong Order Momentum…

Order Intake Share; 2014A-17A

…Translating Into Significant Revenue Growth(1)

Revenue; 2017A-20



(1) Based on to IHS' LVP (Light Vehicle Production) outlook as of April, 2018.

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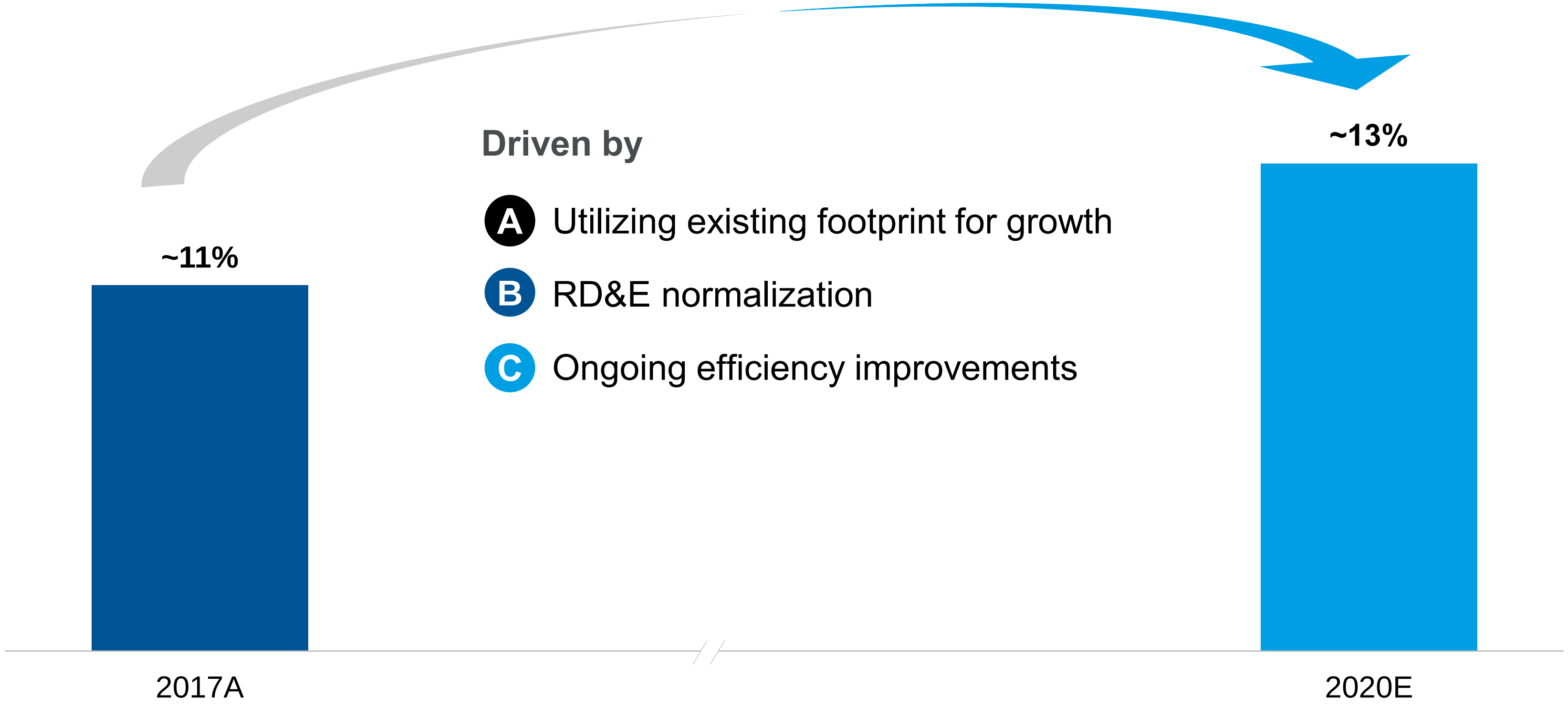
Multiple Levers for Continued Margin Improvements

Operating Leverage and Efficiency Improvements Driving Margin Expansion

Adj. Operating Margin(1, 2)



Driven by

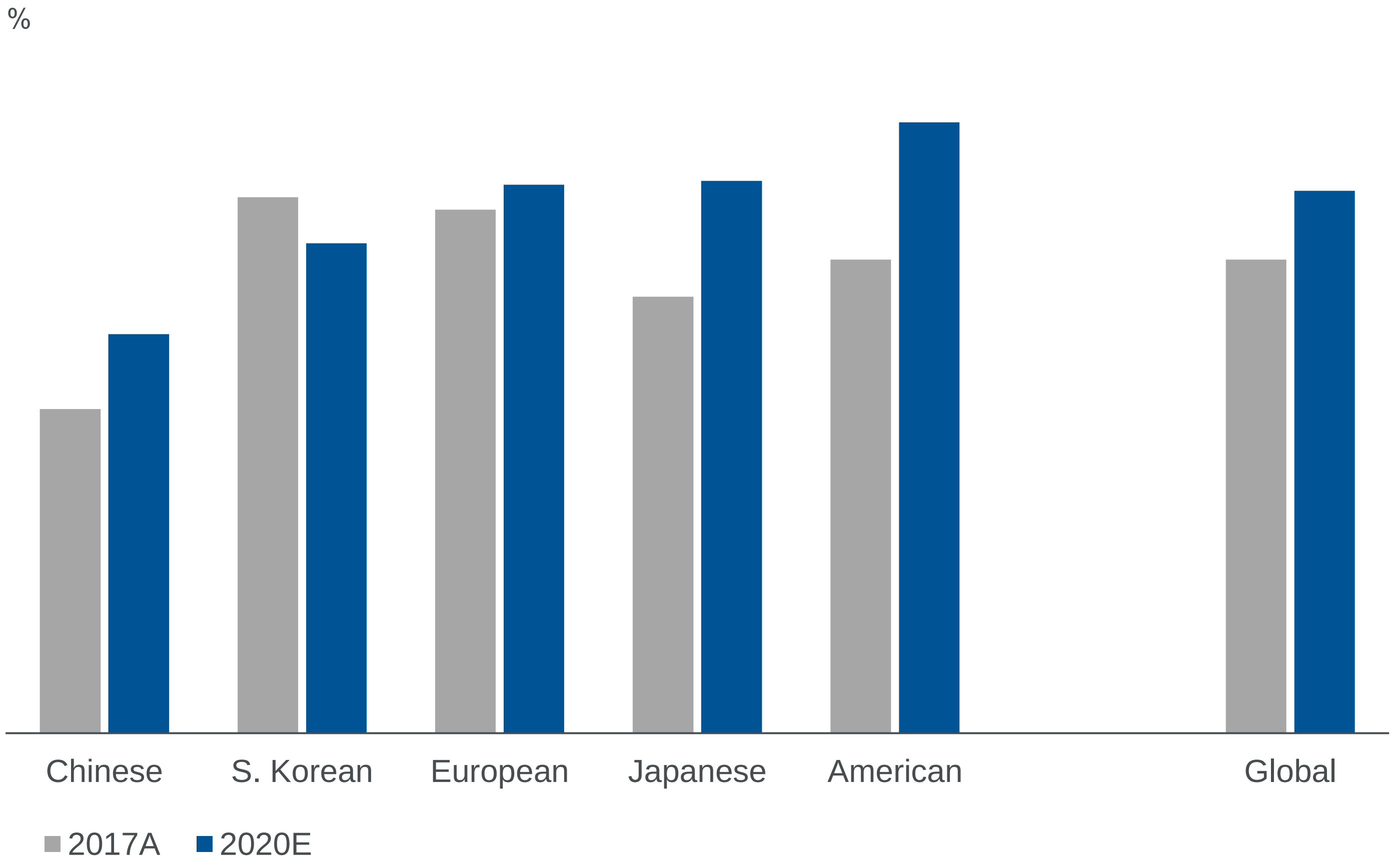
- **A** Utilizing existing footprint for growth
- **B** RD&E normalization
- **C** Ongoing efficiency improvements

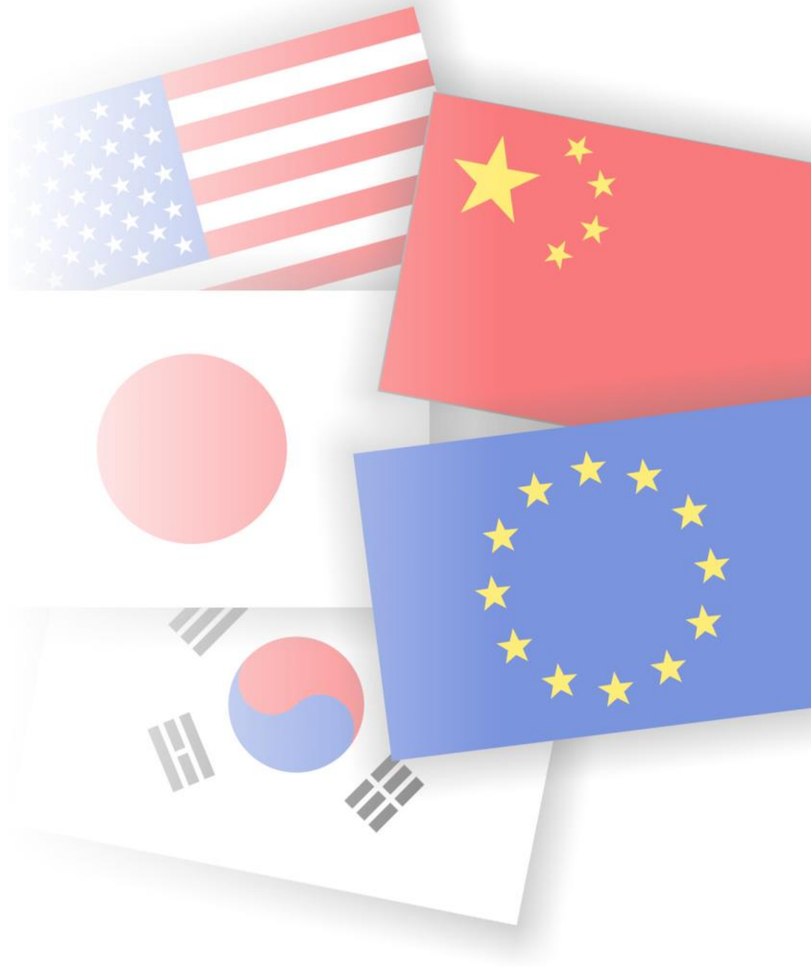
(1) Autoliv continuing operations; excluding discontinuing operations (Veoneer)
(2) Non-US GAAP measure, please refer to 8-K from May 31, 2018 for reconciliations. Adjustments for capacity alignments and antitrust related matters

Long-Term Customer Focus, Local Presence & Quality Pays Off

Strong & Improving Positions With Key OEMs, Including Ambitious Chinese OEMs

Market Share by Brand Origin





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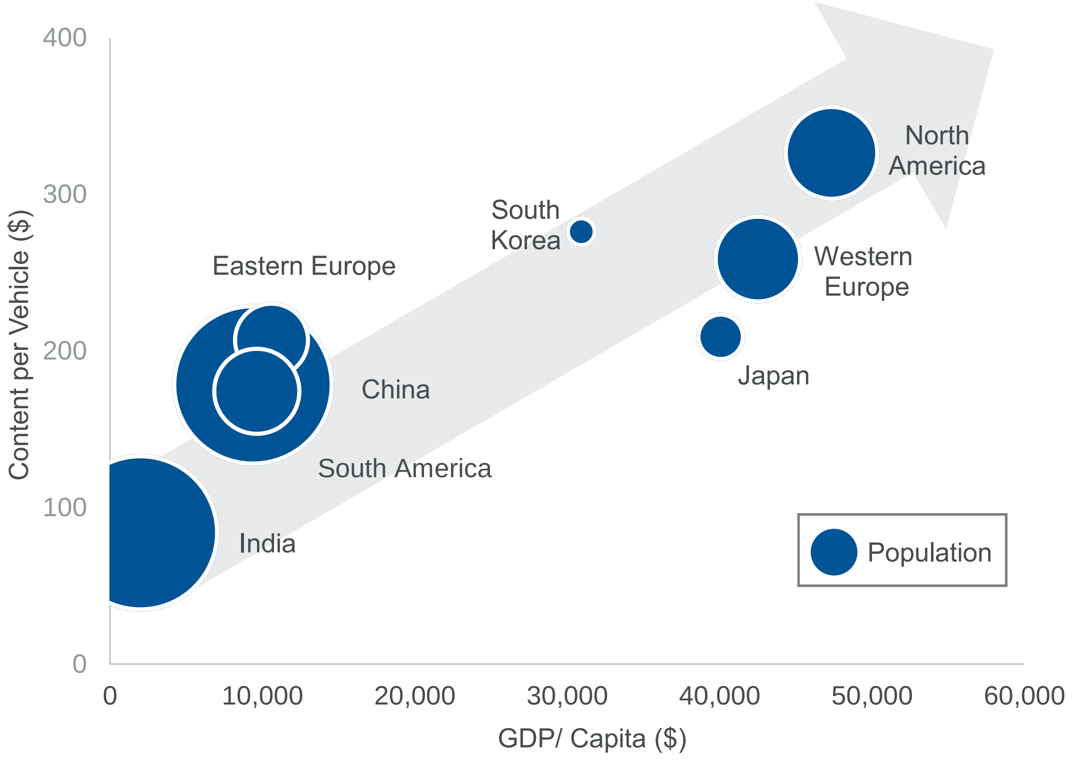
Content per Vehicle Growth Propelled by Emerging Markets

Safety System Penetration Correlates to GDP/ Capita

Gap to Developed Markets Expected to Close as Emerging Markets Mature…

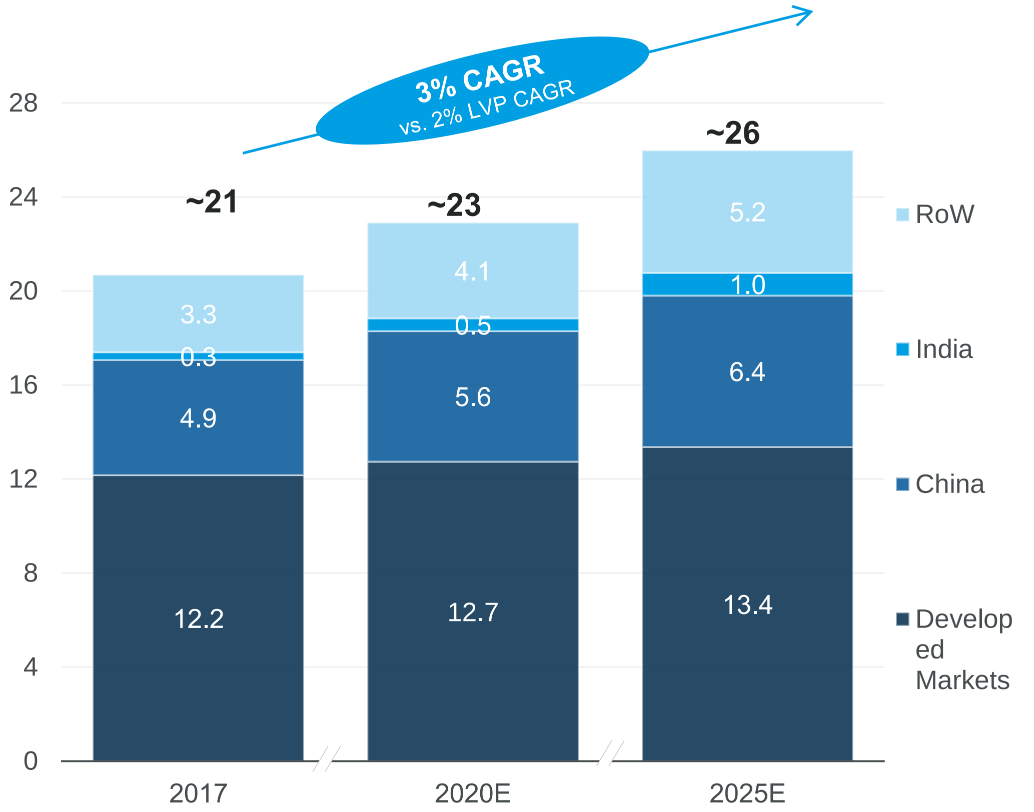
Passive Safety Content per Vehicle[1] vs. Economic Development



Sources: Company estimates, IMF data as of April 2017
(1) Company market estimates include seatbelts, airbags and steering wheels
(2) ALV estimate as of April 2017

Autoliv's Total Addressable Market[(1)]

$ Bn



(1) Company market estimates include seatbelts, airbags, steering wheels, based on IHS LVP data from April, 2018
(2) Developed Markets: North America, Western Europe, Japan and South Korea

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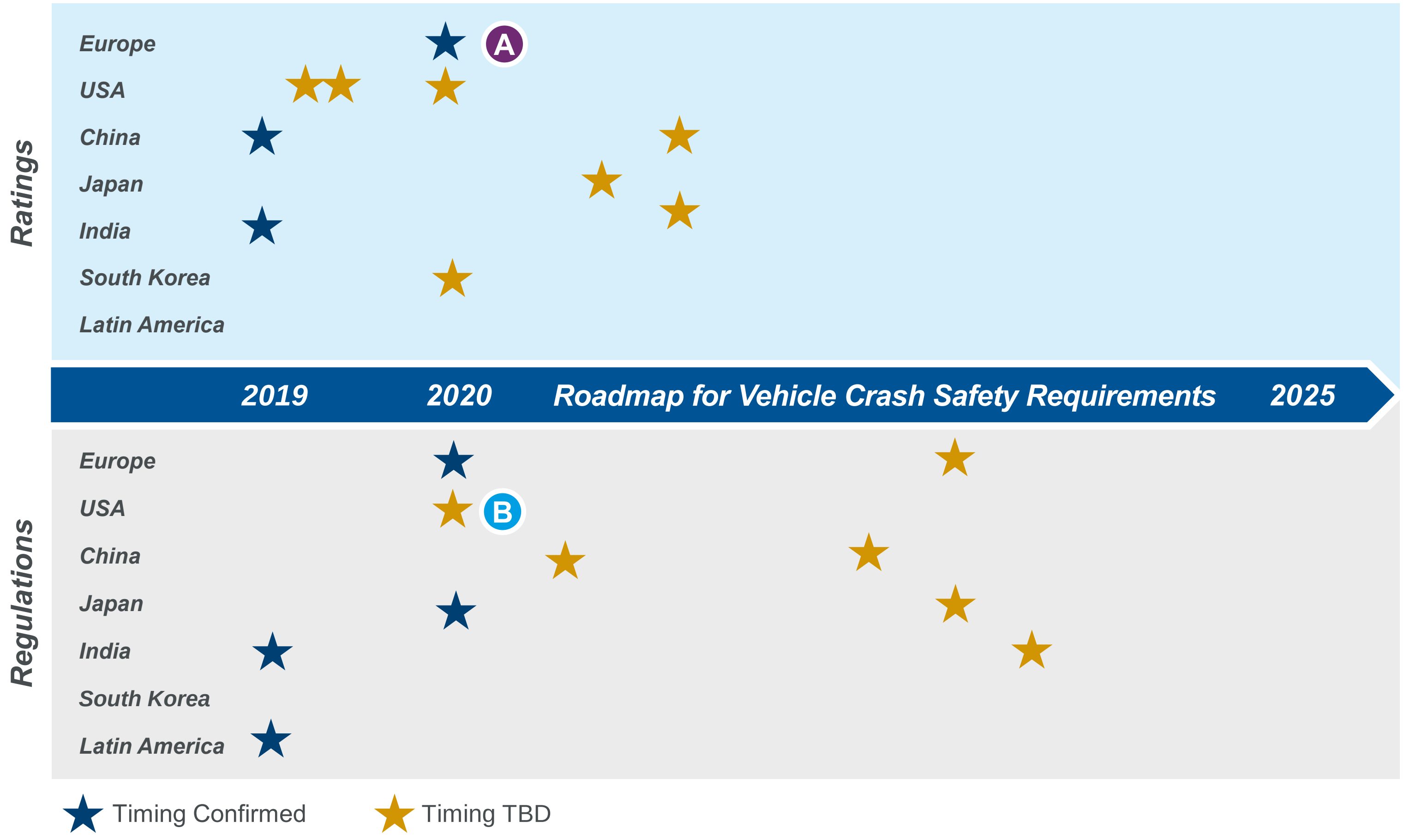
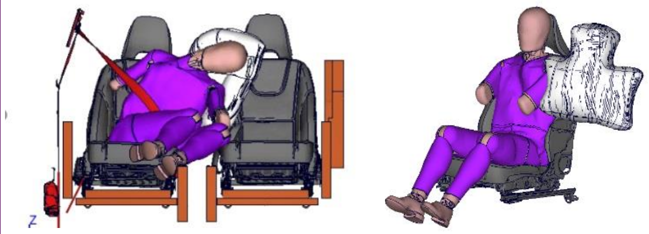
Global Drive for Increased Safety Standards

Stricter Regulations & Increasingly Stringent Rating Frameworks

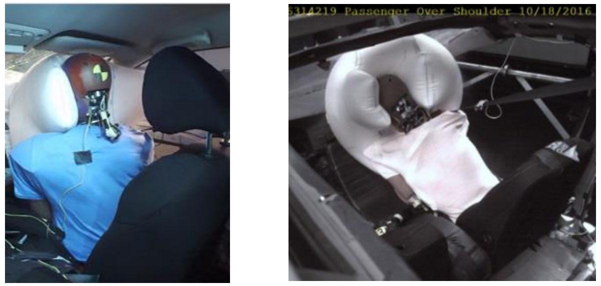


A Far-Side Airbag Required in Europe



Protection for both occupants

B New Frontal Crash Test in US(1)



Oblique with new advanced dummy

(1) New frontal crash test using oblique and THOR ("Test Device for Human Occupant Restraint") dummies

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Each year, Autoliv’s products save over 30,000 lives
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Market Development

Update U.S. and Mexico NAFTA negotiations

- Some of the issues that were negotiated, according to the US:
  - increase the percentage from 62.5% to 75% of a car that must be sourced from a NAFTA nation to move freely across the borders.
  - A threshold for the amount of manufacturing that must be performed by auto workers making $16 an hour or more. Under the new agreement, 40% to 45% of the car must be made by these higher-wage workers.
  - The deal would also updated rules on intellectual property rights and labor negotiations
  - Duty-free auto parts and vehicles export from Mexico to the United States are capped at $90 billion and 2.4 million units, respectively.
- **Autoliv is in a relative good position, thank to high regional content, strong U.S. footprint and diversified customer base. However, anything less than free trade can increase our cost.**

U.S. and China Trade

- 301 relates to intellectual property protection and the US would impose tariffs of autos and auto part imports from China. China has already imposed tariffs on US auto and auto parts imports.
  - Under this section, the impact to ALV comes indirectly from the vehicle unit volume impact of Mercedes exports to China from the US or cancelation of the import of the Ford Focus from China to the US. There is likely to be a small impact on ALV from the supply base.
  - Thank to local production and sourcing established in China, Autoliv's import from the US is small.
- 232 relates to "national security interest" and the US imposed steel & aluminum tariffs under 232. Its possible that the Trump administration might impose auto and auto part tariffs on countries other than China under 232 but there has been nothing done on this to date.
- Indirectly, the 232 steel & aluminum tariffs have caused a raw material headwind for this year.

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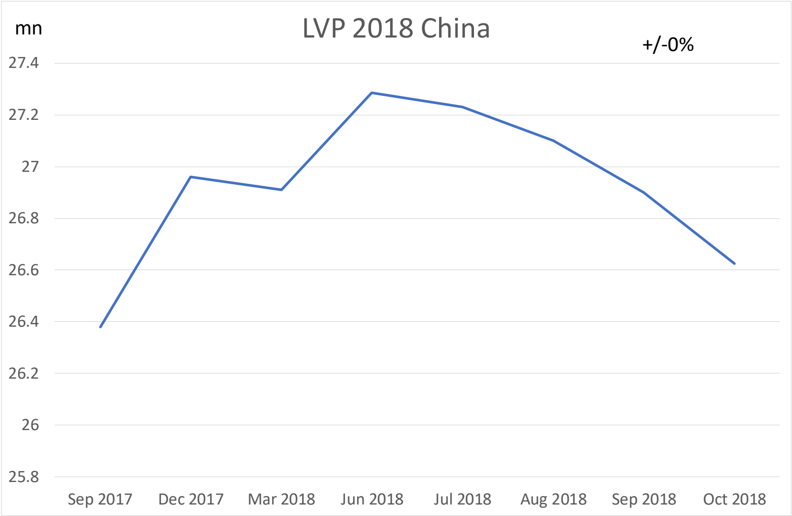
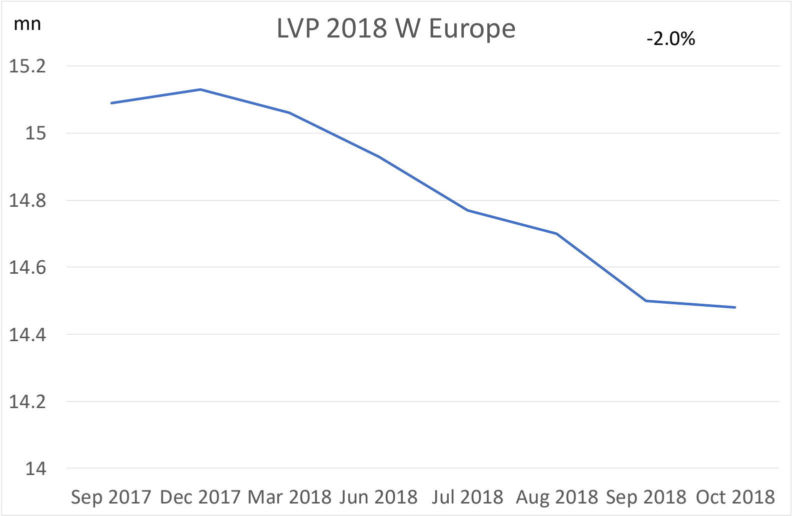
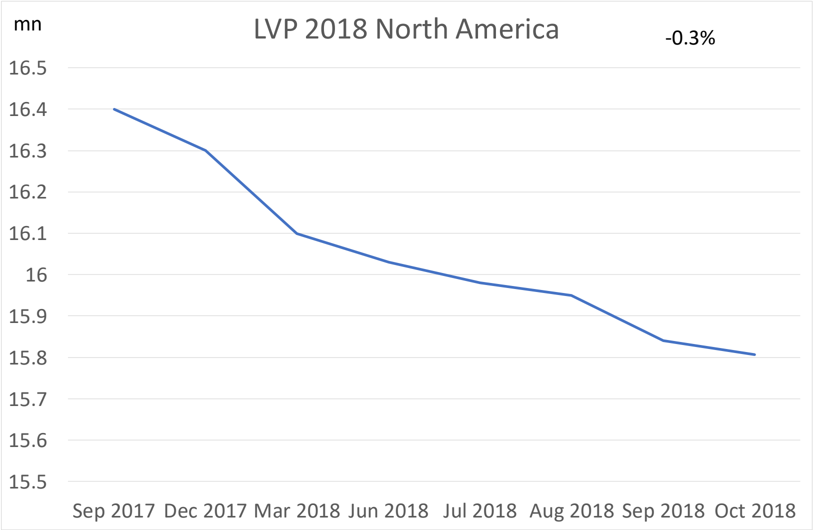
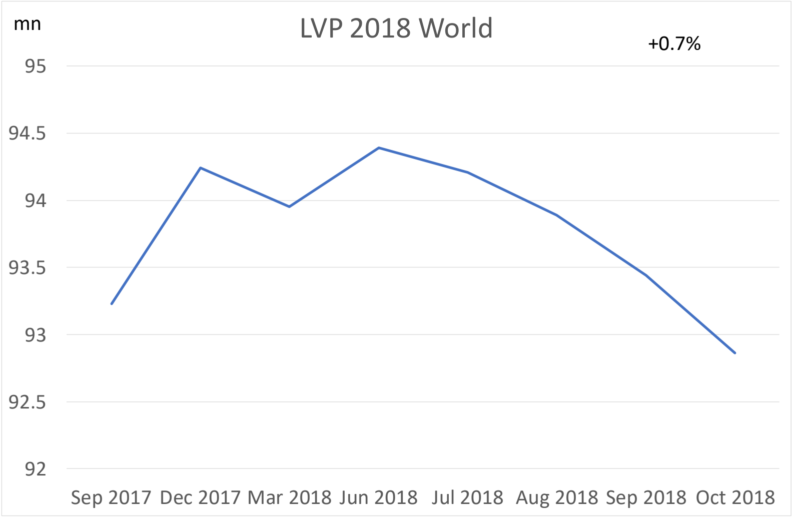
Development of FY 2018 LVP forecasts acc to IHS (mn)









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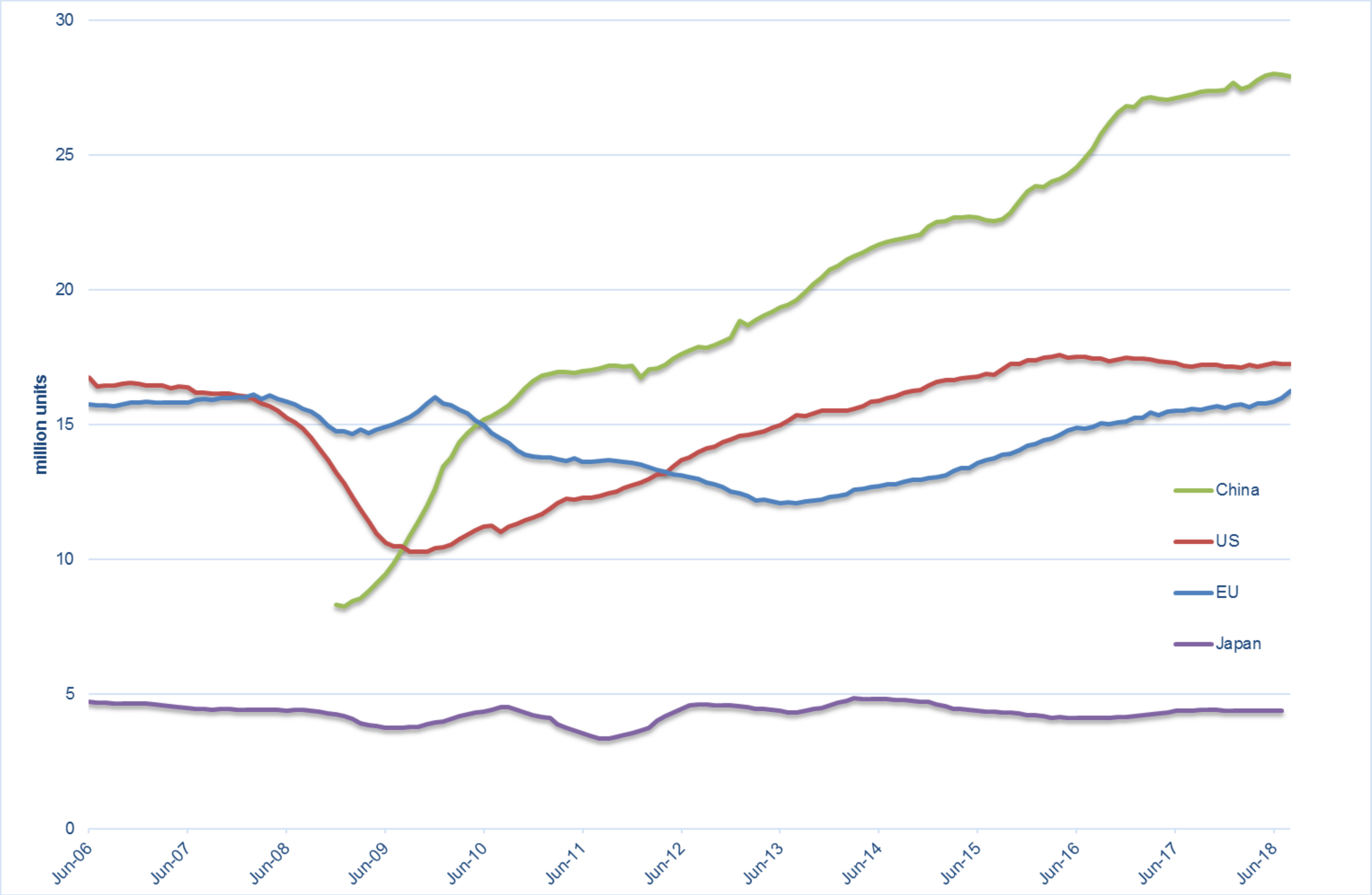
Light Vehicle Sales



Saving More Lives & Creating More Value

Visible Near-Term and Sustainable Long-Term Growth

Profitability Improvement Opportunities and Over-the-Cycle Resilience

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Profitable Growth

Cash Flow Generation Focus and Shareholder Returns

Strong Balance Sheet and Prudent Leverage Policy

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