Financial Direction

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CFO

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, statements related to the completion and timing of the proposed spin-off; the future performance of the Passive Safety business on a stand-alone basis if the spin-off is completed; the expected strategic, operational and competitive benefits of the proposed spin-off and the effect of the separation on the Company and its stakeholders; statements related to the future performance of the Company or of any such businesses if any such transaction is completed; other targets regarding the Company's performance as a single entity; management's examination of historical operating trends and data, as well as estimates of future sales, operating margin, market trends, cash flow or other future operating performance 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, higher than anticipated tax and other costs associated with the spin-off; disputes or operational difficulties resulting from the spin-off; expected benefits of the spin-off taking longer than anticipated to realize; 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; 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.

Autoliv Key Targets and Ambitions Confirmed

2020E
>$10 Bn Sales

2020E
~13% Adj. Operating Margin(1)

Over Time
~1.0x Leverage Ratio(2)
(0.5-1.5x Range)

Long-Term
At Least Grow LVP plus 1%

Long-Term
≥ Adj . Operating Margin(1) in 2020E

Targets Ambitions

(1) 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.

(2) Leverage Ratio = Debt per the Policy/ LTM EBITDA; Debt per the Policy = Net Debt + Pension Liabilities

Autoliv

Autoliv is Creating Long-Term Value for Shareholders

Overview Key Financial Principles

Visible Near-Term and Sustainable Long-Term Growth

Profitability Improvement Opportunities and Over-the-Cycle Resilience

Cash Flow Generation Focus and Shareholder Returns

Strong Balance Sheet and Prudent Leverage Policy

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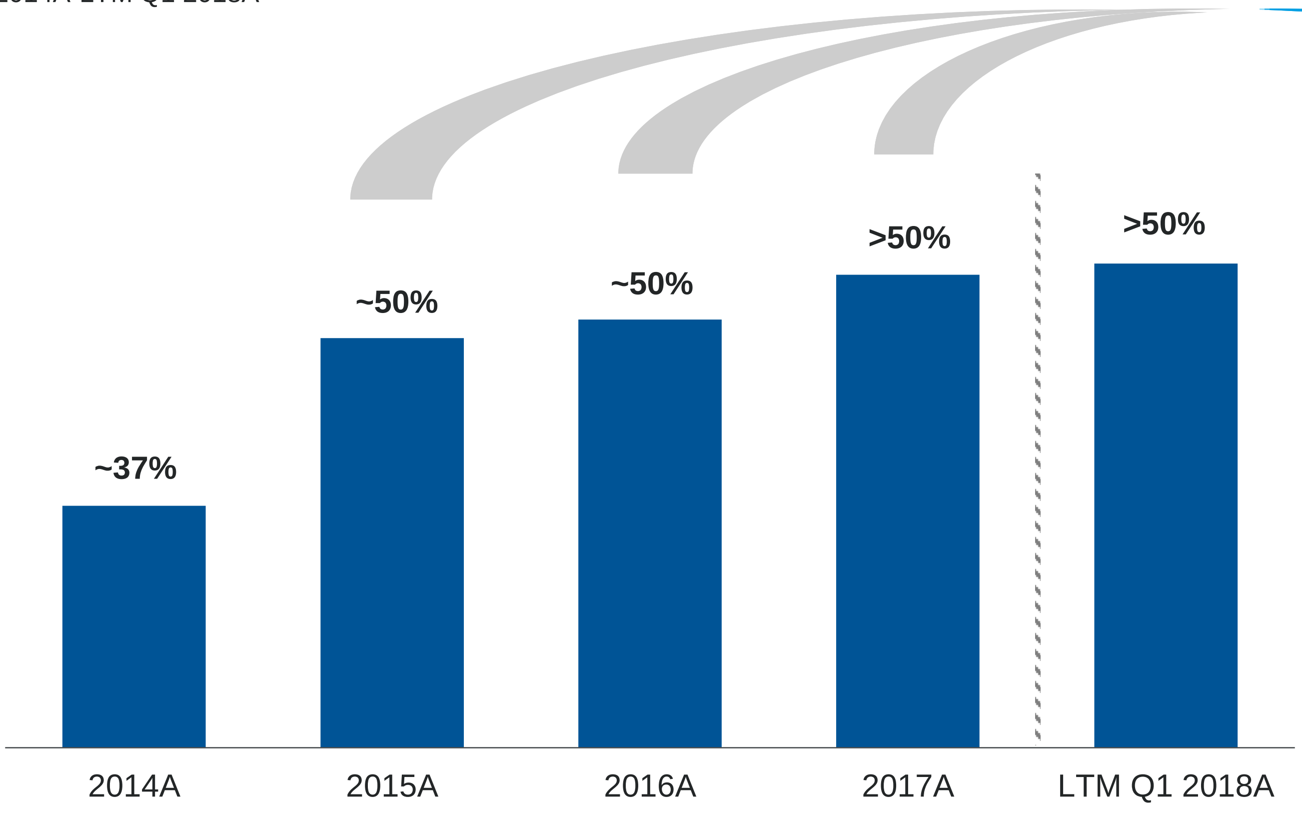
Unprecedented Business Momentum Translating Into Growth

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

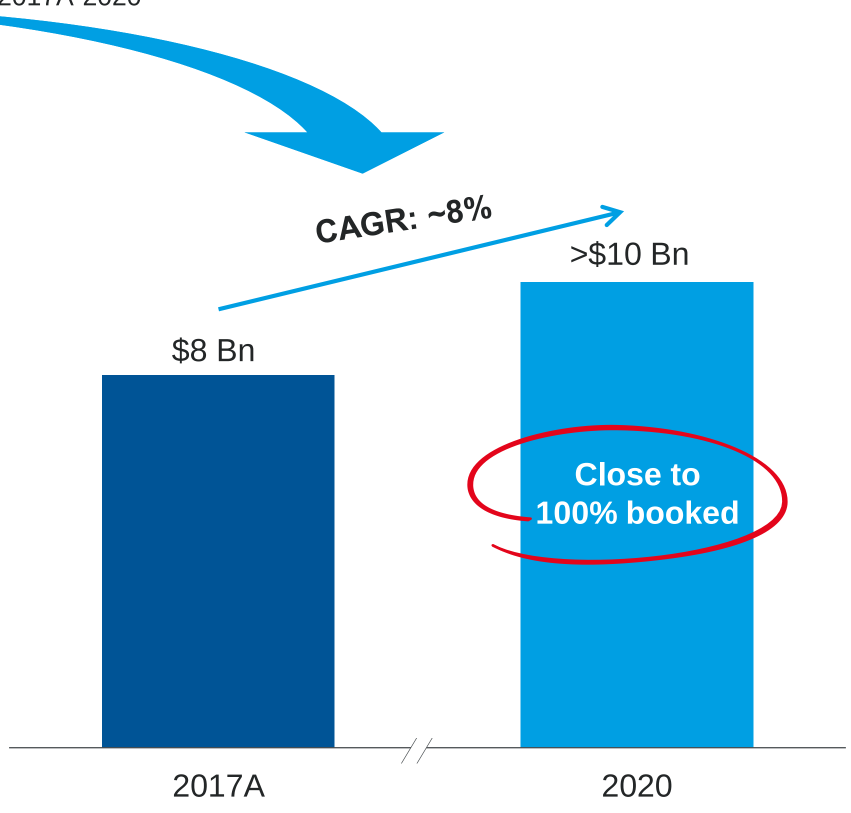
Order Intake Market Share

2014A-LTM Q1 2018A



Sales(1)

2017A-2020



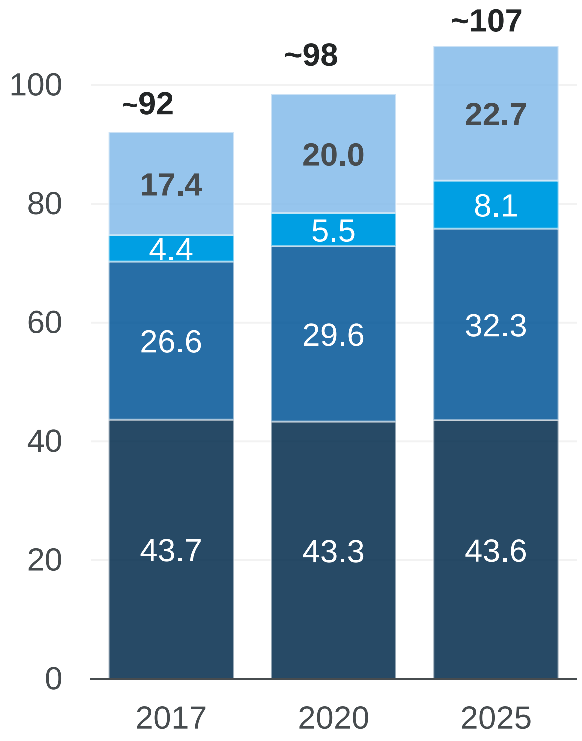
(1) Based on tIHS' LVP (Light Vehicle Production) outlook as of April, 2018.

Light Vehicle Outlook

Growth is driven by the growth markets

Global Light Vehicle Production Forecast(*)

Million units



	LVP CAGR 2017-'20	LVP CAGR 2017-'25
	2.3%	1.8%
RoW	~5%	~3%
India	~8%	~8%
China	~4%	~2%
Developed Markets	~0%	~0%

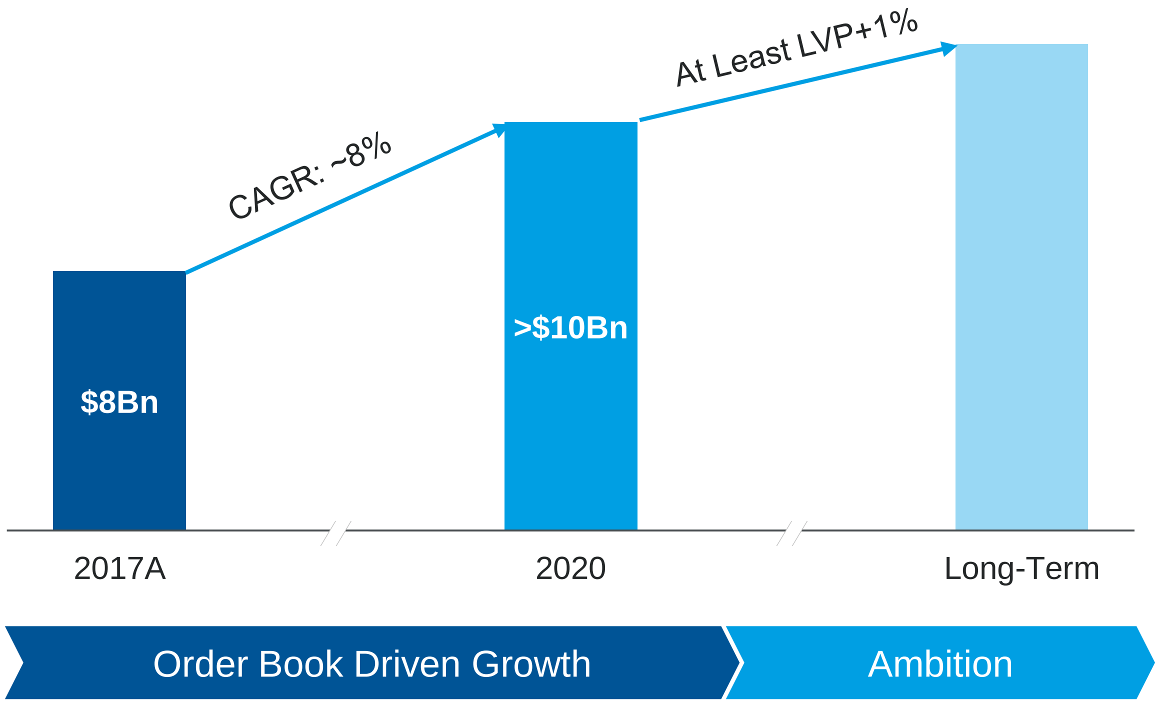
- Global LVP CAGR ~2% through 2025
  - 40% of the unit growth is expected to come from China
  - 25% of the unit growth is expected to come from the low content Indian market
- China LVP is expected to surpass 30Mn vehicles in 2021
- In the developed markets, increases in WEU and NA are offset by declines in Japan and S. Korea
- RoW LVP is mainly driven by Eastern Europe, South America and Asean

(*) LVP (Light Vehicle Production) according to IHS as of April , 2018, Developed Markets (North America, Western Europe, Japan) and S. Korea, RoW (Rest of the World), CAGR (Compounded Annual Growth Rate).

Well-Supported Growth Ambitions Beyond 2020

Significant Future Growth Potential

Sales Targets and Ambition[1]



Automotive Production Growth

+

Content per Vehicle Growth	***Safety Evolution in Emerging Markets*** ***Increasing Safety Standards*** ***Premium Car Trend*** ***Future Mobility Trends***

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

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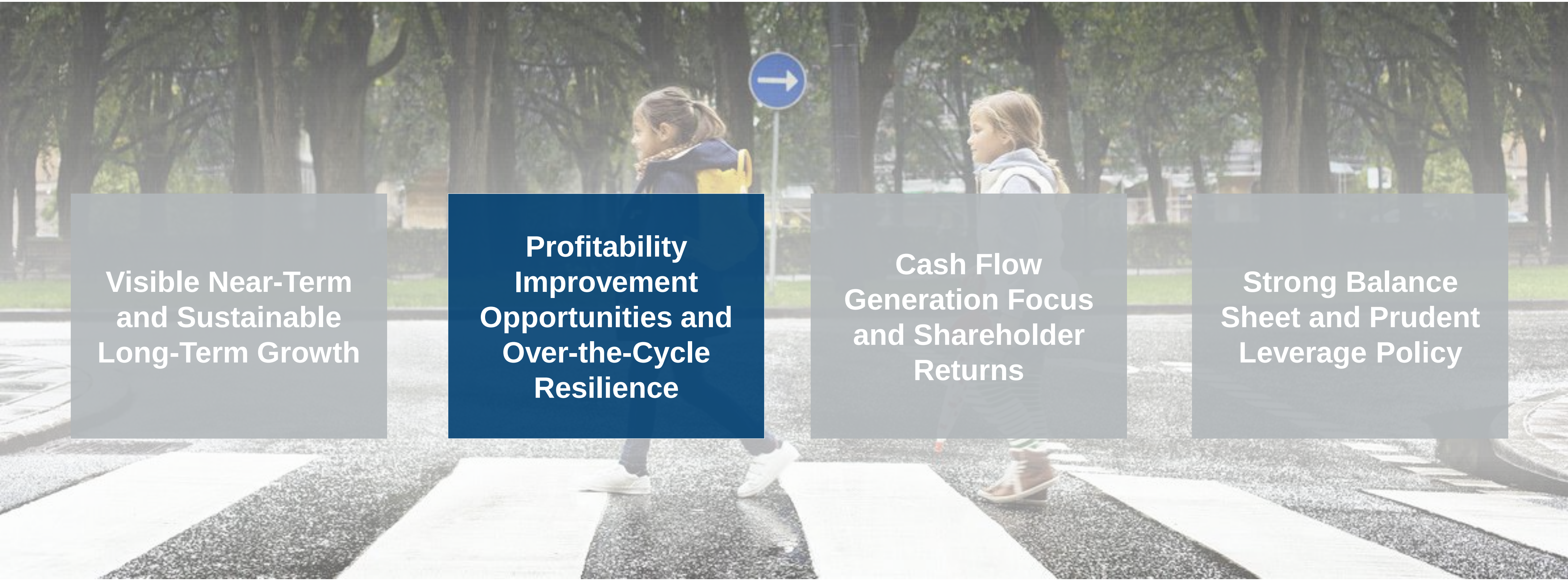
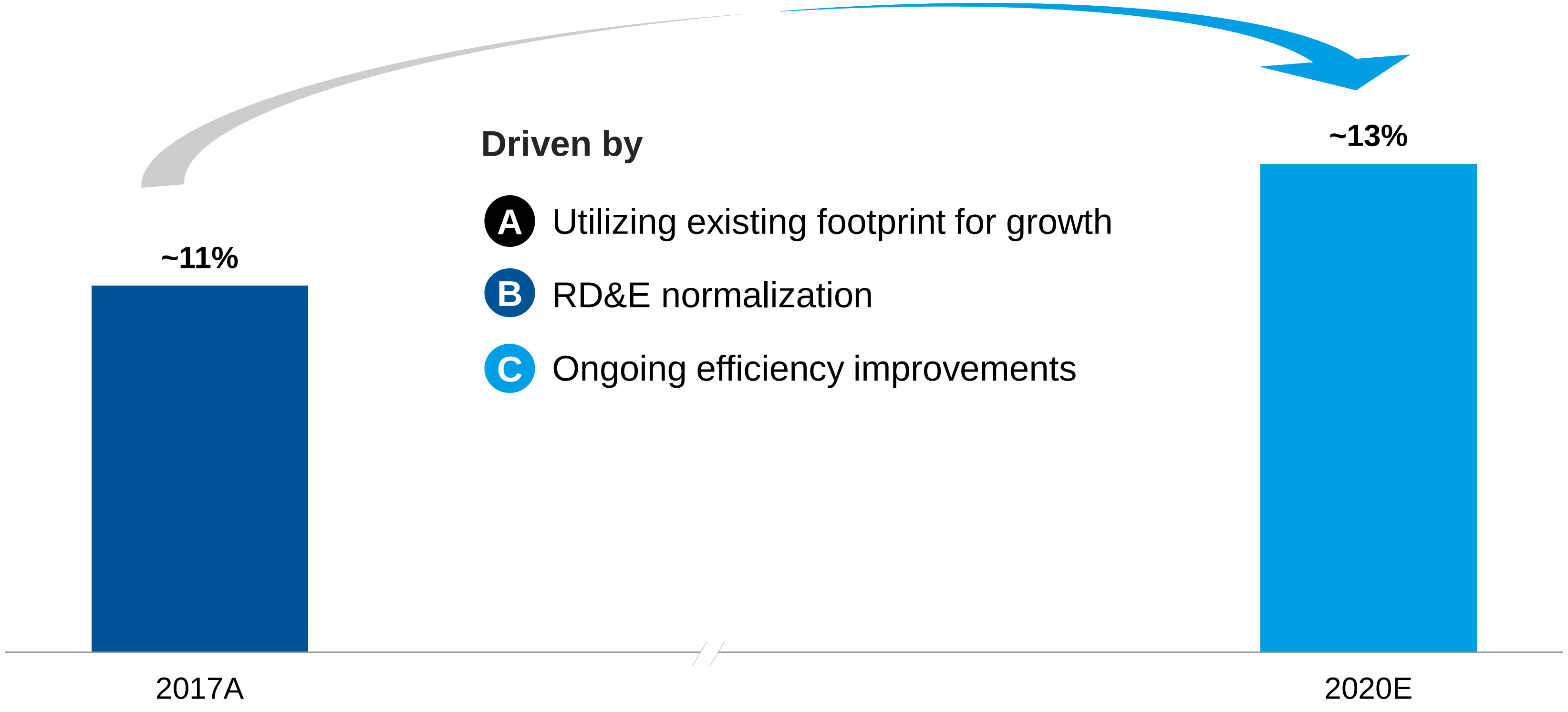


- **Visible Near-Term and Sustainable Long-Term Growth**
- **Profitability Improvement Opportunities and Over-the-Cycle Resilience**
- **Cash Flow Generation Focus and Shareholder Returns**
- **Strong Balance Sheet and Prudent Leverage Policy**

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

Multiple Levers for Continued Margin Improvements (Cont'd)

Tangible Drivers for Profitability Improvement

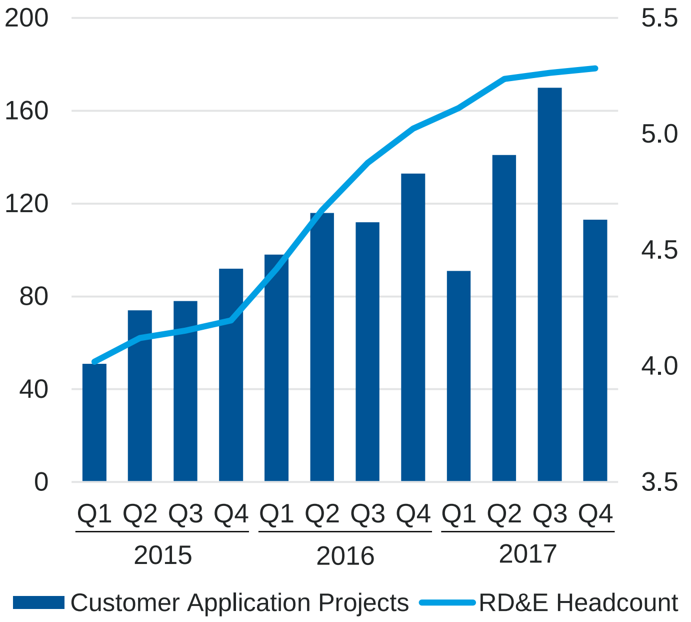
Utilizing Existing Footprint for Growth

Case Study: Airbag Module Assembly Plant in Japan

Doubled output within existing footprint

- ✓ 100% volume increase over 5 years
- ✓ 26% more production lines
- ✓ No change to footprint
- ✓ Highest level of quality

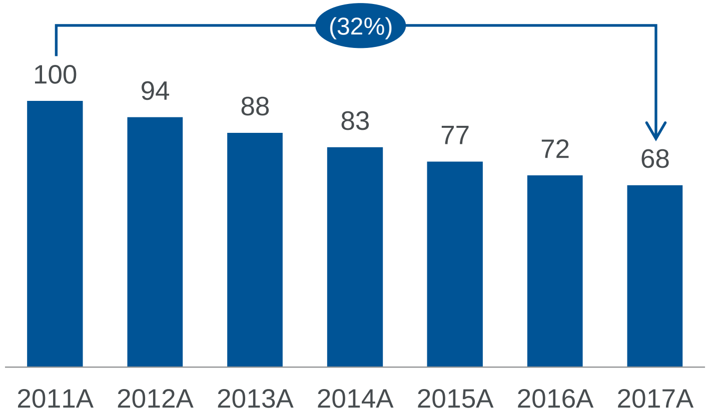
RD&E Normalizing as Order Backlog Materializes



Continuous Efficiency Improvements

One Product One Process
to improve cost effectiveness and robustness

Case Study: Productivity Improvements Over L6Y
Labor Minutes per Produced Unit, Index to 100

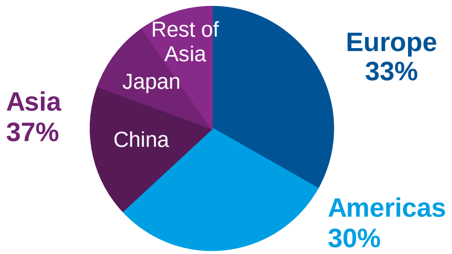


Financial Resilience Through Well-Adapted Operational Setup

Diversified – Flexible – Lean

Diversified Sales Streams

Well Balanced Geographic Footprint
2017A

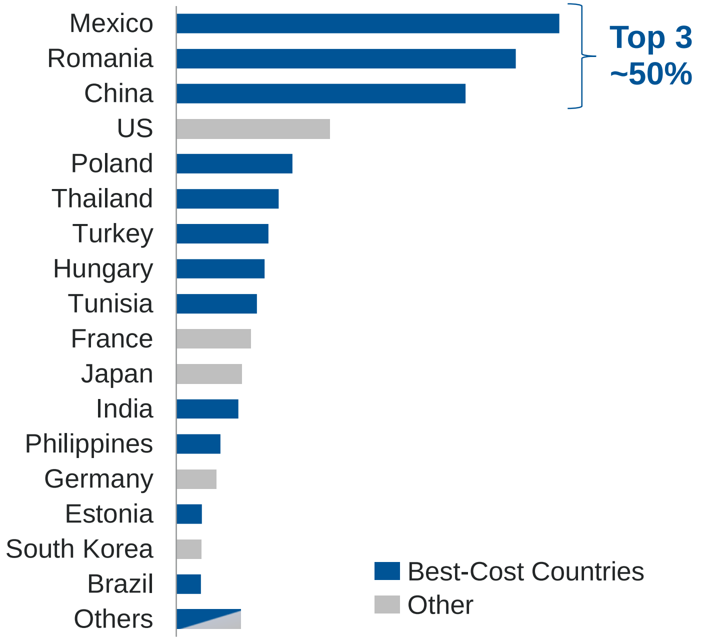


Highly Diversified Customer Base
2017A

RENAULT NISSAN MITSUBISHI	15%	FCA	7%
Ford	10%	HONDA The Power of Dreams	7%
VOLKSWAGEN	9%	DAIMLER	6%
HYUNDAI / KIA MOTORS	9%	GM	5%
TOYOTA	7%	Others	25%

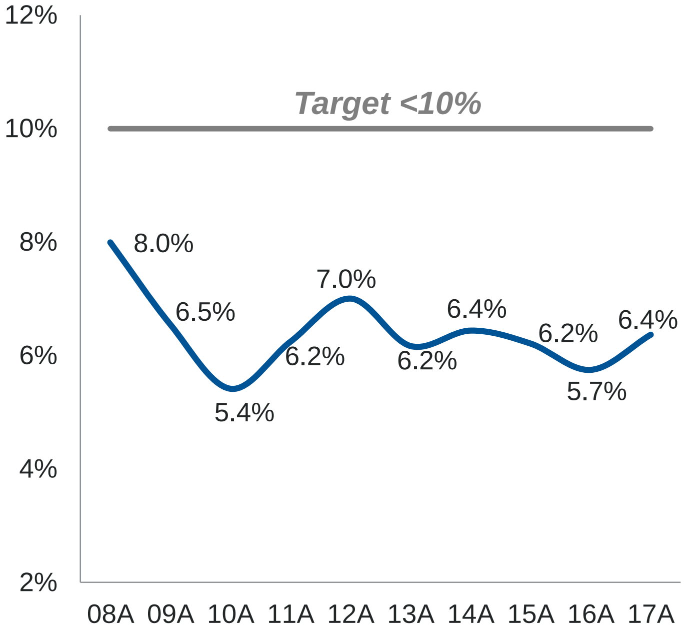
Flexible Employee Structure

Employees by Country(1)
2017A



Working Capital Control

Operating Working Capital(2)
As % of Sales



(1) Reflects Autoliv Passive Safety segment; excluding overhead allocations
(2) Autoliv Inc. group statistics, prior to spin

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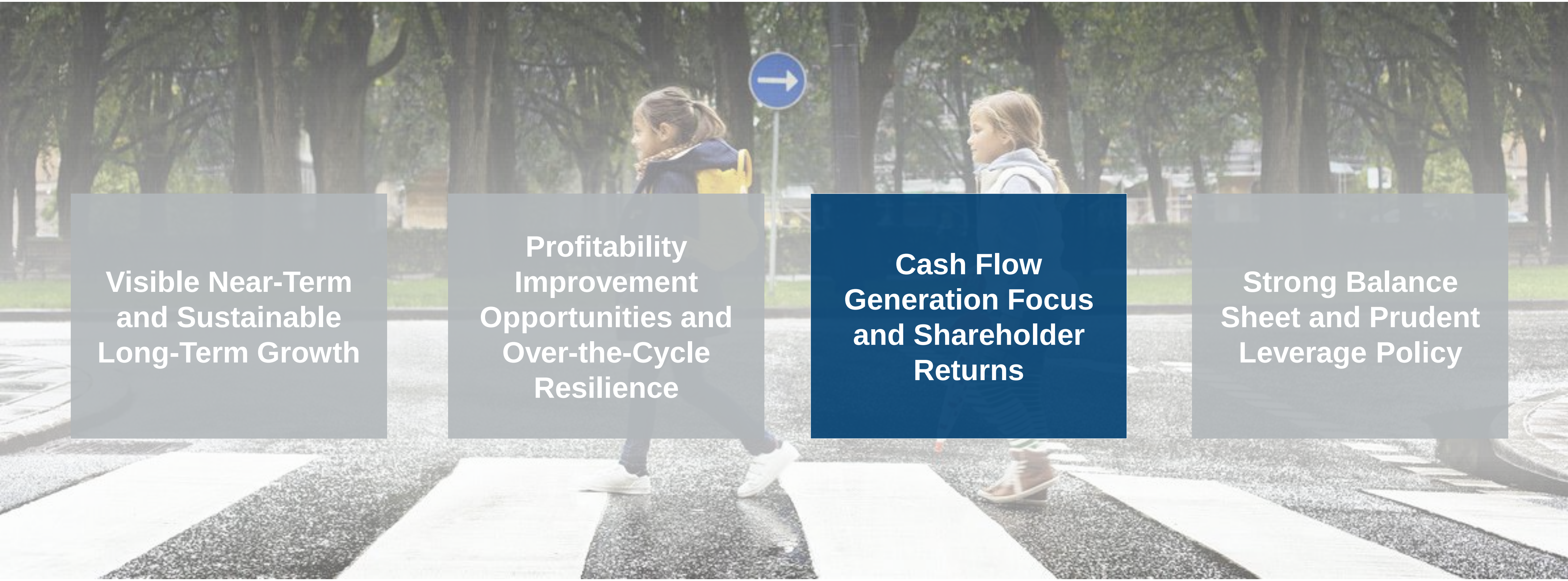


Visible Near-Term and Sustainable Long-Term Growth

Profitability Improvement Opportunities and Over-the-Cycle Resilience

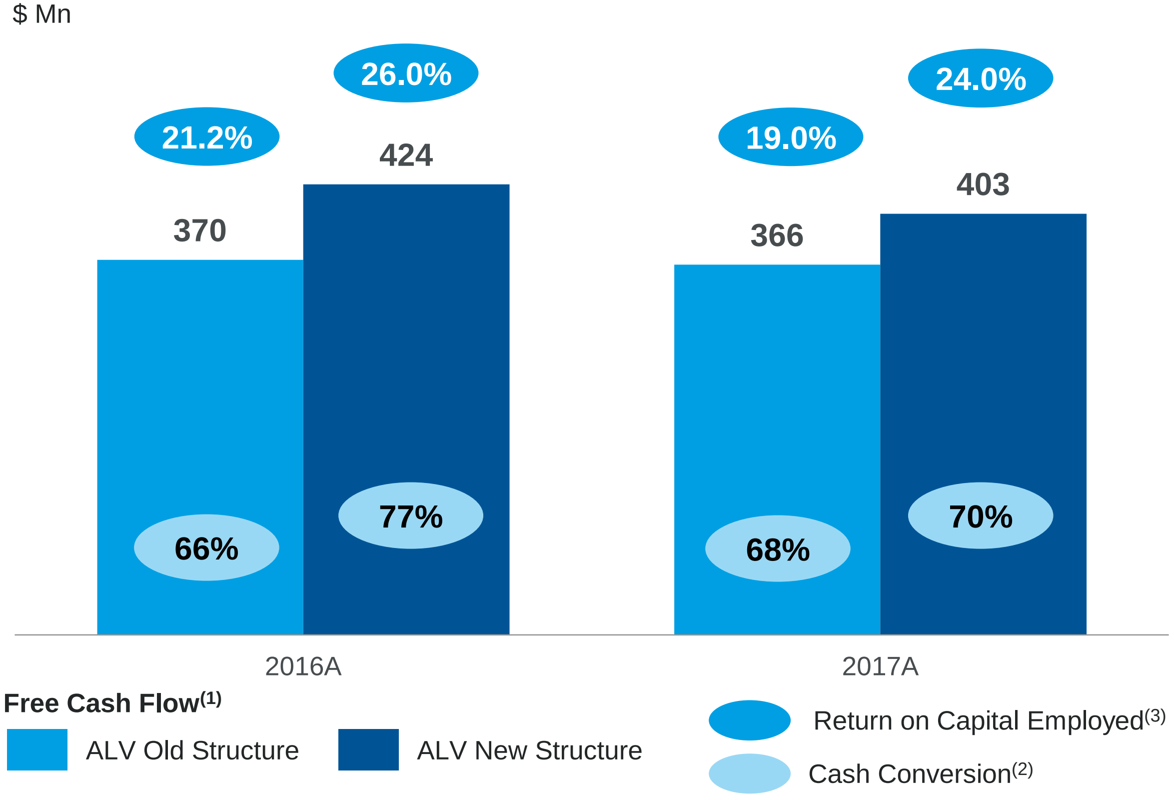
Cash Flow Generation Focus and Shareholder Returns

Strong Balance Sheet and Prudent Leverage Policy

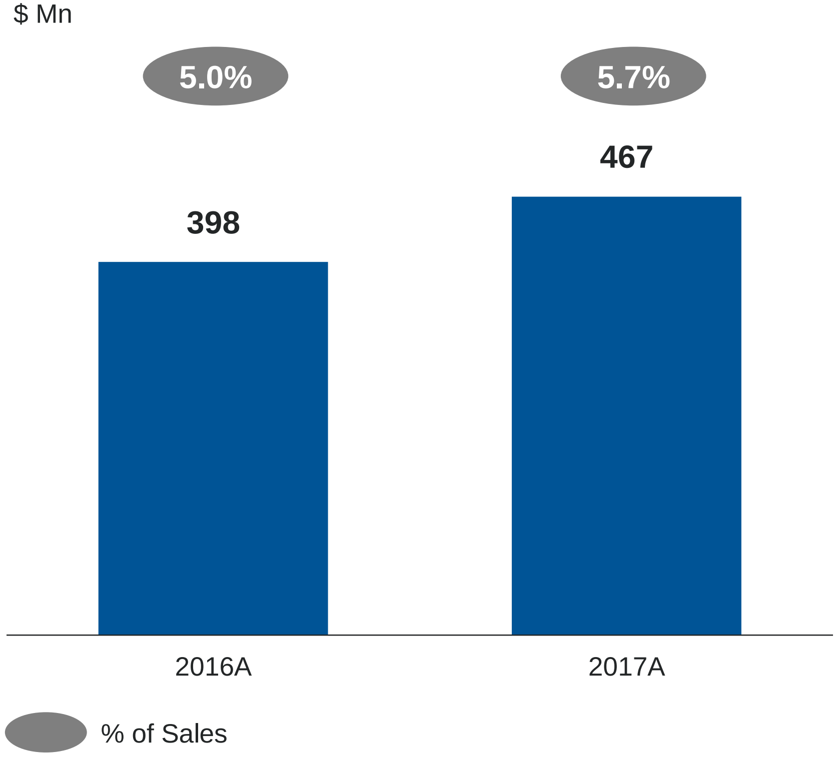
Focus on Cash Flow Generation and Asset Returns…

Improving Cash Flow and Asset Returns Despite Increasing Investments for Growth

Free Cash Flow and Asset Return



Capex, net



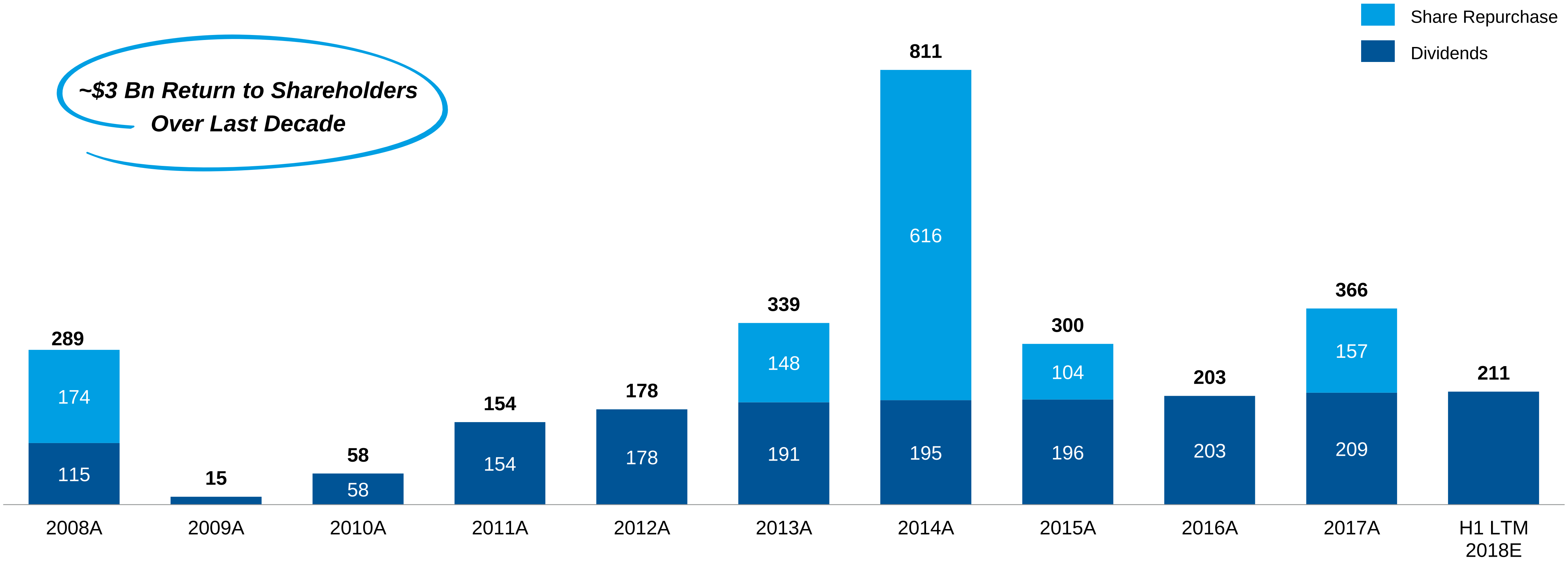
(1) *Defined as Operating Cash Flow-Capex, net*
(2) *Defined as Free Cash Flow/ Net Income, adjusted for non-cash goodwill impairment charge related to ANBS of $234.2 million in 2017.*
(3) *Defined as operating income and income from equity method investments, adjusted for non-cash goodwill impairment charge related to ANBS of $234.2 million in 2017, relative to average capital employed; Capital employed defined as total equity and net debt. 2017*

…Supporting Increasing Shareholder Returns

Value Creation Remains Core

Shareholder Returns (buybacks and dividends) Over L10Y

$ Mn



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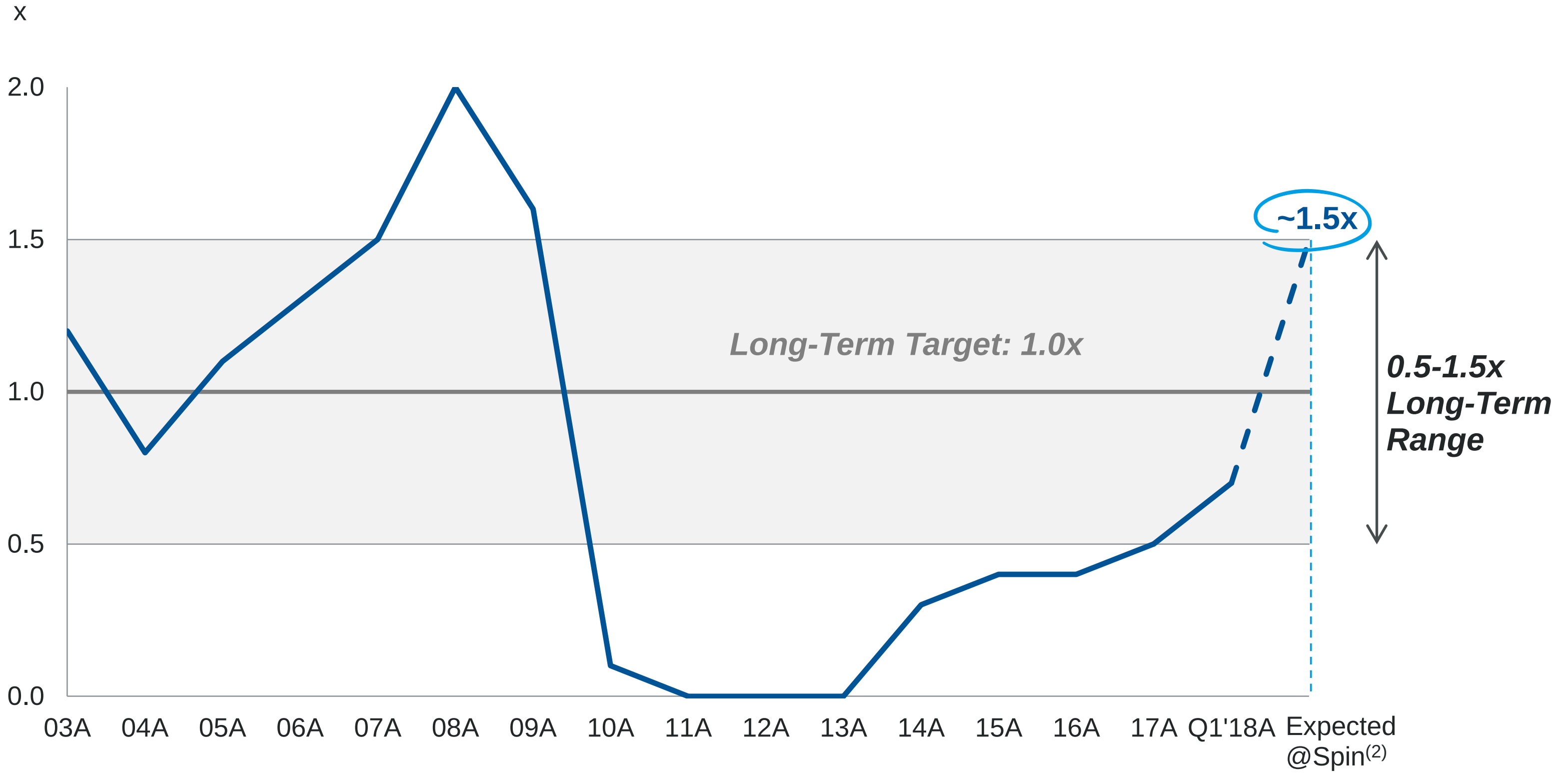
Strong Balance Sheet and Prudent Leverage Policy

Strong Balance Sheet and Prudent Financial Policy

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

Net Debt/ EBITDA(1)



- ✓ $1 Bn distributed to Veoneer
  - Mix of new debt and cash at hand
- ✓ S&P confirmed long-term credit rating A- (stable outlook)

(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), assuming additional new debt to fund $1 Bn Cash Injection into Veoneer at spin

Saving More Lives & Creating More Value

Visible Near-Term and
Sustainable Long-Term Growth

Profitability Improvement
Opportunities and Over-the-Cycle Resilience

Autoliv

Profitable Growth

Cash Flow Generation
Focus and Shareholder
Returns

Strong Balance Sheet and
Prudent Leverage Policy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