Earnings Conference call Webcast

3rd Quarter Financial Results
October 27, 2016

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

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Q3’16 Highlights
Solid performance

- **Financial Performance**
  - Organic sales* growth ~6%, in-line with guidance
  - Operating margin* 8.1%, better than expected
  - EPS* $1.63, ~7% better YoY**
  - RoCE* ~18%, RoE* ~14%
  - Operating cash flow $271M
- **Capital Structure**
  - $51M returned to shareholders through dividends
- **Electronics**
  - Signed LOI** to form a Joint Venture with Volvo Cars
  - Segment sales growth ~45%
  - Active Safety sales growth ~12%

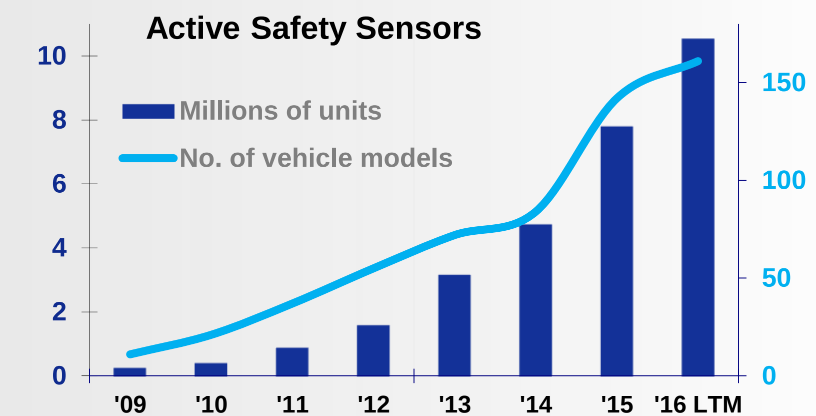
Q3’16 total sales growth of close to 13%, including acquisitions

(*) 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), (**) Year over Year (YoY), Letter of Intent (LOI).

Active Safety Update

Lower organic sales* growth as indicated earlier

- **Factors affecting Organic Sales* Growth**
  - Phase-out of incumbent Brake Control programs
  - Take rates on certain GPS programs ramping down sooner than expected
  - Timing of programs phasing-out with new program launches on certain radar contracts
  - Lower order intake earlier due to the change in our vision strategy from 2014
- **End of Decade Sales Target**
  - Now likely to be achieved about one year later, slightly later than previously anticipated



Active Safety organic sales* growth ~24% for Q3'16 YTD

(*) Non-US GAAP measure.

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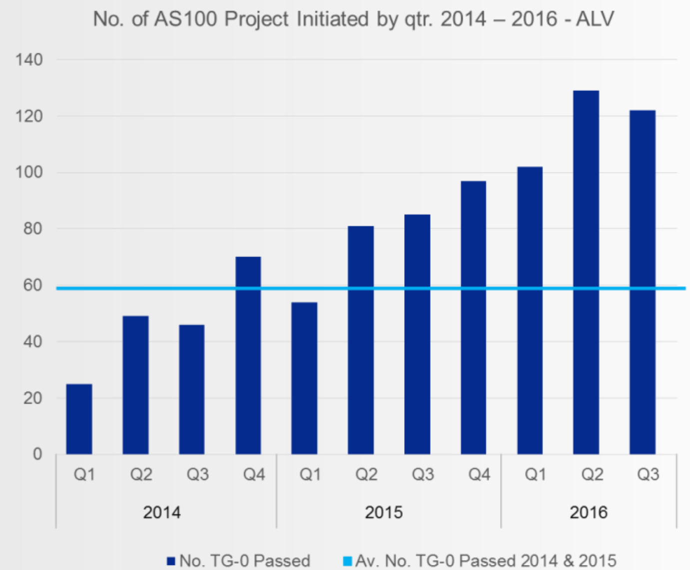
Looking ahead

Strong order intake has continued throughout 2016

- **Growth**
  - Ramp-up of new business awards is accelerating in Passive Safety
  - Further market opportunities are available
  - Positive development to surpass our end of decade Sales target of $12B for FY'19 which implies a Sales CAGR of more than 7% from 2015 to 2019
- **Company Transformation continues**
  - Additional engineering resources required in 2016 and 2017 to deliver on growth opportunities and support new projects
  - ~60% increase YoY in the engineering projects initiated YTD through Q3'16
  - Hiring plan is on track with roughly one-third of the 1,000 engineers onboard in Q3'16
  - RD&E, net in the range of 6.5 to 7% of sales for 2016 and 2017



YTD Q3'16 RD&E, net is 6.7% of sales

Unit Volume
Growth exceeds LVP* in most product areas

Autoliv Quantities Delivered (Millions unless specified)	Q3'16	vs. PY
Seatbelts	**34.2**	**3%**
• Pretensioners (of which)	16.1	6%
• Active Seatbelts (of which)	1.0	27%
Frontal Airbags	**11.7**	**5%**
• Knee Airbags (of which)	1.4	1%
Side Airbags	**22.6**	**5%**
• Chest (Thorax)	12.2	6%
• Head (Curtain)	10.4	4%
Steering Wheels	**4.1**	**6%**
Electronic Control Units	**4.7**	**18%**
Brake Control Units* **	**1.3**	n/a
Active Safety Sensors**	**2.5**	**18%**
LVP* TRIAD	**9.6**	**0.7%**
LVP* GLOBAL	**21.0**	**5.5%**

- Strong mix in high-value added seatbelts

(*) Light Vehicle Production (LVP) according to IHS @ October 17, 2016, TRIAD (WEU, North America, Japan), (**) Includes acquisitions, (***) Includes ANBS only.

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Strong Performing Models

Contributing to our overall organic sales* growth in Q3'16


Honda Civic


Mercedes E-Class


Fiat Tipo/Egea


Mercedes C-Class


Haval H6


KIA Sportage


Ford Escort


Toyota Prius


Hyundai Tucson

- Q3'16 organic sales* growth ~6%, all of these models include our Electronics products except the Prius and Tipo

(*) Non-US GAAP measure.

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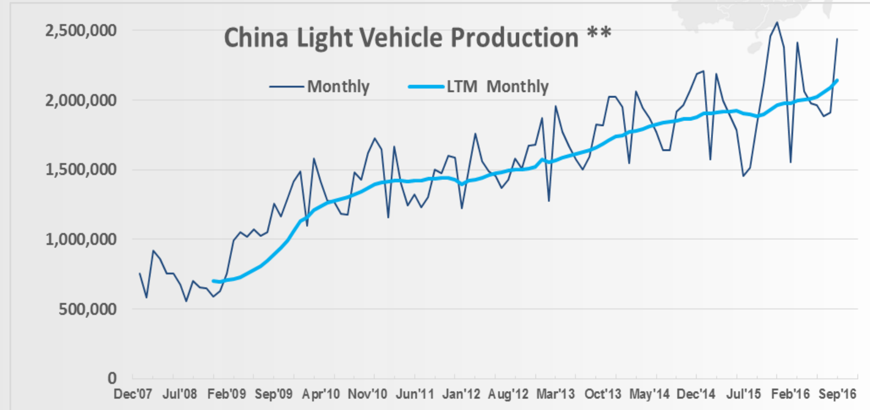
China Update
Light vehicle production remains volatile

- **Market**
  - Strong Q3’16 with an increase in LVP** and LV sales** ~24%, both following the low levels in Q3’15
  - LV Inventories** continued to improve in Q3’16
  - Monthly fluctuations remain volatile and difficult to forecast
- **Autoliv**
  - Strong organic sales* growth in Q3’16 of ~21% driven by several local Chinese and multiple global OEMs**
  - Organic sales* growth is expected to out-perform LVP** for FY’16
  - Stable market share
  - China NCAP** update expected by mid-2017 with implementation commencing by mid-2018



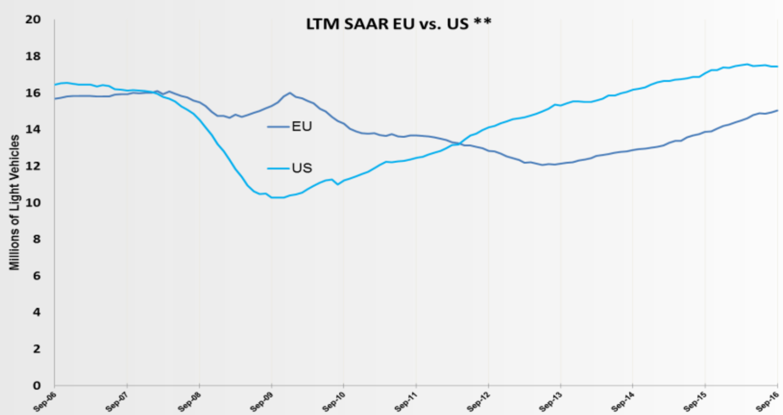
Long-term growth prospects for China remain intact for increasing the safety content per vehicle

(*) Non US GAAP measure. (**) Light vehicle production (LVP) according to IHS @ October 17, 2016, Original Equipment Manufacturer’s (OEMs), According to CAAM and CADA, New Car Assessment program (NCAP).

Overall Market Conditions
Macro environment remains mixed and uncertain

- **Asia**
  - China volume is strong despite LVP* decline of ~2% YoY* for Q4'16 (tough comps vs. last year)
  - Japan and RoA show a slight decline in LVP* YoY* for Q4'16
- **Americas**
  - US SAAR** LTM* plateau continues, with mixed inventories** ~65 days as of Sep.'16
  - North America LVP* increase ~1% YoY* for Q4'16
  - South America may be showing signs of stabilization, LVP* increase ~1% YoY* for Q4'16
- **Europe**
  - EU27** vehicle registrations, a continued steady recovery
  - LVP* is expected to increase ~1% YoY* for Q4'16 whereof WEU* is expected to increase ~1%

FY'16 LVP*		
Region	Vehicles (Mil's)	YoY Chg.
China	24.5	+7%
Japan	8.5	(1)%
RoA	12.3	(0.5)%
North America	16.7	+2%
South America	2.7	(12)%
Europe	21.4	+2%
Global	**88.3**	**+2.7%**



In Q4'16 the LVP* is expected to increase ~1% vs. prior year and increase sequentially by ~8% from Q3'16

(*) Light Vehicle Production (LVP) according to IHS @ October 17, 2016, Last Twelve Months (LTM), Year over Year (YoY), Western Europe (WEU),
(**) 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)	2016		2015	
Sales	**$2,461**		**$2,185**	
Gross Profit	**$495**	20.1%	**$440**	20.1%
Operating Income*	**$199**	8.1%	**$205**	9.4%
EPS* (assuming dilution)	**$1.63**		**$1.53**	
RoCE*	**18%**		**22%**	
RoE*	**14%**		**16%**	
Operating Cash flow	**$271**		**$191**	
Dividend per share	**$0.58**		**$0.56**	
GLVP** (annual run rate)	**84.1M**		**79.7M**	

- Acquisitions added $144M to Sales during the 3rd quarter while the currency translation effect was nil

(*) 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 @ October 17, 2016.

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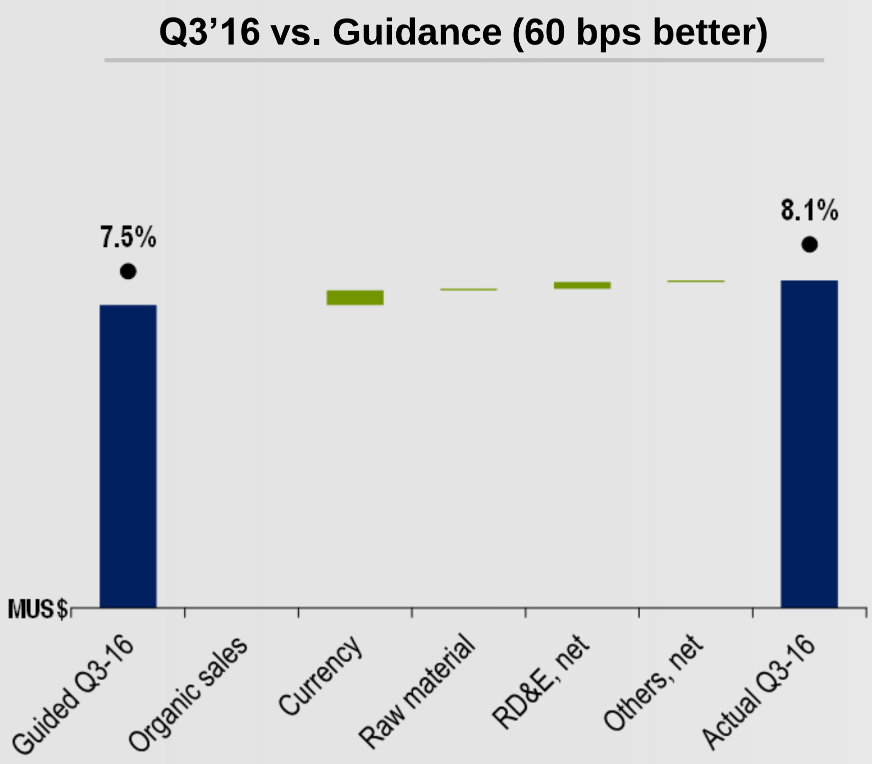
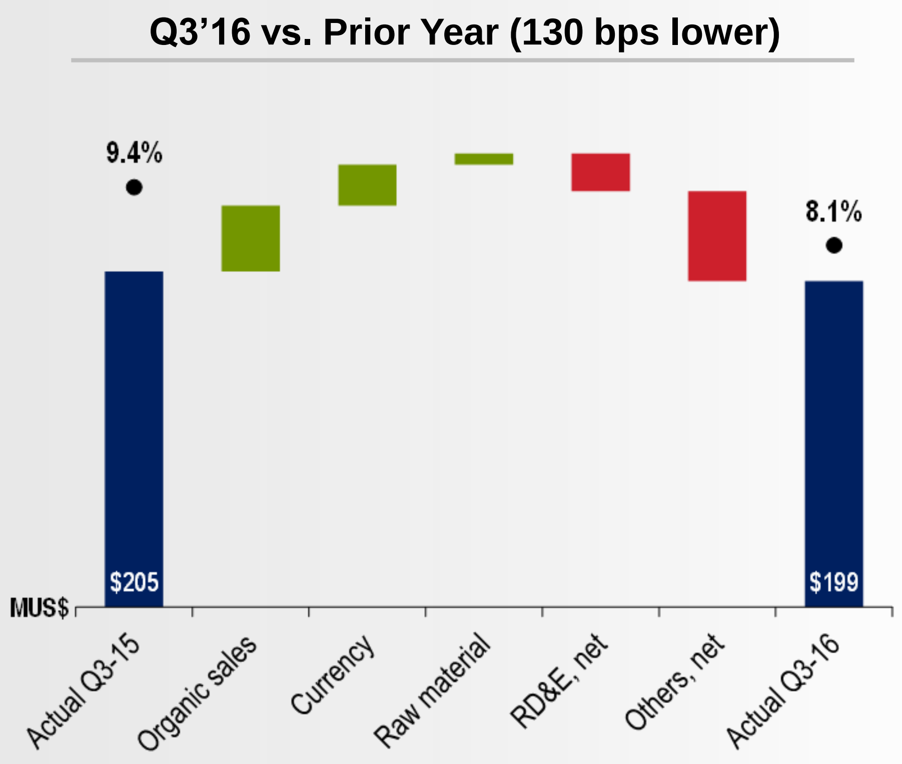
Operating Income and Margin* Bridge
Q3’16 vs. Guidance and Prior Year





- Operating margin* of 8.1% includes ~90 bps increase in RD&E, net and ~70 bps of negative acquisition effects YoY

(*) 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 2016	Q3 2015	LTM*	FY 2015	FY 2014	FY 2013	FY 2012
Net Income	136	99	603	458	469	490	486
Depreciation & Amortization	98	80	369	319	305	286	273
Other, net	13	2	31	0	42	43	10
Change in operating WC **	24	10	(107)	(26)	(103)	19	(80)
Operating cash flow	**271**	**191**	**896**	**751**	**713**	**838**	**689**
Capital Expenditures, net	(118)	(96)	(455)	(450)	(453)	(379)	(360)
Free cash flow *	**153**	**95**	**441**	**301**	**260**	**459**	**329**
Acquisitions, net	**0**	**0**	**228**	**142**	**(1)**	**2**	**(3)**
Dividends paid	**51**	**49**	**201**	**196**	**195**	**191**	**178**
Shares repurchased	**0**	**0**	**0**	**104**	**616**	**148**	**0**

- Acquisitions, CapEx for growth and Shareholder returns ~$0.9B over the LTM*

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

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Q3 Segment Reporting
Strong growth in all product areas

	Organic Sales* Growth (%)	Operating Margin (%)		CapEx (%)		D&A (%)	
		2016	2015	2016	2015	2016	2015
Passive Safety ***	**5.8**	**10.0**	**8.1**	**5.1**	**4.7**	**3.6**	**3.7**
Airbags	5.1						
Seatbelts	6.8						
Electronics ***	**8.0**	**0.9**	**2.9**	**3.9**	**3.1**	**4.5**	**3.0**
Passive Safety Electronics	8.0						
Active Safety Products	8.6						
Brake Control Systems	n/a						
Autoliv Group	**6.1**	**7.8**	**7.2**	**4.8**	**4.4**	**4.0**	**3.7**
GLVP **	**5.5**						

- Passive Safety operating margin includes antitrust related settlements and capacity alignments

(*) Non-US GAAP measure, (**) Global Light Vehicle Production (GLVP) according to IHS @ October 17, 2016,
(***) Segment reporting, organic growth refers to net sales for the segments and external sales for product groups.

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Looking Ahead
Q4’16 Guidance

- **Sales**
  - **YoY** organic sales* change ~0%**
    - Mainly related to working day effect from Q1’16 and lower inflator replacement volumes, strong underlying organic sales* growth of ~5% mainly due to Europe, Japan and RoA
  - **YoY** acquisition effect ~6%**
  - **Sequential consolidated sales increase ~8%**
    - Mainly due to the normal seasonal effects
- **Operating Margin* >9%**
  - **YoY****
    - Positive effects from underlying organic sales* and currencies are more than off-set by increased RD&E, net and costs related to the ramp-up of capacity and new technologies for growth along with integration costs and the impact from acquisitions
  - **Sequential**
    - Higher consolidated sales net effect

RD&E, net 70 bps higher YoY**

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

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Looking Ahead
FY’16 Guidance remains unchanged

- **Sales**
  - **YoY** organic sales* increase ~7%**
    - Mainly related to strong growth in Europe, China, Japan, North America and Active Safety
  - **YoY** acquisition effect ~5%**
  - **YoY** currency translation effect >(1)%**
    - Primarily due to the continued strong US$
- **Operating Margin* >8.5%**
  - **YoY****
    - Positive effects from organic sales*, commodity costs and currencies are more than offset by RD&E, net and costs related to the ramp-up of capacity and new technologies for growth along with integration costs and the impact from acquisitions

The FY’16 Guidance is for an operating margin* of more than 8.5% mainly due to increased RD&E, net for future growth

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

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Financial Outlook

	Q4'16	FY'16
Sales		
Organic*	**~0%**	**~7%**
Acquisitions	~6%	~5%
Fx**	<(1)%	>(1)%
Consolidated Sales, net	**>5%**	**>10%**
Operating Margin*	**>9%**	**>8.5%**

Exchange rates**	Q4'16	FY'16
EUR / US$	1.1007	1.1135
US$ / JPY	103.88	106.82
US$ / KRW	1135	1150
US$ / MXN	19.05	18.50
US$ / CNY	6.73	6.62

- Strong organic sales* growth and operating margin* for FY'16 despite a significant step-up in investments for growth

(*) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters, (**) Mid-October 2016 exchange rates.

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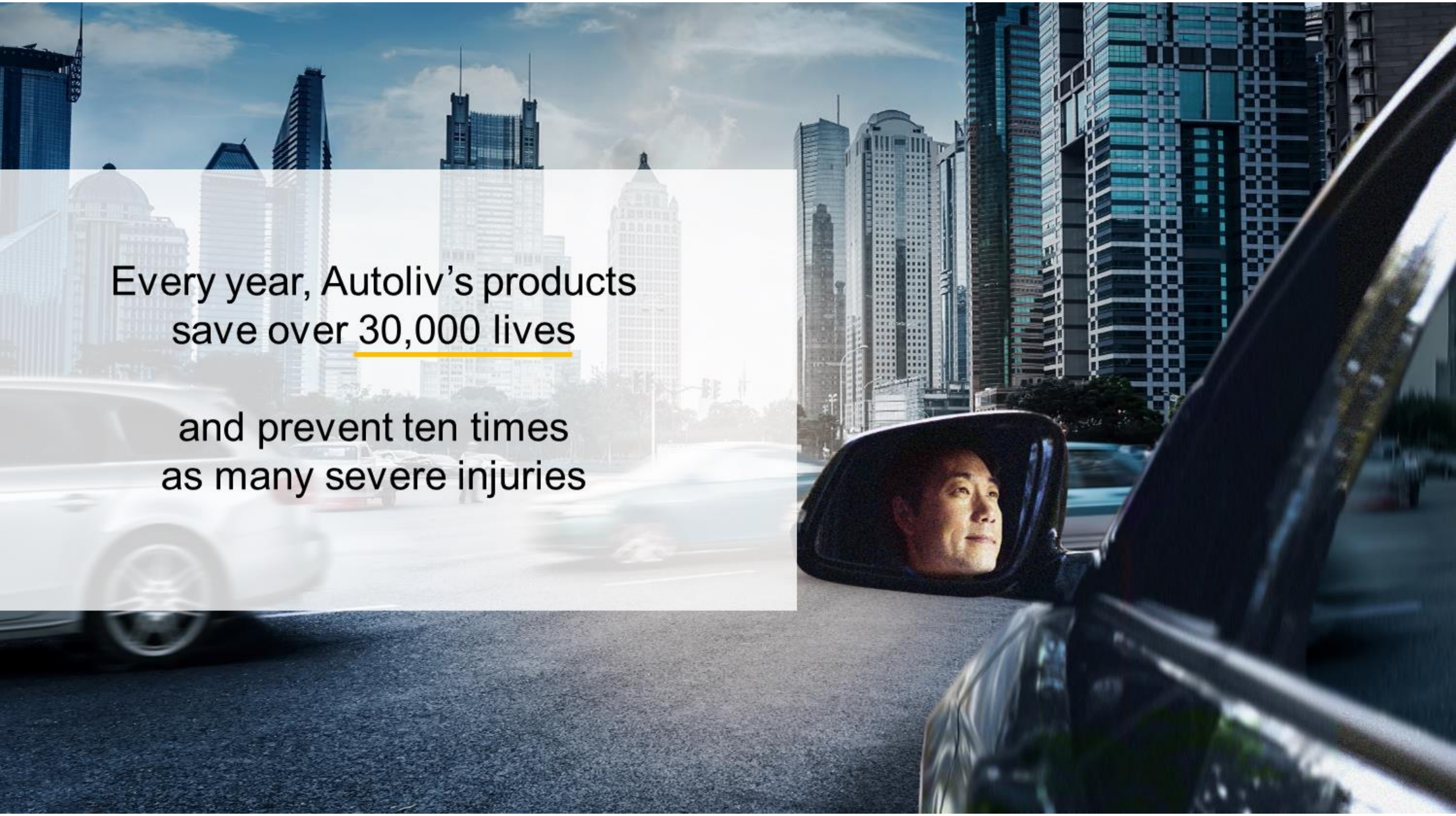
Thank You!


Every year, Autoliv's products
save over 30,000 lives
and prevent ten times
as many severe injuries