

Real Life Safety

Autoliv Capital Markets Day 2015

Autoliv

Welcome

Thomas Jönsson

October 1 and 2, 2015

2015 CMD Program

DAY 1

AstaZero

DAY 2

Lindholmen
Conference
Centre

Real Life Safety

Jan Carlson
DIRECTION

Johan Löfvenholm
TECHNOLOGY

Svante Mogefors
QUALITY

George Chang
PASSIVE SAFETY

Frank Meltzer
ELECTRONICS

CONCLUDING
PANEL
DISCUSSION

ACTIVE DEMO &
EXHIBITION

Steve Fredin
SALES

Mats Wallin
FINANCIALS

2015

CMD Program

October 1

- 11:00 Bus transportation from hotel or Landvetter Airport to AstaZero, active safety test area
- 12:00 Registration & lunch at AstaZero
- 12:45 Opening Presentation, **Jan Carlson**, Chairman, President & CEO
- 13:45 Technology, **Johan Löfvenholm**, Group VP Product & Process Development
- 14:25 Real Life Safety demonstrations – Part 1
- 16:00 Coffee break
- 16:35 Real Life Safety demonstrations – Part 2
- 18:00 Wrap up & Reception
- 18:45 Bus transport to dinner, Chalmerska Huset, Gothenburg
- 20:30 Guest speaker **Michiel van Ratingen**, Euro NCAP
- 22:30 Bus transfer to hotel

October 2

- 08:05 Opening CMD Day 2 – **Thomas Jönsson**, Group VP Communications
- 08:10 Quality – **Svante Mogefors**, Group VP Quality
- 08:40 Sales – **Steve Fredin**, Group VP Sales & Engineering
- 09:10 Passive Safety – **George Chang**, President Passive Safety
- 09:45 Coffee break
- 10:30 Electronics – **Frank Melzer**, President Electronics
- 11:00 Financials – **Mats Wallin**, CFO
- 11:40 Panel discussion Q&A
- 12:20 Conclusion
- 12:30 Lunch Departure

Capital Markets Day Press Release

Press Release

Autoliv

Autoliv Demonstrates Real Life Safety and Sets End of Decade Targets

(Stockholm, Sweden, October 1, 2015.) – – – At its Capital Markets Day, October 1-2, Autoliv, Inc. (NYSE: ALV and SSE: ALIVCdb), the worldwide leader in automotive safety systems, outlines its strategy for further growth, demonstrates real life safety and sets end of decade targets. The Company also reiterates its existing long-term targets.

"Our mission is to be the leading supplier of safety systems for the future car, well integrated with autonomous driving. Today, at our capital markets day, we bring our mission to life by demonstrating world leading automotive safety solutions designed to save hundreds of thousands of lives in the years to come", said Jan Carlson, Chairman, President and CEO of Autoliv.

"We further outline targets for the end of the decade, which will drive our Company to deliver strong growth and improved margins", he continued.

The Company's end of decade targets are:

- To reach \$12 billion in sales, indicating an annual growth rate of around 7%. Of the \$12 billion in sales, around \$9 billion are expected to come from the passive safety business segment and around \$3 billion from the electronics business segment.
- To expand its current passive safety market share from 39%.
- To improve margins in the electronics segment to reach the long-term corporate margin target range, while at least maintaining the current margin level in the passive safety segment.
- To grow Earnings Per Share (EPS) faster than the targeted sales growth.

The end of decade targets include the effects from the recent acquisition of MACOM's automotive business and planned joint venture in brake control systems with Nissin Kogyo, which is expected to close in early 2016.

Autoliv's end of decade sales target is \$12 billion. The Company further has an ambition to potentially reach up to \$15 billion in sales by the end of the decade, if it is successful in taking advantage of potential additional market and acquisition opportunities.

The Company expects that its current combined passive safety and electronics market should grow by approximately 6% annually to around \$31 billion in 2019. Through its planned joint venture with Nissin Kogyo, Autoliv is also entering the market for brake control systems, which is estimated to be worth more than \$13 billion at the end of 2019. In the same period the global light vehicle production (LVP) is predicted by IHS to grow around 3% annually.

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Real Life Safety

Autoliv Capital Markets Day 2015

Autoliv

Autoliv's Strategy and Targets

Jan Carlson

October 1

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 other future operating performance or financial results, are based upon our current expectations, various assumptions and 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. 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 global 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 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, restructurings or 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; 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; our ability to protect our intellectual property rights or infringement claims; 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. The Company undertakes no obligation to update publicly or revise any forward-looking statements in light of new information or future events. 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 any such statement.

() Non-US GAAP reconciliations are disclosed in our 8-K/10-K/10-Q filings available at www.sec.gov or www.autoliv.com*



Press Release

Autoliv

Autoliv joins the Drive Me project

(Stockholm, Sweden, September 30, 2015) --- Autoliv, Inc. (NYSE: ALV and SSE: ALIVsdB), the worldwide leader in automotive safety systems, today announced it has joined the Drive Me project. The project is a unique large-scale autonomous driving project joining industry, government and academia towards securing future mobility solutions. As part of the project, 100 self-driving cars will be released on public roads in Gothenburg, Sweden under everyday driving conditions.

Autoliv is joining the current partners, Volvo Car Group, the Swedish Transport Administration, the Swedish Transport Agency, Lindholmen Science Park, the City of Gothenburg and Chalmers University in this sector steering collaboration, which is endorsed by the Swedish Government.

The project aims to position Sweden and the involved actors as leaders in the development of future mobility. Autoliv sees the Drive Me project as a collective effort to create broad partnerships with major impact on systemic, technical and organizational solutions for traffic with autonomous driving. Autoliv intends, within the framework of the Drive Me project, to contribute with both knowledge as well as top tier research efforts.

"The Drive Me project is a great chance for us to join forces with key stakeholders in Sweden to strengthen our work within autonomous driving. The automotive fleet of tomorrow will be characterized by integrated active and passive safety systems which have to operate with complete safety and in harmony. This is the key knowledge with which Autoliv will contribute within this essential project", says Autoliv Chairman, President & CEO Jan Carlsson.

"While the development within autonomous driving is moving rapidly in some ways, this Swedish initiative is exceptional also in a global societal perspective. In order for autonomous driving to become part of our lives, everything from brake pads to traffic lights have to harmonize intelligently and safely. This is how we will save more lives, secure a sustainable transportation development and underpin a more effective and innovative infrastructure. And just as important as the technological developments is the fact that now companies, academia and authorities cooperate to create hands-on solutions for the needs of tomorrow", adds Mr. Carlsson.

Autoliv is currently also engaged in vehicle and traffic safety center SAFER, test facility AstaZero, SIA Automated Transport and Research Investment, Wallenberg Autonomous Systems Program WASP, as well as other research projects with several universities, among them Drive Me partner Chalmers University.

About Drive Me:

Drive Me is a unique large-scale autonomous driving pilot project in which 100 self-driving Volvo cars will be put to use on public roads under everyday driving conditions. The cars will be driven autonomously on approximately 50 kilometers of selected roads in and around Gothenburg, Sweden -- roads which will be typical commuter arteries including motorway conditions and frequent queues.

The project was initiated in 2013. The first test vehicles have been on the road in Gothenburg since 2014 -- and Volvo Cars has recently taken a major leap forward by presenting a complete system solution for self-driving cars. The public pilot is scheduled to start in 2017.

Inquiries:

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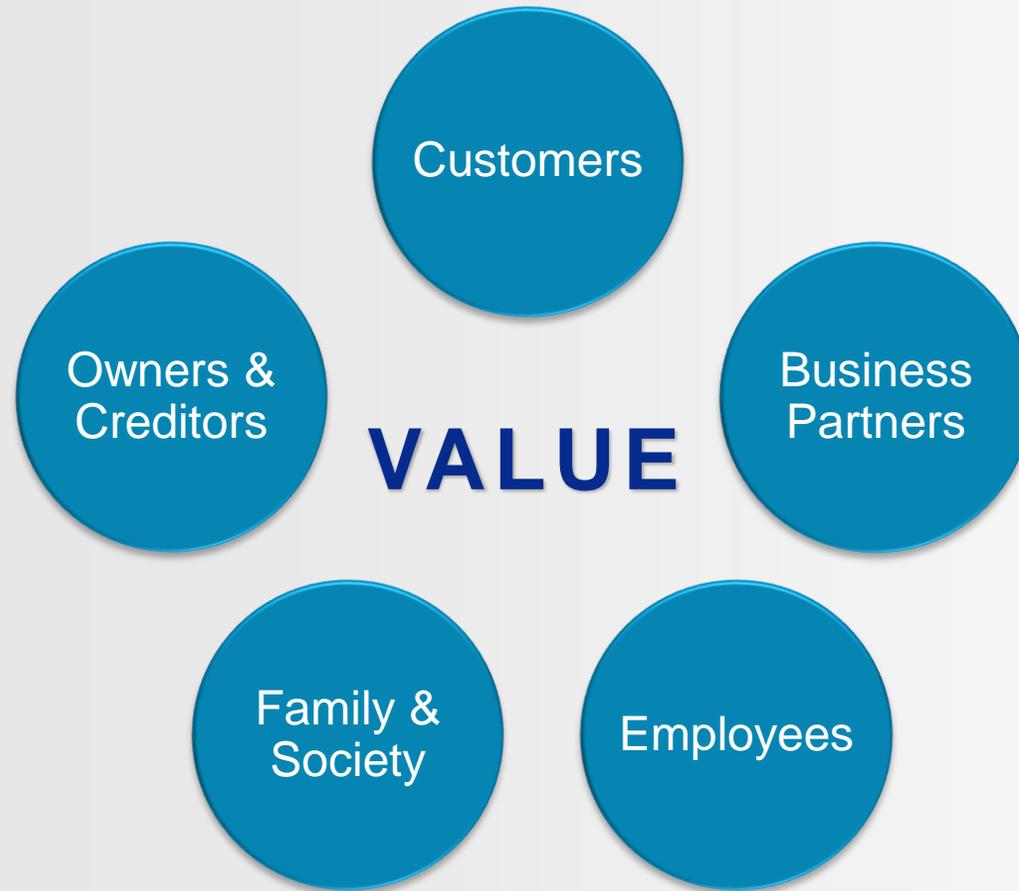
About Autoliv:

Autoliv, Inc., the worldwide leader in automotive safety systems, develops and manufactures automotive safety systems for all major automotive manufacturers in the world. Together with its joint ventures, Autoliv has close to 80 facilities with more than 60,000 employees in 28 countries. In addition, the Company has ten technical centers in nine countries around the world, with 21 test tracks, more than any other automotive safety supplier. Sales in 2014 amounted to US \$9.2 billion. The Company's shares are listed on the New York Stock Exchange (NYSE: ALV) and its Swedish Depository Receipts on the OMX Nordic Exchange in Stockholm (ALIV sdB). For more information about Autoliv, please visit our company website at www.autoliv.com

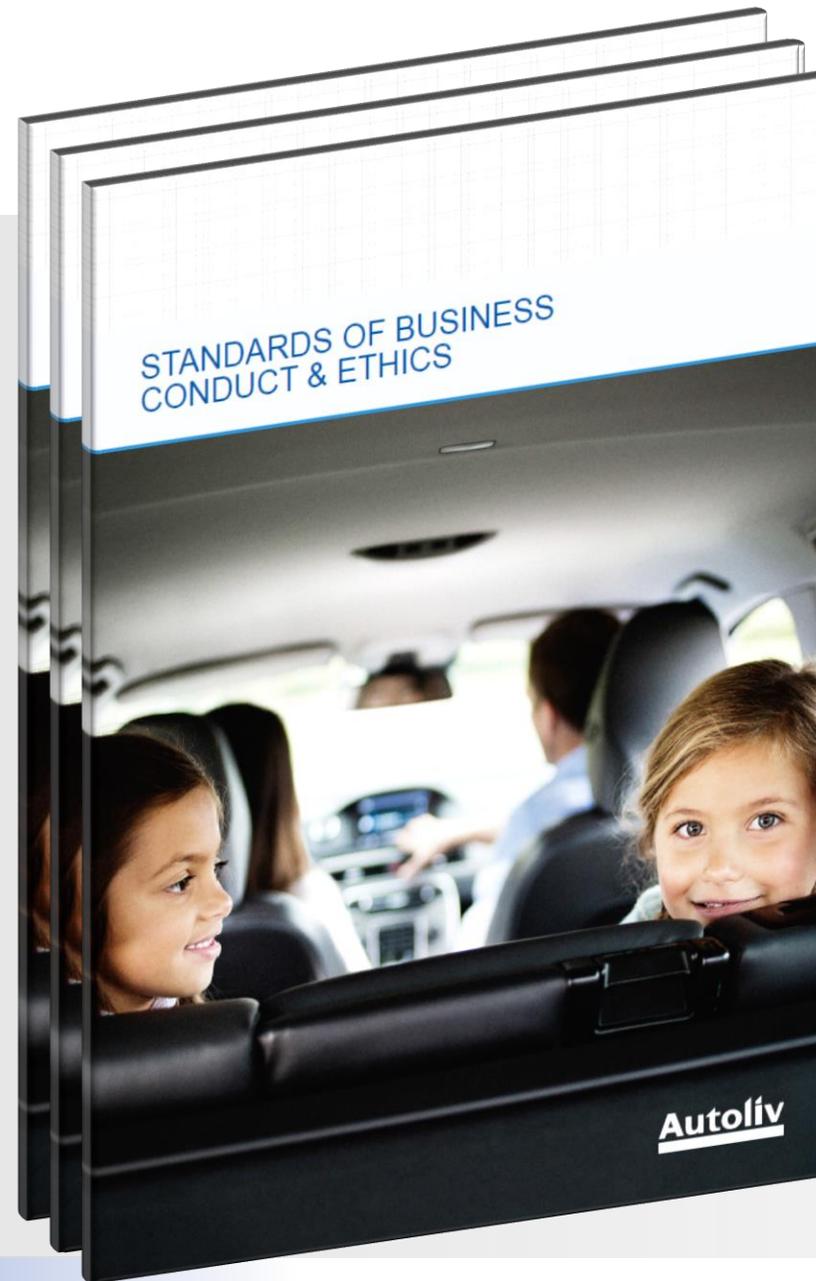
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Saving Lives and Creating Value



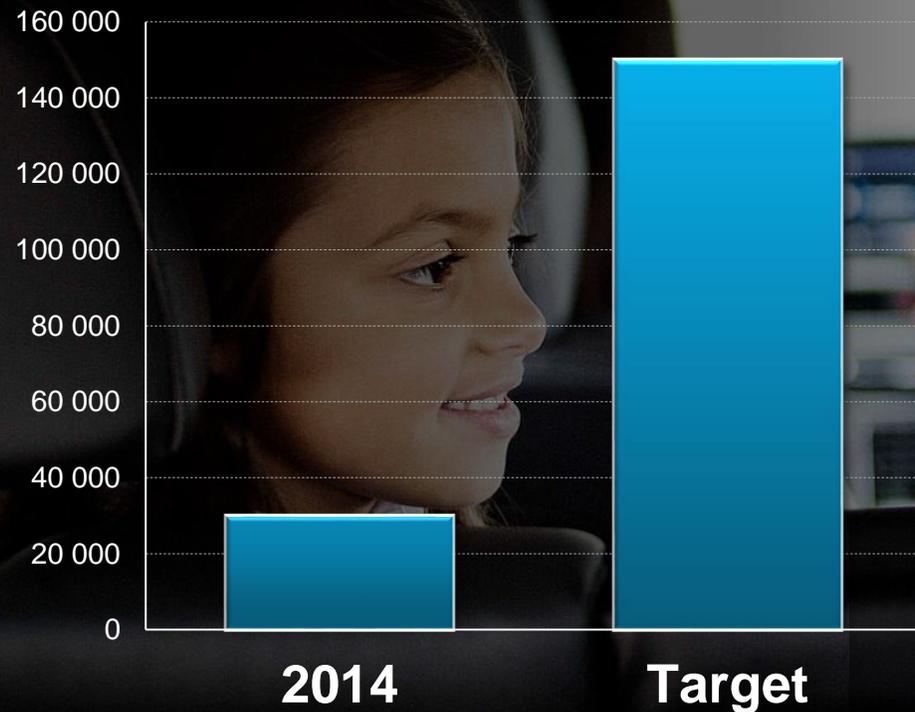
**It starts
with me**



We Save More Lives while Creating Value

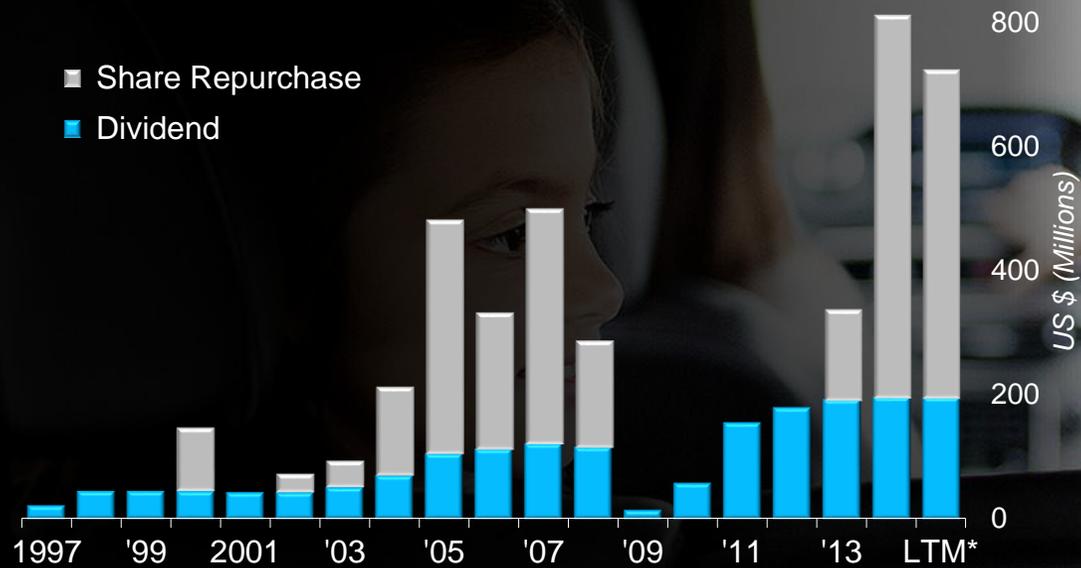
Human lives saved by our products

... additionally they prevent ten times as many severe injuries



We Save More Lives **while Creating Value**

\$3.9B returned to our shareholders through dividends and repurchases*
*... total shareholder returns of ~250%** since 1997*



(*) Since 1997. (**) Total shareholder return based on accumulated dividends + share price gain

Corporate Social Responsibility

As One Autoliv, our Corporate Social Responsibility strategy is to reduce our impact on the environment, develop sustainable products, operate ethically, and be an employer of choice for our employees.



Commit to our **EMPLOYEES**

All over the world, we are committed on behalf of our employees to respecting human rights, diversity, health and safety at work.



Act ethically towards **SOCIETY**

Our responsibility is based on strict observance of ethical standards, including our suppliers, as well as engaging with the communities where we operate.



Limit our impact on the **ENVIRONMENT**

It is also our responsibility to respect the environment, particularly by reducing our energy consumption.



Develop sustainable products for **CONSUMERS**

Every day we innovate so that we can offer sustainable solutions and save more lives with our products.

Our Guiding Principles

OUR VISION

**Saving
more
lives**

OUR MISSION

To be the
leading supplier
of Safety Systems
for the Future Car,
well integrated
with Autonomous
Driving

OUR VALUES

**One Autoliv
Transparent
Innovative
Agile**

Our Strategy to Stay Ahead

Relentless focus on Operational Excellence



Zero Defects by flawless execution



One Product One Process to improve cost effectiveness and robustness



Innovation to lead industry in Real Life Safety



Our Transformation in a World of Change

Industry Pioneer with Strong Heritage

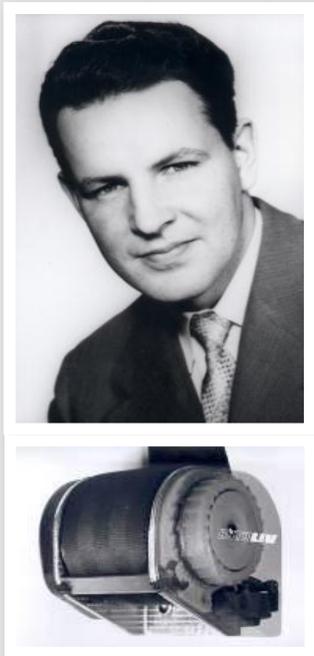
More than 60 years of innovation in Automotive Safety

MECHANICAL

PYROTECHNICAL

ELECTRONICS

DIGITAL



1950s



1980s



1990s



2000s



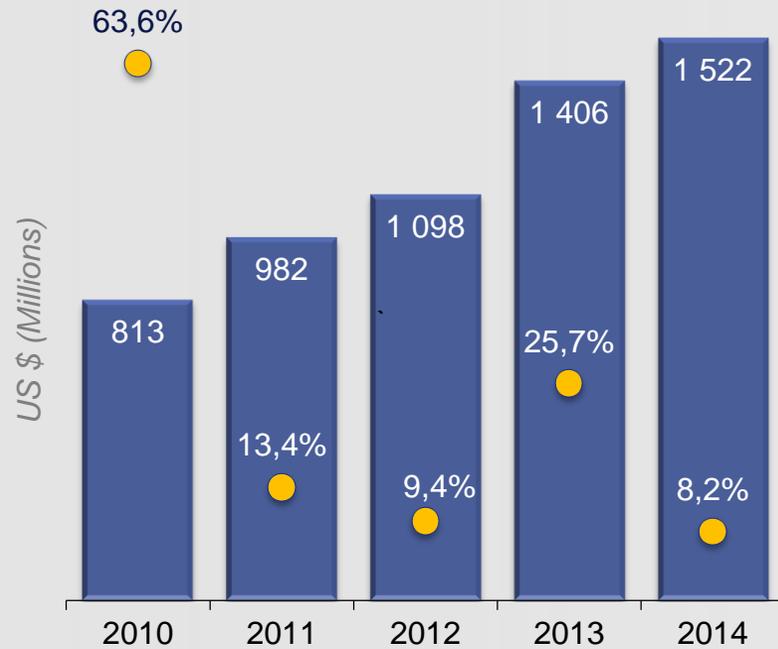
2010s

Building For the Future - China

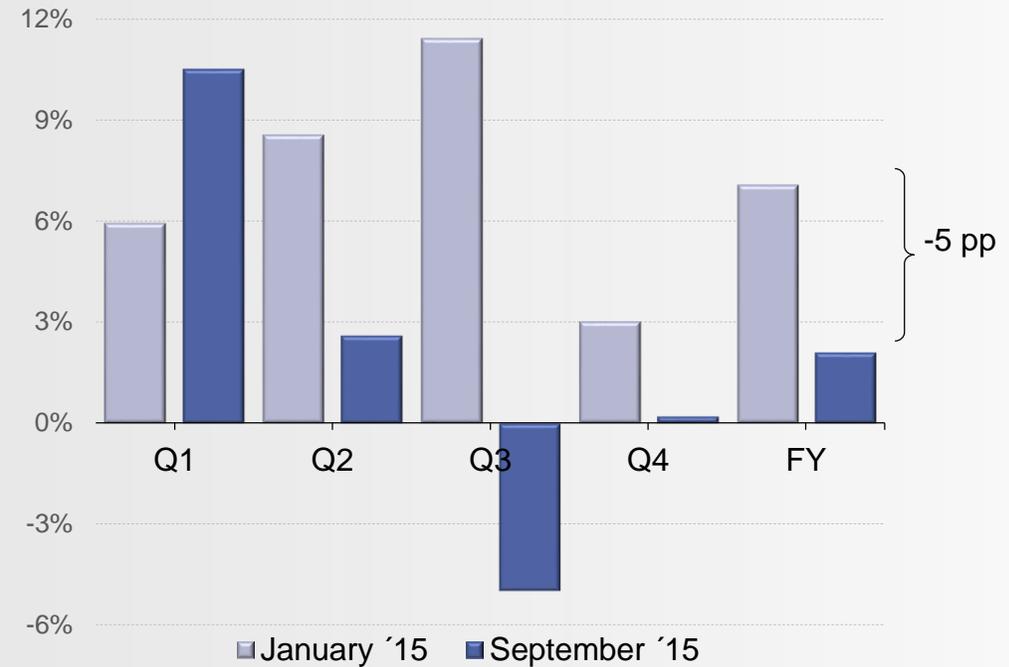
Still the global growth engine long-term



China Sales



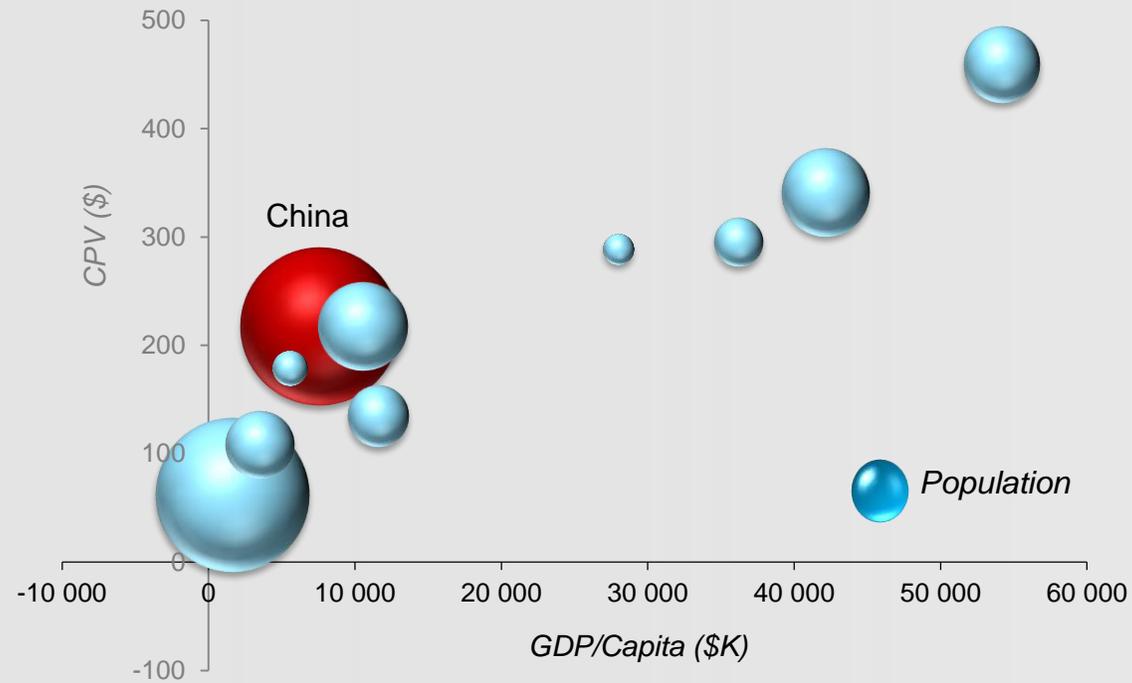
Development of the LVP forecast for 2015



Source: IHS

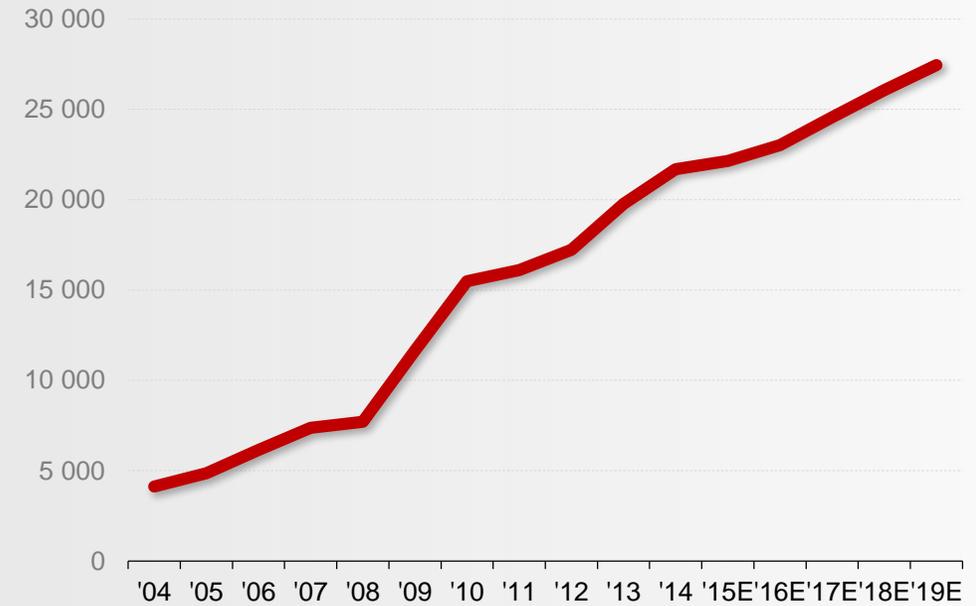
Building For the Future - China

Still the global growth engine long-term



Source: UN, Autoliv internal

China: '14 -'19 LVP CAGR 4.8%

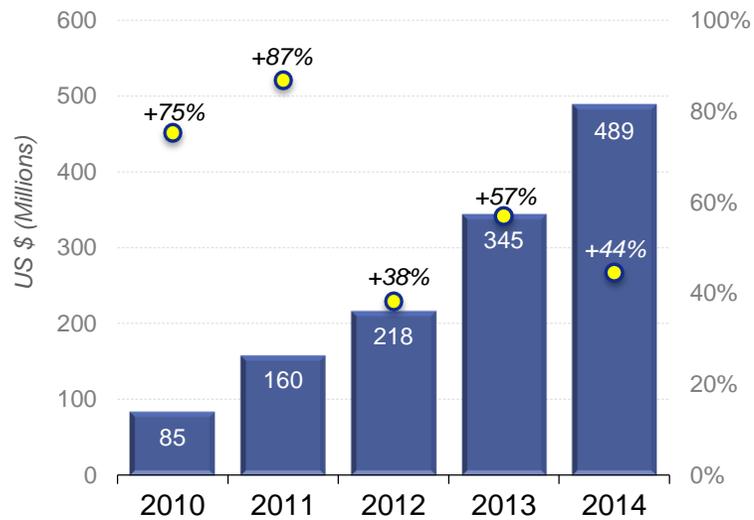


Source: IHS September 16

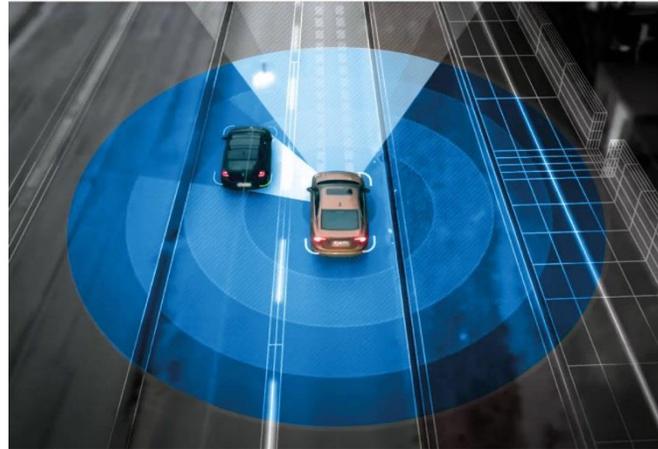
Opportunities for growth remain despite current uncertainties

Creating a Leader in Active Safety

Strong Growth



Leading Products



Strategic Transactions

tyco

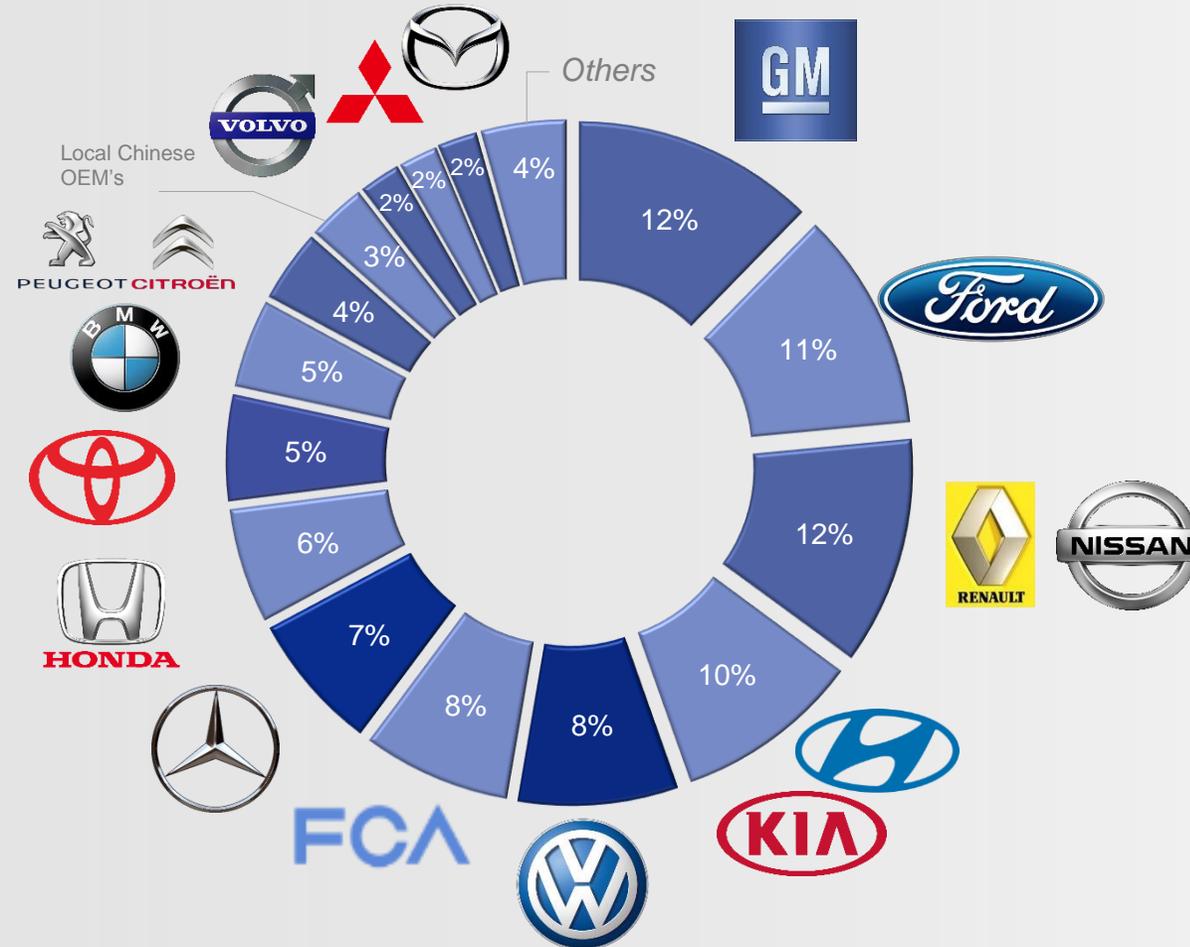


NISIN

MACOM

Autoliv Today*

A global leader in Automotive Safety with a well-balanced customer mix



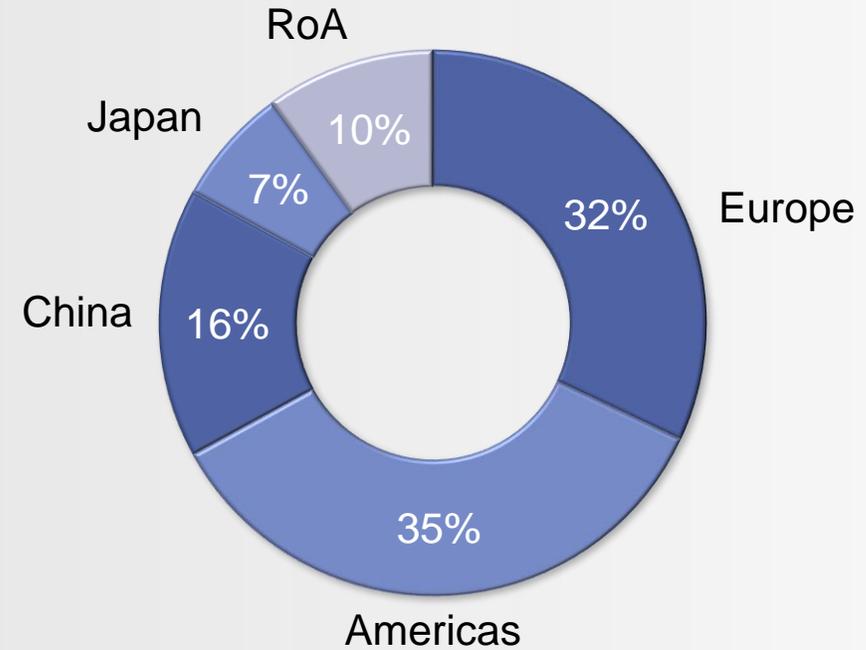
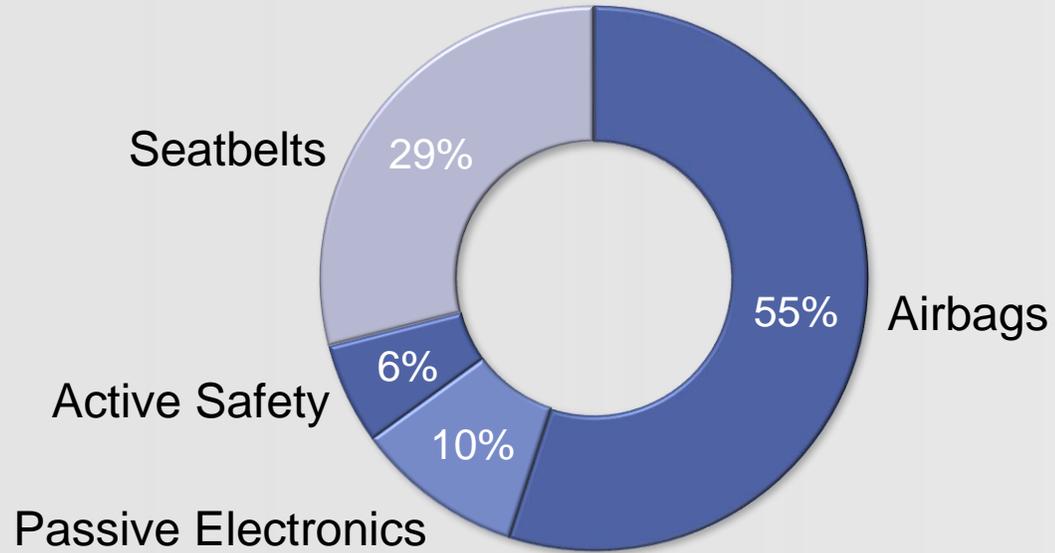
(*) YTD June 2015

Real Life Safety

Autoliv Capital Markets Day 2015

Autoliv Today*

A global leader in Automotive Safety with a well-balanced footprint



62,000 associates
(5,800 R,D&E)

80 facilities in
28 countries

18 technical
centers

20 crash
test tracks

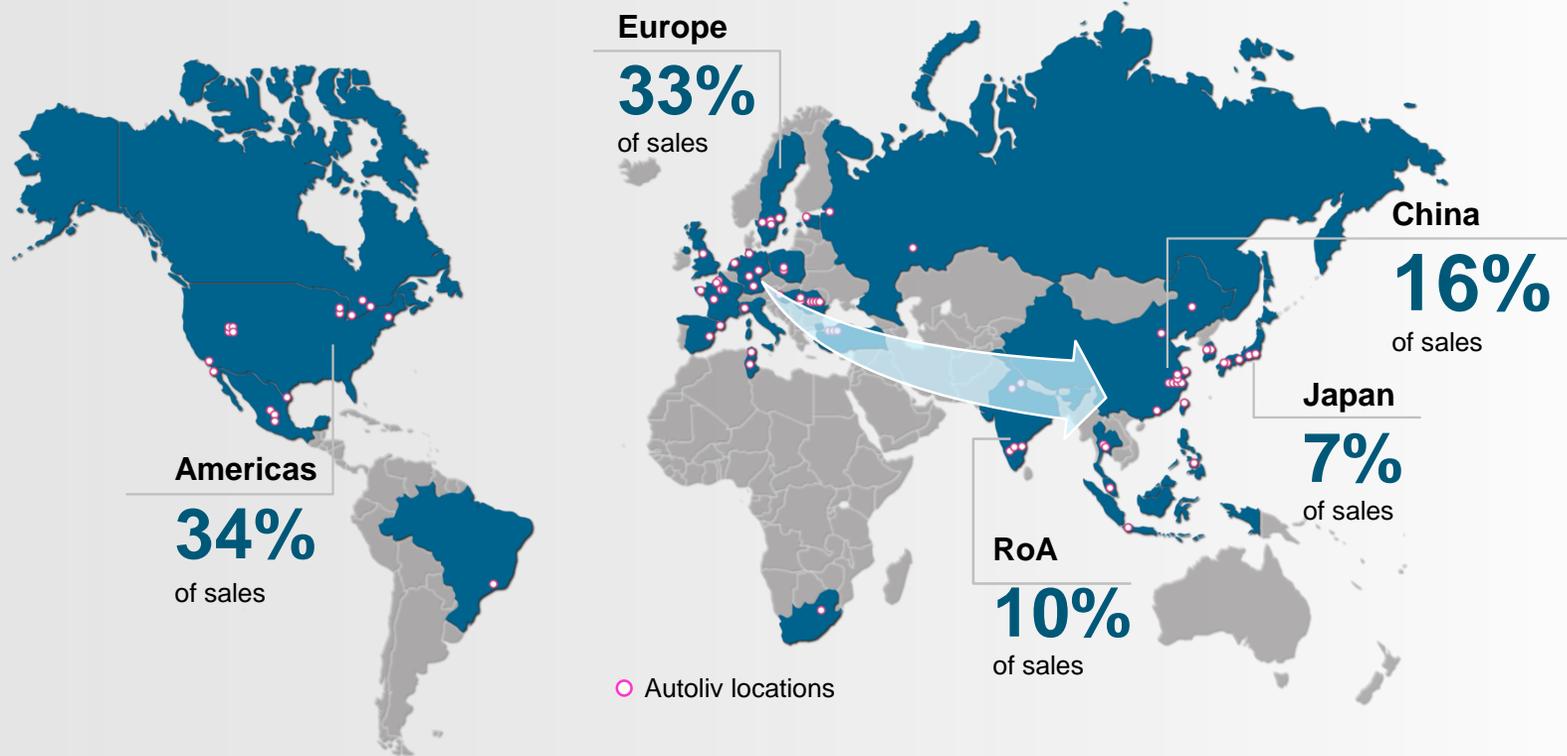
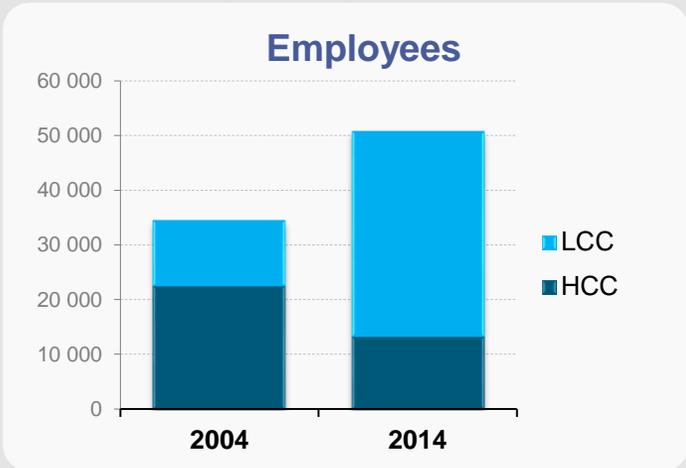
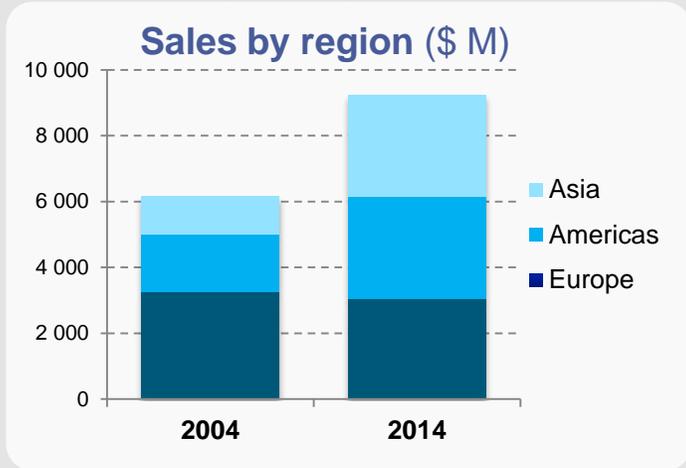
(*) YTD June 2015

Real Life Safety

Autoliv Capital Markets Day 2015

Our Strategy to Stay Ahead

Align our operations to the markets



(*) Year end 2014.

Changing Industry Landscape

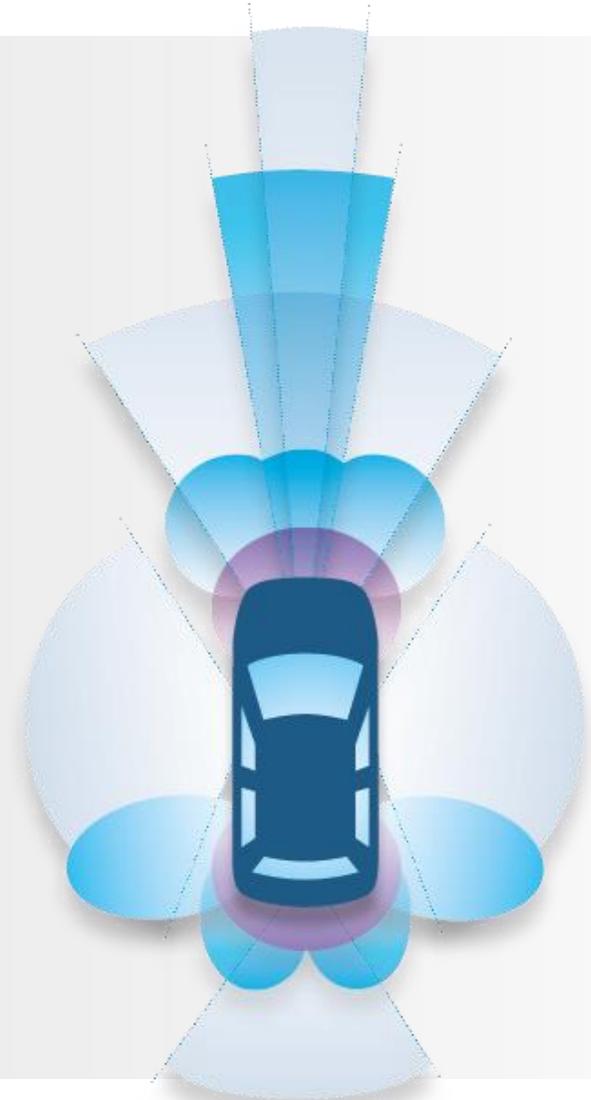
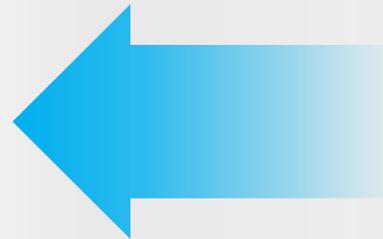
New technology change the way we drive and shape competition



Future

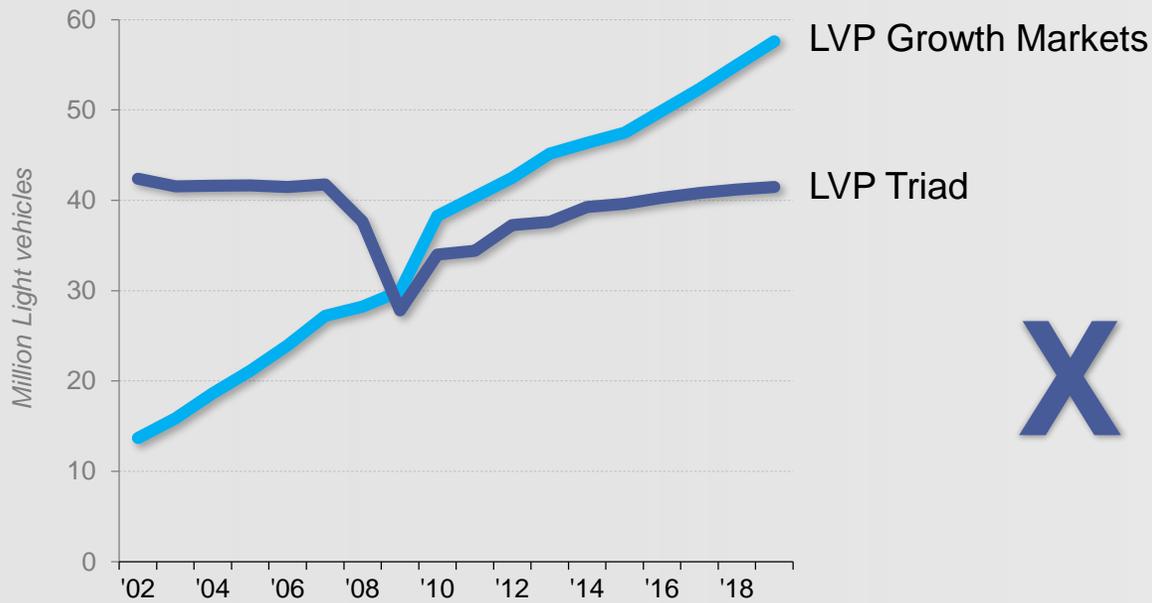
Active

Passive

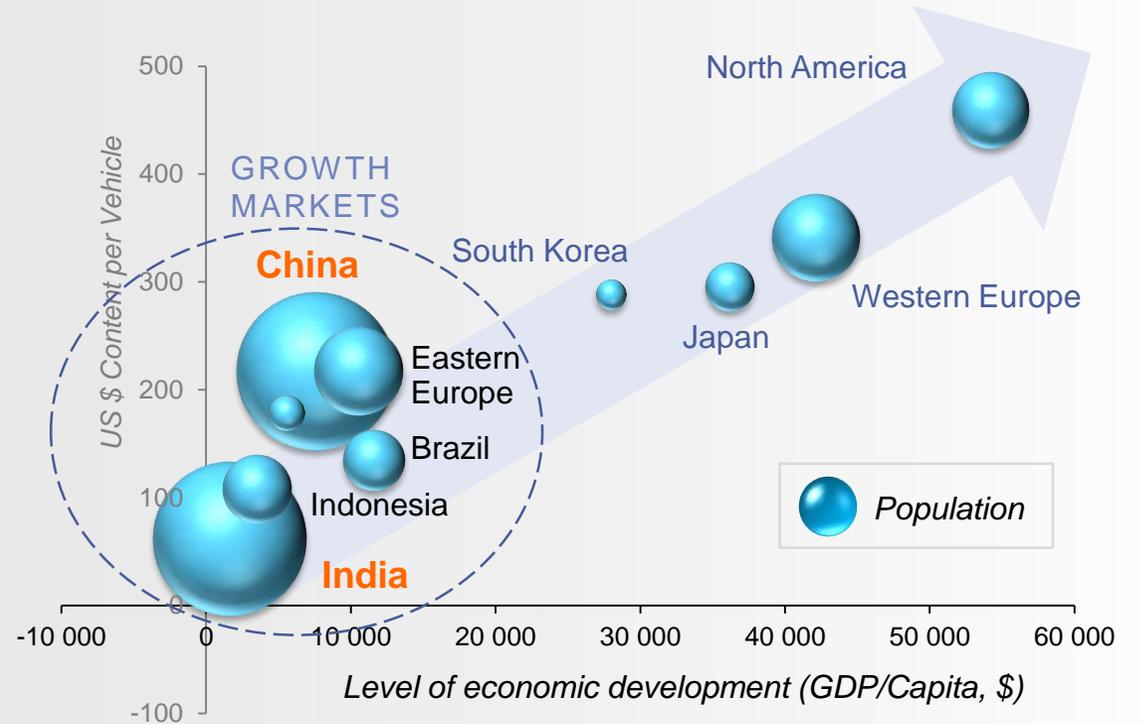


Changing Industry Landscape

Development of Growth Markets continues



X



Source: IHS @ September 16, 2015

Strategy & Execution

Our Strategy to Stay Ahead

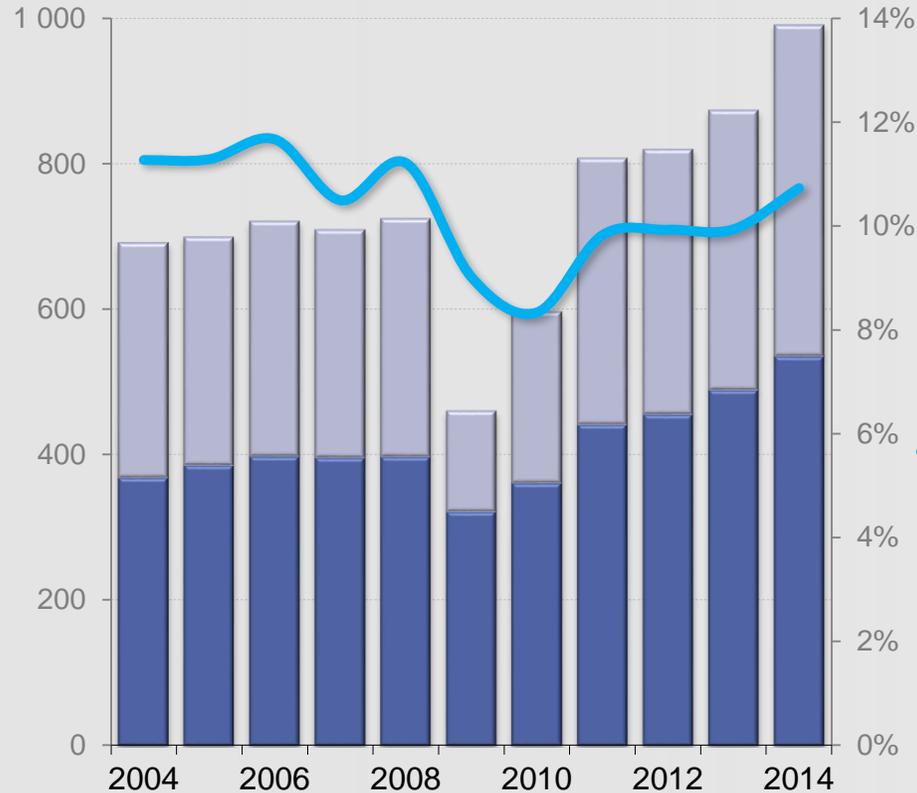
Quality is our first priority, in all we do



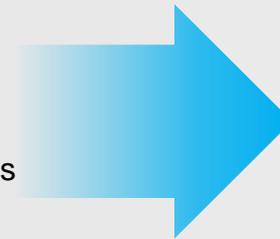
Q5 is about Quality in all dimensions and is our journey towards Zero Defects

Our Strategy to Stay Ahead

Invest for robust growth in our markets to deliver Real Life Safety



Autoliv ~1%



New requirements drive the Market

From standard situations to real life safety

Standardized Test Scenarios



Real Life Situations and Benefit



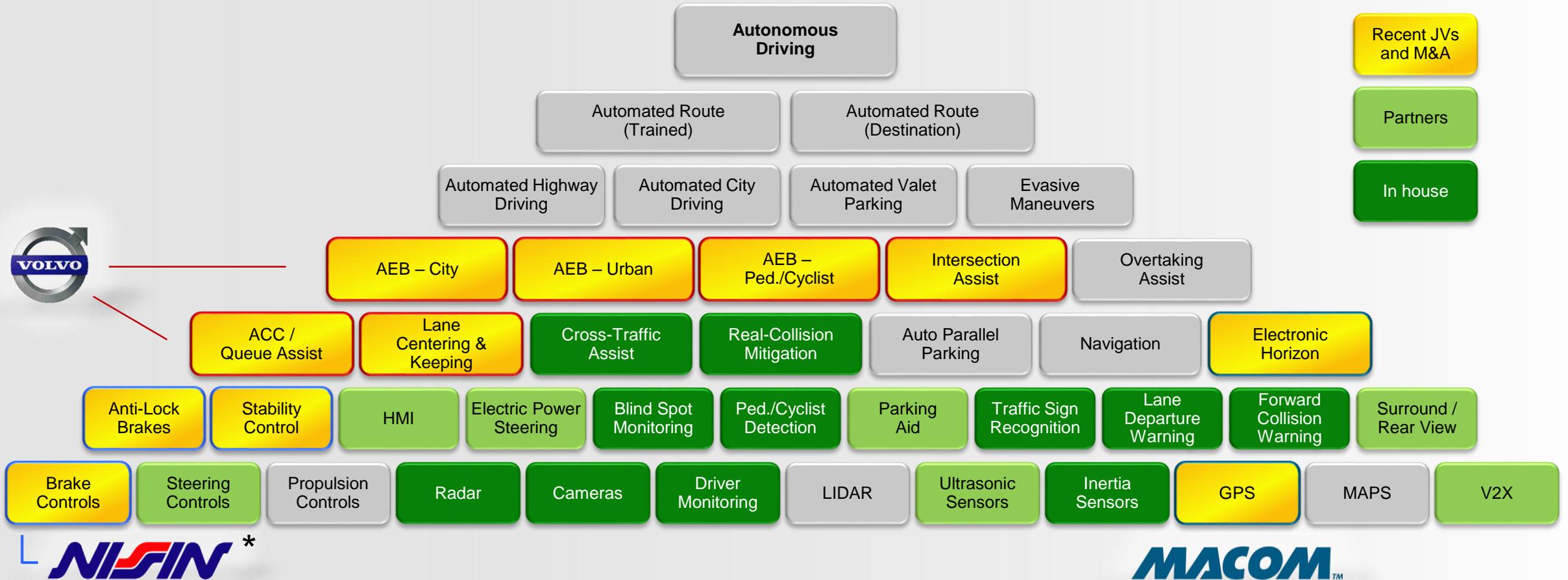
Our Strategy to Stay Ahead

A holistic approach to Automotive Safety



Towards Autonomous Driving the Real Life Safety way

Our current footprint within the pyramid



(*) When transaction is closed

Direction & Targets

Long-term Targets

Remains unchanged

Organic* sales growth at least in line with our market

...and faster than our market including acquisitions.

Operating margin* range 8-9% over the business cycles

...US GAAP excl. costs related to the antitrust matters.

EPS* growth faster than organic sales growth

...US GAAP excl. costs related to the antitrust matters.

Net Debt*/EBITDA around one times (Debt Limitation Policy)

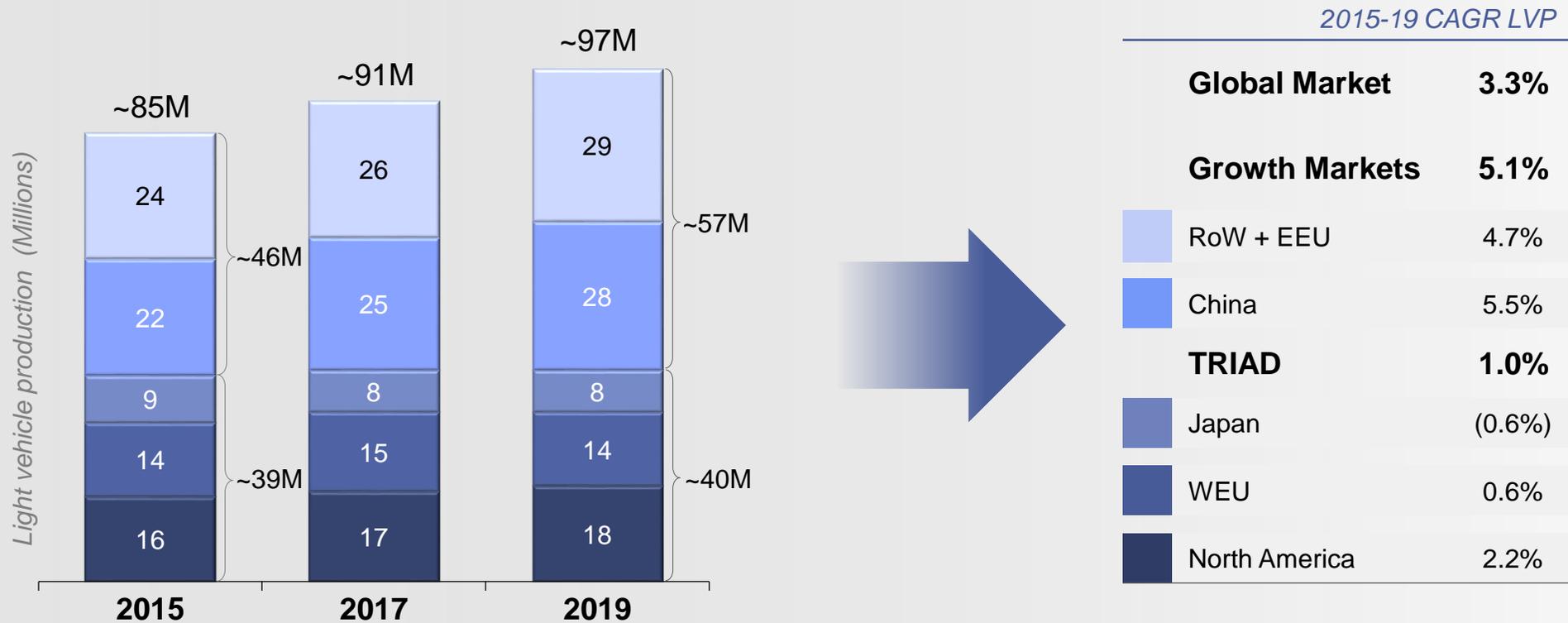
...and within the range of .5 and 1.5 times.

Underlying Debt Policy is to remain “Strong Investment Grade”

() Non US GAAP, Net Debt adjusted to include Pension Liability*

Our Market Outlook

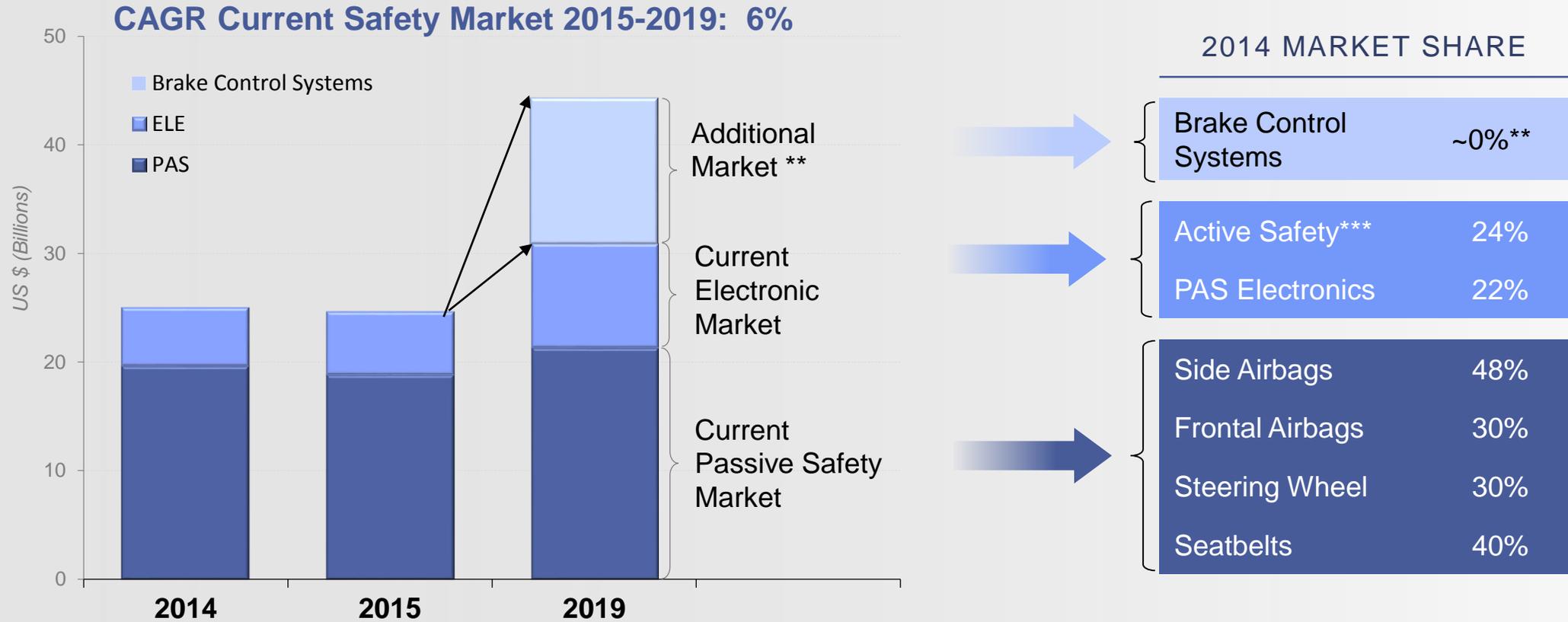
LVP in Growth Markets to increase ~22% by 2019 or CAGR of 5%



Source: IHS @ September 16, 2015, TRIAD (Japan, Western Europe, North America)

Growth

Leverage our strong position in a growing safety market

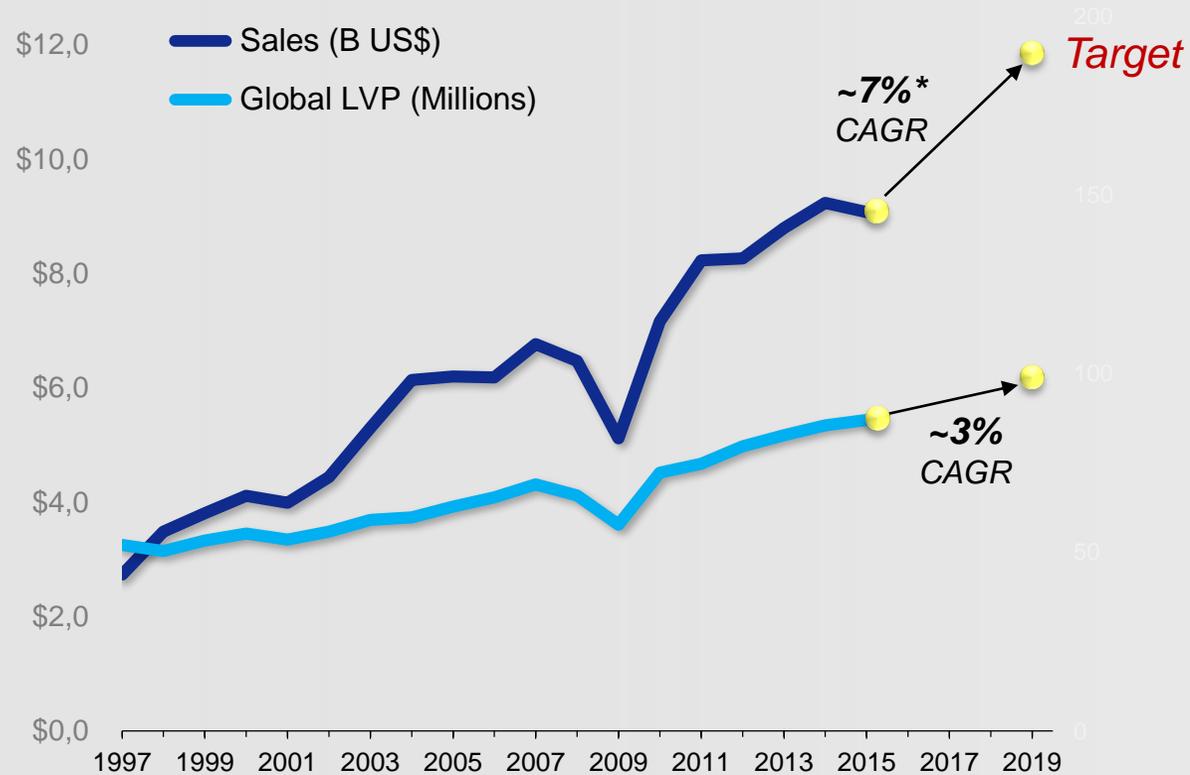


Our safety market is expected to be ~\$44B in 2019

(*) Based on August 2015 LVP outlook, FX-rates and estimated pricing trends. (**) Brake Control Systems excluding foundation brakes. (***) Includes automotive radars, night vision systems and cameras with driver assist systems.

Looking ahead through 2019

Sales target is to grow faster than our market



1997 thru 2015

- ALV sales growth
~ 7% CAGR through the cycles
- Market growth
~ 5% CAGR through the cycles
- LVP growth
~ 3% CAGR through the cycles

Looking ahead through 2019

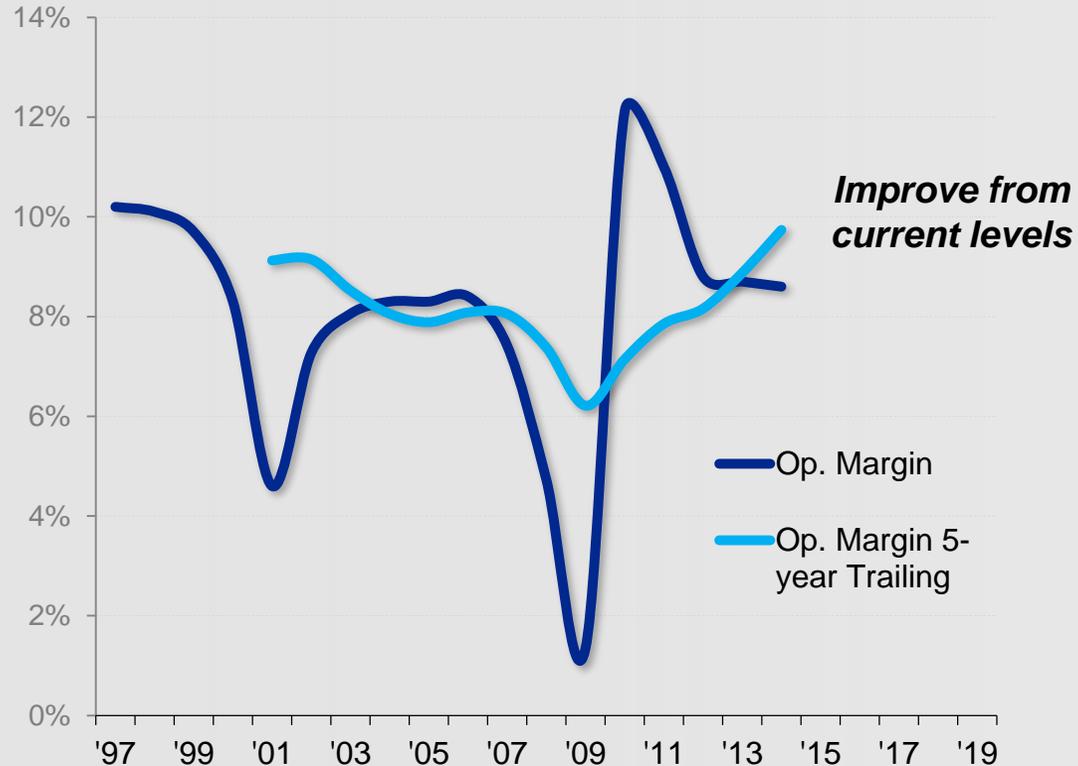
- Sales Target **\$12B**
- Sales Ambition up to **\$15B**

Blend of organic growth and acquisitions, ~ 7% growth 2015-19*

(*) Based on current LVP outlook, FX-rates and the current pricing pressure and recently announced transactions.

Margin* Target

Improve margin through 2019 despite investment for long-term growth



PAS:

- At least maintain current margin levels

ELE:

- Improve margin to reach our long-term target range by the end of the decade while investing for growth

RD&E:

- Near-term 6-6.5%, long-term 5-6% of sales

Restructuring:

- On-going efforts beyond 2015 on average ~30 basis points per year on our current business

Ramping up Growth Markets, Active Safety and Brake Control

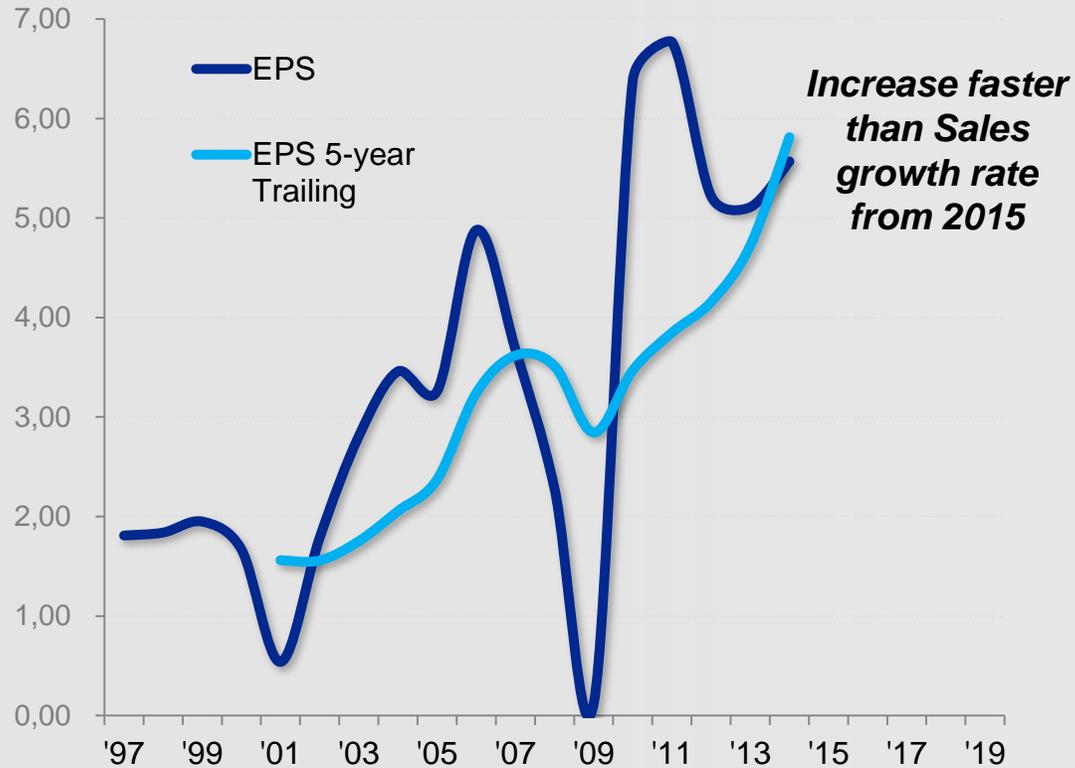
(*) Excluding costs related to Antitrust matters

Real Life Safety

Autoliv Capital Markets Day 2015

Financial Strategy for EPS

EPS* target is to increase faster than the sales growth rate through 2019



EPS Growth Target through:

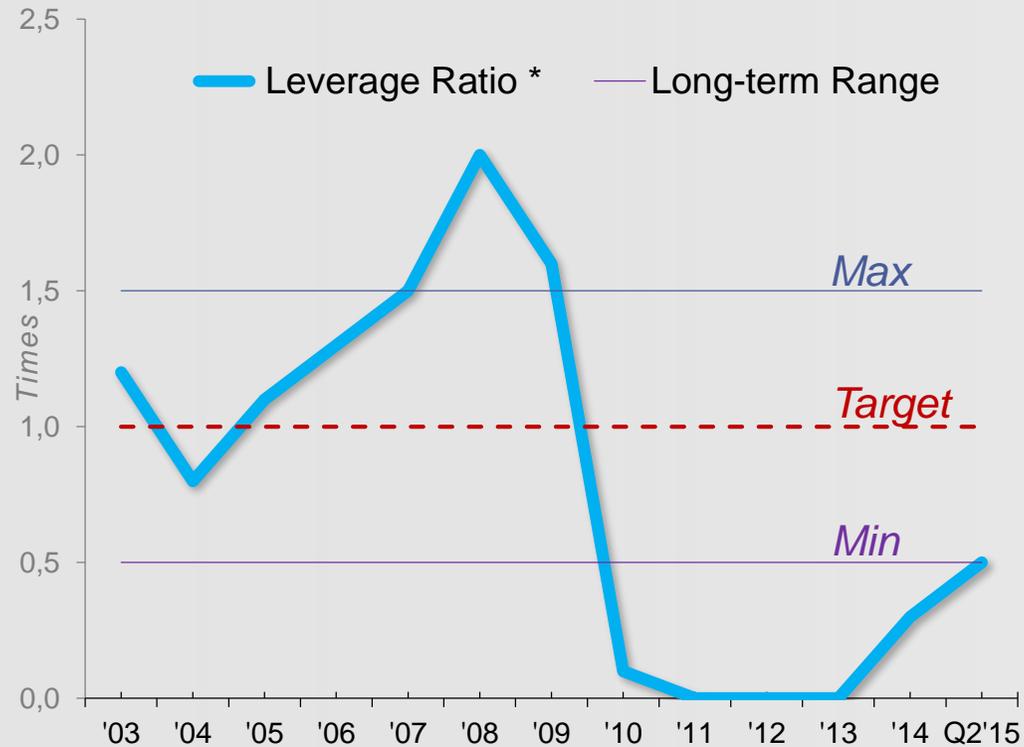
- ~7%* Sales CAGR through 2019
- Improving margins
- Share repurchases or M&A

Over time, excess FCF is returned to shareholders through Dividends and Share Repurchases or used for M&A

(*) Excluding costs related to Antitrust matters, includes planned Nissin Kogyo Joint Venture.

Capital Structure

Remain within our debt limitation policy of 0.5 to 1.5 times



Maintain flexibility for:

- CapEx
- M&A
- Dividends
- Repurchases
- Other requirements



Working Together in One Autoliv

Our Strategy to Stay Ahead

New operating structure to drive change to deliver more

- Positioning **Autoliv** technology for the **Future**
 - We drive change to increase our system capabilities to deliver more as One Autoliv
- Rapid growth in the **Active Safety** market
 - We drive change through investments, innovation and M&A to capture growth opportunities
- A changing **Passive Safety** market
 - We drive change through higher efficiency with focus on Q5, speeding up 1P1P and innovation for the future car



Summary

- Changing industry landscape
- Focus on Quality and Real Life Safety is our way to stay ahead
- Long term Financial Targets remain unchanged
- Strategic targets through end of decade:
 - Sales target is \$12B with an ambition to reach up to \$15B
 - Expand our presence in our new more than \$12B market
 - Grow EPS faster than our Sales growth rate
 - Investing in growth is our priority, excess Free Cash flow is returned to shareholders over time



Saving more lives..... “my 14 year son and I.....”



FromXXXXXXXXXXXXXXXXXXXX
Sent: Thursday, September 17, 2015 1:52 PM
Subject: FW: Thank You

To Whom It May Concern:

I usually don't write letters like this, but after the events that took place September 5th I feel the need to thank someone from Kia Motors. **My 14 year old son and I were traveling in our 2011 Sorento when a drunk driver crossed the yellow line and headed directly toward us.** Both vehicles were traveling about 45 MPH. I swerved left into the opposite lane to avoid a head-on crash, but the driver corrected their mistake and hit us on the right side where my son was sitting. The violence and noise of the crash was something I will never forget. The other car was a full sized SUV and when it hit us we were slammed into the curb and flipped upside down. **Momentarily trapped inside the car upside down in our seat belts was scary but we were able to make our way out through the broken glass and smoke from the airbags.**

We were well taken care of by a bunch of good sumaritans and eventually paramedics and hospital staff. My son only had cuts and scrapes on his right forearm and other random parts of his body as well as chest bruises from the seatbelt. I ended up with 4 broken ribs and some other minor cuts and scrapes. Being in the auto business this may not surprise you, but after seeing the pictures of the two cars after the crash it is absolutely amazing to me that we suffered so few injuries. This accident could have been, and probably should have been much worse. One of the paramedics who was at the crash site came into the hospital room later and told me that he would buy a Kia any day after seeing what ours **had endured and how relatively few injuries we had sustained.** I had always liked my car, but I had no idea how tough it would be in this situation. I am incredibly impressed by the design of this car,. We may have been very lucky, but I'm certain that the design of the vehicle was no fluke. I just wanted to share my experience and say Thank You.

Sincerely,
XXXXXX
Readfield, Maine



Thank you!



Autoliv

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

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as many severe injuries