



Earnings Call Presentation 1st Quarter 2020

April 24, 2020



Safe Harbor Statement*

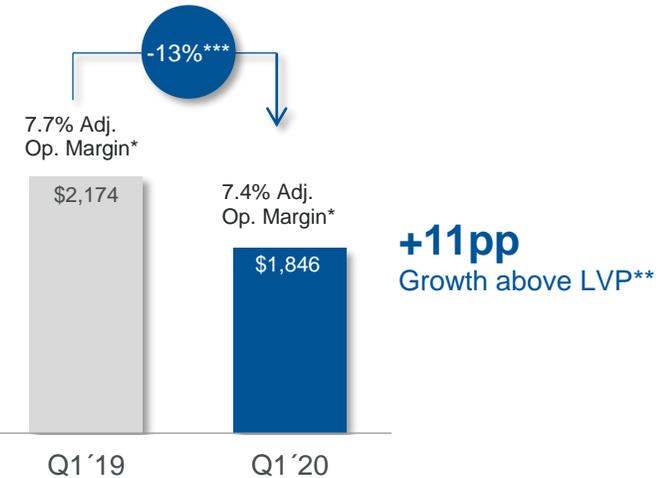
This presentation contains statements that are not historical facts but rather forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those that address activities, events or developments that Autoliv, Inc. or its management believes or anticipates may occur in the future. All forward-looking statements 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; the impacts of the coronavirus (COVID-19) pandemic on the Company’s financial condition and business operations, 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 restructuring 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; 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 needs 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

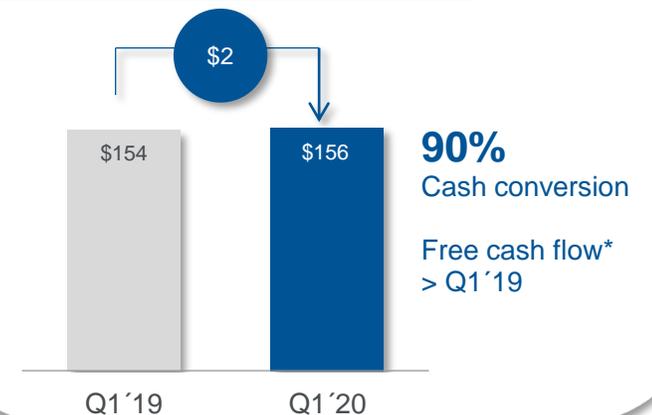
Q1'20: Execution in Unprecedented Times

- **Global Light vehicle production (LVP) fell by 24%**
 - ~18 pp worse than expected
- **Results supported by swift actions**
 - Gross margin and adjusted operating margin* in line with Q1'19
 - Cost reduction actions yielding results
 - Strong operating cash flow and free cash flow*
- **Secured Liquidity**
 - Cash in excess of \$0.9bn at the end of the Q1'20
 - Cash ~\$1.5bn after fully drawing down on the existing revolving credit facility on April 2nd
 - Canceled dividend
- **FY2020 guidance withdrawn due to uncertain market conditions**
 - Withdrawing guidance until the effects of the COVID-19 pandemic can be better assessed

Sales
US\$ (Millions)



Operating Cash Flow
US\$ (Millions)



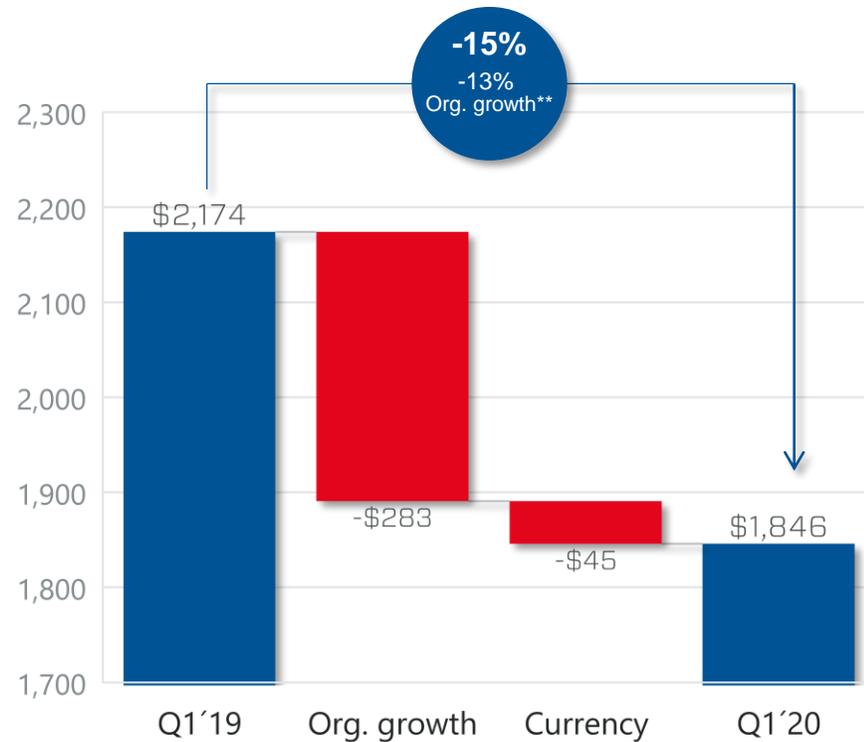
(*) Non-US GAAP measures, (**) Light Vehicle Production (LVP) according to IHS @ April, 2020, (***) Organic sales increase, Non-US GAAP measures,

Q1'20 Sales Growth

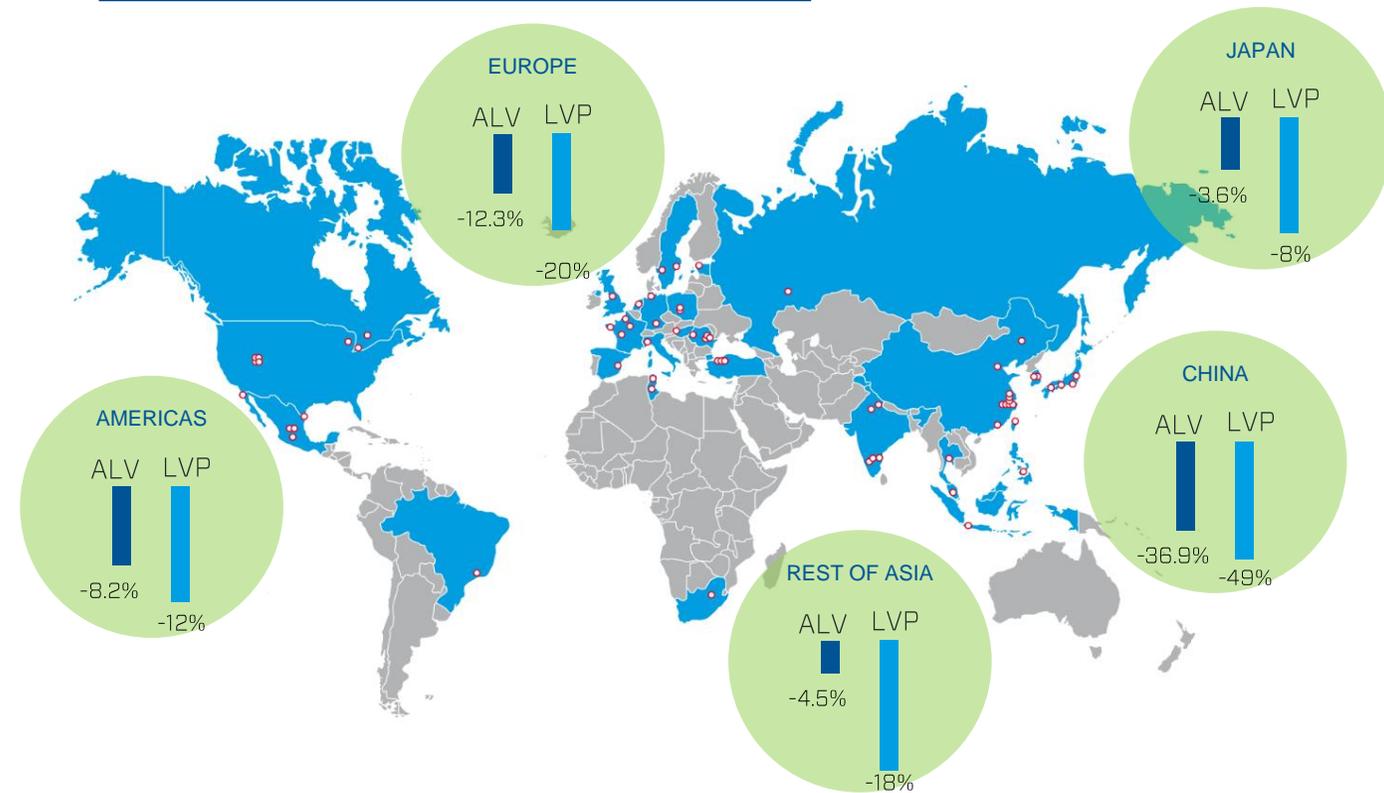
Outperforming LVP* in all regions

Sales Bridge

US\$ (Million)



Regional Organic Growth**



(*) Light Vehicle Production (LVP) according to IHS @ April, 2020

(**) Non-US GAAP measure

Q1'20 - Key Model Launches



Toyota Yaris



Suzuki Hustler



Audi A3



Genesis GV80



Lynk & Co 05



Tesla Model Y



Genesis G80



Cadillac CT4

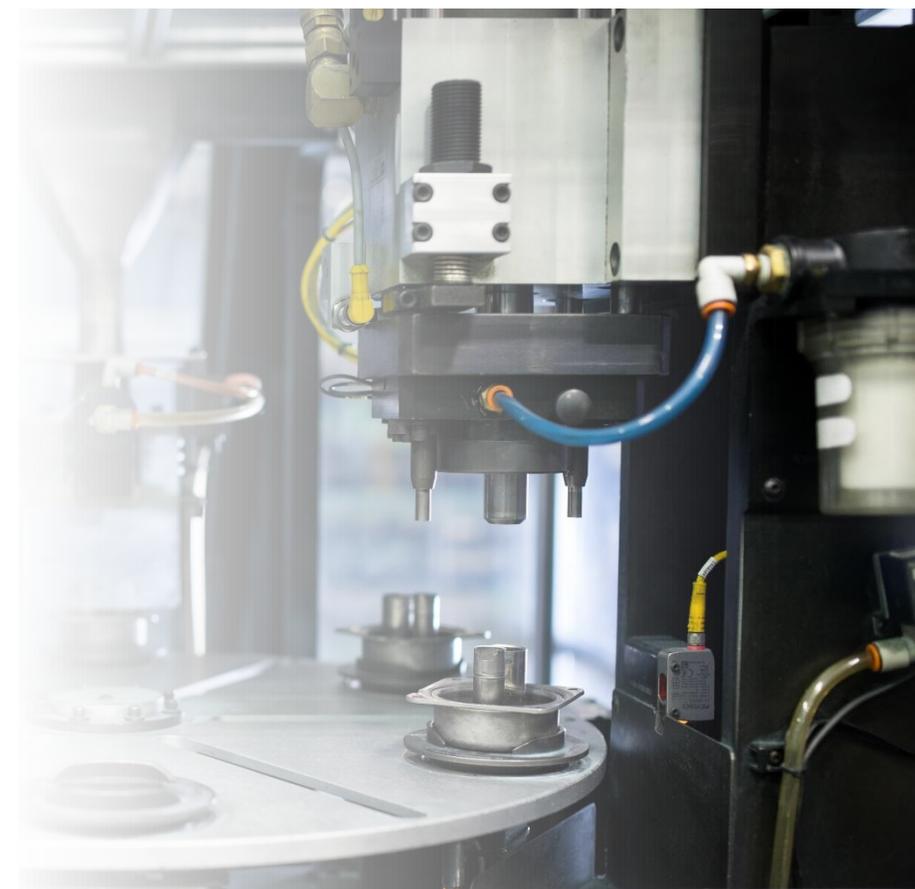


Polestar 2



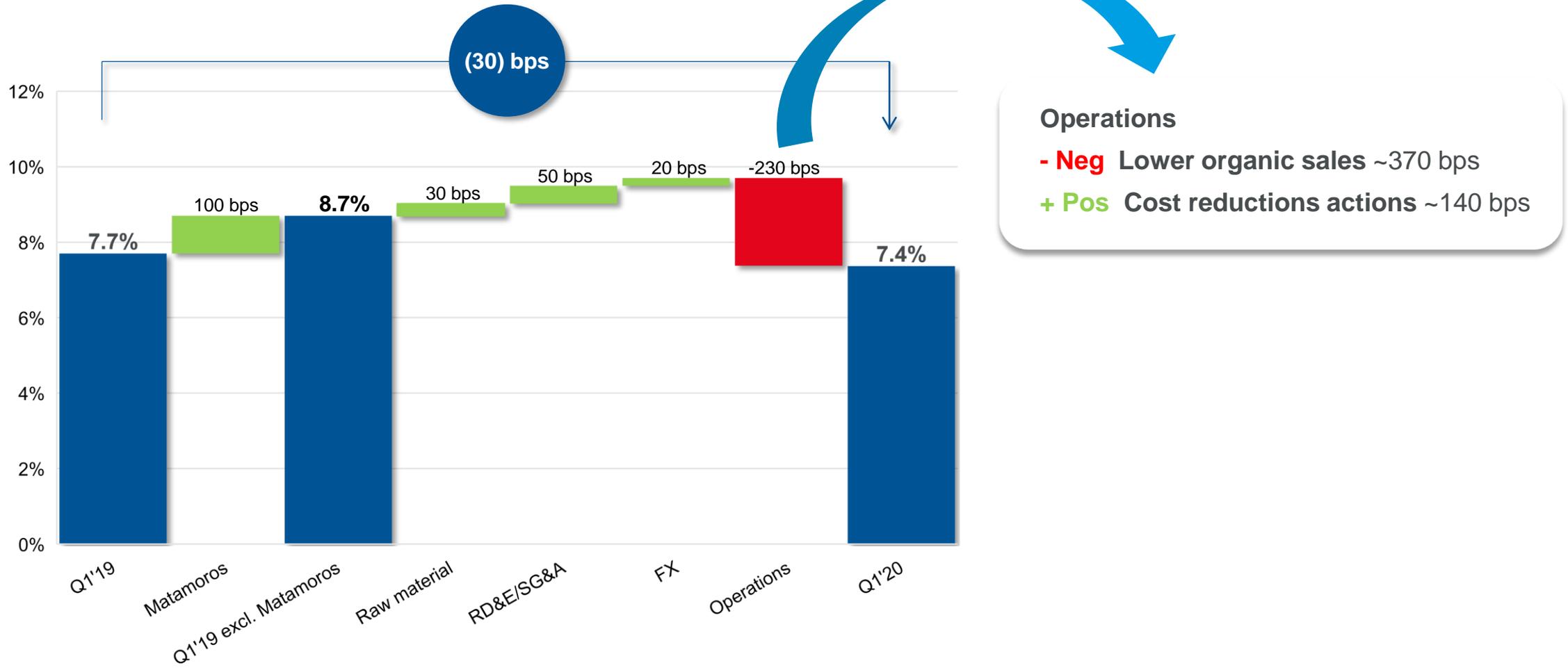
Q1'20 Financial Overview

(US \$ Millions unless specified)	Q1'20		Q1'19	
Sales	\$1,846		\$2,174	
Gross Profit	\$331	17.9%	\$379	17.4%
Adj. Operating Income ¹	\$136	7.4%	\$166	7.7%
EPS (assuming dilution)	\$0.86		\$1.27	
Adj. RoCE ^{1,2}	15%		19%	
Adj. RoE ^{1,2}	15%		22%	
Operating cash flow	\$156		\$154	
Dividend paid per share	\$0.62		\$0.62	
Global LVP ³ (annual rate)	~67M		~89M	



(1) Non-US GAAP measures exclude costs for capacity alignments and antitrust related matters . (2) Return on Capital Employed (RoCE) and Return on Equity (RoE),
 (3) Light Vehicle Production (LVP) according to IHS @ April , 2020

Q1'20 Adj. Operating Margin* Bridge vs. Prior Year



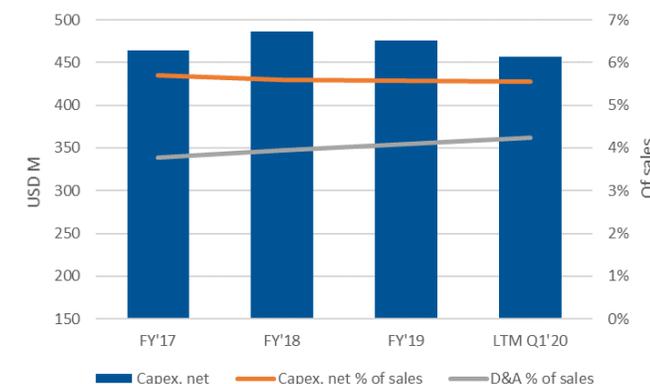
(*) Non-US GAAP measure excludes costs for capacity alignments and antitrust related matters

Cash Flow Continuing Operations

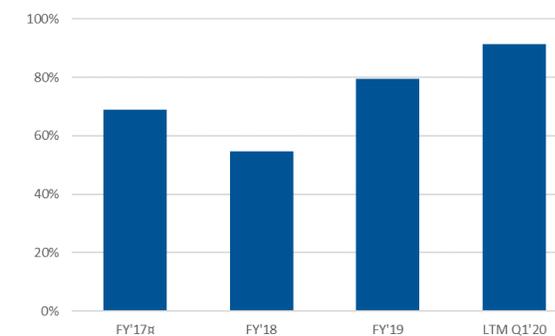
Investments for growth and shareholder returns

(US \$ Millions unless specified)	Q1'20	Q1'19	LTM	2019	2018*
Net Income	75	112	426	463	378
Depreciation & Amortization	89	90	350	351	342
EC antitrust payment	-	-	-203	-203	-
Other, net	11	-11	5	-17	236
Change in operating WC**	-19	-37	65	47	-148
Operating cash flow	156	154	643	641	808
Operating cash flow excl. EC antitrust payment	156	154	846	844	808
Capital Expenditures, net	-88	-108	-456	-476	-486
Free cash flow**	68	46	390	368	322
Dividends paid	54	54	217	217	214

Capex and D&A



Cash Conversion***



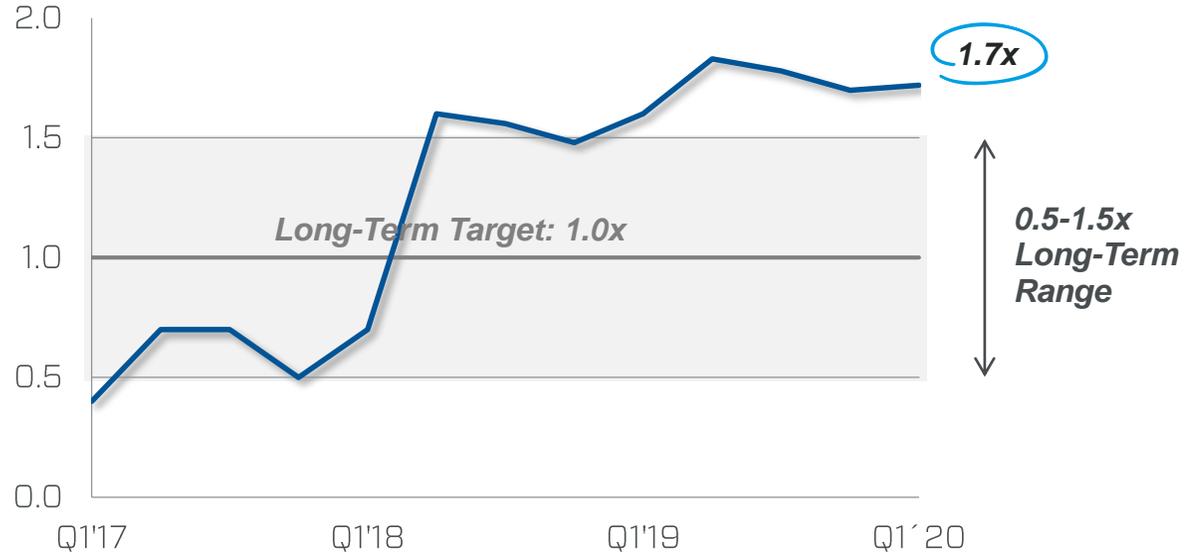
(* Unaudited figures. Management estimate of Continuing Operations, (**) Non-US GAAP measure, before acquisitions, reconciliation of free cash flow is provided above. (***) Adjusted for the EC antitrust settlement

Leverage Ratio

Cautious balance sheet management in uncertain times

Net Debt/ EBITDA*

x



- Our net debt* decreased by \$20M in the quarter
- EBITDA LTM decreased by \$37M from Q4'19

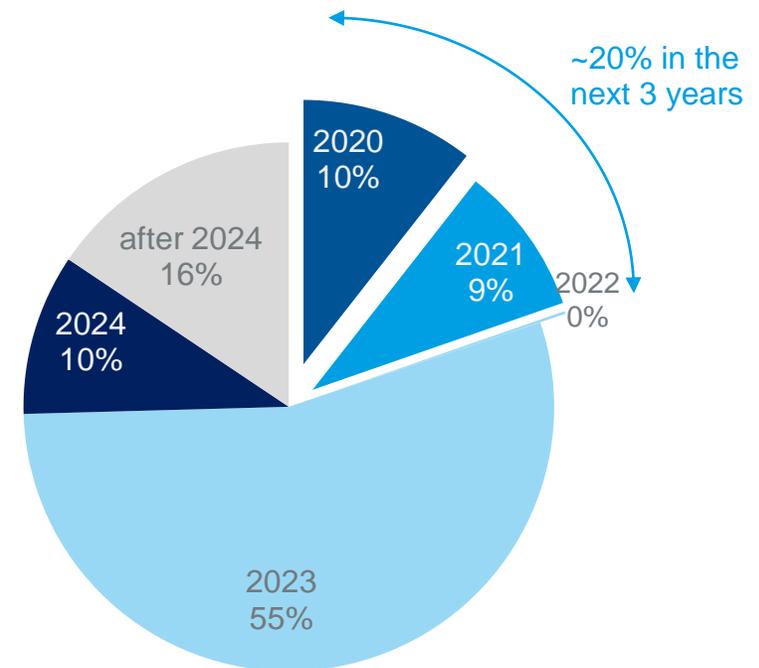
(*) Autoliv Inc. group statistics, prior to spin; Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability

Strong liquidity position

- Significant liquidity cushion with \$1.5 billion in cash early April
- No significant debt refinancing until 2023
- Revolver credit facility matures in 2023

Debt Maturities*

% of ~\$3 billion total debt



(*) None of the credit facilities are subject to financial covenants

Autoliv's Role in Fighting COVID-19

Supporting society

Examples

- Autoliv Poland worked with local hospital to manufacture and deliver masks.
- Autoliv Americas built and delivered aerosol boxes to local hospital.
- Autoliv Canada is working closely with the Canadian government to get our Nylon fabric qualified as appropriate for medical gowns.
- Autoliv Americas is laser cutting material for a local sewing company to manufacture non medical grade masks.
- Autoliv India distributes food kits to migrants

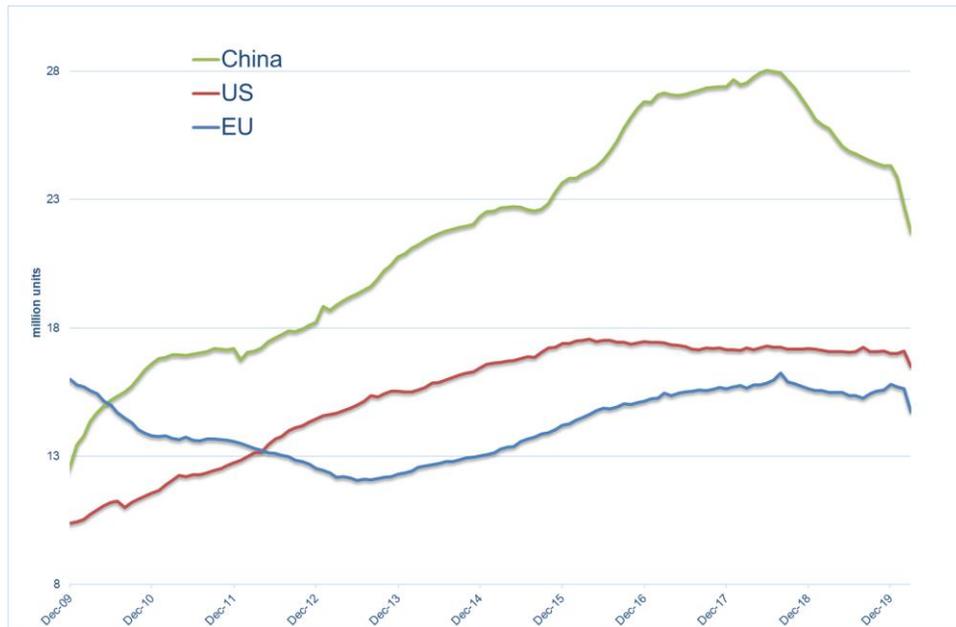


Light vehicle sales & production

LVP to resume soon, but ramp up and run-rates are uncertain

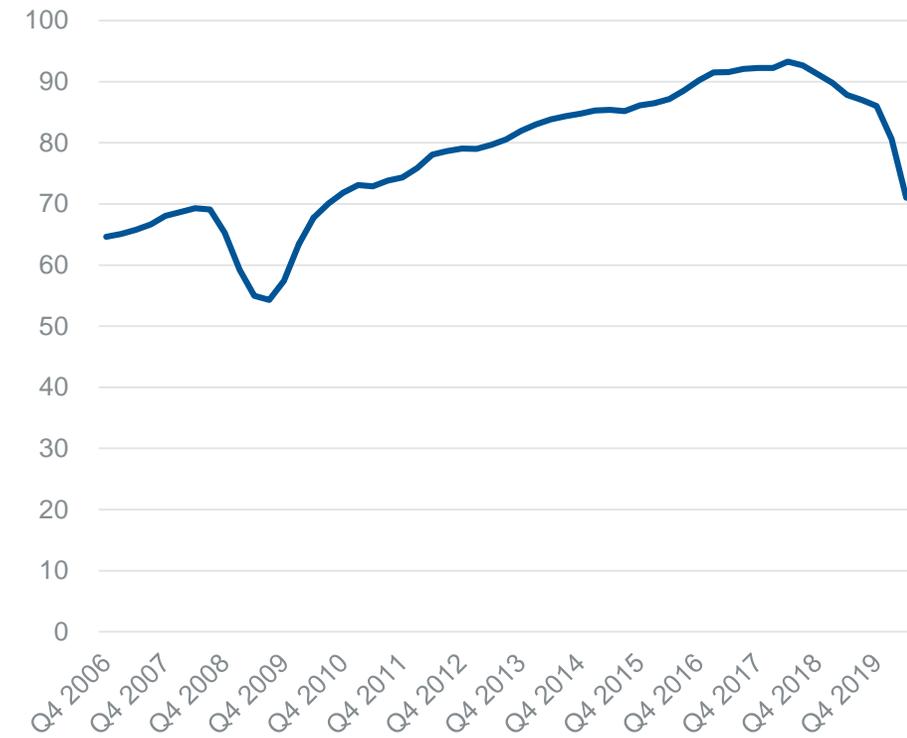
Light Vehicle Sales LTM

(Million units)



Global light vehicle production LTM**

(Million units)



(*) Source: CAAM, Wards Auto, ACEA etc., (**) Light Vehicle Production (LVP) according to IHS @ April, 2020

Light Vehicle Markets

Production restarting but end-markets and ramp-up uncertain

China



- 81 OEM plants in operation, 2 still closed
- LV sales trend positive, from - 80% in February to -45% in March and +14% in 2nd week of April
- CAAM forecast FY LV sales down ~(5)% with H1 down ~(10)%

Europe



- LV sales declined 55% in March
- Broad OEM plant shut downs from mid-March
- About 75% of our customer plants were closed last week; first plants resuming production this week
- Several OEMs have restarted production (Sweden, Belgium, Germany, Portugal, Italy etc.)

North America



- LV sales declined 38% in March (SAAR 11 million)
- 100% of OEM are shutdown
- OEMs plan to restart early May
- Automotive manufacturing and sales considered an essential service in US

Japan



- LV sales declined by 9% in March, Q1 '20 down 10%
- OEM plants: 20 full shutdown, 9 fully operational with reduced export volumes, and 9 at partial capacity
- Most J-OEMs have announced closures and slow downs in April/ May. Golden week holiday extended by 2 working days.

Status Autoliv operations

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China

18%



- **ALV Plant status:** Production has gradually recovered to around 100% compared to this time last year
- **Cost reduction measures:** Delay of hiring, delay of CAPEX, productivity improvement, daily monitoring of demand and material supply, intensified work to secure new contracts, etc.
- **Areas of concern:** Customer demand fluctuation. Global material/component supply

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Europe

29%



- **ALV Plant status:** Plants resuming and ramping up production in line with customer needs. All Tech centers back in operation with adjusted capacity
- **Cost reduction measures:** Furloughs and time-off implemented, delay of CAPEX, daily monitoring of demand and material supply, etc.
- **Areas of concern:** Possible component shortages in the coming weeks

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North America

32%



- **ALV Plant status:** 10 of 13 sites fully shutdown. Limited production for overseas customers. Tech centers at 20%
- **Cost reduction measures:** Furloughs and time-off requirements implemented, close monitoring of receivables, CAPEX delay, inventory reduction, discretionary spending, hiring freeze, etc.
- **Areas of concern:** Mexico State of Emergency next phase not well defined. Could impact OEM startup plans

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Japan

9%



- **ALV Plant status:** Plants running at approx. 70%
- **Cost reduction measures:** Flex and plant closure where appropriate, reduction and suspension of Capex, reducing all external expense, premium freight recovery
- **Areas of concern:** Balancing of component supply vs customer demand

Percentage of group sales in 2019

Our responses

■ Health of our Employees

- Implementing policies to protect employees
- Raise awareness of well-being protocols and helpful practices

■ Capital Management

- Capital expenditures delays
- Close monitoring of receivables and inventories
- Tight collaboration with suppliers

■ Margin Focus

- Further align headcount with customer LVP
- Reduced work week hours
- Furloughing, supported by governments where available
- General hiring, wage & bonus freeze
- Accelerate cost saving initiatives

... while planning for production restart



Covid-19 Business Impact on Q2'20

	Q1'20	Q2'20
Market LVP decline*	24%	~45%
Organic Sales decline	13%	worse than Q1
Decremental margin	~18%	higher than Q1
Adj. Op margin**	7.4%	worse than Q1
Op. cash flow	\$156m	worse than Q1

IHS: Light Vehicle Production*

Region	Q1'20		Q2'20	
	Million Units	Y-o-Y Chg.	Million Units	Y-o-Y Chg.
China	2.9	-49%	4.6	-12%
Japan	2.2	-8%	1.3	-40%
North America	3.5	-11%	1.3	-68%
Europe	4.5	-20%	2.5	-55%
Global	16.7	-24%	11.9	-45%

(* Light Vehicle Production (LVP) according to IHS @ April, 2020 Year over Year (Y-o-Y)

Our Priorities

- Health and Safety remain top priority
- Exceptional situation requires difficult decisions
- Assessing the new run rate of LVP, and continuously adjust
- Executing on our long-term strategies
- Continued flawless execution in a challenging situation





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

autoliv.com

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Q1'20 Product Volumes

Autoliv Quantities Delivered (Millions unless specified)	Q1'20	vs. PY** (%)
Seatbelts	31.4	(15)%
▪ Pretensioners (of which)	17.9	(7)%
▪ Active Seatbelts (of which)	1.3	(6)%
Frontal Airbags	12.1	(16)%
▪ Knee Airbags (of which)	1.3	(1)%
Side Airbags	21.3	(15)%
▪ Chest (Thorax)	11.7	(14)%
▪ Head (Curtain)	9.5	(16)%
Steering Wheels	4.3	(18)%
LVP* (Global)	16.7	(24.4)%



(* Light Vehicle Production (LVP) according to IHS @ April 2020, (**) Prior Year (PY).

Definition of Symbols



- Driver and/or Passenger airbags



- Seatbelts



- Side airbags



- Head/Inflatable Curtain airbags



- Knee airbag



- Pyrotechnical Safety Switch



- Pedestrian Airbag



- Steering Wheel



- Front Center Airbag