



More Lives Saved



More Life Lived

Earnings Call Presentation

3rd Quarter 2024

October 18, 2024

Safe Harbor Statement*

This report 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, general economic conditions, including inflation; changes in light vehicle production; fluctuation in vehicle production schedules for which the Company is a supplier; global supply chain crisis, including port, transportation and distribution delays or interruptions; supply chain disruptions and component shortages specific to the automotive industry or the Company; disruptions and impacts relating to the ongoing war between Russia and Ukraine and the hostilities in the Middle East in general industry and market conditions or regional growth or decline; changes in and the successful execution of our capacity alignment, restructuring, cost reduction and efficiency initiatives and the market reaction thereto; loss of business from increased competition; higher raw material, fuel and energy, and other 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; 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 and other 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, civil judgments or financial penalties and customer reactions thereto; 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 and the availability of insurance with respect to such matters; 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; our ability to meet our sustainability targets, goals and commitments; political conditions; dependence on and relationships with customers and suppliers; the conditions necessary to hit our financial targets; 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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Q3'24 Key Highlights – Solid Sales Outperformance

- Solid sales outperformance in most regions
 - Outperformed global LVP by close to 4pp
- Settled cost compensation claims with nearly all customers
- Profitability virtually flat Year-over-Year, despite lower net sales and costs for a settlement, driven by successful execution of cost reductions and pricing
- Adjusted earnings per share* increased markedly on lower number of shares outstanding and higher net profit
- Progressed with our structural cost reduction activities
 - Indirect workforce reduced by over 1,200 (compared to Q1'23)
 - Direct headcount was reduced significantly Y-o-Y
- Continued significant shareholder returns
 - Repurchased shares for \$130 million and paid a dividend of \$0.68 per share
 - Debt leverage ratio* at 1.4 times, supporting further shareholder returns
- FY2024 adjusted operating margin expected at the low end of guidance



* Non-US GAAP measures

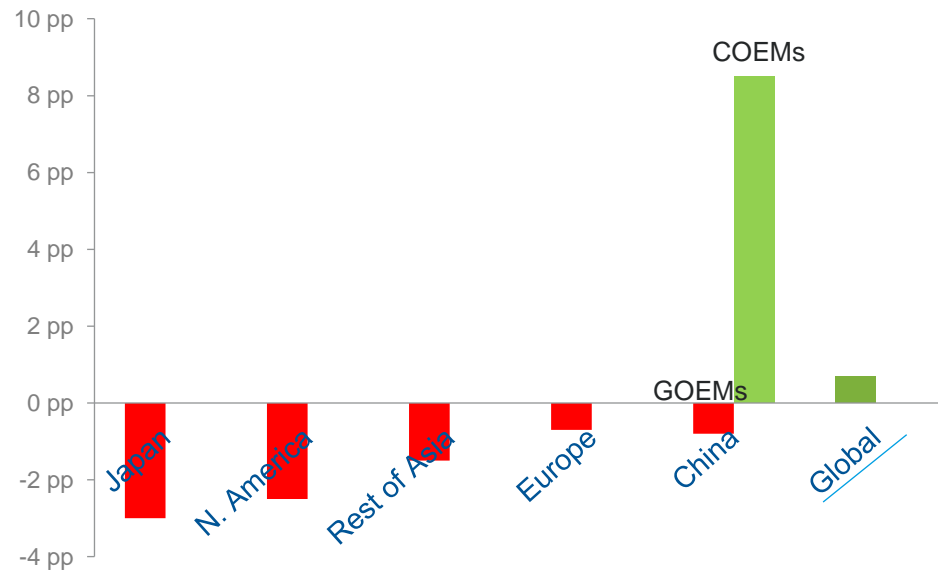
** Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ October 2024

Q3'24 Light Vehicle Market Development

Global LVP almost in-line with expectations, but regional mix substantially more negative

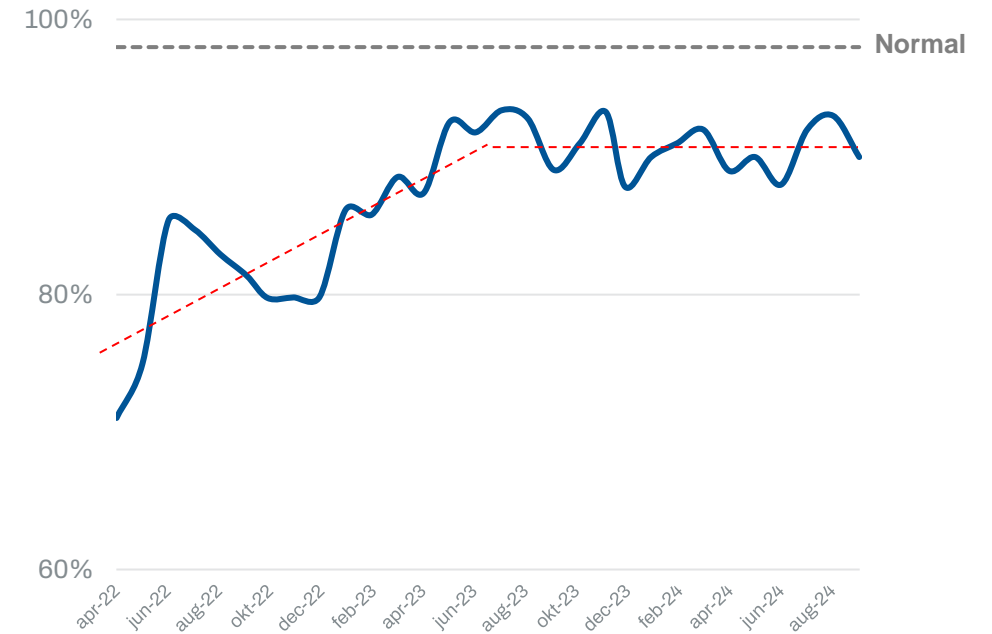
Q3'24 LVP Production vs. July Forecast *

Percentage Points



Customer Call-off Accuracy**

%

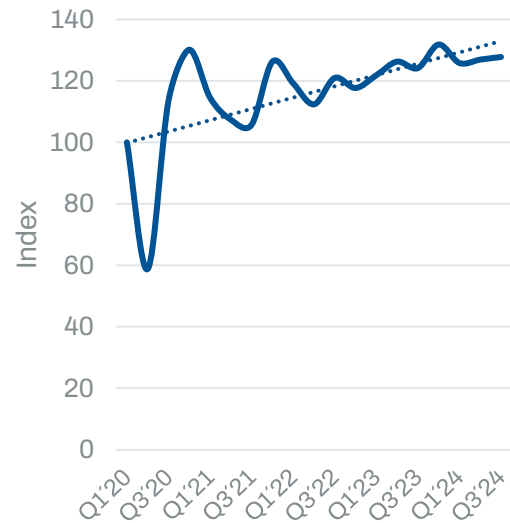


* Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ July 2024 compared to @ October 2024

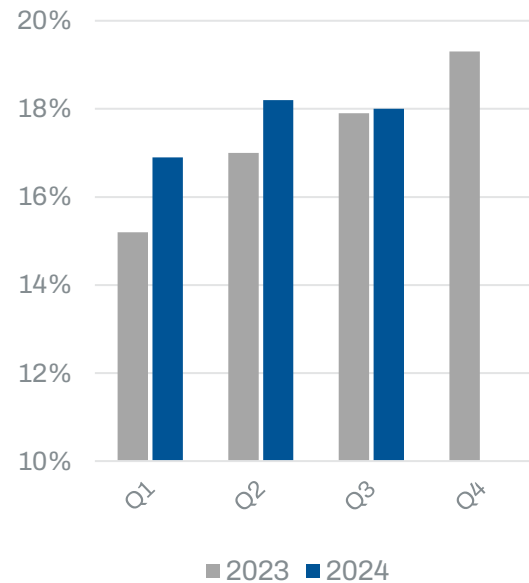
** Company estimate

Continued Significant Sequential Cost Improvements

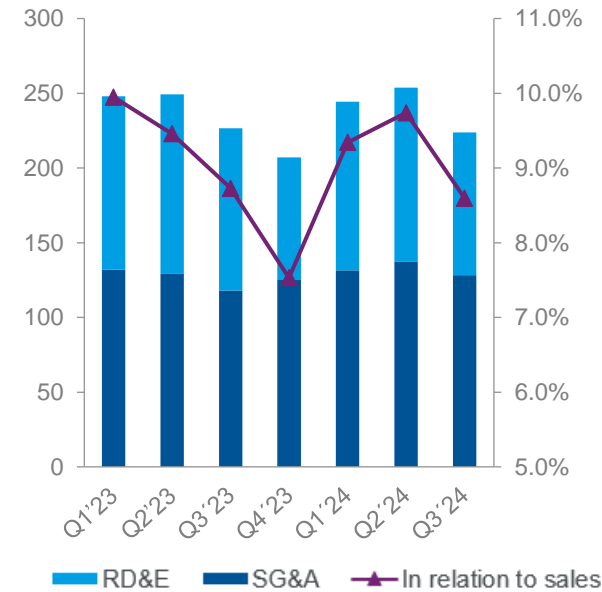
Direct Labor Productivity Index
Sales in relations to Average Headcount



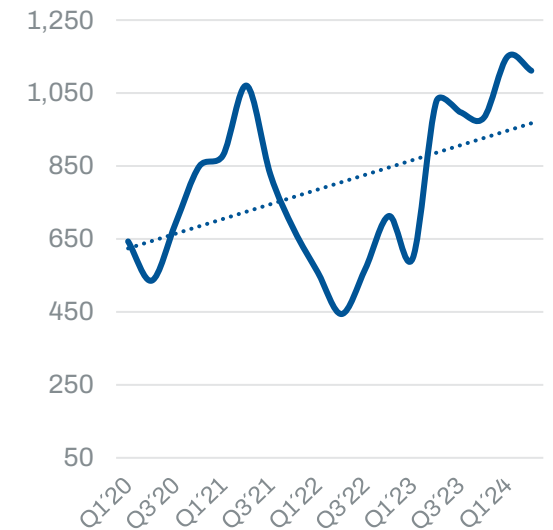
Gross Margin
%



SG&A and RD&E, net
US\$ -Millions and in relations to sales



Operating Cash flow LTM
US\$ -Millions

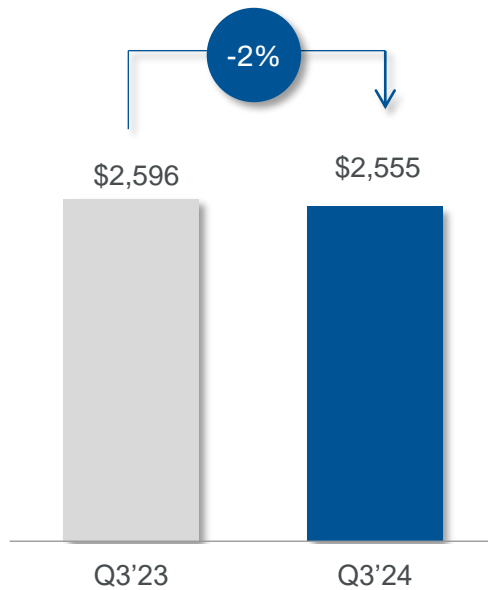


Q3'24 Financial Overview

Stable sales and profit

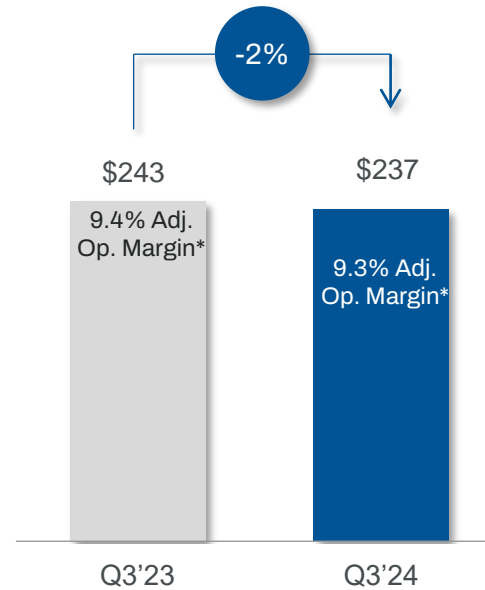
Consolidated Sales

US\$ -Millions



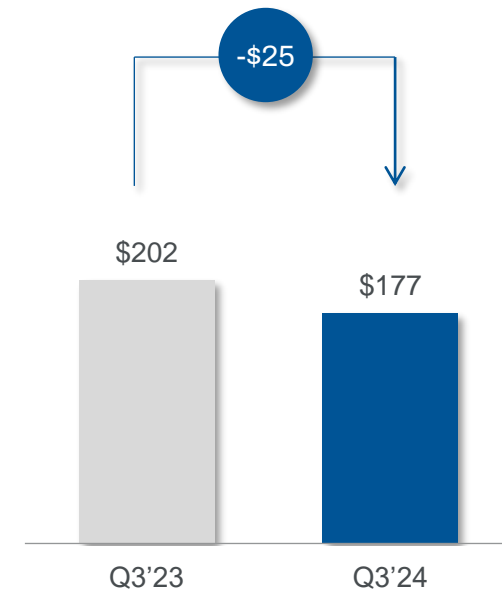
Adjusted Operating Income*

US\$ -Millions



Operating Cash Flow

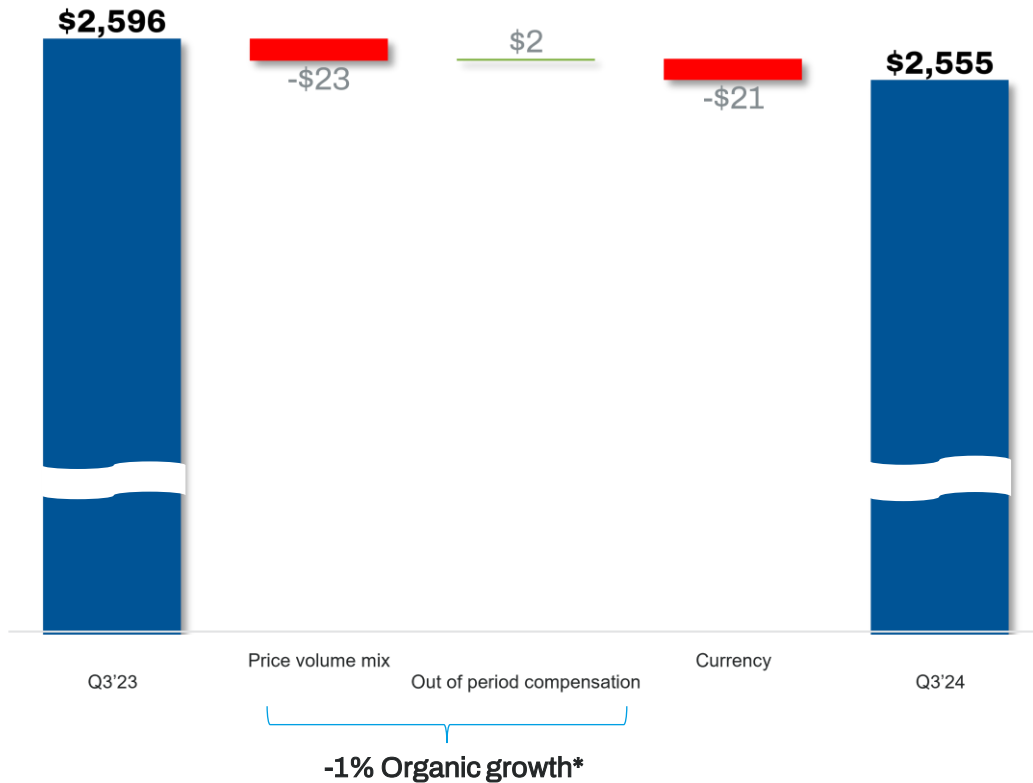
US\$ -Millions



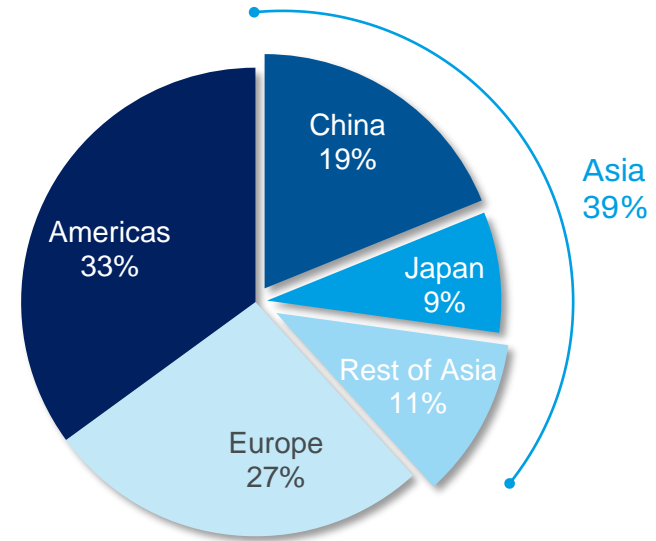
* Non-US GAAP excluding effects from capacity alignment and antitrust related matters

Q3'24 Sales Growth and Regional Sales Split

Sales Bridge
US\$ -Millions



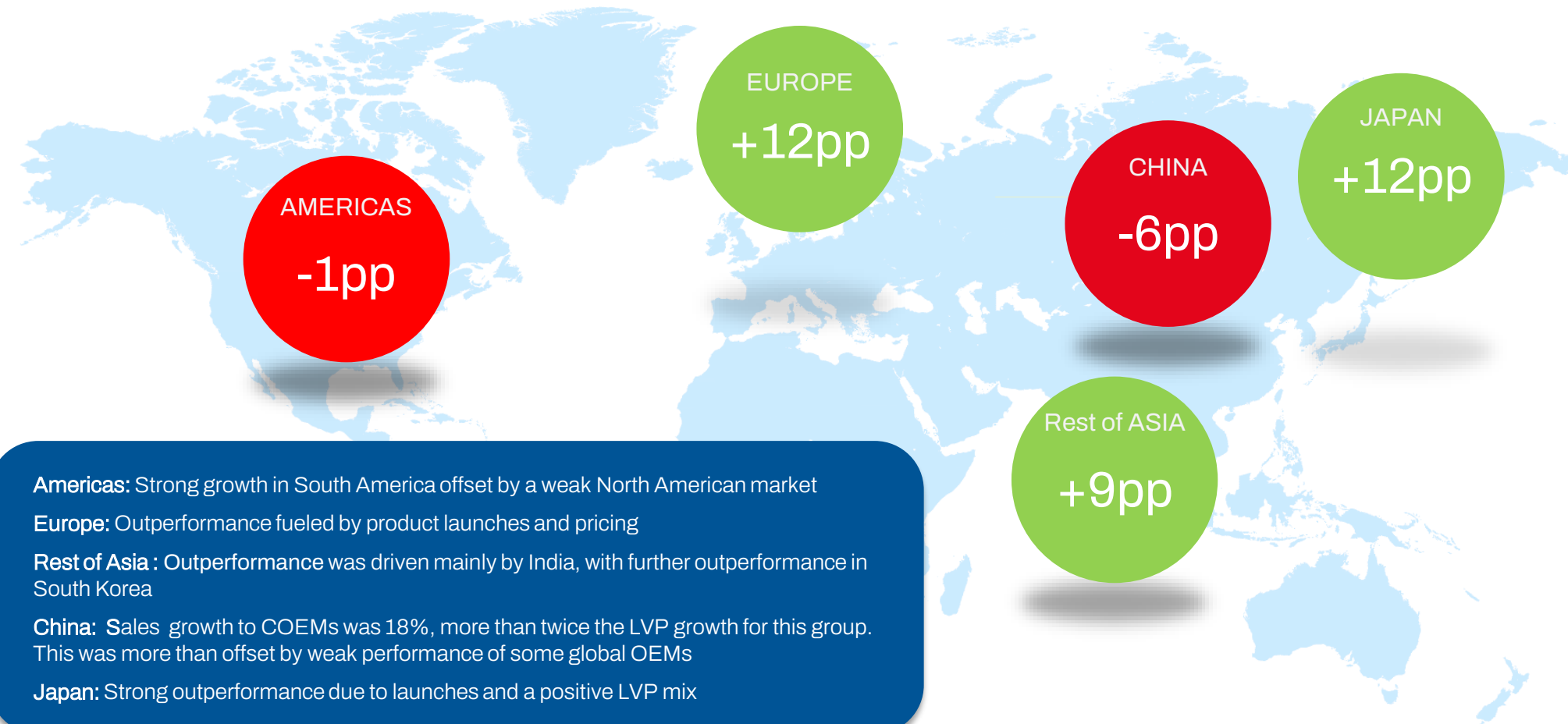
Sales by Region Q3'24
%



* Non-US GAAP measure

Q3'24 Organic Sales* Growth - Outperforming Global LVP by 4pp

Outperformance - Organic growth* vs. LVP**



Americas: Strong growth in South America offset by a weak North American market

Europe: Outperformance fueled by product launches and pricing

Rest of Asia: Outperformance was driven mainly by India, with further outperformance in South Korea

China: Sales growth to COEMs was 18%, more than twice the LVP growth for this group. This was more than offset by weak performance of some global OEMs

Japan: Strong outperformance due to launches and a positive LVP mix

* Non-US GAAP measure

** Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ October 2024

Q3'24 Key Model Launches

Nio Onvo L60



Mahindra Thar Roxx



Nissan Patrol/Armada



Tata Curvv



Ford Capri



BMW X3



Zeekr 7X



Audi A6 e-tron



Audi A5



Changan Avatr 15



Alfa Romeo Junior



Chery Luxeed R7





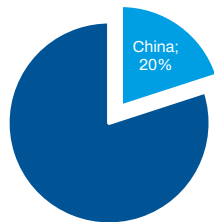
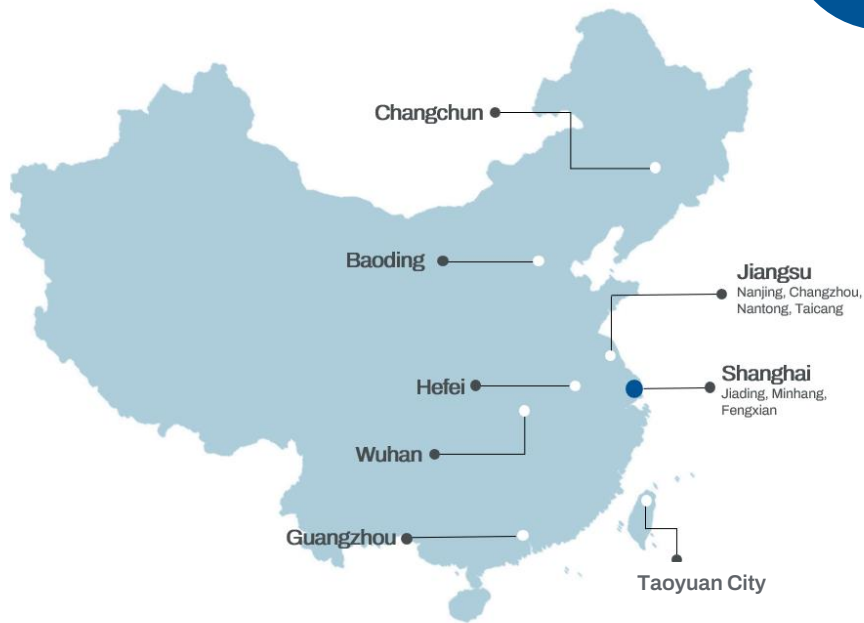
China Market Update

Autoliv – the Leading Automotive Safety Supplier in China

Vertical integrated operations with full system development capabilities

Autoliv Footprint

1 Technical Center & 15 Plants



\$ 2.1b
net sales

9,500
associates

36%
market share

Our Customers

Currently serving 68 OEMs

GOEM



COEM



Significant Shift in China Market – Our Response

➤ Dynamic Market Development

- Chinese automakers are rapidly expanding their market shares in China
- Sales of new energy vehicles (NEVs) has surpassed internal combustion engines (ICE) *
- China has become the world's largest vehicle exporter
- Performance of some global OEMs negatively impacted our sales outperformance



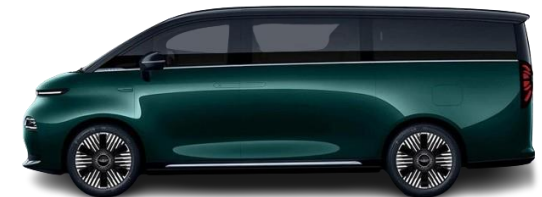
➤ Autoliv Response

- Major investment five years ago in breaking through with NEVs bore fruit with market share gains in the last three years
- Expect the sales underperformance trend to reverse from Q1'25 due to major new launches in the second half of 2024
- Managing risks related of potential insolvent customers



➤ Major Autoliv Achievements

- More than 50% market share with a broad range of high-end NEV manufacturers
- Won first global Autonomous L4 full passive safety system development and supply contract in July
- Growing components business with BYD; discussions on closer collaborations
- Successfully reduced cost and increased margins with Commonization platforms - Modular design in GWM, Chery and ChangAn
- Positioned well to be the overseas expansion partner for major COEMs like GWM, Chery, Geely and ChangAn



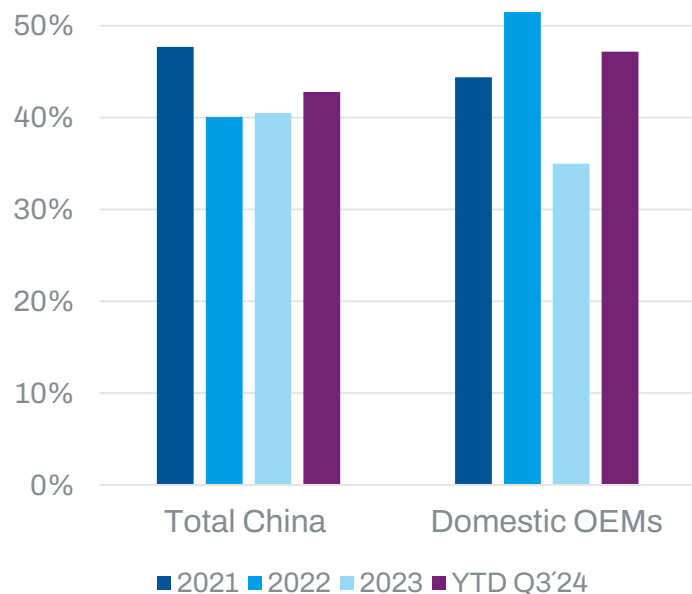
* Source China Passenger Car Association (CPCA)

Full System Launches Q3'24

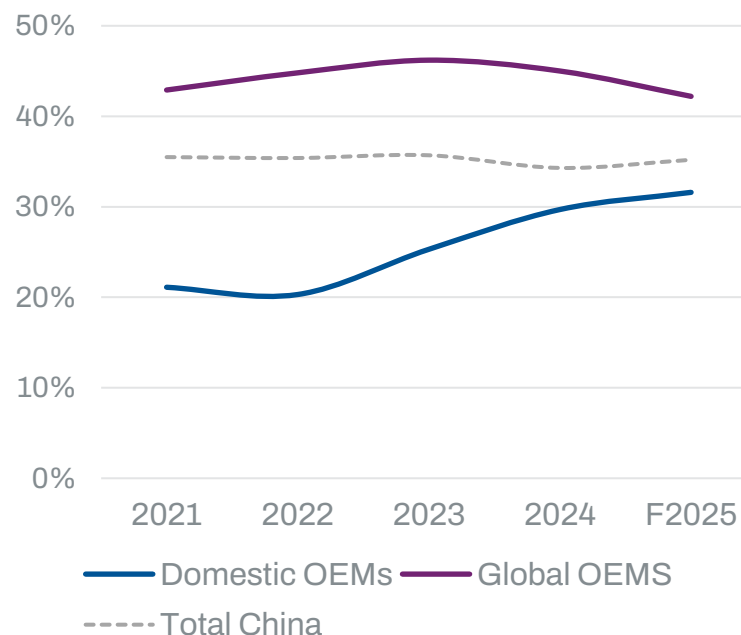


Expanding Business with Fast Growing Domestic* OEMs

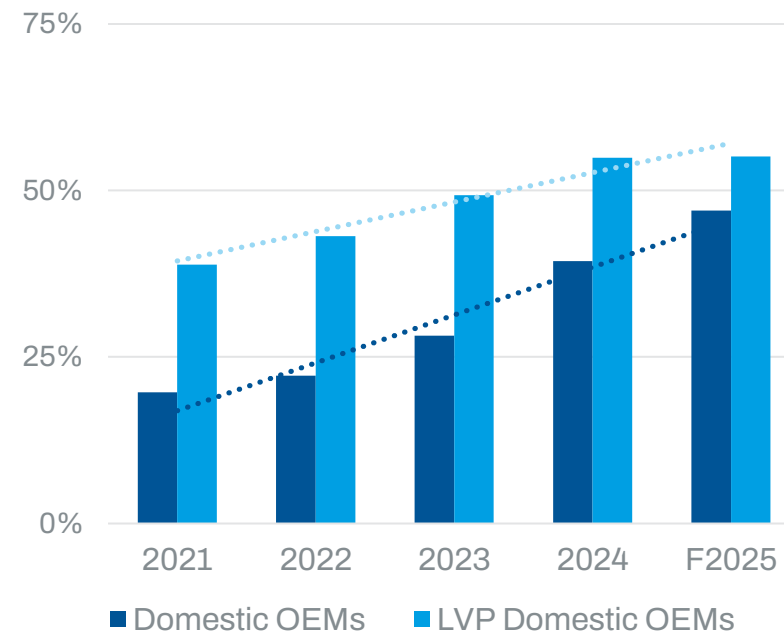
New Order Intake Market Shares



Autoliv Market Share COEMs and GOEMs**



COEMs share of ALV sales and LVP in China**

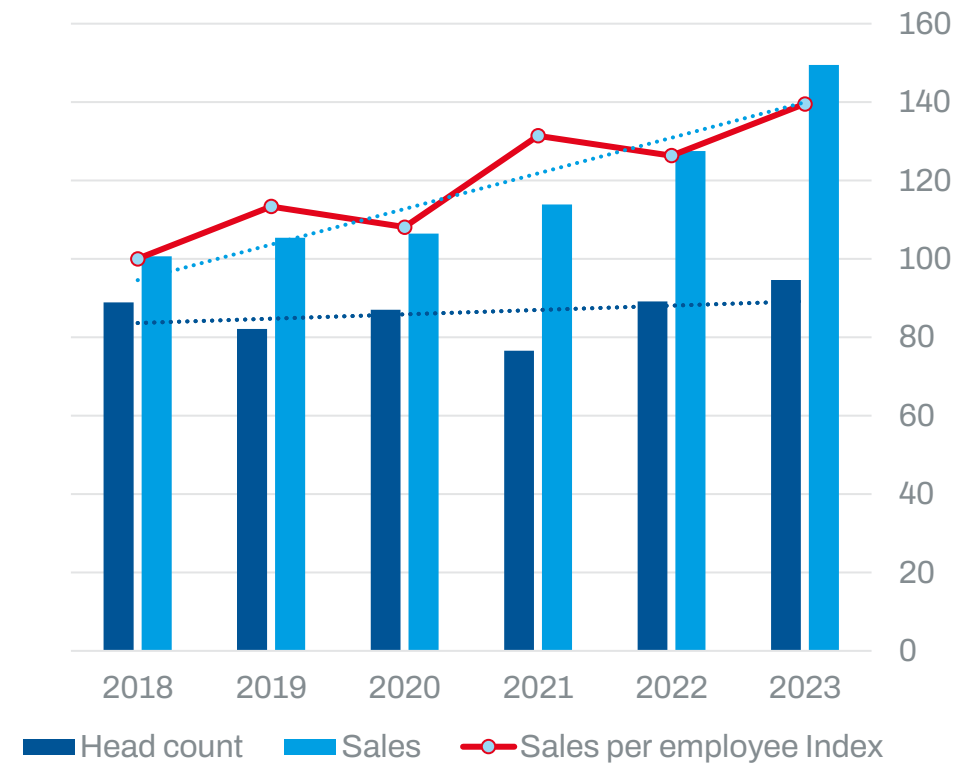


* SAIC-General Motors-Wuling is included in GM as US brand region

** Company estimates

What Makes Autoliv a Preferred Partner in China?

- Close development partner with most major OEMs
- Actively sell advanced and differentiated solutions
- Going global with customers and supply base
- Drive collaboration with technology and other partners for Systems Solutions
- Substantial efficiency gains from automation & digitalization

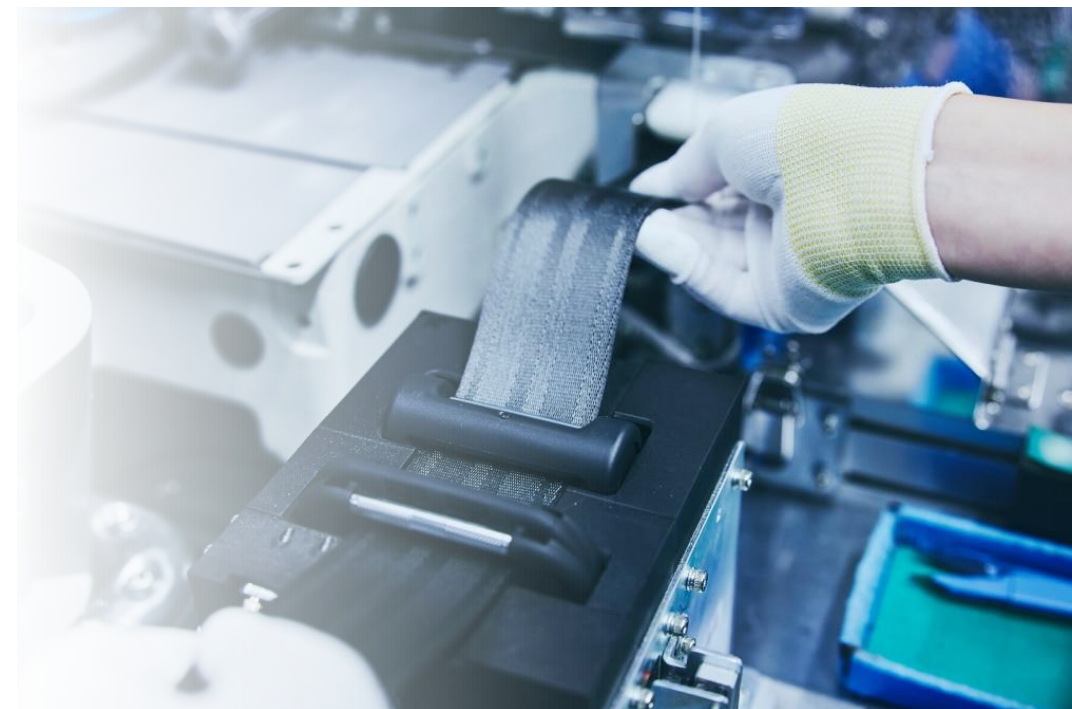




Financials

Q3'24 Financial Overview

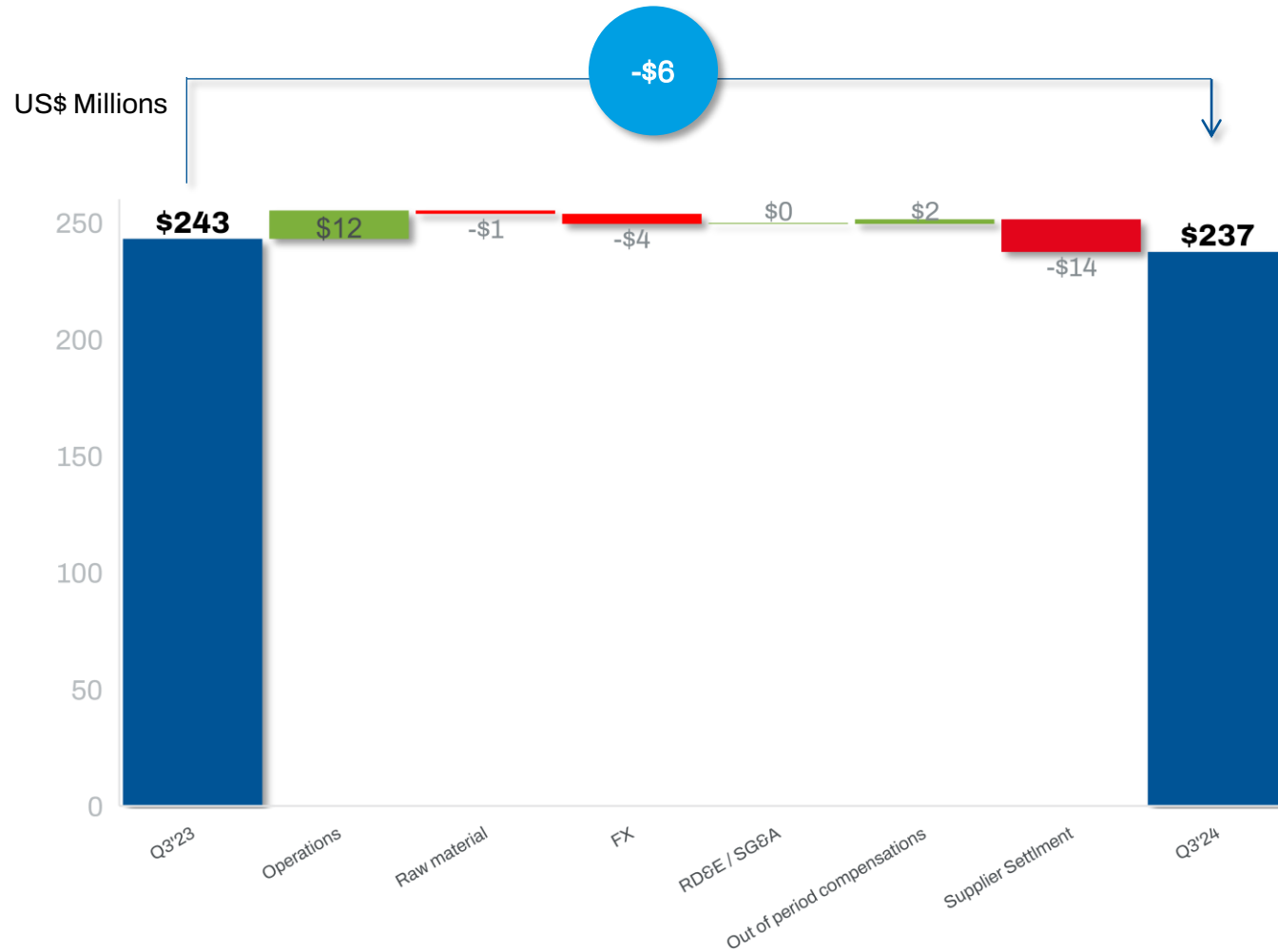
| -US\$ Millions unless specified | Q3'24 | | Q3'23 | |
|--|---------|-------|---------|-------|
| Sales | \$2,555 | | \$2,596 | |
| Gross Profit | \$459 | 18.0% | \$465 | 17.9% |
| Adj. Operating Income ¹ | \$237 | 9.3% | \$243 | 9.4% |
| Adj. EPS -assuming dilution ¹ | \$1.84 | | \$1.66 | |
| Adj. RoCE ^{1,2} | 24% | | 25% | |
| Adj. RoE ^{1,2} | 25% | | 21% | |
| Operating cash flow | \$177 | | \$202 | |
| Dividend paid per share | \$0.68 | | \$0.66 | |
| Stock repurchases | \$130 | | \$120 | |
| Global LVP ³ | ~20.9M | | ~22.0M | |



- (1) Non-US GAAP excluding effects from capacity alignment and antitrust related matters
 (2) Return on Capital Employed -RoCE and Return on Equity (RoE)
 (3) Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ October 2024

Q3'24 Adjusted Operating Income* Bridge

vs. prior year



Operations

Primarily driven by:

- cost saving activities
- commercial recoveries

Partly offset by

- Higher labor cost
- Lower sales

* Non-US GAAP excluding effects from capacity alignment and antitrust related matters

Cash Flow

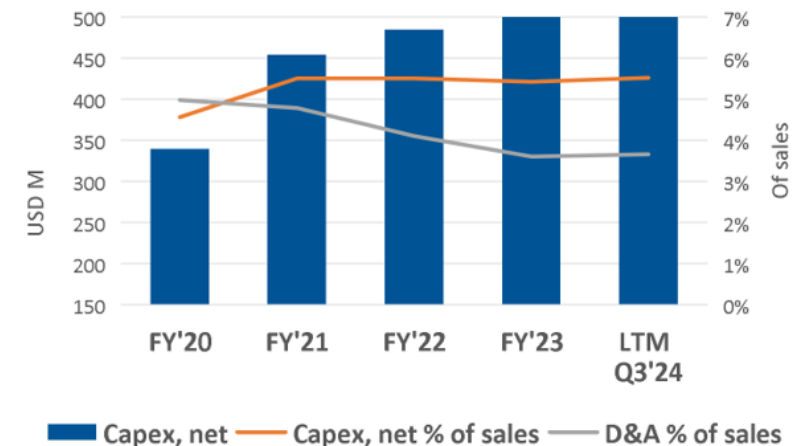
Continued strong performance from higher net income

| -US\$ Millions unless specified | Q3'24 | Q3'23 | LTM | 2023 | 2022 |
|--|------------|------------|--------------|------------|------------|
| Net Income | \$139 | \$134 | \$632 | \$489 | \$425 |
| Depreciation & Amortization | 97 | 95 | 385 | 378 | 363 |
| Other, net ² | 10 | 9 | -119 | -119 | -133 |
| Change in operating WC | -68 | -36 | 189 | 235 | 58 |
| Operating cash flow | 177 | 202 | 1,086 | 982 | 713 |
| Capital Expenditures, net ² | -145 | -151 | -581 | -569 | -485 |
| Free cash flow¹ | 32 | 50 | 505 | 414 | 228 |
| Dividends paid | 54 | 56 | 221 | 225 | 224 |
| Stock repurchases | \$130 | \$120 | \$600 | \$352 | \$115 |

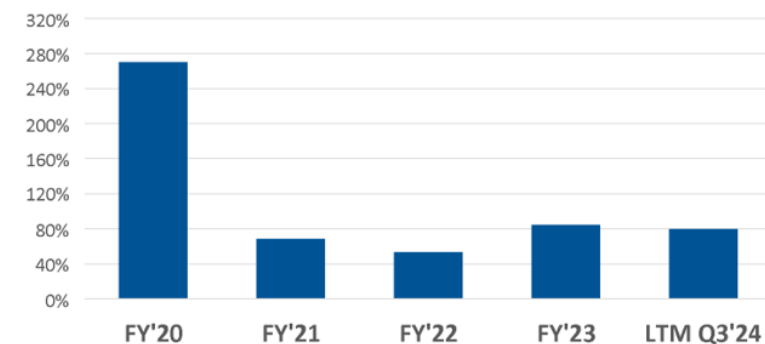
(1) Non-US GAAP measure

(2) Includes income of \$80 million from sale in 2022 of property in Japan

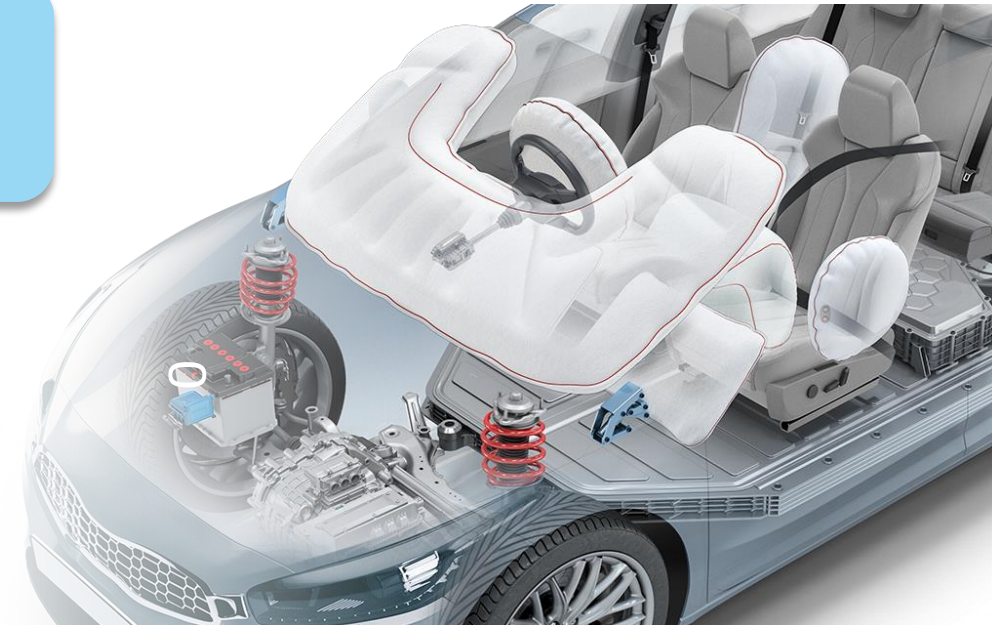
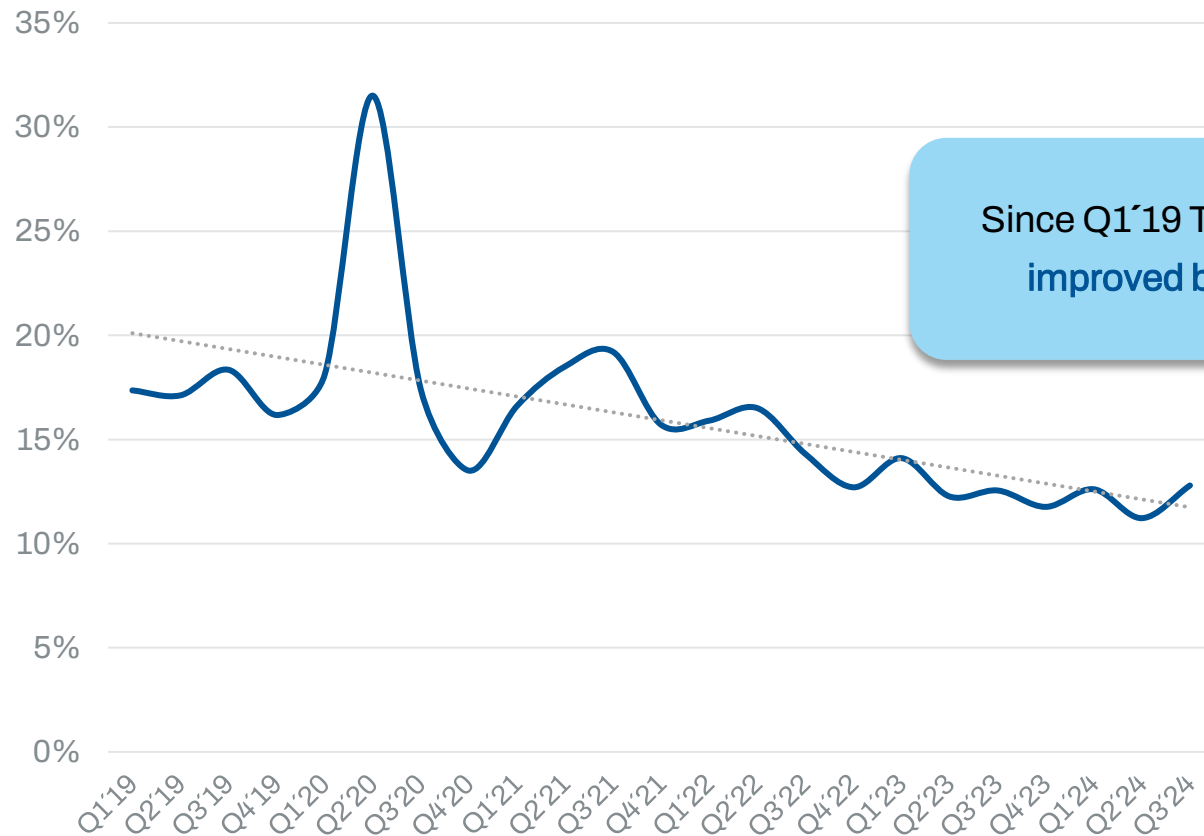
Capex and D&A



Cash Conversion¹



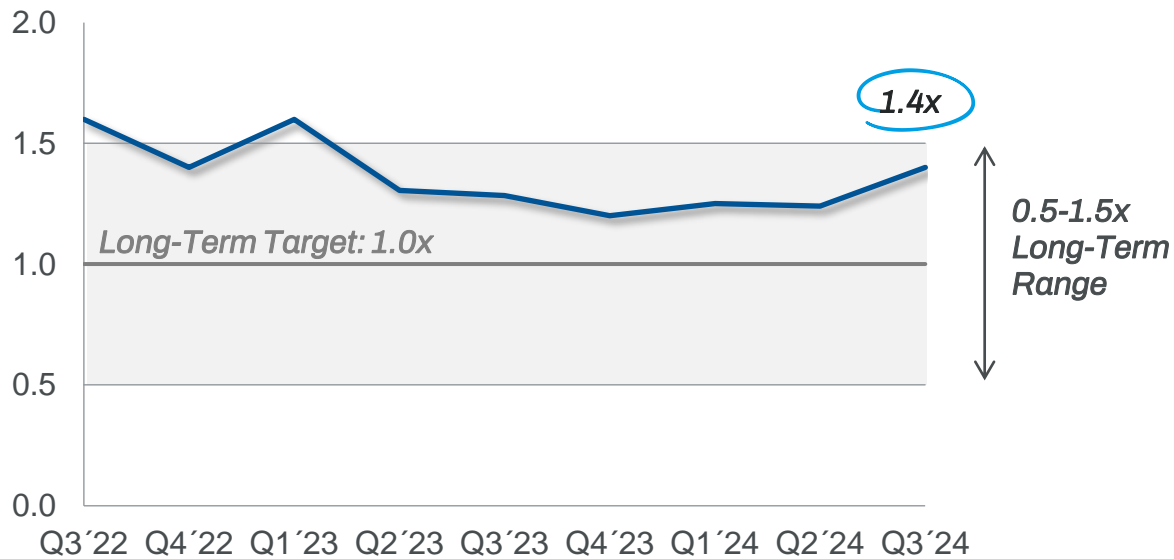
Trade Working Capital in Relation to Sales



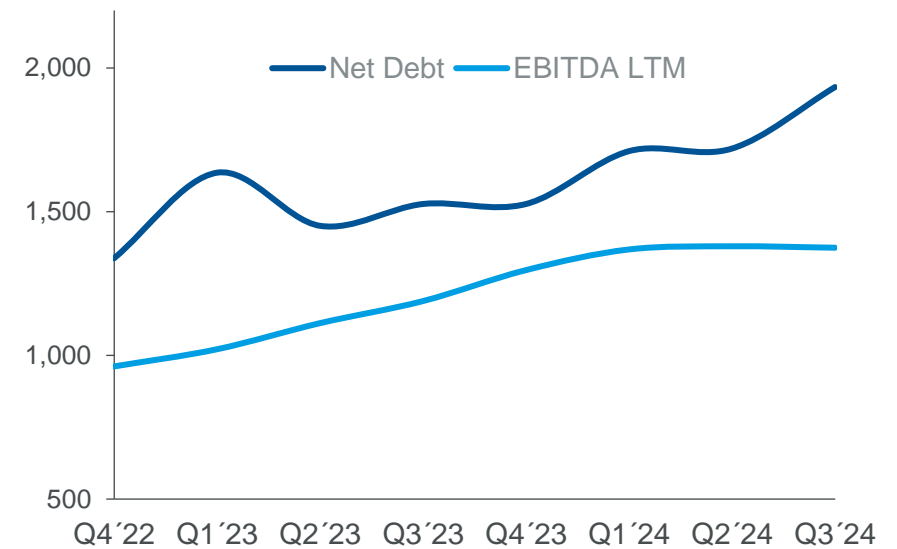
Debt Leverage Ratio*

Remains within the Long-term target range

Net Debt* / EBITDA*
Times



Net Debt* and EBITDA** per the Policy
US\$ Millions



- Our Net Debt* increased by **\$214M** from Q2'24
- EBITDA* LTM decreased by **\$4M** from Q2'24

* Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability

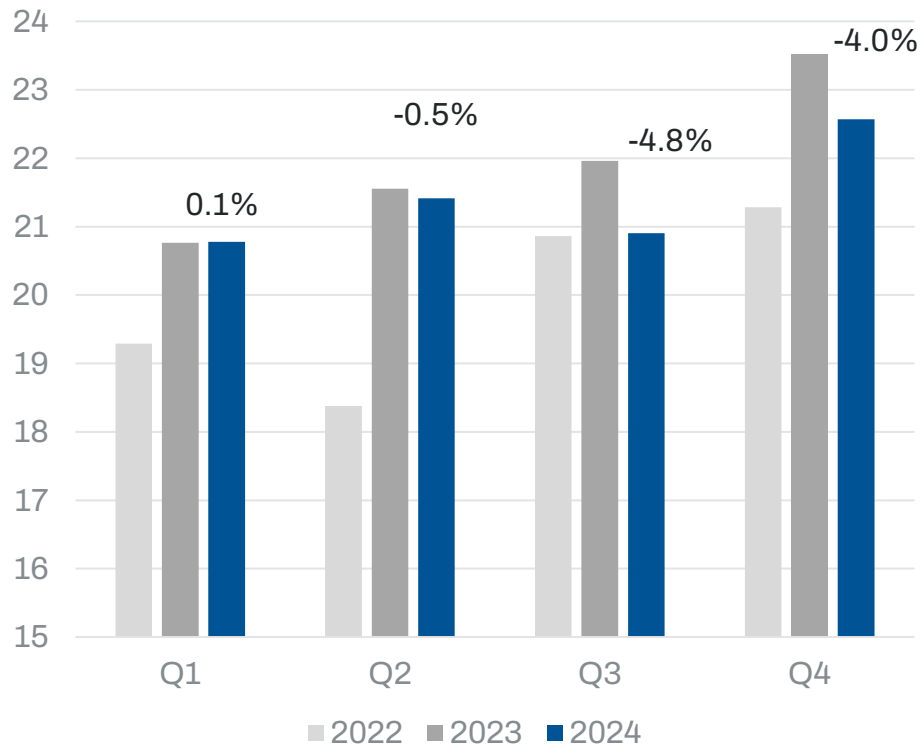
**EBITDA calculation redefined to exclude other non-operating items and income from equity method investments

Light Vehicle Production Outlook

Autoliv expects global LVP to decline by ~3 % in 2024

Global Light Vehicle Production*

-Million units



| S&P Global: Light Vehicle Production* | | | |
|---------------------------------------|--------------|---------------|--------------|
| Region | Q4'24 | FY'24 | |
| | YoY Chg. | Million Units | Y-o-Y Chg. |
| China | -1.6% | 28.4 | 1.1% |
| Japan | -9.3% | 7.7 | -8.9% |
| Rest of Asia | -1.7% | 13.6 | -2.3% |
| North America | -4.1% | 14.1 | -2.3% |
| South America | 1.7% | 2.9 | -0.7% |
| Europe | -8.9% | 16.9 | -5.0% |
| Global | -4.0% | 85.7 | -2.4% |

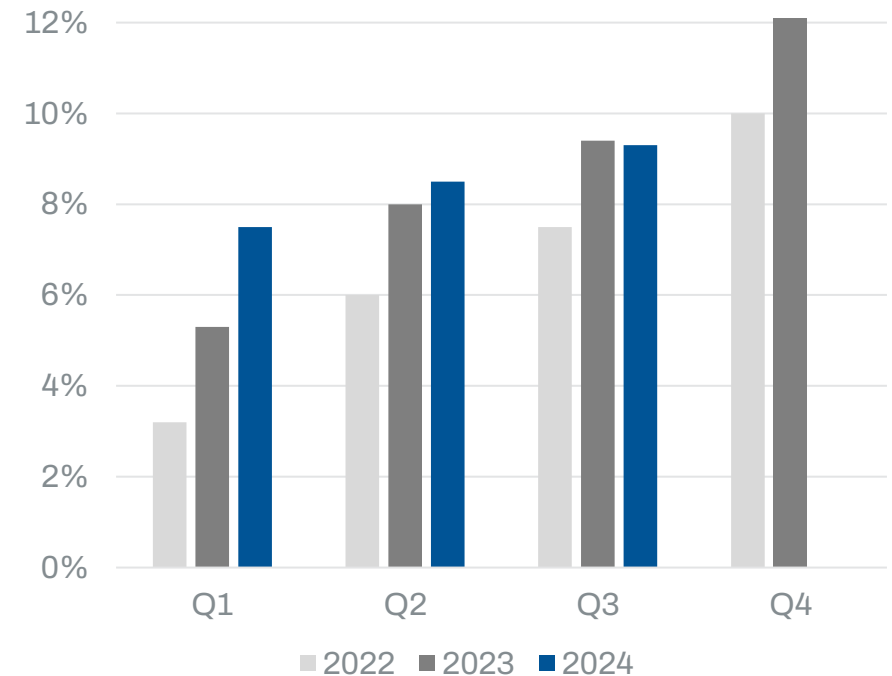
* Light Vehicle Production (LVP up to 3.5 ton) according to S&P Global @ October 2024 Year over Year -Y-o-Y

Business Outlook – Expected Significant Increase in profitability in Q4'24

Compared to the first nine months of this year, we expect for Q4'24

- Higher volumes driven by higher Global LVP according to S&P Global
- Normal seasonality from higher engineering income
- Additional saving from completion of customer compensation negotiations
- Structural cost reductions and strategic initiatives
- Favorable currency transaction effects
- Headwinds from supplier cost inflation

Adjusted Operating Margin* Development
%



* Non-US GAAP excluding effects from capacity alignment and antitrust related matters

Full Year 2024 Guidance

Based on global LVP declining ~3%

| | Full year | |
|--|----------------------|---------------------|
| Organic sales increase ¹ | Around 1% | previous: around 2% |
| FX | Around -1% | |
| Adjusted Operating margin ¹ | Around 9.5 to 10.0% | |
| Tax rate ² | Around 28% | |
| Operating Cash flow ³ | Around \$1.1 billion | |
| Capex, net % of sales | Around 5.5% | |

| Exchange rates | |
|----------------|--------|
| US\$/EUR | 0.9020 |
| US\$/JPY | 144.85 |
| US\$/KRW | 1334.1 |
| US\$/MXN | 19.798 |
| US\$/CNY | 7.0859 |



(1) Non-US GAAP excluding effects from capacity alignment and antitrust related matters (2) Excluding unusual tax items (3) Excluding unusual items



Q&A

Q3'24 Product Volumes

| Autoliv Quantities Delivered -Millions unless specified | Q3'24 | vs. PY** -% |
|---|--------------|--------------------|
| Seatbelts | 34.3 | -6% |
| ▪ Pretensioners -of which | 23.4 | -5% |
| ▪ Active Seatbelts -of which | 1.3 | 4% |
| Frontal Airbags | 14.4 | -9% |
| ▪ Knee Airbags -of which | 1.6 | -22% |
| Side Airbags | 32.1 | 1% |
| ▪ Chest -Thorax | 17.1 | 0% |
| ▪ Head -Curtain | 14.0 | -1% |
| Steering Wheels | 5.0 | -7% |
| LVP* -Global | 20.9 | -4.8% |

*S&P Global: October 2024

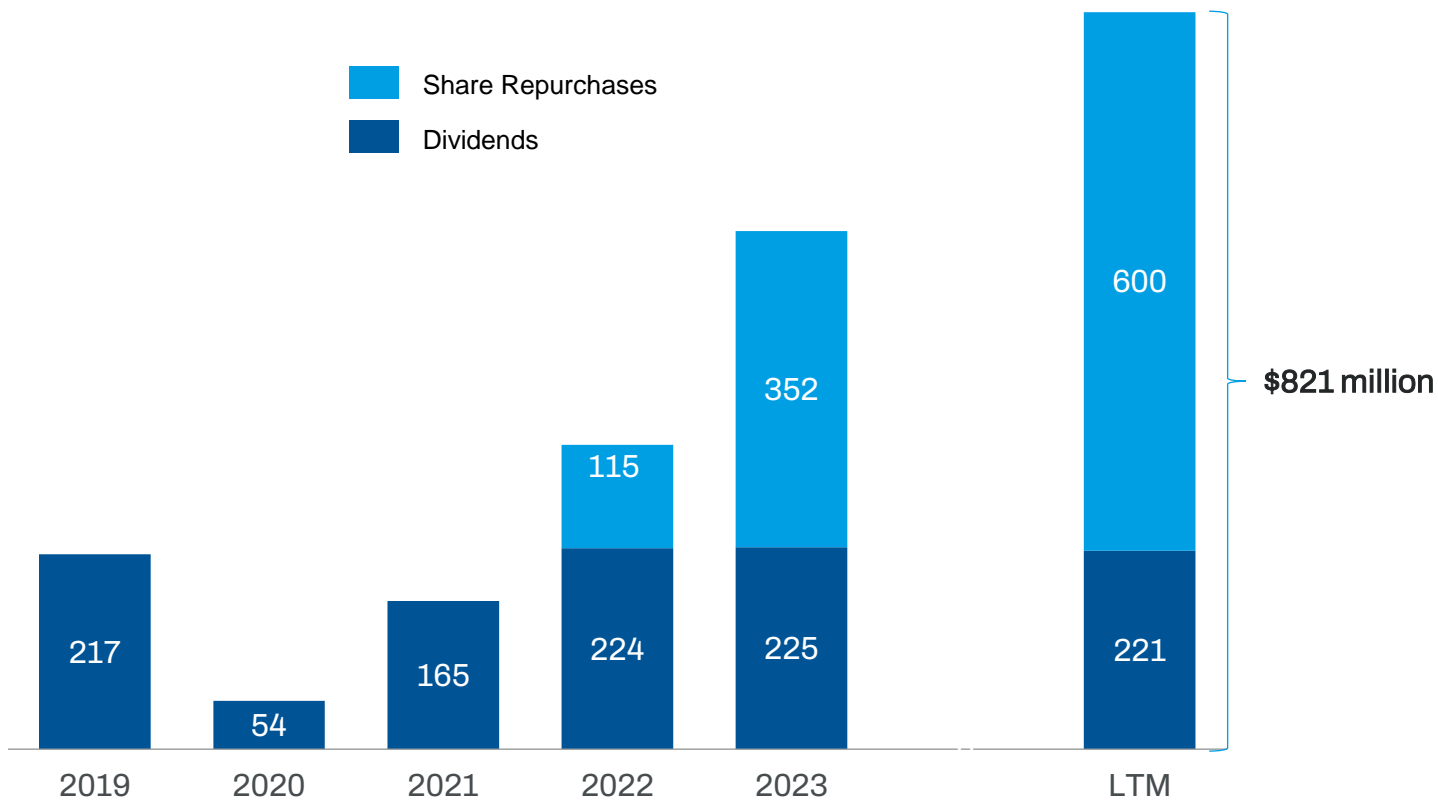


Strong Balance Sheet & Cash flow Supporting Shareholder Returns

Repurchased 9.1 million shares since the beginning of 2022 for \$917 million under current mandate

Shareholder Returns

US\$ Millions



~\$1.8 billion in direct shareholder returns over the last 5 years



Saving More Lives

October 18, 2024

ALV – Q3 2024 Earnings Call and Webcast

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Public

