

P R E S S RELEASE

Malaysian Seat Belt Industry to be Restructured

(Stockholm, August 31, 1999) -- Autoliv Inc. (NYSE: ALV and SSE: ALIV), a worldwide leader in automotive safety systems, has reached an agreement to consolidate all automotive safety suppliers in Malaysia into one company. The new company will consist of Autoliv's two local joint ventures, *Autobelt* and *Airbag Systems Malaysia*, and the two Malaysian seat belt companies Dapat and Brimal. The restructuring should lead to economics of scale that will contribute to strengthening the Malaysian car industry. This will be particularly evident in the areas of technology development and other competitive sourcing parameters.

The new company, which will be known as *Autoliv HT (Malaysia)*, is a joint venture of Hirotako Holdings of Malaysia with 51% of the shares and the Autoliv Group with the remaining interest. The new company will have 250 employees and sales of approximately US \$25 million.

The agreement is subject to approval of the Malaysian Government.

After a sharp drop last year due to the "Asian Crisis", sales of passenger cars and light vehicles in Malaysia are recovering and are expected to reach this year 250,000 vehicles. The most important car manufacturers in Malaysia are Proton, Nissan, Toyota, Honda, Mitsubishi, Volvo, Mazda and Ford. The new company will have all of these vehicle manufacturers as its customers.

Autoliv Inc. develops and manufactures automotive safety systems for all major automotive

manufacturers in the world. The company has more than 60 wholly-owned subsidiaries and joint ventures with 21,000 employees in 28 vehicle-producing countries. In addition, the company has eight technical centers around the world, including 19 test tracks, more than any other automotive safety supplier. Sales in 1998 amounted to close to US \$3.5 billion and net income US \$188 million. The company's shares are listed on the New York Stock Exchange (NYSE: ALV), its Swedish Depositary Receipts on the Stockholm Stock Exchange (SSE: ALIV) and its stock options on the Chicago Board Options Exchange (CBOE: ALV.)

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