

P R E S S R E L E A S E

Autoliv Awarded New Strategic Contract - Contributes to a doubling of electronics sales

(Stockholm, December 11, 2000) -- Autoliv Inc. (NYSE: ALV and SSE: ALIV), the worldwide leader in automotive safety systems, has received a contract for its new occupant sensing system for advanced airbags from a leading U.S. car manufacturer. Production will start in the fall of 2003, when the phase-in of advanced airbags is required by federal law. This contract, which covers five car lines and nearly one million vehicles annually, is estimated to be the largest production contract that has been awarded for this technology, following the adoption in May of the new regulation on advanced airbag systems.

Autoliv's new contract includes four sensors; one at each end of the sliding rails of the front passenger seat. These sensors will allow the airbag computer to determine whether there is a small child or an adult in the front-passenger seat. The system will note if the seat is occupied and whether the occupant is belted. The system will also have the capability to suppress the deployment of the airbag when deemed necessary.

The new Advanced Airbag Regulation that was adopted in May this year will be phased in during a three-year period, starting in September 2003 when 35% of all new light vehicles in the U.S. must be in compliance with the new regulation. The rate is then increased to 65% and 100% by September 1 the two following years. Autoliv's new weight sensor contract therefore represents the starting point of a rapidly growing new business area for the company.

The new contract follows upon a series of break-throughs in electronics for Autoliv. Earlier this fall the company was named supplier partner for airbag electronics by BMW. Autoliv also received its first contract ever in North America to provide electronics. The latter contract is for Autoliv's new rollover sensor, which will be delivered to over one million new vehicles, starting in model year 2004. As a result of all these new contracts, Autoliv expects its sales of safety electronics to double within three years.

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