

PRESS RELEASE

Autoliv Acquires Japanese Company

(Stockholm, Sweden (May 16, 2003) – Autoliv Inc., the world-leading automotive safety system supplier, has acquired the steering wheel assets of the Hiroshima-based Nippon Steering Industries (NSI), a joint venture between the privately-held Japanese automotive parts company KIW and Autoliv's own steering wheel company in Japan, Autoliv-Izumi. Autoliv also acquired KIW's assets in steering wheels.

The operations acquired have 100 employees and had 2.2 billion Yen (nearly U.S. \$20 million) in sales last year, all of which went to Izumi with Mazda as the largest customer.

The acquisition follows upon a series of Autoliv investments in Japan and the rest of Asia. As recently as April this year, Autoliv acquired the remaining 60% of the shares in its joint venture with NSK and thereby increased its share of the Japanese seat belt market to over 20%.

In 2000, Autoliv acquired Izumi, Japan's second largest steering wheel company with a quarter of the Japanese market. Also in 2000, Autoliv started to produce inflators for airbags in a joint venture with Nippon Oils & Fats (NOF).

In 1998, Autoliv acquired a Japanese airbag assembly plant north of Tokyo and began constructing its technical and marketing center there.

“As a result of these undertakings, we expect to double our consolidated sales in Asia between 2002 and 2005 to over one billion dollars,” said Autoliv's President and Chief Executive Officer Lars Westerberg.

Including the acquisitions of NSK's seat belt operation and NSI this year, Autoliv has expanded from 200 employees in Japan three years ago to over 1,600 employees currently. Autoliv's commitment to the Japanese vehicle manufacturers also led to the acquisition in 2000 of NSK's North American seat belt operations and to an expansion of Autoliv's operations in Thailand from 50 employees to 1,000 over the last four years. By expanding in this low-labor-cost country and moving production there from Japan, Autoliv has helped Japanese vehicle manufacturers reduce their costs for labor-intensive automotive safety systems.

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