

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

## **Autoliv Invests in China** *Buys Remaining Shares in Joint Venture*

(Stockholm, October 18, 2007) - - - Autoliv Inc. (NYSE: ALV and SSE:ALIV), the worldwide leader in automotive safety, has agreed to buy 41% of the shares in its 59% held Chinese company Autoliv (Changchun) Maw Hung Vehicle Safety Systems for nearly U.S. \$14 million. The joint venture, which has one of Autoliv's nine manufacturing facilities in China, primarily produces seatbelts.

**The acquisition is subject to customary governmental approvals.**

The joint venture in Changchun in Northern China was formed in 2002 to deliver safety products primarily to FAW-Volkswagen Jetta, Audi A6 and First Automotive Works. Business has grown rapidly, and this year the company expects to reach U.S. \$50 million in sales and employ 170 people. In 2007, Autoliv's total sales in China are expected to reach \$380 million, an increase of 60% from 2006. In addition, Autoliv's companies in China will this year export \$70 million worth of safety products to mainly Australia, Korea and Japan.

In China, Autoliv has manufacturing facilities in the Shanghai area; one seatbelt and airbag plant supplying both for domestic and export markets, and one seatbelt webbing weaving plant as well as three recently opened plants for safety electronics, airbag inflators and steering wheels. The three remaining plants of the Company's nine facilities in China are producing seatbelts in Changchun, Nanjing and Guangzhou, with Guangzhou plant primarily supplying to Japanese vehicle manufacturers in China and Japan.

Vehicle production in China last year grew to 5.5 million and is expected to double by 2012 to 11 million. In tandem, the safety content of many Chinese vehicles are continuously being upgraded with airbags and more sophisticated seatbelt technologies.

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*Autoliv Inc., the worldwide leader in automotive safety systems, develops and manufactures automotive safety systems for all major automotive manufacturers in the world. Together with its joint ventures, Autoliv has 80 facilities with approximately 42,000 employees in 28 vehicle-producing countries. In addition, the Company has technical centers in twelve countries around the world, including 21 test tracks, more than any other automotive safety supplier. Sales in 2006 amounted to US \$6.2 billion. The Company's shares are listed on the New York Stock Exchange (NYSE: ALV) and its Swedish Depository Receipts on the OMX Nordic Exchange in Stockholm (ALIV).*

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