

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

CONSTRUCTION LABORERS PENSION TRUST OF
GREATER ST. LOUIS, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

vs.

AUTOLIV, INC., et al.,

Defendants.

Civil Action No. 1:13-cv-02546-JPO

CLASS ACTION

**NOTICE OF PENDENCY OF CLASS ACTION
AND PROPOSED SETTLEMENT, MOTION FOR
ATTORNEYS' FEES AND SETTLEMENT FAIRNESS
HEARING**

TO: ALL PERSONS WHO PURCHASED AUTOLIV, INC. ("AUTOLIV" OR THE "COMPANY") COMMON STOCK DURING THE PERIOD FROM OCTOBER 26, 2010, THROUGH AND INCLUDING JULY 21, 2011

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE DECEMBER 3, 2014.**

This Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys' Fees and Settlement Fairness Hearing ("Notice") has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the "Court"). The purpose of this Notice is to inform you of the pendency of this class action and the proposed settlement of the Action (the "Settlement") and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as well as counsel's application for fees, costs, and expenses. This Notice describes the rights you may have in connection with your participation in the Settlement, what steps you may take in relation to the Settlement and this class action, and, alternatively, what steps you must take if you wish to be excluded from the Settlement and this Action.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM	The only way to get a payment. Proof of Claim forms must be postmarked or submitted online on or before December 3, 2014.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants or any other Released Persons about the legal claims in this case. Exclusions must be received on or before October 3, 2014.
OBJECT	Write to the Court about why you do not like the Settlement, the Plan of Distribution, and/or the request for attorneys' fees, costs, and expenses. You will still be a member of the Class. Objections must be received by the Court and counsel on or before October 3, 2014.
Go To A HEARING	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be received by the Court and counsel on or before October 3, 2014.
Do NOTHING	Get no payment. Give up your rights.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

Pursuant to the Settlement described herein, a \$22.5 million Settlement Fund has been established. Lead Plaintiffs' consulting damages expert estimates that there were approximately 43.7 million shares of Autoliv common stock which may have been damaged during the Class Period. Lead Plaintiffs' consulting damages expert estimates that the average recovery under the Settlement is roughly \$0.52 per damaged share, before deduction of any taxes on the income thereof, notice and administration costs and the attorneys' fee, costs, and expense award as determined by the Court. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's Recognized Loss as compared to the total Recognized Losses of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than this estimated average amount depending on the number of claims submitted, when during the Class Period a Class Member purchased Autoliv common stock, the purchase price paid, and whether those shares were held at the end of the Class Period or sold during the Class Period, and, if sold, when they were sold and the amount received. See Plan of Distribution as set forth at pages 8-11 below for more information on your Recognized Loss.

Statement of Potential Outcome of Case

The parties disagree on both liability and damages and do not agree on the average amount of damages per Autoliv common share that would be recoverable if the Class prevailed on each claim alleged. The Defendants deny that they are liable to the Class and deny that the Class has suffered any damages.

Statement of Attorneys' Fees, Costs, and Expenses Sought

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty percent (30%) of the Settlement Fund, plus costs and expenses not to exceed \$200,000, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. Since the Action's inception, Lead Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent fee basis and advanced the expenses of the litigation in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees. The requested fees, costs, and expenses amount to an average of approximately \$0.16 per damaged share. The average cost per damaged share will vary depending on the number of acceptable Proofs of Claim submitted.

Further Information

For further information regarding the Action, this Notice or to review the Stipulation and Agreement of Settlement, please contact the Claims Administrator toll-free at 1-877-880-0181, or www.autolivsecuritieslitigation.com.

You may also contact representatives of counsel for the Class: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, www.rgrdlaw.com; or Nicole M. Zeiss, Labaton Sucharow LLP, 140 Broadway, 34th Floor, New York, NY 10005, 1-888-219-6877, www.labaton.com, settlementquestions@labaton.com.

Please Do Not Call the Court or Defendants with Questions About the Settlement.

Reasons for the Settlement

The principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased Autoliv common stock during the time period October 26, 2010, through July 21, 2011, inclusive ("Class Period").

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after objections and appeals, if any, are resolved, the Claims Administrator appointed by the Court will make the payments provided for in the Settlement.

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Action is the United States District Court for the Southern District of New York, and the case is known as *Construction Laborers Pension Trust of Greater St. Louis v. Autoliv, Inc.*, Civil Action No. 1:13-cv-02546-JPO. The case has been assigned to the Honorable J. Paul Oetken. The pension funds representing the Class are the "Lead Plaintiffs," and the company and individuals they sued and who have now settled are called the Defendants.

2. What is this lawsuit about?

On April 17, 2013, a putative class action alleging violations of federal securities laws was filed in the United States District Court for the Southern District of New York, referenced herein as the “Action.” The Court has appointed the law firms of Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP as Lead Counsel.

The Amended Complaint for Violation of the Federal Securities Laws (the “Complaint”) filed in the Action on October 21, 2013 against Defendants Autoliv, Jan Carlson, Mats Wallin, and Takayoshi Matsunaga generally alleges, among other things, that Autoliv was engaged in an illegal antitrust conspiracy to suppress and eliminate competition in the automotive safety industry. Lead Plaintiffs further allege that Defendants failed to disclose this anti-competitive scheme and instead represented, among other things, that the Company complied with antitrust and fair competition laws. The Complaint asserts that these allegedly false and misleading statements and omissions artificially inflated the price of Autoliv common stock.

The Complaint further alleges that Class Members purchased Autoliv common stock during the Class Period at prices artificially inflated as a result of the Defendants’ dissemination of materially false and misleading statements. The Complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder.

On December 20, 2013, Defendants Autoliv, Carlson, and Wallin filed their motion to dismiss the Action, arguing that the Complaint failed to state a claim for relief. Defendant Matsunaga filed a separate motion to dismiss on January 27, 2014. Lead Plaintiffs filed their omnibus opposition on February 26, 2014 and Defendants filed their replies on April 14, 2014. The motions to dismiss were pending when the parties agreed to settle the Action.

Defendants deny each and all of the claims and contentions of wrongdoing alleged by Lead Plaintiffs in the litigation. Defendants contend that they did not make any materially false or misleading statements, they disclosed all material information required to be disclosed by the federal securities laws and any alleged misstatements or omissions were not made with the requisite intent or knowledge of wrongdoing. Defendants also contend that any losses suffered by members of the Class were not caused by any false or misleading statements by Defendants and/or were caused by intervening events.

3. Why is this a class action?

In a class action, one or more people called the plaintiff sue on behalf of people who have similar claims. All of the people with similar claims are referred to as a class or class members. One court resolves the issues for all class members, except for those who exclude themselves from the class.

4. Why is there a settlement?

The Court has not decided in favor of the Defendants or of the Class. Instead, both sides agreed to the Settlement to avoid the distraction, costs and risks of further litigation, and Lead Plaintiffs agreed to the Settlement in order to ensure that Class Members will receive compensation. Continuing to litigate the case would require all parties to expend substantial resources. If the Action continued, fact discovery would be extremely expensive, both sides would likely engage expert witnesses, and Lead Plaintiffs believe much of the proof would be highly technical, making the outcome of any trial unpredictable. Lead Plaintiffs and Lead Counsel believe the Settlement is in the best interest of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Court directed that everyone who fits this description is a Class Member: ***all Persons who purchased Autoliv common stock during the period from October 26, 2010, through and including July 21, 2011***, except those Persons and entities that are excluded, as described below.

6. Are there exceptions to being included?

Excluded from the Class are Defendants, the officers and directors of Autoliv during the Class Period, members of their immediate families, and their legal representatives, heirs, successors, or assigns, and any entity in which any Defendant has or had a controlling interest. Also excluded from the Class are those Persons who timely and validly exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 13 below.

If one of your mutual funds own Autoliv common stock, that alone does not make you a Class Member. You are a Class Member only if you directly purchased Autoliv common stock during the Class Period. Contact your broker to see if you have purchased Autoliv common stock.

If you sold Autoliv common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you **purchased** Autoliv common stock, as defined above.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-877-880-0181, or you can fill out and return the Proof of Claim form enclosed with this Notice package, to see if you qualify.

THE SETTLEMENT BENEFITS — WHAT YOU GET

8. What does the Settlement provide?

In exchange for the Settlement and the release of the Released Claims (defined below) as well as dismissal of the Action, Defendants have agreed that a payment of \$22.5 million will be made by Defendants (or on their behalf) to be divided, after taxes, fees, and expenses, among all Class Members who send in a valid Proof of Claim form.

9. How much will my payment be?

Your share of the fund will depend on several things, including, how many Class Members submit timely and valid Proof of Claim forms, the total Recognized Losses represented by the valid Proof of Claim forms that Class Members send in, the number of shares of Autoliv common stock you purchased, how much you paid for the shares, when you purchased, and if you sold your shares and for how much.

By following the instructions in the Plan of Distribution, you can calculate what is called your Recognized Loss. It is unlikely that you will get a payment for all of your Recognized Loss. After all Class Members have sent in their Proof of Claim forms, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Loss divided by the total of everyone's Recognized Losses. See the Plan of Distribution at pages 8-11 hereof for more information on your Recognized Loss.

HOW YOU GET A PAYMENT — SUBMITTING A CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must submit a Proof of Claim form. A Proof of Claim form is enclosed with this Notice or it may be downloaded at www.autolivsecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail or submit it online so that it is postmarked or received no later than December 3, 2014. The claim form may be submitted online at www.autolivsecuritieslitigation.com.

11. When would I get my payment?

The Court will hold a Settlement Hearing on October 24, 2014, to decide whether to approve the Settlement. If the Court approves the Settlement after that, there might be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to get a payment or to stay in the Class?

Unless you exclude yourself, you will remain a Class Member, and that means that, if the Settlement is approved, you will give up all “Released Claims” (as defined below), including “Unknown Claims” (as defined below), against the “Released Persons” (as defined below):

- “Released Claims” means any and all claims, demands, rights, causes of action or liabilities of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on purchases or acquisitions, whether based on federal, state, local, foreign, statutory or common law or any other law, rule, ordinance, administrative provision or regulation, including both known claims and unknown claims, whether class or individual in nature, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, based on, arising from or relating to (i) the purchase or acquisition of the common stock of Autoliv during the Class Period, and (ii) the allegations, transactions, facts, matters, events, disclosures, registration statements, public filings, acts, occurrences, representations, statements, omissions or failures to act that were or could have been alleged by Lead Plaintiffs in the Action against the Released Persons. Released Claims does not include claims to enforce the Settlement; nor does it include any governmental or regulatory agency’s claims in any criminal or civil action against any of the Defendants or any claims in any related ERISA, antitrust or derivative actions.
- “Released Persons” means each and all of the Defendants, and each and all of their Related Persons.
- “Related Persons” means, with respect to the Defendants, each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, underwriters, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them, in their capacity as such, or any trust of which any Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family and any entity in which any such Defendant has a controlling interest.
- “Unknown Claims” means any Released Claims which Lead Plaintiffs or any Class Members do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons, and any claims that the Released Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Lead Plaintiffs, each and all of the Class Members and Plaintiffs’ Counsel, which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons or Lead Plaintiffs, each and all of the Class Members and Plaintiffs’ Counsel, or might have affected his, her or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Claims in which some or all of the facts compromising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiffs and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. Lead Plaintiffs, Class Members, and Released Persons may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims and the claims released by the Released Persons, but Lead Plaintiffs and Defendants shall expressly, and each Class Member and Released Person, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, or the claims released by the Released Persons, as the case may be, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, reckless, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, whether or not previously or currently asserted in any action. Lead Plaintiffs and Defendants acknowledge, and the Class Members and Released Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and an essential term of the Settlement of which this release is a part.

If you remain a member of the Class, all of the Court's orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, and you want to keep the right to sue the Defendants and the other Released Persons, on your own, about the legal issues in this case, then you must take steps to remove yourself from the Settlement. This is called excluding yourself — or is sometimes referred to as “opting out.”

13. How do I get out of the proposed Settlement?

To exclude yourself from the Class, you must send a letter by First-Class Mail stating that you “request exclusion from the Class in the *Autoliv Securities Litigation*.” Your letter must include the date(s), price(s), and number(s) of all purchases and sales of Autoliv common stock during the Class Period. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **received no later than October 3, 2014** to:

Autoliv Securities Litigation
c/o Epiq Systems, Inc.
Claims Administrator
P.O. Box 4259
Portland, OR 97208-4259

If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Persons in the future.

14. If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Persons for any and all Released Claims. If you have a pending lawsuit against the Released Persons speak to your lawyer in that case immediately. You must exclude yourself from this Action to continue your own lawsuit. Remember, the exclusion deadline is October 3, 2014.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you may not send in a Proof of Claim to ask for any money. But, you may sue or be part of a different lawsuit against the Defendants and the other Released Persons.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firms of Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP represent the Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will move the Court for an award of attorneys' fees in an amount not greater than thirty percent (30%) of the Settlement Fund and for expenses and costs in an amount not to exceed \$200,000, which were incurred in connection with the litigation, plus interest on such fees, costs, and expenses at the same rate earned by the Settlement Fund. Such sums as may be approved by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you can object to the proposed Settlement, the proposed Plan of Distribution, and/or Lead Counsel's fee, cost, and expense application. You can write to the Court setting out your objection. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed Settlement in the *Autoliv Securities Litigation*. Be sure to include your name, address, telephone number, and your signature, identify the date(s), price(s), and number(s) of shares of Autoliv common stock you purchased and sold during the Class Period, and state the reasons why you object to the proposed Settlement. Your objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is **received no later than October 3, 2014**:

COURT

Clerk of the Court
United States District Court
Southern District of
New York
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007

LEAD COUNSEL

Ellen Gusikoff Stewart
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Nicole M. Zeiss
LABATON SUCHAROW LLP
140 Broadway, 34th Floor
New York, NY 10005

DEFENDANTS' COUNSEL REPRESENTATIVE

Scott D. Musoff
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
Four Times Square
New York, NY 10036

19. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at 3:00 p.m., on Friday, October 24, 2014, at the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007, in Courtroom 706. At the hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Lead Counsel. After the Settlement Hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel beforehand to be sure that the date and/or time has not changed.

21. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

22. May I speak at the hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 18 above) a statement saying that it is your “Notice of Intention to Appear in the *Autoliv Securities Litigation*.” Persons who intend to object to the Settlement, the Plan of Distribution, and/or the application for an award of attorneys’ fees, costs, and expenses and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. You cannot speak at the hearing if you exclude yourself.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit or be part of any other lawsuit against the Released Persons about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in a Stipulation and Agreement of Settlement dated August 14, 2014 (the “Settlement Agreement”). You can get a copy of the Settlement Agreement and obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-877-880-0181. A copy of the Settlement Agreement is also available on the Claims Administrator’s website at www.autolivsecuritieslitigation.com.

25. How do I get more information?

For even more detailed information concerning the matters involved in this Action, reference is made to the pleadings, to the Settlement Agreement, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, during regular business hours. For a fee, all papers filed in this Action are available at www.pacer.gov.

PLAN OF DISTRIBUTION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The Settlement Amount of \$22.5 million and any interest earned thereon shall be the “Settlement Fund.” The Settlement Fund, less all taxes, approved costs, fees, and expenses (the “Net Settlement Fund”) shall be distributed to Class Members who submit timely and valid Proof of Claim forms to the Claims Administrator (“Authorized Claimants”).

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Loss” calculated using the Court-approved Plan of Distribution. The Recognized Loss formula (below) is not intended to estimate the amount a Class Member might have been able to recover after a trial; nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Court may approve the Plan of Distribution, or modify it, without additional notice to the Class. Any order modifying the Plan will be posted on the settlement website at: www.autolivsecuritieslitigation.com.

The following proposed Plan of Distribution reflects the assumption that the prices of Autoliv common stock were allegedly artificially inflated during the Class Period. The Plan was created with the assistance of a consulting damages expert who analyzed the movement of Autoliv’s common stock after the alleged disclosures. It takes into account the portion of the stock drops attributable to the alleged fraud. Accordingly, a claimant’s “Recognized Loss” will be calculated for purposes of the Settlement as follows:

Calculation of Recognized Loss for Autoliv Common Stock Purchases

Only shares of Autoliv common stock purchased on exchanges in the United States on or between October 26, 2010 and July 21, 2011 and sold at a loss on or after July 8, 2011, or held thereafter, are eligible for damages under the Exchange Act. The following is the formula for determining Recognized Loss per share:

A. For each share purchased on or between October 26, 2010 and July 20, 2011, and sold on or before July 20, 2011, the Recognized Loss for each such share shall be *the lesser of*:

(i) the dollar inflation on the date of purchase applicable to each share purchased as set forth in Table 1 *minus* the dollar inflation on the date of sale as set forth in Table 1, or

(ii) the actual purchase price of each such share *minus* the actual sale price.

B. For each share purchased on or between October 26, 2010 and July 21, 2011, and sold on or after July 21, 2011 but on or before October 18, 2011, the Recognized Loss for each such share shall be *the lesser of*¹:

(i) the dollar inflation on the date of purchase applicable to each share purchased as set forth in Table 1, or

(ii) the actual purchase price of each such share minus the actual sale price, or

(iii) the actual purchase price of each such share minus the 90-day look back price as set forth in Table 2 on the date of sale.

C. For each share purchased on or between October 26, 2010 and July 21, 2011, but held through October 18, 2011, the Recognized Loss for each such share shall be *the lesser of*:

(i) the dollar inflation on the date of purchase applicable to each share purchased as set forth in Table 1, or

(ii) the actual purchase price of each such share minus the average 90-day look back price of \$54.61 per share.

Table 1: Inflation per Share Table

Period	Purchase/Sale Begin Date	Purchase/Sale End Date	Inflation per Share
1	26-Oct-2010	7-July-2011	The lesser of: \$8.42, or 10.59% of the purchase price
2	8-July-2011	20-July-2011	\$0.84
3	21-July-2011	Thereafter	\$0.00

Table 2: Average Closing Price During the 90-Day Look Back Period

Date	90-Day Look Back Price	Date	90-Day Look Back Price
21-Jul-11	\$68.20	28-Jul-11	\$67.50
22-Jul-11	\$68.66	29-Jul-11	\$67.31
25-Jul-11	\$68.56	1-Aug-11	\$67.04
26-Jul-11	\$68.11	2-Aug-11	\$66.41
27-Jul-11	\$67.75	3-Aug-11	\$65.91

¹Please note that although the Class Period includes July 21, 2011, shares of Autoliv common stock that were purchased on July 21, 2011 are not eligible for a recovery under the Plan of Distribution because the disclosure made on July 21, 2011, which Lead Plaintiffs allege corrected earlier alleged misrepresentations and omissions, was made before the opening of trading that day.

Date	90-Day Look Back Price
4-Aug-11	\$65.03
5-Aug-11	\$64.27
8-Aug-11	\$63.18
9-Aug-11	\$62.61
10-Aug-11	\$61.88
11-Aug-11	\$61.43
12-Aug-11	\$61.08
15-Aug-11	\$60.81
16-Aug-11	\$60.45
17-Aug-11	\$60.16
18-Aug-11	\$59.70
19-Aug-11	\$59.21
22-Aug-11	\$58.76
23-Aug-11	\$58.45
24-Aug-11	\$58.26
25-Aug-11	\$58.00
26-Aug-11	\$57.80
29-Aug-11	\$57.69
30-Aug-11	\$57.59
31-Aug-11	\$57.53
1-Sep-11	\$57.45
2-Sep-11	\$57.32
6-Sep-11	\$57.15
7-Sep-11	\$57.07
8-Sep-11	\$56.94
9-Sep-11	\$56.76
12-Sep-11	\$56.57

Date	90-Day Look Back Price
13-Sep-11	\$56.41
14-Sep-11	\$56.29
15-Sep-11	\$56.22
16-Sep-11	\$56.16
19-Sep-11	\$56.07
20-Sep-11	\$55.99
21-Sep-11	\$55.83
22-Sep-11	\$55.65
23-Sep-11	\$55.48
26-Sep-11	\$55.34
27-Sep-11	\$55.25
28-Sep-11	\$55.11
29-Sep-11	\$55.02
30-Sep-11	\$54.89
3-Oct-11	\$54.72
4-Oct-11	\$54.62
5-Oct-11	\$54.53
6-Oct-11	\$54.48
7-Oct-11	\$54.42
10-Oct-11	\$54.42
11-Oct-11	\$54.44
12-Oct-11	\$54.46
13-Oct-11	\$54.49
14-Oct-11	\$54.53
17-Oct-11	\$54.55
18-Oct-11	\$54.61

In the event a Class Member has more than one purchase or sale of Autoliv common stock during the Class Period, all purchases and sales within the Class Period shall be matched on a First-In, First-Out (“FIFO”) basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases in chronological order, beginning with the earliest purchase made during the Class Period.

A purchase or sale of Autoliv common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. All purchase and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise or operation of law of Autoliv common stock during the Class Period shall not be deemed a purchase or sale of Autoliv common stock for the calculation of a claimant’s Recognized Loss nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Autoliv common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Autoliv common stock.

To the extent a claimant had a gain from his, her, or its overall transactions in Autoliv common stock during the Class Period, the value of the claim will be zero. Shares held before the beginning of the Class Period are excluded from the calculation of overall gain or loss. For shares held through the end of the 90-day look back period, a value of \$54.61 will be applied as the holding value for the purpose of calculating an overall loss or gain.

The date of covering a “short sale” is deemed to be the date of purchase of shares. The date of a “short sale” is deemed to be the date of sale of shares. In accordance with the Plan of Distribution, however, the Recognized Loss on “short sales” is zero. In the event that a claimant has an opening short position in Autoliv common stock, the earliest Class

Period purchases shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.

Payment according to the Plan of Distribution will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Loss as compared to the total Recognized Losses of all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Class Members who do not submit acceptable Proofs of Claim will not share in the Settlement proceeds. The Settlement and the Final Judgment and Order of Dismissal with Prejudice dismissing this Action will nevertheless bind Class Members who do not submit a request for exclusion and/or submit an acceptable Proof of Claim.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class Members and the claims administration process, to decide the issue by submitting a written request.

Defendants, their respective counsel, and all other Released Persons will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Distribution or the payment of any claim. Lead Plaintiffs and Lead Counsel, likewise, will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of un-cashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund after at least six (6) months after the initial distribution of such funds shall be used: (a) first, to pay any amounts mistakenly omitted from the initial disbursement; (b) second, to pay any additional settlement administration fees, costs, and expenses, including those of Lead Counsel as may be approved by the Court; and (c) finally, to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining balance shall then be distributed to a non-sectarian, not-for-profit organization identified by Lead Counsel.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased Autoliv common stock (CUSIP: 052800109) during the Class Period for the beneficial interest of an individual or organization other than yourself, the Court has directed that, **WITHIN TEN (10) DAYS OF YOUR RECEIPT OF THIS NOTICE**, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such securities during such time period or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Autoliv Securities Litigation
c/o Epiq Systems, Inc.
Claims Administrator
P.O. Box 4259
Portland, OR 97208-4259
(1-877-880-0181)
www.autolivsecuritieslitigation.com

Dated: August 20, 2014

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK