

**SUPPLEMENT DATED 4 APRIL 2014 TO THE BASE PROSPECTUS
DATED 17 JULY 2013**



SANDVIK AB (PUBL)
*(incorporated with limited liability in the Kingdom of Sweden)
as an Issuer and as Guarantor*

SANDVIK AUSTRALIA HOLDINGS PTY LTD
ABN 60 003 771 373
*(incorporated with limited liability in Australia)
as an Issuer*

€3,000,000,000
Euro Medium Term Note Programme

This Supplement (the “**Supplement**”) to the base prospectus dated 17 July 2013 (the “**Base Prospectus**”) which together comprise a prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and is prepared in connection with the €3,000,000,000 Euro Medium Term Programme (the “**Programme**”) established by Sandvik AB (publ) (“**Sandvik**”) and Sandvik Australia Holdings Pty Ltd (“**Sandvik Australia**”, each an “**Issuer**” and together, the “**Issuers**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuers.

Each of the Issuers, and Sandvik as Guarantor (the “**Guarantor**”, together with the Issuers, the “**Obligors**” and each, and “**Obligor**”) accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The purpose of this Supplement is (i) to incorporate by reference the unaudited consolidated financial statements of Sandvik as of and for the twelve months ended 31 December 2013 (the “**Q4 2013 Sandvik Financial Statements**”) into the Base Prospectus, (ii) to disclose the acquisition by Sandvik of Varel International Energy Services Inc. (“**Varel**”) and (iii) to update Sandvik’s credit ratings.

Incorporation by reference of the Q4 2013 Sandvik Financial Statements

The Q4 2013 Sandvik Financial Statements, which can be found on pages 11-13 of Sandvik’s interim report dated 31 December 2013 (the “**Q4 2013 Sandvik Interim Report**”), are incorporated in, and form part of, the Base Prospectus. A copy of the Q4 2013 Sandvik Interim Report containing the Q4 2013 Sandvik Financial Statements has been filed with the United Kingdom Financial Conduct Authority (the “**FCA**”) and by virtue of this Supplement, the Q4 2013 Sandvik Financial Statements are incorporated in, and form part of, the Base Prospectus.

Copies of all documents incorporated by reference in the Base Prospectus may be inspected, free of charge, at www.sandvik.com or www.morningstar.co.uk/uk/NSM.

There has been no significant change in the financial or trading position of Sandvik or Sandvik and its

subsidiaries taken as a whole, in each case since 31 December 2013.

Acquisition of Varel International Energy Services Inc.

In January 2014, Sandvik reached an agreement to acquire Varel, a global supplier of drilling solutions focusing on drill bits, downhole products for well construction and well completion. The acquisition price amounts to approximately U.S.\$740 million. The closing of the acquisition is subject to standard regulatory approvals and certain environmental due diligence.

Credit ratings

On 17 March 2014, Standard & Poor's Credit Market Services Europe Limited ("**S&P**") amended the BBB+ rating of the senior unsecured debt securities of Sandvik (and the Programme) to BBB with a stable outlook for the ratings.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

If documents which are incorporated by reference into this Supplement to the Base Prospectus themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference or attached to this Supplement. Any non-incorporated part of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus and/or this Supplement.

In accordance with Section 87Q(4)-(6) of the FSMA, investors who have agreed to purchase or subscribe for Notes before the Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances.

This Supplement has been approved by the FCA which is the United Kingdom competent authority for the Prospectus Directive and the relevant implementing measures in the United Kingdom, as a supplementary prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom.

No person is or has been authorised by any of the Obligors to give any information or to make any representation not contained in or not consistent with the Base Prospectus or this Supplement or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Obligors or the Dealers.

Neither the delivery of the Base Prospectus and/or this Supplement nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Obligors is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same.