

## PRICING SUPPLEMENT

Dated as of 26 January 2004

### **Íslandsbanki hf.**

Issue of EUR 15,000,000 Floating Rate Notes due January 2009

under the €2,500,000,000

Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Offering Circular dated 17<sup>th</sup> July, 2003. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

1. (i) Series Number: 136
- (ii) Tranche Number: 1
2. Specified Currency or Currencies: Euro ("EUR")
3. Aggregate Nominal Amount:
  - Tranche: EUR 15,000,000
  - Series: EUR 15,000,000
4. (i) Issue Price of Tranche: 100 per cent. of the Aggregate Nominal Amount.
- (ii) Net Proceeds: EUR 15,000,000
5. Specified Denomination(s): EUR 1,000,000
6. Issue Date: 26 January 2004
7. Maturity Date: 26 January 2009
8. Interest Basis: EURIBOR + 0.22 per cent. Floating Rate.
9. Redemption/Payment Basis: Redemption at par.
10. Change of Interest Basis or Redemption/Payment Basis: N/A
11. Put/Call Options: None
12. (i) Status of Notes: Senior
- (ii) [Date [Board] approval for

issuance of Notes obtained:] N/A

13. Listing: None

14. Method of distribution: Non-syndicated

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** N/A

16. **Floating Rate Note Provisions** Applicable

- (i) Specified Period(s)/Specified Interest Payment Dates: 26 January, 26 April, 26 July and 26 October in each year, commencing on 26 April 2004 and ending on the Maturity Date.
- (ii) Business Day Convention: Modified Following Business Day Convention
- (iii) Additional Business Centre(s): N/A
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: ISDA Determination
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): No
- (vi) Screen Rate Determination: N/A
- Reference Rate:  
- Interest Determination Date(s):  
- Relevant Screen Page:
- (vii) ISDA Determination: Applicable
- Floating Rate Option: EURIBOR  
- Designated Maturity: 3 months  
- Reset Date: The first day of each Interest Period
- (viii) Margin(s): + 0.22 per cent
- (ix) Minimum Rate of Interest: N/A
- (x) Maximum Rate of Interest: N/A
- (xi) Day Count Fraction: Actual/360
- (xii) Fall back provisions, rounding provisions and any other term relating to the method of calculating interest on Floating Rate Notes, if

different from those set out in the  
Conditions: No

17. **Zero Coupon Note Provisions** N/A
18. **Index Linked Interest Note Provisions** N/A
19. **Dual Currency Note Provisions** N/A

#### PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: N/A
21. Investor Put: N/A
22. Final Redemption Amount of each Note: EUR 1,000,000 per Note of EUR 1,000,000 Specified Denomination.
23. Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)): N/A

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes.
25. Additional Financial Centre(s) or other special provisions relating to Payment Dates: N/A
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: N/A
28. Details relating to Instalment Notes, including the amount of each instalment (each an "Instalment Amount") and the date on which each payment is to be made (each an "Instalment Date"): N/A
29. Redenomination applicable: Redenomination not applicable.

30. Other terms or special conditions: Not Applicable

#### DISTRIBUTION

31. (i) If syndicated, names of Managers: N/A

(ii) Stabilising Manager (if any): N/A

32. If non-syndicated, name of relevant Dealer: AB SEK Securities

33. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D

34. Additional selling restrictions: N/A

#### OPERATIONAL INFORMATION

35. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): N/A

36. Delivery: Delivery against payment

37. Additional Paying Agent(s) (if any): N/A

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ISIN Code	XS0184845955
Common Code	018484595

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#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

ÍSLANDBANKI hf.

By: 

Duly authorised

22 January 2004

To: AB SEK Securities  
Västra Trädgårdsgatan 11 B  
Box 16368  
SE-103 27 Stockholm  
Sweden

Dear Sirs,

**Íslandsbanki hf.**  
**Issue of EUR 15,000,000 Floating Rate Notes due January 2009 under the**  
**€2,500,000,000 Euro Medium Term Note Programme**  
**(the "Notes")**

We refer to the Amended and Restated Programme Agreement dated 22nd July, 2002 (such agreement, as amended, supplemented or restated from time to time, the "**Programme Agreement**") and hereby acknowledge receipt of your Dealer Accession Letter to us dated 22 January 2004.

We hereby confirm that, with effect from the date hereof, in respect of the issue of the Notes, you shall become a Dealer under the Programme Agreement in accordance with the provisions of Clause 11(2) of the Programme Agreement.

Yours faithfully,  
Íslandsbanki hf.

By:



cc: JPMorgan Chase Bank as Agent