

## PRICING SUPPLEMENT

29<sup>th</sup> September 2005

### Íslandsbanki hf.

**Issue of EUR 5,600,000 Equity Basket Linked Redemption Notes due 2010  
under the €7,500,000,000**

### **Global Medium Term Note Programme**

#### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Offering Circular dated 28th July, 2005 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Offering Circular. The Offering Circular is available for viewing at the office of the Issuer at Kirkjusandur 2, 155 Reykjavík, Iceland and copies may be obtained from the Principal Paying Agent at Trinity Tower, 9 Thomas More Street, London E1W 1YT.

1.	Issuer:	Íslandsbanki hf.
2.	(i) Series Number:	247
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Euro ( <b>EUR</b> )
4.	Aggregate Nominal Amount:	
	– Series:	EUR 5,600,000
	– Tranche:	EUR 5,600,000
5.	Issue Price of Tranche:	100 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	EUR 5,000
7.	(i) Issue Date:	29 <sup>th</sup> September 2005
	(ii) Interest Commencement Date:	Not Applicable
8.	Maturity Date:	29 <sup>th</sup> September 2010
9.	Interest Basis:	Not Applicable
10.	Redemption/Payment Basis:	Equity Linked Redemption, see Appendix 1
11.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of Notes:	Senior
	(ii) Date Board approval for issuance of Notes obtained:	Not Applicable
14.	Method of distribution:	Non-syndicated

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- |  |                |
|--|----------------|
| 15. Fixed Rate Note Provisions:            | Not Applicable |
| 16. Floating Rate Note Provisions          | Not Applicable |
| 17. Zero Coupon Note Provisions            | Not Applicable |
| 18. Index Linked Interest Note Provisions  | Not Applicable |
| 19. Dual Currency Interest Note Provisions | Not Applicable |

## PROVISIONS RELATING TO REDEMPTION

- |  |   |
|--|---|
| 20. Issuer Call  | Not Applicable  |
| 21. Investor Put   | Not Applicable  |
| 22. Final Redemption Amount of each Note:  | See Appendix 1  |
| 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)): | In the event of the Notes becoming due and payable for taxation reasons or on an Event of Default of the Issuer on or after the Issue Date but prior to the Maturity Date, then the Early Redemption Amount in respect of the Notes shall be such amount determined by the Calculation Agent in good faith and on such basis as it, in its sole and absolute discretion, considers fair and reasonable in the circumstances, to be equal to the fair market value of the Notes immediately prior to the date of redemption, plus or minus any related hedging gains or costs. |

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- |   |  |
|---|--|
| 24. Form of Notes:  |  |
| Bearer Notes:   | Applicable<br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event. |
| Registered Notes:   | Not Applicable   |
| 25. Additional Financial Centre(s) or other special provisions relating to Payment Dates:   | London and TARGET  |
| 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: | Not Applicable   |
| 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"):   | Not Applicable   |

29. Redenomination applicable: Redenomination not Applicable
30. Other final terms: Not Applicable

**DISTRIBUTION**

31. (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager (if any): Not Applicable
32. If non-syndicated, name of relevant Dealer: Goldman Sachs International  
133 Fleet Street, London EC4A 2BB, U.K
33. Total commission and concession: Not Applicable
34. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
35. Additional selling restrictions: Not Applicable
36. ERISA Restrictions: Not Applicable

**LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list the issue of Notes described herein pursuant to the €7,500,000,000 Global Medium Term Note Programme of Íslandsbanki hf.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: .....

*Duly authorised*

**PART B – OTHER INFORMATION**

**1. LISTING**

- (i) Listing: London
- (ii) Admission to trading: Not Applicable
- (iii) Estimate of total expenses related to Not Applicable

admission to trading:\*

## 2. RATINGS

Ratings: The Notes to be issued have been rated:  
Moody's: A1

## 3. NOTIFICATION

Not Applicable

## 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

## 5. REASONS FOR THE OFFER; ESTIMATED NET PROCEEDS AND TOTAL EXPENSES\*\*

[(i) Reasons for the Offer: Not Applicable

[(ii)] Estimated net proceeds: Not Applicable

[(iii)] Estimated total expenses: Not Applicable

## 6. YIELD (*Fixed Rate Notes only*)

Indication of yield: Not Applicable

## 7. HISTORIC INTEREST RATES (*Floating Rate Notes only*)

Not Applicable

## 8. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-Linked Notes only*)

Further particulars specified in Appendix 3.

## 9. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (*Dual Currency Notes only*)

Not Applicable

## 10. OPERATIONAL INFORMATION

(i) ISIN Code: XS0230601675

(ii) Common Code: 0230167

- [(iii)] CUSIP: Not Applicable
- [(iv)] Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- [(v)] Delivery: Delivery against payment
- [(vi)] Names and addresses of additional Paying Agent(s) and Transfer Agent(s) (if any): Not Applicable

## APPENDIX 1

*(This Appendix forms part of the Pricing Supplement to which it is attached)*

### 1. Final Redemption Amount

For the purposes of Condition 7(a) of the Notes, unless previously redeemed or purchased and cancelled as provided in the Conditions, each Note shall be redeemed on the Maturity Date at an amount (the **Final Redemption Amount**) determined by the Calculation Agent in its sole and absolute discretion in accordance with the following formula:

$$\text{EUR } 5,600,000 \times (95.00\% + \text{Basket Performance})$$

The Calculation Agent will cause the Final Redemption Amount to be notified to the Noteholders in accordance with Condition 14 as soon as possible after it receives notification from the Calculation Agent.

### 2. Definitions

For the purposes of this Pricing Supplement:

**Calculation Agent** means Goldman Sachs International.

**Basket** means a basket of Reference Underlyers (each a **Share** and together the **Shares**) ( $\text{Share}_i = 1, \dots, 8$ ) as set out in Appendix 2.

**Basket Performance** means an amount calculated in accordance with the following formula:

$$\text{Max} [0\%; \left( \frac{1}{8} \sum_{i=1}^8 (FinalShareLevel_i - InitialShareLevel_i) / InitialShareLevel_i \right) ]$$

**Business Day Convention** means Modified Following, whereby that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

**Exchange** means each exchange or quotation system specified as such for such Share in Appendix 2, and any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time

**Exchange Disruption** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (j) to effect transactions in, or obtain market values for the relevant Share(s) on the relevant Exchange(s) or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share(s) on any relevant Related Exchange(s).

**Final Share Level** <sub>i</sub> means with respect to each Share the price per Share on the Final Valuation Date at the Scheduled Closing Time as published by each relevant Exchange for that day as determined by the Calculation Agent, provided that if any such day the Exchange or Related Exchange fails to publish the Final Share Level, the relevant Final Share Level shall be determined by the Calculation Agent in good faith and a commercially reasonable manner.

**Final Valuation Date** means 15<sup>th</sup> September 2010, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Initial Share Level** <sub>i</sub> means, (trading to provide) in respect of each Share <sub>i</sub>, the price per Share on the Strike Fixing Date at the Scheduled Closing Time as published by each relevant Exchange for that day as determined by the Calculation Agent, provided that if any such day the Exchange or Related Exchange fails to publish the Initial Share Level, the relevant Initial Share Level shall be determined by the Calculation Agent in good faith and a commercially reasonable manner.

**Related Exchange** means each exchange or quotation system specified as such for such Share in the related Confirmation, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where “All Exchanges” is specified as the Related Exchange in the related Confirmation, “Related Exchange” shall mean each exchange or quotation system where trading has material effect (as determined by Calculation Agent) on the overall market for futures or options contracts relating to such Share.

**Scheduled Closing Time** means, in respect of an Exchange or the Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

**Scheduled Trading Day** means any day on which each Exchange and Related Exchange are scheduled to be open for trading for their respective trading session.

**Strike Fixing Date** means 15<sup>th</sup> September 2005 if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

### 3. Adjustments

#### (a) Potential Adjustment Events

**Potential Adjustment Event** means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Reference Underlyers (unless a Merger Event), or a free distribution or dividend of any such Reference Underlyers to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution or dividend to existing holders of the relevant Reference Underlyers of: (i) such Reference Underlyers; or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlyer equally or proportionately with such payments to holders of such Reference Underlyers; or (iii) any other type of securities, rights or warrants or other assets in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) a call by the relevant Underlyer in respect of relevant Reference Underlyers that are not fully paid;

- (iv) a repurchase by the relevant Underlyer of relevant Reference Underlyers, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (v) any other event (other than an event giving rise to the application of the Dividend Adjustment Factor) that, in the opinion of the Calculation Agent, may have a diluting, concentrative or other effect on the theoretical value of the relevant Reference Underlyers.

Following the declaration of the Underlyer of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the relevant Reference Underlyers and, if so, will: (a) make the corresponding adjustment, if any, to the formula for determining the Asset Amount and/or any of the other terms of this Pricing Supplement and/or the Conditions as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting, concentrative or other effect (provided that no adjustments will be made to account solely for changes in volatility, except dividends, stock loans rate or liquidity relevant to the relevant Reference Underlyers); and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by that adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Reference Underlyers traded on that options exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 13 stating the adjustment to the formula for determining the Asset Amount and/or this Pricing Supplement and/or the Conditions and giving brief details of the Potential Adjustment Event

(b) *De-Listing, Merger Events, Nationalisation, Tender Offer and Insolvency*

**De-Listing** means, in respect of any Share, such Share ceases, for any reason, to be listed on the relevant Exchange and as at the date of such de-listing is not, in the determination of the Calculation Agent, listed or quoted on another recognised stock exchange or quotation system acceptable to the Calculation Agent.

**Insolvency** means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceedings affecting the Underlyer, (i) all the Reference Underlyers of that Underlyer are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Reference Underlyers of that Underlyer become legally prohibited from transferring them.

**Merger Date** means, in respect of a Merger Event, the date upon which all holders of relevant Reference Underlyers (other than, in the case of a take-over offer, relevant Reference Underlyers owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Reference Underlyers.

**Merger Event** means, in respect of any of the Reference Underlyers, any: (i) reclassification or change of such Reference Underlyers that results in a transfer of or an irrevocable commitment to transfer all of such Reference Underlyers outstanding; (ii) consolidation, amalgamation or merger of the Underlyer with or into another entity (other than a consolidation, amalgamation or merger in which such Underlyer is the continuing entity and which does not result in any such reclassification or change of all such Reference Underlyers outstanding); or (iii) other take-over offer for such Underlyer that results in a transfer of or an irrevocable commitment to transfer all such Reference Underlyers (other than such Reference Underlyers owned or controlled by the offeror), in each case if the Merger Date is on or before the Valuation Date.

**Nationalisation** means that all the Reference Underlyers or all the assets or substantially all the assets of the Underlyer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

**Tender Offer** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having



the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting Reference Underlyers of the Underlyer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

(c) *Consequences of De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency*

If a De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency occurs in relation to a Share, the Issuer may take the action described in (i) or (ii) below:

- (i) require the Calculation Agent to determine in its sole and absolute discretion and in accordance with market practice the appropriate adjustment, if any, to be made to the formula for determining the Asset Amount and/or this Pricing Supplement and/or any of the Conditions to account for the De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency, as the case may be, and to determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by to the adjustment in respect of the De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency made by any options exchange to options on the relevant Reference Underlyers traded on that options exchange; or
- (ii) redeem all, but not some only, of the Notes, each \$10,000 in nominal amount of the Notes being redeemed at the Early Redemption Amount by giving notice to the Noteholders as soon as practicable in accordance with Condition 13. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 13.

Upon the occurrence of a De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency, the Calculation Agent shall give notice to the Agent who shall give notice as soon as practicable to the Issuer and to the Noteholders in accordance with Condition 13 (Notices) stating the occurrence of the De-Listing, Merger Event, Nationalisation, Tender Offer or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

**APPENDIX 2**

**BASKET OF REFERENCE UNDERLYERS**

	Reference Underlyer	Reuters RIC	BBG	Weight	Exchange	Related Exchange
1	Banco Commercial Portugues, S.A. (BCP)	BCP.LS	BCP PL	1/8	Euronext Lisbon	Euronext Lisbon
2	Banco Popular Espanol SA	POP.MC	POP SM	1/8	Bolsas y Mercados Espanoles	MEFF
3	Lloyds TSB Group plc	LLOY.L	LLOY LN	1/8	London Stock Exchange	Euronext LIFFE
4	San Paolo IMI S.p.A.	SPI.MI	SPI IM	1/8	Borsa Italiana	Italian Derivatives Exchange Market
5	Commerzbank AG	CBKG.DE	CBK GR	1/8	Deutsche Borse	Eurex Deutschland
6	Dexia	DEXI.PA	DEXB BB	1/8	Euronext Brussels	Euronext Brussels
7	Alliance & Leicester plc	AL.L	AL/ LN	1/8	London Stock Exchange	Euronext LIFFE
8	Standard Chartered plc	STAN.L	STAN LN	1/8	London Stock Exchange	Euronext LIFFE

### APPENDIX 3

#### DISCLOSURE RELATING TO THE UNDERLYER

Banco Commercial Portugues, S.A. (BCP)

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Banco Commercial Portugues, S.A. (BCP). However all information on this Pricing Supplement relating to Banco Commercial Portugues, S.A. (BCP) is derived from publicly available information released by Banco Commercial Portugues, S.A. (BCP) and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Banco Commercial Portugues, S.A. (BCP) are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

#### ***Business Description of Banco Commercial Portugues, S.A. (BCP)***

Banco Commerical Portugues, S.A. (BCP) attracts deposits and offers commercial and investment banking services. The Bank offers consumer loans, factoring, lease financing, mortgages, insurance, securities brokerage, investment funds, and American Express cards. Banco Commercial Portugues operates offices in Europe, the Americas, Africa, and China.

Year Highest and Lowest Closing Levels over year of Banco Commercial Portugues, S.A. (BCP):

<b>YEAR</b>	<b>HIGHEST EUR</b>	<b>LOWEST EUR</b>
2001	4.869	3.125
2002	4.045	1.580
2003	2.134	1.240
2004	2.170	1.680
2005	2.240	1.900

*(Source: Bloomberg, 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

Banco Popular Espanol SA

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Banco Popular Espanol SA. However all information on this Pricing Supplement relating to Banco Popular Espanol SA is derived from publicly available information released by Banco Popular Espanol SA and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Banco Popular Espanol SA are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### ***Business Description of Banco Popular Espanol SA***

Banco Popular Espanol SA attracts deposits and offers commercial banking services. The Bank offers consumer loans, mortgage loans, asset management, and factoring services, mutual funds, pension plans, life insurance, venture capital, and real estate loans. The Bank has regional subsidiaries in Spain, and a French branch.

Year Highest and Lowest Closing Levels over year of Banco Popular Espanol SA:

<b>YEAR</b>	<b>HIGHEST EUR</b>	<b>LOWEST EUR</b>
2001	8.464	6.460
2002	9.548	7.204
2003	9.508	7.336
2004	9.980	8.600
2005	10.650	9.520

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

Lloyds TSB Group plc

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Lloyds TSB Group plc. However all information on this Pricing Supplement relating to Lloyds TSB Group plc is derived from publicly available information released by Lloyds TSB Group plc and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Lloyds TSB Group plc are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### ***Business Description of Lloyds TSB Group plc***

Lloyds TSB Group plc via its subsidiaries and associated companies, offers a range of banking and financial services. The Company provides retail banking, mortgages, pensions, asset management and insurance services through over 2,200 branches in the United Kingdom, international banking from offices in 24 countries, and corporate banking and treasury services.

Year Highest and Lowest Closing Levels over year of Lloyds TSB Group plc:

<b>YEAR</b>	<b>HIGHEST GBP</b>	<b>LOWEST GBP</b>
2001	772.00	590.00
2002	817.00	427.50
2003	483.00	295.75
2004	476.25	391.75
2005	509.00	446.50

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

San Paolo IMI S.p.A.

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to San Paolo IMI S.p.A. However all information on this Pricing Supplement relating to San Paolo IMI S.p.A. is derived from publicly available information released by San Paolo IMI S.p.A. and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer San Paolo IMI S.p.A. are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### ***Business Description of San Paolo IMI S.p.A.***

San Paolo IMI S.p.A. attracts deposits and offers retail, commercial, and investment banking services. The Bank offers mortgage, commercial, retail, and agricultural loans, lease financing, money management, insurance, and factoring services, and underwrites issues of corporate bonds and shares.

Year Highest and Lowest Closing Levels over year of San Paolo IMI S.p.A.:

<b>YEAR</b>	<b>HIGHEST EUR</b>	<b>LOWEST EUR</b>
2001	19.893	8.764
2002	13.702	5.231
2003	11.346	5.796
2004	11.072	8.799
2005	12.625	10.201

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

Commerzbank AG

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Commerzbank AG. However all information on this Pricing Supplement relating to Commerzbank AG is derived from publicly available information released by Commerzbank AG and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Commerzbank AG are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### ***Business Description of Commerzbank AG***

Commerzbank AG attracts deposits and offers retail and commercial banking services. The Bank offers mortgage loans, securities brokerage and asset management services, private banking, foreign exchange, and treasury services worldwide.

Year Highest and Lowest Closing Levels over year of Commerzbank AG:

<b>YEAR</b>	<b>HIGHEST EUR</b>	<b>LOWEST EUR</b>
2001	32.99	15.40
2002	20.99	5.30
2003	17.50	5.33
2004	16.38	12.84
2005	22.44	15.40

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

Dexia

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Dexia. However all information on this Pricing Supplement relating to Dexia is derived from publicly available information released by Dexia and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Dexia are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### ***Business Description of Dexia***

Dexia attracts deposits and offers retail banking services and public financing. The Bank offers consumer loans, life and non-life insurance, pension plans, securities brokerage services, asset management, private banking, and financing of public service facilities and financial services for local governments. Dexia operates in Europe, Asia and the United States.

Year Highest and Lowest Closing Levels over year of Dexia:

<b>YEAR</b>	<b>HIGHEST EUR</b>	<b>LOWEST EUR</b>
2001	19.41	13.47
2002	18.95	8.36
2003	13.68	7.10
2004	17.10	12.81
2005	18.87	17.00

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*



## DISCLOSURE RELATING TO THE UNDERLYER

Alliance & Leicester plc

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Alliance & Leicester plc. However all information on this Pricing Supplement relating to Alliance & Leicester plc is derived from publicly available information released by Alliance & Leicester plc and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Alliance & Leicester plc are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### *Business Description of Alliance & Leicester plc*

Alliance & Leicester plc is a financial services group that operates in four business sectors: Mortgage Lending & Investments, Personal Banking, Commercial Banking and Treasury. The Group provides general insurance, life assurance, unit trusts, personal current account and credit cards, asset financing and commercial lending.

Year Highest and Lowest Closing Levels over year of Alliance & Leicester plc:

YEAR	HIGHEST GBP	LOWEST GBP
2001	843.5	655.0
2002	949.0	687.5
2003	909.0	673.5
2004	915.5	795.5
2005	947.5	818.0

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*

## DISCLOSURE RELATING TO THE UNDERLYER

Standard Chartered plc

**The Issuer and the Guarantor accept responsibility for correctly extracting the below information with regard to Standard Chartered plc. However all information on this Pricing Supplement relating to Standard Chartered plc is derived from publicly available information released by Standard Chartered plc and other public sources and neither the Issuer, the Guarantor nor the Dealer have independently verified any such information.**

The last annual report and, if any, the latest interim report, as well as the future annual and interim reports for the Reference Underlyer Standard Chartered plc are or will be available upon request at the Luxembourg offices of the Issuing and Paying Agent.

### *Business Description of Standard Chartered plc*

Standard Chartered plc is an international banking group operating principally in Asia, Africa, Latin America and the Middle East. The Company offers its products and services in the personal, consumer, and corporate, institutional and treasury areas, to customers in more than 50 countries.

Year Highest and Lowest Closing Levels over year of Standard Chartered plc:

<b>YEAR</b>	<b>HIGHEST GBP</b>	<b>LOWEST GBP</b>
2001	1128.0	566.0
2002	872.5	592.5
2003	969.0	613.5
2004	1035.5	833.5
2005	1247.0	924.5

*(Source: Bloomberg 22<sup>nd</sup> September 2005)*