

FINAL TERMS

12 October 2006

Glitnir banki hf.
Issue of EUR 75,000,000 2 years Floating Rate Notes
under the €15,000,000,000
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 26th June, 2006 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 Kirkjúsandur 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:	Glitnir banki hf.
2. (i) Series Number:	314
(ii) Tranche Number:	1
3. Specified Currency or Currencies:	EUR
4. Aggregate Nominal Amount:	
– Series:	EUR 75,000,000
– Tranche:	EUR 75,000,000
5. Issue Price of Tranche:	100 per cent. of the Aggregate Nominal Amount
6. Specified Denominations:	EUR 50,000
7. (i) Issue Date:	13 October 2006
(ii) Interest Commencement Date :	13 October 2006
8. Maturity Date:	Interest Payment Date falling in or nearest to October 2008
9. Interest Basis:	EURIBOR 3 months + 0.26 per cent. Floating Rate
10. Redemption/Payment Basis:	Redemption at par
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	Applicable
(i) Specified Period(s)/Specified Interest Payment Dates:	13 January, 13 April, 13 July and 13 October of each year from 13 January 2007 till 13 October 2008 each of such date being subject to adjustment in according with the Business Day Convention specified under 16 (ii).
(ii) Business Day Convention:	Modified Following Business Day Convention
(iii) Additional Business Centre(s):	Not Applicable
(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	The Agent
(vi) Screen Rate Determination:	Yes
– Reference Rate:	EURIBOR 3 months
– Interest Determination Date(s):	The second day on which the TARGET System is open prior to the start of each Interest Period
– Relevant Screen Page:	Telerate page 248
(vii) ISDA Determination:	No
– Floating Rate Option:	Not Applicable
– Designated Maturity:	Not Applicable
– Reset Date:	Not Applicable
(viii) Margin(s):	+ 0.26 per cent. per annum
(ix) Minimum Rate of Interest:	Not Applicable
(x) Maximum Rate of Interest:	Not Applicable
(xi) Day Count Fraction:	Actual/360
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:	EUR 50,000 per Note of EUR 50,000 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)):	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:	
Bearer Notes:	Applicable

- | | |
|---|---|
| | 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. New Global Note: | No |
| 26. Additional Financial Centre(s) or other special provisions relating to Payment Dates: | Not Applicable |
| 27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No. |
| 28. 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 |
| 29. 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 |
| 30. Redenomination applicable: | Redenomination not Applicable |
| 31. Other final terms: | Not Applicable |

DISTRIBUTION

- | | |
|--|-------------------|
| 32. (i) If syndicated, names of Managers: | Not Applicable |
| (ii) Date of Subscription Agreement: | Not Applicable |
| (iii) Stabilising Manager (if any): | Not Applicable |
| 33. If non-syndicated, name of relevant Dealer: | Fortis Bank nv-sa |
| 34. Total commission and concession: | Not Applicable |
| 35. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA D |
| 36. Additional selling restrictions: | Not Applicable |
| 37. 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 €15,000,000,000 Global Medium Term Note Programme of Glitnir banki hf.


RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:

Duly authorised
GLITNIR


Einar Tamimi
General Counsel

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: London
Application has been made for the Notes to be admitted to trading on London Stock Exchange with effect from 13 October 2006.
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on London Stock Exchange with effect from 13 October 2006.
- (iii) Estimate of total expenses related to admission to trading: GBP 100,-

2. RATINGS

- Ratings: The Notes to be issued have been rated:
- | | |
|----------|----|
| S & P: | A- |
| Moody's: | A1 |
| Fitch: | A |

3. NOTIFICATION

Not Applicable.

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

Save for any fees payable to the Managers, 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: See "Use of Proceeds" wording in Offering Circular
- (ii) Estimated net proceeds: EUR 75,000,000
- (iii) Estimated total expenses: Not Applicable

6. YIELD (*Fixed Rate Notes only*) Not Applicable

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

Details of historic EURIBOR rates can be obtained from Telerate page 248.

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*)

Not Applicable

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) Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable
- (ii) ISIN Code: XS0271356338
- (iii) Common Code: 027135633
- (iv) CUSIP: Not Applicable
- (v) 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
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) and Transfer Agent(s) (if any): Fortis Bank nv-sa