EXECUTION COPY

1st March, 2007

Glitnir banki hf.
Issue of £300,000,000 6.00 per cent. Senior Notes due 5th March, 2012
under the €15,000,000,000
Global Medium Term Note Programme

PART 1

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, as supplemented by the Supplements dated 21st July, 2006 and 28th February, 2007, 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:		Glitnir banki hf.
2.	(a)	Series Number:	319
	(b)	Tranche Number:	1
3.	Specified Currency or Currencies:		Great British Pounds (£)
4.	Aggregate Nominal Amount:		
	–	Series:	£300,000,000
	–	Tranche:	£300,000,000
5.	Issue Price of Tranche:		99.964% of the Aggregate Nominal Amount
6.	Specified Denominations:		£50,000 and integral multiples of £1,000 in excess thereof up to and including £99,000. No Notes in definitive form will be issued with a denomination above £99,000. Notwithstanding the provisions of Condition 5, interest amounts shall be calculated in respect of each £1,000 in principal amount of the Notes and aggregated for each Note of each Specified Denomination.
7.	(a)	Issue Date:	5th March, 2007
	(b)	Interest Commencement Date:	5th March, 2007

8.	Maturity Date:		5th March, 2012
9.	Interest Basis		6.00% Fixed Rate (further particulars specified below)
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.	(a)	Status of Notes:	Senior
	(b)	Date Board approval for issuance of Notes obtained:	Not Applicable
14.	Method of distribution:		Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable
	(a)	Rate(s) of Interest:	6.00% per annum payable annually in arrear
	(b)	Interest Payment Date(s):	5th March in each year up to and including the Maturity Date
	(c)	Fixed Coupon Amount(s):	£60 per £1,000 in nominal amount
	(d)	Broken Amount(s):	Not Applicable
	(e)	Day Count Fraction:	Actual/Actual (ICMA)
	(f)	Determination Date(s):	5th March in each year
	(g)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
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:	£1,000 per nominal amount of £1,000
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)):	Condition 7(e) applies.

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.	(a)	If syndicated, names underwriting commitments:	Barclays Bank PLC UBS Limited
	(b)	Stabilising Manager (if any):	Barclays Bank PLC

33.	If non-syndicated, name of relevant Dealer:	Not Applicable
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

Finnur R Stefansson
Managing Director

GLITNIR

Einar Tamimi
General Counsel

PART 2

OTHER INFORMATION

1. LISTING

(a)	Listing:	London
(b)	Admission to trading:	Application has been made for the Notes to be admitted to trading on London Stock Exchange's Gilt-Edged and Fixed Interest Market with effect from 5th March, 2007.
(c)	Estimate of total expenses related to admission to trading:	£625,000

2. RATINGS

Ratings: The Programme has been rated:

S & P:	A-
Moody's:	A1
Fitch:	A

3. 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.

4. YIELD

Indication of yield: 6.009%

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

(a)	Intended to be held in a manner which would allow Eurosystem eligibility:	No
(b)	ISIN Code:	XS0289019761
(c)	Common Code:	028901976
(d)	CUSIP:	Not Applicable
(e)	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
(f)	Delivery:	Delivery against payment
(g)	Names and addresses of additional Paying Agent(s) and Transfer Agent(s) (if any):	Not Applicable