

27 March 2007

**Glitnir banki hf.**  
**Issue of EUR 7,950,000 Zero Coupon Notes due 23 September 2010**  
**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 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. (i) Series Number:	322
(ii) Tranche Number:	1
3. Specified Currency or Currencies:	Euro (“EUR”)
4. Aggregate Nominal Amount:	
– Series:	EUR 7,950,000
– Tranche:	EUR 7,950,000
5. Issue Price of Tranche:	86.6792 per cent. of the Aggregate Nominal Amount
6. Specified Denominations:	EUR 50,000
7. (i) Issue Date:	30 March 2007
(ii) Interest Commencement Date :	Not Applicable
8. Maturity Date:	23 September 2010
9. Interest Basis:	Zero Coupon (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. (i) Status of Notes:	Senior
(ii) Date Board approval for issuance of Notes obtained:	Not Applicable
14. Method of distribution:	Non-syndicated
<b>PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE</b>	
15. Fixed Rate Note Provisions:	Not Applicable
16. Floating Rate Note Provisions	Not Applicable

17. <b>Zero Coupon Note Provisions</b>	Applicable
(i) Accrual Yield:	4.17 per cent. per annum
(ii) Reference Price:	EUR 43,339.60.
(iii) Any other formula/basis of determining amount payable:	Not Applicable
(iv) Day Count Fraction in relation to Early Redemption Amount and late payment:	30/360
18. <b>Index Linked Interest Note Provisions</b>	Not Applicable
19. <b>Dual Currency Interest Note Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>	
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)):	Condition 7 (e) applies
<b>GENERAL PROVISIONS APPLICABLE TO THE NOTES</b>	
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:	Yes
26. Additional Financial Centre(s) or other special provisions relating to Payment Dates:	TARGET
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 [and addresses] ** of Managers [and underwriting commitments] **: | Not Applicable                                |
| (ii) Date of Subscription Agreement:   | Not Applicable                                |
| (iii) Stabilising Manager (if any):  | Not Applicable                                |
| 33. If non-syndicated, name of relevant Dealer:  | Commerzbank Aktiengesellschaft, London Branch |
| 34. Total commission and concession:   | Not Applicable                                |
| 35. Whether TEFRA D or TEFRA C rules 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

*Egundur M. Torfadottir*

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: London  
Application has been made for the Notes to be admitted to trading on the London Stock Exchange Plc's Gilt Edged and Fixed Interest Market with effect from 30 March 2007.
- (ii) Admission to trading:
- (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: Aaa  
Fitch: : A

### 3. NOTIFICATION

Not Applicable

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

So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

### 5. OPERATIONAL INFORMATION

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: Yes  
Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.
- (ii) ISIN Code: XS0292692547

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|---|--------------------------|
| (iii) Common Code:  | 029269254                |
| (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):   | Not Applicable           |