

30 April 2007

Glitnir banki hf.

**Issue of EUR 5,000,000 Capital Guaranteed Notes linked to the Worst Performer
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 Reykjavik, 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:	321
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	EURO
4.	Aggregate Nominal Amount:	
	– Series:	EUR 5,000,000
	– Tranche:	EUR 5,000,000
5.	Issue Price of Tranche:	100 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	EUR 50,000
7.	(i) Issue Date:	30 April 2007
	(ii) Interest Commencement Date:	30 April 2007
8.	Maturity Date:	Interest Payment Date falling in or nearest to October 2012
9.	Interest Basis:	Other (further particulars specified in the Annex 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/ Unsubordinated
	(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:	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:	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 of Managers	Not Applicable

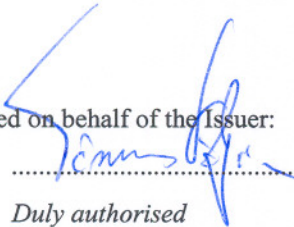
- (i) Date of Agreement: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
- 33. If non-syndicated, name of relevant Dealer: UBS Limited, 100 Liverpool Street, London EC2M 2RH
- 34. Total commission and concession: Amount. Not Applicable
- 35. Whether TEFRA D or TEFRA C rules applicable 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

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: Luxembourg
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on EURO MTF market of the Luxembourg Stock Exchange with effect from 30 April 2007.
- (iii) Estimate of total expenses related to admission to trading: EUR 500*

2. RATINGS

- Ratings: The Notes to be issued have been rated:
Moody's: Aa3
Fitch: A
Standard & Poor's: A-

3. NOTIFICATION

Not Applicable.

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

Not Applicable.

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 5,000,000
- (iii) Estimated total expenses: Not Applicable

6. YIELD (*Fixed Rate Notes only*)

Indication of yield: Not Applicable

7. HISTORIC INTEREST RATES

Not Applicable

8. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

9. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

10. OPERATIONAL INFORMATION

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable

- (ii) ISIN Code: XS0292065546

- (iii) Common Code: 29206554

- (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

Annex

Coupon Payment Dates

30/04/2008
30/04/2009
30/04/2010
02/05/2011
30/10/2012

Strike Date

30 April 2007

FIXED Coupons (CFt)

[t = 1, 2, 3, 4]

Fixed Coupon will be paid at the end of Year 1, Year 2, Year 3, and Year 4 and are equal to:

$$\begin{aligned} CF(1) &= 3.50\% * NA \\ CF(2) &= 3.50\% * NA \\ CF(3) &= 3.00\% * NA \\ CF(4) &= 3.00\% * NA \end{aligned}$$

Where NA = Aggregate Nominal Amount

VARIABLE Coupon (CVt)

[t = 5.5]

Variable Coupon will be paid on the Maturity Date and is equal to:

$$CV(5.5) = \text{Max} \left\{ 0; \left[7.00\% + 25\% * \text{Min}_{i=1}^{13} \left(\frac{\text{Stock}_{final}^i}{\text{Stock}_{initial}^i} - 1 \right) \right] \right\} * NA$$

Where

Stock_{final}^i is the official closing price of the stock i on Final Observation Date.

$\text{Stock}_{initial}^i$ is the official closing price of the stock i on the Strike Date

Final Observation Date

10 Business days prior Maturity date, designed to be 19th October 2012 (subject to adjustment for non Business Day)

Underlying Basket

	REUTERS CODE	BBG CODE	Stock
1	VWS.CO	VWS DC	Vestas Wind
2	VERB.VI	VER AV	Verbund
3	GAM.MC	GAM SM	Gamesa
4	SWVG.DE	SWV GR	Solarworld
5	CGYG.DE	CGY GR	Conergy
6	QCEG.DE	QCE GR	Q-Cells
7	WLT.N	WLT US	Walter Industries
8	6370.T	6370 JP	Kurita Water
9	GEBN.S	GEBN SW	Geberit
10	STP.N	STP US	Suntech Power
11	REC.OL	REC NO	Renewable Energ
12	ADM.N	ADM US	Archer-Daniels
13	BG.N	BG US	Bunge Ltd

Business Day Convention for fixings

Following on a per share basis (if the Final Observation Date is not a Business Day for a single stock then fixing for that stock only will be done on the next following Business Day.)

Business Day Convention

Following

for payments
Calculation Agent

UBS Limited