

FINAL TERMS

22nd May, 2007

Glitnir banki hf.
Issue of EUR500,000,000 Floating Rate Notes due May 2011
under the EUR15,000,000,000
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 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.

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|----|-----------------------------------|--|
| 1. | Issuer: | Glitnir banki hf. |
| 2. | (a) Series Number: | 325 |
| | (b) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | euro (EUR) |
| 4. | Aggregate Nominal Amount: | |
| | – Series: | EUR500,000,000 |
| | – Tranche: | EUR500,000,000 |
| 5. | Issue Price of Tranche: | 99.852 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | EUR50,000 plus integral multiples of EUR1,000 thereafter up to and including EUR99,000. No Notes in definitive form will be issued with a denomination above EUR99,000 |

7.	(a)	Issue Date:	24th May, 2007
	(b)	Interest Commencement Date:	24th May, 2007
8.		Maturity Date:	Interest Payment Date falling in May 2011
9.		Interest Basis	3-month EURIBOR + 0.20 per cent. per annum Floating 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	Not Applicable
16.		Floating Rate Note Provisions	Applicable
	(i)	Specified Period(s)/Specified Interest Payment Dates:	24th February, 24th May, 24th August and 24th November in each year, with the first Specified Interest Payment Date being 24th August, 2007, subject to adjustment in accordance with the Business Day Convention specified below
	(ii)	Business Day Convention:	Modified Following Business Day Convention
	(iii)	Additional Business Centre(s):	Not Applicable
	(iv)	Manner in which the Rate(s) 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):	Not Applicable
	(vi)	Screen Rate Determination:	Yes
	-	Reference Rate:	3-month EURIBOR

-	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:	Reuters page EURIBOR01
(vii)	ISDA Determination:	No
(viii)	Margin(s):	+ 0.20 per cent. per annum
(ix)	Minimum Rate of Interest:	Not Applicable
(x)	Maximum Rate of Interest:	Not Applicable
(xi)	Day Count Fraction:	Actual/360
(xii)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	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:	EUR1,000 per EUR1,000 in nominal amount
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)):	EUR1,000 per EUR1,000 in nominal amount

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:	Yes
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:	<p>The following additional risk factor applies to the Notes:</p> <p>"The Notes have Specified Denominations consisting of a minimum Specified Denomination of EUR50,000 and integral multiples of EUR1,000 in excess thereof. A Noteholder who, as a result of trading amounts in excess of EUR50,000 that are not integral multiples of EUR50,000, holds a principal amount of less than EUR50,000 may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that his holding amounts to a Specified Denomination.</p> <p>If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade."</p>

DISTRIBUTION

32. (a) If syndicated, names of managers HSBC Bank plc
The Royal Bank of Scotland plc
Bayerische Landesbank
DZ BANK AG Deutsche Zentral-
Genossenschaftsbank, Frankfurt am Main
Natixis
Nomura International plc
- (b) Stabilising Manager (if any): HSBC Bank plc
33. If non-syndicated, name of relevant Dealer: 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

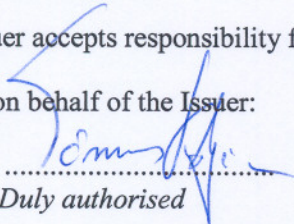
These Final Terms comprise the final terms required to list the issue of Notes described herein pursuant to the EUR15,000,000,000 Global Medium Term Note Programme of Glitnir banki hf.


RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:


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Duly authorised



PART B
OTHER INFORMATION

1. LISTING

- | | | |
|-----|---|---|
| (a) | Listing: | London |
| (b) | Admission to trading: | 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 24th May, 2007 |
| (c) | Estimate of total expenses related to admission to trading: | £4,300 |

2. RATINGS

- | | |
|----------|---|
| Ratings: | The Notes to be issued have been rated: |
| | S & P: A- |
| | Moody's: Aa3 |
| | 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

Not Applicable

6. YIELD (*Fixed Rate Notes Only*)

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 (*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

- (a) 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.

- (b) ISIN Code: XS0302200059

- (c) Common Code: 030220005

- (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