

5 July 2007

Glitnir banki hf.

**Issue of JPY 5,100,000,000 Floating Rate Notes due in July 2009
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 5th June, 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 One Canada Square, London E14 5AL.

1.	Issuer:	Glitnir banki hf.
2.	(i) Series Number:	328
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Japanese Yen ("JPY")
4.	Aggregate Nominal Amount:	
	– Series:	JPY 5,100,000,000
	– Tranche:	JPY 5,100,000,000
5.	Issue Price of Tranche:	100.00 per cent. of the Aggregate Nominal Amount
6.	(i) Specified Denominations:	JPY 10,000,000
	(ii) Calculation Amount (Applicable to Notes in definitive form.)	JPY 10,000,000
7.	(i) Issue Date:	6 July 2007
	(ii) Interest Commencement Date:	6 July 2007
8.	Maturity Date:	Interest Payment Date falling on or nearest to 6 July 2009
9.	Interest Basis:	3months JPY LIBOR 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.	(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: 6 January, 6 April, 6 July and 6 October in each year

(ii) Business Day Convention: Modified Following Business Day Convention

(iii) Additional Business Centre(s): London and Tokyo

(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): Not Applicable

(vi) Screen Rate Determination: Yes

– Reference Rate: 3months JPY LIBOR

– Interest Determination Date(s): Second London business day prior to the start of each Interest Period

– Relevant Screen Page: Reuters page Libor01

(vii) ISDA Determination: No

(viii) Margin(s): None

(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: JPY 10,000000 per Calculation Amount

23. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of JPY 10,000000 per Calculation Amount

default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)):

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: | London and Tokyo |
| 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 Installment Notes, including the amount of each installment (each an "Installment 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 [and address]** of relevant Dealer: | Commerzbank Aktiengesellschaft, London Branch |
| 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 |


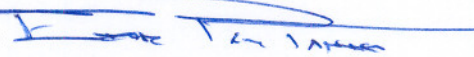
LISTING AND ADMISSION TO TRADING APPLICATION

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



PART B – OTHER INFORMATION

1. LISTING

- | | | |
|-------|--|---|
| (i) | Listing: | London |
| (ii) | 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 6 July 2007. |
| (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: Aa3 |
| | Fitch: A |

3. NOTIFICATION [AND AUTHORISATION]**

Not Applicable

4. PUBLIC OFFERS

Not Applicable

5. 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.

6. REASONS FOR THE OFFER; ESTIMATED NET PROCEEDS AND TOTAL EXPENSES***

Not Applicable

7. YIELD (*Fixed Rate Notes only*)

Not Applicable

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

Not Applicable

9. 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

10. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (*Dual Currency Notes only*)

Not Applicable

11. OPERATIONAL INFORMATION

- | | | |
|-------|---|----------------|
| (i) | Intended to be held in a manner which would allow Eurosystem eligibility: | No |
| (ii) | ISIN Code: | XS0309406105 |
| (iii) | Common Code: | 030940610 |
| (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 |

Handwritten initials/signature