

FINAL TERMS

December 12, 2007

Glitnir Banki hf.
Issue of US\$85,000,000 7.32% Senior Notes, due 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 5th July, 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, England.

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| 1. | Issuer: | Glitnir banki hf. |
| 2. | (a) Series Number: | 341 |
| | (b) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | US dollars (\$US) |
| 4. | Aggregate Nominal Amount: | US\$85,000,000 |
| | - Series: | US\$85,000,000 |
| | - Tranche: | US\$85,000,000 |
| 5. | Issue Price of Tranche: | 100% of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | Initially, notes will be issued in denominations of US\$100,000. Initial transfers of notes will be in denominations of US\$100,000 and in integral multiples of US\$1,000 in excess thereof. |
| 7. | (a) Issue Date: | December 19, 2007 |
| | (b) Interest Commencement Date: | December 19, 2007 |
| 8. | Maturity Date: | December 19, 2012 |
| 9. | Interest Basis | 7.32% Fixed Rate |
| 10. | Redemption/Payment Basis: | Redemption at par |

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| 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: | Non-syndicated. Best efforts agency basis. |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (a) Rate(s) of Interest: | 7.32% per annum payable in arrear |
| | (b) Interest Payment Date(s): | June 19 and December 19 in each year from and including June 19, 2008 to and including the Maturity Date |
| | (c) Fixed Coupon Amount(s): | US\$7,320 per US\$100,000 in nominal amount |
| | (d) Broken Amount(s): | Not Applicable |
| | (e) Day Count Fraction: | 30/360 |
| | (f) Determination Date(s): | Not Applicable |
| | (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Following Business Day Convention |
| 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

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| 20. | Issuer Call | Not Applicable |
| 21. | Investor Put | Not Applicable |
| 22. | Final Redemption Amount | US\$100,000 per Note of US\$100,000 Specified Denomination |
| 23. | Early Redemption Amount(s) 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: Not Applicable

– Registered Notes: Applicable

Rule 144A Global Note (US\$85,000,000 nominal amount registered in the name of a nominee for DTC)

Regulation S Global Note (US\$0 nominal amount) registered in the name of a nominee for DTC

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: Condition 17 shall not apply.

Condition 18 is hereby amended to read as follows:

“18. Governing Law and Submission to Jurisdiction

(a) Governing law

The Agency Agreement, the Deed of Covenant and the Notes (other than Condition 2(b)) are governed by, and shall be construed in accordance with, the laws of the State of New York. Condition 2(b) of the Notes is governed by, and shall be construed in accordance with, Icelandic law.

(b) Submission to jurisdiction

The Issuer agrees, for the exclusive benefit of the Noteholders that the courts of New York are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with the Notes may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the New York courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) Appointment of Process Agent

The Issuer appoints CT Corporation System as its agent for service of process, and undertakes that, in the event of it ceasing so to act or ceasing to be registered in the State of New York, it will appoint another person as its agent for service of process in New York in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(d) Other documents

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the New York courts, waived any right it may have to claim sovereign or other immunity from jurisdiction or execution and appointed an agent for service of process in terms substantially similar to those set out above.”


DISTRIBUTION

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| 32. | (a) If syndicated, names and addresses underwriting commitments: | Not Applicable |
| | (b) Date of Subscription Agreement: | Not Applicable |
| | (c) Stabilising Manager (if any): | Not Applicable |
| 33. | If non-syndicated, name and address of relevant Dealer: | <p>Nomura Securities International, Inc., as placement agent
2 World Financial Center, Bldg. B.
New York, New York 10281-1198</p> <p>Barclays Capital Inc., as placement agent
5 The North Colonnade
Canary Wharf
London E14 4BB, England</p> |
| 34. | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA rules not applicable |
| 35. | Additional selling restrictions: | Not Applicable |
| 36. | ERISA restrictions: | <p>Each US holder and beneficial owner of the Notes is deemed to represent that (1) it is not an “employee benefit plan” as defined in Section 3(3) of ERISA, subject to Title I of ERISA, a plan subject to Section 4975 of the Internal Revenue Code, an entity whose underlying assets include the assets of any Plan , or a governmental or church plan which is subject to any federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Internal Revenue Code; or (b) its purchase, holding and disposition of its interest in the Notes will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code (or, in the case of a governmental or church plan, any substantially similar federal, state or local law) unless an exemption is available with respect to such transactions and all the conditions of such exemption have been satisfied.</p> |

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By: 
Duly authorised
GLITNIR Einar Tamimi
General Counsel


GLITNIR
Alexander K. Guðmundsson
CFO/Executive Vice President

PART 2

OTHER INFORMATION

1. LISTING

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| (a) | Listing: | None |
| (b) | Admission to trading: | Not Applicable |
| (c) | Estimate of total expenses related to admission to trading: | Not Applicable |

2. RATINGS

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

3. PUBLIC OFFERS

Offer Period:	November 30, 2007 to December 12, 2007
Offer Price:	The Issuer has offered the Notes to the Investors at the initial issue price of 100% of the aggregate principal amount.
Conditions to which the offer is subject:	The issue of the Notes is subject to certain conditions precedent customary for transactions of this type, including delivery of legal opinions and comfort letters.
Description of the application process:	Not Applicable
Details of the minimum and/or maximum amount of application:	Not Applicable
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
Details of the method and time limits for paying up and delivering the Notes:	Prospective investors will be notified by the relevant Offerors regarding their allocations and the settlement in respect thereof. The Notes will be sold on a delivery versus payment basis on the issue date.
Manner and date in which results of the offer are to be made public:	Not Applicable

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable

Categories of potential investors to which the Notes are offered: Not Applicable

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: At the end of the Offer Period, the relevant Offeror will proceed to notify the prospective investors as to the amount of their allotment of Notes. For the avoidance of doubt, no dealings in the Notes may take place prior to the Issue Date.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not Applicable

4. YIELD

Indication of yield: 7.32%

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: Not Applicable

(b) ISIN Code: US37930EAH99

(c) Common Code: Not Applicable

(d) CUSIP: 37930EAH9

(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): The Bank of New York