

**Pricing supplement dated January 12, 2007
(To offering circular dated October 25, 2006)**

GLITNIR BANKI hf.

**Issue of US\$1,250,000,000, Floating Rate Senior Notes, due 2012
under the US\$5,000,000,000 Medium-Term Note Program of Glitnir banki hf. (the "Program")**

This document constitutes the pricing supplement relating to the issue of notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of "Description of the Notes" set forth in the offering circular dated October 25, 2006. This pricing supplement must be read in conjunction with the offering circular. For purposes of the offering circular, references to the "pricing supplement" are intended to refer to the "final terms" that describe the terms of any series of notes.

1.	(i)	Series Number:	2
	(ii)	Tranche Number:	1
2.		Specified Currency (or currencies in the case of dual currency notes):	US\$
3.		Aggregate Nominal Amount:	US\$1,250,000,000
4.	(i)	Issue Price of Series	100.00 percent of the Aggregate Nominal Amount
	(ii)	Net Proceeds:	US\$1,246,250,000
5.		Specified Denominations:	US\$100,000 and integral multiples of US\$1,000 in excess thereof
6.	(i)	Issue Date:	January 18, 2007
	(ii)	Interest Commencement Date:	Issue Date
7.		Maturity Date:	January 18, 2012
8.		Form of notes:	Registered
9.		Type of notes:	Floating rate notes
10.		Interest Basis:	Three Month USD-BBA LIBOR + 0.47 percent
11.		Redemption/Payment Basis:	Redemption at maturity, except as provided below in Item 27, "Early Redemption Amount"
12.		Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
13.		Call Options:	Not Applicable
14.		Ranking:	Senior
15.		Listing:	Luxembourg
16.		Method of distribution:	Syndicated

17.	Dealers Discount or Commission:	US\$3,750,000
18.	Original Issue Discount:	
	(i) Total Amount of OID:	Not Applicable
	(ii) Yield to Maturity:	Not Applicable
	(iii) Interest Accrual Period:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

19.	Fixed Rate Note Provisions	Not Applicable
20.	Floating Rate Note Provisions	Applicable
	(i) Interest Period(s)/ Interest Payment Dates:	January 18, April 18, July 18 and October 18 each year, commencing April 18, 2007, to and including the Maturity Date
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Center(s):	New York, Reykjavik and London
	(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 fiscal and paying agent):	Deutsche Bank Trust Company Americas, as calculation agent
	(vi) Screen Rate Determination:	
	- Reference Rate:	Three Month USD-BBA LIBOR
	- Interest Determination Date(s):	Second London business day prior to each Interest Payment Date
	- Initial Interest Rate:	To be determined on January 16, 2007
	- Relevant Screen Page:	Reuters LIBOR01
	(vii) ISDA Determination	Not Applicable
	- Floating Rate Option:	Not Applicable
	- Designated Maturity:	Not Applicable
	- Reset Date:	Not Applicable
	(viii) Margin(s):	+ 0.47 percent 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, day count fraction, rounding provisions and any other terms relating to the method of calculating interest on floating rate notes, if different from those set out in “Description of the Notes” in the offering circular:	Not Applicable
21.	Zero Coupon Note Provisions	Not Applicable
22.	Index Linked Note Provisions	Not Applicable
23.	Dual Currency Note Provisions	Not Applicable
24.	Physical Delivery Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
25.	Issuer Call Option	Not Applicable
26.	Final Redemption Amount	Par
27.	Early Redemption Amount Early Redemption Amount(s) payable on redemption for taxation reasons or on an Event of Default and/or the method of calculating the same (if required or if different from that set out in “Description of the Notes” in the offering circular):	100.00 percent of the principal amount plus accrued interest to the date of redemption as set forth in “Description of the Notes” in the offering circular
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
28.	Form of notes:	Registered notes
29.	Additional Financial Center(s) or other special provisions relating to Payment Dates:	Not Applicable
30.	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:	Not Applicable
31.	Details relating to notes redeemable in installments: amount of each installment, date on which each payment is to be made:	Not Applicable
32.	Redenomination applicable:	Redenomination not applicable
33.	Details of Exchange Agent (if any) and manner in which conversion of the Specified Currency into U.S. dollars is to take place:	Not Applicable
34.	Registered Holder (registered notes):	Cede & Co.
35.	Registered Address (registered notes):	55 Water Street, New York, New York 10041

- | | | |
|-----|------------------------------------|--|
| 36. | ERISA Restrictions: | See “ERISA Matters” in the offering circular |
| 37. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

- | | | | |
|-----|---|---|---|
| 38. | (i) If syndicated, names of Managers (specifying Lead Manager): | Barclays Capital Inc.
Citigroup Global Markets Inc.
Deutsche Bank Securities Inc. | US\$400,000,000
US\$400,000,000
US\$400,000,000 |
| | Selling Group Members: | DZ Bank AG
Natixis | US\$25,000,000
US\$25,000,000 |
| | (ii) Arranger: | Not Applicable | |
| | (iii) Stabilizing Manager (if any): | Not Applicable | |
| 39. | If non-syndicated, name of relevant dealer: | Not Applicable | |
| 40. | Additional selling restrictions: | Not Applicable | |

OPERATIONAL INFORMATION

- | | | |
|-----|--|--|
| 41. | Any clearing system(s) other than DTC, Euroclear and Clearstream, Luxembourg approved by the Issuer and the fiscal and paying agent and the relevant identification number(s): | Not Applicable |
| 42. | Delivery: | Delivery free of payment |
| 43. | Additional Paying Dealer(s) (if any): | Not Applicable |
| 44. | DTC: | CUSIP No.: 37930JAB1 (144A) / 37930KAB8 (Reg S) |
| | Euroclear and Clearstream, Luxembourg: | ISIN: US37930JAB17 (144A) / US37930KAB89 (Reg S) |
| 45. | Other/Additional Provisions | Not Applicable |