

SECURITIES NOTE

GLB 09 0202

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1. RISK FACTORS

1.1 GENERAL

The following factors may affect the Issuer's ability to fulfil its obligations under the Notes and/or they are of importance when evaluating the market risks associated with the Notes. Most of these risk factors are contingencies which may or may not occur and do not necessarily have an impact on the Notes.

The factors described below represent the principal risks inherent in investing in the Notes but the inability of the issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons that do not currently exist, that are not presently considered material, or of which the Issuer is unaware. Prospective investors should base their decision about investing in any Notes on their own independent review and such professional advice as they deem appropriate.

1.2 ISSUER'S LIABILITY TO MAKE PAYMENTS

The Issuer is liable to make payments when due on the Notes. The Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and equally with its other direct, unsecured, unconditional and unsubordinated obligations. Thus, they rank behind secured obligations and other priority claims but have priority over subordinate and remaining obligations.

The Notes are subject to credit risk. Credit risk is essentially the risk that the principal will not be repaid by the Issuer. If the Issuer fails to repay the principal, the Issuer will default on the Notes. As with other debt instruments investors must evaluate the issuer's liquidity and capacity to meet his obligations. They must also evaluate whether the premium on the Notes is in line with the risk they involve.

The Issuer is not subject to any kind of limits on further borrowings and can therefore take on further debt with equal ranking as the Notes in this issue.

1.3 MARKET RISK

Market risk refers to the risk related to all commercial papers of the same type. The most important market risk related to Notes is changes in the level of interest rates in the relevant market. If general interest rates rise, the market price of the Notes will fall and vice versa. Interest rate risk is higher for Notes with longer maturities/duration. Investors shall study the market risk related to Notes and evaluate the impact caused by changes in the interest rate level on the Notes' market price.

1.4 CHANGES IN LAW

The terms and conditions of the Notes are based on Icelandic law in force as of the date of this Securities Note. No assurance can be given as to the impact of any possible judicial decision or change to Icelandic law or administrative practice after the date of this Securities Note.

1.5 TRADING IN THE SECONDARY MARKET

Trading with the Notes in the secondary market needs to be active and the volume sufficient for investors to profit from their investment. The possibility exists that investors will not be able to sell their Notes easily or only at a discount to comparable securities from other issuers.

1.6 THE NOTES ARE NOT SUITABLE FOR ALL INVESTORS

Investors must make their own decision on whether investing in the Notes is suitable for them. In particular, the following must be kept in mind:

1. Investors must possess sufficient knowledge and experience to adequately evaluate the Notes and the Issuer's liquidity.
2. Investors must appreciate the risks related to investment in the Notes and familiarize themselves thoroughly with the information provided in the prospectus or other documents about the Issuer which are publicly available.
3. Investors must be able to estimate what impact an investment in the Notes has on their asset position and financial resources. Investors must have sufficient resources and liquidity to bear all of the risks of an investment in the Notes.
4. Investors must study and understand the terms that apply to the Notes and be familiar with the behaviour of the financial markets.
5. Investors must be able to evaluate (either on their own accord or with the aid of advisor) the impact of business cycles, changes in the level of interest rates and other comparable factors that may affect investment in the Notes.

2. PERSONS RESPONSIBLE

Glitnir banki hf., ("Glitnir") ID No. 550500-3530, Kirkjusandur 2, 155 Reykjavík, Iceland, in its capacity as the Issuer and Manager, declares that it has taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Reykjavík, 10 April, 2008
On behalf of Glitnir banki hf.

Alexander K. Guðmundsson, Executive Vice President of Finance
ID number: 111170-5259

Friðfinnur Ragnar Sigurðsson, Executive Director of Treasury
ID number: 211176-4079

3. NOTICE TO INVESTORS

This Securities Note, GLB 09 0202, concerns admission to trading of, Notes issued by Glitnir banki hf., ID No. 550500-3530 for the amount of up to ISK 10,000,000,000 on OMX Nordic Exchange Iceland hf. It has been prepared in accordance with chapter VI in the Act No. 108/2007 on securities transactions. This Securities Note is part of a Prospectus that consists of two independent documents; this Securities Note and a Registration Document published 13 April 2007 and supplemented 20 April and 14 May 2007. The admission to trading will proceed pursuant to Icelandic law and regulations. OMX Nordic Exchange Iceland hf. has scrutinized and approved this Securities Note.

Only the Issuer is entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

This Securities Note is not an offer to sell or a request to buy Notes.

The content of the Securities Note does not constitute legal, financial or tax advice and note owners should seek legal, financial and/or tax advice.

This Securities Note and any document forming a part of the prospectus shall not be distributed or mailed or otherwise distributed or sent within or into any country in which distribution would require any additional registration measures or other measures apart from those applicable under Icelandic law and regulations, or where it would be in conflict with any law or regulation in such country.

Contact the Issuer to receive copies of the documents forming the Prospectus. The address is Glitnir banki hf., Kirkjusandi 2, 155 Reykjavík.

4. GENERAL INFORMATION

4.1 CONFLICT OF INTEREST

The Issuer is not aware of any conflict of interest related to this issue.

4.2 REASONS FOR THE ISSUE AND THE USE OF PROCEEDS

The issue is part of regular financing. The proceeds from the issue are used to finance the Issuer's regular activities. An estimate of the total expenses related to the admission to trading is ISK 2,739,680.

5. INFORMATION CONCERNING THE SECURITIES

Authorisation

The Board of Glitnir banki hf., ID No. 550500-3530, Kirkjusandur 2, 155 Reykjavík, Iceland, authorised, on 31 July 2007, a short term note issue for up to ISK 10,000,000,000 in each class.

Issue and Note characteristics

The Notes are issued electronically at the Icelandic Securities Depository (Verðbréfasráning Íslands hf.), ID No. 500797-3209, Laugavegur 182, 105 Reykjavík, in accordance with Act No. 131/1997 on electronic registration of title securities and registered there under the name of the relevant noteholder or his/her nominee. The Notes will bear the symbol GLB 09 0202 and the ISIN code IS0000016111.

The issue date of the Notes was 1 February, 2008. The maximum amount which can be issued under this securities note is ISK 10,000,000,000. As of 10th April, 2008, notes in the amount of ISK 60,000,000 have been sold. Denomination of each Note is ISK 10,000,000.-. The indication of yield is 16.62% at 8 April 2008

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank pari passu among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

The Notes are denominated in ISK. They do not influence the Issuer's other commitments and they do not include any fringe benefits.

The Notes bear no interest. The principal will be repaid in one payment on the final maturity date, 2 February 2009.

All amounts payable under the Notes will be paid to the relevant financial institution where the registered owner has his/her VS account.

The depository agent is the Icelandic Securities Depository. The calculating and paying agent is Glitnir banki hf.

The Notes shall in change of ownership be endorsed to a named party. No other restrictions are on transferring the Notes.

Event of default, Acceleration and Enforcement

If payment of the principal or interest on the Notes default, it is permitted to declare the Notes immediately due and payable. The Issuer shall then pay penalty interest as determined by the Central Bank of Iceland, cf. paragraph 1, article 6 of Act No. 38/2001, on a mature or called amount according to the aforesaid.

Prescription

The Notes will become void in accordance with Act. No. 150/2007 unless presented for payment within 10 years (in the case of the principal) and four years (in the case of interest or any other amount) after the relevant date.

Taxation

All payments in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any tax jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will not pay any additional amounts in respect of amounts withheld pursuant to such withholding or deduction.

The Issuer's Notes are exempt from stamp duty in Iceland according to Art. 115 of Act No. 161/2002.

Governing law

The governing law is Icelandic law. The Issuer irrevocably agrees that any dispute shall be subject to the exclusive jurisdiction of the District Court of Reykjavík. Legal action regarding the Notes may be initiated in accordance with the Act on Civil Procedure No. 91/1991, Chapter 17.

6. ADMISSION TO TRADING AND MARKET MAKING

Glitnir banki hf. is the manager. Glitnir banki hf. is also the market maker and is committed to post bid and sell offers on OMX Nordic Exchange Iceland hf. before markets open. Offers shall be no lower than ISK 100,000,000,- at nominal value, although until sufficient number of notes have been sold, lower values will be traded. The maximum spread between bid and sell offers shall be 0.1%. An offer shall be renewed no later than 10 minutes from when it is accepted. If Glitnir banki hf.'s market making trades for more than ISK 500,000,000,- at nominal value or more in one day, Glitnir banki hf. is permitted to stop posting bid and sell offers for that day. If Glitnir banki hf. does not own Notes, it reserves the right not to post a bid or sales offer.

The maximum amount of notes which can be issued under this securities note is ISK 10,000,000,000. As of 10th April, 2008, notes in the amount of ISK 60,000,000 have been sold. Glitnir banki hf. has applied for the Notes to be admitted to trading in a regulated securities market, run by OMX Nordic Exchange Iceland hf. OMX Nordic Exchange Iceland hf. operates in pursuance of the Act. No. 110/2007 on stock exchanges.

The Notes are expected to be admitted to trading on 11th April 2008.

7. FURTHER INFORMATION

7.1 EXTERNAL INFORMATION

This Securities Note is not based on the statements of external specialists or another third party.

7.2 CREDIT RATING

Glitnir banki hf. is rated by three, independent, international rating agencies: Standard and Poor's (Long term rating: A-), Moody's Investors Service (Long term rating: A2) and Fitch Ratings (Long term rating: A). On 28 February 2008, Moody's Investors Service downgraded Glitnir Banki hf's financial strength rating ("BFSR") to C- from C and its long-term foreign and local currency deposit ratings to A2 from Aa3. The Bank's Prime-1 short-term rating was affirmed. The outlook on all ratings is stable.

Further information can be found on Glitnir banki hf's website: <http://www.glitnirbank.com/investor-relations/debt-investors/credit-ratings/>

7.3 NEW DEVELOPMENTS

7.3.1. – Financial results

Glitnir banki hf. has announced the financial results for the year 2007. The Audited consolidated annual financial statements of Glitnir banki hf. for the financial year ended 31 December 2007 (including the audit reports issued in respect thereof) shall be deemed to be incorporated by reference, and to form part of this Securities Note. Copies of the statements can be obtained from Glitnir banki hf's registered office and from its website: <http://www.glitnirbank.com/investor-relations/financial-reports/>

7.3.2. – Annual General Meeting

The Annual General Meeting of Glitnir banki hf. was held on February 20, 2008. Among the motions adopted at the meeting were the following:

A dividend payment totalling ISK 5.506 billion to shareholders in proportion to their shareholdings, or the equivalent of 19,9% of the profit for the year 2007 and 37% of the nominal value of share capital. Also that shareholders should have the option to receive up to one half of their dividend in shares in Glitnir banki hf. at the price of 17.10 per share.

The Board of Directors was authorised to raise the nominal share capital of the Company by ISK 4,200 million, whereof ISK 200 million are to accommodate dividend payments in shares in the company for the financial year of 2007. ISK 4,000 million shall be sold through subscriptions whereof shareholders shall have a pre-emptive right to subscription of ISK 1,500 million. The Company's Articles of Association were updated accordingly.

7.3.3 Extraordinary General Meeting

The following Motion of the Board of Directors of Glitnir banki hf. was adopted at the shareholders' meeting of Glitnir banki hf. which was held on 19th of March 2008:

The following text shall form a new paragraph (paragraph 5) of Article 4 in the Articles of Association of Glitnir banki hf.:

The Board of Directors is authorised to issue convertible bonds up to a maximum amount of ISK 15,000,000,000, on the terms that such debt can be (or shall be) converted into shares in Glitnir banki hf., subject to terms and conditions determined by the Board. The Board of Directors is furthermore authorised to increase the share capital of the company by up to ISK 1,250,000,000 nominal value to meet the obligations of the company under the terms of the convertible bonds. The current shareholders waive their preferred rights to the new shares pursuant to Article 34, paragraph 3 of Act no. 2/1995 on Public Limited Companies. The new shares shall belong to the same class and carry the same rights as other shares in the Company, they shall grant rights in the company as of the date of registration of the increase of share capital and there will be no restrictions on trading with the new shares. The Board of Directors shall in other matters determine the terms of the issue of the convertible bonds and the increase of the share capital. The Board of Directors shall be authorised to make the necessary amendments to the Company's Articles of Association relating to the issue of the convertible bonds or the subsequent increase of the Company's share capital. This authorisation to issue convertible bonds and to increase the share capital shall expire on 19 March 2013.

Glitnir banki hf. subsequently issued and sold an ISK 15bn (\$200m) five year mandatory convertible bonds in a closed offering to Icelandic institutional investors, which commenced on 12 March ending on Monday 17 March, 2008. The bonds will convert into shares in Glitnir banki hf. in five years. The bonds are subordinated and count as Tier 1 capital.

7.34 Board of Directors

Following the Annual General Meeting on February 20, 2008 the Board of Directors is composed of the following members:

Name	Title
Þorsteinn M. Baldvinsson	Chairman
Jón Sigurðsson	Vice-Chairman
Hans Kristian Hustad	Member of the Board
Sigurður G. Guðjónsson	Member of the Board
Kristín Edwald	Member of the Board
Kristinn Þór Geirsson	Member of the Board
Björn Ingi Sveinsson	Member of the Board

Þorsteinn M. Baldvinsson (Chairman). Mr. Baldvinsson was born on Oktober 10, 1952. He is one of the founders of Samherji Ltd., a leading seafood company in Iceland, for which he has served as

Chief Executive Officer since 1983. He currently serves as Chairman of Sildarvinnslan hf. (SVN) and is a member of the board of directors of Tryggingamiðstöðin hf. (TM), as well as a number of other companies and organizations. Mr. Baldvinsson acquired a master's certificate from the College of Navigation of Reykjavik in 1975 and graduated as a Civil Engineer from The Norwegian University of Science and Technology in 1980. He was first elected to the board of directors of Glitnir at the annual meeting in February 2008 and appointed Chairman by the board of directors.

Jón Sigurðsson (Vice Chairman). Mr. Sigurðsson was born on March 18, 1978. He joined FL Group hf. as managing director in September 2005 and as Deputy Chief Executive Officer in December 2006. On December 4, 2007, Mr. Sigurðsson was appointed Chief Executive Officer of FL Group hf. Prior to joining FL Group hf., he worked at Landsbanki Íslands hf. and Bunadarbanki Íslands hf. (now Kaupthing Bank hf.). Mr. Sigurðsson received his B.Sc. in Business Administration from Reykjavík University in 2001. He is a member of the board of directors of Icelandair Group, Tryggingamiðstöðin Ltd. (TM) and Hitaveita Suðurnesja hf. Mr. Sigurðsson was first elected to the board of directors of Glitnir at the annual meeting in February 2006.

Hans Kristian Hustad (Member of the Board). Mr. Hustad was born on May 30, 1954. He serves as Chairman of Booker Ltd. and is a member of the board of directors of Baugur Group, Hamleys Ltd. and Wyevale Ltd. Mr. Hustad studied finance and logistics at universities in Norway and Sweden and has held leading positions in Nora Industrier AS, Orkla ASA and Reitan Narvesen ASA. He was first elected to the board of directors of Glitnir at the annual meeting in February 2008.

Sigurður G. Guðjónsson (Member of the Board). Mr. Guðjónsson was born on November 8, 1951. He serves as Chairman of Farice hf., Farice ehf. and Sökkull ehf. Mr. Guðjónsson also maintains his own law practice which he has run since 1985 in Reykjavík, Iceland. He holds a Cand. Juris degree from the University of Iceland and is admitted to practice before the District Courts of Iceland and the Supreme Court of Iceland. Mr. Guðjónsson was first elected to the board of directors of Glitnir at the annual meeting in February 2008.

Kristín Edwald (Member of the Board). Ms. Edwald was born on April 15, 1971. She serves as a member of the board of directors of Lex ehf. and Ríkisútvarp ohf. Ms. Edwald also is a senior partner at Lex Law Offices in Iceland, where she began working in August 2002 and became partner in January 2004. Prior to joining Lex Law Officers, she worked at Logos Legal Services from 1997 to 2000 and at the Prosecution of Economic Crime Division of the National Commissioner of Police of Iceland from 2000 to 2002. Ms. Edwald was admitted to practice before the District Courts of Iceland in January 1998 and was admitted to practice before the Supreme Court of Iceland in May 2005. She graduated from the Faculty of Law at the University of Iceland in 1997. Ms. Edwald was first elected to the board of directors of Glitnir at the annual meeting in February 2008.

Kristinn Þór Geirsson (Member of the Board). Mr. Geirsson was born on July 27, 1966. He serves as Active Chairman of Ingvar Helgason ehf. and Bifreiðar og landbúnaðarvélur hf. Mr. Geirsson previously served as Managing Director of Sund ehf., Chief Executive Officer of Ingvar Helgason ehf. and Chief Executive Officer of Íslenska Sjónvarpsfélagið hf. He received a Cand. Oecon degree from the University of Iceland and an MBA degree from the Wharton School of the University of Pennsylvania. Mr. Geirsson was first elected to the board of directors of Glitnir at the annual meeting in February 2008.

Björn Ingi Sveinsson (Member of the Board). Mr. Sveinsson was born on November 26, 1951. He holds a Civil Engineering degree from the University of Iceland and a Master of Engineering degree from the University of California at Berkeley. In 2005, Mr. Sveinsson was appointed Chief Executive Officer of Saxbygg Investments ehf. Prior to joining Saxbygg Investments ehf., he was Chief Executive Officer of SPH Savings Bank, Chief City Engineer for the City of Reykjavík, Chief Executive Officer of Hönnun Consulting Engineers and Chief Executive Officer of Silverton ASA/Silfurtún hf. Mr. Sveinsson also has worked as a consultant in structural and seismic engineering in Iceland and California. He currently serves as Chairman and/or Board Member of the

following companies: Austurbraut ehf., Ferðaskrifstofa Íslands/Exit ehf. (Iceland Travel), Glitnir Real Estate Fund hf., Steni AS (Norway), Hadley Homes Holdings Ltd., Ice-Invest Berlin GmbH, London Property Holdings plc, Saxbygg Holding BV, Saxbygg Invest BV and the Technical College of Hafnarfjörður. Mr. Sveinsson has previously served as Chairman and/or Board Member of a number of companies, including the Association of Icelandic Savings Banks, Icebank, the Icelandic Association of Consulting Engineers, the Iceland – China Trade Council, JiFu Pulp Moulding Company Ltd. (Jilin, China), Loftmyndir ehf. (Aerial Photography) and VBS Investment Bank. He was first elected to the board of directors of Glitnir at the extraordinary shareholders’ meeting in April 2007.

The reserve members of the board of directors are as follows:

Name	Title
Kristinn S. Bjarnason	Reserve Member of the Board
Jón Björnsson	Reserve Member of the Board
Árni Harðarson	Reserve Member of the Board
Steingrímur H. Pétursson	Reserve Member of the Board
Bernhard Nils Bogason	Reserve Member of the Board
Gunnar Jónsson	Reserve Member of the Board
Haukur Guðjónsson	Reserve Member of the Board

Kristinn Bjarnason (Reserve Member of the Board). Mr. Bjarnason was born in March 1964. He earned a Cand. Juris degree from the University of Iceland in 1989. Mr. Bjarnason worked as an advocate for Almenna lögfræðistofan from 1989 to 1995. He started his own law firm named KB lögmannsstofa in 1996 and has served as Advocate of the Supreme Court of Iceland since 1998. Mr. Bjarnason is a member of the board of directions of Athús ehf., LHF ehf., Atland fjárfesting ehf., Lagastoð lögfræðiþjónusta ehf. and KB lögmannsstofa ehf. He was first elected as a reserve member of the board of directors of Glitnir at the extraordinary shareholders’ meeting in April 2007.

Jón Björnsson (Reserve Member of the Board). Mr. Björnsson was born on January 16, 1966. He earned a Cand. Oecon degree from the University of Iceland in 1991. Mr. Björnsson worked as Marketing Manager for Icelandair from 1991 to 1994 and as a consultant for Hagvangur hf. from 1994 to 1996. He began working in the financial sector, first with the Savings Bank of Hafnarfjörður in 1996, and then with the Savings Bank of Akureyri as General Manager (Bank Manager) from 1997 to 2006. From 1997 to 2006, Mr. Björnsson served as a board member for several companies in the financial sector on behalf of the Savings Bank of Akureyri. He is now General Manager for Lífsval ehf., an Icelandic real estate company. Mr. Björnsson was first elected as a reserve member of the board of directors of Glitnir at the annual meeting in February 2007.

Árni Harðarson (Reserve Member of the Board). Mr. Harðarson was born on August 5, 1966. He earned a degree in law from the University of Iceland in 1993 and has been a member of the Icelandic Bar Association since 1998. Mr. Harðarson serves as a member of the board of directors of Reykjavík University and various subsidiaries of Salt Investments, for which he also serves as Chief Executive Officer. Prior to that he served as Vice President of Tax and Structure for Actavis Group hf. and as Head of Tax and Legal for Deloitte hf. Mr. Harðarson was first elected as a reserve member of the board of directors of Glitnir at the annual meeting in February 2008.

Bernhard Nils Bogason (Reserve Member of the Board). Mr. Bogason was born on July 6, 1963. He earned a Cand. Jur. degree from the University of Iceland in 1993. Mr. Bogason became Managing Director of Legal and Tax of FL Group hf. in 2006. Prior to joining FL Group hf., he was a partner and the head of the tax department of KPMG hf. Mr. Bogason served as a Deputy Judge in the District Courts of Iceland from 1993 to 1995, and operated his own law office from 1996 to 1999. He

was first elected as a reserve member of the board of directors of Glitnir at the annual meeting in February 2008.

Gunnar Jónsson (Reserve Member of the Board). Mr. Jónsson was born on December 7, 1960. He earned a Cand. Juris degree from the University of Iceland in 1985 and a LL.M degree from the Cleveland Marshall College of Law in 1992. Mr. Jónsson also is admitted to practice before the District Courts of Iceland and the Supreme Court of Iceland. He serves as member of the board of director of a number of companies, including Icelandic subsidiaries of several multi-national corporations. Mr. Jónsson also is a partner of Jonsson & Hall (legal services) which he co-founded in 1993. Prior to that he was an associate with Lögmenn, the predecessor of Jonsson & Hall. Mr. Jónsson also has advised the Icelandic government in the drafting of several bills of legislation and has served as Chairman of the Licensing Committee for International Trading Companies. He was first elected as a reserve member of the board of directors of Glitnir at the annual meeting in February 2008.

Haukur Guðjónsson (Reserve Member of the Board). Mr. Guðjónsson was born on October 20, 1966. He is a licensed real estate and ship broker, as well as a licensed securities broker. In 2004, he joined Ingvar Helgason ehf., an Icelandic car distributor, as Chief Financial Officer, and since late 2006 has served as its Chief Executive Officer. Prior to joining Ingvar Helgason ehf., Mr. Guðjónsson worked as an independent real estate and ship broker. He currently is an alternate member of the board of directors of the Icelandic Federation for Motor Trades and Repairs. Mr. Guðjónsson was first elected to the board of directors of Glitnir at the extraordinary shareholders meeting in April 2007 and then as a reserve member at the annual meeting in February 2007.

Steingrímur Halldór Pétursson (Reserve Member of the Board). Mr. Pétursson was born on August 18, 1972. He graduated with a business degree from the University of Iceland in 2001. Mr. Pétursson has served as Chief Executive Officer of Sjöfn Investment Company hf. since 2006. He also has served as Chief Financial Officer of Eimskipafélag Íslands hf. from 2005 to 2006, Sjöfn Investment Company from 2001 to 2005 and KPMG hf. from 1994 to 1999. He was first elected to the board of directors of Glitnir at the extraordinary shareholders meeting in April 2007 and then as a reserve member at the annual meeting in February 2008.

7.3.5 Conflict of Interest

The Rules of Procedure of the Board of Directors are designed to prevent the involvement of the members of the Board in matters that might lead to a conflict of interest and the Chairman ensures that these Rules are followed. No member of the Board of Directors, the CEO or a member of the Senior Management has an actual or potential conflict of interest between his or her duties to the Company and his or her private interests or other duties.

7.3.6 Organization Chart

Glitnir banki hf. adopted the following Organization Chart in January 2008:



Senior Management

The Executive Board consists of the following nine members:

Lárus Welding – Chief Executive Officer. Mr. Welding was appointed Chief Executive Officer of Glitnir banki hf. in May 2007. He first joined Glitnir (then Icelandic Investment Bank FBA hf in 1999). In 2003 he joined Landsbanki Íslands hf. as General Manager for the London Branch with operations primarily in Corporate and Investment Banking. He previously worked for the accounting firm JHR ehf. and the Central Bank of Iceland. Welding holds a degree in business administration from the University of Iceland, is a licenced securities broker and a graduate in Corporate Finance from the UK Securities Institute.

Alexander K. Guðmundsson – Chief Financial Officer and Executive Vice President, Finance Division and Risk Management. Mr. Guðmundsson was appointed to the Glitnir Executive Board in May 2007. He joined Glitnir (then the Icelandic Investment Bank FBA hf. in 1998) as Relationship Manager in Corporate Banking. Mr. Guðmundsson took on the role of deputy Country Manager for Glitnir in Norway in 2005 and was key in the successful expansion of Glitnir in Norway. During his 10 years within Glitnir, he has specialized in credit control and risk management related to large

project finance assignments. Prior to joining Glitnir, he worked with the global Swedish industrial conglomerate, AGA both in Iceland and Sweden.

Mr. Guðmundsson holds a Cand. Econ degree from the University of Iceland.

Magnús Bjarnason – Executive Vice President, International Banking. Mr. Bjarnason was appointed to the Glitnir Executive Board in February 2007. He joined Glitnir in 2005 as managing director of the Asia and America Region in Glitnir's Corporate Banking Division. Prior to joining Glitnir, Mr. Bjarnason served as minister counsellor and deputy chief of mission at the Icelandic Embassy in China, was acting consul general in New York as well as trade commissioner for Iceland in the USA and Canada. His previous experience also includes work in the banking and airline industries. Mr. Bjarnason holds an MBA degree from Thunderbird, the Garvin School of International Management.

Morten Bjørnsen - Executive Vice President, Nordic banking operations. Mr. Bjørnsen was appointed to the Glitnir Executive Board in August 2007. Prior to joining Glitnir, he was part of Fokus Banks top management group from 1999-2007, heading the banks operations on the West coast of Norway and later the activities in Oslo and Eastern Norway. For several years he was EVP and head of Corporate and Institutional banking, which included a nationwide responsibility for SME's, large corporates, shipping/offshore, structured finance and financial institutions. From 1986 to 1999, Mr. Bjørnsen held various positions in DnB from primarily within the energy and large corporate segments in Norway and the U.S

Mr. Bjørnsen holds an MBA from Norwegian School of Management..

Birna Einarsdóttir – Executive Vice President, Iceland Commercial Banking. Ms. Einarsdóttir was appointed to the Glitnir Executive Board in February 2007. She first joined Glitnir (then Iðnaðarbankinn hf.) in 1987. She was director of marketing and sales of Íslandsbanki hf. After working for the Royal Bank of Scotland for six years she rejoined Glitnir in 2004 and has been in charge of Glitnir's marketing and sales teams as well as the Corporate development unit. She directed the Bank's successful re-branding in 2006. In June 2007 she took on the role of head of Glitnir's Iceland Commercial bank.

Ms. Einarsdóttir holds a B.Sc. in Business Administration from the University of Iceland and an MBA degree from Edinburgh University.

Helgi Anton Eiríksson – Executive Vice President, Europe. Mr. Eiríksson was appointed to the Glitnir Executive Board in February 2007. He joined Glitnir in 2004 as Global Seafood Director with responsibility for overall management of Glitnir's international seafood activities. In January 2007 he took the role of Executive Vice President for Investment Banking. Prior to joining Glitnir, Mr. Eiríksson worked with Coldwater Seafood (UK) Ltd. as Director within the executive management team from 1995-2004.

Mr. Eiríksson holds a Cand. Oecon degree in business administration from the University of Iceland.

Sveinung Hartvedt - Executive Vice President Capital Markets and Corporate Finance in Norway and Sweden. Mr. Hartvedt was appointed to the Glitnir Executive board in May 2007. Prior to joining Glitnir, Mr. Hartvedt was Head of Equities in DnB NOR Markets for ten years. Previously he worked as Head of Sales and deputy CEO in FIBA Nordic Securities AS. From 1989 -1994 he was a broker and Head of Research at Carnegie. He began his professional career as a journalist for the leading Norwegian business magazine Kapital.

Mr. Hartvedt holds a Bachelor of Commerce degree (Siviløkonom) from the Norwegian School of Economics and in Business Administration in Bergen, Norway.

Gísli Heimisson – Executive Vice President, Shared Services and IT. Mr. Heimisson was appointed to the Glitnir Executive Board in May 2007. He joined Glitnir in 2005 as Executive Director within the IT department and that same year he became Managing Director for IT. He was appointed CIO for the group in March 2007. Prior to joining Glitnir, Mr. Heimisson was CEO of the software company

Mentis hf. which he co-founded in 1999. He was Executive Director in Landsbanki Íslands' IT department and Head of IT in Landsbréf hf., a trading and asset management company in Reykjavík. Mr. Heimisson holds a masters degree in Civil Engineering from Denmark's Tekniske Universitet.

Guðmundur Hjaltason – Executive Vice President Iceland-Corporate Banking. Mr. Hjaltason was appointed to the Glitnir Executive Board in October 2006. Prior to joining Glitnir he served as the CEO of Ker hf., an Icelandic investment company from 2003-2007. He was the CFO of Samskip hf. an Icelandic shipping and logistics company, from 1999-2003, was a partner in an international accounting firm in Iceland from 1987-2999. Mr. Hjaltason holds a degree in Business Administration from the University of Iceland and is a chartered accountant.

7.3.7 New York office

On 5 September 2007 Glitnir banki hf. opened an office in New York, - Glitnir Capital Corporation. The main function of the office will be to support the Issuer's growth in North America, particularly within the renewable energy and seafood sectors.

7.3.8 Copenhagen branch

On 28 February it was announced that Glitnir banki hf. has decided to close down its branch in Copenhagen. The Bank will move most of its current operations from Copenhagen to London and to its headquarters in Iceland. The closing will be final in June 2008.

7.3.9 Issue of covered bonds

Glitnir banki hf. issued and sold on 25th March, 2008, an ISK 40 billion covered bond due 2051 and an ISK 16 billion Covered bond due 2050. The bonds were issued under under Glitnir banki hf's ISK 100,000,000,000 Covered Bond Programme.

7.4 MAJOR SHAREHOLDERS

The following table shows the percentage ownership of the 20 largest shareholders of Glitnir banki hf. as of 8th April 2008:

FL Group Holding Netherlands	17.7
GL GLB Holding B.V.	13.1
Páttur International ehf.	7.0
GLB Hedge	5.7
Saxbygg invest ehf.	5.0
Jötunn Holding ehf.	4.9
Glitnir banki hf.	2.7
Landsbanki Luxembourg S.A.	2.4
Salt Investments ehf.	2.3
Rákungur ehf.	2.0
IceProperties ehf.	1.8
Kristinn ehf.	1.7
LI-Hedge	1.4
Lífeyrissjóðir Bankastræti 7	1.3
Barclays Bank Plc (Dorset)	1.1
BK-44 ehf.	1.0
Arion safnreikningur	0.9
Singer and Friedlander Limited	0.9
Langflug ehf.	0.9
Sund ehf.	0.9
Total:	74.9

To the extent known to Glitnir banki hf., Glitnir is not owned or controlled, directly or indirectly, by any one person or entity, or persons or entities working in tandem. There are no arrangements known to Glitnir banki hf., the operation of which may at a subsequent date result in a change in control of Glitnir banki hf.

7.5 SIGNIFANT CHANGES FROM THE LATEST FINANCIAL STATEMENT

Apart from the above no significant changes in the financial or trading position of Glitnir banki hf. have occurred since the end of the last financial period on 31 December 2007. There has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements.

7.6 DOCUMENTS ON DISPLAY

For the life of the Prospectus, the following documents may be inspected on the Company's registered office Kirkjusandur 2, 155 Reykjavik, Iceland:

- The Articles of Association of Glitnir banki hf., dated 19 March 2008.
- The Company's audited financial statements in respect of the year ended December 31, 2007, together with the audit report prepared in connection therewith.