

November 20, 2007

Bulletin:

Glitnir Bank Ratings Unaffected By Republic of Iceland Outlook Revision

Primary Credit Analyst:

Miguel Pintado, Stockholm (46) 8-440-5904; miguel_pintado@standardandpoors.com

Secondary Credit Analysts:Louise Lundberg, Stockholm (46) 8-440-5938; louise_lundberg@standardandpoors.com
Claire Curtin, London (44) 20-7176-7032; claire_curtin@standardandpoors.com

STOCKHOLM (Standard & Poor's) Nov. 20, 2007--Standard & Poor's Ratings Services said today that its ratings and outlook on Iceland-based Glitnir Bank (A-/Stable/A-2) remain unchanged following a revision of the outlook on the ratings on the Republic of Iceland to negative from stable (see "Republic of Iceland Outlook To Negative On Macroeconomic Imbalances; Ratings Affirmed" published on RatingsDirect Nov. 20, 2007).

The factors behind the sovereign rating action are already reflected in the ratings on Glitnir Bank. Moreover, the ratings on the bank are underpinned by its strong domestic franchise, as well as by geographic diversification through its growing presence in Norway, Sweden, and Finland. They also recognize the bank's consistently high profitability and current good asset quality, both in Iceland and elsewhere. The ratings continue to reflect our view that Glitnir Bank's liquidity management is prudent and transparent, even though the bank remains highly reliant on wholesale foreign currency funding. Given the bank's increased geographical and product diversification, the ratings reflect our expectation that it should be able to maintain profitability at comfortable levels, despite Iceland's challenging economic environment and the potential for higher loan losses and lower financial gains. A negative rating action could follow, however, if a further economic slowdown in Iceland were to lead to a significant increase in the bank's loan

losses and a deterioration in its asset quality.

Additional Contact:

Financial Institutions Ratings Europe; FIG_Europe@standardandpoors.com

Copyright © 2007, Standard & Poors, a division of The McGraw-Hill Companies, Inc. (S&P). S&P and/or its third party licensors have exclusive proprietary rights in the data or information provided herein. This data/information may only be used internally for business purposes and shall not be used for any unlawful or unauthorized purposes. Dissemination, distribution or reproduction of this data/information in any form is strictly prohibited except with the prior written permission of S&P. Because of the possibility of human or mechanical error by S&P, its affiliates or its third party licensors, S&P, its affiliates and its third party licensors do not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. S&P GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P, its affiliates and its third party licensors be liable for any direct, indirect, special or consequential damages in connection with subscribers or others use of the data/information contained herein. Access to the data or information contained herein is subject to termination in the event any agreement with a third-party of information or software is terminated.

Analytic services provided by Standard & Poor's Ratings Services (Ratings Services) are the result of separate activities designed to preserve the independence and objectivity of ratings opinions. The credit ratings and observations contained herein are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of the information contained herein should not rely on any credit rating or other opinion contained herein in making any investment decision. Ratings are based on information received by Ratings Services. Other divisions of Standard & Poor's may have information that is not available to Ratings Services. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during the ratings process.

Ratings Services receives compensation for its ratings. Such compensation is normally paid either by the issuers of such securities or third parties participating in marketing the securities. While Standard & Poor's reserves the right to disseminate the rating, it receives no payment for doing so, except for subscriptions to its publications. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Any Passwords/user IDs issued by S&P to users are single user-dedicated and may ONLY be used by the individual to whom they have been assigned. No sharing of passwords/user IDs and no simultaneous access via the same password/user ID is permitted. To reprint, translate, or use the data or information other than as provided herein, contact Client Services, 55 Water Street, New York, NY 10041; (1)212.438.9823 or by e-mail to: research_request@standardandpoors.com.