

PRICING SUPPLEMENT

14 October 2003

Kaupthing Búnaðarbanki hf.
CZK 500,000,000 Floating Rate Notes due 2008 (the "Notes")
issued pursuant to the €2,000,000,000 Euro Medium Term Note Programme

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 the Conditions set forth in the Offering Circular dated 24th June, 2003. This Pricing Supplement is supplemental to and must be read in conjunction with such Offering Circular.

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| 1. | Issuer: | Kaupthing Búnaðarbanki hf. |
| 2. | (i) Series Number: | 4 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | CZK |
| 4. | Aggregate Nominal Amount: | CZK 500,000,000 |
| | (i) Tranche: | Not Applicable |
| | (ii) Series: | Not Applicable |
| 5. | (i) Issue Price: | 100 per cent of the Aggregate Nominal Amount |
| | (ii) Net proceeds | |
| 6. | Specified Denominations: | CZK 10,000,000 |
| 7. | (i) Issue Date: | October 14, 2003 |
| | (ii) Interest Commencement Date: | October 14, 2003 |
| 8. | Maturity Date: | October 14, 2008 |
| 9. | Interest Basis: | 6-month PRIBOR + 0,21 per cent |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/
Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | None |
| 13. | Status of the Notes: | Senior |

14. Listing: None
15. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** Not Applicable
17. **Floating Rate Note Provisions** Applicable
- (i) Specified Period(s)/Specified Interest Payment Dates: Interest shall be paid on 14 October and on 14 April of each year. The first Interest Payment Date shall be 14 April 2004.
- (ii) Business Day Convention: Modified Following Business Day Convention
- (iii) Additional Business Centre(s): The definition of Business Day in Condition 5 (b) (i) shall be replaced by the following wording: "In these Terms and Conditions the term "Business Day" shall mean a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Prague and London, and a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the "TARGET System") is open.
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: ISDA Determination
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): Not Applicable
- (vi) Screen Rate Determination: Not Applicable
- Reference Rate:
- Interest Determination Date(s):
- Relevant Screen Page:
- (vii) ISDA Determination: Applicable
- Floating Rate Option: CZK-PRIBOR-PRBO determined two Prague and London business days and Target Settlement Days prior to the Reset Date
- Designated Maturity: 6 Month
- Reset Date: First Day in each Interest Period

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| (viii) | Margin(s): | + 0,21 per cent 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, 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 |

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| 18. | Zero Coupon Note Provisions | Not Applicable |
| 19. | Index Linked Interest Note Provisions | Not Applicable |
| 20. | Dual Currency Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 21. | Issuer Call | Not Applicable |
| 22. | Investor Put | Not Applicable |
| 23. | Final Redemption Amount of each Note | Nominal Amount |
| 24. | Early Redemption Amount(s) of each Note 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)): | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25. | Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| 26. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | Notwithstanding the provisions of Condition 6(e), Payment Day shall mean a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Prague and London, and a day on which the TARGET System is open. |

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:
- (i) Instalment Amount(s): Not Applicable
- (ii) Instalment Date(s): Not Applicable
30. Redenomination applicable: Redenomination not applicable
31. Other terms or special conditions: Not Applicable

DISTRIBUTION

32. (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
33. If non-syndicated, name of relevant Dealer:
34. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
35. Additional selling restrictions: Not Applicable

OPERATIONAL INFORMATION

36. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
37. Delivery: Delivery against Payment
38. Additional Paying Agent(s) (if any): Not Applicable

ISIN: XS0178171913
Common Code: 017817191

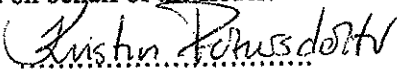
LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the €2,000,000,000 Euro Medium Term Note Programme of Kaupthing Búnaðarbanki hf.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: 
Duly authorised

