

29th November, 2004

Kaupthing Bank hf.
Issue of USD500,000,000 Floating Rate Notes due December 2009
under the €4,000,000,000
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 28th April, 2004, as supplemented by the Supplementary Offering Circular dated 28th June, 2004 and the Second Supplementary Offering Circular dated 29th October, 2004. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular, as so supplemented.

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| 1. | Issuer: | Kaupthing Bank hf. |
| | (i) Series Number: | 10 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | U.S. dollars (USD) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | USD500,000,000 |
| | (ii) Tranche: | USD500,000,000 |
| 5. | (i) Issue Price: | 99.857 per cent. of the Aggregate Nominal Amount |
| | (ii) Net proceeds | USD499,160,000 |
| 6. | Specified Denominations: | USD1,000 |
| 7. | (i) Issue Date: | 1st December, 2004 |
| | (ii) Interest Commencement Date: | 1st December, 2004 |
| 8. | Maturity Date: | Interest Payment Date falling in December 2009. |
| 9. | Interest Basis: | Floating Rate 3 month USD LIBOR + 0.15 per cent.
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/
Payment Basis: | No |

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| 12. | Put/Call Options: | Not Applicable |
| 13. | (a) Status of the Notes: | Senior |
| | (b) Date Board approval for issuance of Notes obtained: | Not Applicable |
| 14. | Listing: | Luxembourg |
| 15. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16. | Fixed Rate Note Provisions | Not Applicable |
| 17. | Floating Rate Note Provisions | Applicable |
| | (i) Specified Period(s)/Specified Interest Payment Dates: | 1st March, 1st June, 1st September and 1st December in each year, with the first Specified Interest Payment Date being 1st March, 2005 subject to the Modified Following Business Day Convention |
| | (ii) Business Day Convention: | Modified Following Business Day Convention |
| | (iii) Additional Business Centre(s): | TARGET |
| | (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 Agent): | Not Applicable |
| | (vi) Screen Rate Determination: | Applicable |
| | – Reference Rate: | 3 month USD LIBOR |
| | – Interest Determination Date(s): | Second London business day prior to the start of each Interest Period |
| | – Relevant Screen Page: | Moneyline Telerate Page 3750 |
| | (vii) ISDA Determination: | Not Applicable |
| | (viii) Margin(s): | +0.15 per cent. per annum |
| | (ix) Minimum Rate of Interest: | Not Applicable |
| | (x) Maximum Rate of Interest: | Not Applicable |

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|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| (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 |
| 18. | Zero Coupon Note Provisions | Not Applicable |
| 19. | Index Linked Interest Note Provisions | Not Applicable |
| 20. | Dual Currency Interest 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 | USD1,000 per Note of USD1,000 Specified Denomination |
| 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)): | As per Condition 7(e) |

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: | TARGET |
| 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: Daiwa Securities SMBC Europe Limited
Deutsche Bank AG London
- (ii) Stabilising Manager (if any): Daiwa Securities SMBC Europe Limited
33. If non-syndicated, name of relevant Dealer: Not Applicable
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:	XS0206352824
Common Code:	020635282
WKN:	A0DGAP


LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the €4,000,000,000 Euro Medium Term Note Programme of Kaupthing Bank hf.

RESPONSIBILITY

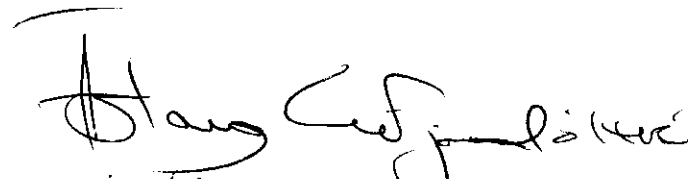
The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: 

Duly authorised

Kristín Pétursdóttir
Managing Director
Treasury


sign. Aslaug Guðjónsdóttir

ICM:1225946.2