

PRICING SUPPLEMENT

9th February, 2005

Kaupthing Bank hf.
Issue of €50,000,000 Subordinated Notes due 2017
under the €8,000,000,000
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 17th December, 2004. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

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|----|-----------------------------------|---|
| 1. | Issuer: | Kaupthing Bank hf. |
| | (i) Series Number: | 8 |
| | (ii) Tranche Number: | 01 |
| 2. | Specified Currency or Currencies: | Euro |
| 3. | Aggregate Nominal Amount: | |
| | (i) Series: | €50,000,000 |
| | (ii) Tranche: | €50,000,000 |
| 4. | (i) Issue Price: | 100.032 per cent. of the Aggregate Nominal Amount |
| | (ii) Net proceeds: | €50,016,000.00 |
| 5. | Specified Denominations: | €1,000; €10,000 and €100,000 |
| 6. | (i) Issue Date: | 9th February, 2005 |
| | (ii) Interest Commencement Date: | 9th February, 2005 |
| 7. | Maturity Date: | Interest Payment Date falling in February 2017 |

8.	Interest Basis:	From and including the Issue Date to but excluding the Interest Payment Date falling in February 2012, 3-month EURIBOR plus 0.40 per cent. Floating Rate (further particulars specified below)
		From and including the Interest Payment Date falling in February 2012 to but excluding the Maturity Date, 3-month EURIBOR plus 1.40 per cent. Floating Rate (further particulars specified below)
9.	Redemption/Payment Basis:	Redemption at par
10.	Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
11.	Put/Call Options:	Issuer Call (further particulars specified below)
12.	(a) Status of the Notes:	Subordinated
	(b) Date Board approval for issuance of Notes obtained:	24th November, 2004
13.	Listing:	Luxembourg
14.	Method of distribution:	Non-syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE		
15.	Fixed Rate Note Provisions	Not Applicable
16.	Floating Rate Note Provisions	Applicable
	(i) Specified Period(s)/Specified Interest Payment Dates:	9th February, 9th May, 9th August and 9th November in each year from and including 9th May, 2005, subject in each case to adjustment in accordance with the Business Day Convention
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	Not Applicable
	(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:
 - Reference Rate: 3-month EURIBOR
 - Interest Determination Date(s): Second day on which the TARGET System is open prior to the start of each Interest Period
 - Relevant Screen Page: Telerate Page 248
- (vii) ISDA Determination:
 - Floating Rate Option: Not Applicable
 - Designated Maturity: Not Applicable
 - Reset Date: Not Applicable
- (viii) Margin(s): From and including the Issue Date to but excluding the Interest Payment Date falling in February 2012, +0.40 per cent. per annum. From and including the Interest Payment Date falling in February 2012 to but excluding the Maturity Date, +1.40 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
- 17. **Zero Coupon Note Provisions** Not Applicable
- 18. **Index Linked Interest Note Provisions** Not Applicable
- 19. **Dual Currency Interest Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call Applicable
- (i) Optional Redemption Date(s): On the Interest Payment Date falling in February 2012 and on any subsequent Interest Payment Date thereafter
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): €1,000 per Note of €1,000 Specified Denomination; €10,000 per Note of €10,000 Specified Denomination; and €100,000 per Note of €100,000 Specified Denomination
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: Not Applicable
- (b) Maximum Redemption Amount: Not Applicable
- (iv) Notice period (if other than as set out in the Conditions): 10 calendar days
21. Investor Put Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
23. Additional Financial Centre(s) or other special provisions relating to Payment Dates: Not Applicable
24. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): Yes, Talons mature on each 25th Interest Payment Date

25. 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
26. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
- (ii) Instalment Date(s): Not Applicable
27. Redenomination applicable: Redenomination not applicable
28. Other terms or special conditions: Not Applicable

DISTRIBUTION

29. (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
30. If non-syndicated, name of relevant Dealer: Deutsche Bank AG London
31. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
32. Additional selling restrictions: Not Applicable

OPERATIONAL INFORMATION

33. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
34. Delivery: Delivery against payment
35. Additional Paying Agent(s) (if any): Not Applicable

ISIN: XS0212356363
Common Code: 21235636

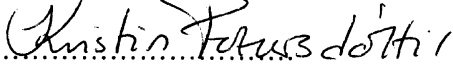
LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the €8,000,000,000 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