

18 May 2005

KAUPTHING BANK HF.
Issue of EUR 10,080,000 Callable Reverse Floater Notes due 2012
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. |
| 2. | (i) Series Number: | 19 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | EUR 10,080,000 |
| | (ii) Tranche: | EUR 10,080,000 |
| 5. | (i) Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| | (ii) Net proceeds | EUR 10,080,000 |
| 6. | Specified Denominations: | EUR 10,000 |
| 7. | (i) Issue Date: | 20 May 2005 |
| | (ii) Interest Commencement Date: | 20 May 2005 |
| 8. | Maturity Date: | 20 May 2012 |
| 9. | Interest Basis: | Floating Rate
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Issuer Call
(further particulars specified below) |
| 13. | (a) Status of the Notes: | Senior, unsubordinated |
| | (b) Date Board approval for issuance of Notes obtained: | Not Applicable |
| 14. | Listing: | Luxembourg Stock Exchange |
| 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 Interest Payment Dates:	20 May and 20 November in each year from and including 20 November 2005 to and including the Maturity Date
	(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:	The Rate of Interest in respect of each Interest Period shall be calculated in accordance with the Schedule hereto
	(v) Party responsible for calculating the Rate of Interest and Interest Amount:	Calculation Agent
	(vi) Screen Rate Determination:	Not Applicable
	(vii) ISDA Determination:	Not Applicable
	(viii) Margin(s):	Not Applicable
	(ix) Minimum Rate of Interest:	0.00 per cent. per annum
	(x) Maximum Rate of Interest:	Not Applicable
	(xi) Day Count Fraction:	30/360
	(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

21.	Issuer Call:	Applicable
	(i) Optional Redemption Date(s):	Any Specified Interest Payment Date from and including the Interest Payment Date falling in May 2006
	(ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s):	EUR 10,000 per Note of EUR 10,000 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):	Not less than 5 Business Days
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount of each Note:	EUR 10,000 per Note of EUR 10,000 Specified Denomination
24.	Early Redemption Amount 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 set out in the Conditions

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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:	Not Applicable
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 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:	Credit Suisse First Boston (Europe) Limited

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| 34. | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA D |
| 35. | Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

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| 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:	XS0219069050
Common Code:	021906905

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.

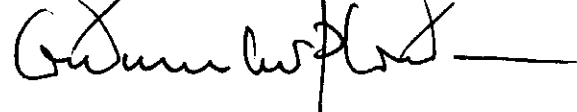
RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:


Kristin Petursdottir
Managing Director
Duly authorised Treasury



If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 4, 5, 6, 7 (except Condition 7(b)), 11, 12, 13, 14 (insofar as such Notes are not listed or admitted to trade on any stock exchange) or 16, they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

Schedule

"Rate of Interest" means, in respect of each Interest Period ending in the month and year specified under the heading "Interest Payment Dates" in the table below, the rate per annum calculated by the Calculation Agent in accordance with the formula under the heading "Rate" in the table below:

Interest Payment Dates	Rate
November 2005	7.00%
May 2006	Max (Previous Coupon + 2.00% - Index , 0%)
November 2006 and May 2007	Max (Previous Coupon + 2.00% - Index , 0%)
November 2007 and May 2008	Max (Previous Coupon + 2.50% - Index , 0%)
November 2008 and May 2009	Max (Previous Coupon + 3.00% - Index , 0%)
November 2009 and May 2010	Max (Previous Coupon + 3.50% - Index , 0%)
November 2010 and May 2011	Max (Previous Coupon + 4.00% - Index , 0%)
November 2011 and May 2012	Max (Previous Coupon + 4.50% - Index , 0%)

Where:

"Previous Coupon" means, in respect of an Interest Period, the Rate of Interest paid in respect of the Interest Period immediately preceding such Interest Period;

"Index" means in respect of each Interest Determination Date:

(i) the rate for deposits in euros for a period of twelve months which appears on Reuters Page EURIBOR01 as of 11a.m. Brussels time;

(ii) Should the Reuters Page EURIBOR01 (or such other page or service as shall replace Reuters Page EURIBOR01) not be available, or the rate for deposits in euros for a period of twelve months not be shown on such page or service, at approximately 11a.m. Brussels time, on the relevant Interest Determination Date, the Calculation Agent shall calculate the Index in its absolute discretion;

"Interest Determination Date" means the date falling two Business Days prior to the end of each Interest Period; and

"Business Day" means a day which is a TARGET Settlement Day.