

Central Bank of Iceland interest rates

Effective as of June 21, 2007

With reference to Article 10 of Act No. 36/2001 on the Central Bank of Iceland, the Board of Governors has decided that interest rates on Central Bank facilities for financial undertakings shall be as follows.

I. Loans	Interest rate p.a.
1. Loans against collateral in securities, 7-day ¹	13.30%
2. Overnight loans ¹	15.25%
II. Deposits and certificates of deposit	
1. Certificates of deposit, 7-day ²	13.20%
2. Tied deposits, 7-day ²	13.20%
3. Current accounts ³	12.75%
4. Minimum required reserves ⁴	13.00%

Other interest rates are decided by the Board of Governors at any given time. At the same time as this announcement enters into force, the announcement on Central Bank of Iceland interest rates from December 21, 2006 ceases to be in force.

Reykjavík, June 18, 2007
CENTRAL BANK OF ICELAND

Davíð Oddsson
Chairman of the Board of Governors

Eiríkur Guðnason
Governor

1) Discounted rate 2) Interest paid on maturity 3) Interest paid at end of interest year 4) Interest paid at end of each interest month