

NOW AND IN THE FUTURE, YOU CAN HAVE CONFIDENCE IN NATIONWIDE®.



Nationwide® has diversified sources of earnings and cash flows, a strong balance sheet and a long history of maintaining a quality investment portfolio that's governed by a sound and disciplined investment policy. With over \$140 billion in assets as of December 31, 2009, the Nationwide Enterprise is one of the largest providers of financial services and property & casualty insurance in the United States and is appropriately capitalized to serve the needs of our customers.

THREE THINGS TO REMEMBER ABOUT NATIONWIDE FINANCIAL®:

1. Nationwide's financial strength ratings are strong

Here are our current ratings:

These ratings and rankings reflect rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are only updated when there's a change in the rating, the dates above reflect the most recent ratings we have received. They are subject to change at any time.

FINANCIAL STRENGTH RATINGS

AGENCY	RATING	RANK	RECEIVED	AFFIRMED
A.M. Best	A+ "Superior"	2nd strongest of 16	10/17/02	1/27/09
Moody's	A1 "Good"	5th strongest of 21	3/10/09	1/5/10
Standard & Poor's	A+ "Strong"	5th strongest of 22	12/22/08	6/26/09

2. Risk management is one of Nationwide's strengths

Our risk management capabilities have been rated as "Strong" by third-party rating agency Standard & Poor's, placing us in the top 15% of insurers.¹

3. Nationwide has a strong capital position.

The strength of our capital position is reflected by Nationwide Financial's consolidated risk-based capital ratio (RBC) which is 490% as of December 31, 2009, and continues to compare favorably to our peers.²

ON YOUR SIDE® SERVICE IS OUR COMMITMENT.

We want you to have access to the information you need. Details about our investment portfolio are included in our periodic filings with the Securities and Exchange Commission, which are accessible on our investor relations website at nationwide.com.

Other information or assistance can be provided through your investment professional, our [Investor Service Center](#) (you'll need your account number and Social Security Number to set up access) or at 1-800-848-6331, Monday - Friday, 8:00 a.m. to 8:00 p.m. Eastern time.

Thank you for placing your trust in Nationwide. We look forward to continuing to earn that trust for a long time to come.

¹ Enterprise Risk Management Continues To Show Its Value For North American And Bermudan Insurers, RatingsDirect Report, Standard & Poor's (2/1/10).

² The consolidated risk-based capital ratio includes capital at the NFS holding company and all life company subsidiaries.

Forward-looking Information

The information included herein contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the results of operations and businesses of Nationwide Financial Services, Inc. and subsidiaries (NFS, or collectively, the Company). Whenever used in this report, words such as “anticipate,” “estimate,” “expect,” “intend,” “plan,” “believe,” “project,” “target” and other words of similar meaning are intended to identify such forward-looking statements. These forward-looking statements involve certain risks and uncertainties. Factors that may cause actual results to differ materially from those contemplated or projected, forecast, estimated or budgeted in such forward-looking statements include, among others, the following possibilities:

- (i) NFS’ primary reliance, as a holding company, on dividends from its subsidiaries to meet debt service obligations and the applicable regulatory restrictions on the ability of NFS’ subsidiaries to pay such dividends;
- (ii) the potential impact on the Company’s reported net (loss) income and related disclosures that could result from the adoption of certain accounting and/or financial reporting standards issued by the FASB, the SEC or other standard setting bodies;
- (iii) tax law changes impacting the tax treatment of life insurance and investment products;
- (iv) modification of the federal estate tax;
- (v) heightened competition, including specifically the intensification of price competition, the entry of new competitors and the development of new products by new and existing competitors;
- (vi) adverse state and federal legislation and regulation, including limitations on premium levels, increases in minimum capital and reserves, and other financial viability requirements; restrictions on mutual fund distribution payment arrangements such as revenue sharing and 12b-1 payments; and regulation changes resulting from industry practice investigations;
- (vii) failure to expand distribution channels in order to obtain new customers or failure to retain existing customers;
- (viii) inability to carry out marketing and sales plans, including, among others, development of new products and/or changes to certain existing products and acceptance of the new and/or revised products in the market;
- (ix) changes in interest rates and the equity markets causing a reduction of investment income and/or asset fees, an acceleration of the amortization of DAC and/or value of business acquired (VOBA), a reduction in separate account assets or a reduction in the demand for the Company’s products; increased liabilities related to living benefits and death benefit guarantees;
- (x) reduction in the value of the Company’s investment portfolio as a result of changes in interest rates, yields and liquidity in the market as well as geopolitical conditions and the impact of political, regulatory, judicial, economic or financial events, including terrorism, affecting the market generally and companies in the Company’s investment portfolio specifically; corresponding impact on the ultimate realizability of deferred tax assets;
- (xi) general economic and business conditions which are less favorable than expected;
- (xii) competitive, regulatory or tax changes that affect the cost of, or demand for, the Company’s products;
- (xiii) unanticipated changes in industry trends and ratings assigned by nationally recognized rating organizations;
- (xiv) settlement of tax liabilities for amounts that differ significantly from those recorded on the balance sheets;
- (xv) deviations from assumptions regarding future persistency, mortality (including as a result of the outbreak of a pandemic illness), morbidity and interest rates used in calculating reserve amounts and in pricing the Company’s products;
- (xvi) adverse litigation results and/or resolution of litigation and/or arbitration or investigation results that could result in monetary damages or impact the manner in which the Company conducts its operations;
- (xvii) the potential impact of industry developments relating to contract and fee transparency on the retirement plans segment; and
- (xviii) adverse consequences, including financial and reputation costs, regulatory problems and potential loss of customers resulting from failure to meet privacy regulations and/or protect the Company’s customers’ confidential information.