



Nationwide®
On Your Side

Nationwide Financial Services has released its third-quarter results.

As part of our ongoing commitment to transparency and keeping you informed, I wanted to let you know that Nationwide Financial Services (NYSE: NFS) just issued its third-quarter results.

As we previously indicated would be the case, we experienced losses in our investment portfolio during the third quarter due to extreme volatility in the financial markets, as did most companies in the financial services industry. While these losses had a significant impact on our quarterly profitability, given the environment, we do not consider these results surprising nor do we expect them to negatively impact our long-term financial stability.

We are fortunate to have entered this crisis with significant excess capital and strong cash flows as a result of our efforts over the last few years to improve our financial condition. The fact is that Nationwide remains a strong and stable company that is well-positioned to weather times like these and compete in these challenging market conditions, as demonstrated by:

- oNationwide Financial is well regarded by the rating agencies (A.M. Best rating is "A+"; Moody's rating is "Aa3" and Standard & Poor's rating is "AA-") and we have a strong balance sheet¹

- oWe are well capitalized, as reflected by our consolidated risk-based capital (or RBC) ratio which remains well in excess of what's required to maintain our current ratings - our consolidated RBC ratio is estimated to be about 495% at the end of the third quarter²

- oOur risk management capabilities have been rated as "strong" by third-party rating agency Standard and Poor's, placing us in the top 14% of insurers³

As I shared with many of you on our recent teleconference, you can rest assured that Nationwide's financial strength, risk management capabilities and consultative, team-based approach puts us in a unique position to serve you and protect your clients' families, assets, income and legacy. For a replay of the call, visit <http://nationwidefinancial.fugent.com/strength>.

I encourage you to contact your Nationwide wholesaler or your Relationship Manager with any additional requests for information or support. Thank you for your partnership, and remember, Nationwide Is On Your Side.

Sincerely,

John L. Carter
President, Nationwide Financial Distributors, Inc.

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1 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.

2 The consolidated RBC ratio includes capital at the NFS holding company and all life companies.

3 RatingsDirect report, "Nationwide Mutual Insurance Co. Intercompany Pool," Standard & Poor's, March 4, 2008 (affirmed August 8, 2008).

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