



**Nationwide**<sup>®</sup>  
*On Your Side*

**John L. Carter**  
PRESIDENT, NATIONWIDE FINANCIAL  
DISTRIBUTORS, INC.

March 11, 2009

As I reported to you in December, Moody's Investor Service placed the financial strength ratings of Nationwide Financial Services (NFS) under review as a result of the continuing deterioration of financial markets. Today, Moody's announced that it has downgraded NFS' financial strength rating one notch, to A1 from Aa3.

While this action is disappointing to us, it is not surprising given the events of the last several months and the uncertainty of how long these challenging market and economic conditions will persist. As a result, all three major rating agencies have taken various ratings actions on us as well as our peers.

Through all of this, Nationwide Financial<sup>®</sup> remains a financially strong and stable company that is well-positioned to navigate this downturn, even if it should continue to get worse. A key measure of our strength and stability is our consolidated risk-based capital (or RBC) ratio<sup>1</sup>, which exceeded 500% at year-end 2008 and continues to compare favorably to peers.

Here are just some of the reasons you can continue to have confidence in Nationwide:

- Nationwide Financial Services has a strong balance sheet and is **well capitalized**, as reflected by our consolidated risk-based capital (or RBC) ratio exceeding 500% as of year-end 2008
- Nationwide Financial Services continues to be **well regarded by the rating agencies**
- Our **risk management capabilities have been rated as "Strong"** by third-party rating agency Standard and Poor's, placing us in the top 14% of insurers<sup>2</sup>

Nationwide has a long history that includes weathering many downturns like this and our commitment to support you and your clients has never been stronger. In times like these, our Midwestern roots and conservative heritage can be your competitive advantage. Let's continue to work together to ensure your clients leave this downturn in a position to do more than simply survive it, but take advantage of it.

Please contact your Nationwide Financial Relationship Manager or Specialist with any questions or concerns you may have and thanks, as always, for recommending Nationwide.

Sincerely,

John Carter  
President,  
Nationwide Financial Distributors, Inc.

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• Not a deposit • Not FDIC or NCUA insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

<sup>1</sup> Based on company analysis as of December 31, 2008. Consolidated RBC ratio includes capital at NFS holding company and all life companies.

<sup>2</sup> RatingsDirect report, "Nationwide Mutual Insurance Co. Intercompany Pool," Standard & Poor's, March 4, 2008 (affirmed August 8, 2008).

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