



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

FOR IMMEDIATE RELEASE

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**A.M. Best Revises Outlook to Negative for
Nationwide Financial Services, Inc. and Its Subsidiaries**

Ratings Supplement

The FSRs of A+ (Superior) and ICRs of “aa-” have been affirmed and the outlook has been revised to negative from stable for the following life/health subsidiaries of **Nationwide Financial Services, Inc.:**

- **Nationwide Life Insurance Company**
- **Nationwide Life and Annuity Insurance Company**

The FSRs of A (Excellent) and ICRs of “a+” have been affirmed and the outlook has been revised to negative from stable for the following life/health subsidiaries of **Nationwide Financial Services, Inc.:**

- **Nationwide Life Insurance Company of America**
- **Nationwide Life and Annuity Company of America**

The ICR of “a-” has been affirmed and the outlook has been revised to negative from stable for **Nationwide Financial Services, Inc.**

The following debt ratings have been affirmed and the outlook has been revised to negative from stable:

Nationwide Financial Services, Inc.—

- “a-” on \$300 million 6.25% senior unsecured notes, due 2011
- “a-” on \$300 million 5.90% senior unsecured notes, due 2012
- “a-” on \$200 million 5.625% senior unsecured notes, due 2015
- “a-” on \$200 million 5.10% senior unsecured notes, due 2015
- “bbb” on \$400 million 6.75% junior subordinated notes, due 2037

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Nationwide Life Global Funding I —“aa-” program rating
-- “aa-” on all outstanding notes issued under the program

The following debt rating has been downgraded and the outlook has been revised to negative from stable:

Nationwide Financial Services Capital Trust—
-- to “bbb” from “bbb+” on \$100 million 7.899% capital securities, due 2037

The following debt rating has been affirmed:

Nationwide Life Insurance Company—
-- AMB-1 on commercial paper

The following indicative ratings on securities available under shelf registration have been affirmed and the outlook has been revised to negative from stable:

Nationwide Financial Services, Inc.—
-- “a-” on senior unsecured debt
-- “bbb+” on subordinated debt
-- “bbb” on preferred stock

The following indicative ratings on securities available under shelf registration have been downgraded and the outlook has been revised to negative from stable:

Nationwide Financial Services Capital Trust III and IV—
-- to “bbb” from “bbb+” on trust preferreds

The principal methodologies used in determining these ratings, including any additional methodologies and factors, which may have been considered, can be found at

www.ambest.com/ratings/methodology.

Founded in 1899, A.M. Best Company is a global full-service credit rating organization dedicated to serving the financial and health care service industries, including insurance companies, banks, hospitals and health care system providers. For more information, visit www.ambest.com.

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