

2 December 2010

**Nationwide Building Society**  
**GBP 1,800,000 Floating Rate Notes due 22 November 2012**  
**issued pursuant to its U.S.\$25,000,000,000 European Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 28 September 2010 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal office hours at, and copies may be obtained from, the principal office of the Issuer at Nationwide House, Pipers Way, Swindon SN38 1NW and the specified offices of each of the Paying Agents.

**TYPE OF NOTE**

- |    |   |                |
|----|---|----------------|
| 1. | Deposit/Ordinary/Subordinated:  | Ordinary       |
| 2. | Interest/Payment Basis:   | Floating       |
| 3. | If Instalment Note, insert Instalment Amount(s)/Instalment Date(s):   | Not Applicable |
| 4. | If Partly Paid Notes, insert amount of each instalment (expressed as a percentage of the nominal amount of each Note)/due dates for any subsequent instalment/consequences of failure to pay/rate of interest:                                    | Not Applicable |
| 5. | If Dual Currency Notes, insert the Rate(s) of Exchange/fallback provisions/person at whose option Specified Currency is to be payable/details of party (if any) responsible for calculating the principal and/or interest due (if not the Agent): | Not Applicable |

**DESCRIPTION OF THE NOTES**

- |    |   |   |
|----|---|---|
| 6. | New Global Note:  | Yes   |
| 7. | Form of Notes:  | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| 8. | (a) Talons for future Coupons to be attached to Definitive Notes: | No  |

- (b) Date(s) on which the Talons mature: Not Applicable
9. (a) Series Number: 423
- (b) Tranche Number: 1
- (c) Details (including the date on which the Notes become fully fungible) if forming part of an existing Series: Not Applicable
10. (a) Nominal Amount of Notes to be issued: GBP 1,800,000
- (b) Aggregate nominal amount of Series (if more than one issue for the Series): GBP 1,800,000
- (c) Specified Currency (or Currencies in the case of Dual Currency Notes): Sterling ("GBP")
- (d) Specified Denomination(s): GBP 50,000 and integral multiples of GBP 1,000 in excess thereof up to and including 99,000. No Notes in definitive form will be issued with a denomination above 99,000
- (e) Calculation Amount: GBP 1,000
- (f) Tradeable Amount: Not Applicable
11. Issue Price: 100 per cent. (before deduction of commission)
12. Issue Date: 2 December 2010
13. Interest Commencement Date: Issue Date

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE GENERALLY**

14. Automatic/optional conversion from one Interest/Payment Basis to another: Not Applicable

**FIXED RATE NOTES** Not Applicable

**ZERO COUPON NOTES** Not Applicable

**FLOATING RATE NOTES OR INDEXED INTEREST NOTES** Applicable

17. (a) Party Responsible for calculating the Interest Amount (if not the Agent): Not Applicable

- (b) Interest Period(s): Quarterly in arrears, on every 2 March, 2 June, 2 September and 2 December in each year commencing from and including 2 March 2011, up to and including the Maturity Date.
- There will be a short last coupon (the **Short Last Coupon**) in respect of the Interest Period commencing from and including 2 September 2012 up to but excluding the Maturity Date, calculated at a rate interpolated between 2 month and 3 month GBP-LIBOR-BBA plus 0.08 per cent. per annum.
- (c) Minimum Interest Rate (if any): Not Applicable
- (d) Maximum Interest Rate (if any): Not Applicable
- (e) Business Day Convention: Modified Following Business Day
- (f) Additional Business Centres: Not Applicable
- (g) Day Count Fraction: Actual/365 (Fixed), adjusted
- (h) Other terms relating to the method of calculating interest (N.B. **rounding up provisions** and if different from Condition 5.2(d) denominator for calculation of Interest): Condition 5.2(d) applies

#### FLOATING RATE NOTES

18. (a) Margin(s): **Applicable**  
Plus 0.08 per cent. per annum
- (b) First Interest Payment Date: 2 March 2011
- (c) Manner in which Rate of Interest is to be determined: ISDA Determination
- (d) If Screen Rate Determination: Not Applicable
- (e) If ISDA Determination:
- (i) Reference Rate: GBP-LIBOR-BBA (Reuters Screen LIBOR01 Page)
- (ii) Designated Maturity: 3 month
- (iii) Reset Date: First day of each Interest Period
- (f) If Rate of Interest to be calculated otherwise than by reference to (d) or (e) above, insert details, including Rate of Interest and fallback provisions: Not Applicable

#### INDEXED INTEREST NOTES

Not Applicable

#### PROVISIONS REGARDING PAYMENTS


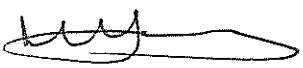
19. Definition of **Payment Day** for the purpose of the Conditions if different to that set out in Condition 7.3: As per Condition 7.3

## PROVISIONS REGARDING REDEMPTION/MATURITY

20. Maturity Date: 22 November 2012
21. (a) Redemption at Issuer's option: No
- (b) Redemption at Noteholder's option: Yes
- The investor has the right to put the Notes in whole (but not in part) at par on 2 December 2011, with a maximum of 10 business days and a minimum of 5 business days' prior notice
22. Final Redemption Amount for each Note, including the method, if any, of calculating the same: GBP 1,000 per Calculation Amount
23. Early Redemption Amount payable on redemption for taxation reasons or on an Event of Default and/or the method, if any, of calculating the same, if other than as set out in Condition 6.6(a): As per Condition 6.6(a)

## GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

24. Other final terms: Not Applicable
25. Additional selling restrictions: Not Applicable

26. Method of distribution: Non-syndicated  
Dealer(s) Barclays Bank PLC  
5 the North Colonnade  
Canary Wharf  
London  
E14 4BB  
UK
27. Stabilising Manager: Not Applicable
28. Common Safekeeper:    
~~Euroclear~~ / Clearstream Banking, SA
29. U.S. Selling Restrictions: Reg S Compliance Category 2: TEFRA D
30. Redenomination and Exchange provisions: Not Applicable

### PURPOSE OF FINAL TERMS

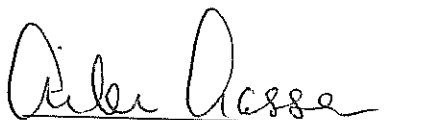
These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's Regulated Market and listing on the Official List of the UK Listing Authority of the Notes described herein pursuant to the U.S.\$25,000,000,000 European Note Programme of Nationwide Building Society.

### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

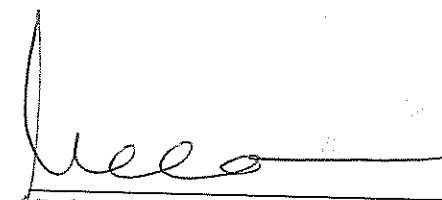
Signed on behalf of **NATIONWIDE BUILDING SOCIETY**

By:

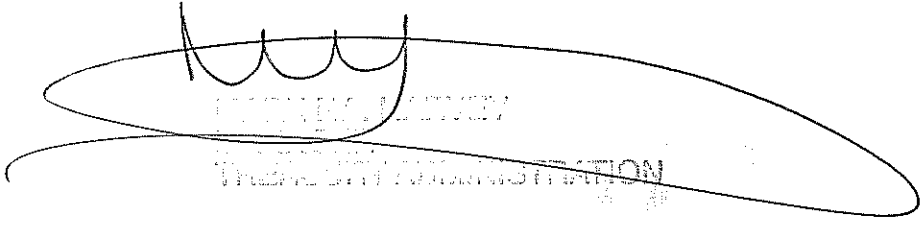
  
Duly Authorised

**Aileen Gasson**  
Assistant Treasury Settlements Manager  
Nationwide Building Society

By:

  
Duly Authorised

FRANCHISING OF  
NATIONWIDE BUILDING SOCIETY

  
NATIONWIDE BUILDING SOCIETY  
TREASURY ADMINISTRATION

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (a) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and for listing on the Official List of the UK Listing Authority with effect from on or around the Issue Day
- (b) Estimate of total expenses related to admission to trading: GBP300

### 2. RATINGS

- Ratings: The Notes will be rated:
- |          |                        |
|----------|------------------------|
| Moody's: | Aa3 (stable outlook)   |
| S&P:     | A+ (negative outlook)  |
| Fitch:   | AA- (negative outlook) |

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: General Funding
- (ii) Estimated net proceeds: GBP 1,799,280 (following the deduction of a commission. Further details available upon request)
- (iii) Estimated total expenses: GBP 720

### 5. YIELD (*Fixed Rate Notes only*)

Not Applicable

### 6. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-Linked Notes only*)

Not Applicable

### 7. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (*Dual Currency Notes only*)

Not Applicable

### 8. OPERATIONAL INFORMATION

- (a) ISIN Code: XS0563479178

- (b) Common Code: 056347917
- (c) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- (d) Delivery: Delivery against payment
- (e) Names and addresses of initial Paying Agent(s) (if any): Citibank, N.A., London Office  
21st Floor  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB
- (f) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: Yes  
Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (ICSDs) as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.

For the purpose of calculating the U.S. Dollar equivalent of the nominal amount of Notes outstanding under the Programme from time to time, the U.S. Dollar equivalent of Notes denominated in another Specified Currency (as specified in the relevant Final Terms) shall be determined, at the discretion of the Issuer, either as of the date of agreement to issue such Notes (the **Agreement Date**) or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of U.S. Dollars against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant date of calculation.