

## FINAL TERMS

24 February 2011

**Nationwide Building Society**  
**GBP 10,000,000 Fixed/Floored Floating Rate Notes due February 2018**  
**issued pursuant to its U.S.\$25,000,000,000 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 and the Supplemental Prospectus dated 23 November 2010, which together constitute 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, as so supplemented. 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 as so supplemented. The Base Prospectus and the supplemental Prospectus are 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:  | 6.25 per cent. Fixed Rate then from and including 28 February 2012, Floating Rate |
| 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 instalments/consequences of failure to pay/rate of interest: | Not Applicable  |
| 5. | If Dual Currency Notes, insert the Rate(s) of Exchange/calculation agent/fall back provisions/ person at whose option Specified Currency is to be payable/details of Calculation Agent (if any):                 | Not Applicable  |

#### DESCRIPTION OF THE NOTES

- |     |   |   |
|-----|---|---|
| 6.  | New Global Note:  | No  |
| 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:  | 428   |
|     | (b) Tranche Number:   | 1   |
|     | (c) Details (including the date, if any, 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 10,000,000  |
|     | (b) Aggregate nominal amount of Series (if more than one issue for the Series):   | Not Applicable  |

- |     |  |   |
|-----|--|---|
| (c) | Specified Currency (or Currencies in the case of Dual Currency Notes): | Pound Sterling ( <b>GBP</b> )   |
| (d) | Specified Denomination(s):   | GBP100,000 and integral multiples of GBP1,000 in excess thereto up to and including GBP199,000.<br><br>No Notes in definitive form will be issued with a denomination above GBP199,000. |
| (e) | Calculation Amount:  | GBP1,000.   |
| 11. | Issue Price:   | 100.00 per cent.  |
| 12. | Issue Date:  | 28 February 2011  |
| 13. | Interest Commencement Date:  | The Issue Date  |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

GENERAL

- |     |   |            |
|-----|---|------------|
| 14. | Automatic/optional conversion from one Interest/Payment Basis to another: | Applicable |
|-----|---|------------|

FIXED RATE NOTES

Applicable for the period from, and including, 28 February 2011 to, but excluding, 28 February 2012

- |     |  |  |
|-----|--|--|
| 15. | (a) Fixed Rate of Interest:  | 6.25 per cent  |
|     | (b) Fixed Interest Date(s):  | 28 May 2011, 28 August 2011, 28 November 2011 and 28 February 2012                                   |
|     | (c) Initial Broken Amount per denomination:  | Not Applicable   |
|     | (d) Fixed Coupon Amount(s)   | Not Applicable   |
|     | (e) Broken Amount(s)   | Not Applicable   |
|     | (f) Day Count Fraction:  | Actual /365 Fixed  |
|     | (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Interest amounts shall be adjusted in accordance with the Modified Following Business Day Convention |

ZERO COUPON NOTES

Not Applicable

FLOATING RATE NOTES OR INDEXED INTEREST NOTES

Applicable for the period from, and including, 28 February 2012 to, but excluding, 28 February 2018

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|-----|---|---|
| 17. | (a) Party Responsible for calculating the Interest Amount (if not the Agent): | Not applicable  |
|     | (b) Interest Period(s) or specified Interest Payment Date(s):                 | Quarterly in arrears, on every 28 May, 28 August, 28 November and 28 February in each year commencing from and including the interest payment date in February 2012, up to and including the Maturity Date as adjusted in accordance with the Business Day Convention specified below |
|     | (c) Minimum Interest Rate (if any):   | 2.75 per cent. per annum  |
|     | (d) Maximum Interest Rate (if any):   | Not Applicable  |
|     | (e) Business Day Convention:  | Modified Following Business Day Convention  |
|     | (g) Additional Business Centres:  | Not Applicable  |
|     | (h) Day Count Fraction:   | Actual/365 (Fixed), adjusted  |

- (i) 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

Applicable for the period from, and including, 28 February 2012 to, but excluding, 28 February 2018

18. (a) Margin(s): plus 0.25 per cent. per annum
- (b) First Interest Payment Date: 28 May 2012
- (c) Manner in which Rate of Interest is to be determined: Screen Rate Determination
- (d) If Screen Rate Determination:
- (i) Reference Rate: 3 month GBP LIBOR
- (ii) Interest Determination Date(s):: The first day of each Interest Period
- (iii) Relevant Screen Page Reuters Screen LIBOR01 page
- (e) If ISDA Determination: Not Applicable
- (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

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

#### PROVISIONS REGARDING REDEMPTION/MATURITY

21. Maturity Date: The Interest Payment Date falling in February 2018
22. (a) Redemption at Issuer's option: No
- (b) Redemption at Noteholder's option: No
- (c) Optional Redemption Amounts of each Note: Not Applicable
- (d) Minimum Redemption Amount: Not Applicable
- (e) Higher Redemption Amount: Not Applicable
- (f) Notice Period (if other than as set out in the conditions): Not Applicable
- (g) Other terms applicable on redemption: Not Applicable
23. Final Redemption Amount for each Note, including the method, if any, of calculating the same: GBP1,000 per Calculation Amount
24. Early Redemption Amount for each Note 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): Condition 6.6(a) applies

#### GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

- |     |   |  |
|-----|---|--|
| 25. | Other final terms:                      | Not Applicable   |
| 26. | Additional selling restrictions:        | Not Applicable   |
| 27. | Method of distribution:                 | Non-syndicated relevant Dealer is Lloyds TSB Bank plc  |
| 28. | Stabilising Manager:                    | None   |
| 29. | Common Depositary:                      | Citibank, N.A. London<br>Citigroup Centre<br>Canada Square<br>Canary Wharf<br>London E14 5LB |
| 30. | U.S. Selling Restrictions:              | Reg S Compliance Category2: TEFRA D  |
| 31. | Redenomination and Exchange provisions: | Not Applicable   |

#### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue and admission to trading on London Stock Exchange plc's Gilt Edged and Fixed Interest Market and admission to the List of the United Kingdom Listing Authority of Notes described herein pursuant to the U.S.\$25,000,000,000 European Note Programme of Nationwide Building Society.

#### **RESPONSIBILITY**

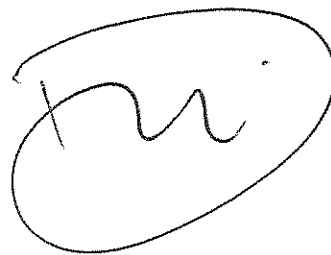
The Issuer accepts responsibility for the information contained in these Final Terms.

For and on behalf of **NATIONWIDE BUILDING SOCIETY**

By:

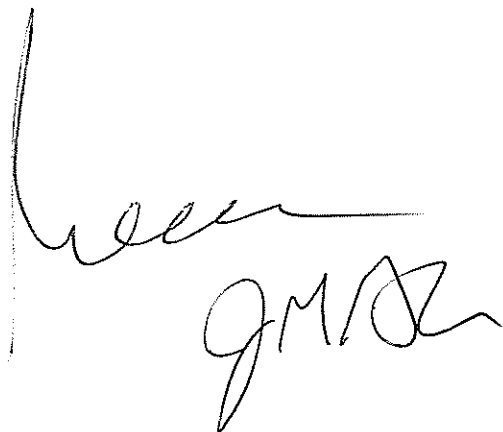


**Aileen Gasson**  
Assistant Treasury Settlements Manager  
Nationwide Building Society



*For and on behalf of*  
**Nationwide Building Society**

**Daniel Hill**  
Assistant Manager 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 for the Notes to be admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Interest Market and admission to the Official List of the UK Listing Authority with effect from on or about the Issue Date
- (b) Estimated total expenses related to admission to trading: GBP £300

### 1. RATINGS

Ratings: The Programme has been rated:

Moody's: Aa3

S&P: A+

Fitch: AA-

Standard & Poor's Credit Market Services Europe Limited, Fitch Rating Ltd and Moody's Investors Service Limited are established in the European Union and have applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the CRA Regulation) unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

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

Save for any fees payable to the Dealers, 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 10,000,000  |
| (iii) Estimated total expenses: | Not Applicable  |

5. YIELD (*Fixed Rate Notes only*) Not Applicable

6. HISTORIC INTEREST RATES (*Floating Rate Notes only*)

Details of historic LIBOR rates can be obtained from Reuters Screen LIBOR01 Page

7. **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
8. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*) – Not Applicable
9. **OPERATIONAL INFORMATION**
- |       |  |                          |
|-------|--|--------------------------|
| (i)   | ISIN Code:   | XS0596679638             |
| (ii)  | Common Code:   | 059667963                |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not Applicable           |
| (iv)  | Delivery:  | Delivery against payment |
| (v)   | Names and addresses of additional Initial Paying Agent(s) (if any):  | Not Applicable           |
| (vi)  | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable           |
| (vii) | Intended to be held in a manner which would allow Eurosystem eligibility:  | No                       |

**RESTRICTED**

To: Nationwide Building Society  
Administration Centre  
Moulton Park  
Northampton NN3 6NW

(the "Issuer")

Attention: Treasury Settlements

24 February 2011

Dear Sirs,

**Nationwide Building Society  
GBP 10,000,000 Fixed/Floored Floating Rate Notes due February 2018  
issued pursuant to its U.S.\$25,000,000,000 Note Programme**

We refer to the Programme Agreement (amended and restated) dated 11 November 2008 entered into in respect of the above Programme (the "**Programme**"), and made between the Issuer and the Dealers party thereto (which agreement, as amended from time to time, is herein referred to as the "**Programme Agreement**").

**Conditions Precedent**

We confirm that we are in receipt of the documents referenced below:

- (i) a copy of the Programme Agreement; and
- (ii) a copy of all documents referred to in Appendix 1 of the Programme Agreement,

and have found them to be satisfactory or (in the case of the documents referred to in (b) above) have waived such production.

For the purposes of the Programme Agreement our details for service of notices are as follows:

Lloyds TSB Bank plc  
10 Gresham Street  
London EC2V 7AE  
Fax: +44 (0) 20 7158 3252  
Attn: Bond Syndicate

In consideration of the Issuer appointing us as a Dealer on 24 February 2011, in respect of the issue of GBP 10,000,000 Fixed/Floored Floating Rate Notes due February 2018 (the "Issue") under the Programme Agreement, we hereby undertake as of 21 February, 2011, for the benefit of the Issuer and each of the other Dealers, that in relation to the Issue we will perform and comply with all the duties and obligations expressed to be assumed by a Dealer under the Programme Agreement.

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully,



ASSOCIATE DIRECTOR  
Lloyds TSB Bank plc

c.c. Citibank, N.A. (Agent)  
The Law Debenture Trust Corporation p.l.c. (Trustee)



To: Lloyds TSB Bank plc  
10 Gresham Street London  
EC2V 7AE  
Fax +44 (0) 20 7158 3252  
Attn: Bond Syndicate

**Treasury Department**  
Nationwide Building Society  
Kings Park Road  
Moulton Park  
Northampton  
NN3 6NW

Phone: 0845 6029048 Dealing room  
Phone: 0845 6029068 Administration  
Fax: 01793 733355  
Online: [nationwide.co.uk](http://nationwide.co.uk)

24 February 2011

Dear Sirs,

**Nationwide Building Society**  
**£10,000,000.00 Fixed to Floored Floating Rate Notes due 2018**  
**pursuant to a Note Programme**

We refer to the Programme Agreement (amended and restated) dated 11 November 2008 (such agreement, as amended from time to time, the **Programme Agreement**) entered into in respect of the above Programme and hereby acknowledge receipt of your Dealer Accession Letter to us dated 24 February 2011 and that, with effect from the earlier of the date hereof and the Agreement Date (as defined in the Programme Agreement) in respect of the issue of £10,000,000.00 Fixed to Floored Floating Rate Notes due February 2018, you shall become a party to the Programme Agreement in accordance with the provisions of Clause 11.2 of the Programme Agreement.

Yours faithfully,



For and on behalf of  
**Nationwide Building Society**

cc: Citibank, N.A., London Office (Agent)  
The Law Debenture Trust Corporation p.l.c.