

FINAL TERMS

28 September 2011

Nationwide Building Society

**Issue of SEK 450,000,000 Floating Rate Series 2011-16 Covered Bonds due 2014
irrevocably and unconditionally guaranteed as to payment of principal and interest by
Nationwide Covered Bonds LLP
under the €45 billion Global Covered Bond Programme**

The Programme has been registered, and notice of these Covered Bonds will be made, under the Regulated Covered Bonds Regulations 2008 (SI 2008/346).

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Covered Bonds (the **Conditions**) set forth in the Base Prospectus dated 15 July 2011 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 Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the LLP and the offer of the Covered Bonds 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 business hours at the registered office of the Issuer and copies may be obtained from the London office of the Agent.

The issuance of the Covered Bonds is being made directly to Nationwide Building Society as the initial purchaser of the Covered Bonds.

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|----|-----|--|--------------------------------------|
| 1. | (a) | Issuer: | Nationwide Building Society |
| | (b) | Guarantor: | Nationwide Covered Bonds LLP |
| 2. | (a) | Series Number: | 2011-16 |
| | (b) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Swedish Krona SEK |
| 4. | | Aggregate Nominal Amount of Covered Bonds: | |
| | (a) | Series: | SEK 450,000,000 |
| 5. | | Issue Price: | 100% of the Aggregate Nominal Amount |
| 6. | (a) | Specified Denominations: | SEK 1,000,000 |
| | (b) | Calculation Amount: | SEK 1,000,000 |

7. (a) Issue Date: 29 September 2011
- (b) Interest Commencement Date: 29 September 2011
8. (a) Final Maturity Date: 29 September 2014
- (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 29 September 2015
9. Interest Basis: 3 Month STIBOR plus 0.95 per cent. per annum Floating Rate
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.
- (a) Interest Basis: Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date: 1 Month STIBOR plus 0.95 per cent. per annum Floating Rate.
- (b) Interest Payment Dates: Monthly on the 29th day of each month from but excluding the Final Maturity Date to and including the Extended Due for Payment Date.
- (c) Interest Period: The period from and including the Final Maturity Date, or as the case may be, an Interest Payment Date, to but excluding the next following Interest Payment Date.
- (d) Business Day Convention: Modified Following Business Day Convention
- (e) Business Days: TARGET2, London and Stockholm

Adjustments for non-London Business Days will not apply to the LLP Payment Date in relation to this issue of Covered Bonds.
- (f) Day Count Fraction: Actual/360 (Adjusted)
- (g) Screen Rate Determination: Applicable

Reference Rate: 1 Month STIBOR.

Margin: + 0.95 per cent. per annum

Interest Determination Date: Second Stockholm Business Day prior to the start of each Interest Period

Relevant Screen Page: Reuters page SIDE (or any replacement thereto)

12. Call Options: Not Applicable
13. (a) Status of the Covered Bonds: Senior
- (b) Status of the Guarantee: Senior
- (c) Date Board approval for issuance of Covered Bonds obtained: 19 October 2005
14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Floating Rate Covered Bond Provisions Applicable from and including the Interest Commencement Date to, but excluding the Final Maturity Date
- (a) Interest Period(s) From and including the Interest Commencement Date to but excluding the First Interest Payment Date and thereafter from and including each Specified Interest Payment Date to but excluding the following Specified Interest Payment Date.
- (b) Specified Interest Payment Date(s): The 29th day of September, December, March and June in each year from and including 29 December 2011 to and including 29 September 2014.
- (c) First Interest Payment Date 29 December 2011
- (d) Business Day Convention: Modified Following Business Day Convention
- (e) Business Centre(s): London, TARGET2 and Stockholm
- Adjustments for non-London Business Days will not apply to the LLP Payment Date in relation to this issue of Covered Bonds.
- (f) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination
- (g) Party responsible for calculating the Not Applicable

Rate(s) of Interest and/or Interest Amount (if not the Agent):

- (h) Screen Rate Determination: Applicable
 - Reference Rate: 3 Month STIBOR
 - Interest Determination Date(s): Second Stockholm Business Day prior to the start of each Interest Period
 - Relevant Screen Page: Reuters page SIDE (or any replacement thereto)
- (i) ISDA Determination: Not Applicable
- (j) Margin(s): + 0.95 per cent. per annum.
- (k) Minimum Rate of Interest: Not Applicable
- (l) Maximum Rate of Interest: Not Applicable
- (m) Day Count Fraction: Actual/360 (adjusted)
- (n) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in these Conditions: Not Applicable

16. Zero Coupon Covered Bond Provisions Not Applicable

17. Index Linked Interest Covered Bond/other variable-linked interest Covered Bond Provisions Not Applicable

18. Dual Currency Covered Bond Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION BY THE ISSUER

19. Call Option: Not Applicable

20. Put Option: Not Applicable

21. Final Redemption Amount of each Covered Bond: 100 per cent.

22. Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, on acceleration following an Issuer Event of Default or an LLP Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 6.5): Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

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| 23. | Form of Covered Bonds: | Bearer Covered Bonds:

Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds in definitive form only after an Exchange Event |
| 24. | New Global Covered Bond: | Yes |
| 25. | Financial Centre(s) or other special provisions relating to payment dates: | London, TARGET 2 and Stockholm |
| 26. | Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: | Not Applicable |
| 28. | Details relating to Instalment Covered Bonds: | |
| | (a) Instalment Amount(s): | Not Applicable |
| | (b) Instalment Date(s): | Not Applicable |
| 29. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 30. | Other final terms: | Not Applicable |
| 31. | Additional U.S. Federal Income Tax Considerations: | Not Applicable |

DISTRIBUTION

- | | | |
|-----|--|---|
| 32. | (a) If syndicated, names of Managers: | Not Applicable |
| | (b) Date of Subscription Agreement: | 28 September 2011 |
| | (c) Stabilising Manager (if any): | Not Applicable |
| 33. | If non-syndicated, name and address of Dealer: | Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB |

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|-----|--|---|
| 34. | U.S. Selling Restrictions: | Reg. S Category 2 |
| 35. | Total commission and concession | Not Applicable |
| 36. | Non-exempt Offer: | Not Applicable |
| 37. | Additional selling restrictions: | <p>In addition to those set out in the section entitled "<i>Subscription and Sale and Transfer and Selling Restrictions</i>" in the Base Prospectus:</p> <p>Sweden</p> <p>The Dealer has represented, warranted and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy the Series 2011-16 Covered Bonds or distribute any draft or definitive document in relation to any such offer, invitation or sale in the Kingdom of Sweden except in circumstances that will not result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (<i>Sw. Lag (1991:980) om handel med finansiella instrument</i>).</p> |
| 38. | Additional United States Tax Considerations: | TEFRA D |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange of the Covered Bonds described herein pursuant to the €45 billion Global Covered Bond Programme of Nationwide Building Society.

RESPONSIBILITY

The Issuer and the LLP accept responsibility for the information contained in these Final Terms.

PART B – OTHER INFORMATION

1. LISTING

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|-----|---|---|
| (a) | Listing: | London |
| (b) | Admission to trading: | Application has been made for the Covered Bonds to be admitted to trading on 29 September 2011. |
| (c) | Estimate of total expenses related to admission to trading: | £2,700 |

2. RATINGS

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|-----|---|--------------|
| (a) | The Covered Bonds to be issued have been rated: | S&P: AAA |
| | | Moody's: Aaa |
| | | Fitch: AAA |

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 as discussed in "*Subscription and Sale and Transfer and Selling Restrictions*", so far as the Issuer and the LLP are aware, no person involved in the issue of the Covered Bonds has an interest material to the offer.

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

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|-----|------------------------|---|
| (a) | Reasons for the offer: | The gross proceeds from each issue of Covered Bonds will be used by the Issuer to make available Term Advances to the LLP pursuant to the terms of the Intercompany Loan Agreement. |
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5. POST-ISSUANCE PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

The Issuer intends to provide post-issuance information on its website at:

www.nationwide.co.uk/investorrelations

6. PERFORMANCE OF RATE[S] OF EXCHANGE

Not Applicable

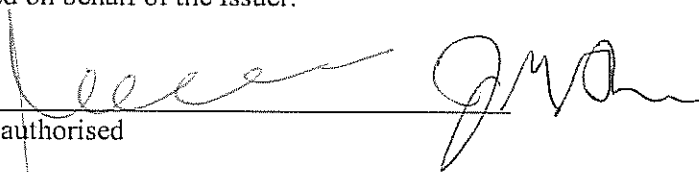
7. OPERATIONAL INFORMATION

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|-----|---|--|
| (a) | Intended to be held in a manner which would allow Eurosystem eligibility: | No |
| (b) | ISIN Code: | XS0679407840 |
| (c) | Common Code: | 067940784 |
| (d) | CUSIP: | Not Applicable |
| (e) | Delivery: | Delivery against payment |
| (f) | Names and addresses of initial Paying Agents: | Citibank, N.A., London Branch, acting through its offices at:
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB |
| (g) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |

Signed on behalf of the Issuer:

By: _____

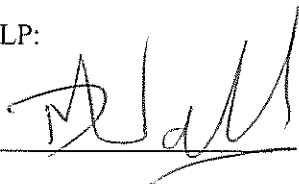
Duly authorised

A handwritten signature in black ink, appearing to be 'J. Man', written over a horizontal line.

Signed on behalf of the LLP:

By: _____

Duly authorised

A handwritten signature in black ink, appearing to be 'M. Hall', written over a horizontal line.