

5 May 2016

Nationwide Building Society
EUR 100,000,000 Floating Rate Notes due May 2018
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 2015 and the supplements thereto dated 20 November 2015 and 12 February 2016 which together constitute a base prospectus (the **Base Prospectus**) for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (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 has been published on the website of the London Stock Exchange through a regulatory information service (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>).

TYPE OF NOTE

- | | | |
|----|--------------------------------|--|
| 1. | Deposit/Ordinary/Subordinated: | Ordinary |
| 2. | Interest Basis: | Floating Rate (see paragraph 14 below) |

DESCRIPTION OF THE NOTES

- | | | |
|----|---|---|
| 3. | New Global Note: | Yes |
| 4. | Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| 5. | (a) Series Number: | 497 |
| | (b) Tranche Number: | 1 |
| | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 6. | (a) Nominal Amount of Notes to be issued: | EUR 100,000,000 |
| | (b) Aggregate nominal amount of Series (if more than one issue for the Series): | EUR 100,000,000 |
| | (c) Specified Currency: | Euro (EUR) |

- | | | |
|-----|---|-------------------|
| (d) | Specified Denomination: | EUR 100,000 |
| (e) | Calculation Amount: | EUR 100,000 |
| 7. | Issue Price: | 100.685 per cent. |
| 8. | Issue Date: | 9 May 2016 |
| 9. | Interest Commencement Date: | Issue Date |
| 10. | Automatic/optional conversion from one Interest Basis to another: | Not Applicable |
| 11. | Additional Financial Centre(s): | London |

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

- | | | |
|------|---|--|
| 12. | Fixed Rate Note Provisions: | Not Applicable |
| 13. | Zero Coupon Note Provisions | Not Applicable |
| 14. | Floating Rate Note Provisions | Applicable |
| (a) | Party responsible for calculating the Interest Rate and Interest Amount (if not the Agent): | Not Applicable |
| (b) | Interest Period(s) or specified Interest Payment Date(s): | Quarterly on 9 February, 9 May, 9 August and 9 November in each year, commencing 9 August 2016 up to, and including, the Maturity Date, each subject to adjustment with the Business Day Convention. |
| (c) | Business Day Convention: | Modified Following Business Day Convention |
| (d) | Additional Business Centre(s): | Not Applicable |
| (e) | First Interest Payment Date: | 9 August 2016 |
| (f) | Manner in which Rate of Interest is to be determined: | Screen Rate Determination |
| (g) | If Screen Rate Determination: | |
| (i) | Reference Rate, Specified Time and Relevant Financial Centre: | Reference Rate: 3 month EURIBOR
Specified Time: 11.00 a.m.
Relevant Financial Centre: Brussels |
| (ii) | Interest Determination Date: | Second business day on which the TARGET2 System is open prior to the first day of each Interest Period |

- | | | |
|-------|--------------------------|------------------------|
| (iii) | Relevant Screen
Page: | Reuters Page EURIBOR01 |
|-------|--------------------------|------------------------|
-
- | | | |
|-----|---------------------------------|---------------------|
| (h) | If ISDA Determination: | Not Applicable |
| (i) | Linear Interpolation: | Not Applicable |
| (j) | Margin(s): | Plus 0.65 per cent. |
| (k) | Minimum Interest Rate (if any): | Not Applicable |
| (l) | Maximum Interest Rate (if any): | Not Applicable |
| (m) | Day Count Fraction: | Actual / 360 |
-
- | | | |
|-----|------------------------------|----------------|
| 15. | Reset Note Provisions | Not Applicable |
|-----|------------------------------|----------------|
-
- PROVISIONS REGARDING REDEMPTION/
MATURITY**
- | | | |
|------|--|---|
| 16. | Maturity Date: | Interest Payment Date falling on, or nearest to, 9 May 2018 |
| 17. | Redemption at Issuer's option: | Not Applicable |
| 18. | Regulatory Event (Subordinated Notes only) | Not Applicable |
| 19. | Redemption at Noteholder's option: | Not Applicable |
| 20.. | Final Redemption Amount: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount. |
| 21. | Early Redemption Amount payable on redemption for taxation reasons or (for Subordinated Notes only) following a Regulatory Event or (for any Note) on an Event of Default: | EUR 100,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

- | | | |
|-----|----------------------------|--------------------------------------|
| 22. | U.S. Selling Restrictions: | Reg S Compliance Category 2; TEFRA D |
|-----|----------------------------|--------------------------------------|

Signed on behalf of **NATIONWIDE BUILDING SOCIETY**

By: **DAVID KIRBY**
Duly Authorised

By: **STEPHEN TYRIE**
Duly Authorised

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 London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority with effect from the Issue Date |
| (b) | Estimate of total expenses related to admission to trading | GBP 3,240 |

2. RATINGS

- | | |
|----------|--|
| Ratings: | The Notes to be issued are expected to be rated:

Moody's Investors Service Limited: A1
Standard & Poor's Credit Market Services Europe Limited: A
Fitch Ratings Ltd.: A |
|----------|--|

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

Save for any fees payable to Deutsche Bank AG, London Branch (the **Dealer**), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD (*Fixed Rate Notes only*)

- | | |
|----------------------|----------------|
| Indication of yield: | Not Applicable |
|----------------------|----------------|

5. OPERATIONAL INFORMATION

- | | | |
|-----|--|----------------|
| (a) | ISIN: | XS1405995066 |
| (b) | Common Code: | 140599506 |
| (c) | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| (d) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |