



Nationwide Building Society
U.S.\$1,250,000,000 4.000% Notes due 2026
Issued under its U.S.\$20,000,000,000 Senior and Subordinated Medium-Term Note Program

Pricing Term Sheet

Issuer	Nationwide Building Society (the “ Issuer ”)
Offering	Subordinated Notes (the “ Notes ”)
Issue Format	Exempt from SEC registration under Rule 144A/Regulation S
Issuer Rating	Aa3 (Moody's) / A (S&P) / A (Fitch)
Expected Issue Rating ¹	Baa1 (Moody's) / BBB (S&P) / A- (Fitch)
Issue Tenor	10-year (bullet)
Ranking	Junior to Senior claims, senior to Tier 1 capital and pari passu with Tier 2 capital of the Issuer
Principal Amount	U.S.\$1,250,000,000
Pricing Date	7 September 2016
Settlement Date	14 September 2016 (T+5)
Maturity Date	14 September 2026 (the “ Maturity Date ”)
Coupon	4.000%
Coupon Period	Semi-annual in arrear (Fixed Rate)
Interest Payment Dates	14 March and 14 September in each year, commencing on 14 March 2017 and ending on the Maturity Date
Day Count Fraction	30/360
Business Day Convention	Following Business Day, Unadjusted
Business Days	London, New York
Regulatory Event Redemption	If there is a change in the regulatory classification of the Notes which becomes effective after the date of issue of the Notes and results, or would be likely to result in the Notes being fully or partially excluded from Tier 2 Capital of the Issuer (whether on an individual or consolidated basis), the Issuer may redeem all (but not some only) of the Notes at par together with accrued interest
Tax Redemption	If as a result of a tax law change; (i) the Issuer is required to pay additional amounts, (ii) the Issuer is no longer entitled to claim a deduction in respect of payments in respect of the Notes, (iii) the Notes are, or will be, prevented for being treated as loan relationships, or (iv) the Issuer is, or will not be, able to have losses or deductions set against profits or gains, the Issuer may redeem all (but not some only) of the Notes at par together with accrued interest
Benchmark Treasury	T 1.500% due 15 August 2026
Benchmark Treasury Price and Yield	99-21+; 1.536%
Spread to Benchmark Treasury	T+ 250 bps

¹ A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Yield to Maturity	4.036%
Issue Price	99.706%
Denominations	U.S.\$250,000 and integral multiples of U.S.\$1,000 in excess thereof
CUSIP/ISIN Code	144A: ISIN – US63859WAE93; CUSIP – 63859WAE9 Reg S: ISIN – US63859XAD93; CUSIP – 63859XAD9
Documentation	Nationwide Building Society US\$20,000,000,000 Senior and Subordinated Medium-Term Note Program dated 23 June 2016, as supplemented on 12 August 2016
Governing Law	New York law, except for subordination provisions which will be governed under English law
Listing	Application will be made for the Notes to be listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange plc's Regulated Market
UK Bail-in Power Acknowledgement	As per the provisions in the base prospectus (see section entitled "Terms and Conditions of the Notes – Agreement with Respect to the Exercise of UK Bail-in Power")
Clearing	DTC
Joint Lead Managers	Barclays Capital Inc., Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, UBS Securities LLC
Form of the Notes	Registered Global Notes

The term sheet is qualified in its entirety by reference to the base prospectus dated June 23, 2016 and the prospectus supplement dated August 12, 2016 (together, the "Prospectus"). The information in this term sheet supplements the Prospectus and supersedes the information therein to the extent that there are any inconsistencies. Before you invest in the Notes, you should read the Prospectus for more information concerning the Issuer and the Notes. Terms not otherwise defined herein shall have the meanings ascribed to them in the Prospectus. You may obtain a copy of the Prospectus for this transaction and the Final Terms (when available) by contacting the Issuer or your sales representative at Barclays Capital Inc., Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated or UBS Securities LLC.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")). The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and within the United States to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act ("Rule 144A")).

This term sheet is not being distributed to, and must not be passed on to, the general public in the UK. The communication of this term sheet as a financial promotion is only being made to those persons falling within Article 12, Article 19(5) or Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or to other persons to whom this term sheet may otherwise be distributed without contravention of section 21 of the Financial Services and Markets Act 2000, or any person to whom it may otherwise lawfully be made. This communication is being directed only at persons having professional experience in matters relating to investments and any investment or investment activity to which this communication relates will be engaged in only with such persons. No other person should rely on it.

It is expected that delivery of the Notes will be made against payment thereof on or about September 14, 2016, which will be five business days (as such term is used for purposes of Rule 15c6-1 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act")) following the date hereof (such settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the securities on any date prior to three business days before delivery will be required, by virtue of the fact that the securities initially will settle in T+5, to specify an alternative settlement cycle at the time of any such trade to prevent failed settlement. Purchasers of the securities who wish to make such trades should consult their own advisors.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.