

SUPPLEMENT DATED 27 OCTOBER 2011 TO THE BASE PROSPECTUSES DESCRIBED BELOW



NATIONWIDE BUILDING SOCIETY

(Incorporated in England and Wales under the Building Societies Act 1986, as amended)

**U.S.\$25,000,000,000 European Note Programme
(the EMTN Programme)**

and

**U.S.\$20,000,000,000 Senior and Subordinated Medium-Term Note Programme
(the USMTN Programme and, together with the EMTN Programme, the Programmes)**

This supplement (the **Supplement**) (i) to the base prospectus dated 28 September 2011 in respect of the EMTN Programme (the **EMTN Base Prospectus**) and (ii) to the base prospectus dated 15 July 2011 in respect of the USMTN Programme (the **USMTN Base Prospectus** and, together with the EMTN Base Prospectus, the **Base Prospectuses**), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**) and is prepared in connection with the Programmes, each established by Nationwide Building Society (the **Issuer**). Terms defined in the Base Prospectuses have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectuses and any other supplements to the Base Prospectuses issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to update certain information contained in the Base Prospectuses relating to the ratings assigned to the Programmes and the Issuer by Moody's Investors Service Limited (**Moody's**). This update is necessary following the announcement by Moody's on 7 October 2011 of revisions to those ratings and the ratings assigned to certain other UK financial institutions, due to Moody's review of systemic support assumptions from the UK government for these institutions.

The EMTN Base Prospectus

By virtue of this Supplement:

- (1) the reference to Moody's long-term debt rating of the Issuer in the first sentence of the sixteenth paragraph on the cover page of the EMTN Base Prospectus ("Aa3") shall be deemed to be deleted and replaced with the following:

"A2";

- (2) the reference to Moody's Programme rating for senior unsecured Notes in the second sentence of the sixteenth paragraph on the cover page of the EMTN Base Prospectus ("Aa3 (senior unsecured)") shall be deemed to be deleted and replaced with the following:

"A2 (senior unsecured)";

- (3) the second sentence of the fourth paragraph on page 17 of the EMTN Base Prospectus ("On 24 May 2011, Moody's announced that the senior debt ratings of fourteen UK financial institutions, including the Issuer, were under review for possible downgrade, based on a reassessment of the levels of extraordinary Government and Bank of England support assumed to be provided to counter any default or failure of such institutions and, on 2 August 2011, Moody's announced that the long-term ratings of eight building societies, including the Issuer, remain under review for possible downgrade as part of Moody's ongoing review of systemic support for UK banks, which it expected to conclude in the second half of September 2011.") shall be deemed to be deleted and replaced with the following:

"On 7 October 2011, Moody's announced that it was downgrading the senior debt and deposit ratings of 12 UK financial institutions and confirming the ratings of one institution, following its review of systemic support assumptions from the UK government for these institutions, which it initiated on 24 May 2011. The ratings actions announced included a two-notch downgrade of the Issuer's long-term debt rating from Aa3 to A2."; and

- (4) the third sentence of the fourth paragraph on page 17 of the EMTN Base Prospectus ("If the ratings analysis of any agencies that rate the Issuer's credit is updated to reflect lower forward-looking assumptions of systemic support in the post-crisis environment or higher assumptions of the risks in the financial sector, or otherwise modified, it could result in a downgrade to the outlook or to the credit ratings of UK financial institutions, including Nationwide, which could have a material adverse effect on the borrowing costs, liquidity and funding of all UK financial services institutions, including Nationwide.") shall be deemed to be amended by the insertion:

- (a) after the words "analysis of any" of "other";
- (b) after the words "the Issuer's credit is" of "similarly";
- (c) after the word "updated" of ", or if Moody's analysis is further updated,"; and
- (d) after the words "result in a" of "further".

The USMTN Base Prospectus

By virtue of this Supplement:

- (1) the second sentence of the fourth full paragraph on page 12 of the USMTN Base Prospectus ("On May 24, 2011, Moody's Investors Service Limited ("**Moody's**") announced that the senior debt ratings of 14 UK financial institutions, including Nationwide, are currently under review for possible downgrade, based on a reassessment of the levels of extraordinary Government and Bank of England support assumed to be provided to counter any default or failure of such institutions.") shall be deemed to be deleted and replaced with the following:

*"On October 7, 2011, Moody's Investors Service Limited ("**Moody's**") announced that it was downgrading the senior debt and deposit ratings of 12 UK financial institutions and confirming the ratings of one institution, following its review of systemic support assumptions from the UK government for these institutions, which it initiated on May 24, 2011. The ratings actions announced included a two-notch downgrade of our long-term debt rating from Aa3 to A2.";*

- (2) the third sentence of the fourth full paragraph on page 12 of the USMTN Base Prospectus ("If the ratings analysis of any agencies that rate our credit is updated to reflect lower forward-looking assumptions of systemic support in the post-crisis environment or higher assumptions of the risks in the financial sector, or otherwise modified, it could result in a downgrade to the outlook or to the credit ratings of UK financial institutions, including Nationwide, which could have a material adverse effect on the borrowing costs, liquidity and funding of all UK financial services institutions, including Nationwide.") shall be deemed to be amended by the insertion:
- (a) after the words "analysis of any" of "*other*";
 - (b) after the words "our credit is" of "*similarly*";
 - (c) after the word "updated" of "*, or if Moody's analysis is further updated,*"; and
 - (d) after the words "result in a" of "*further*";
- (3) the reference to the date as at which the Issuer's ratings are stated in the second paragraph on page 54 of the USMTN Base Prospectus ("May 24, 2011") shall be deemed to be deleted and replaced with the following:
- "October 27, 2011";*
- (4) the Moody's ratings set out in the second table on page 54 of the USMTN Base Prospectus ("Moody's..... Aa3 P-1 Baa3 November 2010") shall be deemed to be deleted and replaced with the following:
- "Moody's..... A2 P-1 Baa3 October 2011";*
- (5) the third paragraph on page 54 of the USMTN Base Prospectus (beginning "On May 24, 2011 Moody's announced their intention...") shall be deemed to be deleted in its entirety;
- (6) the reference to the date as at which the Issuer's ratings are stated in the third full paragraph on page 81 of the USMTN Base Prospectus ("May 25, 2011") shall be deemed to be deleted and replaced with the following:
- "October 27, 2011"; and*
- (7) the Moody's ratings set out in the second table on page 81 of the USMTN Base Prospectus ("Moody's..... Aa3 P-1 Baa3 April 2009") shall be deemed to be deleted and replaced with the following:
- "Moody's..... A2 P-1 Baa3 October 2011".*

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectuses, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectuses since the publication of the Base Prospectuses.

The date of this Supplement is 27 October 2011.