

Summary financial statement

2009/2010

for the year ended 31 March 2010

The Directors have pleasure in presenting the summary financial statement of Nationwide International Limited (the Company) for the year ended 31 March 2010. It is a summary of information contained in the Company's audited financial statements for the year ended 31 March 2010, as approved by the Board of Directors on 2 June 2010. Those financial statements have been audited and delivered to the Registrar of Companies in the Isle of Man. The Auditors' report was not qualified in any respect.

The summary financial statement is derived from the Company's annual financial statements and Directors' report and does not contain sufficient information to allow for a full understanding of the Company's results and its state of affairs.

Copies of the full audited financial statements are available to depositors on request from the offices of Nationwide International Limited at PO Box 217, 5-11 St. Georges Street, Douglas, Isle of Man, IM99 1RN.

		2010 £000	2009 £000
Results for the year	Profit for the year before taxation	16,383	15,165
	Taxation on profit for the year	(1,606)	(1,334)
	Profit for the year after taxation	<u>14,777</u>	<u>13,831</u>
Financial position at end of year			
Assets	Cash and balances with banks	12,186	3,825
	Funds placed with parent company	4,240,278	3,689,397
	Prepaid expenses	63	34
	Property, plant and equipment	284	280
	Deferred tax asset	129	28
	Total assets	<u>4,252,940</u>	<u>3,693,564</u>
Liabilities	Due to customers	4,111,651	3,566,967
	Other liabilities	7,972	10,255
	Current tax liabilities	2,999	1,344
	Retirement benefit obligation	1,050	565
	Depositors Compensation Scheme	525	-
		<u>4,124,197</u>	<u>3,579,131</u>
Shareholders' equity	Share capital	28,500	28,500
	General reserve	100,243	85,933
	Total shareholders' equity and liabilities	<u>4,252,940</u>	<u>3,693,564</u>

Directors at 31 March 2010

Chairman Andrew Hutchinson
(appointed 8 September 2009, resigned 19 April 2010)

Directors Carl Gandy, Managing Director
Phillip Dunne
Anthony Barber
Peter Pell-Hiley
Peter Stafford
Ashley Lillie (appointed 25 February 2010)
Judith Fullerton (Alternate Director)
Jackie Bowman (Alternate Director)

Secretary Richard Vanderplank (resigned 25 November 2009)
Nigel Tebay (appointed 25 November 2009)

Registered office and principal place of business

Nationwide International Ltd
5-11 St Georges Street
Douglas, Isle of Man

Auditors

PricewaterhouseCoopers
Chartered Accountants
Douglas, Isle of Man

Depositors' Compensation Scheme

The majority of licensed deposit-taking institutions in the Isle of Man are members of the statutory Isle of Man Depositors' Compensation Scheme under the Compensation of Depositors Regulations 2008 as amended by the Compensation of Depositors (Amendment) Regulations 2008 ("the Scheme").

The Scheme provides compensation to a maximum of 100% of the first £50,000, or currency equivalent, of individual depositors and £20,000 in any other case, subject to a maximum of £200,000, for all participants, in the event of the failure of a participant institution to meet its obligations to depositors.

Such a failure triggers the payment of a levy by each participant calculated at .0125% of average deposit liabilities over such period preceding the levying of the contribution as deemed appropriate by the Scheme Manager, with a minimum annual contribution of £35,000 and a maximum annual contribution of £350,000.

On 8 October 2008, the banking license granted to Kaupthing Singer and Friedlander (Isle of Man) Limited ("Kaupthing S&F") was suspended and on 27 May 2009 Kaupthing S&F was placed into liquidation, thus triggering the provisions of the Scheme.

During the year the company paid an initial contribution of £350,000 to the Scheme and has made a provision amounting to £525,000 in respect of estimated future contributions to the Scheme.

Also during the year, the company received the sum of £372,281 being the return to the company of contributions made in relation to the collapse of Bank of Credit and Commerce International SA and in respect of which the company had contributed to the original Depositors' Compensation Scheme in 1991 and 1993.

Independent auditors' report to the shareholders of Nationwide International Limited

We have examined the summary financial statement of Nationwide International Limited.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the summary financial statement in accordance with applicable law. Our responsibility is to report to you our opinion on the consistency of the summary financial statement with the full annual financial statements and the directors' report, and its compliance with the relevant requirements of the Financial Services Rule Book 2009.

This statement, including the opinion, has been prepared for and only for the company's members as a body in accordance with the relevant requirements of the Financial Services Rule Book 2009 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/3, "The auditors' statement on the summary financial statement" issued by the Auditing Practices Board in the United Kingdom. Our report on the Company's full annual financial statements describes the basis of our audit opinion on those financial statements.

Opinion

In our opinion the summary financial statement is consistent with the annual financial statements and the directors' report of Nationwide International Limited for the year ended 31 March 2010 and complies with the applicable requirements of the Financial Services Rule Book 2009. We have not considered the effects of any events between the 2 June 2010, the date on which we signed our report on the full annual financial statements for the year ended 31 March 2010 and the date of this statement.

PricewaterhouseCoopers
Chartered Accountants
Douglas, Isle of Man

6 August 2010

A wholly owned subsidiary of Nationwide Building Society
Nationwide International Ltd, PO Box 217, 5-11 St Georges Street, Douglas, Isle of Man, IM99 1RN
Registered in the Isle of Man No. 52214
Licensed by the Isle of Man Financial Supervision Commission to take deposits



Certificate No. FS 33403