



BUT HOW? Collaborative strategy is what keeps us strong. On our own, we may possess individual talents and assets. However, by banding together, we become a collective force able to accomplish more for both ourselves and others.

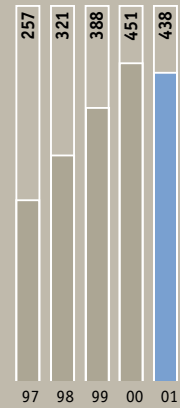
Investors, business partners, customers, and associates — Nationwide Financial relies on their interaction to share insights, pool resources and maintain focus. And it's this unified power that allows each group to meet any need. Achieve any goal. Realize any vision. **We are better together than apart.**

FINANCIAL HIGHLIGHTS

Results of Operations

(in millions of dollars, except for per share data)

For the years ended December 31,	2001	2000	1999
Operating revenues	\$ 3,206.8	\$ 3,195.2	\$ 2,814.3
Net income	412.8	434.9	381.3
Net operating income	437.9	451.0	388.3
Net operating income per share	3.39	3.50	3.02
Total assets	91,960.9	93,178.6	93,054.0
Net operating return on average equity	14.2%	16.7%	16.6%



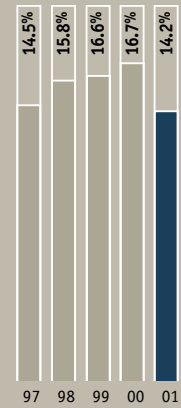
Net Operating Income
(in millions of dollars)



Operating Revenues
(in billions of dollars)



Total Assets
(in billions of dollars)



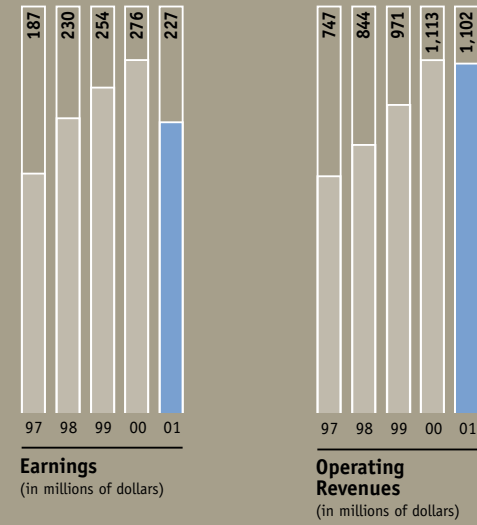
Net Operating Return on Average Equity



LETTER TO SHAREHOLDERS

HIGHLIGHTS BY SEGMENT

INDIVIDUAL ANNUITY

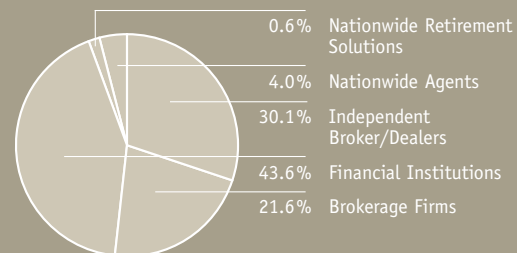


Products
Variable and Fixed Annuities
Income Products
Offshore Annuities

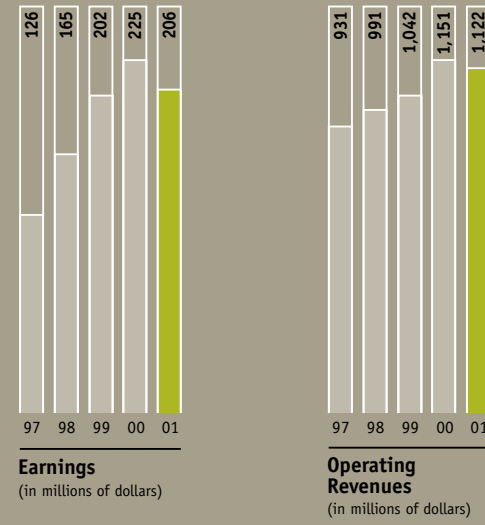
Competitors
Hartford Life
Pacific Life Insurance
AXA Financial
AIG
Manulife Financial
GE Capital Services, Inc.

Highlights
Fixed annuity sales reached \$2 billion
Won DALBAR service awards

Distribution



INSTITUTIONAL PRODUCTS

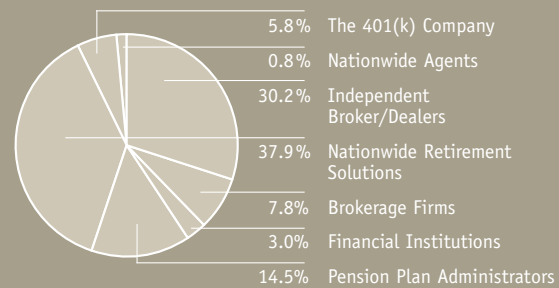


Products
Public Sector Pension Plans
Private Sector Pension Plans
Medium Term Notes

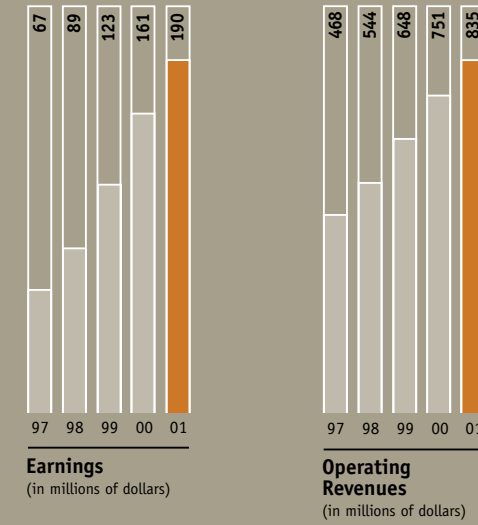
Competitors
ICMA
Hartford Life
Principal Financial Group
Manulife Financial
Great West Life

Highlights
Added over 3,600 new private sector pension plans
Selected to be bundled service provider for the Florida Retirement System

Distribution



LIFE INSURANCE

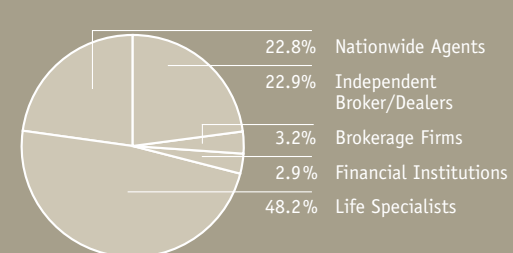


Products
Whole Life Insurance
Universal Life Insurance
Variable Life Insurance
Corporate Owned Life Insurance (COLI)

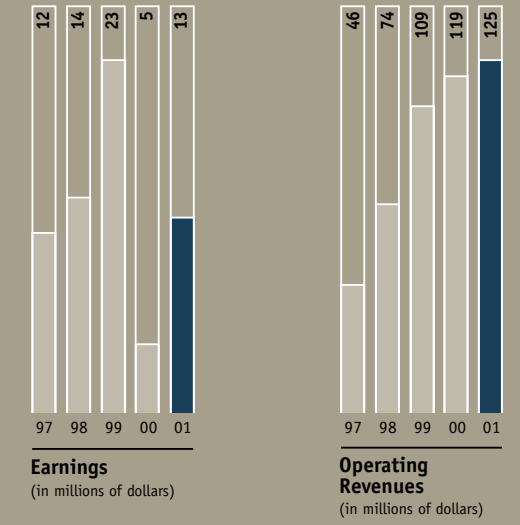
Competitors
John Hancock
Financial Services
Lincoln Financial Group
MetLife
Pacific Life Insurance

Highlights
Established large-case underwriting team
Reduced the Variable Life Insurance underwriting time to 20 days

Distribution



ASSET MANAGEMENT



Products
Insurance Product Mutual Fund
Retail Mutual Funds
Institutional Funds
Stable Value Funds

Investment Focus
Growth oriented with an emphasis on sector and focus funds.

Highlights
Launched Hedge Fund in 2001
Integrated investment operations with Gartmore

Distribution

