Release Date: 06-30-2008

American Funds Capital Inc Bldr R5

Overall Morningstar Rating™	Morningstar Return	Morningstar Risk
★★★	Average	Average

Out of 106 World Allocation funds. **An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for more detail.**

Investment Strategy from investment's prospectus

The investment seeks to provide you with a level of current income that exceeds the average yield on U.S. stocks generally and a growing stream of income over the years.

The fund invests primarily in a broad range of income-producing securities, including stocks with a history of, or potential for, increasing dividends. It may also invest significantly in non-U.S. securities.

Category Description: World Allocation

World allocation funds seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. While these funds do explore the whole world, most of them focus on the U.S., Canada, Japan, and the larger markets in Europe. It is rare for such funds to invest more than 10% of their assets in emerging markets.

Broad Asset Class: Balanced

Combination of stocks, bonds and cash.

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus (variable annuity only), a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT – NOT FDIC INSURED – NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY THE INSTITUTION – MAY GO DOWN IN VALUE

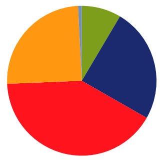
The Broad Asset Class identifies a fund's investment style. The Broad Asset Class was developed by Nationwide in conjunction with Ibbotson Associates for asset allocation. Asset Allocation does not assure a profit or guarantee against a loss in a declining market.

Morningstar Proprietary Statistics

	YTD	1-Year	3-Year	5-Year	10-Year
Morningstar Rating	—	—	★★★	★★★	—
Fund Rank Percentile	58	44	30	32	—
Out of # of Investments	185	155	106	84	—

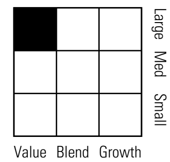
Portfolio Analysis as of 03-31-08

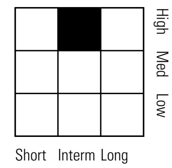
Composition as of 03-31-08



	% Assets
U.S. Stocks	24.7
Non-U.S. Stocks	41.1
Bonds	24.8
Cash	8.5
Other	0.8

Morningstar Style Box™ as of 03-31-08 ; 03-31-08 (F-I)





Top 15 Holdings as of 03-31-08	% Assets
E.ON	2.37
AT&T, Inc.	1.69
Verizon Communications Inc.	1.59
General Electric Company	1.27
Sasol Limited Grp	1.25
Exelon Corporation	1.17
Koninklijke KPN	1.11
Banco Santander	1.08
RWE	1.01
Chevron Corporation	0.99
HSBC Hldgs	0.99
Veolia Environnement	0.99
France Telecom	0.96
Bank of America Corporation	0.84
Suez	0.81
Total Number of Stock Holdings	289
Total Number of Bond Holdings	1240
Annual Turnover Ratio %	24
Total Fund Assets ($mil)	106,418.1

Statistics as of 03-31-08	Port Avg	Rel S&P 500	Rel Cat
P/E Ratio	11.96	0.89	0.86
P/B Ratio	1.89	0.91	0.90
P/C Ratio	9.33	1.09	1.24
GeoAvgCap ($mil)	38,185.08	0.80	1.38

Risk Measures as of 06-30-08	Port Avg	Rel S&P 500	Rel Cat
3 Yr Std Dev	8.06	0.52	1.00
3 Yr Beta	1.06	—	1.05
3 Yr Sharpe Ratio	0.64	-2.56	1.08
3 Yr Alpha	2.28	—	0.88
3 Yr R-squared	81.85	—	1.06

Morningstar Sectors as of 03-31-08	Fund%	S&P 500%
Information	18.02	20.44
Software	0.79	4.00
Hardware	2.31	10.16
Media	0.89	2.95
Telecommunication	14.03	3.33
Service	34.86	37.62
Healthcare Service	5.67	11.94
Consumer Service	4.22	6.95
Business Service	4.34	4.66
Financial Service	20.63	14.07
Manufacturing	47.12	41.96
Consumer Goods	11.33	9.08
Industrial Materials	10.73	12.65
Energy	10.32	16.35
Utilities	14.74	3.88

Risk Classification as of 06-30-08

An investment's risk classification corresponds with the following ranges of standard deviation.

I	II	III	IV	V	VI

- **I** Lowest: Money Market and Stable Value Funds
- **II** Very Low: 0.00-3.46
- **III** Low: 3.47-5.21
- ▶ **IV** Moderate: 5.22-9.95
- **V** High: 9.96-13.50
- **VI** Very High: 13.51 and above

Standard Deviation is a statistical measurement of dispersion about an average, which depicts how widely the returns varied over a certain period of time. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Morningstar provides standard deviation and Nationwide provides the ranges.

Operations

Net Annual Rpt Exp Ratio	0.35% of fund assets
Gross Prospectus Exp Ratio	0.37% of fund assets
Fund Inception Date	05-15-02
Initial Share Class Inception Date	07-30-87
Advisor	Capital Research & Mgmt Company
Subadvisor	—

Portfolio Manager(s)

James B. Lovelace, CFA (2000). Since 1992.

Mark R. MacDonald, CFA. B.S., U. of Wisconsin, La Crosse. M.B.A., Portland State U. Since 2000.