



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002
OF THE CONDITION AND AFFAIRS OF THE
NATIONWIDE MUTUAL INSURANCE COMPANY

NAIC Group Code 0140 (Current Period) 0140 (Prior Period) NAIC Company Code 23787 Employer's ID Number 31-4177100

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated 12/06/1925 Commenced Business 04/14/1926

Statutory Home Office One Nationwide Plaza, Columbus, OH 43215-2220 (Street and Number) (City or Town, State and Zip Code)

Main Administrative Office One Nationwide Plaza (Street and Number) Columbus, OH 43215-2220 (City or Town, State and Zip Code) 614-249-7111 (Area Code) (Telephone Number)

Mail Address One Nationwide Plaza (Street and Number or P.O. Box) Columbus, OH 43215-2220 (City or Town, State and Zip Code)

Primary Location of Books and Records One Nationwide Plaza (Street and Number) Columbus, OH 43215-2220 (City or Town, State and Zip Code) 614-249-1545 (Area Code) (Telephone Number)

Internet Website Address www.nationwide.com

Statement Contact Raymond T. Hohl (Name) 614-249-1545 (Area Code) (Telephone Number) (Extension) hohlr@nationwide.com (E-mail Address) 614-249-4718 (Fax Number)

Policyowner Relations Contact One Nationwide Plaza (Street and Number) Columbus, OH 43215-2220 (City or Town, State and Zip Code) 614-249-6408 (Area Code) (Telephone Number) (Extension)

OFFICERS

President Galen Ross Barnes Secretary Glenn Warren Soden
Treasurer Michael Dean Miller

VICE PRESIDENTS

John Roscoe Cook Jr David Andrew Diamond Philip Clarence Gath
Patricia Ruth Hatler Richard Dale Headley Michael Stevens Helfer
David Karl Hollingsworth David Ralph Jahn Donna Anita James
Richard Andrew Karas Michael Craig Keller Gregory Samuel Lashutka
Edwin Pugh McCausland Jr Robert Harold McNaghten Michael Dean Miller
Brian Waggoner Nocco Robert Alan Oakley Mark David Phelan
Kathleen Dunbar Ricord Douglas Craig Robinette Robert Allen Rosholt #
John Stephen Skubik Mark Raymond Thresher Richard Michael Waggoner
Susan Ackerman Wolken

DIRECTORS OR TRUSTEES

Lewis Jackson Alphin Galen Ross Barnes Arthur Irving Bell
Timothy Joesph Corcoran Yvonne Montgomery Curl Kenneth Dale Davis
Keith William Eckel Willard James Engel Fred Charles Finney
William Gerald Jurgensen Lydia Micheaux Marshall David Owen Miller
Ralph McDaniel Paige James Ferry Patterson Arden Lee Shisler
Robert Leonard Stewart

State of Ohio
County of Franklin ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Galen Ross Barnes--President/Chief Operating Officer President
Glenn Warren Soden--Assoc. VP/Asst. Sec Secretary
Michael Dean Miller--Sr. VP-Finance Treasurer

Subscribed and sworn to before me this day of , 2003

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds	6,192,587,982	0	6,192,587,982	5,882,559,292
2. Stocks:				
2.1 Preferred stocks (Schedule D, Part 2, Section 1)	53,260,195	0	53,260,195	39,267,446
2.2 Common stocks (Schedule D, Part 2, Section 2)	7,226,308,786	0	7,226,308,786	8,514,858,775
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	238,596,100	0	238,596,100	126,297,443
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	391,118,038	0	391,118,038	337,647,831
4.2 Properties held for the production of income (less \$2,475,027 encumbrances)	84,911,100	0	84,911,100	66,133,575
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$(175,492,851) Schedule E, Part 1) and short-term investments(\$ .....268,971,512 Schedule DA, Part 2)	93,478,661	0	93,478,661	8,854,435
6. Other invested assets (Schedule BA)	706,710,114	54,197,430	652,512,684	775,423,247
7. Receivable for securities	3,621,995	150,906	3,471,088	5,537,578
8. Aggregate write-ins for invested assets	232,983,131	0	232,983,131	12,524,177
9. Subtotals, cash and invested assets (Lines 1 to 8)	15,223,576,101	54,348,336	15,169,227,765	15,769,103,799
10. Agents' balances or uncollected premiums:				
10.1 Premiums and agents' balances in course of collection	1,301,239,562	38,232,441	1,263,007,121	268,503,748
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (Including \$0 earned but unbilled premiums)	1,380,051,207	10,020,467	1,370,030,740	1,196,692,657
10.3 Accrued retrospective premiums	0	0	0	0
11. Funds held by or deposited with reinsured companies	16,609,136	1,210,380	15,398,756	12,304,745
12. Bills receivable, taken for premiums	935,059	935,059	0	0
13. Amounts receivable under high deductible policies	0	0	0	0
14. Reinsurance recoverables on loss and loss adjustment expense payments (Schedule F, Part 3, Cols. 7 and 8)	373,390,941	3,690,443	369,700,498	29,700,105
15. Federal and foreign income tax recoverable and interest thereon (including \$304,461,206 net deferred tax asset)	304,461,206	0	304,461,206	0
16. Guaranty funds receivable or on deposit	25,278,077	0	25,278,077	19,313,705
17. Electronic data processing equipment and software	83,454,765	0	83,454,765	119,433,701
18. Interest, dividends and real estate income due and accrued	102,110,917	0	102,110,917	92,670,015
19. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
20. Receivable from parent, subsidiaries and affiliates	10,050,200	0	10,050,200	163,829,844
21. Amount due from/to protected cells	0	0	0	0
22. Equities and deposits in pools and associations	116,734,014	0	116,734,014	103,389,993
23. Amounts receivable relating to uninsured accident and health plans	0	0	0	0
24. Other assets nonadmitted (Exhibit 1)	237,422,504	237,422,504	0	0
25. Aggregate write-ins for other than invested assets	974,894,662	130,815,162	844,079,500	778,421,438
26. Total assets excluding protected cell assets (Lines 9 through 25)	20,150,208,350	476,674,792	19,673,533,558	18,553,363,751
27. Protected cell assets	0	0	0	0
28. TOTALS (Lines 26 and 27)	20,150,208,350	476,674,792	19,673,533,558	18,553,363,751
DETAILS OF WRITE-INS				
0801. Derivatives.....	232,983,131	0	232,983,131	12,524,177
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	232,983,131	0	232,983,131	12,524,177
2501. Investment value of life insurance and annuity contracts.....	766,812,445	0	766,812,445	734,450,926
2502. Miscellaneous.....	163,296,911	105,418,600	57,878,311	40,248,323
2503. Deposits and prepaid assets.....	20,587,050	20,587,050	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	24,198,256	4,809,512	19,388,744	3,722,189
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	974,894,662	130,815,162	844,079,500	778,421,438

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	4,948,517,303	5,110,672,491
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)	673,403,954	21,021,385
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	1,081,326,559	1,107,360,239
4. Commissions payable, contingent commissions and other similar charges	158,183,931	128,735,313
5. Other expenses (excluding taxes, licenses and fees)	142,404,870	136,984,700
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	101,657,627	101,970,764
7. Federal and foreign income taxes (including \$19,559,133 on realized capital gains (losses)) (including \$0 net deferred tax liability)	75,599,224	275,561,266
8. Borrowed money \$736,288,866 and interest thereon \$0	736,288,866	683,019,738
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$883,198,020 and including warranty reserves of \$11,307,400)	3,445,907,839	3,030,878,918
10. Advance premiums	278,643,777	222,450,954
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	3,395,710	2,011,655
12. Ceded reinsurance premiums payable (net of ceding commissions)	437,535,194	18,244,961
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	409,340,054	279,910,670
14. Amounts withheld or retained by company for account of others	258,607,450	155,437,530
15. Remittances and items not allocated	102,735,108	24,239,748
16. Provision for reinsurance (Schedule F, Part 7)	17,241,611	9,762,636
17. Net adjustments in assets and liabilities due to foreign exchange rates	590,509	1,132,476
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Payable for securities	0	125,910
21. Liability for amounts held under uninsured accident and health plans	0	0
22. Capital Notes \$0 and interest thereon \$0	0	0
23. Aggregate write-ins for liabilities	1,196,412,323	964,580,352
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	14,067,791,909	12,274,101,705
25. Protected cell liabilities	0	0
26. Total liabilities (Lines 24 and 25)	14,067,791,909	12,274,101,705
27. Aggregate write-ins for special surplus funds	2,600,000	2,600,000
28. Common capital stock	0	0
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	(8,795,856)	(9,268,160)
31. Surplus notes	900,000,000	900,000,000
32. Gross paid in and contributed surplus	0	0
33. Unassigned funds (surplus)	4,711,937,505	5,385,930,205
34. Less treasury stock, at cost:		
34.1 .....0 shares common (value included in Line 28 \$0)	0	0
34.2 .....0 shares preferred (value included in Line 29 \$0)	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38)	5,605,741,649	6,279,262,045
36. TOTALS (Page 2, Line 28, Col. 3)	19,673,533,558	18,553,363,751
DETAILS OF WRITE-INS		
2301. Agent's security fund reserve.....	808,975,631	754,767,762
2302. Contingent suit liability.....	218,383,706	138,054,367
2303. Derivative liability.....	55,808,831	0
2398. Summary of remaining write-ins for Line 23 from overflow page	113,244,154	71,758,223
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	1,196,412,323	964,580,352
2701. Guaranty fund.....	2,600,000	2,600,000
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	2,600,000	2,600,000
3001. Amortized discount of surplus notes.....	(8,795,856)	(9,268,160)
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	(8,795,856)	(9,268,160)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4)	9,227,596,097	8,518,445,298
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7)	5,406,549,340	5,783,413,604
3. Loss expenses incurred (Part 3, Line 25, Column 1)	1,043,845,824	1,009,700,327
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	2,679,746,632	2,427,150,685
5. Aggregate write-ins for underwriting deductions	15,570,104	(11,033,316)
6. Total underwriting deductions (Lines 2 through 5)	9,145,711,900	9,209,231,301
7. Net income of protected cells	0	
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7) .....	.81,884,197	(690,786,003)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	334,912,953	472,097,646
10. Net realized capital gains or (losses) (Exhibit of Capital Gains (Losses))	(101,132,032)	(21,889,612)
11. Net investment gain or (loss) (Lines 9 + 10)	233,780,920	450,208,034
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 4,565,290 amount charged off \$ 6,627,552)	(2,062,262)	(2,884,614)
13. Finance and service charges not included in premiums	90,689,225	79,708,975
14. Aggregate write-ins for miscellaneous income	(128,884,963)	11,500,516
15. Total other income (Lines 12 through 14)	(40,258,000)	88,324,877
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	275,407,118	(152,253,092)
17. Dividends to policyholders	5,322,401	3,075,044
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	270,084,717	(155,328,136)
19. Federal and foreign income taxes incurred	59,717,609	12,320,781
20. Net income (Line 18 minus Line 19) (to Line 22)	210,367,109	(167,648,917)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 38, Column 2)	6,279,262,045	6,645,543,188
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20)	210,367,109	(167,648,917)
23. Net unrealized capital gains or (losses)	(1,349,362,227)	(1,164,545,336)
24. Change in net unrealized foreign exchange capital gain (loss)	541,967	938,810
25. Change in net deferred income tax	491,808,137	736,679,069
26. Change in nonadmitted assets (Exhibit 1, Line 5, Col. 3)	(19,868,710)	(43,846,921)
27. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(7,478,975)	(254,657)
28. Change in surplus notes	0	400,000,000
29. Surplus (contributed to) withdrawn from protected cells	0	
30. Cumulative effect of changes in accounting principles	0	(90,153,560)
31. Capital changes:		
31.1. Paid in	0	0
31.2. Transferred from surplus (Stock Dividend)	0	0
31.3. Transferred to surplus	0	0
32. Surplus adjustments:		
32.1. Paid in	0	0
32.2. Transferred to capital (Stock Dividend)	0	0
32.3. Transferred from capital	0	0
33. Net remittances from or (to) Home Office	0	0
34. Dividends to stockholders (cash)	0	0
35. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)	0	0
36. Aggregate write-ins for gains and losses in surplus	472,304	(37,449,631)
37. Change in surplus as regards policyholders for the year (Lines 22 through 36)	(673,520,396)	(366,281,143)
38. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 37) (Page 3, Line 35)	5,605,741,649	6,279,262,045
DETAILS OF WRITE-INS		
0501. 2002 private passenger auto escrow	14,347,881	0
0502. Loss based assessments	1,222,223	(11,033,316)
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	15,570,104	(11,033,316)
1401. Contingent suit liability	(80,329,338)	(9,187,333)
1402. Other	(40,185,624)	20,687,848
1403. Divestiture expense	(16,740,000)	0
1498. Summary of remaining write-ins for Line 14 from overflow page	8,370,000	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	(128,884,963)	11,500,516
3601. Amortized discount of surplus notes	472,304	(6,838,496)
3602. Prior period adjustment		(30,611,135)
3603.		
3698. Summary of remaining write-ins for Line 36 from overflow page	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)	472,304	(37,449,631)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	8,948,958,148	8,317,100,604
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	6,247,706,497	6,377,970,194
3. Underwriting expenses paid	2,655,666,936	2,380,803,814
4. Other underwriting income (expenses)	(67,384,188)	65,844,490
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(21,799,474)	(375,828,915)
6. Net investment income	347,994,002	484,428,353
7. Other income (expenses):		
7.1 Agents' balances charged off	(2,062,262)	(2,884,614)
7.2 Net funds held under reinsurance treaties	126,335,374	131,995,098
7.3 Net amount withheld or retained for account of others	103,169,921	94,730,859
7.4 Aggregate write-ins for miscellaneous items	28,789,580	118,701,454
7.5 Total other income (Lines 7.1 to 7.4)	256,232,612	342,542,797
8. Dividends to policyholders on direct business, less \$ 530,499 dividends on reinsurance assumed or ceded (net)	3,938,346	3,389,041
9. Federal and foreign income taxes (paid) recovered	(72,332,720)	119,228,429
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	506,156,075	566,981,623
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	1,150,507,978	1,309,903,935
11.2 Stocks	297,681,599	572,697,932
11.3 Mortgage loans	4,533,103	1,424,043
11.4 Real estate	1,977,000	12,190,040
11.5 Other invested assets	161,269,086	40,142,502
11.6 Net gains or (losses) on cash and short-term investments	(1,196,043)	(619,713)
11.7 Miscellaneous proceeds	(28,151,950)	4,557,168
11.8 Total investment proceeds (Lines 11.1 to 11.7)	1,586,620,773	1,940,295,908
12. Cost of investments acquired (long-term only):		
12.1 Bonds	1,499,985,913	1,642,217,756
12.2 Stocks	408,860,760	635,925,297
12.3 Mortgage loans	116,834,279	84,743,659
12.4 Real estate	78,397,954	47,792,998
12.5 Other invested assets	183,321,119	353,171,377
12.6 Miscellaneous applications	33,744,390	91,008,865
12.7 Total investments acquired (Lines 12.1 to 12.6)	2,321,144,415	2,854,859,952
13. Net Cash from investments (Line 11.8 minus Line 12.7)	(734,523,642)	(914,564,044)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in	0	400,000,000
14.2 Capital notes \$ less amounts repaid \$	0	0
14.3 Net transfers from affiliates	153,779,644	0
14.4 Borrowed funds received	53,269,128	53,269,128
14.5 Other cash provided	108,679,659	30,015,960
14.6 Total (Lines 14.1 to 14.5)	315,728,430	483,285,088
15. Cash applied:		
15.1 Dividends to stockholders paid	0	0
15.2 Net transfers to affiliates	0	4,201,469
15.3 Borrowed funds repaid	0	0
15.4 Other applications	2,736,638	67,811,164
15.5 Total (Lines 15.1 to 15.4)	2,736,638	72,012,634
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	312,991,792	411,272,454
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	84,624,226	63,690,033
18. Cash and short-term investments:		
18.1 Beginning of year	8,854,435	(54,835,597)
18.2 End of year (Line 17 plus Line 18.1)	93,478,661	8,854,435
DETAILS OF WRITE-INS		
07.401 Finance and service charges	90,689,225	79,708,975
07.402 Other	(40,185,624)	20,687,848
07.403 Equities and deposits in pools and associations	(13,344,021)	18,304,631
07.498 Summary of remaining write-ins for Line 7.4 from overflow page	(8,370,000)	0
07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above)	28,789,580	118,701,454

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Lines of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 2	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	121,790,067	48,196,892	59,947,299	110,039,660
2.	Allied lines	82,879,905	28,642,951	37,221,546	74,301,310
3.	Farmowners multiple peril	115,316,430	51,946,460	49,019,762	118,243,128
4.	Homeowners multiple peril	1,393,569,093	677,378,029	787,726,763	1,283,220,359
5.	Commercial multiple peril	866,256,423	343,756,179	413,603,732	796,408,870
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	9,801,014	1,648,283	3,543,958	7,905,339
9.	Inland marine	94,163,602	48,663,038	50,335,326	92,491,314
10.	Financial guaranty	0	0	0	0
11.1	Medical malpractice - occurrence	3,534,733	1,600,231	1,582,311	3,552,653
11.2	Medical malpractice - claims-made	320,499	380,464	(45,002)	745,965
12.	Earthquake	25,424,826	13,659,662	13,785,536	25,298,952
13.	Group accident and health	207,448,467	8,953,112	295,920	216,105,659
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	42,822,124	919,626	792,353	42,949,397
16.	Workers' compensation	169,525,501	70,767,100	72,628,099	167,664,502
17.1	Other liability - occurrence	451,772,406	165,492,101	227,872,677	389,391,830
17.2	Other liability - claims-made	32,445,284	12,865,323	11,281,478	34,029,129
18.1	Products liability - occurrence	48,254,384	14,461,328	20,942,349	41,773,363
18.2	Products liability - claims-made	161	905	17	1,049
19.1,19.2	Private passenger auto liability	3,281,107,963	800,785,323	869,633,379	3,212,259,907
19.3,19.4	Commercial auto liability	424,812,295	160,177,617	183,382,366	401,607,547
21.	Auto physical damage	2,245,779,135	566,857,234	626,375,110	2,186,261,259
22.	Aircraft (all perils)	(39,998)	(97,064)	(97,064)	(39,998)
23.	Fidelity	1,222,678	813,006	844,392	1,191,292
24.	Surety	4,672,201	2,510,980	2,598,976	4,584,205
26.	Burglary and theft	771,421	342,562	383,147	730,836
27.	Boiler and machinery	(28,584)	427,086	594,226	(195,724)
28.	Credit	0	0	0	0
29.	International	(65,726)	123,558	41,853	15,979
30.	Reinsurance - Nonproportional Assumed Property	11,484,310	(217,553)	315,038	10,951,719
31.	Reinsurance - Nonproportional Assumed Liability	16,555	0	(538)	17,093
32.	Reinsurance - Nonproportional Assumed Financial Lines	45,060	0	(4,567)	49,627
33.	Aggregate write-ins for other lines of business	7,522,789	9,824,485	11,307,400	6,039,874
34.	TOTALS	9,642,625,018	3,030,878,918	3,445,907,842	9,227,596,094
DETAILS OF WRITE-INS					
3301.	Auto warranty.....	7,522,789	9,824,485	11,307,400	6,039,874
3302.	.....	0	0	0	0
3303.	.....	0	0	0	0
3398.	Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	7,522,789	9,824,485	11,307,400	6,039,874

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

(a) Gross premiums (less reinsurance) and unearned premiums on all unexpired risks and reserve for return premiums under rate credit or retrospective rating plans based upon experience, viz:

	1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running More Than One Year from Date of Policy) (b)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols: 1 + 2 + 3 + 4
Line of Business					
1. Fire	59,868,187	79,112	.0	.0	59,947,299
2. Allied lines	37,091,864	129,682	.0	.0	37,221,546
3. Farmowners multiple peril	49,019,762	.0	.0	.0	49,019,762
4. Homeowners multiple peril	787,726,763	.0	.0	.0	787,726,763
5. Commercial multiple peril	413,394,757	208,975	.0	.0	413,603,732
6. Mortgage guaranty .....	.0	.0	.0	.0	.0
8. Ocean marine	3,543,958	.0	.0	.0	3,543,958
9. Inland marine	50,303,954	31,372	.0	.0	50,335,326
10. Financial guaranty .....	.0	.0	.0	.0	.0
11.1 Medical malpractice - occurrence	1,582,311	.0	.0	.0	1,582,311
11.2 Medical malpractice - claims-made	(45,002)	.0	.0	.0	(45,002)
12. Earthquake	13,785,492	44	.0	.0	13,785,536
13. Group accident and health	295,920	.0	.0	.0	295,920
14. Credit accident and health (group and individual) .....	.0	.0	.0	.0	.0
15. Other accident and health	791,536	817	.0	.0	792,353
16. Workers' compensation	72,628,099	.0	.0	.0	72,628,099
17.1 Other liability - occurrence	227,852,302	20,375	.0	.0	227,872,677
17.2 Other liability - claims-made	11,281,478	.0	.0	.0	11,281,478
18.1 Products liability - occurrence	20,942,349	.0	.0	.0	20,942,349
18.2 Products liability - claims-made .....	.17	.0	.0	.0	.17
19.1,19.2 Private passenger auto liability	869,633,379	.0	.0	.0	869,633,379
19.3,19.4 Commercial auto liability	183,346,886	35,480	.0	.0	183,382,366
21. Auto physical damage	626,364,122	10,988	.0	.0	626,375,110
22. Aircraft (all perils)	(97,064)	.0	.0	.0	(97,064)
23. Fidelity	844,392	.0	.0	.0	844,392
24. Surety	2,591,024	7,952	.0	.0	2,598,976
26. Burglary and theft	383,147	.0	.0	.0	383,147
27. Boiler and machinery	594,226	.0	.0	.0	594,226
28. Credit .....	.0	.0	.0	.0	.0
29. International	41,853	.0	.0	.0	41,853
30. Reinsurance - Nonproportional Assumed Property	315,038	.0	.0	.0	315,038
31. Reinsurance - Nonproportional Assumed Liability	(538)	.0	.0	.0	(538)
32. Reinsurance - Nonproportional Assumed Financial Lines	(4,567)	.0	.0	.0	(4,567)
33. Aggregate write-ins for other lines of business	11,307,400	.0	.0	.0	11,307,400
34. TOTALS	3,445,383,045	524,797	0	0	3,445,907,842
35. Accrued retrospective premiums based on experience					
36. Earned but unbilled premiums					
37. Balance (Sum of Line 34 through 36)					3,445,907,842
DETAILS OF WRITE-INS					
3301. Auto warranty.....	11,307,400	.0	.0	.0	11,307,400
3302. ....	.0	.0	.0	.0	.0
3303. ....	.0	.0	.0	.0	.0
3398. Summary of remaining write-ins for Line 33 from overflow page .....	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	11,307,400	0	0	0	11,307,400

(a) By gross premiums is meant the aggregate of all the premiums written in the policies or renewals in force.

Are they so returned in this statement? Yes [X] No []

(b) State here basis of computation used in each case .

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Gross Premiums (Less Return Premiums), Including Policy and Membership Fees Written and Renewed During Year

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	5,931,612	147,247,084	6,395,193	33,841,617	3,942,205	121,790,067
2. Allied lines	11,501,447	88,778,917	6,249,989	21,040,937	2,609,511	82,879,905
3. Farmowners multiple peril	116,004,901	27,790,745	0	22,457,757	6,021,459	115,316,430
4. Homeowners multiple peril	80,823,667	1,688,677,111	1,398,154	279,153,946	98,175,894	1,393,569,093
5. Commercial multiple peril	263,439,770	801,082,636	53,969	174,880,951	23,439,001	866,256,423
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	35,061,129	2,358	25,251,968	10,505	9,801,014
9. Inland marine	28,802,119	94,032,706	(6,507)	21,970,283	6,694,433	94,163,602
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical malpractice - occurrence	107,996	4,115,432	0	688,682	13	3,534,733
11.2 Medical malpractice - claims-made	0	398,235	0	77,736	0	320,499
12. Earthquake	2,201,200	28,580,466	(5,715)	4,996,790	354,336	25,424,826
13. Group accident and health	487,708	247,359,923	0	40,399,164	0	207,448,467
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15. Other accident and health	790,315	50,371,123	(133)	8,339,353	(171)	42,822,124
16. Workers' compensation	104,290,371	90,291,659	9,024,517	33,001,310	1,079,735	169,525,501
17.1 Other liability - occurrence	80,208,304	623,581,699	267,463	225,825,832	26,459,228	451,772,406
17.2 Other liability - claims-made	2,410	60,159,161	0	27,716,286	0	32,445,284
18.1 Products liability - occurrence	13,884,752	44,307,332	0	9,862,074	75,626	48,254,384
18.2 Products liability - claims-made	0	192	0	31	0	161
19.1,19.2 Private passenger auto liability	2,131,903,415	1,813,570,933	100,667,222	638,979,678	126,053,928	3,281,107,963
19.3,19.4 Commercial auto liability	176,951,364	466,853,116	7,992,204	218,407,165	8,577,224	424,812,295
21. Auto physical damage	1,462,417,271	1,300,407,779	5,106,123	470,953,975	51,198,063	2,245,779,135
22. Aircraft (all perils)	0	0	(1,343)	31,501	7,154	(39,998)
23. Fidelity	1,259,130	303,318	931	240,255	100,446	1,222,678
24. Surety	6,110,773	1,382,507	383,359	1,192,209	2,012,229	4,672,201
26. Burglary and theft	723,525	198,240	(4,156)	150,572	(4,384)	771,421
27. Boiler and machinery	4,529,540	3,430,264	33,769	280,033	7,742,123	(28,584)
28. Credit	0	0	0	0	0	0
29. International	0	0	(233,202)	(102,162)	(65,314)	(65,726)
30. Reinsurance - Nonproportional Assumed Property	XXX	13,650,059	(117,281)	2,013,211	35,256	11,484,310
31. Reinsurance - Nonproportional Assumed Liability	XXX	0	(104,296)	(82,965)	(37,886)	16,555
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	0	125,592	(7,052)	87,585	45,060
33. Aggregate write-ins for other lines of business	0	18,172,032	0	10,649,242	0	7,522,789
34. TOTALS	4,492,371,591	7,649,803,797	137,228,210	2,272,210,378	364,568,201	9,642,625,018
DETAILS OF WRITE-INS						
3301. Auto warranty	0	18,172,032	0	10,649,242	0	7,522,789
3302.	0	0	0	0	0	0
3303.	0	0	0	0	0	0
3398. Summary of remaining write- ins for Line 33 from overflow page	0	0	0	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	18,172,032	0	10,649,242	0	7,522,789

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$

2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Previous Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	2,284,632	67,047,935	16,716,501	52,616,066	16,675,814	17,211,142	52,080,738	47.3
2. Allied lines	7,381,185	44,217,585	10,135,287	41,463,483	12,837,932	12,713,765	41,587,650	56.0
3. Farmowners multiple peril	49,040,434	22,861,365	11,892,219	60,009,580	26,778,903	39,423,232	47,365,251	40.1
4. Homeowners multiple peril	56,436,975	973,077,202	171,839,674	857,674,503	354,381,750	341,226,839	870,829,414	67.9
5. Commercial multiple peril	137,875,153	313,284,679	82,110,865	369,048,967	580,375,867	604,117,110	345,307,724	43.4
6. Mortgage guaranty	.0	.0	.0	.0	.0	.0	.0	0.0
8. Ocean marine	.0	15,459,387	12,053,968	3,405,419	6,032,050	3,076,967	6,360,502	80.5
9. Inland marine	8,707,231	51,666,510	12,155,006	48,218,735	30,966,130	40,637,790	38,547,075	41.7
10. Financial guaranty	.0	.0	.0	.0	.0	.0	.0	0.0
11.1 Medical malpractice - occurrence	.0	471,060	220,525	250,535	3,738,346	2,951,875	1,037,006	29.2
11.2 Medical malpractice - claims-made	.0	20,374,819	9,501,504	10,873,315	18,357,825	24,993,255	4,237,885	568.1
12. Earthquake	3,131	1,763,052	214,717	1,551,466	526,937	1,934,656	143,747	0.6
13. Group accident and health	183,460	218,959,019	35,736,568	183,405,911	401,561	24,736,609	159,070,863	73.6
14. Credit accident and health (group and individual)	.0	.0	.0	.0	.0	.0	.0	0.0
15. Other accident and health	1,150,666	51,977,270	8,725,310	44,402,626	4,759,617	6,965,590	42,196,653	98.2
16. Workers' compensation	74,841,554	77,862,815	28,105,206	124,599,163	443,091,209	435,869,897	131,820,475	78.6
17.1 Other liability - occurrence	46,355,363	235,709,134	110,308,479	171,756,018	572,835,966	536,144,053	208,447,931	53.5
17.2 Other liability - claims-made	.0	36,105,799	17,831,409	18,274,390	43,800,783	41,168,857	20,906,316	61.4
18.1 Products liability - occurrence	1,039,271	10,553,319	5,362,455	6,230,135	43,310,043	40,848,200	8,691,978	20.8
18.2 Products liability - claims-made	.0	.0	.0	.0	33,258	34,442	(1,184)	(112.9)
19.1,19.2 Private passenger auto liability	1,274,064,704	1,165,031,884	470,434,602	1,968,661,986	2,271,496,850	2,407,361,057	1,832,797,779	57.1
19.3,19.4 Commercial auto liability	82,316,663	290,437,739	138,166,960	234,587,442	427,130,896	407,608,507	254,109,831	63.3
21. Auto physical damage	864,806,050	781,159,398	282,156,871	1,363,808,577	70,588,519	110,347,291	1,324,049,806	60.6
22. Aircraft (all perils)	.0	269,809	1,259,434	(989,625)	484,440	691,268	(1,196,453)	2,991.3
23. Fidelity	163,378	18,697	36,803	145,272	382,396	382,645	145,023	12.2
24. Surety	179,283	1,008,963	944,225	244,021	1,333,478	1,497,650	79,849	1.7
26. Burglary and theft	51,654	108,441	39,326	120,769	714,719	697,932	137,556	18.8
27. Boiler and machinery	1,279,359	862,645	2,200,156	(58,152)	209,747	617,747	(466,152)	238.2
28. Credit	.0	.0	.0	.0	.0	.0	.0	0.0
29. International	.0	270,043	295,017	(24,974)	1,446,369	2,434,445	(1,013,050)	(6,339.9)
30. Reinsurance - Nonproportional Assumed Property	XXX	2,801,130	1,587,604	1,213,526	1,532,554	5,208,741	(2,462,661)	(22.5)
31. Reinsurance - Nonproportional Assumed Liability	XXX	5,685,088	5,978,718	(293,630)	14,184,589	(261,344)	14,152,303	82,797.6
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	518	493	25	24,912	(423)	25,360	51.1
33. Aggregate write-ins for other lines of business	.0	17,086,421	9,577,440	7,508,982	83,847	32,698	7,560,130	125.2
34. TOTALS	2,608,160,146	4,406,131,726	1,445,587,342	5,568,704,531	4,948,517,307	5,110,672,493	5,406,549,345	58.6
DETAILS OF WRITE-INS								
3301. Auto warranty	.0	17,086,421	9,577,440	7,508,982	83,847	32,698	7,560,130	125.2
3302.	.0	.0	.0	.0	.0	.0	.0	0.0
3303.	.0	.0	.0	.0	.0	.0	.0	0.0
3398. Summary of remaining write-ins for Line 33 from overflow page	.0	.0	.0	.0	.0	.0	.0	0.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	17,086,421	9,577,440	7,508,982	83,847	32,698	7,560,130	125.2

6

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	1,811,137	25,284,971	12,621,110	14,474,998	141,532	2,737,026	677,742	16,675,814	2,442,204
2. Allied lines	2,136,415	12,321,164	2,979,485	11,478,094	202,422	2,072,553	915,137	12,837,932	2,145,340
3. Farmowners multiple peril	10,145,602	6,415,654	3,151,536	13,409,720	13,410,167	5,217,714	5,258,698	26,778,903	11,475,477
4. Homeowners multiple peril	13,722,000	264,272,162	46,466,818	231,527,344	7,641,135	140,607,377	25,394,106	354,381,750	64,545,995
5. Commercial multiple peril	147,742,273	278,428,660	81,100,506	345,070,427	108,064,439	184,885,870	57,644,869	580,375,867	223,403,662
6. Mortgage guaranty	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Ocean marine	.0	8,906,570	6,592,793	2,313,777	.0	9,862,007	6,143,734	6,032,050	775,002
9. Inland marine	1,849,177	21,348,831	6,015,370	17,182,638	929,330	18,872,285	6,018,123	30,966,130	4,094,535
10. Financial guaranty	.0	.0	.0	.0	.0	.0	.0	.0	.0
11.1 Medical malpractice - occurrence	1,000	3,260,883	1,072,458	2,189,425	186,104	2,343,606	980,789	3,738,346	1,633,385
11.2 Medical malpractice - claims-made	.0	22,741,012	10,373,908	12,367,104	.0	10,753,866	4,763,145	18,357,825	3,697,537
12. Earthquake	6,500	(323,386)	(34,680)	(282,206)	79,793	888,133	158,783	526,937	275,904
13. Group accident and health	11,900	222,501	53,833	180,568	188,100	75,930	43,037	(a) 401,561	20,364
14. Credit accident and health (group and individual)	.0	.0	.0	.0	.0	.0	.0	.0	.0
15. Other accident and health	435,000	1,150,063	341,853	1,243,210	3,660,299	540,904	684,796	(a) 4,759,617	234,708
16. Workers' compensation	183,788,896	184,362,071	92,640,847	275,510,120	125,372,955	92,557,003	50,348,869	443,091,209	31,787,354
17.1 Other liability - occurrence	59,546,374	340,016,195	156,549,794	243,012,775	131,600,120	390,468,135	192,245,064	572,835,966	208,166,419
17.2 Other liability - claims-made	362,505	63,646,819	39,628,849	24,380,475	35,470	39,518,940	20,134,102	43,800,783	22,595,405
18.1 Products liability - occurrence	5,631,210	22,603,331	14,224,836	14,009,705	11,762,671	27,816,305	10,278,638	43,310,043	26,660,573
18.2 Products liability - claims-made	.0	.0	155	(155)	7,210	3,466	(22,737)	33,258	56,727
19.1,19.2 Private passenger auto liability	1,397,061,344	905,555,654	700,124,632	1,602,492,366	468,707,820	344,812,301	144,515,637	2,271,496,850	382,566,157
19.3,19.4 Commercial auto liability	112,766,444	290,944,996	158,394,728	245,316,712	78,431,076	194,731,083	91,347,975	427,130,896	68,592,020
21. Auto physical damage	4,036,156	5,643,274	4,140,937	5,538,493	37,937,294	38,715,430	11,602,698	70,588,519	25,173,418
22. Aircraft (all perils)	.0	3,062,064	2,611,333	450,731	.0	81,054	47,345	484,440	77,999
23. Fidelity	46,264	177,306	95,901	127,669	80,620	232,188	58,081	382,396	131,351
24. Surety	47,612	2,843,981	1,840,010	1,051,583	231,172	108,411	57,688	1,333,478	545,817
26. Burglary and theft	819,650	835,822	952,898	702,574	10,560	3,721	714,719	2,136	35,918
27. Boiler and machinery	94,117	272,322	236,966	129,473	3,851	92,528	16,105	209,747	117,653
28. Credit	.0	.0	.0	.0	.0	.0	.0	.0	.0
29. International	.0	5,145,348	3,819,204	1,326,144	.0	798,340	678,115	1,446,369	.0
30. Reinsurance - Nonproportional Assumed Property	XXX	7,089,885	4,495,137	2,594,748	XXX	11,182,080	12,244,274	1,532,554	12,957
31. Reinsurance - Nonproportional Assumed Liability	XXX	57,934,482	51,899,562	6,034,920	XXX	126,979,658	118,829,989	14,184,589	62,716
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	2,718	2,037	681	XXX	28,950	4,719	24,912	.0
33. Aggregate write-ins for other lines of business	.0	140	90	50	.0	4,147,470	4,063,673	83,847	(37)
34. TOTALS	1,942,061,576	2,534,165,493	1,402,392,906	3,073,834,163	988,684,140	1,651,134,334	765,135,330	4,948,517,307	1,081,326,560
DETAILS OF WRITE-INS									
3301. Auto warranty	.0	140	90	50	.0	4,147,470	4,063,673	83,847	(37)
3302.	.0	.0	.0	.0	.0	.0	.0	.0	.0
3303.	.0	.0	.0	.0	.0	.0	.0	.0	.0
3398. Summary of remaining write-ins for Line 33 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	140	90	50	0	4,147,470	4,063,673	83,847	(37)

(a) Including \$ for present value of life indemnity claims.

10

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	92,397,028			92,397,028
1.2 Reinsurance assumed	292,465,728			292,465,728
1.3 Reinsurance ceded	112,977,955			112,977,955
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	271,884,801	0	0	271,884,801
2. Commission and brokerage:				
2.1 Direct excluding contingent		490,057,171		490,057,171
2.2 Reinsurance assumed excluding contingent		1,040,757,571		1,040,757,571
2.3 Reinsurance ceded excluding contingent		395,324,303		395,324,303
2.4 Contingent-direct		46,073,515		46,073,515
2.5 Contingent-reinsurance assumed		101,135,505		101,135,505
2.6 Contingent-reinsurance ceded		23,856,653		23,856,653
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	1,258,842,806	0	1,258,842,806
3. Allowances to managers and agents	179,745	4,131,715	60	4,311,520
4. Advertising	174,467	42,524,720	83	42,699,270
5. Boards, bureaus and associations	3,371,873	21,291,868		24,663,741
6. Surveys and underwriting reports	94,918	87,827,231	78	87,922,227
7. Audit of assureds' records		957,395		957,395
8. Salary and related items:				
8.1 Salaries	487,134,976	409,693,360	7,532,305	904,360,641
8.2 Payroll taxes	27,238,689	35,212,091	2,060	62,452,840
9. Employee relations and welfare	63,417,969	35,281,001	1,023,779	99,722,749
10. Insurance	7,432,205	13,908,231		21,340,436
11. Directors' fees	961,997	2,473,630	171,239	3,606,866
12. Travel and travel items	45,387,605	26,406,907	793,657	72,588,169
13. Rent and rent items	39,396,496	41,248,463	409,679	81,054,638
14. Equipment	86,549,005	181,585,423	989,280	269,123,708
15. Cost or depreciation of EDP equipment and software	15,006,287	26,832,124	95,696	41,934,107
16. Printing and stationery	9,371,847	31,220,382	81,050	40,673,279
17. Postage, telephone and telegraph, exchange and express	39,693,716	48,777,650	70,778	88,542,144
18. Legal and auditing	11,259,802	69,972,760	1,502,364	82,734,926
19. Totals (Lines 3 to 18)	836,671,597	1,079,344,951	12,672,108	1,928,688,656
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$	6,185,662	180,539,778		180,539,778
20.2 Insurance department licenses and fees		5,803,156		5,803,156
20.3 Gross guaranty association assessments		6,484,563		6,484,563
20.4 All other (excluding federal and foreign income and real estate)		30,524,799		30,524,799
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	223,352,296	0	223,352,296
21. Real estate expenses			39,929,700	39,929,700
22. Real estate taxes			9,227,616	9,227,616
23. Reimbursements by uninsured accident and health plans				0
24. Aggregate write-ins for miscellaneous expenses	(64,710,574)	118,206,579	30,638	53,526,643
25. Total expenses incurred	1,043,845,824	2,679,746,632	61,860,062	(a) 3,785,452,518
26. Less unpaid expenses - current year	1,081,326,559	359,628,781	17,339,572	1,458,294,912
27. Add unpaid expenses - prior year	1,107,360,239	335,549,085	12,827,987	1,455,737,311
28. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured accident and health plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	1,069,879,504	2,655,666,936	57,348,477	3,782,894,917
DETAILS OF WRITE-INS				
2401. Other expenses	(1,768,453)	1,148,456		(619,997)
2402. Donations	178,958	3,572,448	83	3,751,489
2403. Outside services and income	(63,121,079)	(108,159,194)	30,555	(171,249,718)
2498. Summary of remaining write-ins for Line 24 from overflow page	0	221,644,869	0	221,644,869
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	(64,710,574)	118,206,579	30,638	53,526,643

(a) Includes management fees of \$ 2,994,726 paid to affiliates and \$ paid to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 46,220,898	46,659,309
1.1 Bonds exempt from U.S. tax	(a) 109,458,192	102,861,844
1.2 Other bonds (unaffiliated)	(a) 222,874,222	232,235,896
1.3 Bonds of affiliates	(a) 32,060	31,776
2.1 Preferred stocks (unaffiliated)	(b) 2,814,674	2,814,674
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	34,917,961	35,867,188
2.21 Common stocks of affiliates	44,474,235	44,343,747
3. Mortgage loans	(c) 12,272,607	12,786,859
4. Real estate	(d) 69,238,382	69,238,382
5. Contract loans		
6. Cash/short-term investments	(e) 9,253,592	10,748,219
7. Derivative instruments	(f) 16,035,339	19,445,170
8. Other invested assets	1,408,088	1,408,088
9. Aggregate write-ins for investment income	(26,808,900)	(26,808,900)
10. Total gross investment income	542,191,350	551,632,252
11. Investment expenses		(g) 52,632,446
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 9,227,616
13. Interest expense		(h) 140,491,141
14. Depreciation on real estate and other invested assets		(i) 13,891,923
15. Aggregate write-ins for deductions from investment income		476,173
16. Total (Lines 11 through 15)		216,719,299
17. Net Investment Income - (Line 10 minus Line 16)		334,912,953
DETAILS OF WRITE-INS		
0901. Securities lending	1,215,855	1,215,855
0902. Miscellaneous income/(expense)	(28,024,755)	(28,024,755)
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	(26,808,900)	(26,808,900)
1501. Home purchase expense		476,173
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		476,173

(a) Includes \$ 12,951,149 accrual of discount less \$ 27,729,642 amortization of premium and less \$ 10,768,294 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ 44,722 amortization of premium and less \$ paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 2,518 amortization of premium and less \$ 0 paid for accrued interest on purchases.
 (d) Includes \$ 61,719,566 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
 (e) Includes \$ 701,312 accrual of discount less \$ 1,732,581 amortization of premium and less \$ 89,395 paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ 68,606,667 interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ 13,891,923 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	5 Total
1. U.S. Government bonds	570,057				570,057
1.1 Bonds exempt from U.S. tax			30,703		30,703
1.2 Other bonds (unaffiliated)	(3,871,329)	(10,795,919)	(10,604,265)		(25,271,513)
1.3 Bonds of affiliates					0
2.1 Preferred stocks (unaffiliated)	16,415	(4,343,055)	789,481		(3,537,159)
2.11 Preferred stocks of affiliates			60,000		60,000
2.2 Common stocks (unaffiliated)	73,576,276	(52,797,247)	(595,714,972)		(574,935,942)
2.21 Common stocks of affiliates	2,612,500		(809,891,079)		(807,278,579)
3. Mortgage loans					0
4. Real estate	(4,173,223)				(4,173,223)
5. Contract loans					0
6. Cash/Short-term investments	(1,196,043)		(2,726,807)		(3,922,850)
7. Derivative instruments	(6,506,473)		112,990,876		106,484,403
8. Other invested assets	19,582,198	(109,679,981)	(44,296,164)		(134,393,947)
9. Aggregate write-ins for capital gains (losses)	(4,126,210)	0	0	0	(4,126,210)
10. Total capital gains (losses)	76,484,169	(177,616,201)	(1,349,362,227)	0	(1,450,494,260)
DETAILS OF WRITE-INS					
0901. Foreign currency exchange	724,112				724,112
0902. Sale of homes	(4,850,322)				(4,850,322)
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	(4,126,210)	0	0	0	(4,126,210)

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) Decrease
1. Summary of Items Page 2, Lines 10 to 17 and 19 to 23, Column 2	54,088,790	52,780,321	(1,308,469)
2. Other Nonadmitted Assets:			
2.1 Bills receivable	19,986,352	22,791,653	2,805,300
2.2 Furniture, equipment and supplies	187,626,373	200,339,157	12,712,784
2.3 Leasehold improvements	29,809,779	38,210,552	8,400,773
2.4 Loans on personal security, endorsed or not		0	0
3. Total (Lines 2.1 to 2.4)	237,422,504	261,341,361	23,918,858
4. Aggregate write-ins for other assets	164,576,448	142,684,400	(21,892,049)
5. Total (Line 1 plus Lines 3 and 4)	456,087,742	456,806,082	718,339
0401. Miscellaneous.....	105,418,600	95,640,194	(9,778,407)
0402. Other invested assets.....	54,197,430	42,220,693	(11,976,737)
0403. NCI net assets.....	4,809,512	4,809,512	0
0498. Summary of remaining write-ins for Line 4 from overflow page	150,906	14,001	(136,905)
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above)	164,576,448	142,684,400	(21,892,049)

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Nationwide Mutual Insurance Company (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

Throughout this statement, the failure of items to add to the totals shown is due to rounding.

B. Use of Estimates in the Preparation of the Financial Statements

In preparing the statutory financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities as of the date of the statutory financial statements for the reporting period. Actual results could differ from those estimates.

C. Accounting Policies

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed. Expenses incurred in connections with acquiring new insurance business including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at amortized cost using the interest method. Non-investment grade bonds are stated at the lower of amortized cost or fair value.
3. Common stocks, other than investments in stocks of subsidiaries and affiliated, are stated at market.

During 2001 the Company wrote down the cost basis of several common and preferred stock investments and recorded as a realized loss. These securities were determined to have other than temporary declines in value below cost. Factors that were used in evaluating impairment include: the intent to hold for a period of time to allow recovery of the unrealized loss, financial condition, prospects of the issuer, and the length of time below cost. Realized losses of \$49.8 million were recorded for impairments of unaffiliated stocks in 2001.

4. Redeemable preferred stocks are stated at amortized cost. Perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized cost or fair value.
5. First lien mortgage loans on real estate are stated at their unpaid principal balance. Mortgages other than first liens are nonadmitted.
6. Loan-backed securities are stated at amortized cost. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade securities are stated at the lower of amortized value or fair value.
7. Investments in subsidiary and affiliated companies are stated as follows:

Investments in insurance subsidiaries are stated at statutory equity value. Investments in non-insurance subsidiaries that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at GAAP equity adjusted to a statutory basis of accounting. Investments in non-insurance subsidiaries that have significant ongoing operations beyond holding assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at GAAP equity. Investments in subsidiaries traded on a major stock exchange are stated at discounted market. Goodwill arising from the acquisition of these subsidiaries or affiliated companies is amortized over a period of ten years. Unamortized goodwill at December 31, 2002 was \$662,126,434 of which \$215,129,100 was nonadmitted because total unamortized goodwill exceeded 10% of adjusted policyholders' surplus as of September 30, 2002.

8. Investments in joint ventures and partnerships are stated at the pro rata share of underlying audited GAAP equity value.
9. The accounting for derivatives varies with the nature of the derivative and its use. Derivatives are accounted for in a manner consistent with the hedged item. If the item being hedged is accounted for at amortized cost, the hedging derivative is also accounted for at amortized cost. If the item being hedged is accounted for at market value, the hedging derivative is also accounted for at market value. The Company uses various derivatives to hedge equity securities. The gain or loss on the derivative is recorded as an unrealized gain or loss consistent with the equity securities. Any premium received or paid is amortized over the life of the instrument as an increase or decrease to investment income. The Company also sold several credit default swaps. The premium received is recorded to investment income. The swap is accounted for at amortized cost consistent with the underlying hedged item.
10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums.
11. The liability for losses is provided based upon formula and case basis estimates for losses reported with respect to direct business, estimates of unreported losses based upon past experience, estimates based on information received relating to assumed reinsurance, and deduction for ceded reinsurance, including amounts placed with affiliates. The company reflects its liability for losses net of anticipated salvage and subrogation recoverables.

The liability for loss adjustment expenses is provided by estimating future expenses to be incurred in settlement of claims provided for in the liability for losses, and is stated after deduction for amounts to be recovered from reinsurers, including affiliates.

Note 2 - Accounting Changes and Corrections of Errors

A. Accounting Change or Correction of Error

In 2001, amounts shown under prior period changes relate to three prior year corrections. One relates to incorrect recording of the National Flood Insurance program ceding commissions in the amount of \$10.1 million. The second relates to a required change in accounting for the Florida Windstorm Underwriting Association based on a 1997 change to the Florida Statute Section 627.351 in the amount of \$11.8 million. The third correction relates to the incorrect recording of \$12.2 million of foreign exchange gain related to reinsurance operations.

NOTES TO FINANCIAL STATEMENTS

B. Accounting Changes as a Result of Codification

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the Ohio Insurance Department. The State of Ohio requires insurance companies domiciled in the State of Ohio to prepare their statutory financial statements in accordance with the NAIC *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Ohio Insurance Department. Many changes were made to this manual effective January 1, 2001 as a result of the NAIC 'Codification Project'.

Accounting changes adopted to conform with the provisions of the new NAIC *Accounting Practices and Procedures Manual* are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of policyholders' surplus at the beginning of the year and the amount of policyholders' surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a cumulative effect of changes in accounting principles that decreased unassigned funds by \$ 110.7 million as of January 1, 2001. Included in this adjustment is a decrease in unassigned funds of \$ 15.2 million for the accrual of guaranty fund and other assessments, an increase of \$5.2 million for the elimination of "excess of statutory reserves over statement reserves" (Schedule P penalty), a decrease of \$10 million for the write-down of impaired assets, a decrease of \$ 24 million for deferred taxes, a \$85.7 million decrease due to the goodwill limitation and a \$19 million increase due to change in valuation of subsidiaries due to codification.

Note 3 - Business Combinations and Goodwill

A. Statutory Purchase Method

1. The Company purchased 100% of Allied Group, Inc. (AGI) and its subsidiaries on October 31, 1998. AGI is a regional insurance holding company, and its subsidiaries operate exclusively in the United States and primarily in the central and western states. The company's largest segment includes four property-casualty insurance companies that write personal lines (primarily automobile and homeowners) and small commercial lines of insurance.

The Company purchased 100% of the Nationwide Insurance Company of America (NICOA) (formerly TIG Countrywide Insurance Company) on December 31, 1997. NICOA is licensed in 47 states and primarily writes personal lines and small commercial lines of insurance.

The Company purchased 100% of CalFarm Insurance Company (CalFarm) on March 31, 1999. CalFarm is a personal and commercial lines independent agency company that writes business in the State of California.

In 2002, the Company purchased a greater interest in Nationwide Realty Investors, LTD (Nationwide Realty). The Company's ownership in Nationwide Realty increased to 95%. Nationwide Realty is an Ohio limited liability company engaged in the business of developing, owning and operating real estate investments.

The Company purchased 100% of Waterford Insurance Company (Waterford) (name changed to Nationwide Affinity Insurance Company of America effective March 31, 2001) on January 5, 2001. The company is licensed in 48 states. Substantially all assets and liabilities of Waterford were transferred to Folksamerica Reinsurance Company effective December 31, 2000. Because of this transfer, Waterford was left with only the required minimum capital and surplus to maintain its licenses.

2. The five transaction above were accounted for as statutory purchases
3. The cost of the AGI acquisition was \$1.52 billion resulting in goodwill of \$ 1.2 billion, however \$474.8 million of goodwill was written off due to statutory goodwill, limitations. Of the remaining amount of goodwill, \$33.9 million was nonadmitted as of December 31, 2002. The NICOA acquisition resulted in goodwill of \$80.0 million. The cost of the CalFarm acquisition was \$275.7 resulting in goodwill of \$193.1 million, however \$169.5 million of goodwill was written off due to statutory goodwill limitations. Of the remaining amount of goodwill, \$14.7 million was nonadmitted as of December 31 2002. The initial cost of the Nationwide Realty acquisition was \$158.9 million resulting in goodwill of \$44.4 million. In 2002, addition portions of NRI were purchased at a cost of \$36.5 million generating goodwill of \$17.3 million. Of the remaining goodwill associated with NRI, \$54.6 million was nonadmitted as of December 31, 2002. The cost of the Waterford acquisition was \$23.8 million, resulting in goodwill of \$12 million. Of this amount \$9.6 million was nonadmitted as of December 31, 2002.
4. Goodwill amortization for the year ended December 31, 2002 related to the purchases of AGI, NICOA, CalFarm, Nationwide Realty and Waterford was \$75.4 million, \$8 million, \$2.4 million, \$4.9 million and \$1.2 million, respectively.

Note 4 - Discontinued Operations

Not applicable.

Note 5 - Investments

A. Mortgage Loans

1. The maximum and minimum lending rates for commercial mortgage loans originated during 2002 were 7.68% and 5.69%, respectively.
2. During 2002 the Company did not reduce interest rates on any outstanding loans.
3. The maximum percentage of any one loan to the value of collateral at the time of the loan was 80.0%.
4. The Company did not hold mortgages with interest 180 days or more past due.
5. There were no taxes, assessments or any amounts advanced and not included in the mortgage loan.
6. - 11. There were no impaired mortgage loans.

B. Troubled Debt Restructuring for Creditors

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

1. The Company has elected to use book value on January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date.

NOTES TO FINANCIAL STATEMENTS

2. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates.
3. The Company used IDC Interactive Pricing Service to determine the market value of its loan-backed securities.
4. The Company had no negative yield situations requiring a change from the retrospective to prospective method.

E. Repurchase Agreements

For repurchase agreements, Company policies require a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in aggregate write-ins for liabilities. There were no open repurchase agreements as of December 31, 2002 and 2001, respectively.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable.

B. Write-downs for Impairments

SSAP No 48 requires that undistributed gains and losses be recorded as an unrealized gain or loss until distributed. During 2002 and 2001 the Company wrote down the cost basis of several limited partnership investments as a realized loss as there was evidence indicating the inability of the investee to sustain earnings in the near future to recover these unrealized losses. Realized losses for these unaffiliated investments were \$57.1 million and \$109.1 million, respectively.

Note 7 - Investment Income

A. Accrued Investment Income

The Company nonadmits investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans or amounts on mortgage loans in default). The Company's unassigned surplus funds are not restricted in any way.

B. Amounts Nonadmitted

Not applicable.

Note 8 - Derivative Instruments

The Company has only limited use of derivatives. The Company takes positions in certain derivative instruments to hedge against adverse movements in fair values of investments and increase investment returns. Financial instruments used for such purposes include collars, forward contracts, interest rate swaps and credit default swaps. Credit risk is minimized by requiring collateral when possible.

The accounting for derivatives varies with the nature of the derivative and its use. Derivatives are accounted for in a manner consistent with the hedged item. If the item being hedged is accounted for at amortized cost, the hedging derivative is also accounted for at amortized cost. If the item being hedged is accounted for at fair value, the hedging derivative is also accounted for at fair value. The Company recorded an unrealized gain of \$148.2 million on derivative transactions as of December 31, 2002 and an unrealized gain of \$35.2 million as of December 31, 2001.

The Company enters into collar contracts to reduce market risk on equity securities. These collars protect the Company from any downward movement in the underlying securities prices, while permitting the Company to benefit in upward price movements. Collar contracts consist of a simultaneous purchase of a call and sale of a put. The premium from selling the put reduces the cost of purchasing the call. The premium received for the option is recorded as a liability and amortized to investment income at each statement date. Any gains or losses to the extent the collar is "in the money" are recorded consistent with the hedged item and is recorded as a component of unrealized gain or loss. Upon disposition of the underlying equity securities, the unrealized gain or loss will be reclassified to realized gain or loss.

A forward contract is an over-the-counter agreement to buy or sell at a fixed price at an agreed upon future date. The Company has taken a short position in the Euro to hedge adverse movements in foreign currency rates for certain equity investments. Any gains or losses are recorded consistent with the hedged item and is recorded as a component of unrealized gain or loss. Upon disposition of the underlying equity securities, the unrealized gain or loss will be reclassified to realized gain or loss.

An interest rate swap is an agreement to exchange net future cash flows. There is no exchange of principal as the interest rate payments are made on the notional amount. The Company has one pay fix, receive variable interest rate swap and uses the accrual method to account for the interest payments to convert a fixed investment to a floating rate investment to better match assets and liabilities.

A credit defaults swap is an agreement to purchase or sell a referenced asset if a credit event occurs. The Company sells credit default protection to enhance investment returns. The credit default swap is combined with an underlying highly rated asset to replicate a corporate bond. The premium received for selling default protection is recorded as an increase to investment income.

Note 9 - Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

	<u>12/31/02</u>	<u>12/31/01</u>
1. Total of all deferred tax assets (admitted and nonadmitted)	1,108,517,737	1,089,185,037
2. Total of all deferred tax liabilities	(804,056,531)	(1,276,531,968)
3. Total deferred tax assets nonadmitted	-	-
4. Net deferred tax asset (liability)	<u>304,461,206</u>	<u>(187,346,931)</u>
5. Increase (decrease) in deferred tax assets nonadmitted	-	-

B. Deferred tax liabilities are not recognized for the following amounts:

N/A

NOTES TO FINANCIAL STATEMENTS

C. Current income tax incurred consist of the following major components:

	12/31/02	12/31/01
1. Current year expense	100,611,922	54,362,980
2. Tax credits	-	-
3. Prior year over/under accrual	(40,897,083)	(33,228,310)
4. Current income tax incurred	59,714,839	12,320,781

The main components of the 2002 deferred tax amounts are as follows:

	DTAs	Statutory	Tax	Difference	Tax Effect
6. Reserves		6,688,955,306	5,933,717,100	755,238,206	264,333,372
7. Accts Payable & Other Liabilities		3,095,873,479	2,180,499,366	915,374,113	320,380,940
8. Unearned Premium		3,445,907,839	2,736,808,765	709,099,074	248,184,676
9. Total DTAs		12,494,330,644	9,364,929,606	3,129,401,038	1,108,517,737
10. DTAs nonadmitted		-	-	-	-
	DTLs	Statutory	Tax	Difference	Tax Effect
11. Stocks		2,404,087,027	867,014,714	(1,537,072,313)	(537,975,310)
12. Affiliated Stock		1,974,392,162	1,229,239,973	(745,152,189)	(260,803,266)
13. Accts Payable & Other Liabilities		-	-	-	-
14. Accrued dividends		-	-	-	-
15. Total DTLs		4,480,590,106	2,183,285,734	(2,297,304,372)	(804,056,531)

The changes in main components of DTAs and DTLs are as follows:

	DTAs	12/31/02	12/31/01	Change
16. Reserves		264,333,372	272,705,654	(8,372,282)
17. Accts Payable & Other Liabilities		320,380,940	313,164,576	7,216,364
18. Unearned Premium		248,184,676	217,676,503	30,508,173
19. Total DTAs		1,108,517,737	1,089,185,037	19,332,700
20. DTAs nonadmitted		-	-	-
	DTLs	12/31/02	12/31/01	Change
21. Stocks		(537,975,310)	(711,307,554)	173,332,244
22. Affiliated Stock		(260,803,266)	(558,361,947)	297,558,681
23. Accts Payable & Other Liabilities		-	-	-
24. Accrued dividends		-	-	-
25. Total DTLs		(804,056,531)	(1,276,531,968)	472,475,437

D. Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect
1. Income before taxes	270,084,718	94,529,651
2. Tax-exempt interest, net	(82,805,173)	(28,981,811)
3. Dividends received deduction, net	(17,700,438)	(6,195,153)
4. Dividends received deduction, 100% owned subs	(44,473,249)	(15,565,637)
5. Loss reserve discounting	(23,039,036)	(8,063,663)
6. Unearned premium adjustment	87,166,207	30,508,172
7. Agents security compensation	60,267,750	21,093,713
8. Investment related transactions	116,237,008	40,682,953
9.	-	-
10. All other	(5,025,579)	(1,759,183)
11. Separate company taxable income	360,712,208	126,249,043
12. Consolidation	-	(25,637,351)
13. Reclass to deferred taxes	-	-
14. Prior year over/under accrual	-	(40,897,083)
15. Other	-	-
16. Tax	-	59,714,609

E.

	Amount	Origination	Expiration
1. Amount of operating loss carryforwards	-	-	-
Amount of AMT tax credits	13,227,374	Various	N/A
Business credits	-	-	-

2. The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

Current year	126,249,273
2001	-
2000	-
1999	0
1998	205,111,811

F.

1. The company's federal income tax return is consolidated with the following entities:

401 (K) Investment Advisors, Inc.	Nationwide Agency, Inc
401(K) Investment Services, Inc.	Nationwide Assurance Company
The 401(K) Companies, Inc.	Nationwide Cash Management Company
The 401(K) Company (Formerly Interplan, Inc.)	Nationwide Corporation
Affiliate Agency Inc.	Nationwide Financial Assignment Company
Affiliate Agency of Ohio, Inc.	Nationwide Financial Institution Distributors Agency, Inc.
AGMC Reinsurance, Ltd	Nationwide Financial Institution Distributors Agency, Inc.
Aid Finance Services, Inc.	of Mass.
Allied Document Solutions, Inc.	Nationwide Financial Institution Distributors Agency, Inc.
Allied General Agency Company	of New Mexico
Allied Group, Inc.	Nationwide Financial Services, Inc.
Allied Group Insurance Marketing Company	Nationwide General Insurance Company
Allied Property And Casualty Insurance Company	Nationwide Global Holdings, Inc.
Allied Texas Agency, Inc.	Nationwide Global Japan, Inc.
AMCO Insurance Company	Nationwide Health Plans, Inc.
American Marine Underwriters	Nationwide Home Mortgage Distributors

NOTES TO FINANCIAL STATEMENTS

Cal-Ag Insurance Services, Inc.	Nationwide Indemnity Company
CalFarm Insurance Agency	Nationwide Insurance Company of America
CalFarm Insurance Company	Nationwide Insurance Company of Florida
Corviant Corporation (Formerly Villanova Financial Group, Inc.)	Nationwide International Underwriters
Depositors Insurance Company	Nationwide Investment Services, Inc.
Financial Horizons Distributors Agency of Alabama, Inc.	Nationwide Life And Annuity Insurance Company
Financial Horizons Distributors Agency of Ohio, Inc.	Nationwide Life Insurance Company
Financial Horizons Distributors Agency of Oklahoma, Inc.	Nationwide Lloyds
Financial Horizons Distributors Agency of Texas, Inc.	Nationwide Management Systems, Inc.
Financial Horizons Securities Corporation	Nationwide Mortgage Holdings, Inc.
Gartmore Asset Management, Inc.	Nationwide Property And Casualty Insurance Company
Gartmore Distribution Services, Inc.	Nationwide Retirement Plan Services, Inc. (Formerly Irvin L. Swartz & Associates)
(Formerly Villanova Distribution Services, Inc.)	Nationwide Retirement Solutions, Inc.
Gartmore Global Asset Management Trust	Nationwide Retirement Solutions, Inc. of Alabama
(Formerly Villanova Global Asset Management Trust)	Nationwide Retirement Solutions, Inc. of Arizona
Gartmore Global Asset Management, Inc.	Nationwide Retirement Solutions, Inc. of Arkansas
Gartmore Global Investments, Inc. (Formerly Villanova Capital, Inc.)	Nationwide Retirement Solutions, Inc. of Massachusetts
Gartmore Global Ventures, Inc.	Nationwide Retirement Solutions, Inc. of Montana
Gartmore Investors Services, Inc.	Nationwide Retirement Solutions, Inc. of New Mexico
(Formerly Nationwide Investors Services, Inc.)	Nationwide Retirement Solutions, Inc. of Nevada
Gartmore Morley & Associates, Inc (Formerly Morley & Associates, Inc.)	Nationwide Retirement Solutions, Inc. of Ohio
Gartmore Morley Capital Management, Inc	Nationwide Retirement Solutions, Inc. of Oklahoma
(Formerly Morley Capital Management, Inc.)	Nationwide Retirement Solutions, Inc. of South Dakota
Gartmore Morley Financial Services, Inc.	Nationwide Retirement Solutions, Inc. of Texas
(Formerly Morley Financial Services, Inc.)	Nationwide Retirement Solutions, Inc. of Wyoming
Gartmore Mutual Fund Capital Trust	Nationwide Retirement Solutions, Insurance Agency, Inc.
(Formerly Villanova Mutual Fund Capital Trust)	Nationwide Securities, Inc. (Formerly Nationwide Advisory Services, Inc.)
Gartmore SA Capital Trust (Formerly Villanova Sa Capital Trust)	Nationwide Trust Company, FSB
Gartmore Trust Company (Formerly Union Bond & Trust Company)	Nevada Independent Companies – Construction
Gates McDonald & Company	Nevada Independent Companies - Health And Nonprofit
Gates McDonald & Company of Nevada	Nevada Independent Companies - Hospitality And Entertainment
Gates McDonald & Company of New York	Nevada Independent Companies - Manufacturing, Transportation, And Distribution
Gates McDonald Health Plus, Inc.	NFS Distributors, Inc.
Insurance Intermediaries, Inc.	Pension Associates, Inc.
Landmark Financial Services of New York, Inc.	Premier Agency, Inc.
Lone Star General Agency, Inc.	Riverview Agency, Inc.
Medprosolutions, Inc.	Riverview International Group, Inc.
National Casualty Company	Scottsdale Indemnity Company
National Deferred Compensation, Inc.	Scottsdale Insurance Company
Nationwide Advantage Mortgage Company	Scottsdale Surplus Lines Insurance Company
Nationwide Affinity Insurance Company of America	Western Heritage Insurance Company
Nationwide Agribusiness Insurance Company	

2. The method of allocation among the companies is subject to the resolution approved by the Board of Directors. Allocation is based upon separate return or sub-group aggregated separate return calculations with the company being reimbursed for the actual Federal income tax benefit of its net operating losses which are actually used to reduce the taxable income of other companies in the consolidated return.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships

The Company is a mutual entity and, as such, is not directly or indirectly owned or controlled by any other company, corporation, group of companies, partnership or individual. The Company is operated by and solely in the interests of its policyholders.

Bonds and stocks, if any, owned, acquired or disposed of in any year by the Company in any subsidiary or affiliate are set forth in Schedule D of either this statement or those of prior years. Intercompany relationships and specific holdings are detailed in the Nationwide Corporate Organizational Chart, which appears as Schedule Y of this statement.

The Company is a party to various reinsurance agreements including a pooling agreement with several affiliated companies. See Note #25.

The Company and various affiliates have entered into agreements with Nationwide Cash Management Company (NMC) a subsidiary of the Company, under which NMC acts as a common agent in handling the purchase and sale of short-term securities for the respective accounts of the participants. Amounts on deposit with NMC were \$45,059,202 and \$56,398,186 as of December 31, 2002 and 2001, respectively, and are included in short-term investments on the accompanying statutory statements of admitted assets, liabilities, capital and surplus.

B. Detail of Transactions Greater than ½ % of Admitted Assets

During 2002, the Company made capital contributions to the Allied Group, NRI, Nationwide Insurance Sales Company and Strategic Investment Funds in the amounts of \$4.0 million, \$44.3 million, \$74.2 million and \$1.0 million, respectively. During 2001, The Company made capital contributions of \$119 million to Nationwide Corporation (NC), from which NC contributed \$92.4 million to Nationwide Global Holdings, Inc. for business purposes.

During 2002 and 2001, the Company received dividends from NC for \$44.5 million and \$111.7 million, respectively.

The Company received dividends from Lone Star General Agency for \$8 million in 2001.

The Company received a capital distribution of \$16.7 million from Nationwide Arena, LLC during 2002, and received \$8 million during 2001.

On January 12, 2001, the Company sold Caribbean Alliance Insurance Company, a wholly owned insurance company domiciled in Puerto Rico, to Universal Insurance Company for \$20 million. The Company had a carrying value for this subsidiary of \$19.0 million at the time of the sale. The capital gain of \$1.0 million resulting from this transaction is reported in the Statement of Income on line 9, which ultimately flows into Net Income.

On August 28, 2001, the Company sold Neckura Holding Company (Neckura), a wholly owned insurance company domiciled in Germany to Zurich Asset Managementgesellschaft mbH for \$169.1 million. Neckura primarily writes auto insurance. The Company's cost basis was \$142.9 million at the time of the sale. A net realized gain (net of a hedge loss of \$10.1 million) of \$16.1 million was recognized on this transaction.

NOTES TO FINANCIAL STATEMENTS

The Company has investments in various life insurance and annuity contracts with NLIC. As of December 31, 2002 and 2001, the values of these investments were \$766.8 million and \$734.4 million, respectively.

C. Change in Terms of Intercompany Arrangements

None

D. Amounts Due to or from Related Parties

The Company shares its home office, other facilities, equipment, and common management and administrative services with its subsidiaries and affiliates. Additionally, the Company is the lead company in the Nationwide Pool as disclosed in Note 25. Intercompany receivables and payables are the result of various transactions between the Company and its subsidiaries and affiliates where settlement has not yet occurred. The net balance due to the Company from subsidiaries and affiliates is \$10.0 million at December 31, 2002.

E. Guarantees or Contingencies for Related Parties

The only contingencies are those noted under Note 14A.

F. Management, Service Contracts, Cost Sharing Arrangements

Pursuant to a cost sharing agreement among the Company and certain of its direct and indirect subsidiaries, the Company provides certain operational and administrative services, such as sales support, advertising, personnel and general management services, to those subsidiaries. Expenses covered by this agreement are subject to allocation among the Company and other affiliates. The allocations are based on techniques and procedures in accordance with insurance regulatory guidelines. Measures used to allocate expenses among companies include individual employee estimates of time spent, special cost studies, salary expense, commissions expense and other methods agreed to by the participating companies that are within industry guidelines and practices. The Company believes these allocation methods are reasonable. In addition, the Company does not believe that expenses recognized under the inter-company agreements are materially different than expenses that would have been recognized had the Company operated on a stand-alone basis.

G. Nature of Relationships that Could Affect Operations

Not applicable.

H. Amount Deducted for Investment in Upstream Company

Not applicable.

I. Detail of Investment in Affiliates Greater than 10% of Admitted Assets

Name	% Common Ownership	Basis of Valuation Purposes and Procedures Manual of the NAIC SVO
Nationwide Corporation	95.20%	Part 8, Section 3 (b) (I) and (ii)

The Company owns 95.2% of the common stock of NC. NC is a holding company that owns both insurance and non-insurance companies. NC's primary holding is 81.3% of the outstanding stock of NFS, a publicly traded company.

The Company's pro rata share of the carrying value of NC is \$2,259.4 million at December 31, 2002. Of this amount the pro rata share of NFS is \$1,974 million at December 31, 2002.

NFS is carried at discounted market based on the shares owned using a 24.33% discount rate. NC carries other insurance subsidiaries based on statutory surplus and non-insurance companies based on audited GAAP equity.

Included in the carrying value of its investment in NC is admitted goodwill of \$1.0 million. The Company recorded non-admitted goodwill related to its investment in NC in the amount of \$102.3 million, because total unamortized goodwill exceeded 10% of adjusted policyholders' surplus as of December 31, 2002.

All other assets and liabilities of NC are insignificant.

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

During 2001 the Company wrote down the cost basis of its investment in eNationwide, a wholly owned limited liability company formed to provide internet and policy distribution servicing capabilities. The Company recorded a realized loss as there was evidence indicating the inability of eNationwide to sustain earnings in the near future to recover these unrealized losses. A realized loss of \$19.7 million for this investment was recorded as of December 31, 2001. In 2002, eNationwide was merged into Nationwide Insurance Sales Company.

Note 11 - Debt

A. Capital Notes

Not applicable.

B. All Other Debt

On May 12, 2000 and May 15, 2000, the Company entered into prepaid forward contracts with a notional value of \$758 million. The prepaid forward contracts have an 8% implied interest rate and mature on May 12, 2003 and May 19, 2003, respectively. The Company received upfront proceeds of \$599 million in consideration for pledging certain equity securities as collateral. The Company will deliver the associated equity securities or cash to the counterparties on the maturity dates. The equity securities have been delivered to the counterparties as collateral for the duration of the contract; however, the Company retains full ownership privileges. The Company will continue to receive all dividends, and retains all voting rights. Interest expense of \$53.3 million was recognized on the prepaid forward contracts in each of the years ended December 31, 2002 and 2001.

On May 12, 2000 and May 15, 2000, the Company entered into equity collar transactions that mature on May 12, 2003 and May 19, 2003, respectively. These collars are associated with the prepaid forward contracts described above. The collars are a combination of a purchase put and a written call on the above underlying equity securities. These collars protect the Company from any decline in fair value in the underlying securities, while permitting the Company to benefit in increases in fair value up to 120% of the contract price. The Company received net premiums of \$48.9 million, which will be amortized straight-line into earnings over the life of the contracts. Any change in the fair value of the collars is charged directly through

NOTES TO FINANCIAL STATEMENTS

surplus. Investment income of \$16.5 million was recognized on the amortization on net premiums received on equity collar transactions in each of the years ended December 31, 2002 and 2001, respectively.

On May 25, 2000, the Company, along with NFS and NLIC, established two credit facilities that provide for a combined \$1.0 billion of loans on a fully revolving basis, with a group of financial institutions. One facility provides for a \$300 million, 364-day revolving credit and the second facility provides for a \$700 million, five-year term revolving credit. The credit facilities provide for several and not joint liability with respect to any amount drawn by the Company, NFS or NLIC. The Company, NFS and NLIC pay facility fees to the financial institutions to maintain the facilities. At December 31, 2002, there was no borrowed money against these credit facilities.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plans

The Company is a participant, together with other affiliated companies, in the Nationwide Retirement Plan (Retirement Plan), a pension plan covering substantially all employees. Benefits are based upon the highest average annual salary of a specified number of consecutive years of the last ten years of service. The Company funds pension costs accrued for direct employees plus an allocation of pension costs accrued for employees of affiliates whose work efforts benefit the Company. Pension costs charged to operations under the Retirement Plan during the years ended December 31, 2002 and 2001 were \$0 and \$0, respectively. The Retirement Plan recomputed its pension liabilities in accordance with SSAP No. 8 as required by 2001 codification.

In addition to the defined benefit pension plan, the Company, together with other affiliated companies, participates in life and health care defined benefit plans for qualifying retirees. Postretirement life and health care benefits are contributory and generally available to full time employees who meet minimum age and service requirements. Postretirement health care benefit contributions are adjusted annually and contain cost-sharing features such as deductible and coinsurance. In addition there are caps on the Company's portion of the per-participant cost of the postretirement health care benefits.

The costs for the Company's net postretirement benefits for the year ended December 31, 2002 and 2001 were \$10.7 million and \$9.3 million, respectively. The accrued liability for postretirement benefit obligation for retirees and other fully eligible or vested plan participants, at December 31, 2002 was \$5.2 million, which was paid in January 2003. There was no accrued liability for the year ended in 2001. Postretirement plan assets are invested in group annuity contracts issued by Nationwide Life Insurance Company (NLIC).

In 1993, the Company changed its method of accounting for the costs of postretirement benefits to the accrual method and elected to amortize its transition obligation for retirees and fully eligible employees over 20 years. The unamortized transition obligation was \$0.9 million and \$47.8 million at December 31, 2002 and 2001, respectively.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2002 and 2001:

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
1. Change in benefit obligation:				
a. Benefit obligation at beginning of year	\$2,075,688,583	\$1,930,287,426	\$174,617,830	\$146,590,834
b. Service cost	95,251,238	86,780,637	11,234,397	9,166,627
c. Interest cost	131,921,371	125,533,188	12,649,290	12,512,835
d. Contribution by plan participants	0	0	3,984,768	3,349,455
e. Actuarial (gain) loss	(11,828,288)	(7,256,960)	31,728,297	23,003,739
f. Foreign currency exchange rate changes	0	0	0	0
g. Benefits paid	(97,580,333)	(89,791,033)	(20,314,479)	(20,167,177)
h. Plan amendments	(10,371,711)	30,135,325	(50,610,489)	161,517
i. Plan curtailment	(12,404,729)	0	0	0
j. Benefit obligation at end of year	\$2,170,676,131	\$2,075,688,583	163,289,614	174,617,830
2. Change in plan assets				
a. Fair value of plan assets at beginning of Year	2,200,683,768	2,337,141,517	119,701,941	119,456,157
b. Actual return on plan assets	(142,453,578)	(46,666,716)	(12,671,254)	(246,774)
c. Foreign currency exchange rate changes	0	0	0	0
d. Employer contribution	4,301,000	0	16,175,519	17,310,280
e. Plan participant's contributions	0	0	3,984,768	3,349,455
f. Benefits paid	(97,580,333)	(89,791,033)	(20,314,483)	(20,167,177)
g. Plan curtailment	0	0	0	0
h. Fair value of plan assets at end of year	1,964,950,857	2,200,683,768	106,876,491	119,701,941
3. Funded status				
a. Unamortized prior service cost	18,045,497	30,135,325	(3,641,023)	154,175
b. Unrecognized net (gain) or loss	519,790,767	223,234,857	66,503,172	12,952,032
c. Remaining net obligation or (net asset) at initial date of application	(328,095,961)	(378,365,367)	4,190,736	56,106,208
d. Prepaid assets or (accrued liabilities)	4,015,029	0	10,639,762	14,296,526
e. Intangible asset	N/A	N/A	N/A	N/A
4. Benefit obligation for non vested employees	65,496,482	56,549,824	106,360,443	139,353,526
5. Components of net periodic benefit cost				
a. Service cost	95,251,238	86,780,637	11,234,397	9,166,627
b. Interest cost	131,921,371	125,533,188	12,649,290	12,512,835
c. Expected return on plan assets	(178,585,234)	(183,825,101)	(9,276,900)	(9,556,493)
d. Amortization of unrecognized transition Obligation or (transition asset)	(50,269,406)	(28,488,724)	5,127,162	5,127,162
e. Amount of recognized (gains) and losses	249,885	0	0	0
f. Amortization of prior service cost recognized	1,432,146	0	(26,982)	(26,981)
g. Amount of gain or loss recognized due to a settlement or curtailment	0	0	125,318	0
h. Total net periodic benefit cost	0	0	19,832,285	17,223,150
6. Charges pursuant to Settlement or Curtailment				
a. Settlement (gain) or loss	\$ 0	\$ 0		
b. Curtailment (gain) or loss	285,971	0		
c. Total benefits cost	\$ 285,971	\$ 0		

NOTES TO FINANCIAL STATEMENTS

The following table is the basis of measurement for plan liabilities and is relevant for items 1-4 above.

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
7. Weighted-average assumptions as of December 31,				
a. Weighted average discount rate	6.00%	6.50%	6.60%	7.25%
b. Rate of increase in future compensation levels	4.50%	4.75%	N/A	N/A
c. Assumed health care cost trend rate:				
*Initial rate (11.3% pre age 65, 12.3% post age 65)	-	-	11.30% *	11.00%
*Ultimate rate (5.7% pre age 65, 6.3% post age 65)	-	-	5.70% *	5.50%
Declining period	-	-	11 Years	4 Years

8. The following table is the basis of measurement for net periodic pension and post retirement costs and is relevant for item 5 above:

	Pension Benefits		Postretirement Benefits	
	2002	2001	2002	2001
a. Weighted average discount rate	6.00%	6.75%	6.60%	7.25%
b. Rate of increase in future compensation levels	4.50%	5.00%	N/A	N/A
c. Expected long-term rate of return on plan assets	8.25%	8.00%	7.75%	8.00%
d. Assumed health care cost trend rate:				
Initial rate	-	-	11.30%	11.00%
Ultimate rate	-	-	5.70%	5.50%
Declining period	-	-	11 years	4 Years

9. Because current plan costs are very close to dollar caps, the health care cost trend has an immaterial effect on plan obligations for the postretirement life and health care benefit plan as a whole. For this reason, the effect of a one percentage point increase or decrease in the assumed health care cost trend rate on the accumulated postretirement benefit obligation as of December 31, 2002 and on the net periodic postretirement benefit cost for the year ended December 31, 2002 does not have a material effect on plan obligations or expenses.

B. Defined Contribution Plans

The Company, together with other affiliated companies, sponsors a defined contribution savings plan covering substantially all employees of the Company. Employees may make salary deferral contributions of up to 80%. Salary deferrals of up to 6% are subject to a 50% company match. The Company match is funded on a bi-weekly basis and the expense of such contributions are allocated to the Company based on employee contributions. For the plan as a whole the expense was \$31,836,874 and \$28,487,385 for 2002 and 2001, respectively. Individuals are subject to a dollar limit on salary deferrals per IRS Section 402(g) (\$11,000 in 2002). Other limits also apply. The Company has no legal obligation for benefits under this plan.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

The Company, together with other affiliated companies, sponsors non-qualified deferred compensation and defined benefit arrangements for certain employees and agents. Expenses are allocated to the Company based on individual participants. Total Company liabilities for nonqualified employee plans were \$185,549,641 and \$145,740,260 on December 31, 2002 and December 31, 2001, respectively. Total expense recorded during 2002 was \$18.3 million related to the non-qualified benefit plans. Total Company liabilities for the agents plan were \$808,975,631 and \$754,767,762 on December 31, 2002 and December 31, 2001. Total expense recorded during 2002 was \$96.7 million related to the agent plan. The agent plan liability was pooled prior to 2001, but pooling was discontinued in 2001. The entire liability now resides on the Company's books.

E. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation. The liability for earned but untaken vacation has been accrued.

Note 13 - Capital and Surplus, Shareholders' dividend Restrictions and Quasi-Reorganizations

A. Outstanding Shares

The Company is a mutual entity and, as such, is not directly or indirectly owned or controlled by any other company, corporation, group of companies, partnership or individual. The Company is operated by and solely in the interests of its policyholders.

B. Dividend Rate of Preferred Stock

Not applicable

C., D. and E Dividend Restrictions

Dividends may be paid to shareholders by State of Ohio domiciled insurance companies without prior approval of the Director of Insurance subject to 10% limitations relative to prior year surplus or prior year net income.

F. Mutual Surplus Advances

None

G. Company Stock Held for Special Purposes

None

NOTES TO FINANCIAL STATEMENTS

H. Changes in Special Surplus Funds

None

I. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

Description	Cumulative Increase (Decrease) in Surplus	Current Year Increase (Decrease) in Surplus
1. Unrealized gain or loss	\$2,012,738,729	(\$1,349,362,227)
2. Nonadmitted assets	(476,674,792)	(19,868,710)
3. Provision for reinsurance	(17,241,611)	(7,478,975)
Total decrease	\$1,518,822,326	\$(2,585,355,826)

J. Surplus Notes

On November 30, 2001 the Company issued \$400 million of 8.25% surplus notes due December 1, 2031. The notes were issued in accordance with Section 3941.13 of the Ohio Revised Code. Except as provided in Section 3941.13, the notes are not part of the legal liabilities of the Company, and are not a liability or claim against the Company or any of its assets. Interest payments are scheduled semi-annually over the life of the surplus notes with the principal due at maturity. The Director of the Department of Insurance must approve interest and principle payments. The 8.25% surplus note may be redeemed by the Company at any time for a redemption price equal to the greater of 100% of their principal amount or the sum of the present value of the remaining scheduled payments of principal and interest on the notes, discounted to the redemption date on a semiannual basis as defined in the notes. Issuance costs were expensed in accordance with statutory accounting principles.

On February 9, 1994 the Company issued \$200 million of 6 1/2% surplus notes due February 15, 2004 and \$300 million of 7 1/2% surplus notes due February 15, 2024. The notes were issued in accordance with Section 3941.13 of the Ohio Revised Code. Except as provided in Section 3941.13, the notes are not part of the legal liabilities of the Company, and are not a liability or claim against the Company or any of its assets. Interest payments are scheduled semi-annually over the life of the surplus notes with the principal due at maturity. The Director of the Ohio Department of Insurance must approve interest and principle payments. The 7 1/2% surplus note is callable by the Company beginning 2004. All issuance costs were capitalized and are amortized over the terms of the notes. Capitalized costs are non-admitted for statutory accounting purposes.

On February 13, 1995, Nationwide CSN Trust (the Trust), a Delaware business trust formed by Nationwide Corporation, a subsidiary of the Company, issued \$392 million 9.875% trust notes, due February 15, 2025, and \$8 million 12.22% trust certificates, due February 15, 2025. Net proceeds from the issuance of these securities were used to purchase U.S. Treasury notes, which comprise the portfolio of the Trust's assets.

Under the terms of the above transaction, the Company may, at its discretion and subject to the approval of the Director of Insurance of the State of Ohio, exercise periodic rights to issue to Morgan Guaranty Trust Company of New York (MGT) surplus notes in an aggregate principle amount not to exceed \$400 million. Pursuant to commitment agreements, MGT will be required to deliver the surplus notes to the Trust, and the Trust will be required to deliver to MGT an aggregate principle amount of Treasury securities in exchange therefore. The Company will receive Treasury securities delivered to MGT by the Trust as payment for the surplus notes issued. These rights are exercisable at each calendar quarter-end, beginning March 31, 1995, and expiring December 31, 2004, and on February 15, 2005.

Any surplus notes issued by the Company to the Trust will bear an interest rate of 9.922%, and will mature on February 15, 2025. The surplus notes are callable by the Company, beginning February 2005. The notes will be issued in accordance with Section 3941.13 of the Ohio Revised Code. As such, the proceeds will be recorded by the Company as additional admitted assets, however, except as provided in Section 3941.13, the surplus notes will not be a legal liability of the Company and will not be a liability or claim against the Company's assets. Principal and interest payments would require prior approval by the Director.

K., and L. Quasi Reorganizations

Not applicable

Note 14 - Contingencies

A. Contingent Commitments

The Company has guaranteed the timely payment and performance of the obligations of Nationwide Indemnity Company (NIC) under the reinsurance agreements, dated December 31, 1998, between NIC and Employers Life Insurance Company of Wausau and certain of its affiliated property and casualty companies. These reinsurance agreements provide for the transfer to NIC of \$1.2 billion of loss and loss adjustment expense reserves, including \$779.2 million for asbestos and environmental claims, from ELOW and certain of its affiliated property and casualty companies.

The Company has agreed to maintain the surplus of its affiliate, NLIC, at or above the Wisconsin compulsory surplus level. If NLIC's surplus falls below this level, the Company will contribute additional capital that will increase NLIC's surplus to at least the Wisconsin compulsory surplus level. At December 31, 2002, the surplus of NLIC, as defined by the state of Wisconsin, exceeded the Wisconsin compulsory surplus level.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums were written, or, in the case of loss based assessments, at the time the losses are incurred.

The Company has accrued a liability for guaranty fund and other assessments of \$26.2 million and a related premium tax benefit asset of \$25.2 million. These represent management's best estimates based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. Gain Contingencies

None

NOTES TO FINANCIAL STATEMENTS

D. All Other Contingencies

Various lawsuits arise against the Company in the normal course of the Company's business. Contingent liabilities arising from litigation were reserved for \$218.1 million and \$137.7 million at December 31, 2002 and 2001, respectively.

Note 15 - Leases

A. Lessee Leasing Arrangements

The Company leases office facilities under various noncancelable operating leases for which the future rent is \$88.3 million annually. Rent expense paid in 2002 was \$88.2 million.

B. Leasing Arrangements

Leasing is not a significant part of the Company's business activities.

Note 16 – Information About Financial Instruments With Off-Balance Sheet Risk With Concentrations of Credit Risk

A. Financial Instruments With Off-Balance Sheet Risk

1. A financial instrument has off-balance sheet risk of accounting loss if the risk of accounting loss to the Company may exceed the amount recognized as an asset, if any, or if the ultimate obligation may exceed the amount that is recognized as a liability. The table below summarizes the face amount (notional amount for swaps, original amount for futures, number of contracts times shares per contract times strike price for options) of the Company's financial instruments with off-balance sheet risk:

Description	Assets		Liabilities	
	2002	2001	2002	2001
a. Swaps	\$ 777,617,224	\$ 366,150,545	\$ 270,299,239	\$ 682,028,780
b. Futures				
c. Options				
Total	\$ 777,617,224	\$ 366,150,545	\$ 270,299,239	\$ 682,028,780

2. The Company has minimal exposure if all counterparties fail completely to perform according to the terms of their contracts and the collateral or other security, if any, for the amount due proved to be no value to the entity.

B. Financial Instruments With Concentrations of Credit Risk

1. Credit risk is managed by entering into transactions with creditworthy counterparties and obtaining collateral where appropriate and customary. 100% of the net credit exposure for the Company from derivative contracts is with investment-grade counterparties. The Company and its counterparties are required to put up collateral for any futures contracts that are opened. The form and amount of collateral that is required is determined by the exchange on which it is traded.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable.

B. Transfers and Servicing of Financial Assets

The Company lends treasury, corporate and equity securities and in turn, generally receives cash collateral. In some cases, securities or letter of credits are used by the borrower as collateral. The fair value of the collateral is equal to at least 102% of the loaned securities at all times during the period the securities are loaned.

The cash collateral is invested in high-quality short-term investments. Both the borrower and the Company can request or return the loaned securities at any time. Nationwide maintains ownership of the securities at all times and is entitled to receive from the borrower any payments for interest or dividends received during the loan term.

Since the collateral pledged by the borrower is not available for the general use of the Company (restricted), the collateral is not recorded on the balance sheet as an asset, and a corresponding liability for the return of the collateral is not recorded.

C. Wash Sales

Not applicable.

Note 18 – Gain or Loss from Uninsured Accident and Health Plans and Uninsured Portion of Partially Insured Plans

A. ASO Plans:

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2002

	(1)	(2)	(3)
	<u>ASO Uninsured</u>	<u>Uninsured</u>	
	<u>Plans</u>	<u>Portion of</u>	<u>Total ASO</u>
		<u>Partially Insured</u>	
		<u>Plans</u>	
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ (2,140,000)	\$ -	\$ (2,140,000)
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Net Gain or (loss) from operations	(2,140,000)	-	(2,140,000)
d. Total claim payment volume	\$ 70,807,000	\$ -	\$ 70,807,000

C. MedASC Plans:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

B. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Not applicable.

Note 19 – Direct Premiums Written / Produced by Managing General Agents / Third Party Administrators

Not applicable.

Note 20 – Other Items

A. Extraordinary Items

None.

B. Troubled Debt Restructuring for Debtors

Not applicable.

C. Other Disclosures

None.

D. Uncollectible Premiums Receivable

None.

E. Reinsurance Accounted for as a Deposit

Not applicable.

F. Multiple Peril Crop Insurance

Not applicable.

G. Mezzanine Real Estate Loans

Not applicable.

H. Health Care Receivables

Not applicable.

I. September 11 Events

The Company's exposure due to the September 11, 2001 terrorist attacks is minimal and estimated to be about \$3 million. Further, we are not aware of any reinsurer who has been impaired by the events to the point of creating a credit risk on any of our reinsurance programs.

Note 21 – Events Subsequent

None.

Note 22 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company does not have an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized, that exceeds 3% of policyholders' surplus.

B. Reinsurance Recoverable in Dispute

The Company does not have reinsurance recoverables for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded

- The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2002.

(\$000's)	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	\$2,944,411	\$574,321	\$843,527	\$185,046	\$2,100,884	\$389,275
b. All other	43,239	12,604	39,671	9,347	3,568	3,257
c. Totals	2,987,651	\$586,925	\$883,198	\$194,393	\$2,104,452	\$392,532
d. Direct Unearned Premium Reserve	\$1,345,023					

- Certain agency agreements and ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2002 are as follows:

(\$000's) Description	Direct	Assumed	Ceded	Net
a. Contingent Commissions	\$46,126	\$112,422	\$24,956	\$133,591
b. Sliding Scale adjustments	0	0	0	0
c. Other profit Commissions	0	0	0	0
d. Totals	\$46,126	\$112,422	\$24,956	\$133,591

NOTES TO FINANCIAL STATEMENTS

D. Uncollectible Reinsurance

Not applicable

E. Commutation of Ceded Reinsurance

The Company commuted several ceded reinsurance treaties in the current year with the reinsurers listed below. The Company recognized the amounts received from the reinsurers as a reduction of losses and loss adjustment expenses paid (thereby reducing losses and loss adjustment expenses incurred) in the current year. The Company also increased its loss and loss adjustment expense reserves (thereby increasing losses and loss adjustment expenses incurred) to recognize the effect of releasing the reinsurers from its obligations under the treaties. The net effect of the commutations was a decrease of \$3,000 in losses incurred and is reflected as follows:

Statement of Income Account	Amount
1. Losses incurred	\$3
2. Loss adjustment expenses incurred	0
3. Premiums earned	0
4. Other	0
Total	\$3

Reinsurer	Amount
Taisai Fire & Marine LTD	\$3
Total	\$0

F. Retroactive Reinsurance

Not applicable.

Note 23 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

Note 24 – Changes in Incurred Losses and Loss Adjustment Expenses

(\$000's) (Line of Business)	2002 Calendar Year Losses and LAE Incurred			2002 Loss Year Losses and LAE Incurred	Shortage (Redundancy)
	Losses Incurred	LAE Incurred	Totals		
Homeowners / Farmowners	\$918,195	\$142,323	\$1,060,518	\$1,066,751	(\$6,233)
Commercial multiple peril	345,308	108,530	453,838	476,684	(22,846)
Workers' compensation	131,820	10,296	142,117	134,211	7,906
Other Liability	208,448	109,419	317,867	262,235	55,632
Auto	3,410,957	639,451	4,050,408	4,305,737	(255,329)
All Others	391,821	33,826	425,647	426,581	(934)
Totals	\$5,406,549	\$1,043,846	\$6,450,395	\$6,672,199	(\$221,804)

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years decreased by \$222 million during 2002, as shown in the chart above. This is about 3.5% of unpaid losses and loss adjustment expense of \$6.2 billion as to December 31, 2001. The shortage came from the Workers' Compensation and Other Liability lines, which was offset by the redundancy in the other lines.

Note 25 – Intercompany Pooling arrangements

The Company is a party to various reinsurance agreements including a pooling agreement with affiliated property casualty companies (Nationwide Pool).

The following companies are covered under a 100% quota share reinsurance agreement with the Company: Nationwide Property and Casualty Insurance Company, Nationwide General Insurance Company, Nationwide Assurance Company, Nationwide Agribusiness Insurance Company, Scottsdale Insurance Company (SI) and AMCO Insurance Company (AMCO).

Scottsdale Indemnity Company, Scottsdale Surplus Lines and Western Heritage Insurance Company are covered under a 100% quota share reinsurance agreement with SI.

Allied Property and Casualty Insurance Company, Depositors Insurance Company, CalFarm and NICOA are covered under a 100% quota share reinsurance agreement with AMCO.

NMIC is the lead company in the pool. The companies in the Nationwide Pool are as follows:

	NAIC #	POOL
Nationwide Mutual Insurance Company	23787	83.7%
Nationwide Mutual Fire Insurance Company	23779	11.3%
Scottsdale Insurance Company	41297	4.0%
Farmland Mutual Insurance Company	13838	1.0%
		100.0%

Note 26 – Structured Settlements

A. Reserves Released due to Purchases of Annuities

The Company has settled certain losses with structured settlement agreements whereby the Company has purchased an annuity with the claimant as the payee. Certain of these annuities are without qualified assignments. The Company is contingently liable under the settlement agreements without qualified assignments if the annuity-issuing company is unable to meet the payment obligations to the Company's claimant under the settlement agreement. The amortized value of the annuities under such agreements for direct losses as of December 31, 2002 and 2001 is \$153.6 million and \$153.0 million, respectively.

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

NLIC, an affiliate of the Company, is located in Columbus, Ohio and domiciled in the State of Ohio. The aggregate value of annuities due from NLIC are \$100.2 million at December 31, 2002, and \$104.2 million at December 31, 2001.

NOTES TO FINANCIAL STATEMENTS

Note 27 – High Deductibles

Not applicable.

Note 28 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expense

A. Tabular Discounts

Not applicable.

B. Non-Tabular Discounts

Not applicable.

C. Changes in Discount Assumptions

Not applicable.

Note 29 – Asbestos and Environmental Reserves

The Company has exposure to both asbestos and environmental claims from the issuance of general liability policies. The Company estimates the full impact of its asbestos and environmental exposure by establishing case reserves when sufficient information has been developed to indicate the involvement of a specific insurance policy. In addition, incurred but not reported reserves have been established to cover additional exposures on both known and unasserted claims, primarily utilizing historical information.

The Company's asbestos and environmental related losses for each of the five most recent calendar years were as follows (in millions):

Environmental Claims - Gross	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Beginning Reserves:	282.5	19.4	20.3	19.7	19.8
Incurred Loss & Loss Adj. Expense:	(7.5)	4.3	1.8	5.1	4.9
Calendar Year Payments:	255.6	3.4	2.5	5.0	3.0
Ending Reserve:	19.4	20.3	19.7	19.8	21.6
Loss and LAE Reserve Footnote-Gross IBNR	14.9	15.2	15.2	15.2	15.0
Asbestos Claims - Gross	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Beginning Reserves:	273.7	7.5	8.1	9.0	11.9
Incurred Loss and Loss Adj. Expense:	18.7	1.1	1.8	3.6	17.4
Calendar Year Payments:	284.9	0.5	0.8	0.7	1.6
Ending Reserve:	7.5	8.1	9.0	11.9	27.7
Loss and LAE Reserve Footnote-Gross IBNR	5.8	0.9	0.3	0.3	20.8
Environmental Claims - Net	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Beginning Reserves:	530.8	19.4	26.5	30.3	30.4
Incurred Loss and Loss Adj. Expense:	(5.6)	10.9	6.2	5.1	14.0
Calendar Year Payments:	505.7	3.8	2.4	5.0	3.0
Ending Reserve:	19.4	26.5	30.3	30.4	41.4
Loss and LAE Reserve Footnote-Net IBNR	14.9	15.2	15.2	15.2	29.9
Asbestos Claims - Net	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Beginning Reserves:	336.5	7.5	14.6	18.8	21.7
Incurred Loss and Loss Adj. Expense:	22.6	7.6	5.0	3.6	25.9
Calendar Year Payments:	351.7	0.5	0.8	0.7	1.6
Ending Reserve:	7.5	14.6	18.8	21.7	46.0
Loss and LAE Reserve Footnote-Net IBNR	5.8	0.9	0.3	0.3	35.0

The 1998 beginning reserves have been restated in the 1998 roll forward to reflect a change in the definition of Gross. Historically, both Direct and Assumed amounts have been included in Gross. Beginning in 1998, only Direct amounts are included in Gross.

The 1999 and 1998 calendar year payments include the effects of the portfolio adjustments caused by changes in the pooling agreement in 1999 as well as the reinsurance agreement between the Company and Nationwide Indemnity Company (NIC) in 1998 that transferred approximately \$675.9 million of loss and loss adjustment expense reserves to NIC primarily for asbestos and environmental claims.

Note 30 – Subscriber Savings Accounts

Not applicable.

Note 31 – Financial Guaranty Exposures

Not applicable.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. Treasury securities	529,435,326	3.490	529,435,326	3.490
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	59,868,290	0.395	59,868,290	0.395
1.22 Issued by U.S. government sponsored agencies	273,565,391	1.803	273,565,391	1.803
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)	20,255,611	0.134	20,255,611	0.134
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	679,524,210	4.480	679,524,210	4.480
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	361,013,943	2.380	361,013,943	2.380
1.43 Revenue and assessment obligations	642,386,200	4.235	642,386,200	4.235
1.44 Industrial development and similar obligations	565,000	0.004	565,000	0.004
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA	8,499,656	0.056	8,499,656	0.056
1.512 Issued by FNMA and FHLMC	80,265,601	0.529	80,265,601	0.529
1.513 Privately issued		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC	1,138,431,934	7.505	1,138,431,934	7.505
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC		0.000		0.000
1.523 All other privately issued	240,302,225	1.584	240,302,225	1.584
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,731,239,502	11.413	1,731,239,502	11.413
2.2 Unaffiliated foreign securities	427,235,094	2.816	427,235,094	2.816
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated	2,540,000	0.017	2,540,000	0.017
3.22 Unaffiliated	50,720,195	0.334	50,720,195	0.334
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated	2,259,449,860	14.895	2,259,449,860	14.895
3.32 Unaffiliated	2,346,001,821	15.466	2,346,001,821	15.466
3.4 Other equity securities:				
3.41 Affiliated	2,614,105,782	17.233	2,614,105,782	17.233
3.42 Unaffiliated	6,751,322	0.045	6,751,322	0.045
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development	0	0.000	0	0.000
4.2 Agricultural	0	0.000	0	0.000
4.3 Single family residential properties	0	0.000	0	0.000
4.4 Multifamily residential properties	0	0.000	0	0.000
4.5 Commercial loans	238,596,100	1.573	238,596,100	1.573
5. Real estate investments:				
5.1 Property occupied by the company	391,118,038	2.578	391,118,038	2.578
5.2 Property held for the production of income (includes \$ of property acquired in satisfaction of debt)	84,911,100	0.560	84,911,100	0.560
5.3 Property held for sale (\$ including property acquired in satisfaction of debt)		0.000	0	0.000
6. Policy loans		0.000		0.000
7. Receivables for securities	3,471,090	0.023	3,471,088	0.023
8. Cash and short-term investments	93,478,661	0.616	93,478,661	0.616
9. Other invested assets	885,495,815	5.837	885,495,815	5.837
10. Total invested assets	15,169,227,763	100.000	15,169,227,762	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] NA []
- 1.3 State Regulating? Ohio.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []
- 2.2 If yes, date of change:12/13/2002
 If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2001
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2001
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).11/12/2002
- 3.4 By what department or departments? Ohio
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control;
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity
.....
.....

GENERAL INTERROGATORIES

(continued)

8. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 KPMG LLP, 191 W. Nationwide Blvd. Ste 500, Columbus OH 43215.....
9. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Kevin McAllister, FCAS, MAAA, KPMG LLP, 100 Matsonford Rd., Radnor, PA 19087.....
10. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1 What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 10.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 10.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 10.4 If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []

BOARD OF DIRECTORS

11. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [] No [X]
12. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
13. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person?. Yes [X] No []

FINANCIAL

- 14.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|----------|
| | 14.11 To directors or other officers .. | \$ |
| | 14.12 To stockholders not officers ... | \$ |
| | 14.13 Trustees, supreme or grand (Fraternal only) | \$ |
- 14.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|-------------------|
| | 14.21 To directors or other officers ... | \$4,000,000 |
| | 14.22 To stockholders not officers | \$ |
| | 14.23 Trustees, supreme or grand (Fraternal only) | \$ |
- 15.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes [] No [X]
- 15.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------------|----------|
| | 15.21 Rented from others | \$ |
| | 15.22 Borrowed from others | \$ |
| | 15.23 Leased from others | \$ |
| | 15.24 Other | \$ |
- Disclose in Notes to Financial Statements the nature of each of these obligations.
- 16.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 16.2 If answer is yes,
- | | | |
|--|--|---------------|
| | 16.21 Amount paid as losses or risk adjustment | \$1,435 |
| | 16.22 Amount paid as expenses | \$ |
| | 16.23 Other amounts paid | \$ |

GENERAL INTERROGATORIES

(continued)
INVESTMENT

17. List the following capital stock information for the reporting entity:

Class	1	2	3	4	5		6	
	Number of Shares Authorized	Number of Shares Outstanding	Par Value Per Share	Redemption Price if Callable	Is Dividend Rate Limited?		Are Dividends Cumulative?	
					Yes	No	Yes	No
Preferred					[]	[]	[]	[]
Common				XXX	XXX	XXX	XXX	XXX

18.1. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? Yes [] No [X]

18.2 If no, give full and complete information relating thereto:

See 19.1 Below

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 2 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1) Yes [X] No []

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21	Loaned to others	\$ 1,004,385,534
19.22	Subject to repurchase agreements	\$
19.23	Subject to reverse repurchase agreements	\$
19.24	Subject to dollar repurchase agreements	\$
19.25	Subject to reverse dollar repurchase agreements	\$
19.26	Pledged as collateral	\$
19.27	Placed under option agreements	\$ 588,032,481
19.28	Letter stock or other securities restricted as to sale ...	\$ 61,129,159
19.29	Other	\$

19.3 For each category above, if any of these assets are held by others, identify by whom held:

19.31 Detailed Listing Filed with the State of Domicile.....	19.35
19.32	19.36
19.33	19.37 Detailed Listing Filed with the State of Domicile.....
19.34	19.38 Detailed Listing Filed with the State of Domicile.....
	19.39

For categories (19.21) and (19.23) above, and for any other securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

19.4 For category (19.28) provide the following:

1	2	3
Nature of Restriction	Description	Amount
Detailed Listing Filed with the State of Domicile.....	\$

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No []

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [] NA []
 If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

21.2. If yes, state the amount thereof at December 31 of the current year. \$

22. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [X] No []

22.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
The Bank of New York.....	1 Wall Street, New York, New York 10286.....
.....

GENERAL INTERROGATORIES

(continued)
INVESTMENT

22.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year?..... Yes [] No []

22.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?..... \$.....22,804,479

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$

24.1 Amount of payments for legal expenses, if any?..... \$.....17,511,893

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$29,404

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$
	\$
	\$

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives \$0
- All years prior to most current three years:
- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives \$0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives \$0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives \$0
- 2.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
- 2.2 If yes, state the amount of calendar year net premiums written on:
- 2.21 Participating policies \$
- 2.22 Non-participating policies \$
3. For Mutual Reporting Entities and Reciprocal Exchanges Only:
- 3.1 Does the reporting entity issue assessable policies? Yes [] No [X]
- 3.2 Does the reporting entity issue non-assessable policies? Yes [X] No []
- 3.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
- 3.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums? \$
4. For Reciprocal Exchanges Only:
- 4.1 Does the Exchange appoint local agents? Yes [] No []
- 4.2 If yes, is the commission paid:
- 4.21 Out of Attorney's-in-fact compensation Yes [] No [] NA []
- 4.22 As a direct expense of the Exchange Yes [] No [] NA []
- 4.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
- 4.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
- 4.5 If yes, give full information
- 5.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
- This exposure is protected under a Liability Excess of Loss Treaty \$72M Excess \$3M containing a \$5M per claimant limit and additionally, an allowance for aggregation of Occupational Disease or Cumulative Trauma claims traceable to substantially the same workplace condition/causative agent
- 5.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
- The net exposure emanates from participation in the pool. The primary exposures to the pool are from windstorm events in the S.E. United States, which would affect both personal and commercial lines. The model used in estimating probable maximum loss is Applied Research (AIR)
- 5.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
- To mitigate PML exposures, the company maintains excess and catastrophic reinsurance and incorporates various business strategies such as increased deductibles in catastrophic areas
- 5.4 Does the reporting entity carry catastrophe reinsurance protection, with provision for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []
- 5.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
- 6.1 Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract which includes a provision which would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provision)? Yes [] No [X]
- 6.2 If yes, indicate the number of reinsurance contracts containing such provisions:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES (continued)

- 7.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?..... Yes [] No [X]
- 7.2 If yes, give full information
8. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?..... Yes [X] No [] NA []
- 9.1 Has this reporting entity guaranteed policies issued by any other entity and now in force?..... Yes [] No [X]
- 9.2 If yes, give full information
- 10.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 10.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 10.11 Unpaid losses..... \$
- 10.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
- 10.2 Of the amount on Line 10.3 of the assets schedule, Page 2, state the amount which is secured by letters of credit, collateral and other funds..... \$
- 10.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation are premium or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?..... Yes [] No [X] NA []
- 10.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 10.41 From..... %
- 10.42 To..... %
- 10.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?..... Yes [] No [X]
- 10.6 If yes, state the amount thereof at December 31 of the current year:
- 10.61 Letters of credit..... \$
- 10.62 Collateral and other funds..... \$
- 11.1 What amount of installment notes is owned and now held by the reporting entity?..... \$
- 11.2 Have any of these notes been hypothecated, sold or used in any manner as security for money loaned within the past year?..... Yes [] No [X]
- 11.3 If yes, what amount?..... \$
- 12.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$8,000,000
- 12.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?..... Yes [] No [X]
- 12.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of this amount.....3
- 13.1 Has this reporting entity guaranteed any financed premium accounts?..... Yes [] No [X]
- 13.2 If yes, give full information
- 14.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?..... Yes [X] No []
- 14.11 Name of real estate holding company..... See Schedule BA.....
- 14.12 Number of parcels involved.....5
- 14.13 Total book/adjusted carrying value..... \$346,791,396
- 14.2 If yes, provide explanation:
 See Schedule BA
- 15.1 Does the reporting entity write any warranty business?..... Yes [] No [X]
- If yes, disclose the following information for each of the following types of warranty coverage:
- | | 1
Direct Losses
Incurred | 2
Direct Losses
Unpaid | 3
Direct Written
Premium | 4
Direct Premium
Unearned | 5
Direct Premium
Earned |
|-----------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 15.11 Home..... | \$ | \$ | \$ | \$ | \$ |
| 15.12 Products..... | \$ | \$ | \$ | \$ | \$ |
| 15.13 Automobile..... | \$ | \$ | \$ | \$ | \$ |
| 15.14 Other*..... | \$ | \$ | \$ | \$ | \$ |

* Disclose type of coverage:

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2002	2 2001	3 2000	4 1999	5 1998
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	5,728,577,775	5,267,201,293	4,714,915,739	4,515,291,805	5,055,648,229
2. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	3,188,557,293	2,935,846,090	2,697,271,231	2,651,352,177	2,367,082,759
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	3,022,326,672	2,563,768,432	2,352,010,508	2,397,250,084	1,950,286,833
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	326,387,783	332,613,139	292,591,798	244,881,506	167,898,103
5. Non-proportional Reinsurance Lines (Lines 30, 31 & 32)	13,554,075	566,824	4,727,367	34,218,198	42,361,918
6. Total (Line 34)	12,279,403,598	11,099,995,779	10,061,516,644	9,842,993,770	9,583,277,842
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	4,411,773,226	4,085,392,430	3,659,485,336	3,574,640,281	3,093,419,637
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	2,570,808,956	2,352,555,716	2,126,411,449	2,166,481,610	1,511,042,399
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	2,384,874,378	2,015,905,931	1,807,266,456	1,987,268,208	1,320,664,140
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	263,622,533	267,889,952	227,981,317	182,652,671	80,907,222
11. Non-proportional Reinsurance Lines (Lines 30, 31 & 32)	11,545,925	183,214	505,556	1,368,296	713,169
12. Total (Line 34)	9,642,625,018	8,721,927,243	7,821,650,113	7,912,411,066	6,006,746,567
Statement of Income (Page 4)					
13. Net Underwriting Gain (Loss) (Line 8)	81,884,197	(690,786,003)	(912,650,801)	(585,885,902)	(541,061,888)
14. Net Investment Gain (Loss) (Line 11)	233,780,920	450,208,034	1,087,761,007	937,528,960	1,771,923,452
15. Total Other Income (Line 15)	(40,258,000)	88,324,877	15,668,443	47,258,340	(6,000,149)
16. Dividends to Policyholders (Line 17)	5,322,401	3,075,044	3,776,569	3,405,690	87,735,289
17. Federal and Foreign Income Taxes Incurred (Line 19)	59,717,609	12,320,781	(49,507,837)	57,011,375	309,431,073
18. Net Income (Line 20)	210,367,109	(167,648,917)	236,509,917	338,484,333	827,695,053
Balance Sheet Lines (Pages 2 and 3)					
19. Total Admitted Assets excluding Protected Cell (Page 2, Line 26, Col. 3)	19,673,533,558	18,553,363,751	18,501,066,576	17,800,982,656	18,076,219,460
20. Agents' Balances or Uncollected Premiums (Page 2, Col. 3)					
20.1 In Course of Collection (Line 10.1)	1,263,007,121	268,503,748	6,634,471	32,019,426	(23,590,483)
20.2 Deferred and not yet due (Line 10.2)	1,370,030,740	1,196,692,657	1,011,161,863	844,611,812	726,836,250
20.3 Accrued Retrospective Premiums (Line 10.3)	0	0	912,991	798,262	707,542
21. Total Liabilities excluding Protected Cell (Page 3, Line 24)	14,067,791,909	12,274,101,705	11,855,523,388	10,388,684,202	8,837,073,634
22. Losses (Page 3, Lines 1 and 2)	5,621,921,257	5,131,693,876	4,977,170,105	4,795,084,873	4,318,576,816
23. Loss Adjustment Expenses (Page 3, Line 3)	1,081,326,559	1,107,360,239	1,089,187,152	1,204,288,799	1,047,720,715
24. Unearned premiums (Page 3, Line 9)	3,445,907,839	3,030,878,918	2,828,378,651	2,626,257,790	2,202,952,861
25. Capital Paid Up (Page 3, Lines 28 & 29)	0	0	0	0	0
26. Surplus as Regards Policyholders (Page 3, Line 35)	5,605,741,649	6,279,262,045	6,645,543,188	7,412,298,454	9,239,145,826
Risk-Based Capital Analysis					
27. Total Adjusted Capital	5,605,741,649	6,279,262,045	6,645,543,188	7,412,298,454	9,239,145,826
28. Authorized Control Level Risk-Based Capital	1,505,184,381	1,633,847,773	1,737,643,551	1,385,027,609	1,363,207,662
Percentage Distribution of Cash and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 9, Col. 3) x 100.0					
29. Bonds (Line 1)	40.8	37.3	34.4	40.8	34.2
30. Stocks (Lines 2.1 & 2.2)	48.0	54.2	58.9	55.3	63.9
31. Mortgage Loans on Real Estate (Lines 3.1 and 3.2)	1.6	0.8	0.3	0.1	0.0
32. Real Estate (Lines 4.1, 4.2 & 4.3)	3.1	2.6	2.3	2.2	2.0
33. Cash and Short-Term Investments (Line 5)	0.6	0.1	(0.3)	(0.5)	(0.7)
34. Other Invested Assets (Line 6)	4.3	4.9	4.4	2.0	0.5
35. Receivable for Securities (Line 7)	0.0	0.0	0.1	0.0	0.0
36. Aggregate Write-Ins for Invested Assets (Line 8)	1.5	0.1	0.0	0.0	0.0
37. Cash and Invested Assets (Line 9)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
38. Affiliated Bonds (Schedule D, Summary, Line 25, Col. 1)	0	1,150,000	1,150,000	1,495,000	1,840,000
39. Affiliated Preferred Stocks (Schedule D, Summary, Line 39, Col. 1)	2,540,000	2,480,000	2,420,000	2,360,000	2,300,000
40. Affiliated Common Stocks (Schedule D, Summary, Line 53, Col. 2)	4,873,555,642	5,677,453,509	6,402,603,197	5,160,346,996	6,732,839,673
41. Affiliated Short-Term Investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)	0	0	0	0	4,679
42. Affiliated Mortgage Loans on Real Estate	0	0	0	0	0
43. All Other Affiliated	0	0	0	0	0
44. Total of above Lines 38 to 43	4,876,095,642	5,681,083,509	6,406,173,197	5,164,201,996	6,736,984,352
45. Percentage of Investments in Parent, Subsidiaries and Affiliates to Surplus as Regards Policyholders (Line 44 above divided by Page 3, Col. 1, Line 35 x 100.0)	87.0	90.5	96.4	69.7	72.9

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
Capital and Surplus Accounts (Page 4)					
46. Net Unrealized Capital Gains (Losses) (Line 23)	(1,349,362,227)	(1,164,545,336)	603,868,714	(1,584,130,812)	776,215,291
47. Dividends to Stockholders (Line 34)	0	0	0	0	0
48. Change in surplus as regards policyholders for the year (Line 37)	(673,520,396)	(366,281,143)	(766,755,266)	(1,826,847,372)	900,142,461
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
49. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	3,315,164,124	3,248,752,766	3,230,387,459	2,780,976,929	5,580,393,303
50. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	1,829,196,804	1,892,537,926	1,835,268,507	1,627,736,836	1,475,058,266
51. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	1,570,447,008	1,648,622,121	1,520,900,783	1,431,369,942	1,444,362,219
52. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	290,997,200	279,265,596	230,207,820	180,370,479	131,350,938
53. Non-Proportional Reinsurance Lines (Lines 30, 31 & 32)	8,486,736	16,383,152	25,491,233	58,567,764	311,827,691
54. Total (Line 34)	7,014,291,872	7,085,561,560	6,842,255,802	6,079,021,950	8,942,992,417
Net Losses Paid (Page 9, Part 2, Col. 4)					
55. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,535,232,984	2,486,835,375	2,480,681,130	1,940,866,483	2,498,388,632
56. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	1,507,779,096	1,545,844,347	1,476,017,046	1,309,135,664	855,094,624
57. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	1,289,090,692	1,352,021,395	1,247,252,159	1,135,107,062	676,729,193
58. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	235,681,838	220,858,895	173,672,217	123,803,576	253,598,793
59. Non-Proportional Reinsurance Lines (Lines 30, 31 & 32)	919,921	1,023,406	2,440,968	19,283,080	381,983,426
60. Total (Line 34)	5,568,704,531	5,606,583,418	5,380,063,520	4,528,195,866	4,665,794,668
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
61. Premiums Earned (Line 1)	100.0	100.0	100.0	100.0	100.0
62. Losses Incurred (Line 2)	58.6	67.9	73.1	66.4	65.3
63. Loss Expenses Incurred (Line 3)	11.3	11.9	11.3	13.0	15.0
64. Other Underwriting Expenses Incurred (Line 4)	29.0	28.5	28.1	28.6	29.8
65. Net Underwriting gain (loss) (Line 8)	0.9	(8.1)	(12.0)	(7.8)	(10.0)
Other Percentages					
66. Other Underwriting Expenses to Net Premiums Written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0)	28.4	26.7	26.7	26.3	27.2
67. Losses and Loss Expenses Incurred to Premiums Earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	69.9	79.7	84.4	79.4	80.3
68. Net Premiums Written to Policyholders' Surplus (Page 8, Part 1B, Col. 6, Line 34 divided by Page 3, Line 35, Col. 1 x 100.0)	172.0	138.9	117.7	106.7	63.1
One Year Loss Development (000 omitted)					
69. Development in Estimated Losses and Loss Expenses Incurred Prior to Current Year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(332,421)	(4,473)	262,045	(85,138)	(139,815)
70. Percent of Development of Loss and Loss Expenses Incurred to Policyholders' Surplus of Previous Year End (Line 69 above divided by Page 4, Line 21, Col. 1 x 100.0)	(5.3)	(0.1)	3.5	(0.9)	(1.8)
Two Year Loss Development (000 omitted)					
71. Development in Estimated Losses and Loss Expenses Incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(198,463)	(19,240)	67,242	(218,573)	(192,174)
72. Percent of Development of Loss and Loss Expenses Incurred to Reported Policyholders' Surplus of Second Previous Year End (Line 71 above divided by Page 4, Line 21, Col. 2 x 100.0)	(3.0)	(0.3)	0.7	(2.6)	(4.1)

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description	1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds	
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	786,878,742	853,016,499	827,066,094	746,514,841
	2. Canada	9,125,597	6,339,286	10,415,747	9,170,823
	3. Other Countries	2,012,809	2,012,809	2,016,500	1,850,000
	4. Totals	798,017,148	861,368,594	839,498,341	757,535,664
States, Territories and Possessions (Direct and guaranteed)	5. United States	694,640,696	698,332,470	701,331,924	687,445,000
	6. Canada	637,467	637,467	678,574	636,200
	7. Other Countries	0	0	0	0
	8. Totals	695,278,163	698,969,937	702,010,498	688,081,200
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	357,675,974	358,595,783	361,718,719	353,440,000
	10. Canada	8,052,768	6,213,927	8,825,035	8,016,120
	11. Other Countries	0	0	0	0
	12. Totals	365,728,742	364,809,710	370,543,754	361,456,120
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	1,908,793,903	1,942,531,211	1,905,680,337	1,895,684,876
	14. Canada	0	0	0	0
	15. Other Countries	0	0	0	0
	16. Totals	1,908,793,903	1,942,531,211	1,905,680,337	1,895,684,876
Public Utilities (unaffiliated)	17. United States	93,303,502	95,758,285	93,291,107	91,400,000
	18. Canada	7,260,870	6,949,059	7,601,285	7,226,700
	19. Other Countries	7,435,559	7,435,559	7,477,780	7,000,000
	20. Totals	107,999,931	110,142,903	108,370,172	105,626,700
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	1,901,791,651	1,950,078,387	1,923,166,362	1,903,558,581
	22. Canada	56,585,194	59,378,629	56,569,079	56,800,000
	23. Other Countries	358,393,249	367,721,910	357,475,143	353,304,777
	24. Totals	2,316,770,094	2,377,178,926	2,337,210,584	2,313,663,358
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	6,192,587,981	6,355,001,281	6,263,313,686	6,122,047,918
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States	1,095,585	1,095,585	1,318,965	
	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	1,095,585	1,095,585	1,318,965	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	0	0	0	
	32. Canada	0	0	0	
	33. Other Countries	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States	39,285,510	39,219,590	39,586,845	
	36. Canada	0	0	0	
	37. Other Countries	10,339,100	10,339,100	10,000,000	
	38. Totals	49,624,610	49,558,690	49,586,845	
Parent, Subsidiaries and Affiliates	39. Totals	2,540,000	2,540,000	813,567	
	40. Total Preferred Stocks	53,260,195	53,194,275	51,719,377	
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States	7,436,604	7,436,604	7,083,378	
	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	7,436,604	7,436,604	7,083,378	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	317,801,490	317,801,490	138,495,865	
	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	317,801,490	317,801,490	138,495,865	
Industrial and Miscellaneous (unaffiliated)	49. United States	1,779,569,867	1,779,569,867	880,396,597	
	50. Canada	15,144	15,144	42,327	
	51. Other Countries	247,930,039	247,930,039	234,306,951	
	52. Totals	2,027,515,050	2,027,515,050	1,114,745,875	
Parent, Subsidiaries and Affiliates	53. Totals	4,873,555,642	4,873,555,642	3,932,835,249	
	54. Total Common Stocks	7,226,308,786	7,226,308,786	5,193,160,367	
	55. Total Stocks	7,279,568,981	7,279,503,061	5,244,879,744	
	56. Total Bonds and Stocks	13,472,156,962	13,634,504,342	11,508,193,430	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ 4,171,749,979 .

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	14,436,685,511	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	1,908,846,673	6.1 Column 17, Part 1	260,417
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Sec. 1	0
3.1 Column 16, Part 1	(38,417,680)	6.3 Column 11, Part 2, Sec. 2	38,915,904
3.2 Column 12, Part 2, Sec. 1	(3,580,550)	6.4 Column 11, Part 4	(2,248,386)
3.3 Column 10, Part 2, Sec. 2	(1,370,853,461)	7. Book/adjusted carrying value at end of current period	13,472,156,962
3.4 Column 10, Part 4	(122,165,807)	8. Total valuation allowance	
4. Total gain (loss), Col. 14, Part 4	72,903,919	9. Subtotal (Lines 7 plus 8)	13,472,156,962
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	1,448,189,578	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	13,472,156,962

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	67,926	36,497	22,315	15,645	44,815	2,552	3,547	80,363	XXX
2. 1993	5,901,578	1,252,438	4,649,140	3,576,672	724,548	344,800	115,271	401,200	7,172	107,762	3,475,680	XXX
3. 1994	5,730,383	1,037,260	4,693,123	3,711,287	629,682	346,877	114,444	432,167	7,397	121,261	3,738,808	XXX
4. 1995	5,827,204	1,058,591	4,768,613	3,730,223	736,133	319,839	109,384	466,873	10,206	126,828	3,661,212	XXX
5. 1996	5,998,463	801,723	5,196,739	4,290,993	717,201	330,825	106,088	561,766	19,519	137,533	4,340,777	XXX
6. 1997	6,135,589	842,847	5,292,742	3,998,219	810,103	342,227	127,283	530,345	37,639	152,053	3,895,766	XXX
7. 1998	5,726,476	236,367	5,490,109	4,611,133	1,169,085	312,689	135,900	552,919	72,675	175,756	4,099,082	XXX
8. 1999	8,173,558	684,361	7,489,197	5,192,247	473,930	210,017	41,610	564,583	10,709	211,952	5,440,597	XXX
9. 2000	8,483,577	863,918	7,619,659	5,227,586	317,101	157,840	32,140	679,879	8,881	230,098	5,707,184	XXX
10. 2001	9,305,346	786,901	8,518,445	4,875,311	206,688	88,495	10,249	691,197	6,129	238,463	5,431,936	XXX
11. 2002	10,145,484	917,888	9,227,596	3,600,719	141,356	28,764	2,425	567,796	3,044	149,174	4,050,454	XXX
12. Totals	XXX	XXX	XXX	42,882,316	5,962,323	2,504,687	810,438	5,493,539	185,923	1,654,427	43,921,859	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1.	658,391	385,767	235,216	121,095	13,723	8,833	55,162	29,681	35,339	2,216	2,694	450,240	XXX
2.	46,850	20,216	32,481	15,617	9,084	8,367	21,318	11,953	1,972	1,688	1,242	53,864	XXX
3.	41,419	10,435	34,492	17,783	7,844	6,649	12,971	5,904	5,241	4,671	2,207	56,525	XXX
4.	67,481	28,323	33,657	13,711	9,662	7,577	11,633	4,561	6,367	4,844	3,458	69,785	XXX
5.	61,739	15,703	26,144	6,090	6,975	3,744	16,297	2,773	2,893	1,303	5,027	84,434	XXX
6.	139,718	53,336	36,580	17,919	10,562	5,951	26,086	3,099	4,333	1,973	7,167	135,001	XXX
7.	174,767	50,377	56,922	27,190	16,876	9,112	40,300	9,594	6,612	2,538	10,523	196,666	XXX
8.	275,996	55,353	104,662	64,597	24,639	8,486	68,536	12,922	10,732	3,903	13,953	339,304	XXX
9.	492,931	74,715	213,754	6,585	42,941	12,117	112,915	(4,009)	25,621	2,396	10,159	796,355	XXX
10.	711,862	64,558	416,451	81,652	44,567	9,290	184,081	24,181	52,279	3,634	41,734	1,225,925	XXX
11.	1,254,618	93,153	1,195,046	138,483	38,528	5,168	271,939	36,709	141,702	6,574	146,160	2,621,745	XXX
12. Totals	3,925,772	851,938	2,385,406	510,722	225,400	85,295	821,238	137,368	293,091	35,739	244,323	6,029,844	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	386,746	63,494
2.	4,434,377	904,833	3,529,544	75.1	72.2	75.9	0	0	83.7	43,498	10,366
3.	4,592,298	796,966	3,795,332	80.1	76.8	80.9	0	0	83.7	47,693	8,832
4.	4,645,735	914,738	3,730,997	79.7	86.4	78.2	0	0	83.7	59,104	10,680
5.	5,297,631	872,420	4,425,211	88.3	108.8	85.2	0	0	83.7	66,089	18,345
6.	5,088,071	1,057,303	4,030,768	82.9	125.4	76.2	0	0	83.7	105,043	29,958
7.	5,772,219	1,476,471	4,295,748	100.8	624.7	78.2	0	0	83.7	154,122	42,544
8.	6,451,411	671,509	5,779,902	78.9	98.1	77.2	0	0	83.7	260,707	78,597
9.	6,953,466	449,927	6,503,539	82.0	52.1	85.4	0	0	83.7	625,383	170,972
10.	7,064,242	406,381	6,657,861	75.9	51.6	78.2	0	0	83.7	982,104	243,821
11.	7,099,111	426,912	6,672,199	70.0	46.5	72.3	0	0	83.7	2,218,027	403,718
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	4,948,517	1,081,327

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$'000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	One Year	Two Year
1. Prior	4,062,736	4,143,870	4,866,121	4,922,298	4,999,257	4,793,676	4,798,248	4,830,785	4,832,650	4,868,516	35,866	37,730
2. 1993	3,355,321	3,252,793	3,186,882	3,167,095	3,141,719	3,135,928	3,133,642	3,141,533	3,130,481	3,135,232	4,751	(6,301)
3. 1994	XXX	3,462,327	3,413,694	3,380,206	3,373,114	3,371,380	3,367,279	3,382,746	3,373,382	3,369,993	(3,390)	(12,754)
4. 1995	XXX	XXX	3,340,952	3,328,792	3,275,147	3,280,038	3,264,352	3,282,072	3,272,089	3,272,807	718	(9,266)
5. 1996	XXX	XXX	XXX	3,933,978	3,875,616	3,904,522	3,893,814	3,923,564	3,891,815	3,881,373	(10,442)	(42,191)
6. 1997	XXX	XXX	XXX	XXX	3,596,662	3,581,505	3,585,608	3,605,076	3,556,349	3,535,702	(20,647)	(69,374)
7. 1998	XXX	XXX	XXX	XXX	XXX	3,935,766	3,874,735	3,904,281	3,853,560	3,811,429	(42,131)	(92,852)
8. 1999	XXX	XXX	XXX	XXX	XXX	XXX	5,304,692	5,414,357	5,292,804	5,219,199	(73,605)	(195,158)
9. 2000	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,617,614	5,894,426	5,809,316	(85,110)	191,702
10. 2001	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,062,581	5,924,149	(138,432)	XXX
11. 2002	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,972,319	XXX	XXX
12. Totals											(332,421)	(198,463)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$'000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002		
1. Prior	000	1,020,640	1,763,333	2,347,811	2,702,297	4,156,089	4,245,781	4,363,720	4,413,300	4,451,399	XXX	XXX
2. 1993	1,390,712	2,085,447	2,465,941	2,677,768	2,814,020	2,964,268	3,006,157	3,053,333	3,066,946	3,081,653	XXX	XXX
3. 1994	XXX	1,604,072	2,357,651	2,670,500	2,914,029	3,108,490	3,186,755	3,259,482	3,293,060	3,314,038	XXX	XXX
4. 1995	XXX	XXX	1,606,739	2,326,995	2,638,619	2,902,850	3,032,054	3,129,517	3,175,114	3,204,545	XXX	XXX
5. 1996	XXX	XXX	XXX	2,130,751	2,902,797	3,262,227	3,480,195	3,661,878	3,742,701	3,798,529	XXX	XXX
6. 1997	XXX	XXX	XXX	XXX	1,821,038	2,561,224	2,860,726	3,157,897	3,314,502	3,403,061	XXX	XXX
7. 1998	XXX	XXX	XXX	XXX	XXX	2,002,591	2,775,497	3,199,064	3,463,275	3,618,838	XXX	XXX
8. 1999	XXX	XXX	XXX	XXX	XXX	XXX	3,065,381	4,174,145	4,610,700	4,886,724	XXX	XXX
9. 2000	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,322,331	4,572,199	5,036,185	XXX	XXX
10. 2001	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,535,015	4,746,869	XXX	XXX
11. 2002	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,485,702	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$'000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
1. Prior	1,875,846	1,395,752	1,654,874	1,330,783	1,233,424	206,246	197,602	160,814	131,600	139,602
2. 1993	1,217,365	626,682	352,868	226,518	145,695	67,069	53,371	39,224	27,514	26,229
3. 1994	XXX	1,079,799	520,713	322,100	191,876	94,291	68,639	52,874	34,830	23,776
4. 1995	XXX	XXX	994,209	498,086	295,128	142,678	86,948	63,201	42,022	27,019
5. 1996	XXX	XXX	XXX	1,031,248	482,181	283,156	160,580	105,720	63,132	33,578
6. 1997	XXX	XXX	XXX	XXX	1,027,500	512,534	286,344	163,689	92,792	41,647
7. 1998	XXX	XXX	XXX	XXX	XXX	1,071,303	492,855	285,475	152,000	60,438
8. 1999	XXX	XXX	XXX	XXX	XXX	XXX	1,065,604	518,425	268,134	95,679
9. 2000	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,299,119	628,065	324,092
10. 2001	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,359,055	494,699
11. 2002	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,291,792

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE NATIONWIDE MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

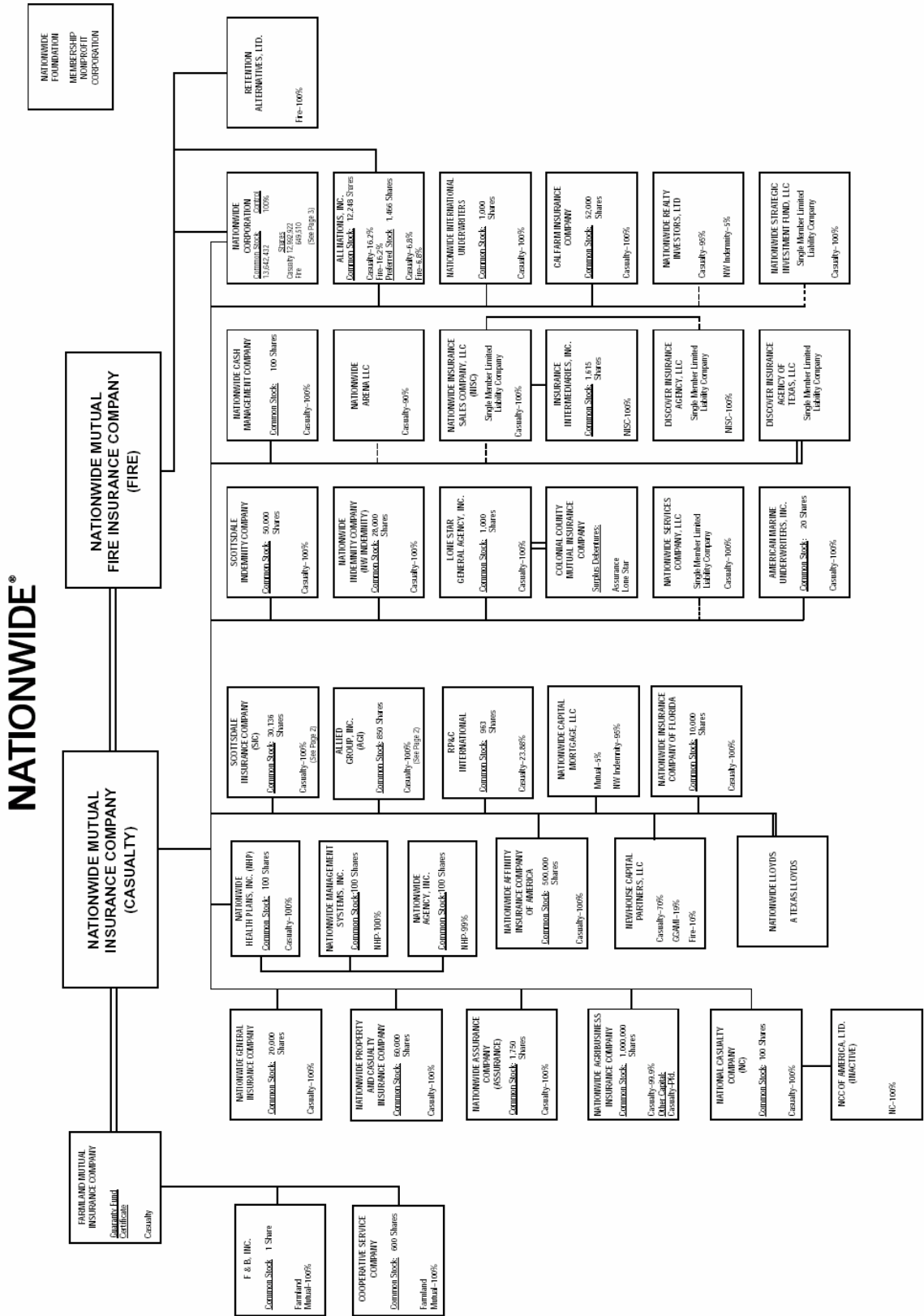
States, etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	Yes	21,470,936	19,702,021	11,872	10,961,099	12,867,358	11,405,206	1,369,197
2. Alaska	AK	Yes	4,388,344	4,285,997	0	2,511,938	3,179,751	2,227,488	52,457
3. Arizona	AZ	Yes	33,632,543	28,536,382	0	12,822,643	18,962,185	10,975,998	410,019
4. Arkansas	AR	Yes	68,236,476	65,437,351	5,431	42,940,259	44,948,146	19,886,463	1,053,894
5. California	CA	Yes	264,411,804	258,661,714	0	137,836,176	168,678,508	166,104,365	3,301,486
6. Colorado	CO	Yes	20,736,487	18,806,350	30	11,107,787	13,878,362	9,775,858	257,778
7. Connecticut	CT	Yes	126,348,933	125,938,042	101,613	80,124,211	64,109,483	99,214,886	1,152,941
8. Delaware	DE	Yes	67,070,962	65,519,469	26,932	44,234,931	36,965,779	40,424,533	578,458
9. District of Columbia	DC	Yes	10,879,555	10,687,691	14,715	7,372,165	6,864,200	6,049,309	88,860
10. Florida	FL	Yes	80,312,547	78,451,395	342,801	35,740,215	31,387,040	84,494,307	1,953,034
11. Georgia	GA	Yes	31,470,633	29,851,865	4,954	19,803,093	19,735,052	16,988,780	806,736
12. Hawaii	HI	Yes	0	0	0	0	(334)	574	0
13. Idaho	ID	Yes	12,838,780	12,059,562	0	8,324,720	7,300,974	5,247,805	186,610
14. Illinois	IL	Yes	53,729,487	53,623,884	146,134	35,335,209	37,553,845	39,429,607	489,241
15. Indiana	IN	Yes	33,945,238	33,461,517	2,660	17,989,322	18,410,628	16,907,036	459,082
16. Iowa	IA	Yes	108,850,415	102,584,094	410,659	51,183,120	53,914,050	41,986,758	1,470,785
17. Kansas	KS	Yes	34,532,415	31,354,639	245,228	12,546,631	14,802,750	12,350,689	469,503
18. Kentucky	KY	Yes	59,523,289	57,509,360	1,803	31,844,240	31,765,441	22,270,288	939,711
19. Louisiana	LA	Yes	46,279	99,452	0	103,559	(262,524)	3,155,548	(16)
20. Maine	ME	Yes	2,150,770	1,882,035	0	1,027,600	1,058,826	1,174,005	56,306
21. Maryland	MD	Yes	283,824,649	282,758,054	150,416	173,504,722	168,364,196	200,840,219	2,740,957
22. Massachusetts	MA	Yes	5,420	5,923	0	108,441	(232,685)	1,479,371	26
23. Michigan	MI	Yes	9,203,708	8,150,964	27,234	4,422,305	5,053,090	21,353,297	469,016
24. Minnesota	MN	Yes	11,596,036	10,765,947	0	4,918,571	6,053,119	11,153,491	151,484
25. Mississippi	MS	Yes	33,778,307	33,333,330	8,122	20,386,338	18,074,284	15,164,956	776,907
26. Missouri	MO	Yes	38,372,419	36,119,240	286,804	22,927,277	30,305,155	20,910,420	517,512
27. Montana	MT	Yes	6,554,783	6,950,613	0	3,466,466	3,780,208	2,177,917	95,840
28. Nebraska	NE	Yes	22,076,234	20,428,019	127,331	10,035,570	10,993,915	12,396,144	298,886
29. Nevada	NV	Yes	19,572,425	20,243,638	0	11,451,684	13,731,537	10,290,591	228,633
30. New Hampshire	NH	Yes	26,056,263	25,804,449	19,525	15,603,644	16,286,901	13,360,405	191,248
31. New Jersey	NJ	No	274,940	273,598	16,842	1,072,607	(1,025,454)	45,755,195	25
32. New Mexico	NM	Yes	2,645,277	1,254,094	64	308,885	969,360	757,694	35,663
33. New York	NY	Yes	316,974,697	324,851,230	267,828	226,590,796	119,475,941	395,868,981	3,139,940
34. North Carolina	NC	Yes	632,916,564	626,948,020	249,682	328,221,466	284,374,066	194,627,325	9,432,445
35. North Dakota	ND	Yes	3,269,920	2,764,889	0	1,097,223	1,367,796	1,518,797	44,714
36. Ohio	OH	Yes	334,730,474	321,837,354	144,326	184,126,154	183,113,367	174,918,144	7,235,345
37. Oklahoma	OK	Yes	1,442,628	1,434,622	154	869,166	1,065,769	814,975	17,032
38. Oregon	OR	Yes	29,592,715	28,996,047	0	16,889,288	19,614,524	12,842,735	395,364
39. Pennsylvania	PA	Yes	622,502,608	614,125,796	304,596	383,408,117	402,660,721	716,384,431	7,425,807
40. Rhode Island	RI	Yes	49,568,479	49,652,536	0	29,324,048	28,011,083	36,005,713	403,347
41. South Carolina	SC	Yes	148,657,651	139,572,440	47,185	76,003,342	74,737,325	52,447,877	3,105,399
42. South Dakota	SD	Yes	9,114,454	8,050,590	23,421	3,690,702	4,970,019	5,796,971	123,131
43. Tennessee	TN	Yes	84,701,619	84,110,424	17,466	51,819,329	47,992,970	38,934,262	1,737,763
44. Texas	TX	Yes	178,590,223	195,848,754	0	137,208,882	119,738,819	70,648,968	1,728,548
45. Utah	UT	Yes	17,392,445	17,365,440	0	8,285,694	9,145,500	4,528,815	228,529
46. Vermont	VT	Yes	17,769,939	17,590,479	13,213	11,694,827	10,498,805	9,663,660	321,057
47. Virginia	VA	Yes	324,765,914	313,525,947	340,150	172,000,003	161,303,401	149,076,057	7,280,386
48. Washington	WA	Yes	52,803,831	54,084,392	0	34,055,960	41,153,573	29,051,417	729,963
49. West Virginia	WV	Yes	166,972,160	164,921,465	0	105,489,099	100,331,100	66,768,119	1,280,424
50. Wisconsin	WI	Yes	7,677,623	6,694,446	48,657	3,163,058	5,029,147	4,031,283	103,818
51. Wyoming	WY	Yes	4,391,295	4,178,666	0	2,207,561	2,375,176	1,107,940	63,167
52. American Samoa	AS	No	0	0	0	0	0	0	0
53. Guam	GU	No	0	0	0	0	0	0	0
54. Puerto Rico	PR	No	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	Yes	0	0	0	0	6	41	0
56. Canada	CN	Yes	0	0	0	0	0	0	0
57. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0
58. Totals	(a) 51		4,492,371,591	4,420,094,225	3,407,847	2,608,160,145	2,475,432,252	2,930,745,715	65,398,457
DETAILS OF WRITE-INS									
5701.	XXX								
5702.	XXX								
5703.	XXX								
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX		0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX		0	0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

Explanation of basis of allocation of premiums by states, etc.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

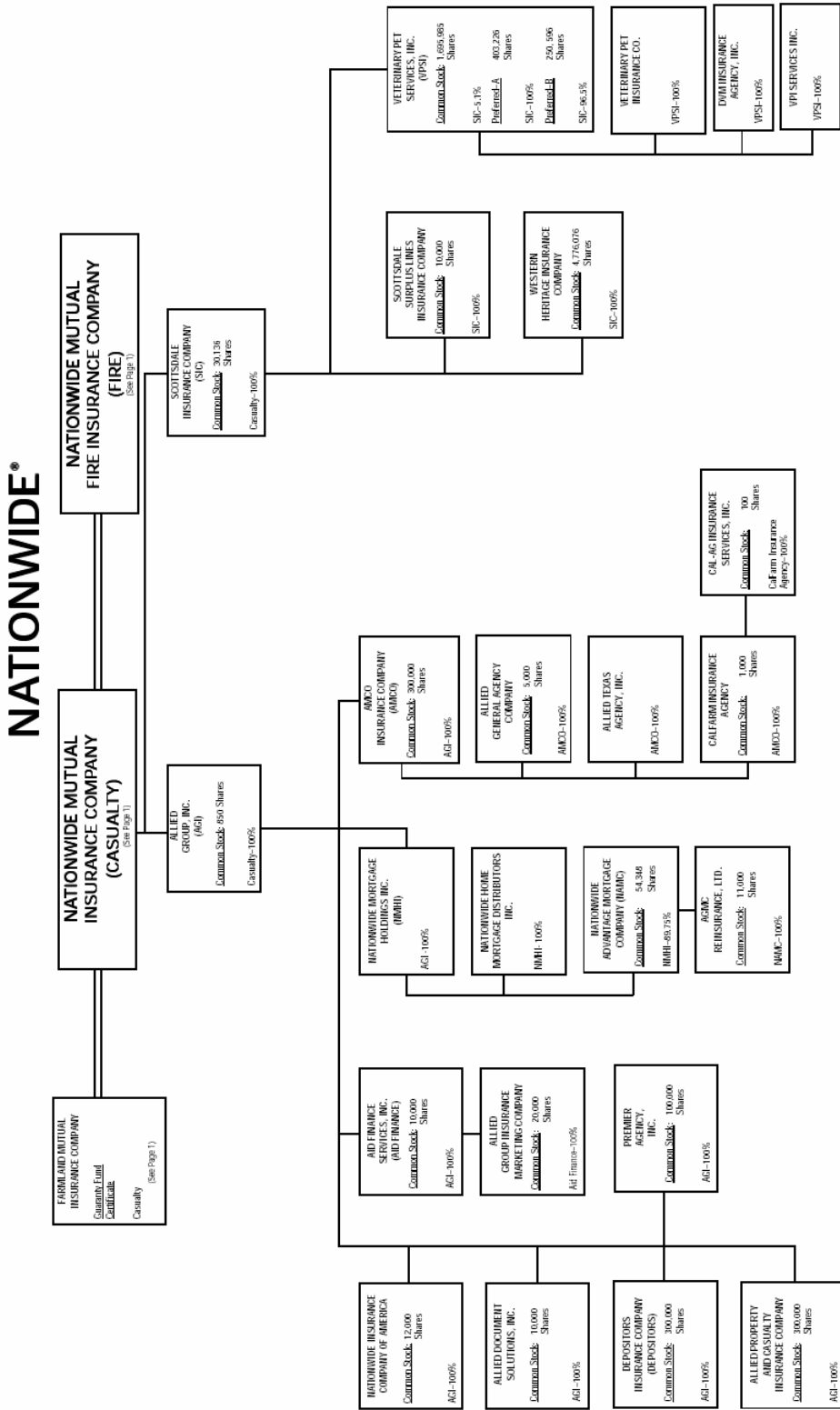
PART 1 - ORGANIZATIONAL CHART



Subsidiary Companies — Solid Line
 Contractual Association — Dotted Line
 Limited Liability Company — Dashed Line
 December 31, 2002

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

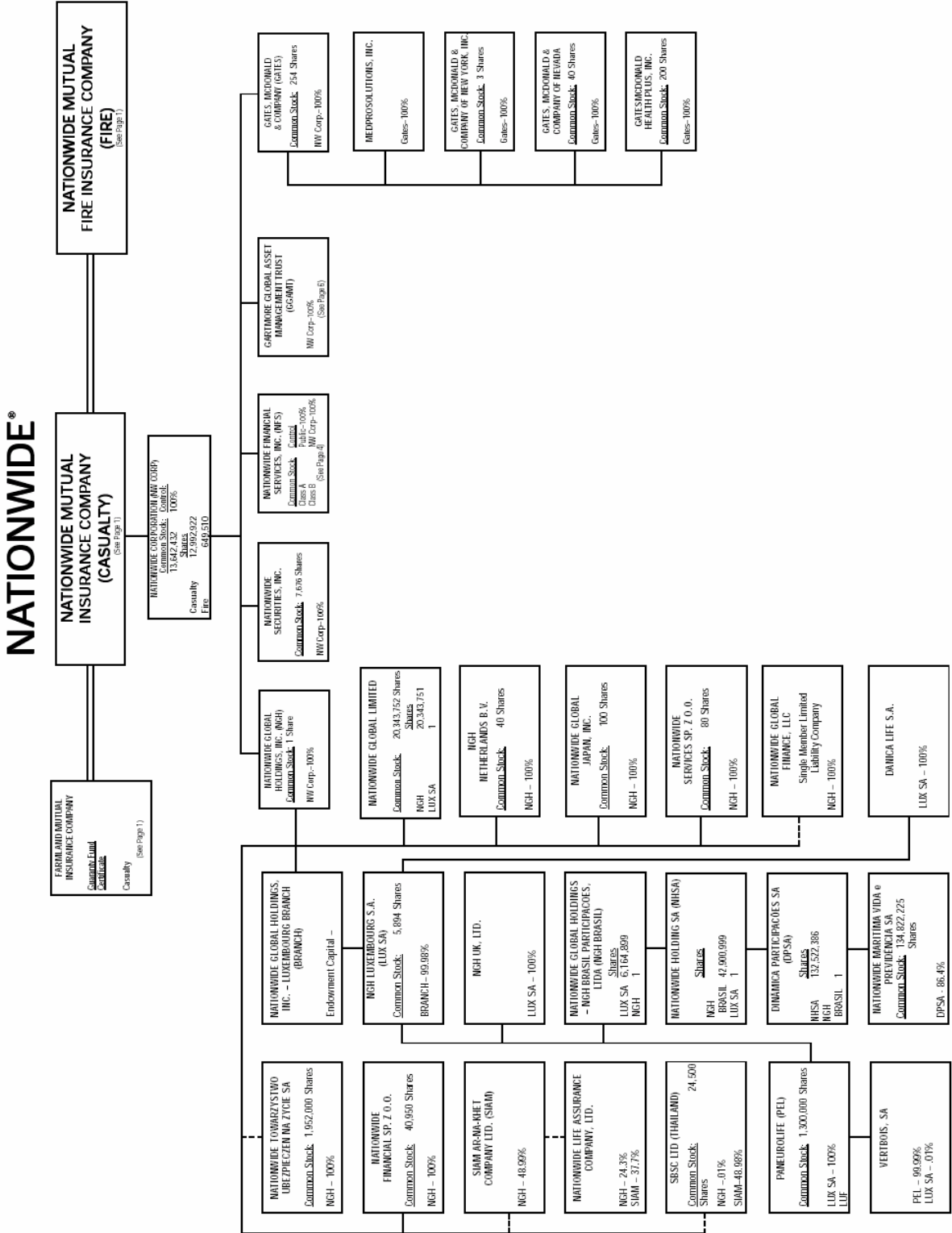
PART 1 - ORGANIZATIONAL CHART



— Solid Line Subsidiary Companies
 — Dotted Line Contractual Association
 — Dashed Line Limited Liability Company
 December 31, 2002

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

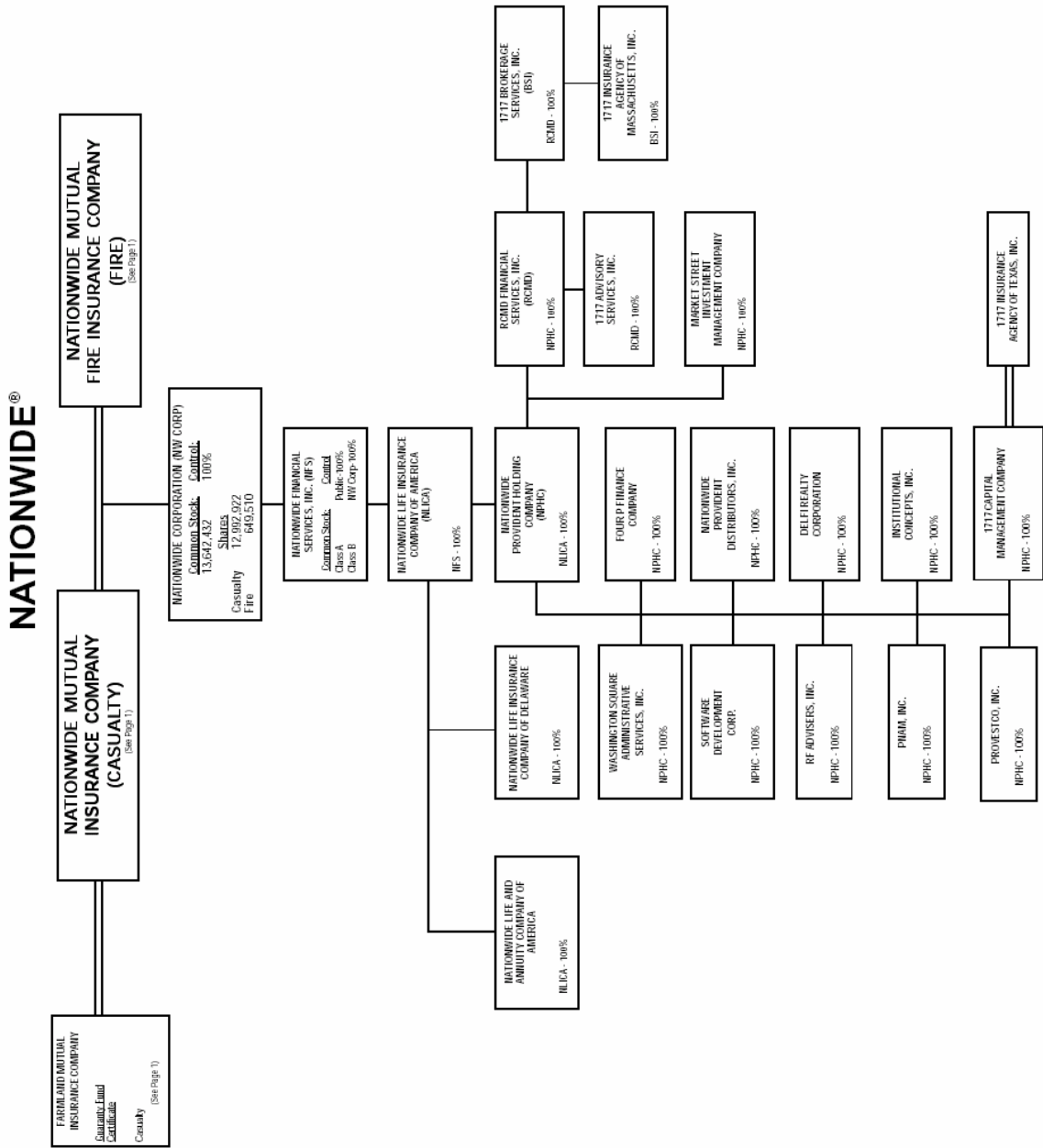
PART 1 - ORGANIZATIONAL CHART



Subsidiary Companies — Solid Line
 Controlling Association — Double Line
 Limited Liability Company — Dotted Line
 December 31, 2002
 Page 3

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

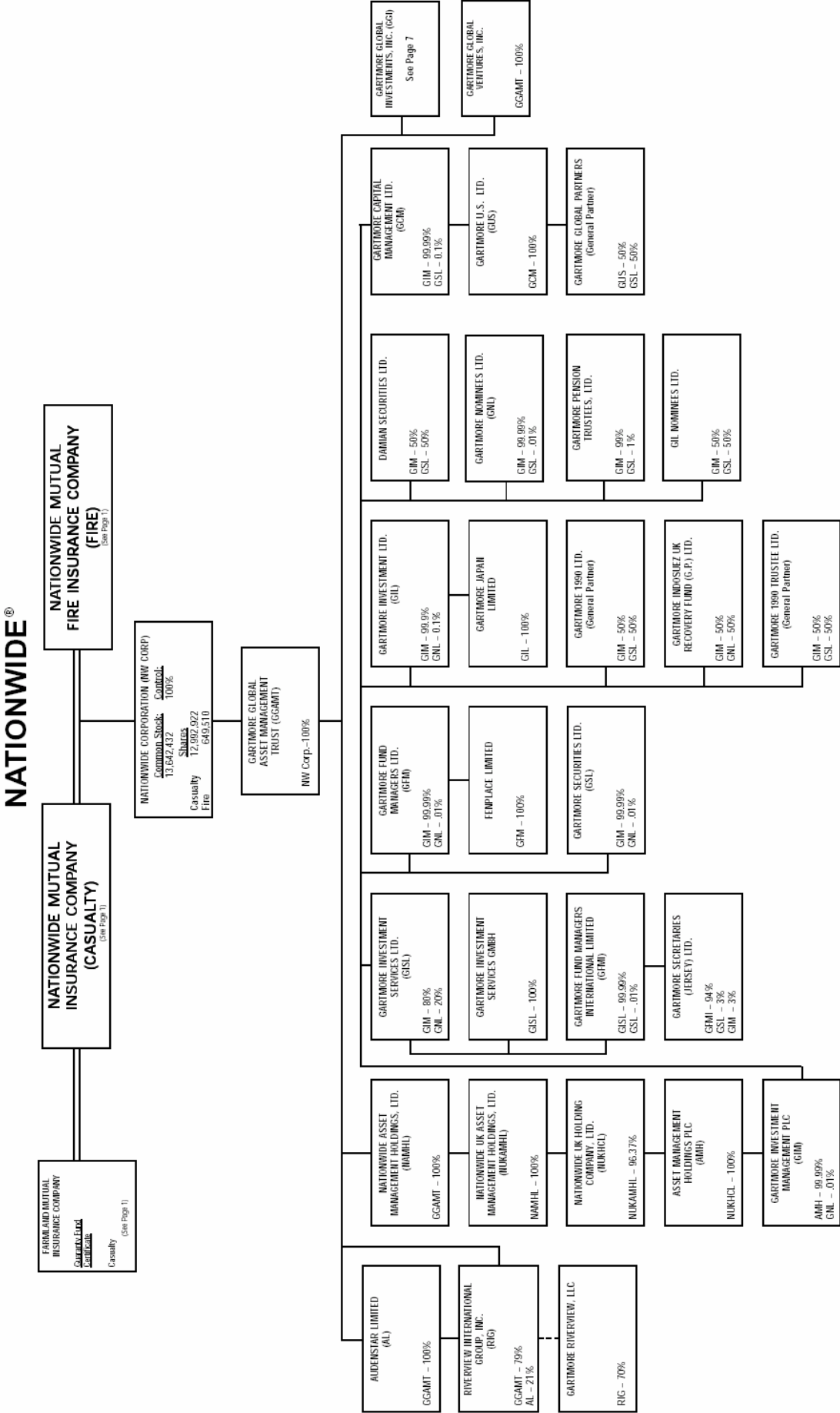
PART 1 - ORGANIZATIONAL CHART



Subsidiary Companies — Solid Line
Contractual Association — Dashed Line
United Liability Company — Dotted Line
December 31, 2002

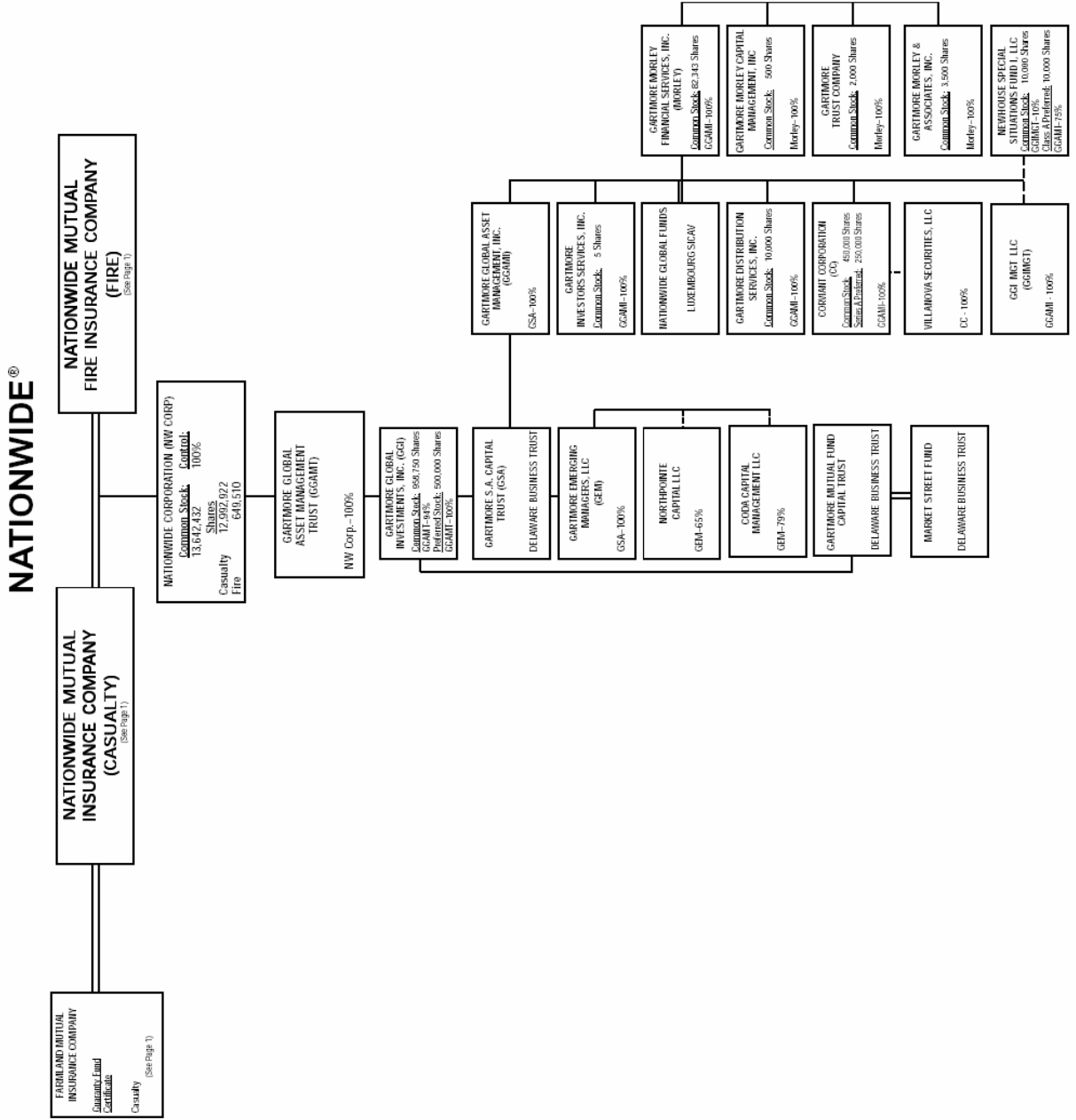
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



Subsidiary Companies — Solid Line
 Contractual Association — Dashed Line
 Limited Liability Company — Dotted Line
 December 31, 2002

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



Subsidiary Companies — Solid Line
 Contractual Association — Double Line
 Limited Liability Company — Dotted Line

December 31, 2002