

American Funds NVIT Bond Fund - Class II

Investment Strategy from investment's prospectus

The investment seeks income and more price stability than stocks, and capital preservation over the long term.

The fund invests all of assets in the Class 1 shares of the master fund. The master fund seeks to maximize an investor's level of current income and preserve the investor's capital. The fund normally invests at least 80% of assets in bonds, 65% of assets in investment-grade debt securities, up to 35% in bonds rated Ba or below by Moody's Investors Service and BB or below by Standard & Poor's Corporation, up to 20% of assets in preferred stocks, including convertible and nonconvertible preferred stocks.

Past name(s): American Funds GVIT Bond II.

Category Description: Intermediate-Term Bond

Intermediate-term bond funds have average durations that are greater than 3.5 years and less than six years. Most of the funds rotate among a variety of sectors in the bond market, based upon which appear to offer better values. Whatever types of bonds they hold, these funds are less sensitive to interest rates, and therefore less volatile, than funds that have longer durations.

Broad Asset Class: Bonds

IOUs issued by governments or corporations.

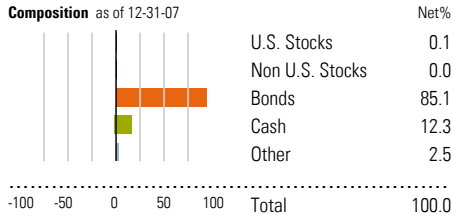
Notes

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

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

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

Portfolio Analysis as of 12-31-07



Top 20 Holdings as of 12-31-07

	% Assets
FHLMC 6% 12-01-37	1.50
FHLMC 6% 11-01-37	1.47
US Treasury Note 5.125% 05-15-16	1.26
FHLMC 6% 12-01-37	1.08
FHLMC 6% 01-01-38	1.08
US Treasury Note 3.875% 02-15-13	1.01
US Treasury Bond 8.5% 02-15-20	0.93
US Treasury Note 4.625% 02-15-17	0.86
US Treasury Note 4.25% 09-30-12	0.85
FHLMC 5.75% 01-15-12	0.84
Japan(Govt Of) 1.7% 12-20-16	0.74
FHLBA	0.68
FHLMC 6% 11-01-37	0.67
FHLMC 5.25% 07-18-11	0.63
Intl Bk For Recon & Dev Disc	0.60
Sweden (Kingdom Of) 5% 01-28-09	0.58
US Treasury Note 4.5% 02-15-16	0.56
FNMA	0.53
FNMA 5.25% 08-01-12	0.53
US Treasury Note 3% 07-15-12	0.47
Total Number of Stock Holdings	12
Total Number of Bond Holdings	971
Annual Turnover Ratio %	57
Total Fund Assets (\$mil)	231.9

Risk Classification as of 03-31-08

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

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

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

Morningstar provides standard deviation and Nationwide provides the ranges.

Morningstar Style Box™ as of 12-31-07

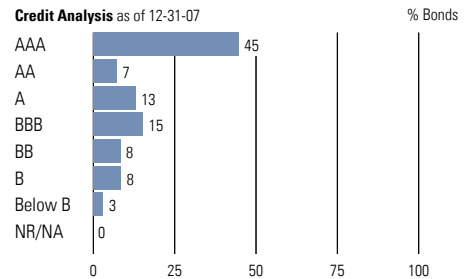


Risk Measures as of 03-31-08

	Port Avg	Rel LB Aggr	Rel Cat
3 Yr Std Dev	2.34	0.29	0.79
3 Yr Beta	0.46	—	0.53
3 Yr Sharpe Ratio	-0.20	0.74	2.00
3 Yr Alpha	-0.99	—	0.71
3 Yr R-squared	32.98	—	0.42

Morningstar Sectors as of 12-31-07

	Fund%	Category%
U.S. Credit	42.83	26.69
Non-U.S. Credit	8.86	1.89
Mortgage	19.73	31.07
U.S. Government	14.27	12.85
Cash	14.31	18.64



Operations

Expense Ratio	0.63% of fund assets
Fund Inception Date	05-01-06
Initial Share Class	05-01-06
Inception Date	
Advisor	Capital Research & Management Co.
Subadvisor	—

Portfolio Manager(s)

David C. Barclay. Since 2006.
Mark H. Dalzell. M.S., Kennedy School at Harvard U. B.A., Woodrow Wilson School, Princeton U. Since 2006.