

# NVIT Multi-Manager Small Company - Class III

## Investment Strategy from investment's prospectus

The investment seeks long-term growth of capital.

The fund normally invests at least 80% of assets in equity securities issued by small-capitalization companies. It may also invest in equity securities of small-cap companies that are located outside the United States. The fund may invest up to 25% of assets in securities of foreign companies, including emerging-market securities, primarily through ownership of depository receipts.

Past name(s): Nationwide Multi-Mgr NVIT Sml Company 3.

### Category Description: Small Blend

Small-blend funds favor firms at the smaller end of the market-capitalization range, and are flexible in the types of small caps they buy. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages.

### Broad Asset Class: Small Cap Stocks

Shares of ownership in small corporations.

### Notes

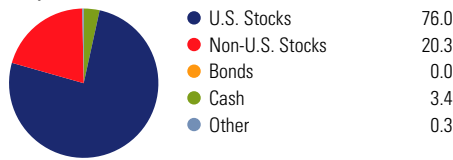
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NOT A DEPOSIT – NOT FDIC INSURED – NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY THE INSTITUTION – MAY GO DOWN IN VALUE

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 08-31-08

### Composition as of 08-31-08



### Top 20 Holdings as of 08-31-08

Company	% Assets
Aim Liquid Asset 04-01-42	3.45
Blackboard, Inc.	0.78
Kansas City Southern, Inc.	0.71
CoStar Group, Inc.	0.62
J.B. Hunt Transport Services, Inc.	0.60
Micros Systems, Inc.	0.60
Bucyrus International, Inc. A	0.58
FactSet Research Systems, Inc.	0.56
Strayer Education, Inc.	0.56
Gaylord Entertainment	0.52
RiskMetrics Group, Inc.	0.52
Techn Corporation	0.49
Blackbaud, Inc.	0.48
Scientific Games Corporation	0.48
Athena Health, Inc.	0.47
Rock-Tenn	0.46
Big Lots, Inc.	0.45
Bill Barrett Corporation	0.45
Vail Resorts, Inc.	0.43
Blue Nile, Inc.	0.42
Total Number of Stock Holdings	928
Total Number of Bond Holdings	0
Annual Turnover Ratio %	116
Total Fund Assets (\$mil)	554.68

### Risk Classification as of 09-30-08

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

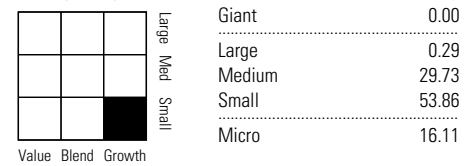
I	II	III	IV	V	VI
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- I Lowest: Money Market and Stable Value Funds
- II Very Low: 0.00-3.46
- III Low: 3.47-5.21
- IV Moderate: 5.22-9.95
- V High: 9.96-13.50
- ▶ VI Very High: 13.51 and above

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 08-31-08



### Statistics as of 08-31-08

Statistic	Port Avg	Rel S&P 500	Rel Cat
P/E Ratio	14.06	1.14	0.98
P/B Ratio	1.59	0.82	0.96
P/C Ratio	4.90	0.67	0.77
GeoAvgCap (\$mil)	1,156.52	0.03	0.94

### Risk Measures as of 09-30-08

Metric	Port Avg	Rel S&P 500	Rel Cat
3 Yr Std Dev	13.70	1.20	0.94
3 Yr Beta	1.08	—	0.99
3 Yr Sharpe Ratio	-0.33	1.18	1.57
3 Yr Alpha	-1.10	—	-3.44
3 Yr R-squared	80.50	—	1.12

### Morningstar Sectors as of 08-31-08

Sector	Fund%	S&P 500%
Information	13.71	19.27
Software	5.24	4.02
Hardware	5.83	9.48
Media	1.10	2.72
Telecommunication	1.54	3.05
Service	53.12	40.95
Healthcare Service	9.17	13.10
Consumer Service	11.59	7.45
Business Service	16.12	4.74
Financial Service	16.24	15.66
Manufacturing	33.18	39.79
Consumer Goods	7.98	10.65
Industrial Materials	15.85	12.22
Energy	7.03	13.43
Utilities	2.32	3.49

### Operations

Expense Ratio	1.21% of fund assets
Fund Inception Date	07-01-02
Initial Share Class	10-23-95
Inception Date	
Advisor	Nationwide Fund Advisors
Subadvisor	Neuberger Berman Management Inc. Putnam Investment Management Co. Morgan Stanley Invst Mgmt, Inc. Waddell & Reed Investment Management CO Gartmore Global Partners Aberdeen Asset Management Inc. American Century Investments, Inc.

### Portfolio Manager(s)

Robert W. D'Alelio, B.A., U of Massachusetts, 1979. M.B.A., Babson C, 1989. M.B.A., Babson C, 1989. Since 1996.  
Judith M. Vale, CPA (1983). B.A., Yale U, 1974. Since 1995.