

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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### FILER

#### **NATIONWIDE VLI SEPARATE ACCOUNT 3**

CIK: **866064** | IRS No.: **314156830** | State of Incorporation: **OH** | Fiscal Year End: **1231**  
Type: **N-30D** | Act: **40** | File No.: **811-06140** | Film No.: **99709439**

Mailing Address  
*NATIONWIDE LIFE  
INSURANCE CO  
ONE NATIONWIDE PLAZA  
COLUMBUS OH 43216*

Business Address  
*ONE NATIONWIDE PLAZA  
C/O NATIONWIDE LIFE  
INSURANCE CO  
COLUMBUS OH 43216  
614-249-7111*

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[NATIONWIDE (R) LOGO]

NATIONWIDE (R)  
VLI SEPARATE  
ACCOUNT-3

SEMI-ANNUAL REPORT  
TO  
CONTRACT OWNERS  
JUNE 30, 1999

NATIONWIDE LIFE INSURANCE COMPANY  
HOME OFFICE: COLUMBUS, OHIO

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[NATIONWIDE (R) LOGO]

NATIONWIDE LIFE INSURANCE COMPANY  
ONE NATIONWIDE PLAZA, COLUMBUS, OHIO 43215-2220

[PHOTO]

PRESIDENT'S MESSAGE

On behalf of Nationwide Life Insurance Company, we are pleased to present the 1999 semi-annual report of the Nationwide VLI Separate Account-3.

Equity investments performed well during the first half of 1999 with the major market indices showing double-digit gains. Fixed income investments did not fare as well during this period in the face of the Federal Reserve's inflation cautiousness. The Fed is mindful of the resilient U.S. economy and the increasingly tight labor pool that portends future wage inflation. Accordingly, we have seen a ratcheting-up of short-term interest rates to dampen the momentum of the current expansion. How aggressively the Fed may react to the perceived inflation threat only adds uncertainty to the already jittery equity markets. Over the long term, however, a slower but sustainable rate of growth, with low inflation, provides a favorable environment for further advances in financial assets.

At mid-year, we are pleased to report that all the mission-critical systems used to service our variable annuity and variable life business have been internally inventoried, assessed and tested as being Year 2000 compliant. We are currently contacting our critical business partners to determine if they will be Year 2000 compliant. Contingency plans are being developed and are to be completed by the end of the third quarter. All these steps are being taken to assure that Nationwide Financial will be able to continue to serve your financial needs into the Year 2000 and beyond.

Thank you for selecting Nationwide Financial to help you achieve your financial planning and retirement savings goals. You have our commitment to provide the consistent, high quality service you expect and deserve.

/s/ Joseph J. Gasper  
Joseph J. Gasper, President  
August 19, 1999

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NATIONWIDE VLI SEPARATE ACCOUNT-3

STATEMENT OF ASSETS, LIABILITIES AND CONTRACT OWNERS' EQUITY

JUNE 30, 1999  
(UNAUDITED)

<TABLE>  
<CAPTION>  
ASSETS:  
<S>

Investments at market value:

<C>

American Century VP - American Century VP Advantage (ACVPAdv)		
72,223 shares (cost \$444,270)		\$ 470,171
American Century VP - American Century VP Balanced (ACVPBal)		
2,622 shares (cost \$19,228)		19,323
American Century VP - American Century VP Capital Appreciation (ACVPCapAp)		
5,559 shares (cost \$54,262)		58,207
American Century VP - American Century VP Income & Growth (ACVPIncGr)		
2,095 shares (cost \$14,568)		15,587
American Century VP - American Century VP International (ACVPInt)		
3,113 shares (cost \$20,671)		25,468
American Century VP - American Century VP Value (ACVPValue)		
1,190 shares (cost \$8,259)		8,083
The Dreyfus Socially Responsible Growth Fund, Inc. (DrySRGro)		
3,028 shares (cost \$78,063)		106,116
Dreyfus Stock Index Fund (DryStkIx)		
14,761 shares (cost \$362,127)		533,034
Dreyfus VIF - Capital Appreciation Portfolio (DryCapAp)		
6,172 shares (cost \$203,011)		239,612
Dreyfus VIF - Growth and Income Portfolio (DryGrInc)		
372 shares (cost \$8,270)		9,304
Fidelity VIP - Equity-Income Portfolio (FidVIPEI)		
15,545 shares (cost \$344,691)		423,590
Fidelity VIP - Growth Portfolio (FidVIPGr)		
18,222 shares (cost \$629,911)		833,282
Fidelity VIP - High Income Portfolio (FidVIPHI)		
4,350 shares (cost \$53,930)		49,109
Fidelity VIP - Overseas Portfolio (FidVIPov)		
1,059 shares (cost \$19,836)		22,030
Fidelity VIP-II - Asset Manager Portfolio (FidVIPAM)		
5,980 shares (cost \$96,518)		105,782
Fidelity VIP-II - Contrafund Portfolio (FidVIPCon)		
23,112 shares (cost \$428,845)		603,222
Fidelity VIP-III - Growth Opportunities Portfolio (FidVIPGrOp)		
510 shares (cost \$11,278)		12,051
Morgan Stanley - Emerging Markets Debt Portfolio (MSEmMkt)		
85 shares (cost \$581)		588
Nationwide SAT - Capital Appreciation Fund (NSATCapAp)		
300,531 shares (cost \$4,284,574)		8,919,768
Nationwide SAT - Government Bond Fund (NSATGvtBd)		
165,218 shares (cost \$1,843,025)		1,838,877
Nationwide SAT - Money Market Fund (NSATMyMkt)		
77,388 shares (cost \$77,389)		77,388

</TABLE>

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Nationwide SAT - Small Company Fund (NSATSmCo)		
1,899 shares (cost \$29,148)		32,726
Nationwide SAT - Total Return Fund (NSATTotRe)		
1,010,413 shares (cost \$12,338,385)		20,501,290
Neuberger & Berman AMT - Balanced Portfolio (NBAMTBal)		
88,956 shares (cost \$1,380,506)		1,421,511
Neuberger & Berman AMT - Growth Portfolio (NBAMTGro)		
2,281 shares (cost \$58,872)		58,241
Neuberger & Berman AMT - Guardian Portfolio (NBAMTGuard)		
76 shares (cost \$1,118)		1,233
Neuberger & Berman AMT - Limited Maturity Bond Portfolio (NBAMTLMat)		
283 shares (cost \$3,841)		3,703
Neuberger & Berman AMT - Partners Portfolio (NBAMTPart)		
7,092 shares (cost \$137,733)		146,946
Oppenheimer VAF - Bond Fund (OppBdFd)		
993 shares (cost \$11,906)		11,421
Oppenheimer VAF - Global Securities Fund (OppGISec)		
2,841 shares (cost \$56,652)		68,144
Oppenheimer VAF - Growth Fund (OppGro)		
575 shares (cost \$21,002)		23,420
Oppenheimer VAF - Multiple Strategies Fund (OppMult)		
597 shares (cost \$9,287)		10,107
Strong Opportunity Fund II, Inc. (StOpp2)		
6,899 shares (cost \$136,780)		159,086
Strong VIF - Strong Discovery Fund II (StDisc2)		
2,240 shares (cost \$25,788)		22,942
Strong VIF - Strong International Stock Fund II (StIntStk2)		
801 shares (cost \$8,334)		7,793
Van Eck WIT - Worldwide Bond Fund (VEWrldBd)		
156 shares (cost \$1,665)		1,677
Van Eck WIT - Worldwide Emerging Markets Fund (VEWrldEMkt)		
826 shares (cost \$9,011)		8,587
Van Eck WIT - Worldwide Hard Assets Fund (VEWrldHAs)		

498 shares (cost \$7,390) .....	5,329
Van Kampen LIT - Morgan Stanley Real Estate Securities Portfolio (VKMSRESec) 1,318 shares (cost \$19,635) .....	18,300
Warburg Pincus Trust - International Equity Portfolio (WPIntEq) 2,051 shares (cost \$23,786) .....	24,103
Warburg Pincus Trust - Post Venture Capital Portfolio (WPPVenCap) 86 shares (cost \$917) .....	1,139
Warburg Pincus Trust - Small Company Growth Portfolio (WPSmCoGr) 1,443 shares (cost \$20,934) .....	24,652
Total assets .....	36,922,942
ACCOUNTS PAYABLE .....	3,315
CONTRACT OWNERS' EQUITY (NOTE 7) .....	\$ 36,919,627

</TABLE>

See accompanying notes to financial statements.

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

	TOTAL			ACVPADV		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<b>INVESTMENT ACTIVITY:</b>						
Reinvested dividends .....	\$ 213,874	267,089	258,944	13,250	19,124	12,738
Mortality and expense charges (note 3) .....	(134,901)	(125,965)	(95,040)	(1,795)	(1,533)	(1,644)
Net investment activity .....	78,973	141,124	163,904	11,455	17,591	11,094
Proceeds from mutual fund shares sold .....	2,288,210	1,231,676	1,163,656	533,951	37,353	36,548
Cost of mutual funds sold .....	(1,640,372)	(829,101)	(946,332)	(399,302)	(31,439)	(34,005)
Realized gain (loss) on investments .....	647,838	402,575	217,324	134,649	5,914	2,543
Change in unrealized gain (loss) on investments .....	2,264,752	3,125,717	3,235,166	(151,523)	(8,437)	(6,422)
Net gain (loss) on investments ...	2,912,590	3,528,292	3,452,490	(16,874)	(2,523)	(3,879)
Reinvested capital gains .....	217,525	482,670	179,051	31,451	71,956	44,788
Net change in contract owners' equity resulting from operations .....	3,209,088	4,152,086	3,795,445	26,032	87,024	52,003
<b>EQUITY TRANSACTIONS:</b>						
Purchase payments received from contract owners .....	1,818,574	2,348,756	2,250,811	20,679	15,337	23,600
Transfers between funds .....	--	--	--	(14,421)	--	--
Surrenders .....	(1,431,059)	(457,381)	(358,462)	(498,592)	(9,961)	(7,717)
Death benefits (note 4) .....	(17,623)	(124,773)	(997)	--	(10,264)	--
Policy loans (net of repayments) (note 5) .....	(422,365)	(466,674)	(366,612)	(4,870)	(5,222)	(18,660)
Deductions for surrender charges (note 2d) .....	(62,823)	(61,147)	(91,718)	(8)	(1,331)	(1,971)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(1,014,000)	(1,008,505)	(1,032,173)	(17,678)	(3,196)	(6,482)
Net equity transactions .....	(1,129,296)	230,276	400,849	(514,890)	(14,637)	(11,230)
NET CHANGE IN CONTRACT OWNERS' EQUITY .....	2,079,792	4,382,362	4,196,294	(488,858)	72,387	40,773
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	34,839,835	29,309,606	22,702,681	958,986	856,191	810,992

CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 36,919,627	33,691,968	26,898,975	470,128	928,578	851,765
	=====	=====	=====	=====	=====	=====

</TABLE>  
<TABLE>  
<CAPTION>

	ACVPBAL		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	356	374	170
Mortality and expense charges (note 3) .....	(72)	(10)	(10)
Net investment activity .....	284	364	160
Proceeds from mutual fund shares sold .....	361	4,926	224
Cost of mutual funds sold .....	(346)	(4,313)	(212)
Realized gain (loss) on investments .....	15	613	12
Change in unrealized gain (loss) on investments .....	(2,064)	(581)	503
Net gain (loss) on investments ...	(2,049)	32	515
Reinvested capital gains .....	2,455	2,314	745
Net change in contract owners' equity resulting from operations .....	690	2,710	1,420
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	558	(101)	4,387
Transfers between funds .....	--	--	--
Surrenders .....	--	(3,894)	(111)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	--	--	--
Deductions for surrender charges (note 2d) .....	--	(521)	(28)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(383)	--	--
Net equity transactions .....	175	(4,516)	4,248
NET CHANGE IN CONTRACT OWNERS' EQUITY .....	865	(1,806)	5,668
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	18,451	20,052	12,871
CONTRACT OWNERS' EQUITY END OF PERIOD .....	19,316	18,246	18,539

</TABLE>

NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
<CAPTION>

	ACVPCAPAP			ACVPINCRG		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						

Reinvested dividends .....	\$ --	--	--	3	--	--
Mortality and expense charges (note 3) .....	(217)	(129)	(120)	(39)	--	--
Net investment activity .....	(217)	(129)	(120)	(36)	--	--
Proceeds from mutual fund shares sold .....	9,970	15,860	4,272	3,967	--	--
Cost of mutual funds sold .....	(11,195)	(18,875)	(5,022)	(3,891)	--	--
Realized gain (loss) on investments .....	(1,225)	(3,015)	(750)	76	--	--
Change in unrealized gain (loss) on investments .....	9,756	532	(1,453)	860	--	--
Net gain (loss) on investments ...	8,531	(2,483)	(2,203)	936	--	--
Reinvested capital gains .....	--	3,128	1,358	--	--	--
Net change in contract owners' equity resulting from operations .....	8,314	516	(965)	900	--	--
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	1,981	(3,621)	17,566	948	--	--
Transfers between funds .....	(7,729)	--	--	14,197	--	--
Surrenders .....	--	(8,876)	(16)	(4,028)	--	--
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	367	5,439	(184)	439	--	--
Deductions for surrender charges (note 2d) .....	--	(1,187)	(4)	(271)	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(1,492)	(1,311)	(1,674)	(470)	--	--
Net equity transactions .....	(6,873)	(9,556)	15,688	10,815	--	--
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	1,441	(9,040)	14,723	11,715	--	--
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	56,798	68,695	53,753	3,878	--	--
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 58,239	59,655	68,476	15,593	--	--

</TABLE>  
<TABLE>  
<CAPTION>

	ACVPINT		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	--	162	233
Mortality and expense charges (note 3) .....	(99)	(33)	(26)
Net investment activity .....	(99)	129	207
Proceeds from mutual fund shares sold .....	12,103	2,770	6,017
Cost of mutual funds sold .....	(8,732)	(2,158)	(5,239)
Realized gain (loss) on investments .....	3,371	612	778
Change in unrealized gain (loss) on investments .....	(1,389)	4,104	2,848
Net gain (loss) on investments ...	1,982	4,716	3,626
Reinvested capital gains .....	--	1,666	451
Net change in contract owners' equity resulting from operations .....	1,883	6,511	4,284

## EQUITY TRANSACTIONS:

Purchase payments received from			
contract owners .....	1,342	1,005	(942)
Transfers between funds .....	(1,775)	--	--
Surrenders .....	--	(1,778)	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments)			
(note 5) .....	(9,312)	175	--
Deductions for surrender charges			
(note 2d) .....	--	(238)	--
Redemptions to pay cost of insurance			
charges and administration			
charges (notes 2b and 2c) .....	(1,256)	(607)	(572)
	-----	-----	-----
Net equity transactions .....	(11,001)	(1,443)	(1,514)
	-----	-----	-----
NET CHANGE IN CONTRACT			
OWNERS' EQUITY .....	(9,118)	5,068	2,770
CONTRACT OWNERS' EQUITY			
BEGINNING OF PERIOD .....	34,574	27,751	24,852
	-----	-----	-----
CONTRACT OWNERS' EQUITY			
END OF PERIOD .....	25,456	32,819	27,622
	=====	=====	=====

&lt;/TABLE&gt;

(Continued)

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

&lt;TABLE&gt;

&lt;CAPTION&gt;

	ACVPVALUE			DRYSRGRO		
	1999	1998	1997	1999	1998	1997
	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 68	--	--	--	--	--
Mortality and expense charges						
(note 3) .....	(27)	(1)	--	(346)	(79)	(33)
	-----	-----	-----	-----	-----	-----
Net investment activity .....	41	(1)	--	(346)	(79)	(33)
	-----	-----	-----	-----	-----	-----
Proceeds from mutual fund						
shares sold .....	137	--	--	1,662	8,521	--
Cost of mutual funds sold .....	(155)	--	--	(859)	(5,506)	--
	-----	-----	-----	-----	-----	-----
Realized gain (loss) on						
investments .....	(18)	--	--	803	3,015	--
Change in unrealized gain (loss)						
on investments .....	234	(377)	--	10,110	5,224	5,671
	-----	-----	-----	-----	-----	-----
Net gain (loss) on investments ...	216	(377)	--	10,913	8,239	5,671
	-----	-----	-----	-----	-----	-----
Reinvested capital gains .....	642	5	--	--	--	--
	-----	-----	-----	-----	-----	-----
Net change in contract						
owners' equity resulting						
from operations .....	899	(373)	--	10,567	8,160	5,638
	-----	-----	-----	-----	-----	-----

## EQUITY TRANSACTIONS:

Purchase payments received from						
contract owners .....	781	6,329	--	5,105	14,002	7,270
Transfers between funds .....	--	--	--	22,941	--	--
Surrenders .....	--	--	--	(352)	(10,248)	(27)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments)						
(note 5) .....	--	--	--	4	7,203	--
Deductions for surrender charges						
(note 2d) .....	--	--	--	(24)	(1,371)	(7)
Redemptions to pay cost of insurance						
charges and administration						

charges (notes 2b and 2c) .....	(150)	--	--	(2,064)	--	(487)
Net equity transactions .....	631	6,329	--	25,610	9,586	6,749
NET CHANGE IN CONTRACT OWNERS' EQUITY .....						
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	6,543	--	--	69,959	42,855	30,638
CONTRACT OWNERS' EQUITY END OF PERIOD .....	\$ 8,073	5,956	--	106,136	60,601	43,025

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	DRYSTKIX		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	2,739	2,456	2,254
Mortality and expense charges (note 3) .....	(1,877)	(1,100)	(730)
Net investment activity .....	862	1,356	1,524
Proceeds from mutual fund shares sold .....			
Cost of mutual funds sold .....	18,960	27,750	4,881
	(9,295)	(15,913)	(3,519)
Realized gain (loss) on investments .....	9,665	11,837	1,362
Change in unrealized gain (loss) on investments .....	41,033	43,067	44,930
Net gain (loss) on investments ...	50,698	54,904	46,292
Reinvested capital gains .....	2,126	589	--
Net change in contract owners' equity resulting from operations .....	53,686	56,849	47,816
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	26,926	39,514	73,557
Transfers between funds .....	35,912	--	--
Surrenders .....	(12,557)	(163)	(423)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	4,796	(29,943)	(121)
Deductions for surrender charges (note 2d) .....	(846)	(22)	(108)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(12,214)	(1,115)	(541)
Net equity transactions .....	42,017	8,271	72,364
NET CHANGE IN CONTRACT OWNERS' EQUITY .....			
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	95,703	65,120	120,180
CONTRACT OWNERS' EQUITY END OF PERIOD .....	437,299	330,407	197,570
CONTRACT OWNERS' EQUITY END OF PERIOD .....	533,002	395,527	317,750

</TABLE>



SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
<CAPTION>

	DRYCAPAP			DRYGRINC		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 12	1	--	36	22	10
Mortality and expense charges (note 3) .....	(856)	(5)	--	(31)	(2)	--
Net investment activity .....	(844)	(4)	--	5	20	10
Proceeds from mutual fund						
shares sold .....	1,148	8,403	--	238	571	523
Cost of mutual funds sold .....	(892)	(7,587)	--	(232)	(588)	(540)
Realized gain (loss) on						
investments .....	256	816	--	6	(17)	(17)
Change in unrealized gain (loss) on investments .....	15,571	1,181	--	846	(83)	37
Net gain (loss) on investments ...	15,827	1,997	--	852	(100)	20
Reinvested capital gains .....	--	3	--	--	67	14
Net change in contract						
owners' equity resulting from operations .....	14,983	1,996	--	857	(13)	44
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	4,802	(3,197)	--	924	5,791	999
Transfers between funds .....	18,542	--	--	575	--	--
Surrenders .....	(273)	--	--	--	(484)	--
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	308	--	--	--	--	--
Deductions for surrender charges (note 2d) .....	(18)	--	--	--	(65)	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(1,402)	(213)	--	(400)	--	--
Net equity transactions .....	21,959	(3,410)	--	1,099	5,242	999
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	36,942	(1,414)	--	1,956	5,229	1,043
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	202,644	10,431	--	7,357	841	--
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 239,586	9,017	--	9,313	6,070	1,043

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	FIDVIPEI		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	6,187	6,967	6,340
Mortality and expense charges (note 3) .....	(1,599)	(1,694)	(1,172)
Net investment activity .....	4,588	5,273	5,168
Proceeds from mutual fund			
shares sold .....	57,934	5,728	5,104
Cost of mutual funds sold .....	(45,097)	(4,303)	(4,437)
Realized gain (loss) on			

investments .....	12,837	1,425	667
Change in unrealized gain (loss) on investments .....	17,428	19,474	21,176
	-----	-----	-----
Net gain (loss) on investments ...	30,265	20,899	21,843
	-----	-----	-----
Reinvested capital gains .....	13,676	24,794	31,876
	-----	-----	-----
Net change in contract owners' equity resulting from operations .....	48,529	50,966	58,887
	-----	-----	-----

EQUITY TRANSACTIONS:

Purchase payments received from contract owners .....	17,619	40,894	172,915
Transfers between funds .....	(41,351)	--	--
Surrenders .....	(11,636)	(441)	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	5,070	(1,029)	(721)
Deductions for surrender charges (note 2d) .....	(784)	(59)	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(11,516)	(7,920)	(11,456)
	-----	-----	-----
Net equity transactions .....	(42,598)	31,445	160,738
	-----	-----	-----

NET CHANGE IN CONTRACT

OWNERS' EQUITY .....	5,931	82,411	219,625
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	417,611	495,985	239,464
	-----	-----	-----
CONTRACT OWNERS' EQUITY END OF PERIOD .....	423,542	578,396	459,089
	=====	=====	=====

</TABLE>

(Continued)

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9

NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>

<CAPTION>

	FIDVIPGR			FIDVIPHI		
	1999	1998	1997	1999	1998	1997
	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 1,154	2,130	2,197	4,513	4,477	2,716
Mortality and expense charges (note 3) .....	(2,867)	(1,624)	(1,316)	(196)	(82)	(74)
	-----	-----	-----	-----	-----	-----
Net investment activity .....	(1,713)	506	881	4,317	4,395	2,642
	-----	-----	-----	-----	-----	-----
Proceeds from mutual fund shares sold .....	17,254	16,094	10,190	11,804	10,434	3,987
Cost of mutual funds sold .....	(12,043)	(13,027)	(9,545)	(12,013)	(9,462)	(3,950)
	-----	-----	-----	-----	-----	-----
Realized gain (loss) on investments .....	5,211	3,067	645	(209)	972	37
Change in unrealized gain (loss) on investments .....	18,087	19,351	33,855	(492)	(5,310)	54
	-----	-----	-----	-----	-----	-----
Net gain (loss) on investments ...	23,298	22,418	34,500	(701)	(4,338)	91
	-----	-----	-----	-----	-----	-----
Reinvested capital gains .....	72,571	55,712	9,833	169	2,845	336
	-----	-----	-----	-----	-----	-----
Net change in contract						

owners' equity resulting from operations .....	94,156	78,636	45,214	3,785	2,902	3,069
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	41,935	31,824	42,147	2,459	168	6,922
Transfers between funds .....	110,155	--	--	(10,750)	--	--
Surrenders .....	(18,095)	(9,551)	(285)	--	(391)	(128)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	405	2,133	(259)	(822)	(433)	(2,742)
Deductions for surrender charges (note 2d) .....	(1,219)	(1,278)	(73)	--	(52)	(52)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(20,560)	(4,848)	(4,666)	(1,421)	(1,783)	(1,698)
Net equity transactions .....	112,621	18,280	36,864	(10,534)	(2,491)	2,302
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	206,777	96,916	82,078	(6,749)	411	5,371
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	626,463	416,421	311,789	55,873	58,539	37,907
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 833,240	513,337	393,867	49,124	58,950	43,278

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	FIDVIPOV		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	343	335	360
Mortality and expense charges (note 3) .....	(85)	(16)	(33)
Net investment activity .....	258	319	327
Proceeds from mutual fund			
shares sold .....	2,549	757	6,022
Cost of mutual funds sold .....	(2,252)	(634)	(5,462)
Realized gain (loss) on			
investments .....	297	123	560
Change in unrealized gain (loss)			
on investments .....	423	1,298	586
Net gain (loss) on investments ...	720	1,421	1,146
Reinvested capital gains .....	554	987	1,428
Net change in contract			
owners' equity resulting from operations .....	1,532	2,727	2,901

EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	1,842	1,417	(749)
Transfers between funds .....	(905)	--	--
Surrenders .....	(2,958)	--	(79)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	1,515	(832)	(2,300)
Deductions for surrender charges (note 2d) .....	(199)	--	(20)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(620)	(324)	(585)
Net equity transactions .....	(1,325)	261	(3,733)

NET CHANGE IN CONTRACT OWNERS' EQUITY .....	207	2,988	(832)
CONTRACT OWNERS' EQUITY			
BEGINNING OF PERIOD .....	21,834	17,383	19,938
-----	-----	-----	-----
CONTRACT OWNERS' EQUITY			
END OF PERIOD .....	22,041	20,371	19,106
=====	=====	=====	=====

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
<CAPTION>

	FIDVIPAM			FIDVIPCON		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 3,167	4,043	3,614	2,438	2,496	2,011
Mortality and expense charges (note 3) .....	(392)	(188)	(196)	(2,146)	(1,141)	(678)
-----	-----	-----	-----	-----	-----	-----
Net investment activity .....	2,775	3,855	3,418	292	1,355	1,333
-----	-----	-----	-----	-----	-----	-----
Proceeds from mutual fund shares sold .....	2,309	19,485	7,398	18,050	18,884	1,261
Cost of mutual funds sold .....	(2,059)	(17,426)	(7,119)	(9,887)	(12,347)	(1,050)
-----	-----	-----	-----	-----	-----	-----
Realized gain (loss) on investments .....	250	2,059	279	8,163	6,537	211
Change in unrealized gain (loss) on investments .....	(2,099)	(6,904)	445	29,988	32,349	19,908
-----	-----	-----	-----	-----	-----	-----
Net gain (loss) on investments ...	(1,849)	(4,845)	724	38,151	38,886	20,119
-----	-----	-----	-----	-----	-----	-----
Reinvested capital gains .....	4,012	12,128	9,065	17,876	18,366	5,315
-----	-----	-----	-----	-----	-----	-----
Net change in contract owners' equity resulting from operations .....	4,938	11,138	13,207	56,319	58,607	26,767
-----	-----	-----	-----	-----	-----	-----
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	790	10,486	25,549	19,635	5,913	152,706
Transfers between funds .....	7,158	--	--	60,672	--	--
Surrenders .....	--	--	--	(3,297)	(551)	(112)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	(190)	(17,821)	(11)	(11,328)	(3,470)	(514)
Deductions for surrender charges (note 2d) .....	--	--	--	(222)	(74)	(29)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(2,275)	(1,771)	(1,369)	(7,268)	(895)	(1,181)
-----	-----	-----	-----	-----	-----	-----
Net equity transactions .....	5,483	(9,106)	24,169	58,192	923	150,870
-----	-----	-----	-----	-----	-----	-----
NET CHANGE IN CONTRACT OWNERS' EQUITY .....	10,421	2,032	37,376	114,511	59,530	177,637
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	95,340	121,091	102,479	488,648	352,512	117,335
-----	-----	-----	-----	-----	-----	-----
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 105,761	123,123	139,855	603,159	412,042	294,972
=====	=====	=====	=====	=====	=====	=====

</TABLE>

<TABLE>

<CAPTION>

FIDVIPGROP

	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	85	9	--
Mortality and expense charges (note 3) .....	(35)	--	--
Net investment activity .....	50	9	--
Proceeds from mutual fund shares sold .....	6,533	--	--
Cost of mutual funds sold .....	(5,907)	--	--
Realized gain (loss) on investments .....	626	--	--
Change in unrealized gain (loss) on investments .....	(136)	144	--
Net gain (loss) on investments ...	490	144	--
Reinvested capital gains .....	160	33	--
Net change in contract owners' equity resulting from operations .....	700	186	--
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	1,576	2,985	--
Transfers between funds .....	4,979	--	--
Surrenders .....	(3,125)	--	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	665	--	--
Deductions for surrender charges (note 2d) .....	(210)	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(605)	--	--
Net equity transactions .....	3,280	2,985	--
NET CHANGE IN CONTRACT OWNERS' EQUITY .....	3,980	3,171	--
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	8,074	--	--
CONTRACT OWNERS' EQUITY END OF PERIOD .....	12,054	3,171	--

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

	MSEMMKT			NSATCAPAP		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ --	--	--	23,072	30,957	27,279
Mortality and expense charges (note 3) .....	(1)	--	--	(31,615)	(28,272)	(20,103)

Net investment activity .....	(1)	--	--	(8,543)	2,685	7,176
Proceeds from mutual fund shares sold .....	--	--	--	189,807	223,261	111,889
Cost of mutual funds sold .....	--	--	--	(74,473)	(97,042)	(67,455)
Realized gain (loss) on investments .....	--	--	--	115,334	126,219	44,434
Change in unrealized gain (loss) on investments .....	7	--	--	813,758	1,043,364	871,961
Net gain (loss) on investments ...	7	--	--	929,092	1,169,583	916,395
Reinvested capital gains .....	--	--	--	--	--	--
Net change in contract owners' equity resulting from operations .....	6	--	--	920,549	1,172,268	923,571
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	12	--	--	400,602	351,333	306,021
Transfers between funds .....	576	--	--	63,268	--	--
Surrenders .....	--	--	--	(127,917)	(90,711)	(53,827)
Death benefits (note 4) .....	--	--	--	(9,070)	(52,012)	--
Policy loans (net of repayments) (note 5) .....	--	--	--	(92,436)	(105,770)	(80,566)
Deductions for surrender charges (note 2d) .....	--	--	--	(8,617)	(12,134)	(13,770)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(4)	--	--	(216,756)	(66,598)	(61,700)
Net equity transactions .....	584	--	--	9,074	24,108	96,158
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	590	--	--	929,623	1,196,376	1,019,729
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	--	--	--	7,989,325	6,211,213	4,503,820
CONTRACT OWNERS' EQUITY END OF PERIOD .....	\$ 590	--	--	8,918,948	7,407,589	5,523,549

</TABLE>  
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	NSATGVTBD		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	50,067	50,984	46,051
Mortality and expense charges (note 3) .....	(7,373)	(7,216)	(5,948)
Net investment activity .....	42,694	43,768	40,103
Proceeds from mutual fund shares sold .....	139,827	125,501	127,942
Cost of mutual funds sold .....	(128,713)	(117,427)	(131,920)
Realized gain (loss) on investments .....	11,114	8,074	(3,978)
Change in unrealized gain (loss) on investments .....	(103,673)	9,402	(1,358)
Net gain (loss) on investments ...	(92,559)	17,476	(5,336)
Reinvested capital gains .....	--	--	--
Net change in contract owners' equity resulting from operations .....	(49,865)	61,244	34,767

EQUITY TRANSACTIONS:

Purchase payments received from			
contract owners .....	110,956	358,741	231,470
Transfers between funds .....	(72,672)	--	--
Surrenders .....	(47,300)	(28,681)	(23,879)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments)			
(note 5) .....	(6,094)	(3,251)	(19,789)
Deductions for surrender charges			
(note 2d) .....	(3,187)	(3,837)	(6,109)
Redemptions to pay cost of insurance			
charges and administration			
charges (notes 2b and 2c) .....	(71,143)	(204,130)	(234,709)
	-----	-----	-----
Net equity transactions .....	(89,440)	118,842	(53,016)
	-----	-----	-----

NET CHANGE IN CONTRACT			
OWNERS' EQUITY .....	(139,305)	180,086	(18,249)
CONTRACT OWNERS' EQUITY			
BEGINNING OF PERIOD .....	1,977,998	1,636,721	1,487,699
	-----	-----	-----
CONTRACT OWNERS' EQUITY			
END OF PERIOD .....	1,838,693	1,816,807	1,469,450
	=====	=====	=====

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>

<CAPTION>

	NSATMYMKT			NSATSMCO		
	1999	1998	1997	1999	1998	1997
	<C>	<C>	<C>	<C>	<C>	<C>
<S>						
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 2,386	8,974	9,438	--	--	--
Mortality and expense charges						
(note 3) .....	(378)	(926)	(1,046)	(127)	(121)	(102)
	-----	-----	-----	-----	-----	-----
Net investment activity .....	2,008	8,048	8,392	(127)	(121)	(102)
	-----	-----	-----	-----	-----	-----
Proceeds from mutual fund						
shares sold .....	315,050	33,331	95,007	13,971	2,308	1,266
Cost of mutual funds sold .....	(315,050)	(33,331)	(95,007)	(12,698)	(1,819)	(1,301)
	-----	-----	-----	-----	-----	-----
Realized gain (loss) on						
investments .....	--	--	--	1,273	489	(35)
Change in unrealized gain (loss)						
on investments .....	--	--	--	458	3,342	4,947
	-----	-----	-----	-----	-----	-----
Net gain (loss) on investments ...	--	--	--	1,731	3,831	4,912
	-----	-----	-----	-----	-----	-----
Reinvested capital gains .....	--	--	--	--	--	--
	-----	-----	-----	-----	-----	-----
Net change in contract						
owners' equity resulting						
from operations .....	2,008	8,048	8,392	1,604	3,710	4,810
	-----	-----	-----	-----	-----	-----
EQUITY TRANSACTIONS:						
Purchase payments received from						
contract owners .....	13,606	24,303	2,942	3,859	6,644	15,357
Transfers between funds .....	(6,777)	--	--	(12,805)	--	--
Surrenders .....	(227,277)	(2,637)	(4,417)	--	(896)	(26)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments)						
(note 5) .....	(8,808)	(292)	(3,517)	(941)	(992)	(2,185)
Deductions for surrender charges						
(note 2d) .....	(15,310)	(353)	(992)	--	(120)	(7)
Redemptions to pay cost of insurance						
charges and administration						

charges (notes 2b and 2c) .....	(5,226)	(46,468)	(51,479)	(1,339)	(3)	--
Net equity transactions .....	(249,792)	(25,447)	(57,463)	(11,226)	4,633	13,139
NET CHANGE IN CONTRACT OWNERS' EQUITY .....						
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	325,058	352,121	397,333	42,336	60,766	40,021
CONTRACT OWNERS' EQUITY END OF PERIOD .....	\$ 77,274	334,722	348,262	32,714	69,109	57,970

</TABLE>  
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	NSATTOTRE		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	75,418	97,584	118,776
Mortality and expense charges (note 3) .....	(75,142)	(74,849)	(55,922)
Net investment activity .....	276	22,735	62,854
Proceeds from mutual fund shares sold .....			
Cost of mutual funds sold .....	(410,369)	(274,457)	(453,644)
Realized gain (loss) on investments .....	334,570	215,397	164,278
Change in unrealized gain (loss) on investments .....	1,577,046	2,113,031	2,162,182
Net gain (loss) on investments ...	1,911,616	2,328,428	2,326,460
Reinvested capital gains .....	8,697	--	--
Net change in contract owners' equity resulting from operations .....	1,920,589	2,351,163	2,389,314
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	1,009,437	1,324,807	995,334
Transfers between funds .....	(114,365)	--	--
Surrenders .....	(427,994)	(243,041)	(247,702)
Death benefits (note 4) .....	(8,553)	(62,497)	(997)
Policy loans (net of repayments) (note 5) .....	(263,204)	(274,872)	(199,241)
Deductions for surrender charges (note 2d) .....	(28,831)	(32,511)	(63,365)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(572,448)	(640,496)	(622,558)
Net equity transactions .....	(405,958)	71,390	(138,529)
NET CHANGE IN CONTRACT OWNERS' EQUITY .....			
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	18,984,736	16,284,321	12,760,855
CONTRACT OWNERS' EQUITY END OF PERIOD .....	20,499,367	18,706,874	15,011,640

</TABLE>

(Continued)



NATIONWIDE VLI SEPARATE ACCOUNT-3  
 STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
 SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
 (UNAUDITED)

<TABLE>  
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	NBAMTBAL			NBAMTGRO		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<b>INVESTMENT ACTIVITY:</b>						
Reinvested dividends .....	\$ 23,703	33,067	22,402	--	--	--
Mortality and expense charges (note 3) .....	(5,432)	(5,933)	(5,140)	(229)	(96)	(140)
Net investment activity .....	18,271	27,134	17,262	(229)	(96)	(140)
Proceeds from mutual fund shares sold .....	77,456	97,691	73,853	10,232	6,551	14,209
Cost of mutual funds sold .....	(71,486)	(95,100)	(70,579)	(10,231)	(5,652)	(13,693)
Realized gain (loss) on investments .....	5,970	2,591	3,274	1	899	516
Change in unrealized gain (loss) on investments .....	(35,301)	(120,363)	51,808	(1,529)	(7,101)	4,446
Net gain (loss) on investments ...	(29,331)	(117,772)	55,082	(1,528)	(6,202)	4,962
Reinvested capital gains .....	35,116	232,254	57,499	3,161	15,182	4,858
Net change in contract owners' equity resulting from operations .....	24,056	141,616	129,843	1,404	8,884	9,680
<b>EQUITY TRANSACTIONS:</b>						
Purchase payments received from contract owners .....	85,318	49,593	59,918	5,064	6,436	(430)
Transfers between funds .....	(30,615)	--	--	(4,988)	--	--
Surrenders .....	(39,263)	(19,285)	(11,429)	(2,995)	(9,307)	(112)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	(10,140)	(24,903)	(29,562)	(205)	6,583	(211)
Deductions for surrender charges (note 2d) .....	(2,645)	(2,580)	(2,924)	(202)	(1,245)	(29)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(47,291)	(22,072)	(26,688)	(2,323)	(1,891)	(1,790)
Net equity transactions .....	(44,636)	(19,247)	(10,685)	(5,649)	576	(2,572)
<b>NET CHANGE IN CONTRACT OWNERS' EQUITY .....</b>	<b>(20,580)</b>	<b>122,369</b>	<b>119,158</b>	<b>(4,245)</b>	<b>9,460</b>	<b>7,108</b>
<b>CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....</b>	<b>1,441,951</b>	<b>1,389,720</b>	<b>1,204,996</b>	<b>62,482</b>	<b>57,881</b>	<b>60,625</b>
<b>CONTRACT OWNERS' EQUITY END OF PERIOD .....</b>	<b>\$ 1,421,371</b>	<b>1,512,089</b>	<b>1,324,154</b>	<b>58,237</b>	<b>67,341</b>	<b>67,733</b>

</TABLE>  
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	NBAMTGUARD		
	1999	1998	1997
<S>	<C>	<C>	<C>
<b>INVESTMENT ACTIVITY:</b>			
Reinvested dividends .....	--	--	--
Mortality and expense charges (note 3) .....	(3)	--	--
Net investment activity .....	(3)	--	--
Proceeds from mutual fund shares sold .....	536	--	--
Cost of mutual funds sold .....	(505)	--	--

Realized gain (loss) on investments .....	31	--	--
Change in unrealized gain (loss) on investments .....	86	--	--
Net gain (loss) on investments ...	117	--	--
Reinvested capital gains .....	--	--	--
Net change in contract owners' equity resulting from operations .....	114	--	--

EQUITY TRANSACTIONS:

Purchase payments received from contract owners .....	88	--	--
Transfers between funds .....	533	--	--
Surrenders .....	--	--	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	--	--	--
Deductions for surrender charges (note 2d) .....	--	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(18)	--	--
Net equity transactions .....	603	--	--

NET CHANGE IN CONTRACT OWNERS' EQUITY .....	717	--	--
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	512	--	--
CONTRACT OWNERS' EQUITY END OF PERIOD .....	1,229	--	--

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
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	NBAMTLMAT			NBAMTPART		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 225	645	516	1,540	542	209
Mortality and expense charges (note 3) .....	(16)	(5)	(9)	(528)	(345)	(138)
Net investment activity .....	209	640	507	1,012	197	71
Proceeds from mutual fund shares sold .....	8,370	397	2,951	26,687	21,721	1,982
Cost of mutual funds sold .....	(8,382)	(415)	(2,952)	(22,628)	(13,410)	(1,452)
Realized gain (loss) on investments .....	(12)	(18)	(1)	4,059	8,311	530
Change in unrealized gain (loss) on investments .....	(172)	(372)	(224)	9,005	(17,571)	7,943
Net gain (loss) on investments ...	(184)	(390)	(225)	13,064	(9,260)	8,473
Reinvested capital gains .....	--	--	--	2,679	17,062	3,214
Net change in contract owners' equity resulting						

from operations .....	25	250	282	16,755	7,999	11,758
EQUITY TRANSACTIONS:						
Purchase payments received from						
contract owners .....	750	558	(1,792)	12,403	44,811	30,917
Transfers between funds .....	--	--	--	(12,877)	--	--
Surrenders .....	--	--	--	(83)	(8,728)	(28)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments)						
(note 5) .....	(7,954)	3	--	4,863	(12,815)	(1,227)
Deductions for surrender charges						
(note 2d) .....	--	--	--	(6)	(1,168)	(7)
Redemptions to pay cost of insurance						
charges and administration						
charges (notes 2b and 2c) .....	(343)	--	--	(3,170)	(1,343)	(853)
Net equity transactions .....	(7,547)	561	(1,792)	1,130	20,757	28,802
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	(7,522)	811	(1,510)	17,885	28,756	40,560
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	11,220	10,016	11,099	129,095	133,951	54,539
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 3,698	10,827	9,589	146,980	162,707	95,099

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	OPPBDFFD		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	538	70	160
Mortality and expense charges			
(note 3) .....	(45)	(1)	(6)
Net investment activity .....	493	69	154
Proceeds from mutual fund			
shares sold .....	698	433	3,370
Cost of mutual funds sold .....	(685)	(423)	(3,323)
Realized gain (loss) on			
investments .....	13	10	47
Change in unrealized gain (loss)			
on investments .....	(799)	15	(90)
Net gain (loss) on investments ...	(786)	25	(43)
Reinvested capital gains .....	52	63	17
Net change in contract			
owners' equity resulting			
from operations .....	(241)	157	128

EQUITY TRANSACTIONS:			
Purchase payments received from			
contract owners .....	1,347	14	(2,617)
Transfers between funds .....	--	--	--
Surrenders .....	--	--	(73)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments)			
(note 5) .....	--	(275)	(8)
Deductions for surrender charges			
(note 2d) .....	--	--	(19)
Redemptions to pay cost of insurance			
charges and administration			
charges (notes 2b and 2c) .....	(932)	--	(315)
Net equity transactions .....	415	(261)	(3,032)

NET CHANGE IN CONTRACT

OWNERS' EQUITY .....	174	(104)	(2,904)
CONTRACT OWNERS' EQUITY			
BEGINNING OF PERIOD .....	11,242	4,084	7,961
	-----	-----	-----
CONTRACT OWNERS' EQUITY			
END OF PERIOD .....	11,416	3,980	5,057
	=====	=====	=====

</TABLE>

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(Continued)

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
<CAPTION>

	OPPGISEC			OPPGRO		
	1999	1998	1997	1999	1998	1997
	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ 715	1,229	476	45	23	--
Mortality and expense charges						
(note 3) .....	(244)	(65)	(55)	(61)	(1)	--
	-----	-----	-----	-----	-----	-----
Net investment activity .....	471	1,164	421	(16)	22	--
	-----	-----	-----	-----	-----	-----
Proceeds from mutual fund						
shares sold .....	11,857	450	486	294	--	--
Cost of mutual funds sold .....	(8,633)	(319)	(403)	(247)	--	--
	-----	-----	-----	-----	-----	-----
Realized gain (loss) on						
investments .....	3,224	131	83	47	--	--
Change in unrealized gain (loss)						
on investments .....	2,110	1,009	4,986	1,871	238	--
	-----	-----	-----	-----	-----	-----
Net gain (loss) on investments ...	5,334	1,140	5,069	1,918	238	--
	-----	-----	-----	-----	-----	-----
Reinvested capital gains .....	2,005	4,626	--	490	280	--
	-----	-----	-----	-----	-----	-----
Net change in contract						
owners' equity resulting						
from operations .....	7,810	6,930	5,490	2,392	540	--
	-----	-----	-----	-----	-----	-----
EQUITY TRANSACTIONS:						
Purchase payments received from						
contract owners .....	3,943	4,055	19,639	1,258	3,479	--
Transfers between funds .....	5	--	--	10,818	--	--
Surrenders .....	(3,037)	--	(38)	--	--	--
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments)						
(note 5) .....	(7,732)	--	--	(68)	--	--
Deductions for surrender charges						
(note 2d) .....	(205)	--	(10)	--	--	--
Redemptions to pay cost of insurance						
charges and administration						
charges (notes 2b and 2c) .....	(1,509)	(775)	(540)	(529)	--	--
	-----	-----	-----	-----	-----	-----
Net equity transactions .....	(8,535)	3,280	19,051	11,479	3,479	--
	-----	-----	-----	-----	-----	-----
NET CHANGE IN CONTRACT						
OWNERS' EQUITY .....	(725)	10,210	24,541	13,871	4,019	--
CONTRACT OWNERS' EQUITY						
BEGINNING OF PERIOD .....	68,885	56,530	22,931	9,566	502	--
	-----	-----	-----	-----	-----	-----
CONTRACT OWNERS' EQUITY						
END OF PERIOD .....	\$ 68,160	66,740	47,472	23,437	4,521	--
	=====	=====	=====	=====	=====	=====

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1999 1998 1997

<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	317	74	89
Mortality and expense charges (note 3) .....	(37)	(1)	(1)
Net investment activity .....	280	73	88
Proceeds from mutual fund shares sold .....	17	--	32
Cost of mutual funds sold .....	(14)	--	(30)
Realized gain (loss) on investments .....	3	--	2
Change in unrealized gain (loss) on investments .....	(2)	49	156
Net gain (loss) on investments ...	1	49	158
Reinvested capital gains .....	458	431	159
Net change in contract owners' equity resulting from operations .....	739	553	405
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	741	237	1,026
Transfers between funds .....	--	--	--
Surrenders .....	--	--	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	--	--	--
Deductions for surrender charges (note 2d) .....	--	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(320)	--	--
Net equity transactions .....	421	237	1,026
NET CHANGE IN CONTRACT OWNERS' EQUITY .....			
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	8,942	7,722	4,224
CONTRACT OWNERS' EQUITY END OF PERIOD .....	10,102	8,512	5,655

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
<CAPTION>

	STOPP2			STDISC2		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends .....	\$ --	44	224	--	--	--
Mortality and expense charges (note 3) .....	(560)	(301)	(186)	(85)	(37)	(30)
Net investment activity .....	(560)	(257)	38	(85)	(37)	(30)
Proceeds from mutual fund						

shares sold .....	6,651	8,255	2,322	4,206	11,620	2,819
Cost of mutual funds sold .....	(5,062)	(5,887)	(2,091)	(4,681)	(10,017)	(3,367)
Realized gain (loss) on investments .....	1,589	2,368	231	(475)	1,603	(548)
Change in unrealized gain (loss) on investments .....	8,957	(2,239)	400	(3,830)	259	1,524
Net gain (loss) on investments ...	10,546	129	631	(4,305)	1,862	976
Reinvested capital gains .....	15,628	16,130	7,197	3,517	367	--
Net change in contract owners' equity resulting from operations .....	25,614	16,002	7,866	(873)	2,192	946
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners .....	8,527	15,531	21,749	1,206	(4,079)	6,752
Transfers between funds .....	(5,286)	--	--	3,108	--	--
Surrenders .....	(280)	(3,409)	(937)	--	(1,612)	(96)
Death benefits (note 4) .....	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	(534)	(4,423)	(1,521)	1,251	(239)	(195)
Deductions for surrender charges (note 2d) .....	(19)	(456)	(240)	--	(216)	(25)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(4,576)	(526)	(245)	(631)	(39)	(226)
Net equity transactions .....	(2,168)	6,717	18,806	4,934	(6,185)	6,210
NET CHANGE IN CONTRACT OWNERS' EQUITY .....						
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	23,446	22,719	26,672	4,061	(3,993)	7,156
CONTRACT OWNERS' EQUITY END OF PERIOD .....	135,650	115,087	59,160	18,874	32,100	15,722
CONTRACT OWNERS' EQUITY END OF PERIOD .....	\$ 159,096	137,806	85,832	22,935	28,107	22,878

</TABLE>  
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STINTSTK2

	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	29	148	238
Mortality and expense charges (note 3) .....	(29)	(8)	(13)
Net investment activity .....	--	140	225
Proceeds from mutual fund shares sold .....	6,309	166	453
Cost of mutual funds sold .....	(7,881)	(187)	(448)
Realized gain (loss) on investments .....	(1,572)	(21)	5
Change in unrealized gain (loss) on investments .....	2,468	688	596
Net gain (loss) on investments ...	896	667	601
Reinvested capital gains .....	--	--	356
Net change in contract owners' equity resulting from operations .....	896	807	1,182
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	757	1,329	1,482
Transfers between funds .....	--	--	--
Surrenders .....	--	--	--

Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	(5,995)	--	--
Deductions for surrender charges (note 2d) .....	--	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(292)	(180)	(176)
Net equity transactions .....	(5,530)	1,149	1,306

NET CHANGE IN CONTRACT OWNERS' EQUITY .....	(4,634)	1,956	2,488
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	12,426	11,856	13,282
CONTRACT OWNERS' EQUITY END OF PERIOD .....	7,792	13,812	15,770

</TABLE>

(Continued)

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
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	VEWRDDB			VEWRDDEMKT			VEWRDHDAS		
	1999	1998	1997	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:									
Reinvested dividends .....	\$ 68	15	55	--	48	1	83	51	360
Mortality and expense charges (note 3) .....	(7)	--	--	(21)	--	--	(23)	(6)	(14)
Net investment activity .....	61	15	55	(21)	48	1	60	45	346
Proceeds from mutual fund shares sold .....	12	124	84	1,572	2,898	511	1,282	8,582	5,491
Cost of mutual funds sold .....	(11)	(124)	(89)	(2,316)	(4,179)	(522)	(2,289)	(9,427)	(6,150)
Realized gain (loss) on investments .....	1	--	(5)	(744)	(1,281)	(11)	(1,007)	(845)	(659)
Change in unrealized gain (loss) on investments .....	(223)	39	(66)	3,038	(422)	1,177	1,891	(1,829)	(258)
Net gain (loss) on investments ...	(222)	39	(71)	2,294	(1,703)	1,166	884	(2,674)	(917)
Reinvested capital gains .....	30	--	--	--	43	--	--	1,261	487
Net change in contract owners' equity resulting from operations .....	(131)	54	(16)	2,273	(1,612)	1,167	944	(1,368)	(84)
EQUITY TRANSACTIONS:									
Purchase payments received from contract owners .....	186	(21)	(98)	239	(2,573)	11,378	659	(6,404)	4,893
Transfers between funds .....	--	--	--	2,222	--	--	(698)	--	--
Surrenders .....	--	--	--	--	(278)	--	--	(229)	--
Death benefits (note 4) .....	--	--	--	--	--	--	--	--	--
Policy loans (net of repayments) (note 5) .....	--	--	--	(187)	--	--	(594)	(1,486)	(4,988)
Deductions for surrender charges (note 2d) .....	--	--	--	--	--	--	--	(31)	(138)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(158)	--	--	(123)	--	--	(432)	--	--
Net equity transactions .....	28	(21)	(98)	2,151	(2,851)	11,378	(1,065)	(8,150)	(233)

NET CHANGE IN CONTRACT OWNERS' EQUITY	(103)	33	(114)	4,424	(4,463)	12,545	(121)	(9,518)	(317)
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD	1,776	1,602	1,698	4,164	8,768	--	5,472	16,122	19,418
CONTRACT OWNERS' EQUITY END OF PERIOD	\$ 1,673	1,635	1,584	8,588	4,305	12,545	5,351	6,604	19,101

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
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	VKMSRESEC			WPINTEQ		
	1999	1998	1997	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INVESTMENT ACTIVITY:						
Reinvested dividends	\$ 1,317	38	27	--	--	--
Mortality and expense charges (note 3)	(74)	(32)	(22)	(84)	(34)	(32)
Net investment activity	1,243	6	5	(84)	(34)	(32)
Proceeds from mutual fund shares sold						
	5,353	2,639	1,320	7,287	1,443	2,248
Cost of mutual funds sold	(6,720)	(2,554)	(957)	(7,607)	(1,592)	(2,132)
Realized gain (loss) on investments						
	(1,367)	85	363	(320)	(149)	116
Change in unrealized gain (loss) on investments						
	1,537	(1,972)	620	1,811	3,253	3,022
Net gain (loss) on investments	170	(1,887)	983	1,491	3,104	3,138
Reinvested capital gains	--	378	55	--	--	--
Net change in contract owners' equity resulting from operations						
	1,413	(1,503)	1,043	1,407	3,070	3,106
EQUITY TRANSACTIONS:						
Purchase payments received from contract owners	1,967	13,719	14,611	4,084	1,799	4,050
Transfers between funds	(5,001)	--	--	--	--	--
Surrenders	--	(2,229)	(26)	--	--	(1,323)
Death benefits (note 4)	--	--	--	--	--	--
Policy loans (net of repayments) (note 5)	(292)	(89)	(1,173)	(7,088)	--	(102)
Deductions for surrender charges (note 2d)	--	(298)	(7)	--	--	(338)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c)	(612)	--	(10)	(893)	--	--
Net equity transactions	(3,938)	11,103	13,395	(3,897)	1,799	2,287
NET CHANGE IN CONTRACT OWNERS' EQUITY						
	(2,525)	9,600	14,438	(2,490)	4,869	5,393
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD	20,855	20,959	4,604	26,587	24,083	19,473
CONTRACT OWNERS' EQUITY END OF PERIOD	\$ 18,330	30,559	19,042	24,097	28,952	24,866

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WPPVENCAP



	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	--	--	--
Mortality and expense charges (note 3) .....	(4)	--	--
Net investment activity .....	(4)	--	--
Proceeds from mutual fund shares sold .....	1	--	--
Cost of mutual funds sold .....	(1)	--	--
Realized gain (loss) on investments .....	--	--	--
Change in unrealized gain (loss) on investments .....	127	156	--
Net gain (loss) on investments ...	127	156	--
Reinvested capital gains .....	--	--	--
Net change in contract owners' equity resulting from operations .....	123	156	--
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	56	875	--
Transfers between funds .....	--	--	--
Surrenders .....	--	--	--
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	--	--	--
Deductions for surrender charges (note 2d) .....	--	--	--
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(18)	--	--
Net equity transactions .....	38	875	--
NET CHANGE IN CONTRACT OWNERS' EQUITY .....	161	1,031	--
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	978	--	--
CONTRACT OWNERS' EQUITY END OF PERIOD .....	1,139	1,031	--

</TABLE>

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
STATEMENTS OF OPERATIONS AND CHANGES IN CONTRACT OWNERS' EQUITY  
SIX MONTH PERIODS ENDED JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

<TABLE>  
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	WPSMCOGR		
	1999	1998	1997
<S>	<C>	<C>	<C>
INVESTMENT ACTIVITY:			
Reinvested dividends .....	\$ --	--	--
Mortality and expense charges (note 3) .....	(104)	(79)	(101)

Net investment activity .....	(104)	(79)	(101)
Proceeds from mutual fund shares sold .....	16,866	16,915	11,072
Cost of mutual funds sold .....	(15,533)	(12,161)	(8,717)
Realized gain (loss) on investments .....	1,333	4,754	2,355
Change in unrealized gain (loss) on investments .....	(522)	(2,291)	(744)
Net gain (loss) on investments ...	811	2,463	1,611
Reinvested capital gains .....	--	--	--
Net change in contract owners' equity resulting from operations .....	707	2,384	1,510
EQUITY TRANSACTIONS:			
Purchase payments received from contract owners .....	1,607	(15,177)	2,282
Transfers between funds .....	(12,646)	--	--
Surrenders .....	--	--	(5,651)
Death benefits (note 4) .....	--	--	--
Policy loans (net of repayments) (note 5) .....	(3,254)	(53)	3,185
Deductions for surrender charges (note 2d) .....	--	--	(1,446)
Redemptions to pay cost of insurance charges and administration charges (notes 2b and 2c) .....	(1,140)	(1)	(173)
Net equity transactions .....	(15,433)	(15,231)	(1,803)
NET CHANGE IN CONTRACT OWNERS' EQUITY .....			
CONTRACT OWNERS' EQUITY BEGINNING OF PERIOD .....	(14,726)	(12,847)	(293)
CONTRACT OWNERS' EQUITY END OF PERIOD .....	39,373	54,327	53,633
CONTRACT OWNERS' EQUITY END OF PERIOD .....	\$ 24,647	41,480	53,340

</TABLE>

See accompanying notes to financial statements.

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NATIONWIDE VLI SEPARATE ACCOUNT-3  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999, 1998 AND 1997  
(UNAUDITED)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization and Nature of Operations

The Nationwide VLI Separate Account-3 (the Account) was established pursuant to a resolution of the Board of Directors of Nationwide Life Insurance Company (the Company) on August 8, 1984. The Account has been registered as a unit investment trust under the Investment Company Act of 1940. On August 21, 1991, the Company (Depositor) transferred to the Account 50,000 shares of American Century VP - American Century VP Advantage, for which it was credited with 25,000 accumulation units. The value of the accumulation units purchased by the Company on August 21, 1991 was \$250,000.

The Company offers Flexible Premium Variable Life Insurance Policies through the Account. The primary distribution for the contracts is through Company Agents; however, other distributors may be utilized.

(b) The Contracts

Only contracts with a front-end sales load, a surrender charge and certain other fees have been offered for purchase. See note 2 for a discussion of policy charges and note 3 for asset charges.

Contract owners may invest in the following funds:

Portfolios of the American Century Variable Portfolios, Inc. (American Century VP);  
American Century VP - American Century VP Advantage (ACVPAdv)  
American Century VP - American Century VP Balanced (ACVPBal)  
American Century VP - American Century VP Capital Appreciation (ACVPCapAp)  
American Century VP - American Century VP Income & Growth (ACVPIncGr)  
American Century VP - American Century VP International (ACVPInt)  
American Century VP - American Century VP Value (ACVPValue)

The Dreyfus Socially Responsible Growth Fund, Inc. (DrySRGro)

Dreyfus Stock Index Fund (DryStkIx)

Portfolios of the Dreyfus Variable Investment Fund (Dreyfus VIF);  
Dreyfus VIF - Capital Appreciation Portfolio (DryCapAp)  
Dreyfus VIF - Growth and Income Portfolio (DryGrInc)

Portfolios of the Fidelity Variable Insurance Products Fund (Fidelity VIP);  
Fidelity VIP - Equity-Income Portfolio (FidVIPEI)  
Fidelity VIP - Growth Portfolio (FidVIPGr)  
Fidelity VIP - High Income Portfolio (FidVIPHI)  
Fidelity VIP - Overseas Portfolio (FidVIPOv)

Portfolios of the Fidelity Variable Insurance Products Fund II (Fidelity VIP-II);  
Fidelity VIP-II - Asset Manager Portfolio (FidVIPAM)  
Fidelity VIP-II - Contrafund Portfolio (FidVIPCon)

Portfolio of the Fidelity Variable Insurance Products Fund III (Fidelity VIP-III);  
Fidelity VIP-III - Growth Opportunities Portfolio (FidVIPGrOp)

Portfolio of the Morgan Stanley Universal Funds, Inc. (Morgan Stanley);  
Morgan Stanley - Emerging Markets Debt Portfolio (MSEmMkt)

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Funds of the Nationwide Separate Account Trust (Nationwide SAT)  
(managed for a fee by an affiliated investment advisor);  
Nationwide SAT - Capital Appreciation Fund (NSATCapAp)  
Nationwide SAT - Government Bond Fund (NSATGvtBd)  
Nationwide SAT - Money Market Fund (NSATMyMkt)  
Nationwide SAT - Small Cap Value Fund (NSATSmCapV)  
Nationwide SAT - Small Company Fund (NSATSmCo)  
Nationwide SAT - Total Return Fund (NSATTotRe)

Portfolios of the Neuberger & Berman Advisers Management Trust (Neuberger & Berman AMT);  
Neuberger & Berman AMT - Balanced Portfolio (NBAMTBal)  
Neuberger & Berman AMT - Growth Portfolio (NBAMTGro)  
Neuberger & Berman AMT - Guardian Portfolio (NBAMTGuard)  
Neuberger & Berman AMT - Limited Maturity Bond Portfolio (NBAMTLMat)  
Neuberger & Berman AMT - Partners Portfolio (NBAMTPart)

Funds of the Oppenheimer Variable Account Funds (Oppenheimer VAF);  
Oppenheimer VAF - Bond Fund (OppBdFd)  
Oppenheimer VAF - Global Securities Fund (OppGlSec)  
Oppenheimer VAF - Growth Fund (OppGro)  
Oppenheimer VAF - Multiple Strategies Fund (OppMult)

Strong Opportunity Fund II, Inc. (StOpp2) (formerly Strong Special Fund II, Inc.)

Funds of the Strong Variable Insurance Funds, Inc. (Strong VIF);  
Strong VIF - Strong Discovery Fund II (StDisc2)  
Strong VIF - Strong International Stock Fund II (StIntStk2)

Funds of the Van Eck Worldwide Insurance Trust (Van Eck WIT);  
Van Eck WIT - Worldwide Bond Fund (VEWrldBd)  
Van Eck WIT - Worldwide Emerging Markets Fund (VEWrldEMkt)  
Van Eck WIT - Worldwide Hard Assets Fund (VEWrldHAs)  
(formerly Van Eck WIT - Gold and Natural Resources Fund)

Portfolio of the Van Kampen Life Investment Trust (Van Kampen LIT);  
Van Kampen LIT - Morgan Stanley Real Estate Securities Portfolio  
(VKMSRESec)

Portfolios of the Warburg Pincus Trust;  
Warburg Pincus Trust - International Equity Portfolio (WPIntEq)  
Warburg Pincus Trust - Post Venture Capital Portfolio (WPPVenCap)  
Warburg Pincus Trust - Small Company Growth Portfolio (WPSmCoGr)

At June 30, 1999, contract owners have invested in all of the above funds except for Nationwide SAT - Small Cap Value Fund. The contract owners' equity is affected by the investment results of each fund, equity transactions by contract owners and certain policy charges (see notes 2 and 3). The accompanying financial statements include only contract owners' purchase payments pertaining to the variable portions of their contracts and exclude any purchase payments for fixed dollar benefits, the latter being included in the accounts of the Company.

A contract owner may choose from among a number of different underlying mutual fund options. The underlying mutual fund options are not available to the general public directly. The underlying mutual funds are available as investment options in variable life insurance policies or variable annuity contracts issued by life insurance companies or, in some cases, through participation in certain qualified pension or retirement plans.

Some of the underlying mutual funds have been established by investment advisers which manage publicly traded mutual funds having similar names and investment objectives. While some of the underlying mutual funds may be similar to, and may in fact be modeled after, publicly traded mutual funds, the underlying mutual funds are not otherwise directly related to any publicly traded mutual fund. Consequently, the investment performance of publicly traded mutual funds and any corresponding underlying mutual funds may differ substantially.

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(c) Security Valuation, Transactions and Related Investment Income

The market value of the underlying mutual funds is based on the closing net asset value per share at June 30, 1999. The cost of investments sold is determined on the specific identification basis. Investment transactions are accounted for on the trade date (date the order to buy or sell is executed) and dividend income is recorded on the ex-dividend date.

(d) Federal Income Taxes

Operations of the Account form a part of, and are taxed with, operations of the Company, which is taxed as a life insurance company under the provisions of the Internal Revenue Code.

The Company does not provide for income taxes within the Account. Taxes are the responsibility of the contract owner upon termination or withdrawal.

(e) Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) Reclassifications

Certain 1997 amounts have been reclassified to conform with the current period presentation.

(2) POLICY CHARGES

(a) Deductions from Premium

On flexible premium life insurance contracts, the Company deducts a charge for state premium taxes equal to 2.5% of all premiums received to cover the payment of these premium taxes. Additionally, the Company deducts a front-end sales load of up to 3.5% from each premium payment received. The Company may at its sole discretion reduce this sales

loading.

(b) Cost of Insurance

A cost of insurance charge is assessed monthly against each contract. The amount of the charge is based upon age, sex, rate class and net amount at risk (death benefit less total contract value).

(c) Administrative Charges

For flexible premium contracts, the Company currently deducts a monthly administrative charge of \$12.50 during the first policy year and \$5 per month thereafter (may deduct up to \$7.50, maximum) to recover policy maintenance, accounting, record keeping and other administrative expenses. Additionally, the Company deducts an increase charge of \$2.04 per year per \$1,000 applied to any increase in the specified amount during the first 12 months after the increase becomes effective.

The above charges are assessed against each contract by liquidating units.

(d) Surrender Charges

Policy surrenders result in a redemption of the contract value from the Account and payment of the surrender proceeds to the contract owner or designee. The surrender proceeds consist of the contract value, less any outstanding policy loans, and less a surrender charge, if applicable. The amount of the charge is based upon a specified percentage of the initial surrender charge which varies by issue age, sex and rate class. For flexible premium contracts, the charge is 100% of the initial surrender charge in the first year, declining to 30% of the initial surrender charge in the ninth year.

No surrender charge is assessed on any contract surrendered after the ninth year.

The Company may waive the surrender charge for certain contracts in which the sales expenses normally associated with the distribution of a contract are not incurred. No charges were deducted from the initial funding, or from earnings thereon.

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(3) ASSET CHARGES

The Company deducts a charge equal to an annual rate of .80%, with certain exceptions, to cover mortality and expense risk charges related to operations. On each policy anniversary beginning with the 10th, this charge is reduced to 0.50% on an annual basis provided that the cash surrender value of the contract is \$25,000 or more on such anniversary. This charge is assessed through the unit value calculation.

(4) DEATH BENEFITS

Death benefits result in a redemption of the contract value from the Account and payment of the death benefit proceeds, less any outstanding policy loans and policy charges, to the legal beneficiary. The excess of the death benefit proceeds over the contract value on the date of death is paid by the Company's general account.

(5) POLICY LOANS (NET OF REPAYMENTS)

Contract provisions allow contract owners to borrow 90% of a policy's cash surrender value. The contract is charged 6% on the outstanding loan and is due and payable in advance on the policy anniversary.

At the time the loan is granted, the amount of the loan is transferred from the Account to the Company's general account as collateral for the outstanding loan. Collateral amounts in the general account are credited with the stated rate of interest in effect at the time the loan is made, subject to a guaranteed minimum rate. Interest credited is paid by the Company's general account to the Account. Loan repayments result in a transfer of collateral including interest back to the Account.

(6) RELATED PARTY TRANSACTIONS

The Company performs various services on behalf of the Mutual Fund Companies in which the Account invests and may receive fees for the services performed. These services include, among other things, shareholder communications, preparation, postage, fund transfer agency and various other record keeping and customer service functions. These fees are paid to

(7) COMPONENTS OF CONTRACT OWNERS' EQUITY

The following is a summary of contract owners' equity at June 30, 1999.

<TABLE>

<CAPTION>

Contract owners' equity represented by:	UNITS -----	UNIT VALUE -----		PERIOD RETURN* -----
<S>	<C>	<C>	<C>	<C>
American Century VP - American Century VP Advantage .....	24,599	\$ 19.111682	\$ 470,128	3%
American Century VP - American Century VP Balanced .....	964	20.037687	19,316	4%
American Century VP - American Century VP Capital Appreciation .....	3,528	16.507627	58,239	16%
American Century VP - American Century VP Income Growth .....	1,313	11.875525	15,593	9%
American Century VP - American Century VP International .....	1,444	17.628910	25,456	7%
American Century VP - American Century VP Value .....	543	14.867552	8,073	13%
The Dreyfus Socially Responsible Growth Fund, Inc. ....	3,336	31.815264	106,136	12%
Dreyfus Stock Index Fund .....	16,987	31.377050	533,002	12%
Dreyfus VIF - Capital Appreciation Portfolio .....	16,953	14.132362	239,586	7%
Dreyfus VIF - Growth and Income Portfolio .....	659	14.132230	9,313	11%
Fidelity VIP - Equity-Income Portfolio .....	10,645	39.787906	423,542	12%
Fidelity VIP - Growth Portfolio .....	17,833	46.724607	833,240	14%
Fidelity VIP - High Income Portfolio .....	1,748	28.102779	49,124	8%
Fidelity VIP - Overseas Portfolio .....	1,079	20.427325	22,041	8%
Fidelity VIP-II - Asset Manager Portfolio .....	4,064	26.023875	105,761	5%
Fidelity VIP-II - Contrafund Portfolio .....	25,663	23.503049	603,159	11%
Fidelity VIP-III - Growth Opportunities Portfolio .	839	14.367127	12,054	6%
Morgan Stanley - Emerging Markets Debt Portfolio .....	75	7.860506	590	13%
Nationwide SAT - Capital Appreciation Fund .....	252,606	35.307745	8,918,948	11%
Nationwide SAT - Government Bond Fund .....	104,364	17.618074	1,838,693	(3)%
Nationwide SAT - Money Market Fund .....	5,694	13.571142	77,274	2%
Nationwide SAT - Small Company Fund .....	1,880	17.400870	32,714	7%
Nationwide SAT - Total Return Fund .....	561,928	36.480415	20,499,367	10%

</TABLE>

<TABLE>

<S>

	<C>	<C>	<C>	<C>
Neuberger & Berman AMT - Balanced Portfolio .....	70,555	20.145573	1,421,371	2%
Neuberger & Berman AMT - Growth Portfolio .....	2,239	26.010144	58,237	3%

Neuberger & Berman AMT - Guardian Portfolio .....	113	10.877878	1,229	17%
Neuberger & Berman AMT - Limited Maturity Bond Portfolio .....	249	14.850110	3,698	0%
Neuberger & Berman AMT - Partners Portfolio .....	5,540	26.530639	146,980	13%
Oppenheimer VAF - Bond Fund .....	644	17.727061	11,416	(2)%
Oppenheimer VAF - Global Securities Fund .....	3,243	21.017527	68,160	13%
Oppenheimer VAF - Growth Fund .....	1,580	14.833265	23,437	15%
Oppenheimer VAF - Multiple Strategies Fund .....	412	24.520578	10,102	8%
Strong Opportunity Fund II, Inc. ....	4,412	36.059910	159,096	19%
Strong VIF - Strong Discovery Fund II .....	1,254	18.289393	22,935	(6)%
Strong VIF - Strong International Stock Fund II ...	774	10.066830	7,792	11%
Van Eck WIT - Worldwide Bond Fund .....	118	14.178734	1,673	(7)%
Van Eck WIT - Worldwide Emerging Markets Fund .....	1,023	8.394502	8,588	45%
Van Eck WIT - Worldwide Hard Assets Fund .....	372	14.384048	5,351	18%
Van Kampen LIT - Morgan Stanley Real Estate Securities Portfolio .....	1,067	17.178756	18,330	8%
Warburg Pincus Trust - International Equity Portfolio .....	1,915	12.583549	24,097	6%
Warburg Pincus Trust - Post Venture Capital Portfolio .....	84	13.559677	1,139	12%
Warburg Pincus Trust - Small Company Growth Portfolio .....	1,489	16.552974	24,647	6%
	=====	=====	-----	
			\$36,919,627	
			=====	

</TABLE>

\*The period return does not include contract charges satisfied by surrendering units.

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NATIONWIDE LIFE INSURANCE COMPANY  
HOME OFFICE: ONE NATIONWIDE PLAZA - COLUMBUS, OHIO 43215-2220

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