

NORTHERN FUNDS



Northern Multi-Manager Global Real Estate Fund

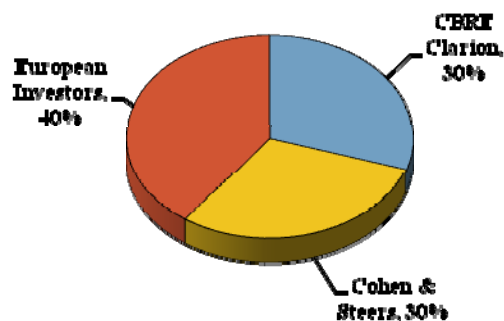
3Q'11 Attribution & Performance

Must be preceded or accompanied by a current prospectus



Northern Multi-Manager Global Real Estate Fund (NMMGX)

Sub-Adviser Target Allocations



Strategy Objectives:

- Add value through the combination of sub-advisers who are specialists in their respective styles. This approach should isolate the stock selection skills of the sub-advisers as the primary source of value added for the Fund over time.
- Leverage a disciplined and consistent research process to identify sub-advisers who show high probability of success.
- Maintain the target allocations of the sub-advisers while continuously monitoring the style and characteristics of the Fund and sub-advisers to ensure that the Fund equally balances growth and value objectives while maintaining size (capitalization) characteristics similar to the Fund's market benchmark.
- *By properly combining sub-advisers, we can reduce low conviction bets such as style and size and focus the risk of the portfolio on higher conviction bets – the stock picking skills of the sub-advisers.*

Portfolio Characteristics:

- Well diversified portfolio, benchmarked to the FTSE EPRA/NAREIT Global Index.
- The Fund currently uses three sub-advisers with various investment approaches.
- Due to the diversification that characterizes the Fund, it may lag during unusually strong up markets while providing good capital preservation in down markets.
- Style characteristics are designed to be neutral to the Index.





Northern Multi-Manager Global Real Estate Fund (NMMGX)

Sub-Adviser	Target Allocation	Role in Portfolio
Cohen & Steers Capital Management, Inc.	30%	Core approach, with attractive long-term risk-adjusted return characteristics.
EII Realty Securities, Inc. "EII"	40%	Opportunistic approach that may take significant off-benchmark positions, resulting in a higher level of risk relative to the benchmark. Historically, the strategy has also provided strong defensive characteristics in down markets.
CBRE Clarion Securities, LLC	30%	Growth at a reasonable price (GARP) approach, with a diversified strategy. The portfolio has a small number of off-benchmark positions while maintaining attractive market up-capture and downside protection characteristics.





Glossary

Equity Risk: Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

International Risk: International investing involves increased risk and volatility.

REIT/Real Estate Risk: Investments in the Fund are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk. By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather changes in the value of their investments.

Weighted Average Market Capitalization: a firm's closing stock price multiplied by the number of shares.

% Earnings Per Share (EPS) Growth – past 5 years: a 5 year annualized earnings growth rate. Earnings per share is a part of a company's profit which is allocated to an individual outstanding share of common stock. As viewed by the investor, it is the rate of earnings which are returned on the original investment made. Also known as EPS for short, the earnings per share can be used to indicate a corporation's financial profitability.

Positive Trailing P/E: the ratio of a firm's closing stock price and its trailing 12 months' earnings per share, excluding those companies with negative earnings. A P/E ratio is generally used to provide investors with a better understanding of a company's value.

Price to Book: a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current price of the stock by the latest quarter's book value per share. The higher the ratio, the higher the premium the market is willing to pay for the company above its hard assets.

Real Estate Investment Trust (REIT): a security through which pooled capital of many investors purchase and manage income property (equity REIT) and/or mortgage loans (mortgage REIT). REITs are traded on major exchanges just like stocks.

FTSE®EPRA®/NAREIT® Global Real Estate Index: is a free float-adjusted market capitalization weighted index that is designed to reflect the stock performance of real estate companies and REITs engaged in specific aspects of North American, European and Asian real estate markets. It is not possible to invest directly in an index.

Sub-Adviser returns are calculated using the **True time-weighted returns (TTWR)** method which is based upon a time-weighted cash flow analysis and requires re-valuing the portfolio each time a net contribution occurs.



Northern Multi-Manager Global Real Estate Fund (NMMGX): Performance

Performance as of September 30, 2011

	Month	Quarter	YTD	1 Year	Inception to Date	2010	2009
Multi-Manager Global Real Estate Fund - Inception 11/19/08	-12.87	-18.45	-13.34	-8.77	22.14	17.50	36.25
FTSE EPRA/NAREIT Global NET	-13.02	-17.84	-14.35	-9.68	21.91	19.31	37.94
<i>Excess Return</i>	<i>0.15</i>	<i>-0.62</i>	<i>1.01</i>	<i>0.91</i>	<i>0.23</i>	<i>-1.81</i>	<i>-1.69</i>
<i>Annual Expense Ratio: Gross, 1.47%; Net, 1.30%</i>							
Cohen & Steers - Inception 11/08	-13.06	-19.94	-15.46	-10.06	23.00	19.10	39.34
FTSE EPRA/NAREIT Global NET	-13.02	-17.84	-14.35	-9.68	21.91	19.31	37.94
<i>Excess Return</i>	<i>-0.04</i>	<i>-2.11</i>	<i>-1.11</i>	<i>-0.38</i>	<i>1.09</i>	<i>-0.22</i>	<i>1.39</i>
EII - Inception 11/08	-12.81	-17.65	-11.02	-6.56	26.50	21.09	40.02
FTSE EPRA/NAREIT Global NET	-13.02	-17.84	-14.35	-9.68	21.91	19.31	37.94
<i>Excess Return</i>	<i>0.21</i>	<i>0.18</i>	<i>3.33</i>	<i>3.11</i>	<i>4.59</i>	<i>1.77</i>	<i>2.08</i>
CBRE Clarion - Inception 11/08	-12.69	-17.61	-11.82	-6.60	24.25	16.99	38.54
FTSE EPRA/NAREIT Global NET	-13.02	-17.84	-14.35	-9.68	21.91	19.31	37.94
<i>Excess Return</i>	<i>0.33</i>	<i>0.23</i>	<i>2.53</i>	<i>3.07</i>	<i>2.34</i>	<i>-2.32</i>	<i>0.60</i>

Returns quoted represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher. Visit northernfunds.com for returns current to the most recent month-end. Since inception returns for periods greater than one year are annualized. Sub-adviser returns are represented gross of Fund expenses. Net expense ratio reflects voluntary expense reimbursements by the Fund's investment advisors that may be changed or terminated at any time. See the Appendix for additional disclosure about performance.

Redemption Fee: 2% on shares sold or exchanged within 30 days of purchase

The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.

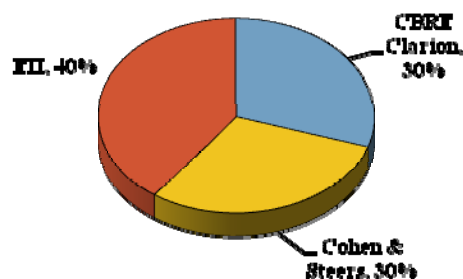
Please see the Glossary slide for a discussion of the calculation method used for underlying sub-adviser performance.

The Fund benchmark is the FTSE EPRA/NAREIT Global Index.

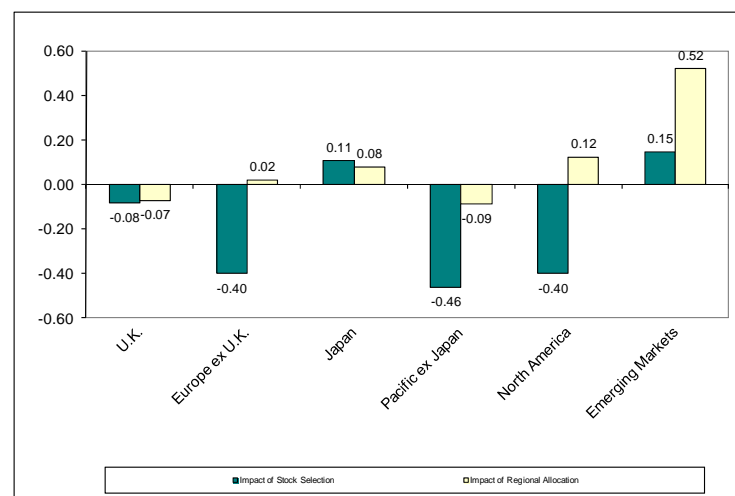
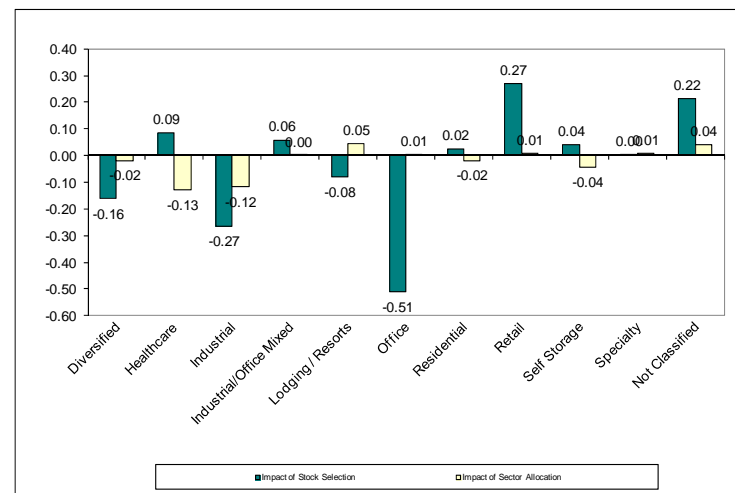


Northern Multi-Manager Global Real Estate Fund (NMMGX) Quarterly Performance Attribution

Sub-Adviser Target Allocations



- The Northern Multi-Manager Global Real Estate Fund underperformed the FTSE EPRA NAREIT Global Index during the quarter with a return of -18.5% versus the benchmark return of -17.8%.
- Security selection was the driver of underperformance, with particular weakness in the Pacific (ex Japan) region, North America and Continental Europe. The Fund benefited from its underweight exposure to emerging markets as emerging markets came under pressure during the quarter.
- Underperformance was driven by Sub-Adviser Cohen & Steers who lagged the benchmark by over 200 basis points. The Cohen & Steers portfolio particularly struggled in the U.S., where some of its more levered companies fell significantly. The other two Sub-Advisers in the Fund outperformed over the period.



Source: Wilshire Atlas





Northern Multi-Manager Global Real Estate Fund (NMMGX)

Portfolio Characteristics

	Global Real Estate Fund	FTSE EPRA/NAREIT Global Benchmark
Wtd Avg Market Cap	\$10.3 Billion	\$8.6 Billion
% EPS Growth - Past 5 yrs.	-3.52%	-3.22%
Positive Trailing P/E	9.9x	10.7x
Price to Book	1.30%	1.18%
Number of Holdings	141	391

5 Largest Holdings	% of Fund
Simon Ppty Group Inc	6.2%
Unibail-Rodamco Se	3.3%
Mitsui Fudosan Co	2.8%
Boston Properties In	2.8%
Vornado Rlty Tr	2.7%
Total*	17.7%

*The "Total" column may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas





Northern Multi-Manager Global Real Estate Fund (NMMGX) Sector & Regional Exposures

Sectors	Global Real Estate Fund	FTSE EPRA/NAREIT Global Benchmark	Over/Under
Diversified	30.9%	30.7%	0.2%
Healthcare	5.6%	6.2%	-0.6%
Industrial	4.3%	3.8%	0.4%
Industrial/Office Mixed	1.0%	0.1%	0.1%
Lodging / Resorts	1.3%	2.5%	-1.2%
Office	12.4%	13.3%	-0.9%
Residential	12.5%	10.3%	2.2%
Retail	21.5%	21.2%	0.3%
Self Storage	2.0%	2.4%	-0.4%
Specialty	0.0%	0.0%	0.0%
Not Classified	8.5%	8.7%	-0.2%
Total*	100.0%	100.0%	0.0%

Regions	Global Real Estate Fund	FTSE EPRA/NAREIT Global Benchmark	Over/Under
Europe ex U.K.	8.3%	9.2%	-1.0%
U.K.	5.6%	5.1%	0.6%
Japan	10.2%	9.3%	0.8%
Pacific ex Japan	23.3%	20.4%	2.8%
North America	48.4%	45.4%	3.0%
Emerging Markets	4.3%	10.3%	-6.0%
Not Classified	N.A.	N.A.	N.A.
Total*	100.0%	99.7%	0.0%

*The "Total" columns may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas



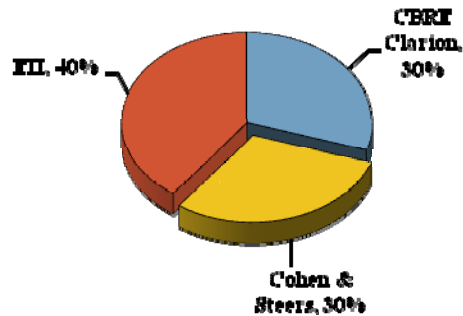


Sub-Adviser 3Q'11 Performance Review

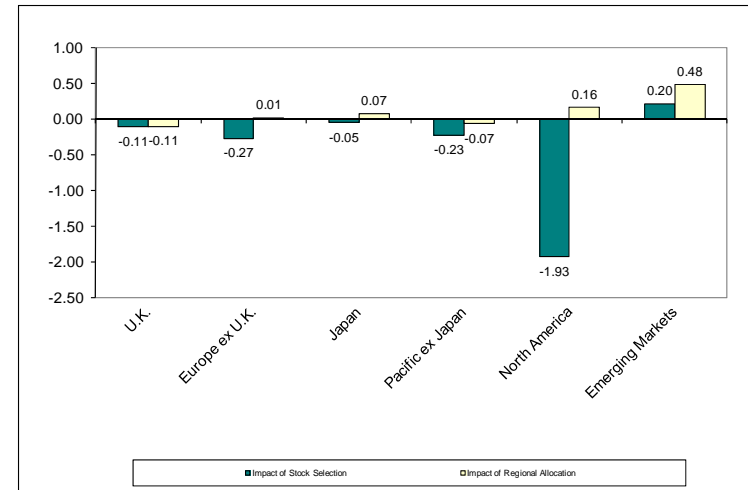
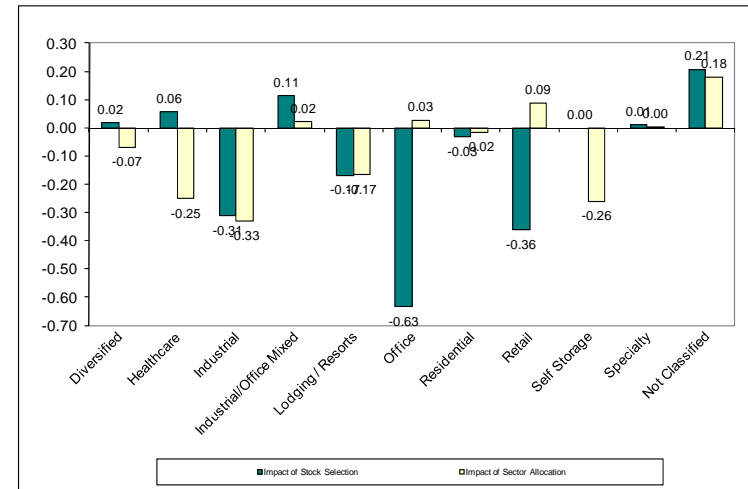
- Cohen & Steers – Pages 10-12
- Ell Realty Securities – Pages 13-15
- CBRE Clarion Securities – Pages 16-18

Cohen & Steers Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, Cohen and Steers underperformed the FTSE EPRA NAREIT Global Index by 2.1%.
- Poor stock selection was largely concentrated in North America, where a large portion of the underperformance took place during the month of August. The largest selloff was in equities with a higher exposure to leverage, particularly within office, retail, industrials, lodging and diversified property types. An underweight allocation, as well as stock selection, to the harder hit emerging markets region helped.
- Based on recent economic data and the growing risk of recession in Europe, Cohen has positioned the U.S. portion of their global REIT portfolio more defensively. In Europe, the manager is concentrating their exposure in stable companies with rich balance sheets that are trading at discounts to their net asset values. In Asia, Cohen sees opportunities in Hong Kong and Singapore where they believe office and retail owners are well positioned to benefit from solid economic growth and low unemployment.



Source: Wilshire Atlas





Cohen & Steers

Portfolio Characteristics

	Cohen & Steers	FTSE EPRA/NAREIT Global Index
Wtd Avg Market Cap	\$10.2 Billion	\$8.6 Billion
% EPS Growth - Past 5 yrs.	-4.85%	-3.22%
Positive Trailing P/E	9.6x	10.7x
Price to Book	1.24%	1.18%
Number of Holdings	90	391

5 Largest Holdings	% of Portfolio
Simon Ppty Group Inc	6.1%
Hcp Inc	4.2%
Unibail-Rodamco Se	4.0%
Sun Hung Kai Properties	3.8%
Vornado Rlty Tr	3.3%
Total*	21.5%

*The "Total" column may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas





Cohen & Steers Sector & Regional Exposures

Sectors	Cohen & Steers	FTSE EPRA/NAREIT Global Index	Over/Under
Diversified	32.2%	30.7%	1.5%
Healthcare	6.1%	6.2%	-0.1%
Industrial	4.8%	3.8%	1.0%
Industrial/Office Mixed	1.9%	0.9%	1.0%
Lodging / Resorts	0.8%	2.5%	-1.6%
Office	12.6%	13.3%	-0.7%
Residential	13.4%	10.3%	3.1%
Retail	23.0%	21.2%	1.8%
Self Storage	0.0%	2.4%	-2.4%
Specialty	0.0%	0.0%	0.0%
Not Classified	5.2%	8.7%	-3.5%
Total*	100.0%	100.0%	0.0%

Regions	Cohen & Steers	FTSE EPRA/NAREIT Global Index	Over/Under
Europe ex U.K.	8.6%	9.2%	-0.6%
U.K.	5.0%	5.1%	-0.1%
Japan	9.7%	9.3%	0.3%
Pacific ex Japan	22.6%	20.4%	2.1%
North America	48.9%	45.4%	3.6%
Emerging Markets	5.2%	10.3%	-5.0%
Not Classified	N.A.	N.A.	N.A.
Total*	100.0%	99.7%	0.0%

*The "Total" columns may not sum exactly due to rounding.

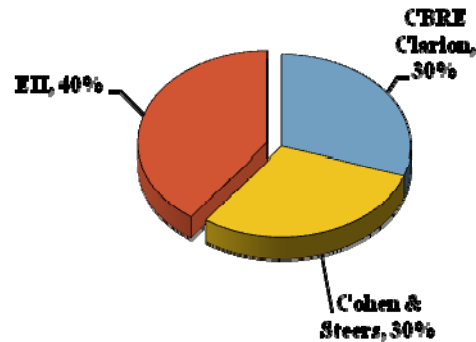
Portfolio composition may change at any time.

Source: Wilshire Atlas

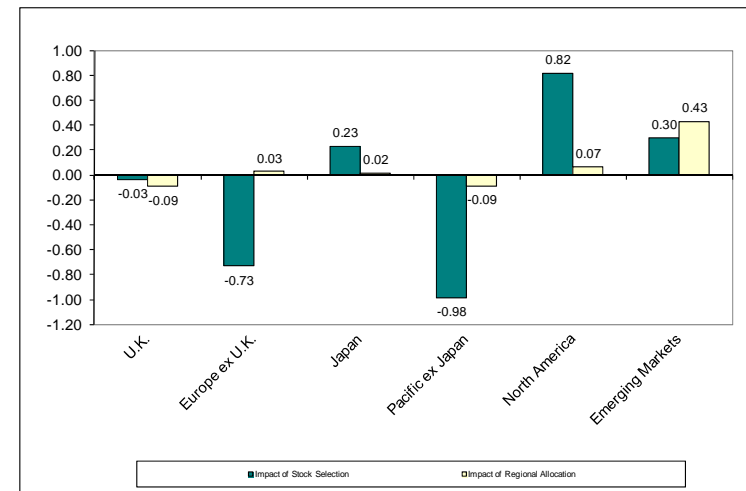
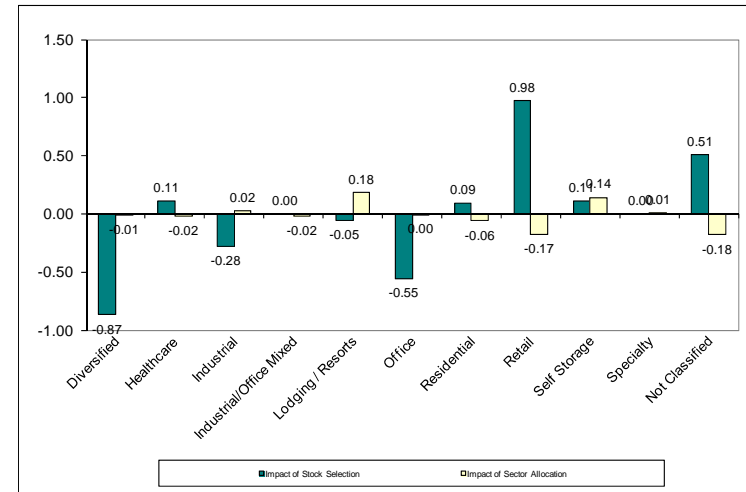


EII Realty Securities Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, European Investors (EII) outperformed the FTSE EPRA NAREIT Global Index by 0.2%.
- Positions in North America continued to contribute the most to relative outperformance, particularly in retail and residential property types. Strong selection and an underweight to emerging markets further lifted relative results. Detracting from performance were diversified real estate holdings in the Pacific (ex Japan) region and security selection within Continental Europe more broadly.
- EII's largest concerns are dealing with sentiment deterioration, particularly surrounding the EU debt crisis, sluggish U.S. growth, and a possible hard landing in China. Within Continental Europe, EII is questioning if attractive valuations are enticing enough considering the current economic turbulence. Within North America, they are finding the greatest opportunities in Canada where the outlook for economic growth is more stable.



Source: Wilshire Atlas





EII Realty Securities Portfolio Characteristics

	EII	FTSE EPRA/NAREIT Global Index
Wtd Avg Market Cap	\$9.7 Billion	\$8.6 Billion
% EPS Growth - Past 5 yrs.	-1.87%	-3.22%
Positive Trailing P/E	9.7x	10.7x
Price to Book	1.36%	1.18%
Number of Holdings	50	391

5 Largest Holdings	% of Portfolio
Simon Ppty Group Inc	6.5%
Boston Properties In	4.0%
Essex Ppty Tr Inc	3.8%
Prologis Inc	3.3%
Public Storage Inc	3.3%
Total*	21.0%

*The "Total" column may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas





EII Realty Securities Sector & Regional Exposures

Sectors	EII	FTSE EPRA/NAREIT Global Index	Over/Under
Diversified	31.0%	30.7%	0.3%
Healthcare	5.9%	6.2%	-0.3%
Industrial	3.3%	3.8%	-0.5%
Industrial/Office Mixed	0.0%	0.9%	-0.9%
Lodging / Resorts	1.3%	2.5%	-1.2%
Office	12.1%	13.3%	-1.2%
Residential	12.2%	10.3%	1.8%
Retail	17.0%	21.2%	-4.2%
Self Storage	3.3%	2.4%	0.9%
Specialty	0.0%	0.0%	0.0%
Not Classified	14.0%	8.7%	5.3%
Total*	100.0%	100.0%	0.0%

Regions	EII	FTSE EPRA/NAREIT Global Index	Over/Under
Europe ex U.K.	8.3%	9.2%	-0.9%
U.K.	6.6%	5.1%	1.5%
Japan	9.9%	9.3%	0.6%
Pacific ex Japan	22.8%	20.4%	2.4%
North America	47.3%	45.4%	1.9%
Emerging Markets	5.0%	10.3%	-5.2%
Not Classified	N.A.	N.A.	N.A.
Total*	100.0%	99.7%	0.3%

*The "Total" columns may not sum exactly due to rounding.

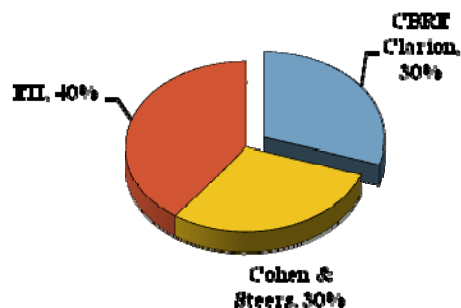
Portfolio composition may change at any time.

Source: Wilshire Atlas

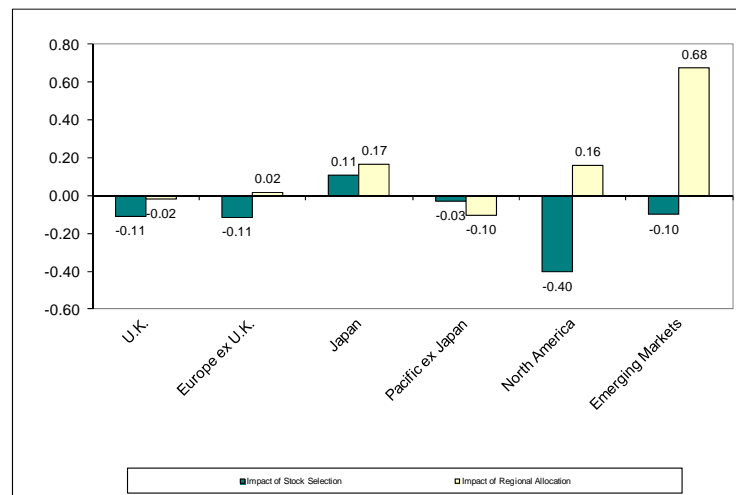
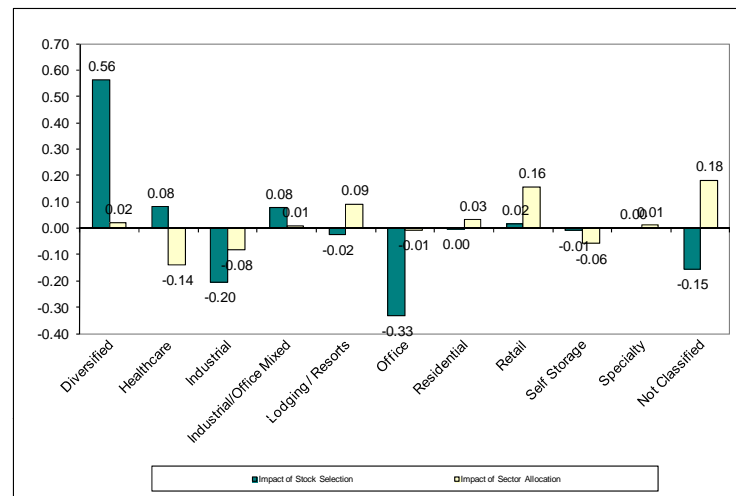


CBRE Clarion Securities Quarterly Performance Attribution

Sub-Adviser Target Allocations



- CBRE Clarion Securities (formerly ING Clarion) outperformed the FTSE EPRA NAREIT Global Index by 0.2% for the quarter.
- Across the ten major property sectors, stock selection in diversified REITs was the largest contributor to relative outperformance, particularly in the Pacific (ex Japan) region. Within the Index, North America as well as Japan held up well relative to other parts of the world, so the portfolio's overweight to these regions in combination with a significant underweight to emerging markets further lifted relative results.
- Economic and policy headwinds in Europe and the U.S. have caused CBRE to position the portfolio more defensively. From a geographical perspective, the portfolio is more heavily weighted to stable, mature markets versus less mature markets like peripheral Central and Eastern Europe and emerging Asia. From a property type perspective, the manager prefers longer-lease over shorter-lease property types. For example, they would prefer a regional shopping mall company with an average lease term on its properties of 5-10 years to a hotel company.



Source: Wilshire Atlas





CBRE Clarion Securities Portfolio Characteristics

	CBRE Clarion	FTSE EPRA/NAREIT Global Index
Wtd Avg Market Cap	\$11.2 Billion	\$8.6 Billion
% EPS Growth - Past 5 yrs.	-4.50%	-3.22%
Positive Trailing P/E	10.4x	10.7x
Price to Book	1.29%	1.18%
Number of Holdings	93	391

5 Largest Holdings	% of Portfolio
Simon Pty Group Inc	5.7%
Equity Residential P	3.7%
Sun Hung Kai Properties	3.5%
Mitsubishi Estate Co	3.4%
Unibail-Rodamco Se	3.2%
Total*	19.5%

*The "Total" column may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas





CBRE Clarion Securities Sector & Regional Exposures

Sectors	CBRE Clarion	FTSE EPRA/NAREIT Global Index	Over/Under
Diversified	29.4%	30.7%	-1.3%
Healthcare	4.8%	6.2%	-1.4%
Industrial	5.1%	3.8%	1.2%
Industrial/Office Mixed	1.3%	0.9%	0.4%
Lodging / Resorts	1.8%	2.5%	-0.7%
Office	12.6%	13.3%	-0.6%
Residential	12.1%	10.3%	1.7%
Retail	26.0%	21.2%	4.8%
Self Storage	2.3%	2.4%	-0.1%
Specialty	0.0%	0.0%	0.0%
Not Classified	4.6%	8.7%	-4.0%
Total*	100.0%	100.0%	0.0%

Regions	CBRE Clarion	FTSE EPRA/NAREIT Global Index	Over/Under
Europe ex U.K.	7.7%	9.2%	-1.5%
U.K.	5.0%	5.1%	-0.1%
Japan	11.0%	9.3%	1.7%
Pacific ex Japan	24.5%	20.4%	4.1%
North America	49.3%	45.4%	3.9%
Emerging Markets	2.4%	10.3%	-7.9%
Not Classified	N.A.	N.A.	N.A.
Total*	100.0%	99.7%	0.0%

*The "Total" columns may not sum exactly due to rounding.

Portfolio composition may change at any time.

Source: Wilshire Atlas





Appendix

- Disclosure of additional information



Appendix: Disclosures

- **Past performance does not guarantee future results.**
- Total return is based on net change in NAV, assuming reinvestment of all distributions. Since inception returns for funds less than one year old are not annualized. Sub-adviser returns are represented gross of Fund expenses. Returns of an index do not reflect the deduction of any management fees, transaction costs or other expenses. Direct investment in an index is not possible.
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- Portfolio sector and characteristics comparisons are provided to illustrate sector allocations and characteristics for each Fund/sub-adviser's strategy versus their respective benchmarks as of the date indicated. The information in this presentation reflects prevailing market conditions and our judgment as of this date, which are subject to change. In preparing this presentation we have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.
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