

NORTHERN FUNDS



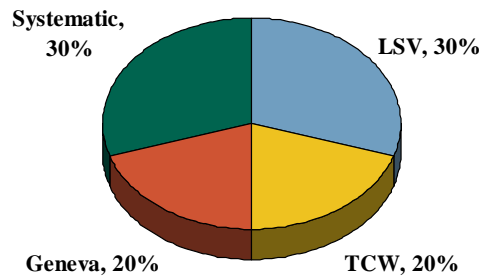
Northern Multi-Manager Mid Cap Fund

3Q'11 Attribution & Performance

Must be preceded or accompanied by a current prospectus

Northern Multi-Manager Mid Cap Fund (NMMCX)

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 Russell Midcap Index.
- The Fund currently uses four 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.

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Northern Multi-Manager Mid Cap Fund (NMMCX)

Sub-Adviser	Target Allocation	Role in Portfolio
Geneva Capital Management	20%	Conservative growth approach. Offers growth characteristics, with a valuation overlay.
TCW Group	20%	Aggressive growth approach, providing strong up market capture during periods of market strength.
LSV Asset Management	30%	Deep value style with quantitative approach. Systematically exploits judgmental biases and behavior weaknesses influencing investors.
Systematic Financial Management	30%	Relative value approach. Seek companies that are trading at low valuations, but have some signs of positive earnings momentum.





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.

Mid Cap Risk: Mid capitalization stocks typically carry additional risk, since smaller companies generally have higher risk of failure and, historically, their stocks have experienced a greater degree of volatility.

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

% 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.

Russell MidCap® Index: This index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index. It is not possible to invest directly in an index.

Russell MidCap® Growth Index: An index that measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index.

Russell MidCap® Value Index: An index that measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. It is not possible to invest directly in an index.

Sub-Adviser returns are calculated using the **Monthly Modified-Dietz Returns method** which is based upon a time-weighted cash flow analysis. In this method, the cash flows are weighted by the amount of time they are held (or absent) from the portfolio.



Northern Multi-Manager Mid Cap Fund (NMMCX) Performance

Performance as of September 30, 2011										
	Month	Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date	2010	2009	2008
Multi-Manager Mid Cap Fund - Inception 6/22/06	-10.34	-20.22	-13.65	-3.36	4.08	0.64	1.17	24.30	39.71	-38.88
Russell Midcap	-9.63	-18.90	-12.34	-0.88	3.96	0.56	1.40	25.48	40.48	-41.46
Excess Return	-0.71	-1.33	-1.31	-2.48	0.12	0.07	-0.23	-1.17	-0.77	2.58
<i>Annual Expense Ratio: Gross, 1.20%; Net, 1.20%</i>										
Geneva - Inception 6/06	-7.61	-15.09	-7.89	6.14	6.66	4.21	4.49	29.71	36.29	-36.22
Russell Midcap Growth	-10.05	-19.33	-11.59	0.80	5.89	1.64	2.18	26.38	46.29	-44.32
Excess Return	2.44	4.23	3.70	5.35	0.77	2.58	2.31	3.33	-10.00	8.10
TCW - Inception 6/06	-12.19	-21.14	-11.74	-5.44	7.13	4.47	4.70	23.13	53.55	-46.50
Russell Midcap Growth	-10.05	-19.33	-11.59	0.80	5.89	1.64	2.18	26.38	46.29	-44.32
Excess Return	-2.14	-1.81	-0.15	-6.24	1.24	2.83	2.52	-3.25	7.26	-2.18
LSV - Inception 6/06	-9.80	-19.92	-13.46	-3.07	4.46	-0.33	0.48	21.81	39.67	-33.79
Russell Midcap Value	-9.22	-18.46	-13.01	-2.36	1.98	-0.84	0.33	24.75	34.21	-38.44
Excess Return	-0.59	-1.45	-0.45	-0.71	2.48	0.51	0.15	-2.94	5.47	4.66
Systematic - Inception 5/08	-10.93	-22.29	-16.17	-4.70	2.55	--	-3.14	27.22	34.35	--
Russell Midcap Value	-9.22	-18.46	-13.01	-2.36	1.98	-0.84	-3.01	24.75	34.21	-38.44
Excess Return	-1.71	-3.82	-3.15	-2.34	0.58	N/A	-0.13	2.47	0.15	N/A

Returns quoted represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may 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.

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.

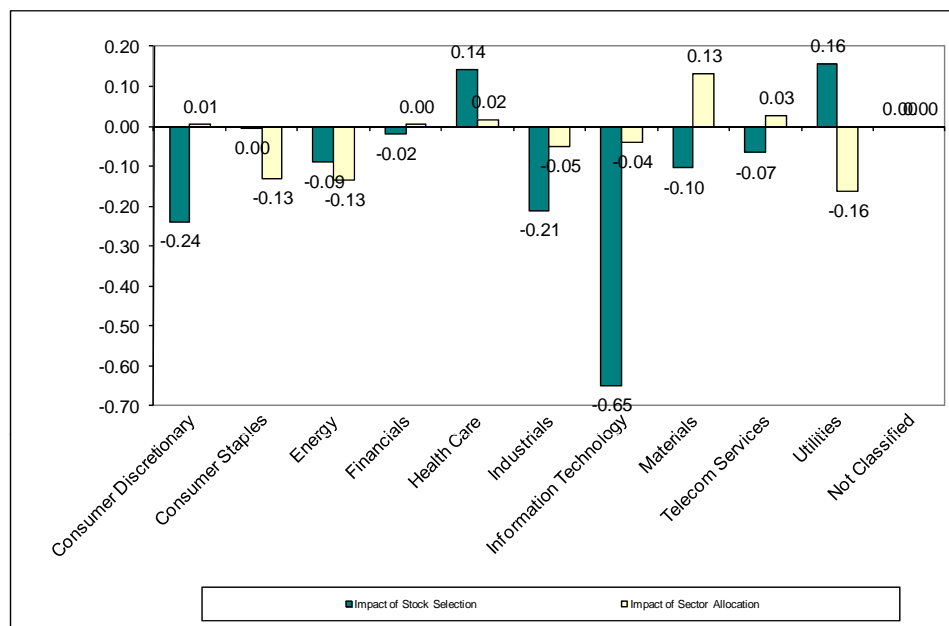
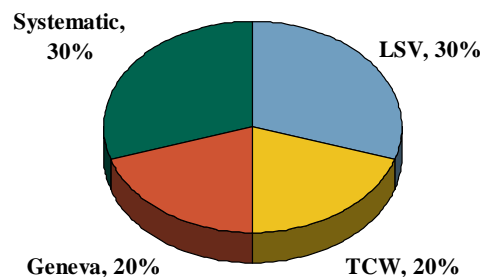
The Fund benchmark is the Russell Midcap Index. Sub-adviser benchmarks shown in the table above reflect individual investment approaches and are shown for illustrative purposes only.



Northern Multi-Manager Mid Cap Fund (NMMCX)

Quarterly Performance Attribution

Sub-Adviser Target Allocations



- The Northern Multi-Manager Mid Cap Fund finished the quarter behind the Russell Mid Cap Index, returning -20.2% versus the benchmark return of -18.9%.
- At the Fund level, a combination of stock and sector allocations hindered performance. Health care and utilities names augmented results while an overweight allocation to industrials coupled with relatively weaker stock selection dampened performance. The technology sector was the area of greatest weakness for the Fund during the quarter, largely attributable to results by the two Sub-Advisers, Systematic and TCW.
- Sub-Adviser Systematic Financial had the largest negative impact on Fund returns during the quarter. Earlier in the year, Systematic had rotated into the more cyclical parts of the market, as these stocks showed very attractive valuations and the companies were demonstrating positive earnings momentum. Unfortunately, the market aggressively sold off higher beta, more cyclical assets during the quarter, regardless of company fundamentals, leaving portfolios such as Systematic underperforming the benchmark.

Source: Wilshire Atlas





Northern Multi-Manager Mid Cap Fund (NMMCX)

Portfolio Characteristics

	Mid Cap Fund	Russell Midcap Benchmark
Wtd Avg Market Cap	\$6.7 Billion	\$7.1 Billion
% EPS Growth - Past 5 yrs.	5.66%	4.26%
Positive Trailing P/E	13.6x	14.3x
Price to Book	1.60%	1.80%
Number of Holdings	313	785

5 Largest Holdings	% of Portfolio
Macys Inc.	1.2%
Fifth Third Bancorp	1.1%
Green Mtn Coffee Roa	1.0%
Ppl Corp	1.0%
Ihs Inc	1.0%
Total*	5.0%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas





Northern Multi-Manager Mid Cap Fund (NMMCX)

Sector Exposure

Economic Sectors	Mid Cap Fund	Russell Midcap Benchmark	Over/Under
Consumer Discretionary	15.9%	15.9%	0.0%
Consumer Staples	5.9%	6.7%	-0.8%
Energy	8.9%	7.5%	1.4%
Financials	18.8%	18.8%	0.0%
Healthcare	11.7%	10.5%	1.2%
Industrials	13.0%	12.1%	1.0%
Information Technology	14.9%	13.4%	1.5%
Materials	3.9%	6.3%	-2.3%
Telecom Services	0.3%	1.3%	-1.0%
Utilities	6.6%	7.7%	-1.1%
Total*	100.0%	100.0%	0.0%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas



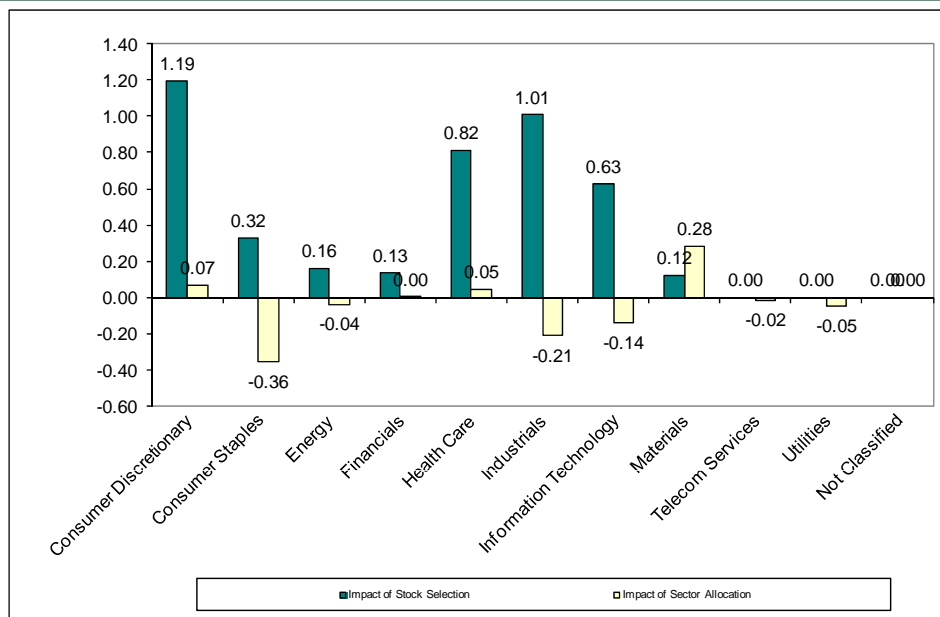
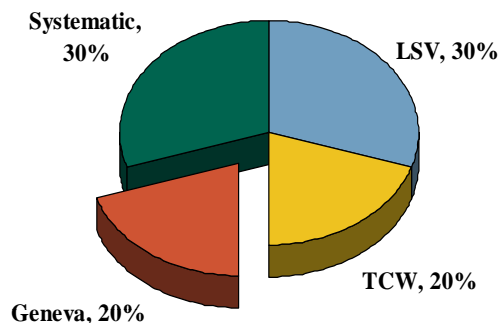


Sub-Adviser 3Q'11 Performance Review

- Geneva Capital Management – Pages 10-12
- TCW Group – Pages 13-15
- LSV Asset Management – Pages 16-18
- Systematic Financial Management – Pages 19-21

Geneva Capital Management Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, Geneva, the top performing Sub-Adviser during the quarter, outperformed the Russell Midcap Growth Index by 4.2%.
- Relative performance was driven by strong stock selection in all sectors, while the Portfolio's positioning moderately detracted. Stock selection was strongest in consumer discretionary and industrials. The portfolio's retail exposure in discretionary proved to be more defensive than their peers. Geneva also added value in health care, technology and consumer staples. The portfolio's underweight positioning to materials contributed positively to performance. However, the underweight position in consumer staples and overweight to industrials negatively impacted relative performance.
- Geneva believes Europe is getting closer to a solution; however, slowing growth is a risk that is impacting the more traditional growth sectors, such as technology. Volatility will remain high in their opinion; therefore, they are keeping the portfolio positioned within companies that are self-funding and gaining market share. This is supported by their decision to sell out of companies that could be negatively impacted by lower government spending. Overall, they are overweight the more traditional growth areas of the market, such as technology, health care, industrials, and consumer discretionary, although they have trimmed their exposure to the strongest performers in the consumer discretionary sectors. Geneva has no exposure to utilities or telecom services as they see little growth opportunity in those sectors.

Source: Wilshire Atlas





Geneva Capital Management Portfolio Characteristics

	Geneva	Russell Midcap Growth Index
Wtd Avg Market Cap	\$6.6 Billion	\$7.1 Billion
% EPS Growth - Past 5 yrs.	11.58%	8.36%
Positive Trailing P/E	22.5x	17.0x
Price to Book	3.67%	3.36%
Number of Holdings	55	468

5 Largest Holdings	% of Portfolio
Cerner Corp	3.4%
O Reilly Automotive Inc	2.9%
Tractor Supply Co	2.8%
Fastenal Co	2.8%
Stericycle Inc	2.7%
Total*	13.1%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas





Geneva Capital Management Sector Exposure

Economic Sectors	Geneva	Russell Midcap Growth Index	Over/Under
Consumer Discretionary	21.1%	20.4%	0.7%
Consumer Staples	4.3%	6.7%	-2.4%
Energy	9.2%	9.0%	0.3%
Financials	5.9%	6.7%	-0.8%
Healthcare	14.9%	14.3%	0.6%
Industrials	20.6%	14.2%	6.5%
Information Technology	22.2%	18.6%	3.6%
Materials	1.7%	8.2%	-6.5%
Telecom Services	0.0%	1.7%	-1.7%
Utilities	0.0%	0.3%	-0.3%
Total*	100.0%	100.0%	0.0%

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

Portfolio composition may change at any time.

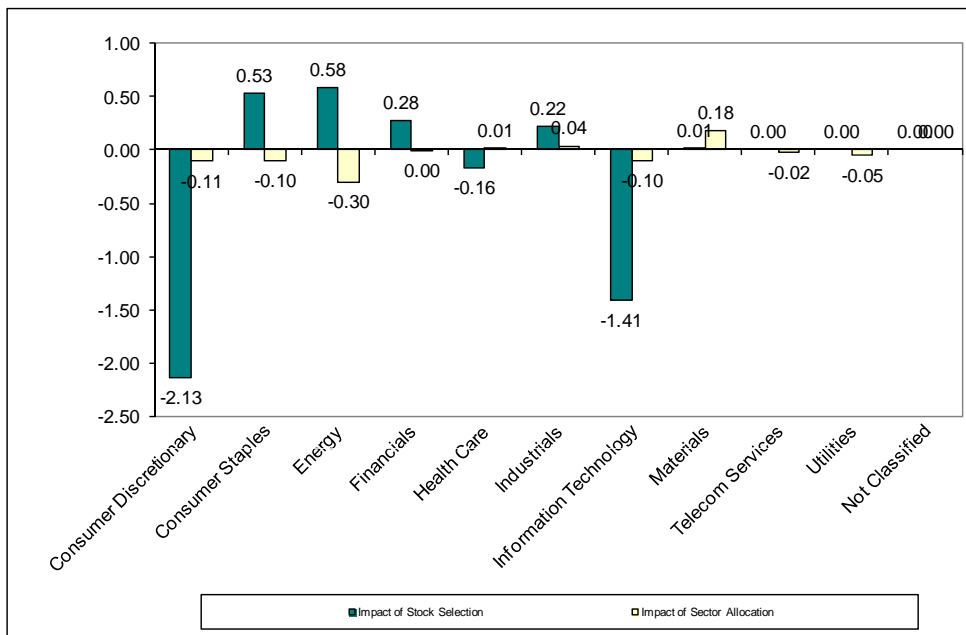
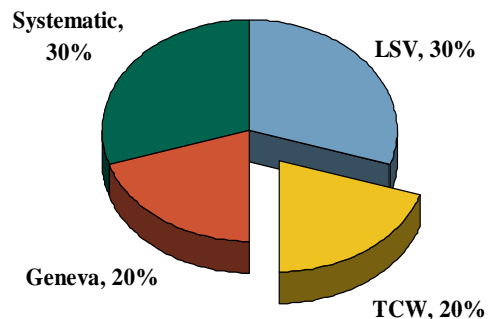
Source: Wilshire Atlas





TCW Group Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, TCW underperformed the Russell Midcap Growth Index by 1.8%.
- The consumer discretionary sector was the greatest detractor from relative performance due to very disappointing stock selection. Conversely, energy was one of the best performing sectors due to favorable stock picks. In health care, weak issue selection, mainly among the portfolio's biotech holdings, negatively impacted relative performance. Additionally, an overweight to technology and poor issue selection detracted. The portfolio holdings of companies connected to China (all traded on U.S. exchanges) hurt relative performance as those companies were marked down on concerns surrounding accounting scandals at other Chinese companies.
- If the economy continues to languish in a low-single-digit growth environment, TCW remains confident that their companies can continue to improve on a fundamental basis while a reacceleration in macroeconomic growth would likely provide upside to both growth and multiples. That said TCW views the odds of a double dip recession as increasing and such a slowdown would constrain the portfolio. However, should this occur, TCW will concentrate the portfolio in companies they believe are best able to take share from weaker competitors and emerge from a recession stronger.

Source: Wilshire Atlas





TCW Group Portfolio Characteristics

	TCW	Russell Midcap Growth Index
Wtd Avg Market Cap	\$7.8 Billion	\$7.1 Billion
% EPS Growth - Past 5 yrs.	10.15%	8.36%
Positive Trailing P/E	24.7x	17.0x
Price to Book	4.43%	3.36%
Number of Holdings	52	468

5 Largest Holdings	% of Portfolio
Green Mtn Coffee Roa	5.2%
Core Laboratories N	3.4%
Salesforce Com Inc	3.3%
Arm Hldgs Plc	3.0%
Intuitive Surgical I	2.9%
Total*	15.2%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas





TCW Group Sector Exposure

Economic Sectors	TCW	Russell Midcap Growth Index	Over/Under
Consumer Discretionary	16.7%	20.4%	-3.7%
Consumer Staples	5.2%	6.7%	-1.5%
Energy	12.8%	9.0%	3.8%
Financials	6.9%	6.7%	0.2%
Healthcare	16.5%	14.3%	2.3%
Industrials	13.6%	14.2%	-0.6%
Information Technology	25.2%	18.6%	6.5%
Materials	3.2%	8.2%	-5.1%
Telecom Services	0.0%	1.7%	-1.7%
Utilities	0.0%	0.3%	-0.3%
Total*	100.0%	100.0%	0.0%

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

Portfolio composition may change at any time.

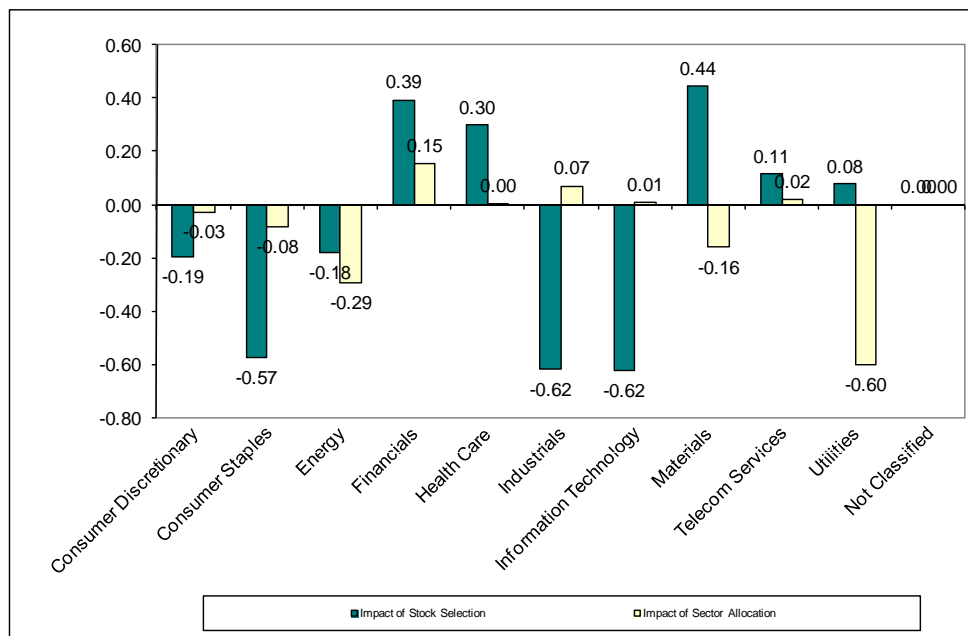
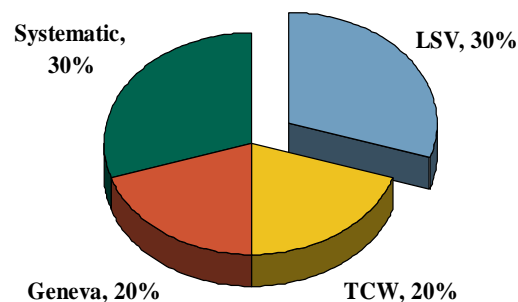
Source: Wilshire Atlas





LSV Asset Management Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, LSV underperformed the Russell Midcap Value Index by 1.5%.
- Overall, the portfolio's deeper value orientation was out of favor as the market rewarded more defensive, higher quality growth-oriented positions. A combination of relatively weaker stock and sector allocations in consumer staples and energy detracted results while financial and material positions were strong for the period. An underweight to utilities and stock selection in technology further undermined performance.
- LSV's quantitative strategy uses computer-based models to help identify investment opportunities. They believe the portfolio is attractively positioned from a valuation standpoint. The models produced some changes to the portfolio's sector positioning over the quarter, such as decreasing the portfolio's relative weight to utilities and increasing its financials (ex-REITs) exposure. At the close of the quarter, the portfolio was overweight the health care, consumer discretionary and technology sectors while underweight utilities and REITs.

Source: Wilshire Atlas





LSV Asset Management

Portfolio Characteristics

	LSV	Russell Midcap Value Index
Wtd Avg Market Cap	\$6.2 Billion	\$7.1 Billion
% EPS Growth - Past 5 yrs.	1.96%	0.20%
Positive Trailing P/E	9.4x	12.2x
Price to Book	1.06%	1.23%
Number of Holdings	168	528

5 Largest Holdings	% of Portfolio
International Paper	1.7%
Aetna Inc	1.7%
American Elec Pwr In	1.7%
Valero Energy Corp N	1.7%
Fifth Third Bancorp	1.6%
Total*	8.3%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas





LSV Asset Management Sector Exposure

Economic Sectors	LSV	Russell Midcap Value Index	Over/Under
Consumer Discretionary	13.8%	11.3%	2.5%
Consumer Staples	6.5%	6.8%	-0.3%
Energy	7.6%	6.1%	1.5%
Financials	25.8%	30.7%	-4.8%
Healthcare	9.7%	6.8%	2.9%
Industrials	9.8%	10.0%	-0.2%
Information Technology	9.4%	8.2%	1.1%
Materials	6.1%	4.3%	1.8%
Telecom Services	0.9%	0.9%	0.0%
Utilities	10.4%	15.0%	-4.5%
Total*	100.0%	100.0%	0.0%

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

Portfolio composition may change at any time.

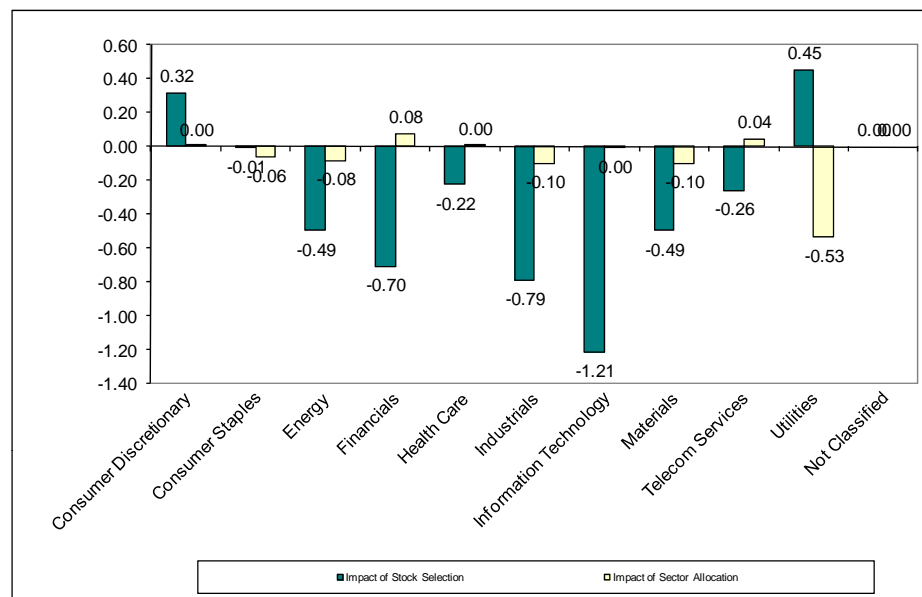
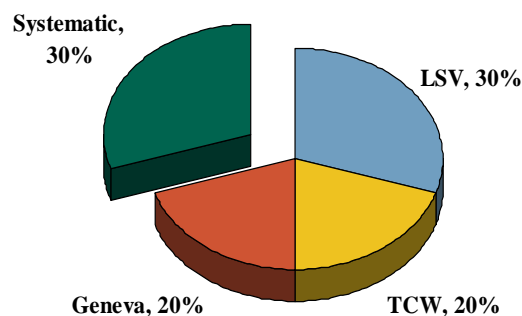
Source: Wilshire Atlas



Systematic Financial Management

Quarterly Performance Attribution

Sub-Adviser Target Allocations



- During the quarter, Systematic underperformed the Russell Midcap Value Index by 3.8%.
- Stock selection was weak in several sectors, most notably information technology, industrials and financials. The portfolio's underweight to the utilities sector, which performed relatively well during the quarter, also contributed to the underperformance. Positive areas of the portfolio were stock selection within the consumer discretionary and utilities sectors. Overall, the portfolio was hindered by its overweight exposure to higher beta, pro-cyclical stocks which significantly underperformed the broad market driven by a sharp sell-off during the quarter.
- Systematic continues to believe that the economy is in the "middle innings" of a recovery and that we have recently hit a "soft patch" that investors have misinterpreted as a potential double-dip recession. Systematic has observed that most companies continue to meet/exceed earnings expectation, and as such, have maintained a pro-cyclical bias in the portfolio. In fact, Systematic took advantage of the recent market selloff by adding to the shares of companies with good bottom-line fundamentals and, now, even better valuations. When Wall Street inevitably rewards the stocks of companies with superior business models and earnings momentum, Systematic believes it will be well positioned.

Source: Wilshire Atlas





Systematic Financial Management Portfolio Characteristics

	Systematic	Russell Midcap Value Index
Wtd Avg Market Cap	\$6.5 Billion	\$7.1 Billion
% EPS Growth - Past 5 yrs.	2.56%	0.20%
Positive Trailing P/E	12.4x	12.2x
Price to Book	1.24%	1.23%
Number of Holdings	67	528

5 Largest Holdings	% of Portfolio
Macys Inc.	3.0%
First Energy Corp	2.8%
Discover Finl Svcs	2.5%
Ppl Corp	2.4%
Marsh & McLennan Cos	2.4%
Total*	12.7%

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

Portfolio composition may change at any time.

Source: Wilshire Atlas





Systematic Financial Management Sector Exposure

Economic Sectors	Systematic	Russell Midcap Value Index	Over/Under
Consumer Discretionary	13.8%	11.3%	2.4%
Consumer Staples	6.8%	6.8%	0.1%
Energy	7.5%	6.1%	1.5%
Financials	28.2%	30.7%	-2.4%
Healthcare	8.5%	6.8%	1.7%
Industrials	10.7%	10.0%	0.7%
Information Technology	9.0%	8.2%	0.7%
Materials	3.8%	4.3%	-0.5%
Telecom Services	0.0%	0.9%	-0.9%
Utilities	11.6%	15.0%	-3.4%
Total*	100.0%	100.0%	0.0%

*The "Total" column 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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