

LARGE CAP VALUE FUND

FUND FACTS

Fund Objective: Capital Appreciation
Inception Date: August 3, 2000
Ticker Symbol: NOLVX
Cusip: 665162632
Gross Expense Ratio: 1.21%
Net Expense Ratio: 1.10%¹
Dividend Schedule: Annually
Benchmark: Russell 1000[®] Value Index
Morningstar Category: Large Value

FUND CHARACTERISTICS

Total Net Assets: \$227 million
Number of Holdings: 51
Annual Portfolio Turnover: 61.00% (as of 3/31/09)
Weighted Average Market Cap (\$mil): \$80,217

	FUND	BENCHMARK ²
Trailing 12-month Price to Earnings Ratio	17.86	16.72
Price to Book Ratio	1.94	1.60

RISK CHARACTERISTICS

	FUND	BENCHMARK ²
Beta	1.01	1.00
Up Market Capture	100.19	100.00
Down Market Capture	96.19	100.00
Information Ratio	0.38	0.00

Above risk characteristics are based on 3-year time period.

FUND STRATEGY

- Focus on valuation and dividend yield, which is designed to contribute positively to total return and provide a cushion against market volatility.
- Select stocks based on valuation levels, financial strength and earnings growth potential, identifying a catalyst for potential appreciation, such as a new product line or corporate restructuring.
- Maintain a strict sell discipline — systematically sell stocks that we believe have achieved their true value.

PERFORMANCE as of 3/31/10

FUND	ANNUALIZED						
	QUARTER	YTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION
FUND	6.60%	6.60%	53.94%	-5.63%	0.87%	—	4.06%
RUSSELL 1000 [®] VALUE INDEX ²	6.78%	6.78%	53.55%	-7.33%	1.05%	—	3.40%
MORNINGSTAR CATEGORY AVG LARGE VALUE	5.61%	5.61%	50.25%	-5.99%	1.21%	—	—

As of July 1, 2009 the Large Cap Value Fund's benchmark is the Russell 1000[®] Value Index. The previous benchmark was the S&P 500[®]/Citigroup Value Index³. Returns for the S&P 500[®]/Citigroup Value Index³ as of March 31, 2010 were: 1 Year 54.68%, 5 Year Average Annual 1.26% and the Average Annual Since Inception 2.48%.

Performance quoted represents past performance and 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 than that shown here. Performance data current to the most recent month end is available by calling 800-595-9111.

Performance calculations reflect voluntary fee waivers in effect. In the absence of fee waivers, total return, growth since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions. 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.

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.

Value Risk: Value-based investments are subject to the risk that the broad market may not recognize their intrinsic value.

¹ The Net Expense Ratio includes voluntary expense reimbursements by Northern Funds' investment advisers that may change or end at any time.

Please see back page for calendar year returns, investment terms and index definitions.

TOP 10 HOLDINGS

COMPANY	FUND % OF NET ASSETS
GENERAL ELECTRIC CO	3.7%
CHEVRON CORP	3.0%
WELLS FARGO & CO	2.9%
ALLSTATE CORP	2.9%
BOEING CO	2.9%
EXXON MOBIL CORP	2.9%
BB&T CORP	2.9%
MICROSOFT CORP	2.8%
INTEL CORP	2.8%
METLIFE INC	2.7%

TOTAL 29.5%

SECTOR WEIGHTINGS

ECONOMIC SECTOR	FUND	BENCHMARK ²
FINANCIALS	25.3%	26.1%
ENERGY	15.1%	17.6%
INFORMATION TECHNOLOGY	12.4%	5.0%
INDUSTRIALS	10.7%	10.9%
HEALTH CARE	10.1%	8.7%
CONSUMER DISCRETIONARY	9.4%	10.6%
CONSUMER STAPLES	7.4%	5.5%
MATERIALS	5.5%	4.1%
TELECOMMUNICATION SERVICES	4.1%	5.1%
UTILITIES	0.0%	6.4%

TOTAL 100.0% 100.0%

ASSET ALLOCATION

STOCKS	97.5%
CASH	2.5%
TOTAL	100.0%

All data is as of date indicated and subject to change.

PORTFOLIO MANAGERS



DONNA RENAUD | Began career in 1986, with Northern Trust since 2004

Ms. Renaud received a B.A. degree with high distinction from Pennsylvania State University, an MBA from Arizona State University and is a CFA charterholder.

STEPHEN G. ATKINS | Began career in 1997, with Northern Trust since 2000

Mr. Atkins graduated from Georgetown University and is a CFA charterholder.

BETSY TURNER | Began career in 1986, with Northern Trust since 2000

Ms. Turner holds a degree in economics from Lake Forest College.

DOUGLAS MCELDOWNEY | Began career in 1984, with Northern Trust since 2006

Mr. McEldowney earned a B.A. from the University of Kentucky and an MBA from Rollins College and is a CFA charterholder.

CALENDAR YEAR RETURNS

	2009	2008	2007	2006	2005
FUND	25.42%	-34.10%	-3.64%	19.31%	3.32%
RUSSELL 1000® VALUE INDEX ²	19.69%	-36.85%	-0.17%	22.25%	7.05%
S&P 500®/CITIGROUP VALUE INDEX ³	21.18%	-39.22%	1.99%	20.80%	5.82%
MORNINGSTAR CATEGORY AVG LARGE VALUE	24.13%	-37.09%	1.42%	18.15%	5.95%

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A Conservative Investment Approach

Northern Trust has built a tradition of strength and stability in investment management. Markets fluctuate over time, but we have remained steadfast in our disciplined, risk-managed investment philosophy.

² **Russell 1000® Value Index** is an unmanaged index which measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. It is not possible to invest directly in an index.

³ **S&P 500®/Citigroup Value Index** is a capitalization-weighted index of the common stocks within the S&P 500® Index exhibiting value characteristics according to S&P/Citigroup's multi-factor methodology. It is not possible to invest directly in an index.

Trailing 12-month Price to Earnings Ratio: The sum of a company's price-to-earnings. Calculated by taking the current stock price and dividing it by the current earnings per share for the past 12 months.

Price to Book Ratio: 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.

Beta: Beta represents the systematic risk of a portfolio and measures its sensitivity to a benchmark.

Up Market Capture: Measure of a manager's performance in up markets relative to the market.

Down Market Capture: Measure of a manager's performance in down markets relative to the market.

Information Ratio: A measure of the consistency of excess return.

Please carefully read the prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds before investing. Call 800-595-9111 to obtain a prospectus, which contains this and other information about the funds.