

MULTI-MANAGER INTERNATIONAL EQUITY FUND

OVERALL MORNINGSTAR RATING™



among 638 foreign large blend funds derived from a weighted average of the fund's 3-year risk-adjusted returns as of 3/31/10*

FUND FACTS

Fund Objective: Capital Appreciation

Inception Date: June 22, 2006

Ticker Symbol: NMIEX

Cusip: 665162558

Gross Expense Ratio: 1.50%

Net Expense Ratio: 1.47%¹

Dividend Schedule: Annually

Benchmark: MSCI ACWI® Ex-U.S. Index

Morningstar Category: Foreign Large Blend

FUND CHARACTERISTICS

Total Net Assets: \$2.9 billion

Number of Holdings: 304

Annual Portfolio Turnover: 69.98% (as of 3/31/09)

Weighted Average Market Cap (\$mil): \$34,498

	FUND	BENCHMARK ²
Trailing 12-month Price to Earnings Ratio	18.67	16.52
Price to Book Ratio	1.91	1.60

RISK CHARACTERISTICS

	FUND	BENCHMARK ²
Beta	0.93	1.00
Up Market Capture	92.81	100.00
Down Market Capture	96.30	100.00
Information Ratio	0.04	0.00

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

FUND STRATEGY

- Invest in companies of any size throughout the world, but primarily in developed markets and generally in securities similar to those in the MSCI ACWI® Ex-U.S. Index.
- Select complementary managers from a broad universe of investment managers.
- Blend managers into a single fund in an effort to provide the best combination of risk and return.

SUB-ADVISER ALLOCATION

SUB-ADVISER	TARGET ALLOCATION	ROLE IN PORTFOLIO
TRADEWINDS GLOBAL INVESTORS	30%	Absolute value style seeks opportunities in every area of the market, regardless of sector or country. Expected to offer downside protection.
ALTRINISIC GLOBAL ADVISORS	25%	Relative value style expected to protect capital in negative markets. Favors high-quality, large-cap companies.
WILLIAM BLAIR	25%	Portfolio of companies showing superior growth at reasonable valuations. Process combines bottom-up fundamental analysis with a top-down strategic overlay.
UBS GLOBAL ASSET MANAGEMENT	20%	Aggressive growth style expected to provide strong up-market capture in strong markets. Has higher beta and volatility than other managers.

PERFORMANCE as of 3/31/10

FUND	ANNUALIZED						
	QUARTER	YTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION
FUND	2.91%	2.91%	47.16%	-5.43%	—	—	0.21%
MSCI ACWI® EX-U.S. INDEX ²	1.58%	1.58%	60.93%	-4.17%	—	—	2.61%
MORNINGSTAR CATEGORY AVG FOREIGN LARGE BLEND	1.28%	1.28%	53.26%	-6.84%	—	—	—

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.

International Risk: International investing involves increased risk and volatility.

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
ISHARES MSCI EMERGING MARKETS INDEX FUND	4.0%
SANOFLAVENTIS SA	1.4%
SEVEN & I HOLDINGS CO LTD	1.2%
BP PLC	1.2%
GLAXOSMITHKLINE PLC	1.1%
NINTENDO CO LTD	1.1%
CANON INC	1.1%
MITSUBISHI CORP	1.1%
CARREFOUR SA	1.1%
SIEMENS AG	1.0%
TOTAL	14.3%

SECTOR WEIGHTINGS

ECONOMIC SECTOR	FUND	BENCHMARK ²
FINANCIALS	18.0%	25.8%
INDUSTRIALS	13.2%	10.2%
MATERIALS	12.4%	12.2%
INFORMATION TECHNOLOGY	11.9%	7.0%
CONSUMER DISCRETIONARY	10.3%	8.5%
CONSUMER STAPLES	10.3%	8.5%
ENERGY	9.2%	10.7%
HEALTH CARE	7.6%	6.3%
TELECOMMUNICATION SERVICES	4.9%	6.0%
UTILITIES	2.2%	4.8%
TOTAL	100.0%	100.0%

TOP 10 COUNTRY WEIGHTINGS

COUNTRY	FUND	BENCHMARK ²
JAPAN	22.5%	15.4%
UNITED KINGDOM	14.9%	14.7%
FRANCE	7.5%	7.1%
CANADA	6.1%	7.6%
GERMANY	5.0%	5.4%
CHINA	5.0%	5.7%
SWITZERLAND	4.8%	5.5%
BRAZIL	3.6%	3.7%
SOUTH KOREA	3.1%	2.9%
SOUTH AFRICA	2.9%	1.6%
TOTAL	75.4%	69.6%

ASSET ALLOCATION

STOCKS	95.9%
CASH	4.1%
TOTAL	100.0%

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

PORTFOLIO MANAGERS



JESSICA K. HART | Began career in 1999
With Northern Trust since 2000

Ms. Hart received a B.S. degree in economics from the University of Wisconsin and an MBA from New York University, Stern School of Business.

ANDREW SMITH | Began career in 1986
With Northern Trust since 2000

Mr. Smith holds a B.A. from the University of Western Ontario. He is a CFA charterholder, registered Investment Counsel and Portfolio Manager.

CALENDAR YEAR RETURNS

	2009	2008	2007	2006	2005
FUND	27.74%	-39.97%	9.67%	—	—
MSCI ACWI [®] EX-U.S. INDEX ²	41.45%	-45.53%	16.65%	—	—
MORNINGSTAR CATEGORY AVG FOREIGN LARGE BLEND	31.24%	-43.99%	12.71%	—	—

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A Risk-Managed 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 MSCI ACWI[®] Ex-U.S. Index is a free-float adjusted market capitalization index that is designed to measure the equity performance in the global developed and emerging markets, excluding the U.S.

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.

*Past performance is no guarantee of future results. Ratings reflect fee waivers in effect; in their absence, ratings may have been lower.

Star ratings are based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The overall rating is a weighted average of the 3-, 5- and 10-year (if applicable) returns. 5 stars = top 10% of funds in an asset category; 4 stars = next 22.5% of funds; 3 stars = next 35%; 2 stars = next 22.5% and 1 star = next 10%. A fund must be in existence three years to be rated. Ratings are subject to change monthly. The Multi-Manager International Equity Fund received 4 stars for the 3-year rating among 638 foreign large blend funds. The 5- and 10-year Morningstar Ratings are not available.

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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.

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