

# NORTHERN FUNDS

## Update 1/31/12: Northern Money Funds' European Exposure

The spreading European debt crisis has increased investors' concerns about their exposure to European sovereign debt in money market funds. At Northern Trust, our Risk Management Division monitors and evaluates the risks embedded in our investment products.

### Summary of European Exposure (as of 1/31/12)

	NORTHERN FUNDS				NORTHERN INSTITUTIONAL FUNDS		
	CALIFORNIA MUNICIPAL MONEY MARKET	MONEY MARKET	MUNICIPAL MONEY MARKET	DIVERSIFIED ASSETS	MUNICIPAL	PRIME OBLIGATIONS	TAX EXEMPT
<b>PERIPHERY (PIIGS) EUROPEAN COUNTRIES, FRANCE &amp; GERMANY</b>							
<b>Portugal</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Ireland</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Italy</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Greece</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Spain</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>France</b>	0.0%	9.8%	0.0%	8.1%	0.0%	7.2%	0.0%
Sovereign	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Government Agency	0.0%	0.7%	0.0%	0.5%	0.0%	0.5%	0.0%
Repo	0.0%	9.2%	0.0%	7.6%	0.0%	6.7%	0.0%
Unsecured Bank Exposure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Germany</b>	0.0%	1.7%	0.8%	5.1%	0.8%	1.9%	0.0%
Sovereign	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Government Agency	0.0%	1.7%	0.0%	1.6%	0.0%	1.9%	0.0%
Repo	0.0%	0.0%	0.0%	3.6%	0.0%	0.0%	0.0%
Unsecured Bank Exposure	0.0%	0.0%	0.8%	0.0%	0.8%	0.0%	0.0%
DEUTSCHE BANK AG	0.0%	0.0%	0.8%	0.0%	0.8%	0.0%	0.0%
<b>OTHER EUROPEAN COUNTRIES</b>							
<b>Belgium</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Denmark</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Finland</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Great Britain</b>	0.0%	8.3%	0.0%	4.8%	0.0%	10.4%	0.0%
<b>Netherlands</b>	0.0%	1.4%	0.6%	1.3%	0.0%	1.7%	0.0%
<b>Norway</b>	0.0%	3.8%	0.0%	2.8%	0.0%	4.2%	0.0%
<b>Sweden</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Switzerland</b>	0.0%	0.0%	0.7%	0.0%	0.0%	0.0%	0.5%
<b>Total Europe</b>	0.0%	25.1%	2.1%	22.2%	0.8%	25.4%	0.5%
Total European Banks - Unsecured	0.0%	7.6%	2.1%	7.8%	0.8%	11.8%	0.5%
<b>Other Non-U.S.</b>	12.4%	10.1%	2.2%	11.3%	2.7%	9.5%	4.0%
<b>Total Non-U.S.</b>	12.4%	35.2%	4.3%	33.5%	3.5%	34.9%	4.6%
<b>U.S.</b>	87.6%	64.8%	95.7%	66.5%	96.5%	65.1%	95.4%
<b>Total</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Total Net Assets</b>	\$445 MM	\$7,627 MM	\$7,240 MM	\$10,561 MM	\$6,331 MM	\$2,973 MM	\$1,462 MM

"Other European Countries" include sovereign, government agency, repo and unsecured bank exposure.



**Money Market Risk:** An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The information above is unaudited and subject to review and revision. Portfolio holdings are subject to change. For a complete list of fund holdings please visit [www.northernfunds.com](http://www.northernfunds.com) or [www.northerninstitutionalfunds.com](http://www.northerninstitutionalfunds.com).

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

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