

NORTHERN FUNDS REDUCTIONS IN FUND EXPENSES FOR MOST NORTHERN FUNDS

Expense reductions for 37 of 44 Northern Funds became effective on January 1, 2012. The expense reductions are expected to result in higher yields, increased dividends and increased performance. The expense reductions vary by mutual fund but range from 5% to 60%, and are outlined in the chart below.

NORTHERN FUNDS EXPENSE REIMBURSEMENTS COMPARISONS

Fund	Ticker Symbol	Total Annual Fund Operating Expenses (Current)*	Operating Expense Reduction	Total Annual Fund Operating Expenses (1/1/2012)*
EQUITY FUNDS				
International Equity	NOIGX	1.25%	-0.19%	1.06%
Large Cap Equity	NOGEX	1.00%	-0.15%	0.85%
Large Cap Growth	NOEQX	1.00%	-0.15%	0.85%
Large Cap Value	NOLVX	1.10%	-0.25%	0.85%
Small Cap Core	NSGRX	1.00%	-0.25%	0.75%
EQUITY INDEX FUNDS				
Emerging Markets Equity Index	NOEMX	0.72%	-0.42%	0.30%
Global Real Estate Index	NGREX	0.65%	-0.15%	0.50%
Global Sustainability Index	NSRIX	0.65%	-0.35%	0.30%
International Equity Index	NOINX	0.45%	-0.20%	0.25%
Mid Cap Index	NOMIX	0.30%	-0.15%	0.15%
Small Cap Index	NSIDX	0.35%	-0.20%	0.15%
Stock Index	NOSIX	0.25%	-0.15%	0.10%
MULTI-MANAGER FUNDS				
Multi-Manager Emerging Markets Equity	NMMEX	1.46%	-0.10%	1.36%
Multi-Manager Global Real Estate	NMMGX	1.30%	-0.10%	1.20%
Multi-Manager International Equity	NMIEX	1.40%	-0.10%	1.30%
Multi-Manager Large Cap	NMMLX	1.20%	-0.10%	1.10%
Multi-Manager Mid Cap	NMMCX	1.20%	-0.10%	1.10%
Multi-Manager Small Cap	NMMSX	1.40%	-0.10%	1.30%
Multi-Manager High Yield Opportunity	NMHYX	1.10%	-0.10%	1.00%
TAX-EXEMPT FIXED INCOME FUNDS				
Arizona Tax-Exempt	NOAZX	0.75%	-0.30%	0.45%
California Intermediate Tax-Exempt	NCITX	0.75%	-0.30%	0.45%
California Tax-Exempt	NCATX	0.75%	-0.30%	0.45%
High Yield Municipal	NHYMX	0.85%	-0.05%	0.80%
Intermediate Tax-Exempt	NOITX	0.75%	-0.30%	0.45%
Short-Intermediate Tax-Exempt	NSITX	0.71%	-0.25%	0.46%
Tax-Exempt	NOTEX	0.75%	-0.30%	0.45%
FIXED INCOME FUNDS				
Bond Index	NOBOX	0.26%	-0.10%	0.16%
Fixed Income	NOFIX	0.91%	-0.45%	0.46%
Global Fixed Income	NOIFX	1.15%	-0.35%	0.80%
High Yield Fixed Income	NHFIX	0.87%	-0.10%	0.77%
Short-Intermediate U.S. Government	NSIUX	0.93%	-0.50%	0.43%
U.S. Government	NOUGX	0.91%	-0.50%	0.41%

*After Expense Reimbursement. These new contractual expense reimbursement arrangements are expected to continue from implementation until at least 12/31/2012.

Mutual fund investing involves risk, including loss of principal.

Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of any mutual fund 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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