

NORTHERN INSTITUTIONAL FUNDS INTERNATIONAL EQUITY INDEX PORTFOLIO

Investment Objective

The International Equity Index Portfolio seeks to provide investment results approximating the aggregate price and dividend performance of the securities in the MSCI EAFE® Index.

The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States and Canada. As of December 31, 2008, the MSCI EAFE Index consisted of 21 developed countries primarily in Europe and Asia.

What It Invests In

Under normal circumstances, the Portfolio will invest substantially all (and at least 80%) of its net assets in the equity securities included in the MSCI EAFE Index, in weightings that approximate the relative composition of the securities contained in the MSCI EAFE Index, and in MSCI EAFE Index futures approved by the Commodity Futures Trading Commission.

The Portfolio is passively managed, which means it tries to duplicate the investment composition and performance of the MSCI EAFE Index by using computer programs and statistical procedures. As a result, the investment management team does not use traditional methods of investment management for the Portfolio, such as selecting securities on the basis of economic, financial and market analysis. Rather, the investment management team will buy and sell securities in response to changes in the MSCI EAFE Index. Because the Portfolio will have fees and transaction expenses (while the MSCI EAFE Index has none), returns are likely to be below those of the MSCI EAFE Index.

Because the proportion of assets allocated to each country will approximate the relative country weights in the MSCI EAFE Index, more than 25% of the Portfolio's assets may be invested in a single country (such as the United Kingdom or Japan). This may make the Portfolio's performance more dependent upon the performance of a single country than if the Portfolio allocated its assets among issuers in a larger number of countries.

The Investment Adviser expects that, under normal circumstances, the quarterly performance of the Portfolio, before expenses, will track the performance of the MSCI EAFE Index within a 0.95 correlation coefficient.

MSCI EAFE® Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the U.S. and Canada. It is not possible to invest directly in an index.

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

Dividends, if any, are declared and paid annually. Capital gains, if any, will be distributed at least annually.

***Includes contractual expense reimbursements that, if not extended, will end on April 1, 2013.**

PORTFOLIO CHARACTERISTICS as of March 31, 2012

Inception Date:	April 1, 1997	
Index:	MSCI EAFE® Index	
Ticker:	BIEIX	
Total Net Assets:	\$297 Million	
Number of Holdings:	923	
Asset Allocation:	Stocks	97.8%
	Cash	2.2
		100.0%
Gross Expense Ratio:	0.56%	
Net Expense Ratio*:	0.25%	
Beta:	1.02	

TEN LARGEST FUND HOLDINGS

(13.0% of Portfolio)	% of Fund
NESTLE SA	2.0 %
HSBC HOLDINGS PLC	1.5
BP PLC	1.3
VODAFONE GROUP PLC	1.3
NOVARTIS AG	1.2
ROYAL DUTCH PETROLEUM CO	1.2
ROCHE HOLDING AG	1.2
TOYOTA MOTOR CORP	1.1
BHP BILLITON LTD	1.1
GLAXOSMITHKLINE PLC	1.1

STOCK DISTRIBUTION BY SECTOR

	% of Fund
FINANCIALS	22.8 %
INDUSTRIALS	12.7
CONSUMER STAPLES	11.2
CONSUMER DISCRETIONARY	10.8
MATERIALS	10.2
HEALTH CARE	9.3
ENERGY	8.5
TELECOMMUNICATION SERVICES	5.4
INFORMATION TECHNOLOGY	4.8
UTILITIES	4.3
	100.0 %

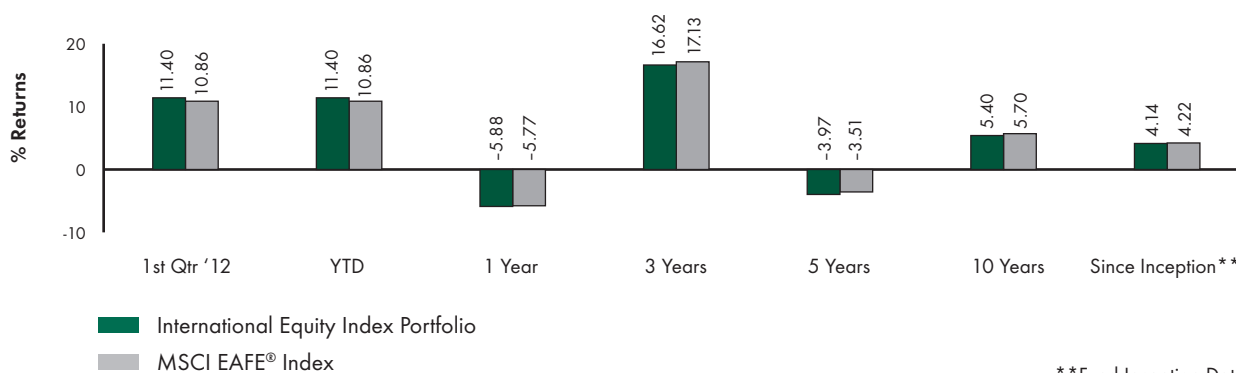
Redemption Fee: 2% on shares sold or exchanged within 30 days of purchase



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Northern Trust

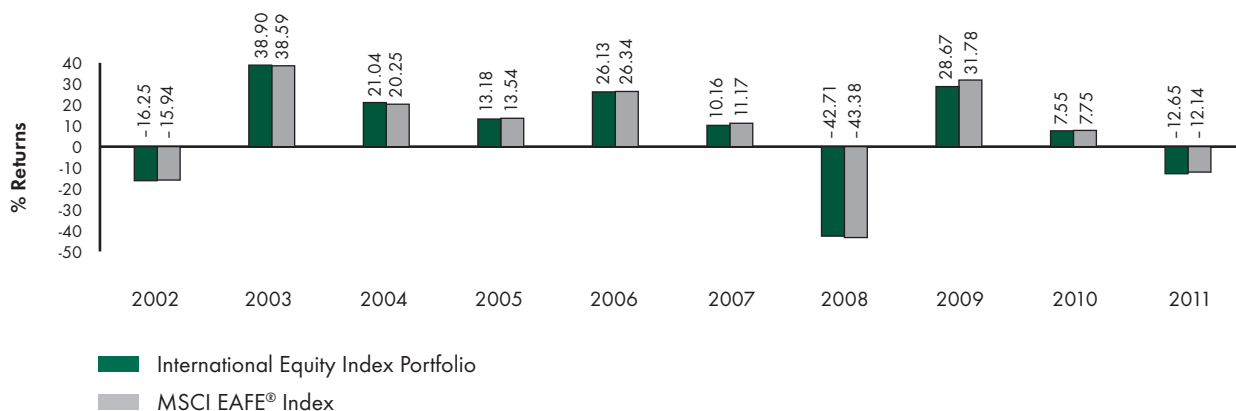
NORTHERN INSTITUTIONAL INTERNATIONAL EQUITY INDEX PORTFOLIO – CLASS A

Trailing Total Returns for Periods Ended 3/31/12



**Fund Inception Date: 4/1/1997

Annual Total Returns for Periods Ended 12/31



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 at northernfunds.com/institutional.

The Advisor has agreed to reimburse certain expenses of the Portfolio. The contractual reimbursement arrangement is expected to continue until at least April 1, 2013. After this date, the contractual arrangements may be terminated if it is determined to be in the best interest of the Portfolio and its shareholders. In the absence of fee waivers, yields, total return, growth since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions.

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 Portfolio will fluctuate as the value of the securities in the portfolio changes.

Index Fund Risk: The performance of the Portfolio is expected to be lower than that of its benchmark because of Portfolio fees and expenses. It is important to remember that there are risks associated with index investing, including the potential risk of market decline, as well as the risks associated with investing in specific companies.

International Risk: International investing involves increased risk and volatility.

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

Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds and Northern Institutional Funds before investing. Call 800-637-1380 to obtain a prospectus and summary prospectus, which contains this and other information about the funds.

Northern Funds and Northern Institutional Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.



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NOT FDIC INSURED

May lose value/No bank guarantee