



# Northern Trust

## **Financial Trends** **Fourth Quarter 2014** **January 21, 2015**

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The historical financial results and trends reflected in this report are not indicative of future financial results and trends for Northern Trust Corporation. This report should be read in conjunction with the Corporation's Fourth Quarter 2014 earnings press release, 2014 Annual Report to Shareholders, and periodic reports to the Securities and Exchange Commission, all of which contain additional information about factors that could affect the Corporation's future financial results and trends. The Corporation assumes no obligation to update this report.

**Northern Trust Corporation**  
**FINANCIAL SUMMARY - Reported Results**  
(\$ in Millions except per share information)

2010	2011	2012	2013	2014		2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr *		
\$ 669.5	\$ 603.6	\$ 687.3	\$ 731.3	\$ 811.8	<u>Profitability:</u>										
663.9	596.5	677.3	719.4	789.0	Net Income	\$ 164.0	\$ 191.1	\$ 206.5	\$ 169.7	\$ 181.4	\$ 181.9	\$ 204.5	\$ 244.0		
					Earnings Allocated to Common and Potential Common Shares	161.5	187.9	203.0	167.0	178.5	178.8	201.0	230.7		
<b>\$ 2.74</b>	<b>\$ 2.47</b>	<b>\$ 2.82</b>	<b>\$ 3.01</b>	<b>\$ 3.34</b>	<b>Basic Earnings Per Share</b>	<b>\$ 0.68</b>	<b>\$ 0.78</b>	<b>\$ 0.85</b>	<b>\$ 0.70</b>	<b>\$ 0.75</b>	<b>\$ 0.76</b>	<b>\$ 0.85</b>	<b>\$ 0.98</b>		
<b>2.74</b>	<b>2.47</b>	<b>2.81</b>	<b>2.99</b>	<b>3.32</b>	<b>Diluted Earnings Per Share</b>	<b>0.67</b>	<b>0.78</b>	<b>0.84</b>	<b>0.70</b>	<b>0.75</b>	<b>0.75</b>	<b>0.84</b>	<b>0.98</b>		
<b>(13%)</b>	<b>(10%)</b>	<b>14%</b>	<b>6%</b>	<b>11%</b>	<b>Growth over Previous Year</b>	<b>2%</b>	<b>7%</b>	<b>15%</b>	<b>1%</b>	<b>12%</b>	<b>(4%)</b>	<b>-</b>	<b>40%</b>		
10.09%	8.59%	9.34%	9.54%	10.02%	Return on Average Common Equity	8.82%	10.02%	10.64%	8.66%	9.28%	9.18%	10.09%	11.47%		
0.88%	0.66%	0.74%	0.77%	0.78%	Return on Average Assets	0.73%	0.83%	0.86%	0.68%	0.73%	0.71%	0.77%	0.90%		
27.9%	24.2%	26.2%	26.9%	28.0%	Profit Margin (pre-tax) (FTE**)	25.4%	28.6%	29.3%	24.2%	26.5%	25.5%	28.7%	31.0%		
18.2%	15.8%	17.5%	17.7%	18.6%	Profit Margin (after-tax) (FTE**)	16.7%	18.6%	19.6%	16.1%	17.3%	16.7%	18.8%	21.5%		
74.0%	72.5%	73.8%	76.6%	76.3%	Noninterest Income to Total Revenue (FTE**)	76.3%	77.8%	76.8%	75.4%	75.8%	76.7%	76.4%	76.2%		
56.5%	56.9%	61.1%	63.3%	65.0%	Trust Fees to Total Revenue (FTE**)	64.1%	63.9%	61.4%	63.9%	64.8%	64.9%	66.1%	64.0%		
32.4%	31.7%	30.7%	32.0%	31.8%	Effective Tax Rate (US GAAP)	32.4%	33.1%	31.5%	30.9%	32.7%	32.8%	32.8%	29.5%		
34.9%	34.7%	33.5%	34.0%	33.4%	Effective Tax Rate (FTE**)	34.4%	34.9%	33.2%	33.4%	34.8%	34.5%	34.3%	30.8%		
					<u>Capital Ratios:</u>										
					Standardized Approach (a)										
13.0%	12.1%	12.4%	12.9%	12.5%	Common Equity Tier 1	12.8%	12.6%	13.1%	12.9%	12.8%	12.7%	12.8%	12.5%		
13.6%	12.5%	12.8%	13.4%	13.3%	Tier 1	13.3%	13.1%	13.6%	13.4%	13.0%	12.9%	13.6%	13.3%		
15.6%	14.2%	14.3%	15.8%	15.5%	Total	14.7%	14.4%	14.9%	15.8%	15.5%	15.4%	16.0%	15.5%		
8.8%	7.3%	8.2%	7.9%	7.8%	Leverage	8.4%	8.4%	8.3%	7.9%	7.8%	7.6%	7.9%	7.8%		
					Advanced Approach (b)										
n/a	n/a	n/a	n/a	12.4%	Common Equity Tier 1	n/a	n/a	n/a	n/a	n/a	12.7%	12.7%	12.4%		
n/a	n/a	n/a	n/a	13.2%	Tier 1	n/a	n/a	n/a	n/a	n/a	12.9%	13.4%	13.2%		
n/a	n/a	n/a	n/a	15.0%	Total	n/a	n/a	n/a	n/a	n/a	14.9%	15.3%	15.0%		
					<u>Per Share Information / Ratios:</u>										
\$ 1.12	\$ 1.12	\$ 1.18	\$ 1.23	\$ 1.30	Cash Dividends Declared Per Common Share	\$ 0.30	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.33	\$ 0.33	\$ 0.33		
41%	45%	42%	41%	39%	Dividend Payout Ratio	45%	40%	37%	44%	41%	44%	39%	34%		
\$ 55.41	\$ 39.66	\$ 50.16	\$ 61.89	\$ 67.40	Market Value Per Share (End of Period)	\$ 54.56	\$ 57.90	\$ 54.38	\$ 61.89	\$ 65.56	\$ 64.21	\$ 68.03	\$ 67.40		
20.2	16.1	17.9	20.7	20.3	Stock Price Multiple of Earnings (based on trailing 4 quarters of diluted EPS)	19.3	20.2	18.2	20.7	21.4	21.1	22.4	20.3		
\$ 28.19	\$ 29.53	\$ 31.51	\$ 33.34	\$ 34.54	Book Value Per Common Share (End of Period)	\$ 31.82	\$ 32.17	\$ 32.71	\$ 33.34	\$ 33.61	\$ 34.14	\$ 34.62	\$ 34.54		

\* Capital Ratios for the current quarter are considered preliminary until the Form 10-Q is filed with the Securities and Exchange Commission.

\*\* Fully taxable equivalent

(a) Standardized Approach capital components in 2014 are determined by Basel III phased in requirements and risk weighted assets are determined by Basel I requirements. The 2014 ratios calculated

under the Standardized Approach comply with the final rules released by the Board of Governors of the Federal Reserve on July 2, 2013. For December 31, 2013 and prior the ratios are calculated in accordance with Basel I requirements.

(b) Effective with the second quarter of 2014, Northern Trust exited its parallel run. Accordingly, the June 30, 2014 and subsequent ratios are calculated in compliance with the Basel III Advanced Approach final rules released by the Board of Governors of the Federal Reserve on July 2, 2013.

**Northern Trust Corporation**  
**FINANCIAL SUMMARY - Operating Results\***  
(\$ in Millions except per share information)

2010	2011	2012	2013	2014		2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
\$ 648.6	\$ 589.2	\$ 687.3	\$ 731.3	\$ 811.8	<u>Profitability:</u>										
643.0	582.1	677.3	719.4	\$ 789.0	Net Income	\$ 164.0	\$ 191.1	\$ 206.5	\$ 169.7	\$ 181.4	\$ 181.9	\$ 204.5	\$ 244.0		
					Earnings Allocated to Common and Potential Common Shares	161.5	187.9	203.0	167.0	178.5	178.8	201.0	230.7		
<b>\$ 2.66</b>	<b>\$ 2.41</b>	<b>\$ 2.82</b>	<b>\$ 3.01</b>	<b>\$ 3.34</b>	<b>Basic Earnings Per Share</b>	<b>\$ 0.68</b>	<b>\$ 0.78</b>	<b>\$ 0.85</b>	<b>\$ 0.70</b>	<b>\$ 0.75</b>	<b>\$ 0.76</b>	<b>\$ 0.85</b>	<b>\$ 0.98</b>		
<b>2.65</b>	<b>2.41</b>	<b>2.81</b>	<b>2.99</b>	<b>3.32</b>	<b>Diluted Earnings Per Share</b>	<b>0.67</b>	<b>0.78</b>	<b>0.84</b>	<b>0.70</b>	<b>0.75</b>	<b>0.75</b>	<b>0.84</b>	<b>0.98</b>		
<b>(15%)</b>	<b>(9%)</b>	<b>17%</b>	<b>6%</b>	<b>11%</b>	<b>Growth over Previous Year</b>	<b>2%</b>	<b>7%</b>	<b>15%</b>	<b>1%</b>	<b>12%</b>	<b>(4%)</b>	<b>-</b>	<b>40%</b>		
9.89%	8.50%	9.34%	9.54%	10.02%	Return on Average Common Equity	8.82%	10.02%	10.64%	8.66%	9.28%	9.18%	10.09%	11.47%		
0.85%	0.64%	0.74%	0.77%	0.78%	Return on Average Assets	0.73%	0.83%	0.86%	0.68%	0.73%	0.71%	0.77%	0.90%		
27.0%	23.6%	26.2%	26.9%	28.0%	Profit Margin (pre-tax) (FTE**)	25.4%	28.6%	29.3%	24.2%	26.5%	25.5%	28.7%	31.0%		
17.6%	15.5%	17.5%	17.7%	18.6%	Profit Margin (after-tax) (FTE**)	16.7%	18.6%	19.6%	16.1%	17.3%	16.7%	18.8%	21.5%		
74.0%	72.5%	73.8%	76.6%	76.3%	Noninterest Income to Total Revenue (FTE**)	76.3%	77.8%	76.8%	75.4%	75.8%	76.7%	76.4%	76.2%		
56.5%	56.9%	61.1%	63.3%	65.0%	Trust Fees to Total Revenue (FTE**)	64.1%	63.9%	61.4%	63.9%	64.8%	64.9%	66.1%	64.0%		
32.2%	31.5%	30.7%	32.0%	31.8%	Effective Tax Rate (US GAAP)	32.4%	33.1%	31.5%	30.9%	32.7%	32.8%	32.8%	29.5%		
34.9%	34.6%	33.5%	34.0%	33.4%	Effective Tax Rate (FTE**)	34.4%	34.9%	33.2%	33.4%	34.8%	34.5%	34.3%	30.8%		
					<u>Per Share Information / Ratios:</u>										
\$ 1.12	\$ 1.12	\$ 1.18	\$ 1.23	\$ 1.30	Cash Dividends Declared per Common Share	\$ 0.30	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.33	\$ 0.33	\$ 0.33		
42%	46%	42%	41%	39%	Dividend Payout Ratio	45%	40%	37%	44%	41%	44%	39%	34%		
\$ 55.41	\$ 39.66	\$ 50.16	\$ 61.89	\$ 67.40	Market Value Per Share (End of Period)	\$ 54.56	\$ 57.90	\$ 54.38	\$ 61.89	\$ 65.56	\$ 64.21	\$ 68.03	\$ 67.40		
20.9	16.5	17.9	20.7	20.3	Stock Price Multiple of Earnings (based on trailing 4 quarters of diluted EPS)	19.3	20.2	18.2	20.7	21.4	21.1	22.4	20.3		
\$ 27.82	\$ 29.09	\$ 31.51	\$ 33.34	\$ 34.54	Book Value Per Common Share (End of Period)	\$ 31.82	\$ 32.17	\$ 32.71	\$ 33.34	\$ 33.61	\$ 34.14	\$ 34.62	\$ 34.54		

\* Northern Trust is providing operating results, which exclude Visa related adjustments, in addition to its reported results prepared in accordance with GAAP in order to provide a clearer indication of the results and trends in Northern Trust's core businesses.

\*\* Fully taxable equivalent

**Northern Trust Corporation**  
**INCOME STATEMENT - Reported Results**  
(\$ in Millions except per share information)

TWELVE MONTHS		CHANGE			FOURTH QUARTER		CHANGE	
2014	2013	\$	%		2014	2013	\$	%
\$ 1,584.0	\$ 1,443.8	\$ 140.2	10%	C&IS Trust, Investment and Other Servicing Fees	\$ 409.5	\$ 371.1	\$ 38.4	10%
1,248.8	1,166.0	82.8	7%	WM Trust, Investment and Other Servicing Fees	318.7	302.7	16.0	5%
2,832.8	2,609.8	223.0	9%	<i>Total Fees</i>	728.2	673.8	54.4	8%
210.1	244.4	(34.3)	(14%)	Foreign Exchange Trading Income	60.7	50.8	9.9	19%
66.0	69.0	(3.0)	(4%)	Treasury Management Fees	16.2	17.5	(1.3)	(8%)
67.6	68.0	(0.4)	(1%)	Security Commissions and Trading Income	20.9	14.6	6.3	43%
153.5	166.5	(13.0)	(8%)	Other Operating Income	41.2	38.2	3.0	8%
(4.3)	(1.5)	(2.8)	181%	Investment Security Gains (Losses), net	(1.0)	0.4	(1.4)	N/M
3,325.7	3,156.2	169.5	5%	<i>Total Noninterest Income</i>	866.2	795.3	70.9	9%
				Interest Income (FTE*)	310.9	311.6	(0.7)	-
1,216.3	1,188.0	28.3	2%	Interest Expense	40.0	52.5	(12.5)	(24%)
181.4	222.4	(41.0)	(18%)	<i>Net Interest Income (FTE*)</i>	270.9	259.1	11.8	5%
1,034.9	965.6	69.3	7%	<i>Total Revenue (FTE*)</i>	1,137.1	1,054.4	82.7	8%
4,360.6	4,121.8	238.8	6%	Provision for Credit Losses	3.0	5.0	(2.0)	(40%)
6.0	20.0	(14.0)	(70%)	Compensation	355.7	334.8	20.9	6%
1,417.9	1,306.6	111.3	9%	Employee Benefits	62.7	66.5	(3.8)	(6%)
268.7	257.5	11.2	4%	Outside Services	143.2	152.1	(8.9)	(6%)
574.6	564.1	10.5	2%	Equipment and Software	103.5	98.6	4.9	5%
421.4	377.6	43.8	12%	Occupancy	45.1	43.8	1.3	3%
180.3	173.8	6.5	4%	Other Operating Expense	71.1	98.7	(27.6)	(28%)
272.1	314.2	(42.1)	(13%)	<i>Total Noninterest Expense</i>	781.3	794.5	(13.2)	(2%)
3,135.0	2,993.8	141.2	5%	<i>Income before Income Taxes (FTE*)</i>	352.8	254.9	97.9	38%
1,219.6	1,108.0	111.6	10%	Provision for Income Taxes	101.8	76.0	25.8	34%
378.4	344.2	34.2	10%	Taxable Equivalent Adjustment	7.0	9.2	(2.2)	(24%)
29.4	32.5	(3.1)	(10%)	<i>Total Taxes (FTE*)</i>	108.8	85.2	23.6	28%
407.8	376.7	31.1	8%	<b><i>Net Income</i></b>	<b>\$ 244.0</b>	<b>\$ 169.7</b>	<b>\$ 74.3</b>	<b>44%</b>
<b>\$ 811.8</b>	<b>\$ 731.3</b>	<b>\$ 80.5</b>	<b>11%</b>	Earnings Allocated to Participating Securities	\$ 3.8	\$ 2.7	\$ 1.1	41%
\$ 13.3	\$ 11.9	\$ 1.4	12%	Earnings Allocated to Preferred Dividends	9.5	-	9.5	N/M
9.5	-	9.5	N/M	Earnings Allocated to Common and Potential Common Shares	230.7	167.0	63.7	38%
789.0	719.4	69.6	10%	Earnings Per Share - Basic	\$ 0.98	\$0.70	\$ 0.28	40%
\$ 3.34	\$ 3.01	\$ 0.33	11%	Earnings Per Share - Diluted	\$ 0.98	\$0.70	\$ 0.28	40%
\$ 3.32	\$ 2.99	\$ 0.33	11%	Average Basic Shares (000s)	234,429	238,228		
235,830	239,265			Average Diluted Shares (000s)	236,369	239,656		
237,720	240,555			End of Period Shares Outstanding (000s)	233,391	237,322		
233,391	237,322							

\* Fully taxable equivalent

**Northern Trust Corporation**  
**NET INCOME TRENDS - Reported Results**  
(\$ in Millions except per share information)

2010	2011	2012	2013	2014		2013				2014			
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
\$ 1,175.1	\$ 1,196.4	\$ 1,334.1	\$ 1,443.8	\$ 1,584.0	C&IS Trust, Investment and Other Servicing Fees	\$ 348.7	\$ 364.2	\$ 359.8	\$ 371.1	\$ 379.2	\$ 395.4	\$ 399.9	\$ 409.5
906.8	973.1	1,071.4	1,166.0	1,248.8	WM Trust, Investment and Other Servicing Fees	282.0	293.1	288.2	302.7	300.3	311.5	318.3	318.7
2,081.9	2,169.5	2,405.5	2,609.8	2,832.8	<i>Total Fees</i>	630.7	657.3	648.0	673.8	679.5	706.9	718.2	728.2
382.2	324.5	206.1	244.4	210.1	Foreign Exchange Trading Income	59.5	71.3	62.8	50.8	50.1	52.9	46.4	60.7
78.1	72.1	67.4	69.0	66.0	Treasury Management Fees	16.8	17.1	17.6	17.5	16.8	16.6	16.4	16.2
60.9	60.5	73.6	68.0	67.6	Security Commissions and Trading Income	18.3	18.3	16.8	14.6	14.7	17.8	14.2	20.9
146.3	158.1	154.9	166.5	153.5	Other Operating Income	24.8	36.3	67.2	38.2	37.7	40.5	34.1	41.2
(20.4)	(23.9)	(1.7)	(1.5)	(4.3)	Investment Security Gains (Losses), net	0.2	0.1	(2.2)	0.4	(4.0)	0.4	0.3	(1.0)
2,729.0	2,760.8	2,905.8	3,156.2	3,325.7	<i>Total Noninterest Income</i>	750.3	800.4	810.2	795.3	794.8	835.1	829.6	866.2
957.8	1,049.3	1,031.1	965.6	1,034.9	Net Interest Income (FTE*)	233.7	228.0	244.8	259.1	254.4	253.4	256.2	270.9
3,686.8	3,810.1	3,936.9	4,121.8	4,360.6	<i>Total Revenue (FTE*)</i>	984.0	1,028.4	1,055.0	1,054.4	1,049.2	1,088.5	1,085.8	1,137.1
160.0	55.0	25.0	20.0	6.0	Provision for Credit Losses	5.0	5.0	5.0	5.0	3.0	-	-	3.0
1,108.0	1,267.2	1,267.4	1,306.6	1,417.9	Compensation	320.3	326.9	324.6	334.8	341.8	372.4	348.0	355.7
237.6	258.2	258.2	257.5	268.7	Employee Benefits	63.3	64.2	63.5	66.5	66.9	68.5	70.6	62.7
460.4	552.8	529.2	564.1	574.6	Outside Services	129.9	136.2	145.9	152.1	144.4	144.6	142.4	143.2
287.1	328.1	366.7	377.6	421.4	Equipment and Software	91.4	92.1	95.5	98.6	101.3	116.1	100.5	103.5
167.8	180.9	174.4	173.8	180.3	Occupancy	43.2	43.5	43.3	43.8	44.2	47.2	43.8	45.1
(33.0)	(23.1)	-	-	-	Visa Indemnification Benefit	-	-	-	-	-	-	-	-
270.0	267.1	282.9	314.2	272.1	Other Operating Expense	80.8	66.8	67.9	98.7	69.4	62.2	69.4	71.1
2,497.9	2,831.2	2,878.8	2,993.8	3,135.0	<i>Total Noninterest Expense</i>	728.9	729.7	740.7	794.5	768.0	811.0	774.7	781.3
1,028.9	923.9	1,033.1	1,108.0	1,219.6	<i>Income before Income Taxes (FTE*)</i>	250.1	293.7	309.3	254.9	278.2	277.5	311.1	352.8
320.3	280.1	305.0	344.2	378.4	Provision for Income Taxes	78.5	94.7	95.0	76.0	88.1	88.8	99.7	101.8
39.1	40.2	40.8	32.5	29.4	Taxable Equivalent Adjustment	7.6	7.9	7.8	9.2	8.7	6.8	6.9	7.0
359.4	320.3	345.8	376.7	407.8	<i>Total Taxes (FTE*)</i>	86.1	102.6	102.8	85.2	96.8	95.6	106.6	108.8
<b>\$ 669.5</b>	<b>\$ 603.6</b>	<b>\$ 687.3</b>	<b>\$ 731.3</b>	<b>\$ 811.8</b>	<b>Net Income</b>	<b>\$ 164.0</b>	<b>\$ 191.1</b>	<b>\$ 206.5</b>	<b>\$ 169.7</b>	<b>\$ 181.4</b>	<b>\$ 181.9</b>	<b>\$ 204.5</b>	<b>\$ 244.0</b>
\$ 2.74	\$ 2.47	\$ 2.82	\$ 3.01	\$ 3.34	Earnings Per Share - Basic	\$ 0.68	\$ 0.78	\$ 0.85	\$ 0.70	\$ 0.75	\$ 0.76	\$ 0.85	\$ 0.98
2.74	2.47	2.81	2.99	3.32	Earnings Per Share - Diluted	0.67	0.78	0.84	0.70	0.75	0.75	0.84	0.98
242,503	241,811	240,881	240,555	237,720	Average Diluted Shares (000s)	240,189	241,041	241,331	239,656	239,051	237,754	237,737	236,369
\$ -	\$ -	\$ -	\$ -	\$ 9.5	Preferred Dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.5

\* Fully taxable equivalent

## Northern Trust Corporation

### NET INCOME TRENDS - Operating Results\*

(\$ in Millions except per share information)

2010	2011	2012	2013	2014		2013				2014			
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
\$ 1,175.1	\$ 1,196.4	\$ 1,334.1	\$ 1,443.8	\$ 1,584.0	C&IS Trust, Investment and Other Servicing Fees	\$ 348.7	\$ 364.2	\$ 359.8	\$ 371.1	\$ 379.2	\$ 395.4	\$ 399.9	\$ 409.5
906.8	973.1	1,071.4	1,166.0	1,248.8	WM Trust, Investment and Other Servicing Fees	282.0	293.1	288.2	302.7	300.3	311.5	318.3	318.7
2,081.9	2,169.5	2,405.5	2,609.8	2,832.8	<i>Total Fees</i>	630.7	657.3	648.0	673.8	679.5	706.9	718.2	728.2
382.2	324.5	206.1	244.4	210.1	Foreign Exchange Trading Income	59.5	71.3	62.8	50.8	50.1	52.9	46.4	60.7
78.1	72.1	67.4	69.0	66.0	Treasury Management Fees	16.8	17.1	17.6	17.5	16.8	16.6	16.4	16.2
60.9	60.5	73.6	68.0	67.6	Security Commissions and Trading Income	18.3	18.3	16.8	14.6	14.7	17.8	14.2	20.9
146.3	158.1	154.9	166.5	153.5	Other Operating Income	24.8	36.3	67.2	38.2	37.7	40.5	34.1	41.2
(20.4)	(23.9)	(1.7)	(1.5)	(4.3)	Investment Security Gains (Losses), net	0.2	0.1	(2.2)	0.4	(4.0)	0.4	0.3	(1.0)
2,729.0	2,760.8	2,905.8	3,156.2	3,325.7	<i>Total Noninterest Income</i>	750.3	800.4	810.2	795.3	794.8	835.1	829.6	866.2
957.8	1,049.3	1,031.1	965.6	1,034.9	Net Interest Income (FTE**)	233.7	228.0	244.8	259.1	254.4	253.4	256.2	270.9
3,686.8	3,810.1	3,936.9	4,121.8	4,360.6	<i>Total Revenue (FTE**)</i>	984.0	1,028.4	1,055.0	1,054.4	1,049.2	1,088.5	1,085.8	1,137.1
160.0	55.0	25.0	20.0	6.0	Provision for Credit Losses	5.0	5.0	5.0	5.0	3.0	-	-	3.0
1,108.0	1,267.2	1,267.4	1,306.6	1,417.9	Compensation	320.3	326.9	324.6	334.8	341.8	372.4	348.0	355.7
237.6	258.2	258.2	257.5	268.7	Employee Benefits	63.3	64.2	63.5	66.5	66.9	68.5	70.6	62.7
460.4	552.8	529.2	564.1	574.6	Outside Services	129.9	136.2	145.9	152.1	144.4	144.6	142.4	143.2
287.1	328.1	366.7	377.6	421.4	Equipment and Software	91.4	92.1	95.5	98.6	101.3	116.1	100.5	103.5
167.8	180.9	174.4	173.8	180.3	Occupancy	43.2	43.5	43.3	43.8	44.2	47.2	43.8	45.1
270.0	267.1	282.9	314.2	272.1	Other Operating Expense	80.8	66.8	67.9	98.7	69.4	62.2	69.4	71.1
2,530.9	2,854.3	2,878.8	2,993.8	3,135.0	<i>Total Noninterest Expense</i>	728.9	729.7	740.7	794.5	768.0	811.0	774.7	781.3
995.9	900.8	1,033.1	1,108.0	1,219.6	<i>Income before Income Taxes (FTE**)</i>	250.1	293.7	309.3	254.9	278.2	277.5	311.1	352.8
308.2	271.4	305.0	344.2	378.4	Provision for Income Taxes	78.5	94.7	95.0	76.0	88.1	88.8	99.7	101.8
39.1	40.2	40.8	32.5	29.4	Taxable Equivalent Adjustment	7.6	7.9	7.8	9.2	8.7	6.8	6.9	7.0
347.3	311.6	345.8	376.7	407.8	<i>Total Taxes (FTE**)</i>	86.1	102.6	102.8	85.2	96.8	95.6	106.6	108.8
<b>\$ 648.6</b>	<b>\$ 589.2</b>	<b>\$ 687.3</b>	<b>\$ 731.3</b>	<b>\$ 811.8</b>	<b>Net Income</b>	<b>\$ 164.0</b>	<b>\$ 191.1</b>	<b>\$ 206.5</b>	<b>\$ 169.7</b>	<b>\$ 181.4</b>	<b>\$ 181.9</b>	<b>\$ 204.5</b>	<b>\$ 244.0</b>
\$ 2.66	\$ 2.41	\$ 2.82	\$ 3.01	\$ 3.34	Earnings Per Share - Basic	\$ 0.68	\$ 0.78	\$ 0.85	\$ 0.70	\$ 0.75	\$ 0.76	\$ 0.85	\$ 0.98
2.65	2.41	2.81	2.99	3.32	Earnings Per Share - Diluted	0.67	0.78	0.84	0.70	0.75	0.75	0.84	0.98
242,503	241,811	240,881	240,555	237,720	Average Diluted Shares (000s)	240,189	241,041	241,331	239,656	239,051	237,754	237,737	236,369
\$ -	\$ -	\$ -	\$ -	\$ 9.5	Preferred Dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.5

\* Northern Trust is providing operating results, which excludes Visa related adjustments, in addition to its reported results prepared in accordance with GAAP in order to provide a clearer indication of the results and trends in Northern Trust's core businesses.

\*\* Fully taxable equivalent

**Northern Trust Corporation**  
**TRUST, INVESTMENT AND OTHER SERVICING FEES DETAIL**  
(\$ in Millions)

2010 *	2011 *	2012 *	2013	2014		2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
<b><u>C&amp;IS Trust, Investment and Other Servicing Fees</u></b>															
\$ 646.1	\$ 770.1	\$ 863.9	\$ 948.9	\$ 1,069.9	Custody & Fund Administration Services	\$ 223.8	\$ 234.4	\$ 239.4	\$ 251.3	\$ 252.2	\$ 261.1	\$ 275.0	\$ 281.6		
261.2	262.5	281.0	295.6	305.7	Investment Management	75.5	73.9	71.3	74.9	75.0	77.7	75.4	77.6		
195.2	87.9	96.3	97.9	96.5	Securities Lending	22.3	31.1	22.7	21.8	22.7	30.0	22.0	21.8		
72.6	75.9	92.9	101.4	111.9	Other Services	27.1	24.8	26.4	23.1	29.3	26.6	27.5	28.5		
<u>\$ 1,175.1</u>	<u>\$ 1,196.4</u>	<u>\$ 1,334.1</u>	<u>\$ 1,443.8</u>	<u>\$ 1,584.0</u>	<i>Total C&amp;IS</i>	<u>\$ 348.7</u>	<u>\$ 364.2</u>	<u>\$ 359.8</u>	<u>\$ 371.1</u>	<u>\$ 379.2</u>	<u>\$ 395.4</u>	<u>\$ 399.9</u>	<u>\$ 409.5</u>		
<b><u>WM Trust, Investment and Other Servicing Fees *</u></b>															
\$ 373.0	\$ 399.8	\$ 436.6	\$ 470.0	\$ 509.1	Central	\$ 114.6	\$ 115.6	\$ 117.0	\$ 122.8	\$ 124.1	\$ 126.2	\$ 129.5	\$ 129.3		
224.8	238.1	268.1	303.4	325.3	East	71.9	76.0	75.8	79.7	76.7	83.0	83.2	82.4		
185.8	209.3	229.0	241.5	262.5	West	58.8	60.0	60.0	62.7	62.4	65.0	67.5	67.6		
123.2	125.9	137.7	151.1	151.9	Global Family Office	36.7	41.5	35.4	37.5	37.1	37.3	38.1	39.4		
<u>\$ 906.8</u>	<u>\$ 973.1</u>	<u>\$ 1,071.4</u>	<u>\$ 1,166.0</u>	<u>\$ 1,248.8</u>	<i>Total WM</i>	<u>\$ 282.0</u>	<u>\$ 293.1</u>	<u>\$ 288.2</u>	<u>\$ 302.7</u>	<u>\$ 300.3</u>	<u>\$ 311.5</u>	<u>\$ 318.3</u>	<u>\$ 318.7</u>		

\* Certain Wealth Management Trust, Investment and Other Servicing Fees have been reclassified among segments to be consistent with a revised organizational structure effective January 1, 2013.

# Northern Trust Corporation

## BALANCE SHEET

END OF PERIOD

(\$ in Millions)

Assets			CHANGE	
	12/31/2014	12/31/2013	\$	%
Federal Funds Sold and Securities Purchased under Agreements to Resell	\$ 1,062.7	\$ 529.6	\$ 533.1	101%
Interest-Bearing Due from and Deposits with Banks**	16,649.1	19,397.4	(2,748.3)	(14%)
Federal Reserve Deposits	17,386.3	12,911.5	4,474.8	35%
Securities:*				
U.S. Government	4,507.0	1,917.9	2,589.1	135%
Obligations of States and Political Subdivisions	126.4	229.8	(103.4)	(45%)
Government Sponsored Agency	16,407.6	17,563.8	(1,156.2)	(7%)
Other***	13,110.5	11,431.7	1,678.8	15%
<i>Total Securities</i>	34,151.5	31,143.2	3,008.3	10%
Loans and Leases	31,640.2	29,385.5	2,254.7	8%
<i>Total Earning Assets</i>	100,889.8	93,367.2	7,522.6	8%
Allowance for Credit Losses Assigned to Loans and Leases	(267.0)	(278.1)	11.1	(4%)
Cash and Due From Banks	1,329.7	3,162.4	(1,832.7)	(58%)
Buildings and Equipment	444.3	458.8	(14.5)	(3%)
Client Security Settlement Receivables	1,568.8	1,355.2	213.6	16%
Goodwill	533.2	540.7	(7.5)	(1%)
Other Assets	5,447.7	4,341.1	1,106.6	25%
<i>Total Assets</i>	\$ 109,946.5	\$ 102,947.3	\$ 6,999.2	7%
<u>Liabilities and Stockholders' Equity</u>				
Savings and Money Market	\$ 15,916.4	\$ 14,991.5	\$ 924.9	6%
Savings Certificates and Other Time	1,757.4	1,874.4	(117.0)	(6%)
Non- U.S. Offices - Interest-Bearing	47,545.0	48,461.7	(916.7)	(2%)
<i>Total Interest-Bearing Deposits</i>	65,218.8	65,327.6	(108.8)	-
Short-Term Borrowings	3,503.2	3,441.0	62.2	2%
Senior Notes	1,497.0	1,996.6	(499.6)	(25%)
Long-Term Debt	1,615.1	1,709.2	(94.1)	(6%)
Floating Rate Capital Debt	277.2	277.1	0.1	-
<i>Total Interest-Related Funds</i>	72,111.3	72,751.5	(640.2)	(1%)
Demand and Other Noninterest-Bearing Deposits	25,538.2	18,770.5	6,767.7	36%
Other Liabilities	3,848.1	3,513.3	334.8	10%
<i>Total Liabilities</i>	101,497.6	95,035.3	6,462.3	7%
Common Equity	8,060.4	7,912.0	148.4	2%
Preferred Equity	388.5	-	388.5	N/M
<i>Total Stockholders' Equity</i>	8,448.9	7,912.0	536.9	7%
<i>Total Liabilities and Stockholders' Equity</i>	\$ 109,946.5	\$ 102,947.3	\$ 6,999.2	7%

\*Memo - at 12/31/2014:

Securities Held to Maturity	\$ 4,170.8
Securities Available for Sale	29,558.5
Trading Securities	4.7
Other Earning Assets	417.5
	\$ 34,151.5

\*\* Interest-Bearing Due from and Deposits with Banks includes the interest-bearing component of Cash and Due from Banks and Interest-Bearing Deposits with Banks as presented on the consolidated balance sheet in our periodic filings with the SEC.

\*\*\* Other securities include Federal Reserve and Federal Home Loan Bank stock and certain community development investments for purposes of presenting earning assets; such securities are presented in other assets on the consolidated balance sheet in our periodic filings with the SEC.

# Northern Trust Corporation

## BALANCE SHEET TRENDS

PERIOD AVERAGES\*

(\$ in Millions)

2010	2011	2012	2013	2014	Assets	2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
\$ 294	\$ 261	\$ 258	\$ 416	\$ 765	Federal Funds Sold and Securities Purchased	\$ 250	\$ 310	\$ 548	\$ 550	\$ 530	\$ 554	\$ 923	\$ 1,046		
14,600	17,125	18,652	18,081	16,784	under Agreements to Resell	18,099	18,193	17,768	18,265	17,063	17,295	16,288	16,459		
5,598	10,610	5,389	7,616	14,737	Interest-Bearing Due from and Deposits with Banks**	3,872	5,276	7,988	13,221	12,703	13,266	15,914	17,021		
					Securities:										
162	1,767	2,269	1,626	2,893	U.S. Government	1,783	1,787	1,619	1,319	2,314	2,369	3,032	3,838		
727	606	421	281	166	Obligations of States and Political Subdivisions	321	287	269	248	213	168	149	134		
11,802	14,290	18,382	17,549	17,515	Government Sponsored Agency	18,281	17,270	17,083	17,575	17,835	18,360	17,386	16,495		
7,168	9,744	9,822	11,364	12,873	Other***	10,890	11,397	11,593	11,567	12,007	13,408	13,019	13,044		
19,859	26,406	30,894	30,820	33,446	Total Securities	31,275	30,742	30,563	30,708	32,368	34,305	33,585	33,512		
27,514	28,347	28,976	28,697	30,216	Loans and Leases	28,662	28,602	28,662	28,858	29,177	30,053	30,256	31,351		
67,865	82,749	84,169	85,628	95,948	Total Earning Assets	82,158	83,122	85,529	91,602	91,841	95,473	96,968	99,389		
					Allowance for Credit Losses Assigned to Loans										
(313)	(305)	(297)	(290)	(274)	and Leases	(296)	(290)	(290)	(284)	(278)	(277)	(273)	(267)		
2,788	3,845	3,842	2,950	2,401	Cash and Due From Banks	3,393	2,965	2,777	2,677	2,807	2,838	2,783	1,217		
535	501	471	459	449	Buildings and Equipment	468	462	453	454	458	451	446	441		
400	429	492	786	865	Client Security Settlement Receivables	793	822	715	813	904	781	821	955		
396	466	535	534	540	Goodwill	532	531	533	538	541	543	542	535		
4,337	4,263	3,764	4,791	4,154	Other Assets	4,521	5,238	5,496	3,907	3,971	3,515	3,959	5,160		
\$ 76,008	\$ 91,948	\$ 92,976	\$ 94,858	\$ 104,084	Total Assets	\$ 91,569	\$ 92,850	\$ 95,213	\$ 99,707	\$ 100,244	\$ 103,324	\$ 105,245	\$ 107,430		
					Liabilities and Equity										
\$ 13,050	\$ 14,298	\$ 14,102	\$ 14,533	\$ 14,904	Savings and Money Market	\$ 14,880	\$ 14,635	\$ 14,287	\$ 14,341	\$ 14,714	\$ 14,829	\$ 15,019	\$ 15,051		
3,705	3,605	2,995	2,102	1,889	Savings Certificates and Other Time	2,386	2,199	1,969	1,862	1,826	1,996	1,903	1,829		
29,968	39,974	37,944	42,338	48,282	Non- U.S. Offices - Interest-Bearing	39,221	39,043	43,065	47,920	46,566	48,988	48,726	48,818		
46,723	57,877	55,041	58,974	65,075	Total Interest-Bearing Deposits	56,487	55,877	59,320	64,123	63,106	65,813	65,647	65,698		
5,850	4,467	3,046	4,655	4,499	Short-Term Borrowings	3,405	4,750	5,447	4,990	4,552	4,218	4,860	4,364		
1,509	1,983	2,295	2,247	1,661	Senior Notes	2,404	2,400	2,193	1,997	1,997	1,662	1,497	1,497		
2,822	2,446	1,634	1,212	1,655	Long-Term Debt	1,278	1,105	979	1,486	1,729	1,642	1,637	1,613		
277	277	277	277	277	Floating Rate Capital Debt	277	277	277	277	277	277	277	277		
57,179	67,050	62,293	67,364	73,167	Total Interest-Related Funds	63,851	64,410	68,216	72,872	71,660	73,612	73,918	73,450		
8,861	14,570	20,180	16,623	19,582	Demand and Other Noninterest-Bearing Deposits	16,899	17,468	16,134	16,005	17,642	18,832	20,070	21,733		
3,334	3,304	3,145	3,204	3,168	Other Liabilities	3,276	3,324	3,165	3,054	3,015	2,933	2,971	3,748		
69,374	84,924	85,618	87,191	95,917	Total Liabilities	84,026	85,201	87,515	91,931	92,317	95,377	96,959	98,931		
6,634	7,024	7,358	7,667	8,008	Common Equity	7,543	7,648	7,698	7,776	7,926	7,947	8,045	8,111		
-	-	-	-	159	Preferred Equity	-	-	-	-	-	-	241	389		
6,634	7,024	7,358	7,667	8,167	Total Stockholders' Equity	7,543	7,648	7,698	7,776	7,926	7,947	8,286	8,499		
\$ 76,008	\$ 91,948	\$ 92,976	\$ 94,858	\$ 104,084	Total Liabilities and Stockholders' Equity	\$ 91,569	\$ 92,850	\$ 95,213	\$ 99,707	\$ 100,244	\$ 103,324	\$ 105,245	\$ 107,430		
\$ 10,686	\$ 15,699	\$ 21,876	\$ 18,264	\$ 22,781	Net Noninterest-Related Funds	\$ 18,307	\$ 18,712	\$ 17,313	\$ 18,730	\$ 20,181	\$ 21,861	\$ 23,050	\$ 25,939		

\*Summations may not equal due to rounding

\*\* Interest-Bearing Due from and Deposits with Banks includes the interest-bearing component of Cash and Due from Banks and Interest-Bearing Deposits with Banks as presented on the consolidated balance sheet in our periodic filings with the SEC.

\*\*\* Other securities include Federal Reserve and Federal Home Loan Bank stock and certain community development investments for purposes of presenting earning assets; such securities are presented in other assets on the consolidated balance sheet in our periodic filings with the SEC.

**Northern Trust Corporation**  
**BALANCE SHEET MIX TRENDS**  
PERIOD AVERAGES\*

2010	2011	2012	2013	2014	Assets	2013				2014			
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
0.4%	0.3%	0.3%	0.4%	0.7%	Federal Funds Sold and Securities Purchased under Agreements to Resell	0.3%	0.3%	0.6%	0.6%	0.5%	0.5%	0.9%	1.0%
19.2%	18.6%	20.1%	19.1%	16.1%	Interest-Bearing Due from and Deposits with Banks**	19.8%	19.6%	18.7%	18.3%	17.0%	16.7%	15.5%	15.3%
7.4%	11.5%	5.8%	8.0%	14.2%	Federal Reserve Deposits	4.2%	5.7%	8.4%	13.3%	12.7%	12.8%	15.1%	15.8%
					Securities:								
0.2%	1.9%	2.4%	1.7%	2.8%	U.S. Government	1.9%	1.9%	1.7%	1.3%	2.3%	2.3%	2.9%	3.6%
1.0%	0.7%	0.5%	0.3%	0.2%	Obligations of States and Political Subdivisions	0.4%	0.3%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%
15.5%	15.5%	19.7%	18.5%	16.8%	Government Sponsored Agency	20.0%	18.6%	17.9%	17.6%	17.8%	17.8%	16.5%	15.4%
9.4%	10.6%	10.6%	12.0%	12.4%	Other***	11.9%	12.3%	12.2%	11.6%	12.0%	13.0%	12.4%	12.1%
26.1%	28.7%	33.2%	32.5%	32.1%	<i>Total Securities</i>	34.2%	33.1%	32.1%	30.8%	32.3%	33.2%	31.9%	31.2%
36.2%	30.8%	31.2%	30.3%	29.0%	Loans and Leases	31.3%	30.8%	30.1%	28.9%	29.1%	29.1%	28.7%	29.2%
89.3%	90.0%	90.6%	90.3%	92.2%	<i>Total Earning Assets</i>	89.7%	89.5%	89.8%	91.9%	91.6%	92.4%	92.1%	92.5%
					Allowance for Credit Losses Assigned to Loans and Leases	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.2%)
3.7%	4.2%	4.1%	3.1%	2.3%	Cash and Due From Banks	3.7%	3.2%	2.9%	2.7%	2.8%	2.7%	2.6%	1.1%
0.7%	0.5%	0.5%	0.5%	0.4%	Buildings and Equipment	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
0.5%	0.5%	0.5%	0.8%	0.8%	Client Security Settlement Receivables	0.9%	0.9%	0.8%	0.8%	0.9%	0.8%	0.8%	0.9%
0.5%	0.5%	0.6%	0.6%	0.5%	Goodwill	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
5.7%	4.6%	4.0%	5.1%	4.0%	Other Assets	4.9%	5.6%	5.8%	3.9%	4.0%	3.4%	3.8%	4.8%
100.0%	100.0%	100.0%	100.0%	100.0%	<i>Total Assets</i>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
					Liabilities and Equity								
17.2%	15.5%	15.2%	15.3%	14.3%	Savings and Money Market	16.3%	15.8%	15.0%	14.4%	14.7%	14.4%	14.3%	14.0%
4.9%	3.9%	3.2%	2.2%	1.8%	Savings Certificates and Other Time	2.6%	2.4%	2.1%	1.9%	1.8%	1.9%	1.8%	1.7%
39.4%	43.5%	40.8%	44.6%	46.4%	Non- U.S. Offices - Interest-Bearing	42.8%	42.0%	45.2%	48.1%	46.5%	47.4%	46.3%	45.4%
61.5%	62.9%	59.2%	62.2%	62.5%	<i>Total Interest-Bearing Deposits</i>	61.7%	60.2%	62.3%	64.3%	63.0%	63.7%	62.4%	61.2%
7.7%	4.9%	3.2%	4.9%	4.3%	Short-Term Borrowings	3.7%	5.1%	5.7%	5.0%	4.5%	4.1%	4.6%	4.1%
2.0%	2.2%	2.5%	2.4%	1.6%	Senior Notes	2.6%	2.6%	2.3%	2.0%	2.0%	1.6%	1.4%	1.4%
3.7%	2.7%	1.8%	1.3%	1.6%	Long-Term Debt	1.4%	1.2%	1.0%	1.5%	1.7%	1.6%	1.6%	1.5%
0.4%	0.3%	0.3%	0.3%	0.3%	Floating Rate Capital Debt	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
75.2%	72.9%	67.0%	71.0%	70.3%	<i>Total Interest-Related Funds</i>	69.7%	69.4%	71.6%	73.1%	71.5%	71.2%	70.2%	68.4%
11.7%	15.8%	21.7%	17.5%	18.8%	Demand and Other Noninterest-Bearing Deposits	18.5%	18.8%	16.9%	16.1%	17.6%	18.2%	19.1%	20.2%
4.4%	3.6%	3.4%	3.4%	3.0%	Other Liabilities	3.6%	3.6%	3.3%	3.1%	3.0%	2.8%	2.8%	3.5%
91.3%	92.4%	92.1%	91.9%	92.2%	<i>Total Liabilities</i>	91.8%	91.8%	91.9%	92.2%	92.1%	92.3%	92.1%	92.1%
8.7%	7.6%	7.9%	8.1%	7.7%	Common Equity	8.2%	8.2%	8.1%	7.8%	7.9%	7.7%	7.6%	7.6%
-	-	-	-	0.2%	Preferred Equity	-	-	-	-	-	-	0.2%	0.4%
8.7%	7.6%	7.9%	8.1%	7.8%	<i>Total Stockholders' Equity</i>	8.2%	8.2%	8.1%	7.8%	7.9%	7.7%	7.9%	7.9%
100.0%	100.0%	100.0%	100.0%	100.0%	<i>Total Liabilities and Equity</i>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

\*Summations may not equal due to rounding

\*\* Interest-Bearing Due from and Deposits with Banks includes the interest-bearing component of Cash and Due from Banks and Interest-Bearing Deposits with Banks as presented on the consolidated balance sheet in our periodic filings with the SEC.

\*\*\* Other securities include Federal Reserve and Federal Home Loan Bank stock and certain community development investments for purposes of presenting earning assets; such securities are presented in other assets on the consolidated balance sheet in our periodic filings with the SEC.

**Northern Trust Corporation**  
**INTEREST RATE TRENDS (FTE\* Basis)**  
PERIOD AVERAGES

2010	2011	2012	2013	2014	Earnings Assets	2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
0.18%	0.09%	0.17%	0.46%	0.45%	Federal Funds Sold and Securities Purchased under										
0.92%	1.13%	0.95%	0.79%	0.76%	Agreements to Resell	0.18%	0.51%	0.52%	0.49%	0.51%	0.47%	0.44%	0.43%		
0.24%	0.27%	0.26%	0.26%	0.26%	Interest-Bearing Due from and Deposits with Banks**	0.78%	0.76%	0.81%	0.79%	0.76%	0.78%	0.75%	0.74%		
					Federal Reserve Deposits	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%		
					Securities:										
0.67%	1.32%	1.05%	1.12%	1.08%	U.S. Government	1.05%	1.05%	1.11%	1.34%	1.13%	1.13%	1.03%	1.06%		
6.52%	6.67%	6.52%	6.40%	6.69%	Obligations of States and Political Subdivisions	6.32%	6.39%	6.31%	6.58%	6.56%	6.76%	6.74%	6.73%		
1.04%	0.82%	0.80%	0.80%	0.85%	Government Sponsored Agency	0.79%	0.58%	0.84%	1.00%	0.93%	0.73%	0.78%	0.98%		
1.10%	1.06%	1.07%	0.86%	0.89%	Other***	0.83%	0.83%	0.85%	0.92%	0.95%	0.83%	0.84%	0.94%		
1.26%	1.08%	0.98%	0.89%	0.91%	<i>Total Securities</i>	0.88%	0.75%	0.91%	1.03%	0.99%	0.83%	0.85%	0.99%		
3.41%	3.33%	2.88%	2.61%	2.46%	Loans and Leases	2.68%	2.62%	2.59%	2.56%	2.56%	2.50%	2.44%	2.33%		
<u>1.97%</u>	<u>1.75%</u>	<u>1.58%</u>	<u>1.39%</u>	<u>1.27%</u>	<i>Total Earning Assets</i>	<u>1.45%</u>	<u>1.37%</u>	<u>1.39%</u>	<u>1.35%</u>	<u>1.34%</u>	<u>1.26%</u>	<u>1.23%</u>	<u>1.24%</u>		
					Interest-Bearing Funds										
0.27%	0.18%	0.13%	0.07%	0.07%	Savings and Money Market	0.08%	0.06%	0.06%	0.06%	0.06%	0.06%	0.07%	0.07%		
1.09%	0.77%	0.67%	0.59%	0.32%	Savings Certificates and Other Time	0.67%	0.62%	0.56%	0.48%	0.39%	0.32%	0.30%	0.28%		
0.42%	0.44%	0.31%	0.19%	0.14%	Non- U.S. Offices - Interest-Bearing	0.23%	0.20%	0.19%	0.16%	0.14%	0.15%	0.14%	0.11%		
0.43%	0.40%	0.28%	0.18%	0.13%	<i>Total Interest-Bearing Deposits</i>	0.21%	0.18%	0.17%	0.14%	0.13%	0.14%	0.13%	0.11%		
0.19%	0.18%	0.18%	0.11%	0.11%	Short-Term Borrowings	0.13%	0.12%	0.09%	0.11%	0.10%	0.12%	0.12%	0.12%		
3.22%	3.25%	3.14%	3.31%	3.29%	Senior Notes	3.24%	3.21%	3.33%	3.49%	3.57%	3.30%	3.10%	3.10%		
4.07%	3.87%	3.69%	3.06%	2.28%	Long-Term Debt	3.37%	3.24%	3.23%	2.57%	2.43%	2.30%	2.23%	2.15%		
0.87%	0.88%	1.04%	0.85%	0.81%	Floating Rate Capital Debt	0.88%	0.86%	0.85%	0.83%	0.81%	0.80%	0.81%	0.81%		
<u>0.66%</u>	<u>0.60%</u>	<u>0.48%</u>	<u>0.33%</u>	<u>0.25%</u>	<i>Total Interest-Related Funds</i>	<u>0.39%</u>	<u>0.34%</u>	<u>0.31%</u>	<u>0.29%</u>	<u>0.28%</u>	<u>0.26%</u>	<u>0.24%</u>	<u>0.22%</u>		
<b>1.31%</b>	<b>1.15%</b>	<b>1.10%</b>	<b>1.06%</b>	<b>1.02%</b>	<b>Net Interest Spread</b>	<b>1.06%</b>	<b>1.03%</b>	<b>1.08%</b>	<b>1.06%</b>	<b>1.06%</b>	<b>1.00%</b>	<b>0.99%</b>	<b>1.02%</b>		
<b>1.41%</b>	<b>1.27%</b>	<b>1.22%</b>	<b>1.13%</b>	<b>1.08%</b>	<b>Net Interest Margin</b>	<b>1.15%</b>	<b>1.10%</b>	<b>1.14%</b>	<b>1.12%</b>	<b>1.12%</b>	<b>1.06%</b>	<b>1.05%</b>	<b>1.08%</b>		

\*Fully taxable equivalent

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# Northern Trust Corporation

## ASSET QUALITY

END OF PERIOD

(\$ in Millions)

2010	2011	2012	2013	2014		2013				2014			
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
\$ 340.6	\$ 357.3	\$ 328.9	\$ 327.6	\$ 307.9	Beginning Allowance for Credit Losses	\$ 327.6	\$ 323.8	\$ 320.7	\$ 317.5	\$ 307.9	\$ 309.4	\$ 303.5	\$ 298.3
160.0	55.0	25.0	20.0	6.0	Provision for Credit Losses	5.0	5.0	5.0	5.0	3.0	-	-	3.0
					Charge-offs / Recoveries								
(150.1)	(116.3)	(63.0)	(59.3)	(36.1)	Charge-offs	(12.6)	(15.6)	(11.6)	(19.5)	(11.5)	(7.8)	(8.6)	(8.2)
6.9	32.9	36.7	19.6	18.1	Recoveries	3.9	7.5	3.3	4.9	10.0	1.9	3.4	2.8
(143.2)	(83.4)	(26.3)	(39.7)	(18.0)	Net (Charge-offs) Recoveries	(8.7)	(8.1)	(8.3)	(14.6)	(1.5)	(5.9)	(5.2)	(5.4)
(0.1)	-	-	-	-	Effect of Foreign Exchange Rates	(0.1)	-	0.1	-	-	-	-	-
<u>\$ 357.3</u>	<u>\$ 328.9</u>	<u>\$ 327.6</u>	<u>\$ 307.9</u>	<u>\$ 295.9</u>	Ending Allowance for Credit Losses	<u>\$ 323.8</u>	<u>\$ 320.7</u>	<u>\$ 317.5</u>	<u>\$ 307.9</u>	<u>\$ 309.4</u>	<u>\$ 303.5</u>	<u>\$ 298.3</u>	<u>\$ 295.9</u>
\$ 27,514	\$ 28,347	\$ 28,976	\$ 28,697	\$ 30,216	Average Loans and Leases Outstanding	\$ 28,662	\$ 28,602	\$ 28,662	\$ 28,858	\$ 29,177	\$ 30,053	\$ 30,256	\$ 31,351
0.52%	0.29%	0.09%	0.14%	0.06%	Annualized Net Charge-offs to Average Loans and Leases	0.12%	0.11%	0.12%	0.20%	0.02%	0.08%	0.07%	0.07%
\$ 28,132	\$ 29,064	\$ 29,505	\$ 29,386	\$ 31,640	End of Period Loans and Leases Outstanding	\$ 28,863	\$ 28,810	\$ 29,065	\$ 29,386	\$ 29,661	\$ 30,698	\$ 30,720	\$ 31,640
\$ 319.6	\$ 294.8	\$ 297.9	\$ 278.1	\$ 267.0	Allowance for Credit Losses Assigned to Loans and Leases	\$ 294.1	\$ 290.4	\$ 287.2	\$ 278.1	\$ 279.2	\$ 275.2	\$ 269.4	\$ 267.0
\$ 37.7	\$ 34.1	\$ 29.7	\$ 29.8	\$ 28.9	Allowance for Other Credit-Related Exposures	\$ 29.7	\$ 30.3	\$ 30.3	\$ 29.8	\$ 30.2	\$ 28.3	\$ 28.9	\$ 28.9
1.14%	1.01%	1.01%	0.95%	0.84%	Allowance for Credit Losses Assigned to Loans and Leases to Total Loans and Leases	1.02%	1.01%	0.99%	0.95%	0.94%	0.90%	0.88%	0.84%
					Nonperforming Assets								
\$ 333.0	\$ 293.7	\$ 254.8	\$ 262.8	\$ 215.7	Nonperforming Loans and Leases	\$ 251.7	\$ 266.7	\$ 270.1	\$ 262.8	\$ 259.9	\$ 229.3	\$ 220.5	\$ 215.7
45.5	21.2	20.3	11.9	16.6	Other Real Estate Owned (OREO)	10.5	14.5	13.9	11.9	9.8	12.6	10.7	16.6
<u>\$ 378.5</u>	<u>\$ 314.9</u>	<u>\$ 275.1</u>	<u>\$ 274.7</u>	<u>\$ 232.3</u>	Total Nonperforming Assets	<u>\$ 262.2</u>	<u>\$ 281.2</u>	<u>\$ 284.0</u>	<u>\$ 274.7</u>	<u>\$ 269.7</u>	<u>\$ 241.9</u>	<u>\$ 231.2</u>	<u>\$ 232.3</u>
1.34%	1.08%	0.93%	0.93%	0.73%	Nonperforming Assets to Loans and Leases and OREO	0.91%	0.98%	0.98%	0.93%	0.91%	0.79%	0.75%	0.73%
1.0x	1.0x	1.2x	1.1x	1.2x	Loan and Lease Allowance to Nonperforming Loans and Leases Coverage	1.2x	1.1x	1.1x	1.1x	1.1x	1.2x	1.2x	1.2x

# Northern Trust Corporation

## ASSETS UNDER MANAGEMENT AND CUSTODY

END OF PERIOD

(\$ in Billions)

2010	2011	2012	2013	2014		2013				2014					
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
<b>\$ 489.2</b>	<b>\$ 489.2</b>	<b>\$ 561.2</b>	<b>\$ 662.7</b>	<b>\$ 709.6</b>	<b>Assets under Management</b>										
					<b>Corporate &amp; Institutional Services</b>	<b>\$ 604.2</b>	<b>\$ 600.5</b>	<b>\$ 634.6</b>	<b>\$ 662.7</b>	<b>\$ 698.2</b>	<b>\$ 701.5</b>	<b>\$ 702.9</b>	<b>\$ 709.6</b>		
					Asset allocation:										
235.1	230.0	288.7	371.1	380.3	Equities	319.7	324.8	343.9	371.1	384.6	389.7	371.9	380.3		
72.2	69.8	87.6	86.1	99.2	Fixed Income Securities	86.9	83.0	83.9	86.1	89.1	90.8	92.4	99.2		
82.8	94.7	97.0	103.2	113.9	Cash and Other Assets	96.7	94.9	102.2	103.2	108.1	104.6	117.7	113.9		
99.1	94.7	87.9	102.3	116.2	Securities Lending Collateral	100.9	97.8	104.6	102.3	116.4	116.4	120.9	116.2		
<b>\$ 154.4</b>	<b>\$ 173.7</b>	<b>\$ 197.7</b>	<b>\$ 221.8</b>	<b>\$ 224.5</b>	<b>Wealth Management</b>	<b>\$ 206.0</b>	<b>\$ 202.5</b>	<b>\$ 211.6</b>	<b>\$ 221.8</b>	<b>\$ 217.2</b>	<b>\$ 222.9</b>	<b>\$ 220.4</b>	<b>\$ 224.5</b>		
					Asset allocation:										
56.1	58.9	73.7	106.1	105.4	Equities	83.6	86.6	95.7	106.1	100.9	106.0	105.2	105.4		
50.7	56.0	59.1	60.6	63.0	Fixed Income Securities	60.7	59.2	60.1	60.6	61.0	62.4	61.8	63.0		
47.6	58.7	64.8	55.0	56.0	Cash and Other Assets	61.5	56.5	55.7	55.0	55.2	54.4	53.2	56.0		
-	0.1	0.1	0.1	0.1	Securities Lending Collateral	0.2	0.2	0.1	0.1	0.1	0.1	0.2	0.1		
<b>\$ 643.6</b>	<b>\$ 662.9</b>	<b>\$ 758.9</b>	<b>\$ 884.5</b>	<b>\$ 934.1</b>	<b>Total Assets under Management</b>	<b>\$ 810.2</b>	<b>\$ 803.0</b>	<b>\$ 846.2</b>	<b>\$ 884.5</b>	<b>\$ 915.4</b>	<b>\$ 924.4</b>	<b>\$ 923.3</b>	<b>\$ 934.1</b>		
					Asset allocation:										
\$ 291.2	\$ 288.9	362.4	\$ 477.2	\$ 485.7	Equities	\$ 403.3	\$ 411.4	\$ 439.6	\$ 477.2	\$ 485.5	\$ 495.7	\$ 477.1	\$ 485.7		
122.9	125.8	146.7	146.7	162.2	Fixed Income Securities	147.6	142.2	144.0	146.7	150.1	153.2	154.2	162.2		
130.4	153.4	161.8	158.2	169.9	Cash and Other Assets	158.2	151.4	157.9	158.2	163.3	159.0	170.9	169.9		
99.1	94.8	88.0	102.4	116.3	Securities Lending Collateral	101.1	98.0	104.7	102.4	116.5	116.5	121.1	116.3		
<b>\$ 3,711.1</b>	<b>\$ 3,877.6</b>	<b>\$ 4,358.6</b>	<b>\$ 5,079.7</b>	<b>\$ 5,453.1</b>	<b>Assets under Custody</b>	<b>\$ 4,569.1</b>	<b>\$ 4,538.9</b>	<b>\$ 4,766.5</b>	<b>\$ 5,079.7</b>	<b>\$ 5,249.9</b>	<b>\$ 5,488.0</b>	<b>\$ 5,403.1</b>	<b>\$ 5,453.1</b>		
					<b>Corporate &amp; Institutional Services</b>										
					Asset allocation:										
1,805.7	1,677.5	1,922.6	2,358.9	2,410.7	Equities	2,085.9	2,079.0	2,198.2	2,358.9	2,376.9	2,474.0	2,384.1	2,410.7		
1,286.7	1,448.6	1,606.5	1,807.1	2,050.0	Fixed Income Securities	1,623.8	1,601.4	1,676.3	1,807.1	1,916.2	2,038.1	2,008.4	2,050.0		
519.6	656.8	741.6	811.4	876.2	Cash and Other Assets	758.5	760.7	787.5	811.4	840.4	859.5	889.7	876.2		
99.1	94.7	87.9	102.3	116.2	Securities Lending Collateral	100.9	97.8	104.5	102.3	116.4	116.4	120.9	116.2		
<b>\$ 370.2</b>	<b>\$ 385.2</b>	<b>\$ 446.3</b>	<b>\$ 496.0</b>	<b>\$ 515.7</b>	<b>Wealth Management</b>	<b>\$ 455.3</b>	<b>\$ 452.6</b>	<b>\$ 470.5</b>	<b>\$ 496.0</b>	<b>\$ 503.6</b>	<b>\$ 516.6</b>	<b>\$ 507.2</b>	<b>\$ 515.7</b>		
					Asset allocation:										
167.9	164.8	203.8	273.3	284.4	Equities	229.5	234.3	250.3	273.3	277.5	287.9	281.0	284.4		
97.3	107.8	109.0	109.4	114.7	Fixed Income Securities	110.6	108.2	109.4	109.4	111.2	110.0	110.8	114.7		
105.0	112.5	133.4	113.2	116.5	Cash and Other Assets	115.0	109.9	110.6	113.2	114.8	118.6	115.2	116.5		
-	0.1	0.1	0.1	0.1	Securities Lending Collateral	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.1		
<b>\$ 4,081.3</b>	<b>\$ 4,262.8</b>	<b>\$ 4,804.9</b>	<b>\$ 5,575.7</b>	<b>\$ 5,968.8</b>	<b>Total Assets under Custody</b>	<b>\$ 5,024.4</b>	<b>\$ 4,991.5</b>	<b>\$ 5,237.0</b>	<b>\$ 5,575.7</b>	<b>\$ 5,753.5</b>	<b>\$ 6,004.6</b>	<b>\$ 5,910.3</b>	<b>\$ 5,968.8</b>		
					Asset allocation:										
\$ 1,973.6	\$ 1,842.3	2,126.4	\$ 2,632.2	\$ 2,695.1	Equities	\$ 2,315.4	\$ 2,313.3	\$ 2,448.5	\$ 2,632.2	\$ 2,654.4	\$ 2,761.9	\$ 2,665.1	\$ 2,695.1		
1,384.0	1,556.4	1,715.5	1,916.5	2,164.7	Fixed Income Securities	1,734.4	1,709.6	1,785.7	1,916.5	2,027.4	2,148.1	2,119.2	2,164.7		
624.6	769.3	875.0	924.6	992.7	Cash and Other Assets	873.5	870.6	898.1	924.6	955.2	978.1	1,004.9	992.7		
99.1	94.8	88.0	102.4	116.3	Securities Lending Collateral	101.1	98.0	104.7	102.4	116.5	116.5	121.1	116.3		
					<b>Memo</b>										
\$ 31.5	\$ 34.0	\$ 41.8	\$ 53.9	\$ 57.0	WM Global Family Office AUM **	\$ 48.9	\$ 52.3	\$ 52.6	\$ 53.9	\$ 54.4	\$ 56.5	\$ 56.7	\$ 57.0		
221.9	233.5	282.3	314.9	324.0	WM Global Family Office AUC **	283.0	285.8	296.5	314.9	319.1	327.0	320.1	324.0		
2,258.4	2,358.7	2,686.1	3,248.9	3,458.1	Global Custody Assets *	2,837.5	2,805.1	3,012.1	3,248.9	3,370.1	3,552.4	3,437.3	3,458.1		

\* Includes the assets of non-US clients plus global custody assets of US clients

\*\* 2012 and prior balances have been reclassified among segments to be consistent with the revised organizational structure effective January 1, 2013