

PRINCIPLES THAT ENDURE



Northern Trust Corporation

S. Biff Bowman

Executive Vice President
& Chief Financial Officer

Barclays Americas Select Franchise Conference 2015

The Langham Hotel
London
19 May 2015



Northern Trust

125
YEARS



Forward Looking Statement

This presentation may include forward-looking statements concerning Northern Trust's financial results and outlook, capital adequacy, dividend policy, anticipated expense levels and technology spending, risk management policies, contingent liabilities, strategic initiatives, industry trends, and expectations regarding the impact of recent legislation. Forward-looking statements are typically identified by words or phrases such as "believe", "expect", "anticipate", "intend", "estimate", "project", "likely", "may increase", "plan", "goal", "target", "strategy", and similar expressions or future or conditional verbs such as "may", "will", "should", "would", and "could". Forward-looking statements are Northern Trust's current estimates or expectations of future events or future results, and involve risks and uncertainties that are difficult to predict. These statements are based on assumptions about many important factors, including the factors discussed in Northern Trust's most recent annual report on Form 10-K and other filings with the U.S. Securities and Exchange Commission, all of which are available on Northern Trust's website.

We caution you not to place undue reliance on any forward-looking statement as actual results may differ materially from those expressed or implied by forward-looking statements. Northern Trust assumes no obligation to update its forward-looking statements.





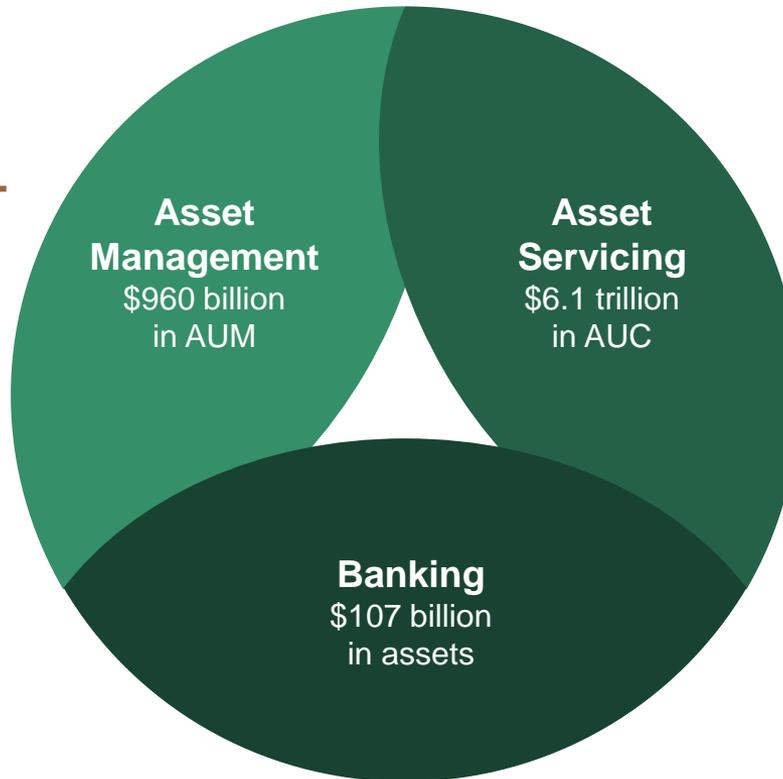
Client Centric and Highly Focused Business Model

Founded in 1889, Northern Trust is a global leader in asset servicing, asset management, and banking for personal and institutional clients.

Wealth Management

Leading advisor to the affluent market

- Individuals
- Families
- Family offices
- Foundations
- Endowments
- Privately held businesses



Corporate & Institutional Services

Global provider of investment services for institutional investors

- Pensions
- Sovereign entities
- Fund managers
- Foundations & endowments
- Insurance companies

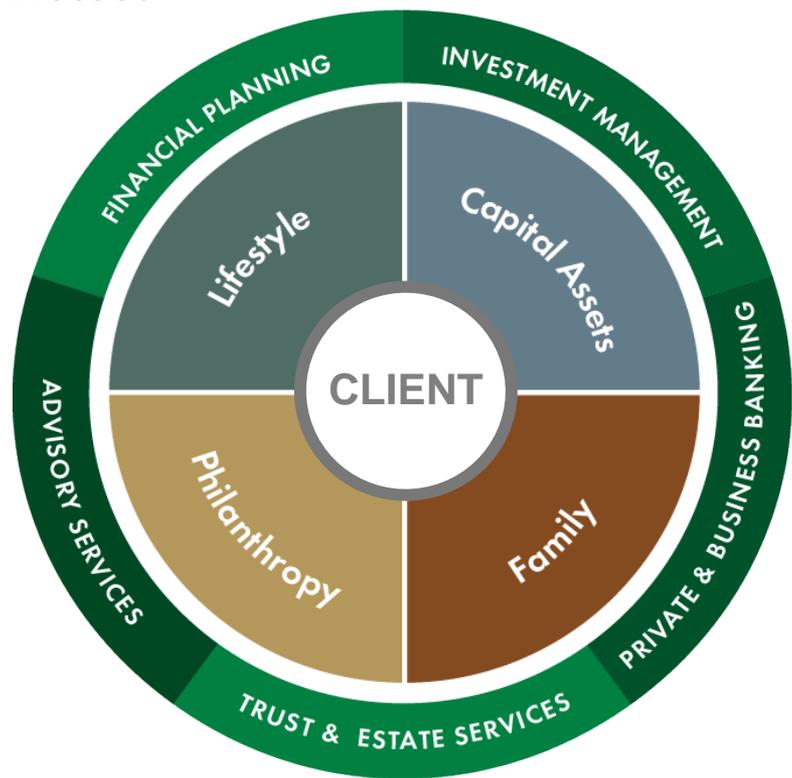
Integrated Global Operating Platform





Wealth Management Offering a Full Array of Financial Solutions

Providing holistic wealth management solutions to individuals, families and privately held businesses.



BARRON'S
Barron's
Ranked among the
Top 10 Wealth Managers (2014)

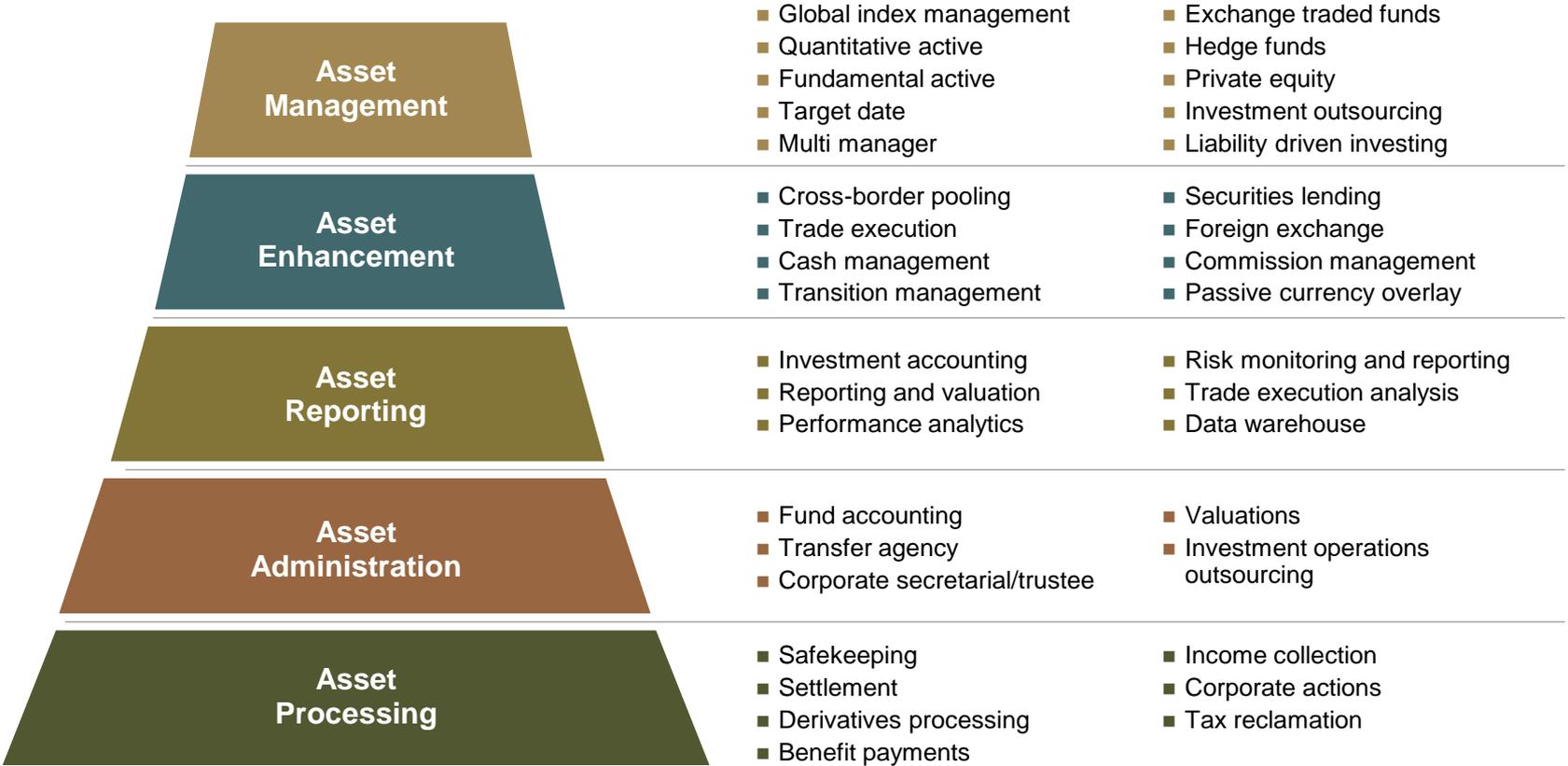
EUROMONEY
Euromoney
#1 Best Firm for
Family Office & Philanthropy
Services (2014)

FINANCIAL TIMES
Financial Times
Best Private Bank in
North America for 6 consecutive
years (2009-2014)

Forbes
Forbes
Serving More than
20% of Forbes 400
Most Affluent Americans (2014)



Providing an array of asset servicing and asset management services to institutional clients around the world.

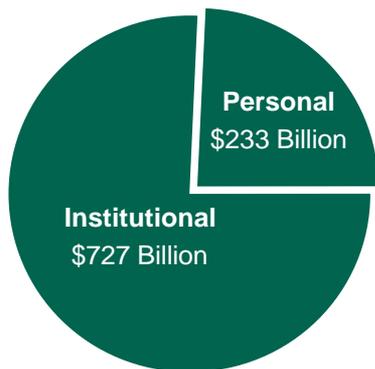




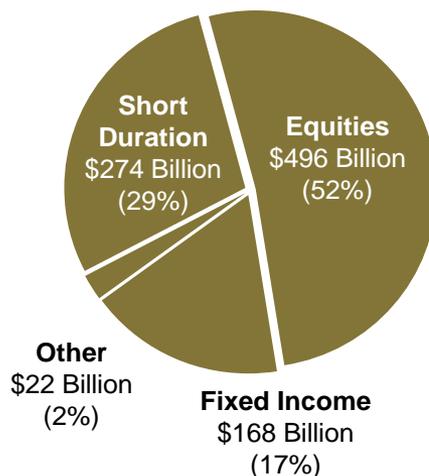
Asset Management Client Focused, Diversified Investment Manager

Providing diversified asset management solutions, with total assets under management of \$960 billion across:

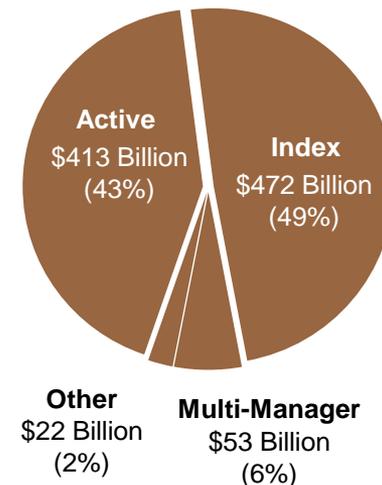
Client Segments



Asset Classes



Styles



**Best Fixed Income Indexer
Manager of the Year
(2014)**

**U.S. Fixed Income Municipal
Manager of the Year
(2013 & 2014)**



- 13th Largest Manager Worldwide**
- 12th Largest Manager of Worldwide Institutional Assets**
- 3rd Largest Passive International Equity Manager**
- 4th Largest Passive Domestic Equity Manager**
- 4th Largest Passive Domestic Fixed Income
(2014 based on December 31, 2013 assets)**

As of March 31, 2015

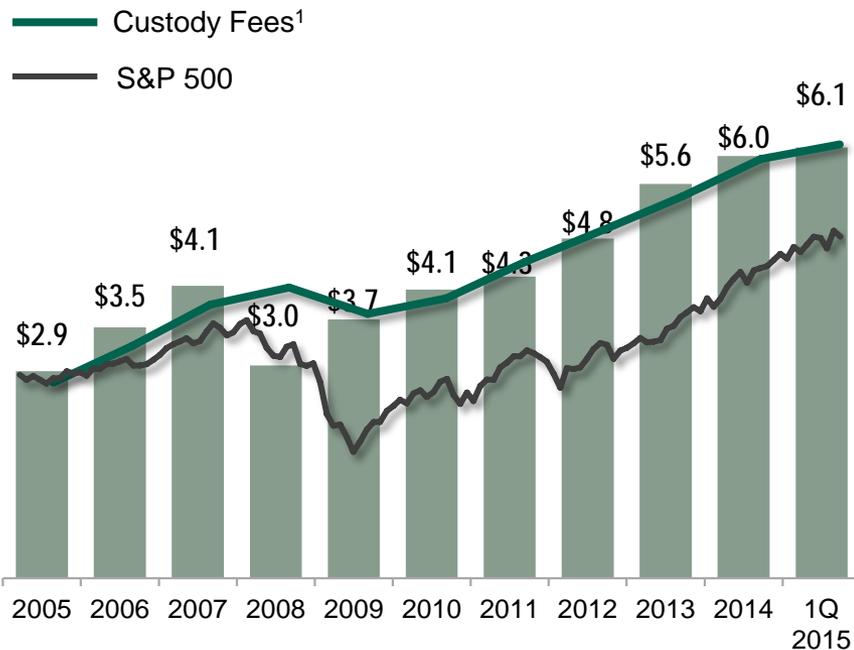




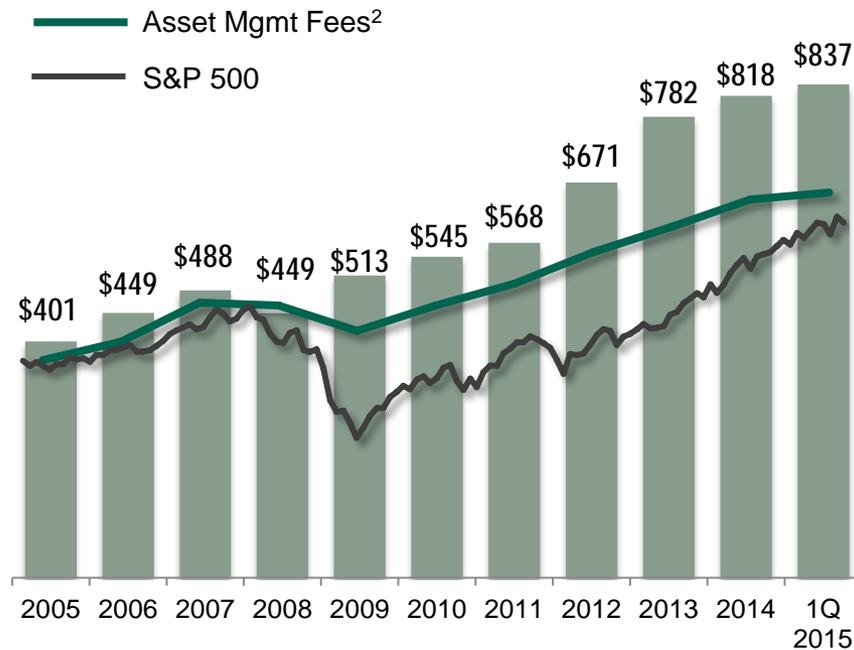
Strong History of Growth in Client Assets & Fees

Trust and investment fees average approximately 60% of total revenues over time.

Assets Under Custody (\$ Trillions)



Assets Under Management* (\$ Billions)



* AUM is presented excluding securities lending collateral.

1 Custody fees include C&IS custody & fund administration fees and Wealth Management Global Family Office fees. 1Q2015 is annualized.

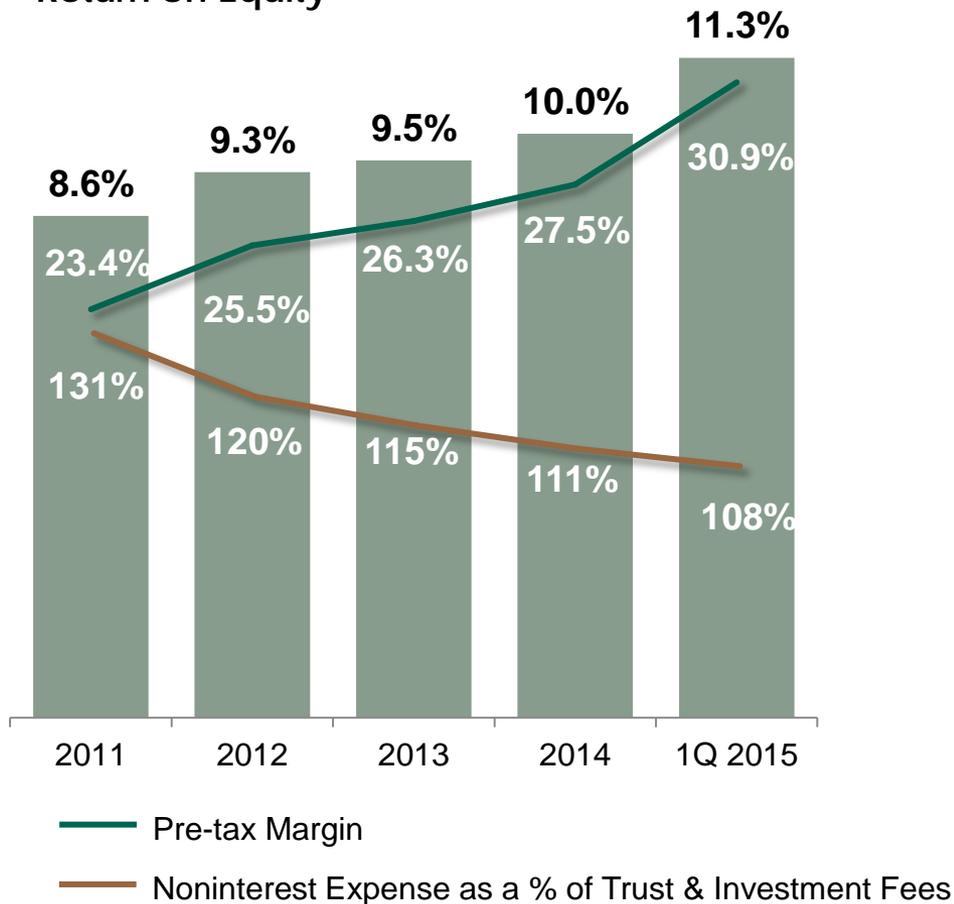
2 Asset management fees include C&IS investment management fees and fees of the three Wealth Management regions. 1Q 2015 is annualized.





Improving Profitability & Returns

Return on Equity



- Focus on enhancing productivity and efficiency has contributed to the continued improvement in the profitability and returns of the business over the last four years
- We achieved a return on equity of 10.0% in 2014, within our target range of 10% - 15%
- We are focused on achieving continued improvement through profitable growth

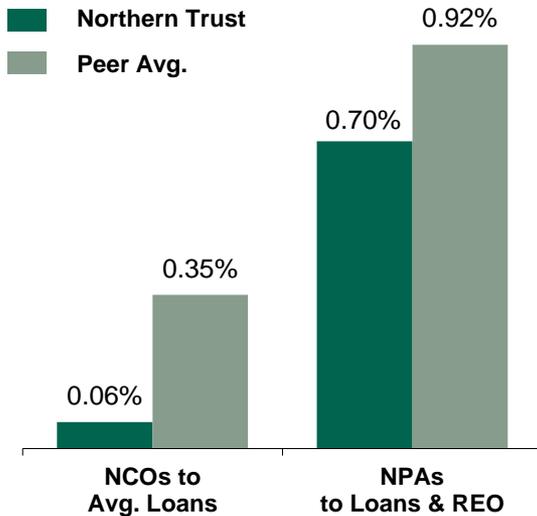




Consistently Strong & Conservative Balance Sheet

Diversified, High Quality Loan Portfolio

- Relationship-based lending
- Diversified by loan type, including residential real estate (29%), commercial & institutional (27%), commercial real estate (11%)
- Consistent and conservative underwriting standards



High Quality, Short Duration Securities Portfolio

- 83% of Northern Trust's total securities portfolio composed of U.S. Treasury, government sponsored agency and triple-A rated securities
- 100% of Asset-Backed Securities rated triple-A
- Average maturity duration of ~3 years and re-pricing duration of ~1 year

Consistently Outstanding Capital Strength

Northern Trust Corporation

Advanced Approach

Common Equity Tier 1	11.8%
Tier 1	12.4%
Total	14.2%
Supplementary Leverage	6.4%

Standardized Approach

Common Equity Tier 1	10.5%
Tier 1	11.1%
Total	13.1%
Tier 1 Leverage	7.8%

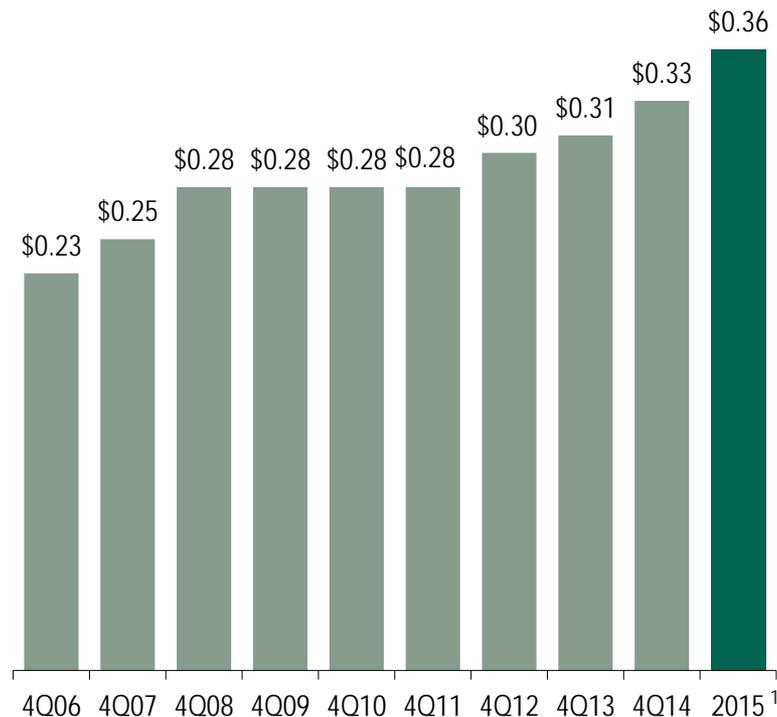
As of March 31, 2015 and the quarter then ended. Peer data is sourced from SNL Financial. Peer group includes U.S. based banks with assets of more than \$50 billion as of December 31, 2014.



Returning Capital to Shareholders

- Declared \$311.7 million in dividends and repurchased \$480.7 million of our common stock in 2014
- The Federal Reserve did not object to Northern Trust's 2015 capital plan, including:
 - ◆ an increase in our dividend to \$0.36 per share, and
 - ◆ the repurchase of up to \$675 million of common stock through June 2016

Quarterly Dividend Paid per Common Share



¹ 2015 figure represents the dividend declared on April 21, 2015 and payable on July 1, 2015.





Serving Clients for 125 Years

Long-term success through a focused strategy

- Market Leader in Focused Businesses
- Comprehensive Product Capabilities
- A History of Organic Growth
- Distinctive Financial Strength
- Proven Record of Managing for Long-term Growth and Profitability





Northern Trust