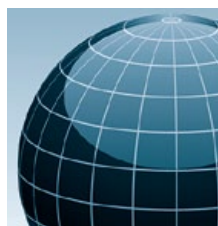


INSTITUTIONAL PLAN SPONSORS ENJOYED ANOTHER POSITIVE QUARTER



Jeff Feeney
Senior Vice President
Investment Risk &
Analytical Services
(312) 630-6627
JF16@ntrs.com

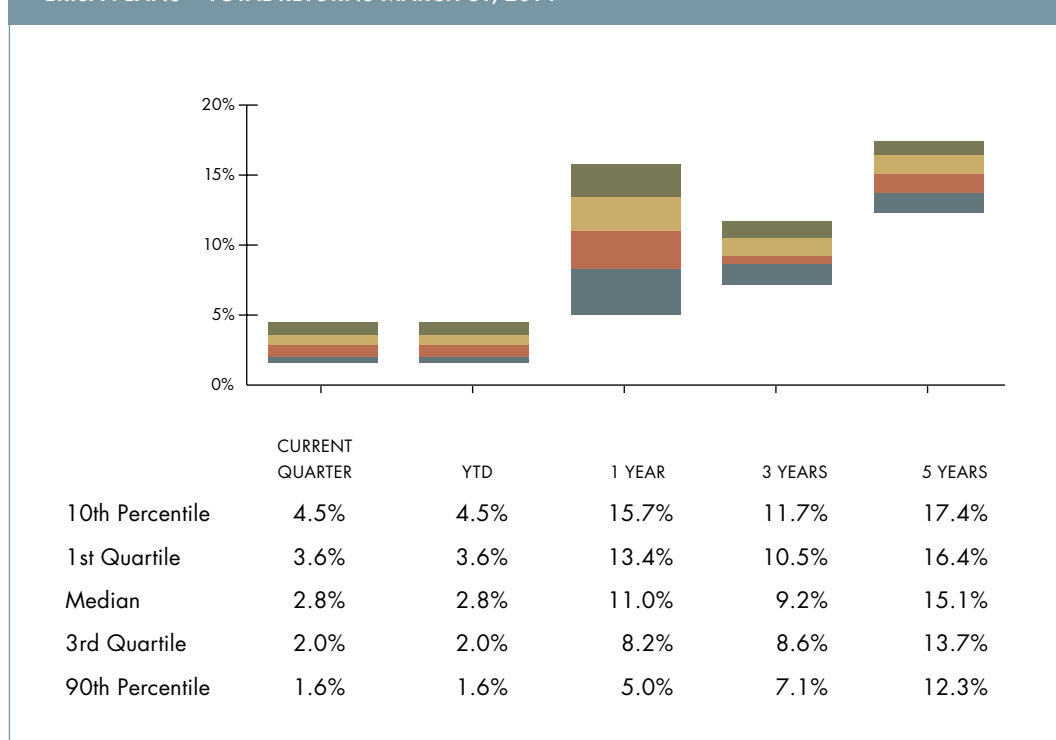
ERISA plans posted positive absolute results in the first quarter of 2014. The Northern Trust ERISA Plan Universe median return was 2.8% for the quarter ending March 31. The primary drivers of the positive results were the strength within the fixed income allocations and the positive absolute results within the domestic equity and international developed equity allocations for the first quarter. The first quarter returns resulted in a one-year median plan return of 11.0%.

For the first quarter of 2014, the ERISA Universe's median excess return compared to the policy-level benchmark was essentially flat. This resulted in half the plans within the ERISA Universe outperforming their respective plan-level benchmark. Over the one-year

comparison, the median ERISA plan's excess return outperformed the assigned benchmarks by 39 basis points. Longer-term results were mixed, with the Universe underperforming at the three-year relative comparison by 20 basis points and flat at the five-year relative comparison. At the 10-year comparison, the median ERISA plan was 0.4% better than the assigned benchmarks.

The ERISA plan-level performance results during the first quarter of 2014 benefited from allocations to both domestic and developed international equities. Within those equity allocations, the U.S. equity programs outperformed the international equity programs in the most recent quarter, with the median U.S. equity program returning

ERISA PLANS – TOTAL RETURNS MARCH 31, 2014



1.8% while the median international equity program returned 0.6%. Within U.S. equities, large-caps were the better performing sub-class during the quarter, with the Russell 1000 index returning 2.1% and the Russell 2000 Index returning 1.1%. Within international equities, developed markets outperformed emerging markets, returning 0.8% compared to -0.4%.

The ERISA plan-level performance benefited from the fixed income allocations' positive absolute returns during the first quarter of 2014. The median fixed income program returned 2.3% in the first quarter of 2014. Over the one-year period, the median result for the same universe was 0.8% as of March 31, 2014.

Credit securities performed better than government securities in the first quarter,

with both sub-class returning positive absolute results for the quarter. Within the BC US Aggregate Index, the credit/corporate securities outperformed the government securities by 84 basis points for the first quarter. Within the BC US Aggregate Index, corporate securities returned 2.9% and government securities returned 2.1% for the quarter.

The ERISA plan-level performance continued to benefit on an absolute basis from exposure to real estate during the first quarter of 2014. The sector's median return for the quarter was 2.8%. Over the one-year comparison, the median return for the real estate program was 11.5%. The wide distribution of results for this allocation continues to be evident as witnessed in the rolling one-year results of 15.7% for the 10TH percentile versus a 4.2% return for the 90TH percentile.

COMPOSITE ASSET ALLOCATION – ERISA				
	Current	1 Year Ago	3 Years Ago	5 Years Ago
U.S. Equity	29%	33%	35%	32%
Global/Non-U.S. Equity	13%	13%	17%	15%
U.S. Fixed Income	37%	34%	29%	34%
Global/Non-U.S. Bonds	4%	3%	2%	2%
Private Equity/Hedge Funds	12%	11%	11%	10%
Cash & Other	5%	6%	7%	8%

ABOUT NORTHERN TRUST UNIVERSES

Northern Trust Universes represent the performance results of about 300 large institutional investment plans that subscribe to Northern Trust performance measurement services. These plans, with a combined asset value of approximately \$612 billion, represent a broad snapshot of overall institutional investment plan performance within the U.S. market.

If you would like to participate in our universe analysis and receive more in-depth information, please contact your relationship manager.

Returns are shown gross of fees. Index returns assume reinvestment of dividends and earnings and do not reflect the deduction of any trading costs or other expenses. It is not possible to invest directly in an index. Periods greater than one year are annualized. Past performance does not indicate future results.



Northern Trust