

# 2019 Annual Meeting of Stockholders

April 23, 2019

**Michael G. O'Grady**

Chairman, President & Chief Executive Officer

**Reminder:**

**Use of cameras, recording devices,  
cell phones and other electronic  
equipment is strictly prohibited.**

**Thank you.**



**NORTHERN TRUST**

# FORWARD-LOOKING STATEMENTS

This presentation may include statements which constitute “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified typically by words or phrases such as “believe,” “expect,” “anticipate,” “intend,” “estimate,” “project,” “likely,” “plan,” “goal,” “target,” “strategy,” and similar expressions or future or conditional verbs such as “may,” “will,” “should,” “would,” and “could.” Forward-looking statements include statements, other than those related to historical facts, that relate to Northern Trust’s financial results and outlook, capital adequacy, dividend policy and share repurchase program, accounting estimates and assumptions, credit quality including allowance levels, future pension plan contributions, effective tax rate, anticipated expense levels, contingent liabilities, acquisitions, strategies, industry trends, and expectations regarding the impact of recent accounting pronouncements and legislation. These statements are based on Northern Trust’s current beliefs and expectations of future events or future results, and involve risks and uncertainties that are difficult to predict and subject to change. These statements are also 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.



# NORTHERN TRUST CORPORATION

## Service

Relentless drive to provide exceptional service.

## Expertise

Resolving complex challenges with world class capabilities.

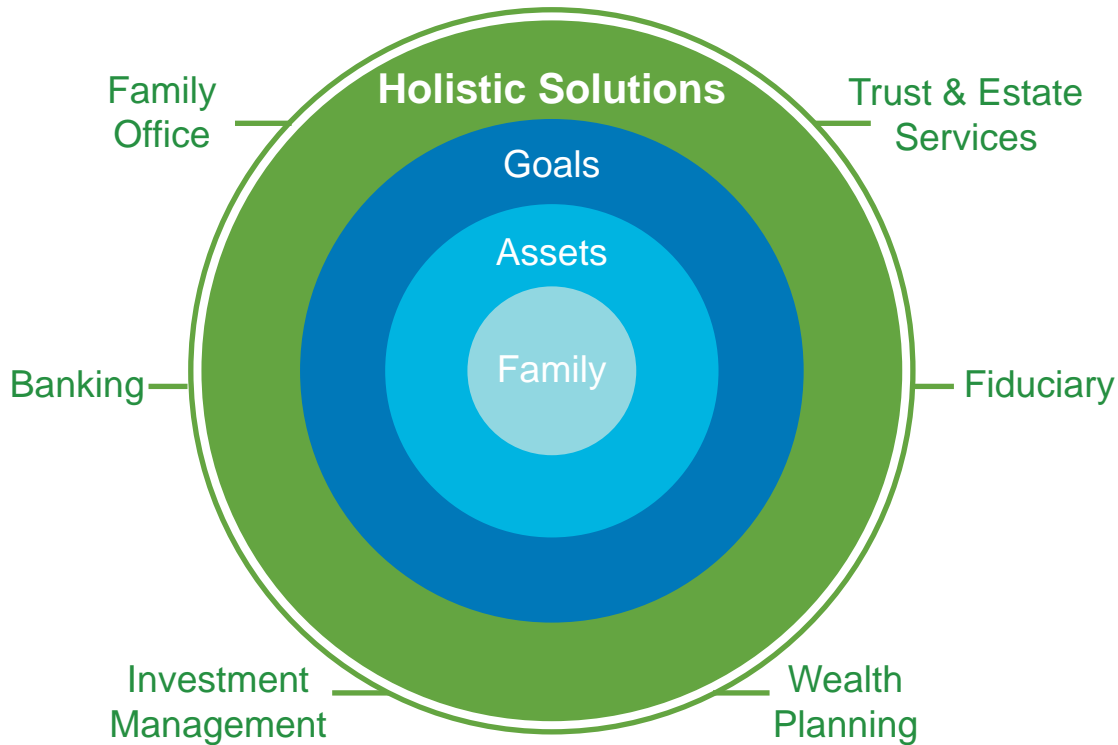
## Integrity

Consistently acting with the highest ethics, utmost honesty and unfailing reliability.



# WEALTH MANAGEMENT

*An integrated offering of goals driven wealth management solutions for individuals and families.*



**\$294 Billion**

TOTAL AUM<sup>1</sup>

**Best Private Bank**  
for Use of Technology  
in North America

*- Financial Times Group, 2018*

<sup>1</sup> Represents total Wealth Management business AUM as of March 31, 2019.

# ASSET SERVICING

*Delivering best in class asset servicing solutions to institutional clients globally.*

## CLIENT SEGMENTS



**\$10.2 Trillion**

Total assets under  
custody/administration<sup>1</sup>

<sup>1</sup> Represents total Corporate & Institutional Services business AUC/A as of March 31, 2019.

# ASSET SERVICING

*Delivering best in class asset servicing solutions to institutional clients globally.*

## NORTHERN TRUST SOLUTIONS

- Alternative Asset Services
- Banking and Liquidity Services
- Capital Markets Solutions
- Data Solutions
- Front and Middle Office Services
- Fund Services
- Regulatory Services
- Retirement Solutions
- Securities Services

## Outstanding Fund Technology Innovation

*- Global Custodian's Industry  
Leaders Award, 2018*

# ASSET MANAGEMENT

*A highly respected investment manager, entrusted by sophisticated professional investors and affluent clients worldwide.*

## CAPITAL MARKETS EXPERTISE

### Equity

*Factor-Based  
Active  
Passive  
Tax Advantaged  
Multi-Manager*

### Fixed Income

*Active  
Passive  
Cash Management  
Multi-Manager*

### Alternatives

*Hedge Funds  
Private Equity  
  
Private Credit  
Real Assets  
Infrastructure  
Real Estate*

### Solutions

*Sustainable Investing  
Retirement  
Target Date  
Multi-Manager  
Investment Advisory  
Focus Research*

### Asset Allocation

*Strategic  
Tactical*

*Investment solutions and asset allocation informed by deep capital markets analysis.*

## 30 Years

of socially responsible investing products

## \$88 Billion<sup>1</sup>

Total environmental, social & governance assets under management

<sup>1</sup> Represents total Northern Trust Corporation ESG AUM as of March 31, 2019.

# BUSINESS MODEL & FINANCIAL STRATEGY

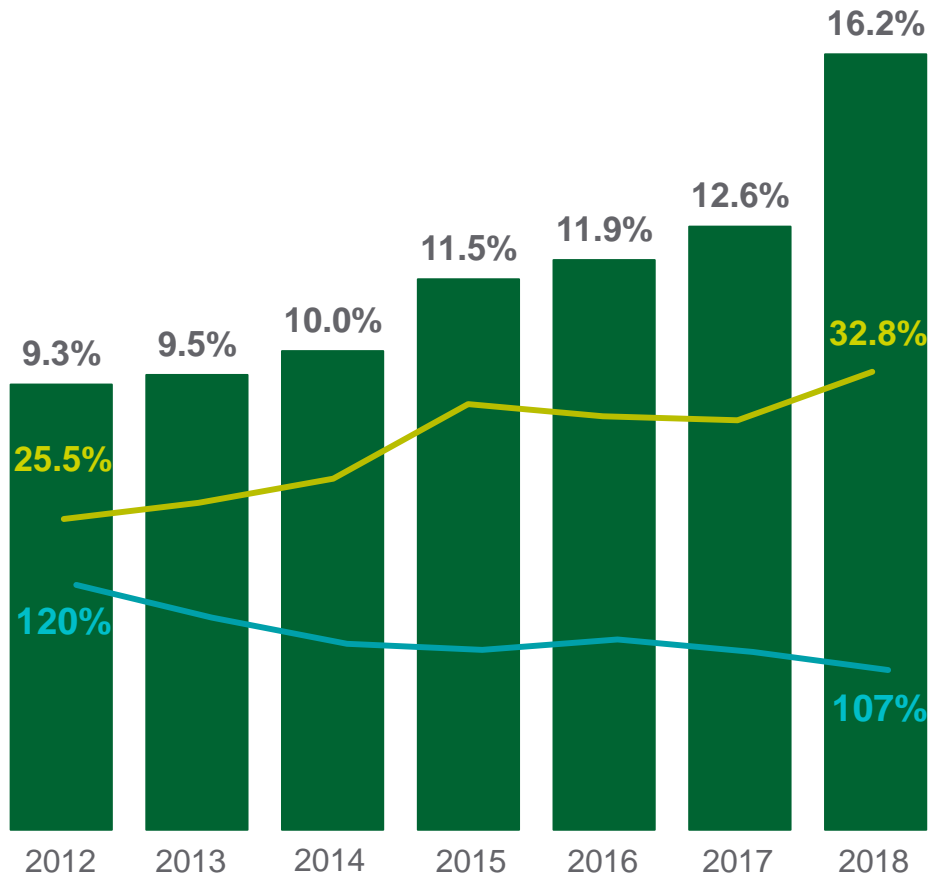
**ACHIEVING**  
**Growth**

**IMPROVING**  
**Productivity & Profitability**

**INCREASING**  
**Shareholder Returns**



# 2018 PERFORMANCE



— Noninterest Expense as a % of Trust & Investment Fees  
— Pre-tax Margin  
■ Return on Equity

## 2018 FINANCIAL PERFORMANCE:

- Trust Fees up 9%
- Revenue up 11%
- Net Income up 30%
- EPS up 35%

## 2018 SHAREHOLDER RETURNS:

- Returned \$1.36 billion of capital through dividends and share repurchases
- Dividend per common share of \$1.94, a 21% increase from 2017

# 1<sup>ST</sup> QUARTER 2019 FINANCIAL PERFORMANCE

(\$ Millions, except EPS)

	<b>1Q19</b>	<b>1Q19 vs. 1Q18</b>
Trust, Inv. & Other Servicing Fees	\$929	(1)%
Total Revenue	1,481	-%
Net Income	347	(9)%
Earnings Per Share	1.48	(6)%
Return on Common Equity	14.0%	(2.0) pts

## ACHIEVE GREATER

Clients

Partners

Shareholders

Community

## FOCUSED ON CREATING VALUE FOR OUR STAKEHOLDERS





**NORTHERN  
TRUST**