

Northern Trust to Acquire ANB Investment Management and Trust Co. From First Chicago NBD

CHICAGO, October 3, 1997 -- First Chicago NBD Corporation and Northern Trust Corporation today announced an agreement for Northern Trust to acquire ANB Investment Management and Trust Company (ANB IMC), an indirect, wholly-owned subsidiary of First Chicago NBD Corporation, for approximately \$50 million.

ANB IMC, which was a pioneer in developing index funds for institutional customers in the early 1970s, manages approximately \$28 billion, mostly in passive investments that seek to replicate the performance of numerous market indices.

Commenting on the acquisition, Northern Trust Chairman and Chief Executive Officer William A. Osborn said, "ANB Investment Management and Trust Company is a natural complement to our strong and growing investment business. Northern will benefit from adding a broad product array with successful long-term track records and a team of seasoned investment professionals. This acquisition is tangible evidence of Northern Trust's commitment to being a leader in passive and enhanced index investment products, and provides important product capabilities that are increasingly demanded by Northern's extensive global client base."

Northern Trust is a leader in the investment management business with \$159 billion in assets, of which \$149 billion are under active management. This acquisition moves Northern Trust into the top five passive investment managers in the United States with approximately \$38 billion in passive assets and expands Northern's capabilities in the active equity and fixed income markets.

"This move enables First Chicago NBD to focus more sharply on the strong growth opportunities we see in our active investment management business," said Verne G. Istock, chairman of First Chicago NBD. "A top priority is to realize the tremendous potential of offering the Pegasus mutual fund family and other investment products to our extensive base of individual and institutional customers."

First Chicago NBD provides mutual fund advisory service to the Pegasus Funds family, which encompasses 29 mutual funds, including five institutional cash management funds. The Corporation's 401(k) packaged products and customized institutional services have been well received by First Chicago NBD's business customers. Its broker-dealer subsidiary, First Chicago NBD Investment Services, Inc., serves more than 200,000 customers.

The transaction is expected to be completed by year-end.

Northern Trust Corporation is a bank holding company and one of the country's largest trust institutions with subsidiaries in Illinois, Florida, California, Texas, Arizona, Connecticut, Georgia and New York, as well as offices in Toronto, Montreal, London, Hong Kong and Singapore. At the end of the second quarter 1997, total assets of the Corporation were \$26 billion and trust assets under administration were \$898 billion. Northern Trust is ranked as the 17th largest overall money manager in the most recent Pensions & Investments survey.

First Chicago NBD Corporation, with assets of \$113 billion, is the nation's 9th largest bank holding company and the Midwest's market leader in providing financial products and services to consumers, middle market companies and large corporations. It serves 3 million consumer households and 14 million credit card customers.