



**Northwest Mutual Funds announces proposed closing
of Northwest Specialty Equity Fund**

Toronto, ON. Northwest Mutual Funds Inc. ("Northwest") today announced its intention to close the Northwest Specialty Equity Fund, effective January 15, 2005. The Fund will be closed to new purchases, but will remain open for: purchases of the Fund as part of the Northwest Quadrant Portfolio asset allocation service, existing pre-authorized payment plans and automatically reinvested distributions.

The Fund's assets under administration currently sit at \$211.8 million (November 30, 2004) a rise of over 180% in the last five years. Northwest as a company has more than doubled assets under administration over the past twelve months (IFIC).

"The Northwest Specialty Equity Fund has flourished in the small cap sector for over fifteen years," says Michael Butler, president and COO, Northwest Mutual Funds. "But with success comes growth and maturity. At today's level of assets, our management team felt that it was in the best interest of current unit-holders to close the Fund to maintain the level of quality that Northwest strives to provide," continues Butler.

Portfolio manager, Wayne Deans of Deans Knight Capital Ltd., who has been the sub-advisor to the Northwest Specialty Equity Fund for the past ten years, reiterates, "It's increasingly difficult to find good value in the Canadian small cap market. Continued growth at this pace would severely restrict the Fund's stock selection and liquidity, and maintaining a high quality mutual fund is our number one priority."

This will be the second time in the Fund's history that it has been closed. The Fund (formerly the Marathon Equity Fund) was closed to new purchases from May 6, 1996 – September 16, 1997, striving to protect its value and investors.

Says Butler, "Investors looking for a specialty investment to replace the Northwest Specialty Equity Fund have a couple of excellent options in the Northwest Specialty Quebec Growth Fund Inc. (soon to be renamed "Specialty Growth") and the Northwest Specialty Innovations Fund. Unlike a lot of specialty investments that have been hit or miss from year to year, both of these funds have delivered high quality performance on a consistent basis."

The Specialty Growth Fund is sub-advised by Montrusco Bolton, who have been managing it since 1987. The Fund, which is now available to investors across Canada is a first quartile performer for 1, 3, 5 & 10 year returns, as at October 31, 2004. (Bell Charts).

Northwest announces closing of Northwest Specialty Equity Fund (cont'd)

The Northwest Specialty Innovations Fund was recently selected the Science & Technology Equity Fund of the Year at the 2004 Canadian Investment Awards, and has outperformed the NASDAQ Total Return Index by over 25% over the past three years*.

Northwest reserves the right to reopen the Northwest Specialty Equity Fund at a future date.

About Northwest Mutual Funds Inc.

With over \$1.4 billion in assets under administration, Northwest has consistently been one of the fastest growing fund companies in Canada (IFIC). Launched by Butler in 1997, Northwest today is a wholly owned subsidiary of Desjardins Trust who purchased Northwest in September 2003. Northwest is headquartered in Toronto with offices in Vancouver and Montreal. Northwest Funds are distributed solely through financial advisors and stock brokers. For more information go to www.northwestfunds.com

Annualized Returns as at November 30, 2004	3 Mo.	6 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Northwest Specialty Equity Fund	11.4%	13.5%	16.9%	24.7%	33.5%	22.5%	15.8%
Northwest Specialty Growth Fund	9.7%	10.8%	14.3%	19.6%	11.0%	9.8%	15.6%
Northwest Specialty Innovations Fund*	10.0%	-2.0%	11.6%	15.3%	19.8%		
NASDAQ	3.2%	-7.9%	-3.7%	-1.6%	-5.9%	-12.4%	9.2%

The Northwest Funds are not guaranteed, their value fluctuates frequently and their past performance is not indicative of their future returns. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing.

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For more information or to arrange an interview with Michael Butler of Northwest Mutual Funds Inc., or Wayne Deans of Deans Knight Capital Ltd., please contact Susan Willemsen at The Siren Group Inc. Tel: (416) 481-2889. Fax: (416) 481-6061.

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