

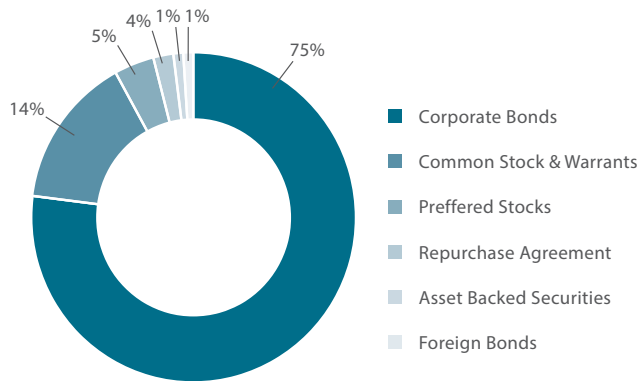


DECEMBER 31, 2018

### FUND OVERVIEW

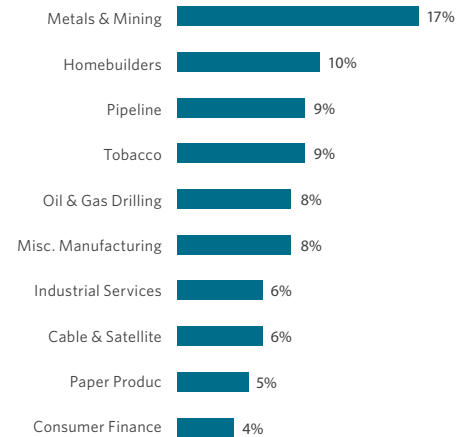
Northeast Investors Trust is one of the oldest bond mutual funds in the country, run by the longest-tenured fixed income management team in the industry. Our no-load, fixed income fund invests primarily in domestic high-yield debt, with a buy-and-hold mindset. But unlike some high yield funds and ETF's that are tethered to a rigid benchmark, Northeast Investors Trust has the freedom to invest in sectors and securities in which its managers have the most conviction, regardless of bond ratings or maturities. Our managers can also invest a portion of the fund in other types of debt, preferred securities, common stock, and convertible securities.

#### ASSET ALLOCATION (% OF MARKET VALUE)



BY ASSET CLASS  
As of 12/31/2018

#### TOP 10 SECTORS (% OF MARKET VALUE):



#### BY MATURITIES (% OF MV OF FIXED INCOME)

Less than 1 Year:	17%
1-5 Years:	72%
6-10 Years:	5%
More than 10 Years:	6%

#### BY S&P RATINGS (% OF MV)

BBB-	4%
BB+	2%
BB	35%
BB-	4%
B+	8%
B	2%
B-	9%
CCC+	1%
CC	1%
D	1%
NR	16%
Common Stock/Warrants	15%
Repurchase Agreement	2%

#### TOP 10 HOLDINGS (% OF NET ASSETS)

1. American Gilsonite (Bonds & Stock)	7.0%
2. Gibraltar Industries (Bonds)	6.4%
3. Tidewater (Bonds)	5.5%
4. CSC Holdings LLC (Bonds)	4.8%
5. Pyxus International (Bonds)	4.7%
6. Targa Resources (Bonds)	4.6%
7. Credit Acceptance (Bonds)	4.5%
8. XPO Logistics (Bonds)	4.4%
9. William Lyon Homes (Bonds)	4.4%
10. Crestwood Equity Partners (Pfd Stock)	4.4%



# NORTHEAST INVESTORS TRUST

## Paying Dividends for Over 60 Years

### FUND FACTS

Ticker:..... NTHEX  
 CUSIP:..... 664210101  
 Inception:..... March 1, 1950  
 Load:..... None  
 Dividends:..... Quarterly  
 Annualized Expense Ratio: .....1.33%  
 (excluding interest expense)  
 Number of Holdings: .....48  
 Total Net Assets: .....\$225,132,884  
 Shares Outstanding: ..... 52,621,656  
 Calendar Year 2018 Prices:  
 ..... Current (12/31/18):.....\$4.28  
 ..... High (1/29/18): ..... \$4.84  
 ..... Low (12/26/18): .....\$4.24  
  
 30-Day SEC Yield: .....4.06%

### PORTFOLIO MANAGEMENT (TENURE)

Ernest E. Monrad, Trustee:.....58 years  
 Bruce H. Monrad, Chairman: .....29 years

### DIVIDEND INFORMATION

Ex-Date	Dividend Rate	Reinvest Price
11/27/18	\$0.05	\$4.39
8/21/18	\$0.05	\$4.55
5/22/18	\$0.06	\$4.60
2/13/18	\$0.06	\$4.58

Trailing 12-Month Yield 5.14%\*

### AVERAGE ANNUAL RETURNS (AS OF DECEMBER 31, 2018)

	3 Months	YTD	1 YR	3-YR	5-YR	10-YR	Since Inception*
Northeast Investors Trust	-4.44%	-5.04%	-5.04%	5.61%	-1.78%	7.52%	7.17%
ICE BofA ML U.S. High Yield Index	-4.63%	-2.25%	-2.25%	7.26%	3.82%	10.98%	N/A

### CALENDAR YEAR RETURNS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD
NE Investors Trust	53.74%	14.25%	-0.72%	14.63%	13.01%	-5.36%	-17.99%	16.72%	6.28%	-5.04%
Average High-Yield Fund	46.70%	14.24%	2.83%	14.67%	6.90%	1.11%	-4.01%	13.30%	6.47%	-2.59%

\*Source: Morningstar

**Past Performance does not guarantee future results, and an investment in the Trust is not guaranteed.** The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that quoted. Additional Performance data may be obtained by calling 1-800-225-6704 or by visiting <http://northeastinvestors.com/fund/performance-information>

The ICE BofA Merrill Lynch US High Yield Index is an unmanaged market value-weighted index comprised of approximately 2,200 domestic and yankee high yield bonds, including deferred interest bonds and payment-in-kind securities. Issues included in the index have maturities of one year or more and have a credit rating lower than BBB-/Baa3, but are not in default.

\*The inception date for the Trust is 3/1/1950; the inception date for the ICE BofA Merrill Lynch US High Yield Index is 8/31/1986.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information about the Trust is contained in the prospectus or summary prospectus, either of which may be obtained by calling 1-800-225-6704 or by visiting [www.northeastinvestors.com](http://www.northeastinvestors.com). Please read either one carefully before investing.

Mutual Fund investing involves risk. The Trust invests in lower rated debt securities which may be subject to increased market volatility based on factors such as: the ability of an issuer to make current interest payments, the potential for principal loss if an issuer declares bankruptcy, and the potential difficulty in disposing of certain securities in a timely manner at a desired price and therefore can present an increased risk of investment loss.