

Russell U.S. Value Fund

Enhanced Blend of Value Managers

Investment Strategy

- Seeks to provide long-term capital growth.
- Highly diversified investments with an emphasis on undervalued stocks.
- Invests principally in large- and mid-cap stocks, with some exposure to small company stocks.

Fund Highlights

- To help manage risk, blends managers using a variety of value investing styles, from yield-oriented to turnaround-oriented approaches.
- Managers focus on companies with solid fundamentals or attractive investment value.
- Specialty fund offering additional portfolio diversification.

About the Fund



David L. Hintz, CFA
Russell Portfolio
Manager

In this all-capitalization fund, Russell combines managers with diverse value strategies to help neutralize a natural tendency of many value managers to vary significantly from the benchmark's sector structure. For example, one manager may be an aggressive value manager that focuses on undervalued large-cap stocks. Another manager may provide diversification by focusing on stocks paying dividends. By combining these managers, we try to reduce some of the risks normally associated with a single-style approach.

Allocation of Fund Assets

	Current Allocation	Year Assigned
<i>Value</i>		
DePrince, Race & Zollo, Inc.	28%	2003
Numeric Investors, LLC	30%	2010
Snow Capital Management L.P.	26%	2010
Systematic Financial Management, L.P.	16%	2001

The above represents the percentage of fund assets allocated to money managers, excluding the fund's cash reserves. Fund assets not allocated to money managers are managed directly by Russell for a variety of purposes.

Money managers listed are current as of 03/31/2012. Subject to the fund's Board approval, Russell has the right to engage or terminate a money manager at any time and without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. Investments in the Funds are not deposits with or other liabilities of any of the money managers and are subject to investment risk, including loss of income and principal invested and possible delays in payment of redemption proceeds. The money managers do not guarantee the performance of any Fund or any particular rate of return.

Small capitalization (small cap) investments involve stocks of companies with smaller levels of market capitalization (generally less than \$2 billion) than larger company stocks (large cap). Small cap investments are subject to considerable price fluctuations and are more volatile than large cap stocks. Investors should consider the additional risks involved in small cap investments.

Sector Weightings^{1,2}

Consumer Discretionary	9.6%
Energy	12.6%
Financial Services	25.2%
Health Care	12.7%
Materials and Processing	6.2%
Producer Durables	12.4%
Consumer Staples	5.6%
Technology	9.3%
Utilities	6.5%

¹ Due to rounding, totals may not equal 100%.

² Data is as of 02/29/2012.

Fund objectives, risks, charges and expenses should be carefully considered before investing. A prospectus containing this and other important information can be obtained by calling 800-787-7354 or by visiting www.russell.com. Please read the prospectus carefully before investing.

Russell U.S. Value Fund

	Class C	Class E	Class I	Class S
CUSIP	782478796	782478788	782478770	782478762
TICKER	RSVCX	RSVEX	RSVIX	RSVSX

Managing Money Differently

The Russell approach has been trusted for decades by many of the world's largest investors; our mutual funds allow you to employ that same approach. We identify investment managers we believe have exceptional capabilities, blend them to help manage risk through diversification, and constantly monitor them. Regardless of market conditions, Russell's investment approach remains constant.

Characteristics

Total Net Assets – All Classes	\$91.8M
Net Asset Value – Class Level	\$8.86

Top 10 Holdings¹

JPMorgan Chase & Co.	3.9%
Chevron Corp.	2.7%
Pfizer, Inc.	2.5%
Wells Fargo & Co.	2.3%
General Electric Co.	2.3%
PNC Financial Services Group, Inc.	1.9%
Macy's, Inc.	1.6%
ConocoPhillips	1.5%
Amgen, Inc.	1.5%
Allstate Corp. (The)	1.4%

¹ Data is as of 02/29/2012.

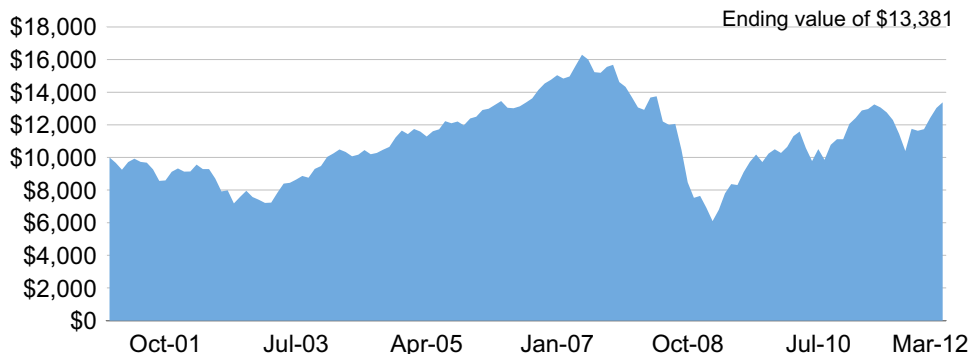
The top ten holdings list does not reflect the investment of cash reserves and cash collateral received in securities lending transactions in one or more of Russell Investment Company's money market funds.

Fund performance is reported net of fund advisory and administrative fees, and gross of financial intermediary fees.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

For more information on Russell Funds, contact your investment professional or plan administrator for assistance.

Growth of \$10,000 – Class S Shares (since inception)



Performance Review

As of March 31, 2012

	Quarterly	Year to Date	Annualized				Since Inception ¹
			1 Year	3 Years	5 Years	10 Years	
Russell U.S. Value Fund – Class S	14.03%	14.03%	3.20%	25.39%	-2.21%	3.42%	2.64%
Annual Total Operating Expenses		1.15%					
Annual Net Operating Expenses		1.15%					

Performance information is historical and does not guarantee future results. Investment return and principal value will fluctuate so that redeemed shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Current to the most recent month-end performance for Russell mutual funds is available by visiting: www.russell.com/us/fundperformance.

The fund offers other classes of shares with higher fees and expenses. These other classes may charge up to a 0.75% distribution fee and a 0.25% shareholder servicing fee which will result in a higher expense ratio and lower performance than that shown above. For a full description of other available classes, please see the prospectus.

¹ Fund inception date: 01/31/01.

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Not FDIC Insured
May Lose Value
No Bank Guarantee