

PressRelease

RUSSELL INVESTMENT GROUP LAUNCHES GLOBAL EQUITY INDEXES

London, 17 January 2007 — Russell Investment Group, creators of the market-leading family of U.S. equity indexes, today launches a fully-integrated family of global stock indexes. The Russell Global Indexes provide investors worldwide with a comprehensive set of equity benchmarks that cover small-cap and large-cap companies in developed and emerging markets.

Russell's family of U.S. indexes was created more than 25 years ago to support the company's core business of understanding and evaluating investment managers. Today, Russell indexes are benchmarks for \$3.8 trillion USD in equity assets - more than any other institutional index family in the U.S. The Russell Global Index launched today covers 98% of the investable global market, including more than 10,000 stocks, divided into a family of indexes that cover 22 regions and 64 countries.

Benjamin Pritchett-Brown, Head of Sales for Russell Indexes in Europe, commented "The global investment market has changed. Over the past decade, trustees and investment managers have adopted an increasingly global outlook. Distinctions between traditionally 'emerging' and 'developed' markets have blurred as companies and countries have grown in sophistication. Skilled investors today source opportunities from around the globe, with less emphasis on company size or country of origin."

"While this new investment panorama has increased opportunities, it has also made it more difficult to evaluate performance," Pritchett-Brown continued. "Existing global benchmarks reflect only a sampling of stocks and not the entire investable universe. Trustees, investment managers and consultants need accurate indexes to provide impartial, robust benchmarks for the performance of their global investments."

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David Grieger, managing director, Russell Indexes explained “2006 has seen a renewed search for better asset diversification and increased returns from active management. Pension funds have reacted by moving toward global investing and expanding active management opportunity sets to benefit from increased beta diversification and greater active management opportunities.”

“The development of Russell Global indexes supports both of these activities by providing a better representation of the global opportunity set for benchmarking managers and allocating assets,” Grieger continued. “Our unbiased and transparent methodology better reflects the true global marketplace. There is no sampling. The market dictates the index constituents,” he said. “Our Global Indexes are designed to capture *all* sufficiently liquid stocks that are actively traded and readily accessible to global investors. Thus the 10,000 or so companies in this global benchmark are selected by float-adjusted market capitalization and their trading liquidity threshold, giving investors a cohesive and consistent framework for measuring investment performance globally—with no gaps or overlaps.”

Key features include:

- Market capitalization breaks are applied globally, not on a country-by-country basis. This process ensures that companies of the same size are accurately represented in the large- and small-cap indexes and across regions and countries
- Russell’s global-relative design eliminates gaps and overlaps when combining regional indexes, and helps investors avoid sampling bias inherent in indexes that only include selected stocks in different countries or regions
- Russell offers the first truly global small-cap benchmarks for institutional investors, including a small-cap component of approximately 7,000 investable companies from countries throughout the world
- The modular design enables access to numerous market segments across a variety of dimensions, for example, large-cap or small-cap stocks across regions or countries

For more information on Russell indexes, including daily performance returns, please go to www.russell.com/indexes

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NOTES TO EDITORS

About Russell

Russell Investment Group, global leaders in multi-manager investing, provides investment products and services in 44 countries worldwide. Russell manages more than \$190 billion in assets (as of 31 December, 2006) and advises clients worldwide representing more than \$2.4 trillion. Founded in 1936, Russell is a subsidiary of Northwestern Mutual and is headquartered in Tacoma, Wash., with offices in Amsterdam, Auckland, London, New York, Paris, Singapore, Sydney, Tokyo and Toronto.

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