

Russell U.S. Core Equity Fund

Focusing on Fundamentals

Investment Strategy

- Seeks to provide long-term capital growth.
- Invests in stocks traded in the U.S. market.
- Core equity exposure blends growth, market-oriented and value styles, including stocks with medium to large capitalization.

Fund Highlights

- Managers use a wide variety of investment strategies from a bottom-up or fundamental approach, to a top-down or macro-economic approach.
- Multi-level diversification means investment performance does not depend on a single market sector, style or trend.

Sector Weightings^{1,2}

Consumer Discretionary	17.6%
Energy	11.5%
Financial Services	16.4%
Health Care	12.6%
Materials and Processing	4.6%
Producer Durables	10.0%
Consumer Staples	6.4%
Technology	20.3%
Utilities	0.6%

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

² Data is as of 02/29/2012.

About the Fund



David Hintz, CFA
Russell Portfolio
Manager

Russell carefully blends money managers for effectiveness during different phases of a market cycle. We believe this increases the fund's possibility of outperforming its benchmark in a wide variety of conditions. However, there is no guarantee this objective will be met. Each manager offers a distinct perspective designed to enhance diversification. For example, some of our managers select stocks that they see as currently depressed in value relative to their future potential. Other managers concentrate on equities with earnings they believe are rising and a market price that's gaining momentum.

Allocation of Fund Assets

	Current Allocation	Year Assigned
<i>Growth</i>		
BlackRock Capital Management, Inc.	11%	2009
Columbus Circle Investors	11%	2007
Sustainable Growth Advisers, L.P.	14%	2011
<i>Market-Oriented</i>		
Lazard Asset Management, LLC	20%	2009
Suffolk Capital Management, LLC	9%	2000
<i>Value</i>		
Institutional Capital, LLC	22%	2004
Schneider Capital Management Corporation	6%	2004
Snow Capital Management L.P.	7%	2010

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.

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.

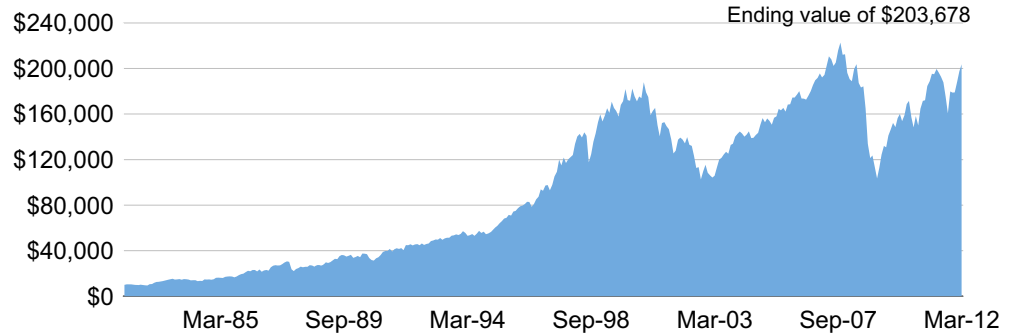
Russell U.S. Core Equity Fund

	Class A	Class C	Class E	Class I	Class S
CUSIP	782494611	782494595	782493290	782493100	782494587
TICKER	RSQAX	REXSX	REAEX	REASX	RLISX

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.

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



Characteristics

Total Net Assets – All Classes	\$3.8B
Net Asset Value – Class Level	\$30.50

Top 10 Holdings¹

Apple, Inc.	3.5%
Pfizer, Inc.	3.0%
Microsoft Corp.	2.5%
JPMorgan Chase & Co.	2.4%
Wells Fargo & Co.	2.3%
Cisco Systems, Inc.	2.0%
ConocoPhillips	1.7%
Google, Inc.	1.6%
Texas Instruments, Inc.	1.6%
Wal-Mart Stores, Inc.	1.5%

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.

Performance Review

As of March 31, 2012

	Quarterly	Year to Date	Annualized				
			1 Year	3 Years	5 Years	10 Years	Since Inception ¹
Russell U.S. Core Equity Fund ² – Class S	13.81%	13.81%	4.47%	21.78%	0.93%	3.84%	10.40%
Annual Total Operating Expenses		0.82%					
Annual Net Operating Expenses		0.82%					

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: 10/15/81.

² The Fund first issued Class S Shares on September 2, 2008. The returns shown for Class S Shares prior to that date are the returns of the Fund's Class I Shares.

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.

Russell Investment Group is a Washington, USA corporation, which operates through subsidiaries worldwide, including Russell Investments, and is a subsidiary of The Northwestern Mutual Life Insurance Company.

The Russell logo is a trademark and service mark of Russell Investments.

Securities products and services offered through Russell Financial Services, Inc., member FINRA, part of Russell Investments.

Copyright © Russell Investments 2012.

All rights reserved.

First used January 2012.

RFS 7298

01-03-021 (Rev. 1 04/12)

Not FDIC Insured
May Lose Value
No Bank Guarantee