

Tacoma

August 1, 2007



**Russell Investment Company  
Dividend Announcement**

Dear Shareholder:

On August 1, 2007, the following dividends payable was declared from net investment income. Dividends will be payable on August 6, 2007, to shareholders of record effective with the opening of business on August 2, 2007.

<b>Fund</b>	<b>Identifier</b>	<b>Net Investment Income</b>
<b>Diversified Bond - Class S</b>	782493860	0.1080
<b>Diversified Bond - Class E</b>	782493639	0.1028
<b>Diversified Bond - Class C</b>	782493415	0.0865
<b>Tax Exempt Bond - Class S</b>	782493837	0.0704
<b>Tax Exempt Bond - Class E</b>	782493316	0.0659
<b>Tax Exempt Bond - Class C</b>	782493324	0.0518
<b>Multistrategy Bond - Class S</b>	782493753	0.0481
<b>Multistrategy Bond - Class E</b>	782493613	0.0459
<b>Multistrategy Bond - Class C</b>	782493142	0.0393
<b>Multistrategy Bond - Class A</b>	782494702	0.0461

**Key Dates**

Ex: 08/02/07  
Record: 08/02/07  
Payable: 08/06/07

With the enactment of The American Jobs Creation Act of 2004, Registered Investment Companies are now able to exempt from withholding the qualified interest income dividends paid to foreign investors. Of the net investment income dividends paid above 87.22% of the Diversified Bond Fund dividends and 83.11% of the Multistrategy Bond Fund dividends are exempt from the U.S. withholding tax.

If you have any questions or need additional information, please feel free to call the Russell Investment Group at 1-800-787-7354.