

Tacoma

December 1, 2008



**Russell Investment Company
Dividend Announcement**

Dear Shareholder:

On December 1, 2008, the following dividends payable was declared from net investment income. Dividends will be payable on December 4, 2008, to shareholders of record effective with the opening of business on December 2, 2008.

Fund	Identifier	Net Investment Income
Russell Tax Exempt Bond Fund - Class S	782493837	0.0578
Russell Tax Exempt Bond Fund - Class E	782493316	0.0543
Russell Tax Exempt Bond Fund - Class C	782493324	0.0425
Russell Strategic Bond Fund - Class I	782493738	0.0389
Russell Strategic Bond Fund - Class E	782493167	0.0372
Russell Strategic Bond Fund - Class Y	782493159	0.0392
Russell Strategic Bond Fund - Class A	782494470	0.0366
Russell Strategic Bond Fund - Class C	782494462	0.0312
Russell Strategic Bond Fund - Class S	782494454	0.0381

Key Dates

Ex: 12/02/08
Record: 12/02/08
Payable: 12/04/08

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, 95.47% of the Russell Strategic 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 Russell Investments at 1-800-787-7354.