

Tacoma

October 11, 2007



**Russell Investment Company  
Dividend Announcement**

Dear Shareholder:

On October 11, 2007, the following dividends payable was declared from net investment income. Dividends will be payable on October 17, 2007, to shareholders of record effective with the opening of business on October 12, 2007.

<b>Fund</b>	<b>Identifier</b>	<b>Net Investment Income</b>
<b>Diversified Bond - Class S</b>	782493860	0.1093
<b>Diversified Bond - Class E</b>	782493639	0.1055
<b>Diversified Bond - Class C</b>	782493415	0.0937

**Key Dates**

Ex: 10/12/07  
Record: 10/12/07  
Payable: 10/17/07

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, 97.00% of the Diversified 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.