

RIC US Equity (Dublin) Fund

Performance Review

| | Three Months % | Year to Date % | One Year % ¹ | Three Years % | Five Years % | Ten Years % | Since Inception % ² |
|---|----------------|----------------|-------------------------|---------------|--------------|-------------|--------------------------------|
| RIC US Equity (Dublin) Fund (\$ Gross of Fees) | 12.1 | -1.6 | -1.6 | 14.4 | -0.3 | 2.8 | 2.7 |
| RIC US Equity (Dublin) Fund (\$ Net of A Fees) | 11.8 | -2.5 | -2.5 | 13.4 | -1.2 | 1.9 | 1.7 |
| Russell 1000 Index Net of Withholding Tax (\$) ³ | 11.7 | 0.9 | 0.9 | 14.1 | -0.6 | 2.8 | 3.4 |
| Morningstar Median Manager (\$) ⁴ | 10.2 | -1.8 | -1.8 | 11.6 | -2.5 | 0.7 | 1.6 |
| Quartile Ranking | 1 | 3 | 3 | 1 | 2 | 1 | 2 |
| Fund Size \$ 740m | | | | | | | |

¹ Returns greater than one year are annualised.

² Inception date 30/01/1998

³ Prior to 1st January 2009, benchmark was gross of withholding tax, total return. Benchmark currently net of withholding tax.

⁴ Morningstar Offshore & International Equity North America Universe

Market Performance

Overview

The US equity market posted a strong return for the fourth quarter of 2011, as the Russell 1000 Index finished up 11.7%. A large part of its gains originated in October when the index registered its highest one-month return since December 1991. November was slightly more turbulent, with the market ending essentially even for the month. After the optimism of October, investors became increasingly worried about the implications of the ongoing European debt crisis. However, news of a coordinated monetary easing action from the European Central Bank and the central banks of the US, Canada, Switzerland, Japan and the UK lifted markets at the end of the month. December was the least volatile month of the quarter, partially due to low trading volumes, and as declining US unemployment figures and year-on-year inflation rate lifted sentiment. During the quarter, the more economically-sensitive energy sector was the best-performer, while technologies and utilities were at the low end. Despite the more pro-risk market environment, financial services were slightly behind. The Russell 1000 Value Index outperformed the Russell 1000 Growth Index (13.1% vs. 10.6%) while the Russell 1000 Dynamic Index finished ahead of the Russell Defensive Index (12.4% vs. 11.4%).

Fund Performance

Performance History (1)



(1) Performance is quoted gross of management fees.

Key Drivers

The Fund finished comfortably ahead of the benchmark over the fourth quarter of 2011, with performance led by ICAP and Levin. Positive returns were driven by successful stock selection within the energy and consumer discretionary sectors. In relation to the former Occidental Petroleum was one of the best-performing stocks, as the fourth-largest US oil company posted a jump in third-quarter profit due to oil prices climbing over the year and the companies output increased over the period. Within the latter, an overweight to home improvement retailer Lowe's was rewarded, as its shares climbed over the quarter on various news flow including, the construction of US houses rising in November and retailers reaching sales highs over the period on the back of Christmas trade. Meanwhile, selection within technology and producer durables detracted from performance and sector allocation effects were slightly negative. The following managers were removed from the Fund over the quarter; Montag & Cadwell, MFS, Sound Shore and First Eagle and the following managers were added to the Fund over the quarter; HS Management and Ceredex.

Manager Review

| Manager | Approach / Process | Excess Return | Russell Analysis |
|-----------------------------------|--|---------------|---|
| Suffolk Capital Management | Market - Oriented | -0.6% | Suffolk's earnings revision based strategy underperformed. The manager's underweight to stocks with high dividend yields detracted from returns during the quarter. A significant overweight to the technology sector accounted for a large portion of underperformance. Stock selection detracted from returns in the energy (Forest Oil, Apache) and technology (Avago Technologies, Electronic Arts) sectors. |
| Institutional Capital Corporation | Value | 2.0% | ICAP outperformed over the period, helped by an underweight to stocks with strong three and twelve month price momentum, as the market began to revert from some of the patterns displayed earlier in the year. The manager's sector exposure effects were muted. Stock selection effects were a large contributor of excess return and were strongest within the financial services (underweight Bank of America, overweight BlackRock) and producer durables (Honeywell International) sectors. |
| Columbus Circle | Growth | -3.3% | Columbus Circle underperformed the benchmark over the quarter. The manager's underweight to stocks with high dividend yields detracted from returns as investors again rewarded yield during the period. Sector allocation effects hindered performance, due to underweights to the energy and producer durables sectors. Stock selection effects also detracted from returns, most significantly within the technology (Salesforce.com, Teradata) and health care (Watson Pharmaceuticals, Thermo Fisher Scientific) sectors. |
| Cornerstone | Growth | -0.4% | Cornerstone lagged the benchmark over the period. However, the manager benefitted from a preference to smaller cap and high beta stocks. Sector allocation effects were muted during the period. Stock selection effects were the primary contributor of excess return, due to positions within the producer durables (Rockwell Automation, Robert Half International) and energy (Cobalt International Energy, Anadarko Petroleum) sectors. |
| Pzena | Deep value, long-term view | 0.1% | Pzena finished flat over the quarter, as weak stock selection within technology (Computer Sciences, CA) detracted from returns, notably an overweight to Computer Sciences. In addition, an overweight to and stock selection within the financial sector (Franklin Resources, Goldman Sachs, UBS) proved unfavourable. These losses were somewhat offset by successful selection in the materials & processing (Masco) sector. |
| Levin | Market - oriented with value bias | 1.2% | Levin enjoyed a strong performance during the quarter, aided by effective stock selection. Holdings within consumer discretionary added the most to returns, most notably an overweight to home improvement retailer Lowe's, whose shares climbed over the quarter on various news flow including, the construction of US houses rising in November, improved sentiment on signs of progress for the economic outlook and retailers reaching sales highs over the period on the back of Christmas trade. Elsewhere, selection in technology (Seagate Technology, Oracle, Apple) and energy (Williams Companies) were positive contributors. Sector allocation effects were muted during the period. |
| Ceredex Value HS Management | Value, Yield emphasis Consistent Growth | | The manager was added to the Fund over the period and has not completed a full quarter. The manager was added to the Fund over the period and has not completed a full quarter. |

Fund Statistics

| Manager Weights | Characteristics | Fund | Benchmark |
|---|---|-------|-----------------|
| <ul style="list-style-type: none"> ■ Suffolk Capital Management: 11% ■ Institutional Capital Corporation: 21% ■ Columbus Circle: 17% ■ Cornerstone: 10% ■ Pzena: 6% ■ Levin: 10% ■ Ceredex Value: 18% ■ HS Management: 6% | Sector Deviation | 4.69 | -- |
| | Market Cap Weighted Nlog | 0.15 | -- |
| | Price/Earnings (excl negative earnings) | 12.75 | 12.89 |
| | Dividend Yield | 2.30 | 2.29 |
| | Price to Book | 1.72 | 1.89 |
| | EPS Growth (1 Year) | 17.15 | 20.48 |
| | Tracking Error | Fund | Average Manager |
| | One Year | 2.5 | 3.8 |
| | Three Years | 2.2 | 5.1 |
| | Five Years | 2.6 | 5.6 |

Fund Analysis

| Sector Exposure ¹ | Fund% | Benchmark % | Sector Returns |
|------------------------------|-------|-------------|----------------|
| Consumer Discretionary | 16.3 | 13.2 | 12.4 |
| Consumer Staples | 8.1 | 9.2 | 9.4 |
| Energy | 10.8 | 11.6 | 18.3 |
| Financial Services | 15.7 | 15.4 | 11.5 |
| Health Care | 12.8 | 11.6 | 9.7 |
| Materials & Processing | 2.9 | 4.4 | 16.5 |
| Producer Durables | 9.9 | 11.3 | 16.0 |
| Technology | 21.8 | 16.5 | 8.2 |
| Utilities | 1.7 | 6.8 | 7.9 |

¹ Sector Weights may not sum to 100% due to rounding.

Top Ten Holdings

| Company Name | Fund% | Benchmark % | Country | Sector |
|------------------------|-------|-------------|---------------|------------------------|
| Pfizer, Inc. | 3.1 | 1.3 | United States | Health Care |
| Apple, Inc. | 3.1 | 2.9 | United States | Technology |
| JPMorgan Chase & Co. | 2.5 | 1.0 | United States | Financial Services |
| Exxon Mobil Corp. | 2.4 | 3.2 | United States | Energy |
| Microsoft Corp. | 2.4 | 1.5 | United States | Technology |
| MetLife, Inc. | 1.8 | 0.2 | United States | Financial Services |
| Qualcomm, Inc. | 1.7 | 0.7 | United States | Technology |
| Schering-Plough Corp. | 1.7 | 0.9 | United States | Health Care |
| Johnson Controls, Inc. | 1.6 | 0.2 | United States | Consumer Discretionary |
| Google, Inc. | 1.5 | 1.3 | United States | Technology |

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