

2011 SEMI ANNUAL REPORT

OpenWorld plc

an umbrella fund with segregated liability between sub-funds

31 December 2011 (Unaudited)

A decorative graphic consisting of three parallel diagonal lines in blue, orange, and light blue, located in the top right corner of the dark grey section.

- Dynamic Assets
- Euro Credit
- Europe Focus Equity
- Global Climate Change
- Global Dynamic Bond (ceased trading)
- Global Focus Equity
- Global High Dividend Equity
- Global Listed Infrastructure
- Global Opportunistic Listed Property
- India Focus Equity
- Japan Focus Equity
- US Credit

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Administration of the Company

Board of Directors of the Company

Mr. James Firth (Chairman)
Mr. James Beveridge
Mr. Peter Gunning
Mr. Michael Hunt
Mr. Neil Jenkins*
Mr. Paul McNaughton
Mr. William Roberts
Mr. Alan Schoenheimer
Mr. David Shubotham
Mr. Kenneth Willman

Audit Committee Members

Mr. David Shubotham (Chairman)
Mr. Paul McNaughton
Mr. William Roberts

Registered Office

78 Sir John Rogerson's Quay
Dublin 2
Ireland

Manager

Russell Investments Ireland Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Independent Auditors

PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Legal Advisers

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

Administrator

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Custodian and Trustee

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Promoter

Frank Russell Company
1301 Second Avenue
18th Floor
Seattle, WA 98101
United States of America

Company Secretary

Bradwell Limited
Arthur Cox Building
Earlsfort Centre, Earlsfort Terrace
Dublin 2
Ireland

Advisor, Distributor and U.K. Facilities Agent

Russell Investments Limited
Rex House
10 Regent Street
London SW1Y 4PE
United Kingdom

Money Manager for Dynamic Assets

Mack & Weise GmbH
Colonnaden 96
D-20354 Hamburg
Germany

Money Manager for Euro Credit

Kempfen Capital Management (UK) Ltd.
41 Melville Street
Edinburgh E113 3YF
Scotland

Money Manager for Europe Focus Equity

Hermes Sourcecap International, LLP
Block D, The Old Truman Brewery
91 Brick Lane
London E1 6QL
England

Money Manager for Global Focus Equity

Thornburg Investment Management Inc.
2300 North Ridgetop Road
Santa Fe, NM 87506
United States of America

Money Manager for Global High Dividend Equity

Thornburg Investment Management Inc.
2300 North Ridgetop Road
Santa Fe, NM 87506
United States of America

* Mr. Neil Jenkins was appointed as a full Director on 22 September 2011. Prior to his appointment as a full Director, Mr. Neil Jenkins acted as a permanent alternate Director for Mr. Peter Gunning.

Administration of the Company - continued

Money Manager for Global Listed Infrastructure

RARE Infrastructure Limited
Level 18, 1 York Street
Sydney NSW 2000
Australia

Money Manager for Global Opportunistic Listed Property

CB Richard Ellis Global Real Estate
666 Third Avenue, 15th Floor
New York, NY 10017
United States of America

Money Manager for India Focus Equity

Quantum Advisors Inc.
2520 Douglas Blvd
Roseville, CA 95661-3992
United States of America

Money Manager for US Credit

Logan Circle Partners, L.P.
1717 Arch Street, Suite 1500
Philadelphia, PA 19103
United States of America

Paying Agent in Austria

UniCredit Bank Austria AG
Lassallestrasse
1020 Vienna
Austria

Paying Agent and Centralising Agent in France

Société Générale
29, boulevard Haussmann
75009 Paris
France

Paying and Information Agent in Germany*

Marcard, Stein & Co. AG
Ballindamm 36
20095 Hamburg
Germany

Paying Agents in Italy

Banca Monte dei Paschi di Siena S.p.A.
Piazza Salimbeni 3
53100 Siena
Italy

Societe Generale Securities Services - SGSS S.p.A.

Via Benigno Crespi 19/A
20159 Milano
Italy

Representative in Italy

BNP Paribas Securities Services, Succursale di Milano
Via Ansperto 5
20123 Milano
Italy

Paying Agent in Sweden

Nordea Bank AB
Smalandsgarten 17
10571 Stockholm
Sweden

Paying Agent and Representative in Switzerland**

BNP Paribas Securities Services, Paris
succursale de Zurich
Selnaustrasse 16
8002 Zürich
Switzerland

* The Company's Memorandum and Articles of Association, the Prospectus and the Simplified Prospectuses, the unaudited semi-annual reports, as well as the audited annual reports can be obtained free of charge from the office of the paying and information agent. The net asset value of each of the Funds and the subscription and redemption prices of the shares of the Funds are published jointly and daily in the "Börsen-Zeitung" for information purposes only and do not constitute an invitation to subscribe for or repurchase the Company's shares at those prices.

** The Company's Memorandum and Articles of Association, the Prospectus and the Simplified Prospectus, the unaudited semi-annual reports, as well as the audited annual reports can be obtained free of charge from the representative in Switzerland. Subscription and redemption prices of the shares of each Fund of the Company are published jointly and daily in Switzerland on fundinfo (www.fundinfo.com) for information purposes only and do not constitute an invitation to subscribe for or repurchase the Company's shares at those prices.

Background to the Company

OpenWorld plc (the “Company”) was incorporated on 12 June 2008 under registration number 458665 and operates in Ireland as a public limited company under the Companies Acts, 1963 to 2009. It is authorised by the Central bank of Ireland (the “Central Bank”) and it was first authorised on 19 November 2008.

The Company is an open-ended investment company with variable capital and is authorised by the Central Bank under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (the “Regulations”).

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds. The umbrella comprises of thirty two sub-funds (each a “Fund”, collectively the “Funds”), all of which were approved by the Central Bank on 19 November 2008 except for the following Funds: Global Emerging Small Cap Equity and Global Resources, which were approved on 13 March 2009, Euro Credit and US Credit which were approved on 4 December 2009, Global Focus Equity which was approved on 9 March 2011 and Dynamic Assets, Japan Credit and Russell Fundamental Emerging Markets Index Fund which were approved on 4 November 2011.

Japan Focus ceased trading on 4 July 2011. Global Dynamic Bond ceased trading on 2 November 2011. Global Climate Change ceased trading on 9 November 2011.

Dynamic Assets commenced trading on 29 November 2011.

The following Funds remain unfunded as at 30 June 2011: Asia Focus Equity, Emerging Europe Focus Equity, Emerging Markets Debt, Europe High Dividend Equity, Europe Small Cap Equity, Global Agriculture, Global Emerging Focus Equity, Global Emerging Small Cap Equity, Global Focus Growth Equity, Global Focus Value Equity, Global Resources, Japan Credit, Japan Small Cap Equity, Middle East and North Africa Focus Equity, Russell Fundamental Emerging Markets Index Fund, UK Small Cap Equity, US Focus Growth Equity, US Focus Value Equity, US High Dividend Equity and US Micro Cap Equity.

Investment Objectives

Please see the Manager’s Report for details of the investment objectives of each particular Fund, which was funded during the period.

Net assets under management for the Company as at 31 December 2011, amounted to EUR 714,524,240 (as at 30 June 2011: EUR 567,124,498; as at 31 December 2010: EUR 377,467,030).

Fund	Funded during the year ended	Functional Currency	Net Assets 31 December 2011	Net Assets 30 June 2011	Net Assets 31 December 2010
Dynamic Assets*	30 June 2012	EUR	68,184,999	-	-
Euro Credit	30 June 2010	EUR	82,981,516	69,772,543	62,374,865
Europe Focus Equity**	30 June 2010	EUR	15,498,934	37,068,288	34,495,800
Global Climate Change***	30 June 2010	USD	-	15,926,490	41,867,392
Global Dynamic Bond	30 June 2010	USD	-	43,556,641	38,026,244
Global Focus Equity	30 June 2011	USD	289,243,162	208,356,037	-
Global High Dividend Equity	30 June 2010	USD	163,454,025	107,104,111	58,383,470
Global Listed Infrastructure	30 June 2009	USD	99,984,322	97,333,377	66,735,153
Global Opportunistic Listed Property	30 June 2010	USD	45,037,801	47,014,143	38,920,008
India Focus Equity	30 June 2010	USD	6,325,326	28,706,826	28,138,827
Japan Focus Equity****	30 June 2010	JPY	-	1,586,255,213	1,672,548,233
US Credit	30 June 2010	USD	107,158,253	99,702,597	83,740,961

* The Fund launched on 29 November 2011.

** The Fund ceased trading on 9 November 2011.

*** The Fund ceased trading on 2 November 2011.

**** The Fund ceased trading on 4 July 2011.

Combined Balance Sheet

As at 31 December 2011

	Total 31 December 2011 (Unaudited) EUR	Total 30 June 2011 (Audited) EUR	Total 31 December 2010 (Unaudited) EUR
Assets			
Financial assets at fair value through profit or loss	661,605,117	549,434,233	363,443,284
Cash at bank	55,208,574	15,921,483	13,891,662
Cash held with brokers and counterparties for open derivative contracts	1,458,679	2,220,234	706,404
Debtors:			
Receivable for investments sold	2,030,910	9,347,893	77,920
Receivable on fund shares issued	235,263	1,493,857	994,489
Dividends receivable	2,085,030	1,623,194	467,626
Interest receivable	2,811,198	2,300,916	2,609,420
Other receivables	259,361	273,787	336,182
	<u>725,694,132</u>	<u>582,615,597</u>	<u>382,526,987</u>
Liabilities			
Financial liabilities at fair value through profit or loss	(1,460,537)	(4,188,867)	(2,291,477)
Creditors – amounts falling due within one year:			
Cash due to brokers and counterparties for open derivative contracts	-	(130,106)	(61,787)
Payable for investments purchased	(7,181,735)	(3,777,780)	(715,832)
Payable on fund shares redeemed	(53,935)	(6,161,474)	(1,194,265)
Management fees payable	(441,096)	(342,305)	(224,184)
Performance fees payable	(2,297,646)	(1,213,712)	(668,489)
Custodian and Trustee fees payable	(5,734)	(4,709)	(2,973)
Sub-custodian fees payable	(55,218)	(46,283)	(82,835)
Administration and transfer agency fees payable	(11,470)	(9,414)	(6,080)
Audit fees payable	(451,235)	(230,613)	(125,388)
Professional fees payable	(62,709)	(58,981)	(10,749)
Capital gains tax payable	-	-	(166,701)
Miscellaneous fees payable	(127,552)	(87,511)	(20,165)
	<u>(12,148,867)</u>	<u>(16,251,755)</u>	<u>(5,570,925)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	713,545,265	566,363,842	376,956,062
Adjustment from bid market prices to last traded market prices	978,975	760,656	510,968
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>714,524,240</u>	<u>567,124,498</u>	<u>377,467,030</u>

The accompanying notes are an integral part of the financial statements.

Combined Profit and Loss Account

For the six months ended 31 December 2011

	Total Six months ended 31 December 2011 (Unaudited) EUR	Total Year ended 30 June 2011 (Audited) EUR	Total Six months ended 31 December 2010 (Unaudited) EUR
Income			
Dividends	9,134,581	11,223,968	2,823,646
Bond interest	3,639,480	5,579,602	3,152,131
Bank and short term investment income	3,490	2,045	435
Miscellaneous income	266	24,010	4,516
	<u>12,777,817</u>	<u>16,829,625</u>	<u>5,980,728</u>
Net gain (loss) on investment activities	(30,340,302)	52,068,964	37,732,372
Total investment income (expense)	<u>(17,562,485)</u>	<u>68,898,589</u>	<u>43,713,100</u>
Expenses			
Management fees	(2,174,542)	(3,043,679)	(1,220,819)
Performance fees	(2,205,508)	(1,324,702)	(585,918)
Custodian and Trustee fees	(38,776)	(53,108)	(20,305)
Sub-custodian fees	(178,312)	(367,731)	(220,774)
Administration and transfer agency fees	(152,920)	(237,298)	(93,218)
Audit fees	(174,490)	(241,855)	(108,774)
Professional fees	(89,927)	(335,047)	(177,845)
Miscellaneous fees	(235,509)	(365,821)	(196,505)
Total operating expenses	<u>(5,249,984)</u>	<u>(5,969,241)</u>	<u>(2,624,158)</u>
Net income (expense)	(22,812,469)	62,929,348	41,088,942
Finance costs			
Distributions	(10,094,464)	(7,889,306)	(3,201,353)
Interest expense	(1,466)	(3,060)	(388)
Profit (loss) for the financial period/year/period before taxation	(32,908,399)	55,036,982	37,887,201
Taxation			
Capital gains tax	(104,865)	(36,351)	(382,052)
Withholding tax	(1,522,085)	(1,654,508)	(170,854)
Profit (loss) for the financial period/year/period after taxation	(34,535,349)	53,346,123	37,334,295
Movement in adjustment from bid market prices to last traded market prices	<u>218,319</u>	<u>305,206</u>	<u>55,518</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(34,317,030)</u>	<u>53,651,329</u>	<u>37,389,813</u>

All amounts arose solely from continuing operations. There are no recognised gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Combined Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Total Six months ended 31 December 2011 (Unaudited) EUR	Total Year ended 30 June 2011 (Audited) EUR	Total Six months ended 31 December 2010 (Unaudited) EUR
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(34,317,030)	53,651,329	37,389,813
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions	116,406,894	245,986,945	45,108,681
Reinvestment of deemed distributions on accumulation shares ..	<u>8,697,517</u>	<u>6,530,930</u>	<u>2,452,895</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	90,787,381	306,169,204	84,951,389
Currency translation	56,612,361	(50,985,268)	(19,424,921)
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	<u>567,124,498</u>	<u>311,940,562</u>	<u>311,940,562</u>
End of period/year/period	<u><u>714,524,240</u></u>	<u><u>567,124,498</u></u>	<u><u>377,467,030</u></u>

The accompanying notes are an integral part of the financial statements.

Manager's Report

Money Manager
Mack & Weise GmbH

Investment Objective

The Fund aims to provide absolute returns over a market cycle of 3 to 5 years. The Fund seeks to achieve such absolute returns by rotating between the different instruments and securities listed in the Investment Strategies section of the Prospectus which are in accordance with the Money Manager's views.

As the Fund launched 29 November 2011, there is no Fund performance, market commentary or Money Manager commentary of relevance to present.

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Dynamic Assets

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) EUR
Assets	
Financial assets at fair value through profit or loss (Note 1)	23,783,174
Cash at bank (Note 4)	48,324,494
Debtors:	
Receivable on fund shares issued	140,186
Interest receivable	100,881
Other receivables	7,873
	<u>72,356,608</u>
Liabilities	
Financial liabilities at fair value through profit or loss (Note 1)	(353)
Creditors – amounts falling due within one year:	
Payable for investments purchased	(4,113,835)
Management fees payable	(56,445)
Custodian and Trustee fees payable	(539)
Sub-custodian fees payable	(1,126)
Administration and transfer agency fees payable	(1,078)
Audit fees payable	(3,243)
Miscellaneous fees payable.....	(8,279)
	<u>(4,184,898)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	68,171,710
Adjustment from bid market prices to last traded market prices (Note 5)	13,289
Net asset attributable to redeemable participating shareholders (at last traded market prices)	<u>68,184,999</u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the period from 29 November 2011, launch date of the Fund, to 31 December 2011

	Period ended 31 December 2011 (Unaudited) EUR
Income	
Dividends	295
Bond interest	21,230
Bank and short term investment interest	99
	<u>21,624</u>
Net gain (loss) on investment activities	1,043,591
Total investment income (expense)	<u>1,065,215</u>
Expenses	
Management fees (Note 3)	(58,105)
Custodian and Trustee fees (Note 3)	(555)
Sub-custodian fees (Note 3)	(1,126)
Administration and transfer agency fees (Note 3)	(2,116)
Audit fees	(3,243)
Miscellaneous fees	(433)
Total operating expenses	<u>(65,578)</u>
Profit (loss) for the financial period before taxation	999,637
Taxation	
Withholding tax (Note 6)	(74)
Profit (loss) for the financial period after taxation	<u>999,563</u>
Adjustment from bid market prices to last traded market prices (Note 5)	<u>13,289</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u><u>1,012,852</u></u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the period from 29 November 2011, launch date of the Fund, to 31 December 2011

	Period ended 31 December 2011 (Unaudited) EUR
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	1,012,852
Share transactions	
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	<u>67,172,147</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	68,184,999
Net assets attributable to redeemable participating shareholders	
Beginning of period	<u>-</u>
End of period	<u><u>68,184,999</u></u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Number of Shares		Fair Value EUR	Fund %	Principal Amount		Fair Value EUR	Fund %
Transferable Securities (23.73%)							
Common Stock (6.10%)							
Canada (2.02%)							
Metals and Mining							
20,000	Barrick Gold	697,058	1.02				
20,000	Goldcorp	681,776	1.00				
		<u>1,378,834</u>	<u>2.02</u>				
Germany (2.75%)							
Communications Equipment							
70,000	Deutsche Telekom	618,870	0.91				
Electric Utilities							
35,000	E.ON AG	580,300	0.85				
25,000	RWE AG	674,750	0.99				
		<u>1,873,920</u>	<u>2.75</u>				
United States (1.33%)							
Metals and Mining							
110,000	Hecla Mining	443,169	0.65				
10,000	Newmont Mining	462,120	0.68				
		<u>905,289</u>	<u>1.33</u>				
	Total Common Stock	4,158,043	6.10				
Principal Amount							
Long Term Bonds and Notes (9.06%)							
Germany (9.06%)							
Bundesobligation							
EUR 3,000,000	4.250% due 12/10/12	3,099,750	4.55				

Financial Derivative Instruments (2.56%)

Open Forward Foreign Currency Exchange Contracts (2.56%)

Settlement Date	Amount Bought	Amount Sold	Unrealised Gain (Loss) EUR	Fund %
10/01/2012	AUD 13,671,422	EUR 10,210,600	578,513	0.85
10/01/2012	GBP 332,312	EUR 392,700	5,097	0.01
10/01/2012	GBP 2,757,607	EUR 3,208,800	92,219	0.14
10/01/2012	GBP 26,059,988	EUR 30,486,400	708,943	1.04
10/01/2012	GBP 146,819	EUR 174,500	1,251	0.00
10/01/2012	USD 102,196	EUR 75,900	2,821	0.00
10/01/2012	USD 114,988	EUR 85,900	2,675	0.00
10/01/2012	USD 12,283,216	EUR 9,201,600	260,148	0.38
10/01/2012	USD 4,008,034	EUR 2,992,600	94,784	0.14
10/01/2012	USD 88,468	EUR 68,500	(353)	0.00
Unrealised gain on open forward foreign currency exchange contracts			1,746,451	2.56
Unrealised loss on open forward foreign currency exchange contracts			(353)	(0.00)
Net unrealised gain (loss) on open forward foreign currency exchange contracts			1,746,098	2.56
Total Financial Derivative Instruments			1,746,098	2.56

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

	<u>Fair Value EUR</u>	<u>Fund %</u>
Total Financial Assets at Fair Value through Profit or Loss (34.87%)	23,783,174	34.87
Total Financial Liabilities at Fair Value through Profit or Loss ((0.00)%)	(353)	(0.00)
Net Financial Assets at Fair Value through Profit or Loss (34.87%)	23,782,821	34.87
Other Net Assets (65.11%)	44,388,889	65.11
Adjustment from Bid Market prices to Last Traded Market Prices (0.02%)	13,289	0.02
Net Assets (100.00%)	<u>68,184,999</u>	<u>100.00</u>

	<u>% of total assets</u>
<u>Analysis of total assets</u>	
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	22.36
Collective investment schemes	8.10
Over the counter financial derivative instruments	2.41
Other assets	67.13
	<u>100.00</u>

The counterparties for the open forward foreign currency exchange contracts are:

Brown Brothers Harriman
Citibank

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases for the period from 29 November 2011, launch date of the Fund, to 31 December 2011

<u>Portfolio Securities</u>	<u>Acquisition Cost EUR</u>
Deutsche Boerse AG	
XETRA GOLD IHS 2007	6,049,723
ETFS Metal Securities Ltd - Physical Silver	5,025,320
Bundesobligation	
4.250% due 12/10/2012	3,107,400
Bundesrepublik Deutschland	
5.000% due 04/07/2012	3,087,690
ETFS Metal Securities Ltd - Physical Gold	1,273,572
Barrick Gold	706,282
Goldcorp	700,216
RWE AG	667,617
Deutsche Telekom AG	613,743
E.ON AG	570,650
Newmont Mining	482,075
Hecla Mining	460,599

There were no investment sales during the reporting period.

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

Kempen Capital Management (UK) Ltd.

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of corporate debt securities (including corporate bonds) and other credit securities and instruments that are denominated in Euro.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned 1.45 per cent on a gross-of-fee basis (1.1 per cent on a net-of-fee basis), versus 0.8 per cent return for a comparable benchmark*.

Market Comment

The Fund remained conservatively positioned in the third quarter, and remained underweight the eurozone periphery. The ongoing sovereign debt crisis coupled with softening macro-economic data were the most important drivers of the manager's fund positioning.

Quarter four started on a strong footing in October. The prospect of a solution to the Euro crisis boosted sentiment and contributed to a positive month for financial markets. Upside surprises from U.S. macro-economic indicators also helped. November started out very weak, as the Euro crisis, once again, took centre stage. Credit spreads widened out sharply over the month, making November the worst month for credit in terms of excess returns over swaps for the year.

General Comment on the Money Manager/Performance

The Fund outperformed the Barclays Capital Euro Aggregate Credit Index marginally in the third quarter. The sectors with the biggest contribution to the outperformance were the insurance and government sectors. The Money Manager benefited from its allocation to callable bonds from high quality insurers. Within sovereigns the manager benefited from the overweight in AAA government paper. Part of this allocation was used as a substitute for the sovereign issuers in the benchmark and part as an alternative for cash in order to maintain a high level of liquidity in the portfolio. The banking sector was the biggest detractor from performance, overweights in Societe Generale Tier 1, Intesa San Paolo Tier 1 and Lower Tier 2's of Lloyds, RBS and Barclays detracted, although the Money Manager remains underweight the sector at the portfolio level. The Money Manager sold positions in Finmeccanica, Eni and Repsol and reduced exposure to cyclicals like BMW and Lafarge. The Money Manager remained underweight banks and reduced the positioning in Tier 1, to a further underweight, by switching from high coupon bonds into lower coupon bonds with corresponding lower cash prices. This reduces the Money Manager's downside risk significantly, while maintaining the upside potential. Within banks the positioning is swayed towards the banks perceived to be the strongest and cherry picked senior or Lower Tier 2 bonds on a case by case basis. This approach has prompted an underweight in senior and an overweight in Lower Tier 2 bonds. Within Lower Tier 2 specific overweights are RBS and Barclays.

The liquidity support measures announced by the European Central Bank offered some relief to the markets in December. However, the E.U. summit did not provide a very convincing answer to the Euro debt crisis. The portfolio added to its performance record outperforming the Barclays Capital Aggregate Credit Index in the fourth quarter. The Fund is comfortably ahead of its benchmark for the year. The Fund remained conservatively positioned in the fourth quarter, underweight in the peripheral countries. The overweight in subordinated financials was reduced in the last part of the fourth quarter. The Money Manager reduced the weight in Tier 1 to an underweight, and reduced the weight in senior, while remaining overweight U.K. Lower Tier 2. There was a strong flow of new issuance in October in particular that showed volatile but, across the board, good performance after issuance. The Money Manager participated in the tenders of BPCE and Akzo during the fourth quarter. The largest relative performance contribution came from banks, industrials and chemicals. Underweights towards Italian (Monte and UniCredito) and French (Credit Agricole) banks contributed, as did the overweight position in Barclays and RBS. Within chemicals, the Money Manager benefited from the Akzo tender and from participating in the new issue. The largest relative contribution in the industrials sector came from the BAA allocation and from being underweight Finmeccanica. The Money Manager also benefited from the S&P upgrade of Pernod. Lastly the underweight in Hungary (that was removed from the index at the end of the year) contributed positively. The biggest negative contributors included the overall sector allocation and the overweight in Intesa SanPaolo.

Manager's Report - continued

Outlook

The Money Manager remains conservative in their positioning, underweight banks and cyclicals, “The Euro crisis still has a large impact on the financial markets. In the absence of a final solution to the debt problems of the peripheral countries, the financial markets will remain very volatile”. The Money Manager also remains wary of the risk of a recession in developed markets.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: Barclays Capital Euro Aggregate Credit Index

Russell Investments Ireland Limited
January 2012

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) EUR	30 June 2011 (Audited) EUR	31 December 2010 (Unaudited) EUR
Assets			
Financial assets at fair value through profit or loss (Note 1)	77,577,066	69,096,871	59,943,554
Cash at bank (Note 4)	3,449,558	2,327,803	1,997,944
Cash held with brokers and counterparties for open derivative positions (Note 4).....	42,639	11,300	18,850
Debtors:			
Receivable for investments sold	1,714,183	305,072	-
Interest receivable	21,864	1,212,011	1,571,559
Other receivables	-	26,708	31,499
	<u>82,805,310</u>	<u>72,979,765</u>	<u>63,563,406</u>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 1)	(66,456)	(2,176,795)	(1,302,076)
Creditors – amounts falling due within one year:			
Payable for investments purchased	-	(1,101,111)	-
Management fees payable	(34,385)	(30,752)	(25,689)
Custodian and Trustee fees payable	(664)	(595)	(490)
Sub-custodian fees payable	(3,023)	(2,880)	(4,829)
Administration and transfer agency fees payable	(1,329)	(1,190)	(1,014)
Audit fees payable	(46,108)	(27,830)	(9,284)
Professional fees payable	(5,942)	(5,942)	(2,076)
Miscellaneous fees payable	(2,840)	(1,041)	(1,086)
	<u>(160,747)</u>	<u>(3,348,136)</u>	<u>(1,346,544)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	82,644,563	69,631,629	62,216,862
Adjustment from bid market prices to last traded market prices (Note 5)	336,953	140,914	158,003
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>82,981,516</u>	<u>69,772,543</u>	<u>62,374,865</u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) EUR	Year ended 30 June 2011 (Audited) EUR	Six months ended 31 December 2010 (Unaudited) EUR
Income			
Bond interest	1,525,332	2,296,740	1,369,435
Net gain (loss) on investment activities	4,379,103	(5,458,133)	(2,510,307)
Total investment income (expense)	5,904,435	(3,161,393)	(1,140,872)
Expenses			
Management fees (Note 3)	(197,464)	(354,579)	(180,745)
Custodian and Trustee fees (Note 3)	(5,531)	(8,056)	(3,158)
Sub-custodian fees (Note 3)	(8,413)	(23,125)	(13,121)
Administration and transfer agency fees (Note 3)	(18,920)	(30,113)	(12,106)
Audit fees	(18,536)	(27,830)	(14,092)
Professional fees	(13,826)	(45,141)	(26,260)
Miscellaneous fees	(21,696)	(52,163)	(20,085)
Total operating expenses	(284,386)	(541,007)	(269,567)
Net income (expense)	5,620,049	(3,702,400)	(1,410,439)
Finance costs			
Distributions (Note 14)	(1,456,374)	(2,636,204)	(602,615)
Interest expense	-	(540)	-
Profit (loss) for the financial period/year/period	4,163,675	(6,339,144)	(2,013,054)
Movement in adjustment from bid market prices to last traded market prices (Note 5)	196,039	36,587	53,676
Increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	4,359,714	(6,302,557)	(1,959,378)

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) EUR	Year ended 30 June 2011 (Audited) EUR	Six months ended 31 December 2010 (Unaudited) EUR
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	4,359,714	(6,302,557)	(1,959,378)
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	7,398,450	19,322,224	9,614,909
Reinvestment of deemed distributions on accumulation shares (Note 14)	1,450,809	2,636,157	602,615
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	13,208,973	15,655,824	8,258,146
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	69,772,543	54,116,719	54,116,719
End of period/year/period	<u>82,981,516</u>	<u>69,772,543</u>	<u>62,374,865</u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Principal Amount		Fair Value EUR	Fund %	Principal Amount		Fair Value EUR	Fund %	
Transferable Securities (91.48%)				BNP Paribas				
Long Term Bonds and Notes (91.48%)				400,000	5.000% due 16/12/13	416,116	0.49	
Australia (0.44%)				300,000	5.019% due 31/12/49	215,143	0.26	
National Australia Bank Ltd				Cap Gemini				
EUR	350,000	4.750% due 15/07/16	<u>372,564</u>	<u>0.44</u>	300,000	5.250% due 29/11/16	307,017	0.37
Belgium (0.23%)				Casino Guichard Perrachon SA				
Fortis Bank SA/NV				600,000	5.500% due 30/01/15	627,033	0.75	
210,000	5.757% due 04/10/17	<u>196,519</u>	<u>0.23</u>	300,000	4.726% due 26/05/21	275,843	0.33	
Bermuda (0.26%)				CNP Assurances				
Bacardi Ltd				150,000	4.750% due 31/12/49	67,635	0.08	
200,000	7.750% due 09/04/14	<u>222,211</u>	<u>0.26</u>	Credit Logement SA				
Canada (1.30%)				200,000	2.573% due 31/12/49	86,668	0.10	
Province of Ontario Canada				EDF SA				
300,000	4.750% due 23/04/19	346,268	0.41	100,000	4.625% due 26/04/30	96,806	0.11	
Province of Quebec Canada				Eutelsat				
700,000	3.375% due 20/06/16	<u>747,465</u>	<u>0.89</u>	500,000	4.125% due 27/03/17	501,061	0.60	
			<u>1,093,733</u>	<u>1.30</u>	500,000	5.000% due 14/01/19	506,765	0.60
Cayman Islands (1.46%)				France Telecom				
Hutchison Whampoa Finance 09				750,000	4.750% due 21/02/17	817,844	0.97	
200,000	4.750% due 14/11/16	209,974	0.25	300,000	3.875% due 09/04/20	304,625	0.36	
Petrobras International Finance				GDF Suez				
1,000,000	4.875% due 07/03/18	<u>1,019,550</u>	<u>1.21</u>	200,000	5.000% due 23/02/15	216,883	0.26	
			<u>1,229,524</u>	<u>1.46</u>	Lafarge			
Czech Republic (1.04%)				175,000	6.625% due 29/11/18	151,594	0.18	
Czech Republic International				Pernod-Ricard				
500,000	5.000% due 11/06/18	530,723	0.63	350,000	7.000% due 15/01/15	384,418	0.46	
350,000	3.625% due 14/04/21	<u>339,019</u>	<u>0.41</u>	RCI Banque SA				
			<u>869,742</u>	<u>1.04</u>	400,000	4.000% due 11/07/13	402,206	0.48
Denmark (0.39%)				220,000	3.750% due 07/07/14	214,442	0.25	
Carlsberg Breweries				RTE EDF Transport SA				
300,000	6.000% due 28/05/14	<u>324,918</u>	<u>0.39</u>	100,000	3.875% due 28/06/22	100,436	0.12	
Finland (0.82%)				Societe Fonciere Lyonnaise				
Finland				700,000	4.625% due 25/05/16	660,218	0.79	
600,000	4.000% due 04/07/25	<u>688,920</u>	<u>0.82</u>	Societe Generale				
France (10.93%)				250,000	3.125% due 21/09/17	230,084	0.27	
Aeroports de Paris				350,000	6.999% due 31/12/49	208,250	0.25	
300,000	3.875% due 15/02/22	301,014	0.36	Total Infrastructures Gaz France				
Autoroutes du Sud de la France				400,000	4.339% due 07/07/21	419,059	0.50	
200,000	4.000% due 24/09/18	198,453	0.24	Unibail-Rodamco SE				
AXA				200,000	3.875% due 13/12/17	202,780	0.24	
250,000	5.250% due 16/04/40	182,719	0.22	Veolia Environnement				
Banque PSA Finance				600,000	4.247% due 06/01/21	<u>599,688</u>	<u>0.71</u>	
500,000	3.500% due 17/01/14	483,665	0.58				<u>9,178,465</u>	<u>10.93</u>
Germany (2.58%)				Bundesrepublik Deutschland				
Bundesrepublik Deutschland				500,000	3.750% due 04/01/15	550,162	0.66	
Deutsche Bank AG				300,000	3.625% due 09/03/17	240,009	0.29	

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value EUR	Fund %	Principal Amount		Fair Value EUR	Fund %
	Driver One GmbH			1,150,000	3.000% due 28/09/22	1,141,675	1.36
80,166	1.328% due 21/10/15	79,044	0.09	500,000	4.000% due 15/10/37	540,177	0.64
97,326	2.788% due 21/05/16	97,422	0.12		European Union		
300,000	2.588% due 21/04/17	299,996	0.36	1,500,000	2.375% due 22/09/17	1,508,803	1.80
	Merck Financial Services GmbH			1,700,000	2.375% due 04/10/18	1,686,600	2.01
500,000	4.500% due 24/03/20	535,122	0.64	1,750,000	3.375% due 10/05/19	1,837,990	2.19
	Muenchener Rueckversicherungs			1,200,000	3.500% due 04/06/21	1,264,278	1.50
250,000	5.767% due 31/12/49	194,465	0.23		Fiat Industrial Finance Europe		
	ThyssenKrupp			400,000	9.000% due 30/07/12	407,728	0.49
150,000	8.000% due 18/06/14	163,606	0.19		Glencore Finance Europe		
		2,159,826	2.58	400,000	5.250% due 11/10/13	412,860	0.49
	Ireland (2.34%)				SES SA		
	Caterpillar International Finance			200,000	4.375% due 21/10/13	208,533	0.25
400,000	2.750% due 06/06/14	410,564	0.49		Telecom Italia Finance		
	FGA Capital Ireland			125,000	7.750% due 24/01/33	109,716	0.13
250,000	4.000% due 28/03/13	236,900	0.28			12,336,539	14.69
	GE Capital European Funding				Mexico (0.41%)		
650,000	4.625% due 04/07/14	681,384	0.81		America Movil SAB de CV		
500,000	5.375% due 23/01/20	537,651	0.64	335,000	4.125% due 25/10/19	343,582	0.41
100,000	4.625% due 22/02/27	95,528	0.12		Netherlands (21.19%)		
		1,962,027	2.34		ABN Amro Bank		
	Italy (1.88%)			300,000	2.522% due 15/01/13	299,586	0.36
	Edison			375,000	6.375% due 27/04/21	339,059	0.40
450,000	3.875% due 10/11/17	393,463	0.47		Achmea		
	Intesa Sanpaolo SpA			490,000	7.375% due 16/06/14	525,967	0.63
750,000	3.250% due 28/04/17	660,084	0.79		Adecco International Financial Services		
200,000	8.375% due 31/12/49	138,500	0.16	450,000	4.500% due 25/04/13	460,486	0.55
	Telecom Italia			380,000	4.750% due 13/04/18	377,943	0.45
200,000	5.125% due 25/01/16	190,246	0.23		Akzo Nobel		
	UniCredit SpA			625,000	4.000% due 17/12/18	640,019	0.76
200,000	5.250% due 14/01/14	194,185	0.23		Alliander		
		1,576,478	1.88	125,000	4.875% due 31/12/49	121,800	0.14
	Jersey, Channel Islands (1.65%)				Allianz Finance II		
	ASIF III Jersey Ltd			200,000	6.125% due 31/05/22	195,988	0.23
231,000	4.750% due 11/09/13	231,927	0.28	300,000	5.750% due 08/07/41	255,144	0.30
	BAA Funding				Arena		
200,000	3.975% due 15/02/14	200,392	0.24	500,000	2.447% due 17/02/37	497,420	0.59
475,000	4.125% due 12/10/16	481,816	0.57		Cooperatieve Centrale Raiffeisen-Boerenleenbank		
	Skye CLO I Limited			600,000	3.750% due 09/11/20	528,215	0.63
300,000	2.934% due 17/03/19	288,750	0.34		CRH Finance		
200,000	3.484% due 17/03/19	184,500	0.22	300,000	7.375% due 28/05/14	326,816	0.39
		1,387,385	1.65		Deutsche Bahn Finance BV		
	Luxembourg (14.69%)			150,000	3.500% due 10/06/20	156,260	0.19
	AON Financial Services Luxembourg				Deutsche Telekom International Finance BV		
300,000	6.250% due 01/07/14	322,330	0.38	550,000	4.000% due 19/01/15	577,283	0.69
	European Investment Bank			250,000	4.250% due 13/07/22	258,120	0.31
2,800,000	3.125% due 15/04/14	2,895,849	3.45				

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value EUR	Fund %		Principal Amount		Fair Value EUR	Fund %
	E.ON International Finance BV					Vesteda Residential Funding		
450,000	5.500% due 19/01/16	509,768	0.61		300,000	1.709% due 20/07/17	291,000	0.35
	EDP Finance BV				300,000	1.779% due 20/07/17	293,850	0.35
150,000	5.875% due 01/02/16	127,500	0.15				<u>17,327,822</u>	<u>21.19</u>
	Enel Finance International					Norway (0.37%)		
350,000	5.750% due 24/10/18	345,359	0.41			DnB NOR Bank ASA		
250,000	5.000% due 12/07/21	228,077	0.27		300,000	4.500% due 29/05/14	312,676	0.37
	Eureka					Poland (2.48%)		
300,000	5.125% due 29/06/49	206,640	0.25			Poland Government International Bond		
	Fortis Bank Nederland NV				900,000	4.500% due 05/02/13	919,274	1.09
500,000	2.485% due 03/02/12	500,485	0.60		1,250,000	4.200% due 15/04/20	1,163,217	1.39
	ING Bank NV						<u>2,082,491</u>	<u>2.48</u>
250,000	6.125% due 29/05/23	214,445	0.26			Spain (2.37%)		
	ING Groep NV					Banco Bilbao Vizcaya Argentaria		
750,000	4.750% due 31/05/17	748,343	0.89		800,000	4.250% due 30/03/15	791,759	0.94
	ING Verzekeringen					Banco Espanol de Credito		
300,000	1.594% due 18/09/13	286,374	0.34		400,000	3.625% due 07/09/15	384,276	0.46
	KBC Internationale Financieringsmaatschappij NV					Mapfre		
200,000	4.500% due 17/09/14	189,055	0.23		50,000	5.921% due 24/07/37	32,291	0.04
	Koninklijke KPN NV					Red Electrica Financiaciones Unipersonal		
800,000	4.500% due 18/03/13	825,863	0.98		300,000	4.750% due 16/02/18	310,769	0.37
100,000	5.625% due 30/09/24	111,182	0.13			Telefonica Emisiones SAU		
	Leo-Mesdag				500,000	3.298% due 02/06/15	470,475	0.56
200,000	1.665% due 29/08/19	150,000	0.18			<u>1,989,570</u>	<u>2.37</u>	
	Linde Finance					Sweden (4.37%)		
700,000	3.125% due 12/12/18	724,178	0.86			Nordea Bank		
300,000	7.375% due 14/07/66	321,004	0.38		500,000	4.000% due 29/03/21	421,893	0.50
	Nederlandse Gasunie					Nordea Bank AB		
100,000	3.625% due 13/10/21	104,492	0.12		400,000	3.750% due 24/02/17	407,091	0.49
	Netherlands, Kingdom of				200,000	4.500% due 26/03/20	178,090	0.21
1,600,000	4.000% due 15/07/16	1,797,360	2.69		250,000	4.000% due 29/06/20	251,470	0.30
500,000	4.000% due 15/07/19	571,575	0.68			Securitas		
200,000	3.750% due 15/01/23	226,956	0.27		100,000	6.500% due 02/04/13	105,439	0.13
	Oryx European CLO					Skandinaviska Enskilda Banken AB		
486,883	1.944% due 22/11/20	440,921	0.52		500,000	4.375% due 29/05/12	505,075	0.60
	Rabobank Nederland NV					Svenska Cellulosa		
900,000	3.375% due 21/04/17	913,171	1.09		700,000	3.625% due 26/08/16	716,676	0.85
	Repsol International Finance					Svenska Handelsbanken		
300,000	4.250% due 12/02/16	302,625	0.36		500,000	3.750% due 24/02/17	513,157	0.61
	SNS Bank NV					TeliaSonera		
575,000	3.625% due 18/07/13	550,995	0.66		295,000	4.000% due 22/03/22	307,000	0.37
	Saecure BV					Volvo Treasury		
300,000	1.601% due 25/02/86	295,260	0.35		250,000	7.875% due 01/10/12	260,490	0.31
	SRLEV NV					<u>3,666,381</u>	<u>4.37</u>	
100,000	9.000% due 15/04/41	64,502	0.08					
	ThyssenKrupp Finance Nederland							
380,000	8.500% due 25/02/16	426,736	0.51					

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value EUR	Fund %	Principal Amount		Fair Value EUR	Fund %	
Switzerland (1.46%)				Royal Bank of Scotland				
	Credit Suisse, London			200,000	1.840% due 30/01/17	135,124	0.16	
400,000	4.750% due 05/08/19	416,629	0.50	Vodafone Group Plc				
	UBS AG, London			200,000	4.650% due 20/01/22	221,979	0.27	
400,000	4.625% due 06/07/12	405,188	0.48	<u>9,650,064</u> <u>12.05</u>				
400,000	3.500% due 15/07/15	407,094	0.48	United States (6.51%)				
		<u>1,228,911</u>	<u>1.46</u>	American International Group				
United Kingdom (12.05%)				200,000 4.375% due 26/04/16				179,400 0.21
	Anglo American Capital Plc			Bank of America Corp				
100,000	4.375% due 02/12/16	106,319	0.13	450,000	4.750% due 03/04/17	407,056	0.49	
	Aviva			200,000	4.750% due 23/05/17	145,004	0.17	
170,000	4.729% due 31/12/49	120,154	0.14	100,000	4.625% due 07/08/17	89,214	0.11	
	Barclays Bank Plc			100,000	4.000% due 28/03/18	70,016	0.08	
300,000	5.250% due 27/05/14	311,177	0.37	BMW US Capital LLC				
400,000	4.000% due 20/01/17	396,247	0.47	300,000	6.375% due 23/07/12	307,557	0.37	
740,000	6.625% due 30/03/22	626,648	0.75	Citigroup Inc				
	BAT International Finance			500,000	6.400% due 27/03/13	512,347	0.61	
600,000	3.625% due 09/11/21	595,628	0.71	250,000	4.750% due 10/02/19	199,659	0.24	
	BG Energy Capital			450,000	5.000% due 02/08/19	440,132	0.52	
700,000	3.375% due 15/07/13	719,499	0.86	100,000	4.250% due 25/02/30	66,608	0.08	
	BP Capital Markets			Goldman Sachs Group Inc				
400,000	3.830% due 06/10/17	425,030	0.51	700,000	4.750% due 28/01/14	694,745	0.83	
	Brambles Finance			Morgan Stanley Inc				
500,000	4.625% due 20/04/18	528,044	0.63	300,000	4.375% due 12/10/16	270,493	0.32	
	Eclipse			200,000	5.375% due 10/08/20	175,957	0.21	
145,950	1.826% due 10/10/15	106,057	0.13	Pemex Project Funding Master Trust				
	HSBC Holdings			200,000	6.375% due 05/08/16	216,625	0.26	
1,000,000	4.500% due 30/04/14	1,044,403	1.79	Pfizer				
300,000	6.000% due 10/06/19	302,574	0.36	400,000	4.750% due 03/06/16	443,966	0.53	
	Holmes Master Issuer			Philip Morris International				
300,000	2.984% due 15/10/54	297,818	0.35	300,000	5.875% due 04/09/15	342,929	0.41	
	Imperial Tobacco Finance			SLM				
800,000	5.000% due 02/12/19	838,544	1.01	250,000	3.125% due 17/09/12	246,875	0.29	
	Lloyds TSB Bank			Swiss Re Treasury US				
550,000	5.625% due 05/03/18	412,742	0.49	350,000	6.000% due 18/05/12	355,058	0.42	
200,000	5.375% due 03/09/19	193,237	0.23	Toyota Motor Credit Corp				
	Old Mutual Plc			300,000	4.250% due 02/05/12	302,850	0.36	
100,000	4.500% due 18/01/17	99,633	0.12	<u>5,466,491</u> <u>6.51</u>				
225,000	6.934% due 09/04/18	179,404	0.21	Virgin Islands, British (0.26%)				
	Paragon Mortgages			Global Switch Holdings				
100,228	1.546% due 15/12/39	73,167	0.09	225,000	5.500% due 18/04/18	217,001	0.26	
375,000	1.746% due 15/06/41	247,531	0.29	Total Long Term Bonds and Notes				
650,000	5.375% due 30/09/19	603,712	0.72	<u>75,883,840</u> <u>91.48</u>				
	Rexam			Total Transferable Securities				
200,000	4.375% due 15/03/13	204,577	0.24	<u>75,883,840</u> <u>91.48</u>				
	Standard Chartered Plc							
400,000	3.625% due 15/12/15	404,643	0.48					
450,000	3.875% due 20/10/16	456,173	0.54					

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Financial Derivative Instruments (1.94%)

Open Futures Contracts ((0.02)%)

Notional Amount EUR	Average Cost Price EUR		Unrealised Gain (Loss) EUR	Fund %
6,289,222	110.34	57 of German Euro Schatz Futures Long Futures Contracts		
		Expiring August 2012	15,710	0.02
(1,529,110)	(139.01)	11 of German Euro Bund Futures Short Futures Contracts		
		Expiring August 2012	(37,270)	(0.04)
		Unrealised gain on open futures contracts	15,710	0.02
		Unrealised loss on open futures contracts	(37,270)	(0.04)
		Net unrealised gain (loss) on open futures contracts	(21,560)	(0.02)

Open Forward Foreign Currency Exchange Contracts (1.96%)

Settlement Date	Amount Bought	Amount Sold	Unrealised Gain (Loss) EUR	Fund %
10/01/2012	EUR 1,019,000	GBP 872,828	(25,826)	(0.03)
10/01/2012	EUR 132,000	GBP 113,077	(3,360)	0.00
10/01/2012	GBP 9,474,362	EUR 11,061,564	279,807	0.33
10/01/2012	GBP 9,474,451	EUR 11,061,564	279,913	0.33
10/01/2012	GBP 9,474,296	EUR 11,061,564	279,727	0.33
10/01/2012	GBP 9,474,440	EUR 11,061,564	279,899	0.33
10/01/2012	GBP 9,472,459	EUR 11,061,563	277,529	0.33
10/01/2012	GBP 9,475,059	EUR 11,061,564	280,641	0.34
		Unrealised gain on open forward foreign currency exchange contracts	1,677,516	1.99
		Unrealised loss on open forward foreign currency exchange contracts	(29,186)	(0.03)
		Net unrealised gain (loss) on open forward foreign currency exchange contracts ...	1,648,330	1.96
		Total Financial Derivative Instruments	1,626,770	1.94

	Fair Value EUR	Fund %
Total Financial Assets at Fair Value through Profit or Loss (93.49%)	77,577,066	93.49
Total Financial Liabilities at Fair Value through Profit or Loss ((0.07)%	(66,456)	(0.07)
Net Financial Assets at Fair Value through Profit or Loss (93.42%)	77,510,610	93.42
Other Net Assets (6.19%)	5,133,953	6.19
Adjustments from Bid Market Prices to Last Traded Market Prices (0.39%)	336,953	0.39
Net Assets (100.00%)	82,981,516	100.00

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

	<u>% of total assets</u>
<u>Analysis of total assets</u>	
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	85.21
Transferable securities other than those admitted to an official stock exchange listing or traded on a regulated market	6.51
Over the counter financial derivative instruments	2.03
Exchange trades financial derivative instruments	0.02
Other assets	6.28
	<u>100.00</u>

The broker for the open futures contracts is Royal Bank of Scotland.

The counterparties for the open forward foreign currency exchange contracts are:

Brown Brothers Harriman	JP Morgan Chase Bank
Commonwealth Bank of Australia	Royal Bank of Canada
Credit Suisse	State Street Bank and Trust Company
HSBC Bank USA	Westpac Banking Corporation

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost EUR	Portfolio Securities	Disposal Proceeds EUR
Bundesrepublik Deutschland 3.250% due 04/01/2020	2,123,765	France, Government of 3.250% due 25/04/2016	(2,623,707)
Netherlands, Kingdom of 4.000% due 04/10/2018	1,752,542	Bundesrepublik Deutschland 3.250% due 04/01/2020	(2,250,459)
European Union 2.375% due 04/07/2014	1,689,528	European Investment Bank 2.625% due 15/03/2016	(2,061,400)
Bundesrepublik Deutschland 4.250% due 04/06/2021	1,640,695	Netherlands, Kingdom of 4.500% due 15/07/2017	(1,936,572)
European Union 3.500% due 04/06/2021	1,273,188	Bundesrepublik Deutschland 4.250% due 04/07/2014	(1,643,950)
Netherlands, Kingdom of 4.500% due 15/07/2017	1,142,270	Netherlands, Kingdom of 1.000% due 15/01/2014	(980,320)
Bundesrepublik Deutschland 3.750% due 04/01/2015	1,073,110	GDF Suez 3.125% due 21/01/2020	(698,460)
HSBC Holdings 4.500% due 30/04/2014	1,049,300	Imperial Tobacco Finance 8.375% due 17/02/2016	(602,500)
France, Government of 3.250% due 25/04/2016	1,035,960	Telefonica Emisiones Sa 3.661% due 18/09/2017	(555,163)
Petrobras International Finance Co 4.875% due 07/03/2018	990,210	UBS AG, London 6.000% due 18/04/2018	(553,300)
Koninklijke KPN NV 4.500% due 18/03/2013	828,000	Bundesrepublik Deutschland 3.750% due 04/01/2015	(548,315)
Rabobank Nederland 3.750% due 09/11/2020	822,990	Netherlands, Kingdom of 3.750% due 15/01/2023	(546,065)
France Telecom 4.750% due 21/02/2017	806,563	Goldman Sachs Group Inc 4.500% due 09/05/2016	(527,468)
British American Tobacco 3.625% due 09/11/2020	803,384	PPR 3.750% due 08/04/2015	(512,200)
Imperial Tobacco Finance 5.000% due 02/12/2019	794,904	Iberdrola Finanzas Sau 4.750% due 25/01/2016	(509,750)
Netherlands, Kingdom of 3.750% due 15/01/2023	764,612	Volkswagen Leasing Gmbh 3.250% due 10/05/2018	(506,500)
BG Energy Capital Plc 3.375% due 15/07/2013	719,250	Ge Capital Euro Funding 3.750% due 04/04/2016	(502,750)
GDF Suez 3.125% due 21/01/2020	697,151	Casino Guichard Perracho 4.472% due 04/04/2016	(498,920)
Linde Finance BV 3.125% due 12/12/2012	694,043	Intesa Sanpaolo Spa 4.000% due 08/11/2018	(494,280)
Finnish Government 4.000% due 04/07/2025	660,874	GDF Suez 6.375% due 18/01/2021	(475,248)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

Hermes Sourcecap International, LLP

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -3.6 per cent on a gross-of-fee basis (-4.6 per cent on a net-of-fee basis), versus -9.5 per cent return for a comparable benchmark*.

Market Comment

The Fund outperformed the benchmark by a wide margin as markets sold off in the third quarter. Downward revisions of growth rates across the globe coupled with fears surrounding the lack of a solution to the sovereign debt crisis in Europe in particular weighed heavily on investor sentiment.

The Fund posted impressive returns in a very volatile fourth quarter, both in absolute and relative terms. It is pleasing to see the Fund's resilience in both 'risk on' and 'risk off' market conditions as investors continue to balance the Euro crisis with improving U.S. economic numbers and valuations.

General Comment on the Money Manager/Performance

Relative performance in quarter three was largely driven by stock selection, while sector attribution only contributed marginally to relative performance. Stock picks adding to performance included Randgold (rallied on strong second quarter results), Swedish Match (defensive name, strong second quarter results), Vodafone (strong second quarter results supported by strong data revenue growth) and Telenor (increased their dividend and announced an extension to their share buy-back programme). The few detractors from relative performance included Software AG (on expectations that corporate IT spending is falling) and ING Groep (negative sentiment on the financial sector). The Money Manager added positions in pharmaceutical companies Roche and AstraZeneca on valuation grounds. AstraZeneca in particular is well discounted and the manager perceives the holding as close to being a "free option" on any potential positive surprises emerging from the company's R&D pipeline. The Money Manager carried out a timely sell decision on BASF before the share-price tumbled; they also reduced their financials exposure by selling Ageas and Julius Bear and rotated into consumer discretionary names (Compagnie Financiere Richermont and Kabel Deutschland, a spin-off from Deutsche Telekom).

Being overweight, Northern Europe, at the expense of peripheral Europe and stock selection across financials and core Europe, were clearly the primary drivers to performance in quarter four. The top three stock contributors were linked to the energy sector, which benefited from higher oil prices due to the tension with Iran. Seadrill also benefited by strong third quarter results. Swedish stocks, Elekta (shares of the medical equipment company recovered after poor quarter two results) and Swedbank (lack of exposure to eurozone sovereign debt) also contributed. Conversely, Lonmin was hurt due to weak platinum prices due to concerns over global economic growth. Whereas Novozymes (the Danish enzyme producer has excellent growth opportunities in corn based bio-ethanol, additives for detergents and food enzymes) was added to the portfolio, Deutsche Boerse (deteriorating cash trading continues) and ASM International (concerns over downgrades to forecasts) were sold. Although the Fund was down for the year in absolute terms, the Money Manager's focus on companies with strong franchise-value, healthy balance-sheets and selling products that people want and/or need helped the Fund outperform significantly. Stock selection was good across most sectors, Germany and Sweden with stocks like Randgold, Swedish Match, Pearson, and British American Tobacco being the largest contributors to performance. Not surprisingly, material stocks, Lonmin and Xstrata were the largest detractors.

Outlook

The Money Manager admits that they do not know what will transpire in the next twelve months and as always their approach will be based on assessing the opportunities at the stock level. They anticipate that "for now, central bankers will continue to provide abundant liquidity to the system and push for inflation over deflation". However, they will be mindful that the on-going austerity and deleveraging can quickly translate to deflation. They will continue to focus on stocks that have pricing power and balance sheet flexibility, which should do well in both inflationary and deflationary periods.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: Russell Developed Europe Large Cap Net Index

OpenWorld plc
Europe Focus Equity

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) EUR	30 June 2011 (Audited) EUR	31 December 2010 (Unaudited) EUR
Assets			
Financial assets at fair value through profit or loss (Note 1)	15,561,484	36,964,397	35,112,081
Cash at bank (Note 4)	107,968	150,137	119,931
Cash held with brokers and counterparties for open derivative positions (Note 4)	145,000	145,000	100,000
Debtors:			
Receivable for investments sold	-	-	18,000
Receivable on fund shares issued	-	8,782	-
Dividends receivable	66,261	100,141	21,886
Other receivables	23,442	28,665	33,819
	<u>15,904,155</u>	<u>37,397,122</u>	<u>35,405,717</u>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 1) ...	(757)	(20,842)	(11,561)
Creditors – amounts falling due within one year:			
Cash due to brokers and counterparties for open derivative contracts (Note 4)	-	(1,206)	(8,233)
Payable on fund shares redeemed	-	-	(590,741)
Management fees payable	(9,194)	(18,196)	(16,397)
Performance fees payable	(384,649)	(288,712)	(257,487)
Custodian and Trustee fees payable	(124)	(298)	(287)
Sub-custodian fees payable	(1,630)	(1,200)	(6,613)
Administration and transfer agency fees payable	(248)	(597)	(574)
Professional fees payable	(5,942)	(5,942)	(323)
Audit fees payable	(20,146)	(16,698)	(14,694)
Miscellaneous fees payable	(4,011)	(8,913)	(7,745)
	<u>(426,701)</u>	<u>(362,604)</u>	<u>(914,655)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	15,477,454	37,034,518	34,491,062
Adjustment from bid market prices to last traded market prices (Note 5)	21,480	33,770	4,738
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>15,498,934</u>	<u>37,068,288</u>	<u>34,495,800</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Europe Focus Equity

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) EUR	Year ended 30 June 2011 (Audited) EUR	Six months ended 31 December 2010 (Unaudited) EUR
Income			
Dividends	175,983	1,100,405	157,197
Bank and short term investment income	370	263	-
	<u>176,353</u>	<u>1,100,668</u>	<u>157,197</u>
Net gain (loss) on investment activities	(1,320,109)	5,512,442	5,685,751
Total investment income (expense)	<u>(1,143,756)</u>	<u>6,613,110</u>	<u>5,842,948</u>
Expenses			
Management fees (Note 3)	(89,919)	(193,819)	(81,221)
Performance fees (Note 3)	(387,699)	(297,012)	(262,037)
Custodian and Trustee fees (Note 3)	(2,108)	(3,814)	(1,588)
Sub-custodian fees (Note 3)	(6,972)	(20,747)	(18,704)
Administration and transfer agency fees (Note 3)	(10,748)	(19,668)	(8,634)
Audit fees	(3,572)	(16,698)	(9,758)
Professional fees	(6,490)	(30,248)	(16,454)
Miscellaneous fees	(15,395)	(30,337)	(17,143)
Total operating expenses	<u>(522,903)</u>	<u>(612,343)</u>	<u>(421,698)</u>
Net income (expense)	(1,666,659)	6,000,767	5,421,250
Finance costs			
Distributions (Note 14)	(388,511)	(283,586)	(283,586)
Interest expense	(428)	(206)	(194)
Profit (loss) for the financial period/year/period before taxation	(2,055,598)	5,716,975	5,137,470
Taxation			
Withholding tax (Note 6)	(11,824)	(141,198)	(8,548)
Profit (loss) for the financial period/year/period after taxation	(2,067,422)	5,575,777	5,128,922
Movement in adjustment from bid market prices to last traded market prices (Note 5)	(12,290)	(5,628)	(23,404)
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(2,079,712)</u>	<u>5,581,405</u>	<u>5,105,518</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) EUR	Year ended 30 June 2011 (Audited) EUR	Six months ended 31 December 2010 (Unaudited) EUR
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(2,079,712)	5,581,405	5,105,518
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	(19,656,077)	3,753,025	1,656,424
Reinvestment of deemed distributions on accumulation shares (Note 14)	166,435	100,483	100,483
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(21,569,354)	9,434,913	6,862,425
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	37,068,288	27,633,375	27,633,375
End of period/year/period	15,498,934	37,068,288	34,495,800

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Number of Shares	Fair Value EUR	Fund %	Number of Shares	Fair Value EUR	Fund %
Transferable Securities (93.17%)			Semiconductor Equipment and Products		
Common Stock (93.17%)			7,914 ASML Holding	257,007	1.66
Bermuda (2.54%)				626,792	4.04
Oil and Gas			Norway (10.05%)		
15,285 Seadrill Ltd	393,800	2.54	Banks		
Denmark (4.36%)			41,904 DnB NOR Bank	315,877	2.04
Biotechnology			Chemicals		
5,094 Novo Nordisk	452,009	2.92	6,360 Yara International ASA	196,860	1.27
9,410 Novozymes	223,717	1.44	Communications Equipment		
	675,726	4.36	29,684 Telenor ASA	375,490	2.42
France (3.78%)			Oil and Gas		
Commercial Services and Supplies			20,230 Statoil ASA	400,302	2.58
5,009 Bureau Veritas	280,755	1.81	Oil and Gas Services		
Holding Companies - Diversified Operations			Petroleum Geo-Services		
LVMH Moët Hennessy			31,987 ASA	268,991	1.74
2,808 Louis Vuitton	305,791	1.97		1,557,520	10.05
	586,546	3.78	Sweden (9.49%)		
Germany (18.48%)			Banks		
Automobiles			33,629 Swedbank	336,320	2.17
Porsche Automobil Holding			Health Care Equipment and Supplies		
6,043 SE	247,582	1.60	11,601 Elekta	389,124	2.51
Chemicals			Multi-Line Retail		
7,724 Bayer AG	379,828	2.45	15,650 Hennes & Mauritz	386,888	2.50
3,150 Linde	361,462	2.33	Tobacco		
Health Care Equipment and Supplies			13,085 Swedish Match	358,767	2.31
4,845 Fresenius SE	346,563	2.24		1,471,099	9.49
Household Durables			Switzerland (9.96%)		
7,445 Adidas	374,409	2.41	Biotechnology		
Insurance			3,664 Roche Holding	480,223	3.10
Muenchener			Chemicals		
3,338 Rueckversicherungs	315,608	2.04	2,006 Syngenta	454,279	2.93
Media			Metals and Mining		
Kabel Deutschland			35,100 Xstrata	410,120	2.64
6,484 Holding	254,432	1.64	Multi-Line Retail		
Software			5,095 Cie Financiere Richemont ...	199,410	1.29
8,852 SAP	362,224	2.34		1,544,032	9.96
7,803 Software	221,956	1.43	United Kingdom (26.04%)		
	2,864,064	18.48	Agriculture		
Jersey, Channel Islands (2.41%)			British American		
Metals and Mining			11,435 Tobacco	418,285	2.70
Randgold Resources			Beverages		
4,731 Ltd	372,961	2.41	15,829 SABMiller	429,500	2.77
Luxembourg (2.02%)			Biotechnology		
Communications Equipment			10,123 AstraZeneca	359,750	2.32
16,871 SES SA	312,535	2.02	Communications Equipment		
Netherlands (4.04%)			306,696 Vodafone Group	656,860	4.24
Insurance			Machinery		
66,532 ING Groep	369,785	2.38	14,369 Weir Group	349,546	2.25
			Media		
			32,564 Pearson	471,323	3.04

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Number of Shares	Fair Value EUR	Fund %	Number of Shares	Fair Value EUR	Fund %
Metals and Mining			Collective Investment Schemes (7.05%)		
18,017 Lonmin	210,085	1.36	Ireland (7.05%)		
Multi-Line Retail			Russell Investment Company		
90,426 Kingfisher	271,287	1.75	III plc		
Oil and Gas			The Euro Liquidity Fund -		
32,739 BG Group	539,505	3.48	1,093	Class C Income Shares	1,092,893 7.05
Semiconductor Equipment and Products			Total Collective Investment Schemes		
46,650 ARM Holdings	329,502	2.13	Total Investments excluding Financial Derivative Instruments		
	4,035,643	26.04	15,533,611 100.22		
Total Common Stock	14,440,718	93.17			
Total Transferable Securities	14,440,718	93.17			

Financial Derivative Instruments (0.18%)

Open Futures Contracts (0.13%)

Notional Amount EUR	Average Cost Price EUR		Unrealised Gain (Loss) EUR	Fund %
612,155	2,267.24	27 of DJ Euro Stoxx 50 Index Futures Long Futures Contracts Expiring March 2012	11,005	0.07
388,830	6,480.51	6 of FSTE 100 Index Futures Long Futures Contracts Expiring March 2012	8,820	0.06
Net unrealised gain (loss) on open futures contracts			19,825	0.13

Open Forward Foreign Currency Exchange Contracts (0.05%)

Settlement Date	Amount Bought	Amount Sold	Unrealised Gain (Loss) EUR	Fund %
21/03/2012	GBP 15,000	EUR 17,428	504	0.00
21/03/2012	GBP 40,000	EUR 46,755	1,064	0.01
21/03/2012	GBP 40,000	EUR 46,756	1,061	0.01
21/03/2012	GBP 40,000	EUR 46,755	1,064	0.01
21/03/2012	GBP 40,000	EUR 46,754	1,046	0.01
21/03/2012	GBP 40,000	EUR 46,755	1,064	0.01
21/03/2012	GBP 40,000	EUR 46,754	1,063	0.01
21/03/2012	GBP 50,000	EUR 59,417	356	0.00
21/03/2012	GBP 30,000	EUR 35,104	760	0.00
21/03/2012	EUR 20,000	GBP 23,371	66	0.00
21/03/2012	EUR 20,000	GBP 23,975	(538)	(0.01)
21/03/2012	EUR 20,000	GBP 23,693	(217)	0.00
21/03/2012	EUR 10,000	GBP 11,952	(2)	0.00
Unrealised gain on open forward foreign currency exchange contracts			8,048	0.06
Unrealised loss on open forward foreign currency exchange contracts			(757)	(0.01)
Net unrealised gain (loss) on open forward foreign currency exchange contracts			7,291	0.05
Total Financial Derivative Instruments			27,116	0.18

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

	Fair Value EUR	Fund %
Total Financial Assets at Fair Value through Profit or Loss (100.41%)	15,561,484	100.41
Total Financial Liabilities at Fair Value through Profit or Loss ((0.01)%)	(757)	(0.01)
Net Financial Assets at Fair Value through Profit or Loss (100.40%)	15,560,727	100.40
Other Net Liabilities ((0.54)%)	(83,273)	(0.54)
Adjustments from Bid Market Prices to Last Traded Market Prices (0.14%)	21,480	0.14
Net Assets (100.00%)	<u>15,498,934</u>	<u>100.00</u>

Analysis of total assets

	% of total assets
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	97.81
Collective investment schemes	6.88
Over the counter financial derivative instruments	0.05
Exchange trades financial derivative instruments	0.12
Other assets	4.86
	<u>100.00</u>

The broker for the open futures contracts is UBS.

The counterparties for the open forward foreign currency exchange contracts are:

Barclays Bank	Deutsche Bank AG
Brown Brothers Harriman	HSBC Bank
Commonwealth Bank of Australia	JP Morgan Chase Bank
Credit Suisse	State Street Bank

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost EUR	Portfolio Securities	Disposal Proceeds EUR
Russell Investment Company III plc		Russell Investment Company III plc	
The Euro Liquidity Fund		The Euro Liquidity Fund	
Class C Shares	4,760,000	Class C Shares	(5,020,000)
Roche Holding AG	1,251,379	Vodafone Group Plc	(964,244)
Astrazeneca Plc	906,621	Adidas AG	(877,535)
Kabel Deutschland Holding AG	628,367	BG Group Plc	(769,549)
Kingfisher Plc	528,061	British American Tobacco Plc	(767,324)
CIE Financiere Richemont	467,175	ASML Holding NV	(759,851)
Adidas AG	315,345	Yara International	(745,546)
Muenchener Rueckver AG	297,539	BASF SE	(739,492)
Porsche Automobil Holdings	268,774	Roche Holding AG	(738,057)
Sabmiller Plc	248,579	Randgold Resources Ltd	(675,600)
Novozymes	212,112	Astrazeneca Plc	(666,000)
ARM Holdings Plc	179,483	SES SA	(636,188)
Seadrill Ltd	163,209	Julius Baer Group Ltd	(618,717)
Xstrata Plc	157,639	Swedish Match AB	(613,650)
ING Groep NV	132,446	Telenor ASA	(609,568)
Bayer AG	129,669	Linde AG	(600,615)
Weir Group Plc	108,699	Sabmiller Plc	(591,681)
Russell Investment Company III plc		DNB ASA	(588,219)
The Sterling Liquidity Fund		Swedbank AB	(585,028)
Class C Shares	84,948	Seadrill Ltd	(564,574)
Pearson Plc	70,512		
Vodafone Group Plc	44,321		

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Investment Objective

Prior to the decision to terminate the Fund, it aimed to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Outlook

As the Fund ceased trading on 9 November 2011, there is no commentary of any significance to report.

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Global Climate Change

Balance Sheet

As at 31 December 2011

	31 December 2011* (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	-	15,607,978	41,244,076
Cash at bank (Note 4)	34,242	7,467	297,237
Cash held with brokers and counterparties for open derivative positions (Note 4)	-	200,000	340,000
Debtors:			
Receivable for investments sold	-	8,936,245	-
Receivable on fund shares issued	-	13,773	-
Dividends receivable	-	98,512	27,552
Other receivables	33,064	35,514	41,899
	<u>67,306</u>	<u>24,899,489</u>	<u>41,950,764</u>
Liabilities			
Creditors – amounts falling due within one year:			
Cash owed to brokers and counterparties for open derivative contracts (Note 4)	-	(8,019)	(27,703)
Payable for investments purchased	-	(8,933,207)	(2,119)
Management fees payable	-	(23,142)	(29,383)
Custodian and Trustee fees payable	-	(265)	(336)
Sub-custodian fees payable	(3,692)	(2,408)	(7,682)
Administration and transfer agency fees payable	-	(530)	(691)
Audit fees payable	(46,960)	(22,933)	(17,636)
Professional fees payable	(8,010)	(8,535)	(409)
Miscellaneous fees payable	(8,644)	(2,783)	(6,522)
	<u>(67,306)</u>	<u>(9,001,822)</u>	<u>(92,481)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	-	15,897,667	41,858,283
Adjustment from bid market prices to last traded market prices (Note 5)	-	28,823	9,109
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	-	15,926,490	41,867,392

* The Fund ceased trading on 9 November 2011.

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Climate Change

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	5,051	647,807	273,380
Bank and short term investment interest	72	572	440
	<u>5,123</u>	<u>648,379</u>	<u>273,820</u>
Net gain (loss) on investment activities	(1,127,991)	10,727,699	9,682,809
	<u>(1,122,868)</u>	<u>11,376,078</u>	<u>9,956,629</u>
Total investment income (expense)			
Expenses			
Management fees (Note 3)	(14,954)	(323,226)	(170,668)
Performance fees (Note 3)	-	(64)	-
Custodian and Trustee fees (Note 3)	(273)	(5,492)	(2,901)
Sub-custodian fees (Note 3)	(12,714)	(13,203)	(7,655)
Administration and transfer agency fees (Note 3)	(5,347)	(26,276)	(12,836)
Audit fees.....	(22,153)	(22,933)	(12,463)
Professional fees	(1,899)	(43,364)	(25,578)
Miscellaneous fees	(23,994)	(38,711)	(22,178)
Total operating expenses	<u>(81,334)</u>	<u>(473,269)</u>	<u>(254,279)</u>
Net income (expense)	(1,204,203)	10,902,809	9,702,350
Finance costs			
Distributions (Note 14)	(130,871)	(98,947)	(98,947)
Interest expense	(629)	(271)	-
Profit (loss) for the financial period/year/period before taxation	(1,335,703)	10,803,591	9,603,403
Taxation			
Withholding tax (Note 6)	(1,817)	(94,069)	(49,455)
Profit (loss) for the financial period/year/period before taxation	(1,337,520)	10,709,522	9,553,948
Movement in adjustment from bid market prices to last traded market prices (Note 5)	(28,823)	(9,871)	(29,585)
Increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(1,366,343)</u>	<u>10,699,651</u>	<u>9,524,363</u>

All amounts arose solely from terminating activities. There are no gains or losses other than those dealt within the Profit and Loss Account.

* The Fund ceased trading on 9 November 2011.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(1,366,343)	10,699,651	9,524,363
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	(14,691,018)	(34,026,662)	(6,910,472)
Reinvestment of deemed distributions on accumulation shares (Note 14)	130,871	98,947	98,947
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(15,926,490)	(23,228,064)	2,712,838
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	15,926,490	39,154,554	39,154,554
End of period/year/period	-	15,926,490	41,867,392

* The Fund ceased trading on 9 November 2011.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	2,276,500	Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	(2,970,355)
Russell Investment Company III plc The Euro Liquidity Fund Class C Shares	947,684	Yingde Gases Russell Investment Company III plc The Euro Liquidity Fund Class C Shares	(1,019,461) (949,598)
Epistar Corp	125,907	Schneider Electric	(818,377)
ABB	116,314	ABB	(777,575)
Air Products & Chemicals	114,700	GEA Group	(748,597)
American Water Works	84,307	Infineon Technologies	(747,667)
Horiba	82,351	Regal Beloit	(741,793)
Beijing Enterprises Holdings	77,931	Nalco Holdings	(732,327)
Prysmian	77,379	Emerson Electric	(727,229)
Andritz	71,255	Linde	(707,856)
Thermo Fisher Scientific Inc	70,069	Watts Water Technologies	(701,133)
Pall	67,905	Pall Corp	(683,028)
Infineon Technologies	67,489	Siemens	(662,127)
GEA Group	56,696	3M	(617,043)
SMC Corp	50,797	Sims Metal Management	(608,892)
3M	50,067	Johnson Controls	(608,249)
Regal Beloit	49,720	Republic Services	(581,629)
Schneider Electric	49,459	Daiseki	(561,084)
Johnson Controls	42,987	LKQ	(517,073)
Trina Solar	38,422		

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

OpenWorld plc
Global Dynamic Bond

Manager's Report

Investment Objective

Prior to the decision to terminate the Fund, it aimed to provide long-term capital appreciation from a portfolio comprised predominantly of fixed income securities and instruments.

Outlook

As the Fund ceased trading on 2 November 2011, there is no commentary of any significance to report.

Russell Investments Ireland Limited
January 2012

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Dynamic Bond

Balance Sheet

As at 31 December 2011

	31 December 2011* (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	-	43,208,714	29,071,662
Cash at bank (Note 4)	105,327	573,414	9,930,937
Debtors:			
Receivable on fund shares sold	-	-	49,167
Interest receivable	-	345,383	318,649
Other receivables	34,580	38,879	45,874
	<u>139,907</u>	<u>44,166,390</u>	<u>39,416,289</u>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 1) ...	-	(513,711)	(1,230,309)
Creditors – amounts falling due within one year:			
Cash due to brokers and counterparties for open derivative positions (Note 4)	-	(15,808)	(88)
Payable on fund shares redeemed	(7,219)	-	(89,728)
Management fees payable	-	(19,263)	(16,551)
Custodian and Trustee fees payable	(8,249)	(357)	(304)
Sub-custodian fees payable	-	(25,511)	(48,421)
Administration and transfer agency fees payable	-	(714)	(608)
Audit fees payable	(84,206)	(42,376)	(15,048)
Professional fees payable	(6,739)	(8,535)	(409)
Miscellaneous fees payable	(33,494)	(5,461)	(3,176)
	<u>(139,907)</u>	<u>(631,736)</u>	<u>(1,404,642)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	-	43,534,654	38,011,647
Adjustment from bid market prices to last traded market prices (Note 5)	-	21,987	14,597
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	-	43,556,641	38,026,244

* The Fund ceased trading on 2 November 2011.

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Dynamic Bond

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	1,209	2,017	-
Bond interest	336,760	845,166	459,893
Bank and short term investment interest	3,224	531	-
	<u>341,193</u>	<u>847,714</u>	<u>459,893</u>
Net gain (loss) on investment activities	(199,875)	5,769,477	2,505,161
Total investment income (expense)	<u>141,318</u>	<u>6,617,191</u>	<u>2,965,054</u>
Expenses			
Management fees (Note 3)	(72,170)	(207,407)	(97,105)
Performance fees (Note 3)	(1,343)	-	-
Custodian and Trustee fees (Note 3)	(1,960)	(4,451)	(1,890)
Sub-custodian fees (Note 3)	(49,974)	(209,027)	(134,717)
Administration and transfer agency fees (Note 3)	(9,142)	(22,284)	(9,561)
Audit fees	(38,402)	(42,376)	(22,992)
Professional fees	(4,434)	(43,229)	(20,603)
Miscellaneous fees	(50,171)	(56,344)	(22,866)
Total operating expenses	<u>(227,596)</u>	<u>(585,118)</u>	<u>(309,734)</u>
Net income (expense)	(86,278)	6,032,073	2,655,320
Finance costs			
Distributions (Note 14)	(272,391)	(177,094)	-
Interest expense	(627)	(1,759)	-
Profit (loss) for the financial period/year/period	<u>(359,296)</u>	<u>5,853,220</u>	<u>2,655,320</u>
Movement in adjustment from bid market prices to last traded market prices (Note 5)	<u>(21,987)</u>	<u>4,887</u>	<u>(2,503)</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(381,283)</u>	<u>5,858,107</u>	<u>2,652,817</u>

All amounts arose solely from terminating activities. There are no gains or losses other than those dealt within the Profit and Loss Account.

* The Fund ceased trading on 2 November 2011.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(381,283)	5,858,107	2,652,817
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	(43,175,382)	2,916,953	591,864
Reinvestment of deemed distributions on accumulation shares (Note 14)	24	18	-
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(43,556,641)	8,775,078	3,244,681
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	43,556,641	34,781,563	34,781,563
End of period/year/period	-	43,556,641	38,026,244

* The Fund ceased trading on 2 November 2011.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	12,087,000	Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	(14,294,804)
U.S. Treasury Note 1.5000% due 31/07/2016	3,060,727	Bundesrepublik Deutschland 2.500% due 04/01/2021	(6,814,331)
Russell Investment Company III plc The Sterling Liquidity fund Class C Shares	2,688,537	U.K. Government of 3.750% due 07/09/2020	(4,957,604)
U.K. Government of 4.750% due 07/12/2038	2,510,004	Japan, Government of 2.100% due 20/06/2029	(4,581,301)
France, Government of 3.250% due 25/10/2021	2,047,258	U.S. Treasury Note 0.625% due 30/04/2013	(4,124,980)
Canadian, Government of 3.500% due 01/06/2020	1,612,554	Canada, Government of 3.500% due 01/06/2020	(3,361,588)
U.S. Treasury Note Zero Coupon due 29/03/2012	1,359,761	U.S. Treasury Note 1.500% due 31/07/2016	(3,071,258)
0.750% due 15/09/2013	1,226,106	U.K. Government of 4.750% due 07/12/2038	(2,798,654)
Bundesrepublik Deutschland 2.500% due 04/01/2021	1,212,681	Russell Investment Company The Sterling Liquidity Fund Class C Shares	(2,686,356)
U.S. Treasury Note 2.125% due 15/08/2021	1,121,168	U.S. Treasury Note 2.000% due 30/04/2016	(2,305,875)
Spain, Kingdom of 5.500% due 30/04/2021	1,071,888	France, Government of 3.250% due 25/10/2021	(2,033,235)
U.S. Treasury Notes 3.125% due 15/05/2021	1,062,813	Australia, Government of 5.750% due 15/05/2021	(1,967,730)
1.000% due 30/09/2016	1,013,705	U.S. Treasury Note 4.750% due 15/02/2041	(1,795,540)
Russell Investment Company The Euro Liquidity Fund Class C Shares	972,660	Italy, Government of 3.750% due 01/03/2021	(1,518,420)
U.K. Government of 3.750% due 07/09/2021	765,246	U.S. Treasury Notes Zero Coupon due 29/03/2012	(1,359,759)
U.S. Treasury Bond 4.750% due 15/02/2041	602,241	3.125% due 15/05/2021	(1,326,992)
Austria, Government of 3.500% due 15/09/2021	557,806	1.250% due 15/02/2014	(1,276,172)
Sweden, Government of 3.000% due 12/07/2016	451,459	0.750% due 15/09/2013	(1,226,054)
U.S. Treasury Bond 4.375% due 15/05/2041	418,250	New Zealand, Government of 6.000% due 15/04/2015	(1,208,133)
Australia, Government of 5.750% due 15/05/2021	376,612	U.S. Treasury Note 3.625% due 15/02/2021	(1,133,636)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

Thornburg Investment Management Inc.

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -6.8 per cent on a gross-of-fee basis (-7.2 per cent on a net-of-fee basis), versus -10.3 per cent return for a comparable benchmark*.

Market Comment

Equity markets suffered a brutal sell-off during the third quarter due to concerns over the eurozone, global economic growth, the U.S. debt situation and the prospects for corporate earnings. These issues, which continue to linger on, led to extreme volatility during quarter three and ultimately to poor performance of risk assets such as equities.

Equity markets ended a volatile fourth quarter with healthy gains. Following a very weak summer, markets rebounded strongly in October aided by the announcement of various measures to address Europe's debt problems. The rally was short-lived though, as renewed concerns and uncertainty brought the market back down in November. This led investors to seek safety in the form of more defensively oriented stocks and dividend oriented companies. Energy names also performed strongly, helped by the rally in the price of oil.

General Comment on Money Manager/Performance

Although the Fund declined in absolute terms, it managed to perform better than the benchmark due to its defensive bias by favouring higher dividend yielding and lower beta companies. Not surprisingly, the Fund performed particularly well in the 3-4 weeks after the markets started rolling over from 25 July 2011. Top stock contributors included companies with strong franchises (especially in the U.S.) such as McDonald's (strong results that highlighted ability to pass on higher commodity costs) and Coca-Cola (better than expected results). Telecom stocks also contributed positively with Telstra (better positioned competitively in Australia and Southeast Asia and good dividend yield that attracted fearful investors) and China Mobile (dominant mobile provider in China with a solid dividend yield) doing particularly well. Conversely, stocks that detracted from performance included Natura (slower sales growth and declining margins due to difficult macro environment in Brazil and higher operating costs) and ICBC (fears of lower Chinese growth and also due to concerns about asset quality in the Chinese banking system). Portfolio activity included the purchase of Merck and Reckitt Benckiser. The latter replaced Kraft Foods as the Money Manager observes that Reckitt has a similar yield to Kraft, but better prospects especially with a change in CEO. Kraft had also posted mediocre results. Many of the smaller positions (such as Marine Harvest, Man Group and France Telecom) were sold to help consolidate the positions. Foster's Group was also sold after reaching its price target after the announcement that SABMiller would acquire it.

Strong relative performance in the second half of the fourth quarter, more than made up for the initial underperformance during the market rally in October. Top contributors to performance included 'comfort stocks' that investors sought in uncertain market conditions. Stocks such as Pfizer, Universal, and Philip Morris all benefited from their defensive characteristics, especially healthy dividend yields. ENI also contributed positively as concerns over its Libyan production receded. Conversely, stocks that detracted from performance included Cable & Wireless (lowered revenue and profit guidance for the fourth quarter and replaced their CEO shortly after hiring him), and KPN (fears that a fourth mobile network would be introduced in the Netherlands, threatening the company's market share).

Activity during the fourth quarter included the purchase of Walgreen, China Merchants Holding and Willis Group largely based on their depressed valuations, ability to support dividends, and over-discounted fundamentals. Conversely, stocks to be sold included Telefonica (Spain's deteriorating macro-economic environment), Natura Cosmeticos, Paychex and Sysco (all on full valuations). The Fund had a very strong year as a whole due to its focus on dividends and stock selection, especially within financials (Gjensidige Forsikring) and IT (Intel and Taiwan Semiconductor). Some of the strong contributors for the year included the franchise, 'consistent earners' stocks such as Telstra, McDonald's, Pfizer, Philip Morris and Coca-Cola, which (not surprisingly) all did particularly well in the end-July/ August equity market drawdown.

Outlook

Although the Money Manager expects further market volatility, and even lower dividend growth in the near term, they continue to find valuations and dividend yields increasingly compelling, especially given the backdrop of low interest rates. They observe that "corporate balance sheets are broadly healthy, moderation of commodity prices are relieving pressures on input costs, and inventory levels are in decent shape".

Although the Money Manager finds valuations attractive (particularly in the U.S.), they are watchful of developments in Europe, and observe that a "successful resolution of the European financial crisis would presumably go a long way toward bolstering

Manager's Report - continued

investor confidence in global securities markets, the core issue of a lack of united fiscal and monetary policy in the region persists⁹. The potential for a hard landing in China and a recession in the U.S. is also forcing them to be somewhat cautious in their positioning.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: MSCI World Index Net

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Global Focus Equity

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD
	<u> </u>	<u> </u>
Assets		
Financial assets at fair value through profit or loss (Note 1)	288,766,904	205,710,527
Cash at bank (Note 4)	1,155,197	946,658
Cash held with broker and counterparties for open derivative positions (Note 4)	1,000,000	700,000
Debtors:		
Receivable for investments sold	954,318	346,060
Dividends receivable	1,193,410	825,904
Other receivables	7,062	7,903
	<u>293,076,891</u>	<u>208,537,052</u>
Liabilities		
Financial liabilities at fair value through profit or loss (Note 1)	(103,306)	(47,562)
Creditors – amounts falling due within one year:		
Payable for investments purchased	(2,422,782)	-
Cash due to brokers and counterparties for open derivative positions (Note 4)	-	(103,566)
Management fees payable	(129,333)	(92,729)
Performance fees payable	(1,255,736)	(70,590)
Custodian and Trustee fees payable	(2,352)	(1,686)
Sub-custodian fees payable	(13,834)	(7,287)
Administration and transfer agency fees payable	(4,703)	(3,363)
Audit fees payable	(92,606)	(34,422)
Miscellaneous fees payable	(20,253)	(11,787)
	<u>(4,044,905)</u>	<u>(372,992)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	289,031,986	208,164,060
Adjustment from bid market prices to last traded market prices (Note 5)	<u>211,176</u>	<u>191,977</u>
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u><u>289,243,162</u></u>	<u><u>208,356,037</u></u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Period ended 30 June 2011* (Audited) USD
Income		
Dividends	5,845,845	4,201,702
Bank and short term investment interest	323	748
	<u>5,846,168</u>	<u>4,202,450</u>
Net gain (loss) on investment activities	(15,358,674)	6,749,126
Total investment income (expense)	<u>(9,512,506)</u>	<u>10,951,576</u>
Expenses		
Management fees (Note 3)	(616,128)	(335,129)
Performance fees (Note 3)	(1,256,170)	(70,590)
Custodian and Trustee fees (Note 3)	(11,202)	(6,093)
Sub-custodian fees (Note 3)	(40,551)	(18,210)
Administration and transfer agency fees (Note 3)	(28,581)	(14,969)
Audit fees	(58,871)	(34,422)
Professional fees	(22,837)	(17,069)
Miscellaneous fees	(37,830)	(10,551)
Total operating expenses	<u>(2,072,170)</u>	<u>(507,033)</u>
Net income (expense)	(11,584,676)	10,444,543
Finance costs		
Distributions (Note 14)	(5,316,906)	(188,578)
Interest expense	-	(337)
Profit (loss) for the financial period before taxation	<u>(16,901,582)</u>	<u>10,255,628</u>
Taxation (Note 6)		
Capital gains tax	(94,767)	-
Withholding tax	(977,042)	(784,626)
Profit (loss) for the financial period after taxation	<u>(17,973,391)</u>	<u>9,471,002</u>
Movement in adjustment from bud market prices to last traded market prices (Note 5)	<u>19,199</u>	<u>191,977</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(17,954,192)</u>	<u>9,662,979</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

* For the period from 15 March 2011, launch date of the Fund, to 30 June 2011.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Period ended 30 June 2011* (Audited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(17,954,192)	9,662,979
Share transactions		
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	93,524,411	198,504,480
Reinvestment of deemed distributions on accumulation shares (Note 14)	<u>5,316,906</u>	<u>188,578</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	80,887,125	208,356,037
Net assets attributable to redeemable participating shareholders		
Beginning of period	<u>208,356,037</u>	<u>-</u>
End of period	<u><u>289,243,162</u></u>	<u><u>208,356,037</u></u>

* For the period from 15 March 2011, launch date of the Fund, to 30 June 2011.

Schedule of Investments

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Transferable Securities (96.42%)			Real Estate		
Common Stock (96.42%)			840,486 Hopewell Holdings	2,149,210	0.74
Australia (6.80%)				<u>22,898,798</u>	<u>7.92</u>
Electric Utilities			Ireland (3.04%)		
215,000 Origin Energy	2,935,969	1.02	Airlines		
Communications Equipment			1,060,483 Ryanair Holdings	5,110,184	1.77
2,691,750 Telstra Corporation Ltd	9,189,412	3.18	Diversified Financials		
Metals and Mining			95,100 Willis Group Holdings	<u>3,687,978</u>	<u>1.27</u>
400,000 Mineral Resources	4,494,479	1.55		<u>8,798,162</u>	<u>3.04</u>
Multi-Line Retail			Israel (1.35%)		
371,836 David Jones	903,459	0.31	Biotechnology		
Real Estate Investment Trusts			Teva Pharmaceutical		
2,541,905 Dexus Property Group	<u>2,149,919</u>	<u>0.74</u>	96,875 Industries	<u>3,909,875</u>	<u>1.35</u>
	<u>19,673,238</u>	<u>6.80</u>	Italy (4.87%)		
Bermuda (1.08%)			Electric Utilities		
Oil and Gas			1,330,000 Enel	5,352,272	1.85
92,928 Seadrill Ltd	<u>3,108,007</u>	<u>1.08</u>	Oil and Gas		
Brazil (1.40%)			279,375 ENI	5,748,330	1.99
Communications Equipment			Communications Equipment		
147,845 Telefonica Brasil - ADR	<u>4,042,082</u>	<u>1.40</u>	2,803,000 Telecom Italia	<u>2,983,746</u>	<u>1.03</u>
Canada (1.95%)				<u>14,084,348</u>	<u>4.87</u>
Oil and Gas			Netherlands (4.30%)		
247,625 Canadian Oil Sands Trust	<u>5,644,367</u>	<u>1.95</u>	Communications Equipment		
China (1.25%)			475,000 Koninklijke KPN	5,700,664	1.97
Banks			Oil and Gas		
6,095,000 Industrial & Commercial Bank of China	<u>3,617,793</u>	<u>1.25</u>	92,125 Royal Dutch Shell	<u>6,729,731</u>	<u>2.33</u>
France (4.24%)				<u>12,430,395</u>	<u>4.30</u>
Electric Utilities			Norway (1.66%)		
237,500 GDF Suez	6,496,105	2.25	Insurance		
Oil and Gas			416,814 Gjensidige Forsikring	<u>4,812,119</u>	<u>1.66</u>
112,543 Total	<u>5,760,632</u>	<u>1.99</u>	Singapore (1.93%)		
	<u>12,256,737</u>	<u>4.24</u>	Communications Equipment		
Hong Kong (7.92%)			Singapore		
Communications Equipment			2,342,000 Telecommunications	<u>5,581,136</u>	<u>1.93</u>
597,200 China Mobile	5,832,361	2.02	Switzerland (8.99%)		
Diversified Financials			Banks		
255,200 Hong Kong Exchanges and Clearing	4,097,474	1.42	Banque Cantonale		
Holding Companies - Diversified Operations			7,000 Vaudoise	3,415,410	1.18
1,982,512 China Merchants Holdings International	5,756,141	1.99	6,300 St Galler Kantonalbank	2,384,985	0.82
1,383,717 NWS Holdings	2,034,616	0.70	Biotechnology		
Media			131,403 Novartis	7,546,082	2.61
500,000 Television Broadcasts	3,028,996	1.05	Food Products		
			126,625 Nestle	7,305,549	2.53
			Insurance		
			104,700 Swiss Re	<u>5,359,843</u>	<u>1.85</u>
				<u>26,011,869</u>	<u>8.99</u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Taiwan (1.64%)			Household Products		
Semiconductor Equipment and Products			31,200	Kimberly Clark Corp	2,294,136 0.79
			Multi-Line Retail		
369,000	Taiwan Semiconductor Manufacturing (ADR)	4,752,720 1.64	213,200	Walgreen	7,048,392 2.44
United Kingdom (8.15%)			Real Estate Investment Trusts		
Communications Equipment				Annaly Capital Management	
			300,750	International	4,802,977 1.66
			1,696,250	Chimera Investment Corp ...	4,257,588 1.47
3,214,200	Worldwide	811,718 0.28	760,000	MFA Financial	5,107,200 1.77
3,174,626	Vodafone Group	8,826,368 3.05	Restaurants		
Household Products			88,625	McDonald's Corp	8,885,543 3.07
173,375	Reckitt Benckiser Group	8,568,262 2.97	Semiconductor Equipment and Products		
Oil and Gas			348,250	Intel Corp	8,445,063 2.92
114,170	Ensco (ADR)	5,356,856 1.85	Software		
			393,225	Microsoft	10,208,121 3.53
					103,692,318 35.85
United States (35.85%)			Total Common Stock		
Agriculture					278,877,168 96.42
			Total Transferable Securities		
86,125	Philip Morris International	6,757,367 2.33			278,877,168 96.42
76,000	Universal	3,489,920 1.21	Collective Investment Schemes (3.37%)		
Beverages			Ireland (3.37%)		
114,000	The Coca-Cola Co	7,976,580 2.76	Russell Investment Company		
Biotechnology			III plc		
172,250	Merck & Co Inc	6,492,102 2.24	The U.S. Dollar Cash		
385,000	Pfizer	8,331,400 2.88	974,636	Fund II - Class A Shares ..	9,746,548 3.37
Diversified Finance			Total Collective Investment Schemes		
380,000	Ares Capital	5,867,200 2.03			9,746,548 3.37
871,750	KKR Financial Holdings	7,601,660 2.63	Total investments excluding Financial Derivative Instruments		
Electric Utilities					288,623,716 99.79
83,875	Entergy Corp	6,127,069 2.12			

Financial Derivative Instruments (0.03%)

Open Futures Contracts (0.05%)

Notional Amount USD	Average Cost Price USD		Unrealised Gain (Loss) USD	Fund %
321,631	4,288.41	3 of ASX SPI 200 Index Futures Long Futures Contracts Expiring March 2012	(12,610)	0.00
958,484	9.58	10 of Topix Index Futures Long Futures Contracts Expiring March 2012	(12,292)	0.00
119,554	2,391.08	1 of Hang Seng Index Futures Long Futures Contracts Expiring January 2012	(738)	0.00
527,855	659.82	4 of S&P TSE 60 Index Futures Long Futures Contracts Expiring March 2012	5,531	0.00
425,666	6,080.94	7 of Swiss Market Index Futures Long Futures Contracts Expiring March 2012	15,265	0.01

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Notional Amount USD	Average Cost Price USD		Unrealised Gain (Loss) USD	Fund %
1,534,700	2,951.35	52 of Euro Stoxx 50 Index Futures Long Futures Contracts Expiring March 2012	23,288	0.01
1,093,741	8,413.39	13 of FTSE 100 Index Futures Long Futures Contracts Expiring March 2012	24,714	0.01
5,905,951	1,243.36	95 of S&P 500 E Mini Index Futures Long Futures Contracts Expiring March 2012	43,899	0.02
Unrealised gain on open futures contracts			112,697	0.05
Unrealised loss on open futures contracts			(25,640)	0.00
Net unrealised gain (loss) on open futures contracts			87,057	0.05

Open Forward Foreign Currency Exchange Contracts ((0.02)%)

Settlement Date	Amount Bought	Amount Sold	Unrealised Gain (Loss) USD	Fund %	
21/03/2012	AUD	74,167	USD 75,242	145	0.00
21/03/2012	AUD	74,167	USD 75,240	147	0.00
21/03/2012	AUD	74,167	USD 75,240	147	0.00
21/03/2012	AUD	74,165	USD 75,237	148	0.00
21/03/2012	AUD	74,167	USD 75,237	150	0.00
21/03/2012	AUD	74,167	USD 75,235	152	0.00
21/03/2012	AUD	50,000	USD 49,832	991	0.01
21/03/2012	CAD	108,333	USD 107,137	(929)	(0.01)
21/03/2012	CAD	108,333	USD 107,112	(904)	(0.01)
21/03/2012	CAD	108,333	USD 107,093	(886)	0.00
21/03/2012	CAD	108,335	USD 107,084	(875)	0.00
21/03/2012	CAD	108,333	USD 107,043	(836)	0.00
21/03/2012	CAD	108,333	USD 107,041	(834)	0.00
21/03/2012	CAD	50,000	USD 48,555	464	0.00
21/03/2012	CHF	64,167	USD 69,482	(755)	0.00
21/03/2012	CHF	64,167	USD 69,434	(707)	0.00
21/03/2012	CHF	64,165	USD 69,431	(707)	0.00
21/03/2012	CHF	64,167	USD 69,433	(706)	0.00
21/03/2012	CHF	64,167	USD 69,433	(706)	0.00
21/03/2012	CHF	64,167	USD 69,431	(704)	0.00
21/03/2012	CHF	50,000	USD 53,547	6	0.00
21/03/2012	EUR	193,333	USD 259,020	(7,873)	0.00
21/03/2012	EUR	193,333	USD 259,015	(7,868)	0.00
21/03/2012	EUR	193,333	USD 259,014	(7,867)	0.00
21/03/2012	EUR	193,333	USD 259,013	(7,867)	0.00
21/03/2012	EUR	193,333	USD 259,012	(7,866)	0.00
21/03/2012	EUR	193,335	USD 259,013	(7,864)	0.00
21/03/2012	EUR	150	USD 196,335	(1,480)	0.00
21/03/2012	EUR	100	USD 130,618	(714)	0.00
21/03/2012	GBP	123,333	USD 193,657	(2,126)	0.00
21/03/2012	GBP	123,333	USD 193,654	(2,123)	0.00
21/03/2012	GBP	123,335	USD 193,632	(2,097)	0.00
21/03/2012	GBP	123,333	USD 193,591	(2,060)	0.00

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Settlement Date		Amount Bought		Amount Sold	Unrealised Gain (Loss) USD	Fund %
21/03/2012	GBP	123,333	USD	193,545	(2,014)	0.00
21/03/2012	GBP	123,333	USD	193,529	(1,998)	0.00
21/03/2012	GBP	100,000	USD	156,45	(1,154)	0.00
21/03/2012	HKD	267,500	USD	34,436	17	0.00
21/03/2012	HKD	267,500	USD	34,436	17	0.00
21/03/2012	HKD	267,500	USD	34,435	18	0.00
21/03/2012	HKD	267,500	USD	34,435	18	0.00
21/03/2012	HKD	267,500	USD	34,435	18	0.00
21/03/2012	HKD	267,500	USD	34,434	19	0.00
21/03/2012	JPY	10,000,000	USD	128,501	1,652	0.00
21/03/2012	JPY	15,333,333	USD	197,893	1,675	0.00
21/03/2012	JPY	15,333,333	USD	197,87	1,698	0.00
21/03/2012	JPY	15,333,333	USD	197,867	1,700	0.00
21/03/2012	JPY	15,333,333	USD	197,849	1,718	0.00
21/03/2012	JPY	15,333,335	USD	197,812	1,755	0.00
21/03/2012	JPY	10,000,000	USD	128,383	1,770	0.00
21/03/2012	JPY	15,333,333	USD	197,792	1,775	0.00
21/03/2012	USD	50,294	AUD	50,000	(529)	0.00
21/03/2012	USD	76,177	AUD	75,000	(58)	0.00
21/03/2012	USD	5,055	AUD	5,000	(28)	0.00
21/03/2012	USD	19,586	CAD	20,000	(22)	0.00
21/03/2012	USD	98,683	CAD	100,000	645	0.00
21/03/2012	USD	32,114	CHF	30,000	(18)	0.00
21/03/2012	USD	5,422	CHF	5,000	67	0.00
21/03/2012	USD	70,445	CHF	65,000	826	0.00
21/03/2012	USD	13,387	EUR	10,000	397	0.00
21/03/2012	USD	78,387	EUR	60,000	445	0.00
21/03/2012	USD	130,48	EUR	100,000	576	0.00
21/03/2012	USD	301,498	EUR	225,000	9,199	0.00
21/03/2012	USD	77,441	GBP	50,000	(207)	0.00
21/03/2012	USD	15,643	GBP	10,000	114	0.00
21/03/2012	USD	211,672	GBP	135,000	2,022	0.00
21/03/2012	USD	32,185	HKD	250,000	(14)	0.00
21/03/2012	USD	6,428	HKD	50,000	(12)	0.00
21/03/2012	USD	193,578	JPY	15,000,000	(1,651)	0.00
21/03/2012	USD	128,664	JPY	10,000,000	(1,489)	0.00
21/03/2012	USD	64,082	JPY	5,000,000	(994)	(0.01)
21/03/2012	USD	19,399	JPY	1,500,000	(124)	0.00
Unrealised gain on open forward foreign currency exchange contracts					30,491	0.01
Unrealised loss on open forward foreign currency exchange contracts					(77,666)	(0.03)
Net unrealised gain (loss) on open forward foreign currency exchange contracts ..					(47,175)	(0.02)
Total Financial Derivative Instruments					39,882	0.03

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

	Fair Value USD	Fund %
Total Financial Assets at Fair Value through Profit or Loss (99.85%)	288,766,904	99.85
Total Financial Liabilities at Fair Value through Profit or Loss ((0.03%))	(103,306)	(0.03)
Net Financial Assets at Fair Value through Profit or Loss (98.82%)	288,663,598	99.82
Other Net Assets (0.11%)	368,388	0.11
Adjustments from Bid Market Prices to Last Traded Market Prices (0.07%)	211,176	0.07
Net Assets (100.00%)	<u>289,243,162</u>	<u>100.00</u>

Analysis of total assets

	% of total assets
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	95.16
Collective investment schemes	3.33
Exchange traded financial derivative instruments	0.04
Over the counter financial derivative instruments	0.01
Other assets	1.46
	<u>100.00</u>

The broker for the open futures contracts is UBS.

The counterparties for the open forward foreign currency exchange contracts are:

Barclays Bank	HSBC Bank
Brown Brothers Harriman	JP Morgan Chase Bank
Commonwealth Bank of Australia	Royal Bank of Canada
Credit Suisse	State Street Bank
Deutsche Bank AG	Westpac Banking Corporation

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	69,687,000	Russell Investment Company III plc The U.S. Dollar Cash Fund II Class C Shares	(67,920,561)
Reckitt Benckiser Group	9,023,748	Telefonica SA	(5,421,348)
Walgreen Co	7,152,585	Sysco Corp	(4,580,549)
Merck & Co Inc	5,927,308	Natura Cosméticos SA	(4,465,562)
China Merchants Holdings	5,919,234	Kraft Foods	(4,033,517)
Swiss Re AG	5,377,934	Advanced Info Services	(3,334,084)
Nestle SA	5,177,325	CEZ AS	(3,150,834)
Mineral Resources	4,694,156	Paychex	(3,040,095)
GDF Suez	4,499,238	Foster's Group	(2,816,413)
Microsoft Corp	4,419,392	Seek	(2,796,622)
KKR Financial Holdings	4,354,595	Lockheed Martin	(2,646,099)
Chimera Investment Corp	4,004,550	Impala Platinum Holdings	(2,573,043)
EnSCO Plc (ADR)	3,969,631	Kimberly Clark Corp	(2,371,077)
Telefonica Brasil (ADR)	3,944,013	Hopewell Highway Infrastructure	(2,183,951)
Intel Corp	3,668,615	Southern Copper Corp	(2,159,725)
Ryanair Holdings	3,635,661	EnSCO Plc (ADR)	(2,065,587)
Ares Capital	3,488,765	Verizon Communications Inc	(1,937,790)
Willis Group Holdings	3,413,257	Man Group Plc	(1,759,387)
China Mobile	3,315,963	Capitol Federal Financial	(1,724,422)
Vodafone Group	3,248,422	McDonald's Corp	(1,676,736)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

Thornburg Investment Management, Inc.

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -7.6 per cent on a gross-of-fee basis (-8.2 per cent on a net-of-fee basis), versus -12.3 per cent return for a comparable benchmark*.

Market Comment

Equity markets suffered a brutal sell-off during quarter three on concerns over the eurozone, global economic growth, the U.S. debt situation and the prospects for corporate earnings. These issues, which continue to linger on, led to extreme volatility during the third quarter and ultimately to poor performance of risk assets such as equities.

Equity markets ended a volatile fourth quarter with healthy gains. Following a very weak summer, markets rebounded strongly in October aided by the announcement of various measures to address Europe's debt problems. The rally was short-lived though, as renewed concerns and uncertainty brought the market back down in November. This led investors to seek safety in the form of more defensively oriented stocks and dividend oriented companies. Energy names also performed strongly, helped by the rally in the price of oil.

General Comment on Money Manager/Performance

Although the Fund declined in absolute terms, it managed to perform better than the benchmark in the third quarter due to its defensive bias by favoring higher dividend yielding and lower beta companies. Not surprisingly, the Fund performed particularly well in the 3-4 weeks after the markets started rolling over from 25 July 2011. Top stock contributors included companies with strong franchises (especially in the U.S.) such as McDonald's (strong results that highlighted ability to pass on higher commodity costs) and Coca-Cola (better than expected results). Telecom stocks also contributed positively with Telstra (better positioned competitively in Australia and Southeast Asia and good dividend yield that attracted fearful investors) and China Mobile (dominant mobile provider in China with a solid dividend yield) doing particularly well. Conversely, stocks that detracted from performance included Natura (slower sales growth and declining margins due to difficult macro environment in Brazil and higher operating costs) and ICBC (fears of lower Chinese growth and also due to concerns about asset quality in the Chinese banking system). Portfolio activity included the purchase of Merck and Reckitt Benckiser. The latter replaced Kraft Foods as the Money Manager observes that Reckitt has a similar yield to Kraft, but better prospects especially with a change in CEO. Kraft had also posted mediocre results. Many of the smaller positions (such as Marine Harvest, Man Group and France Telecom) were sold to help consolidate the positions. Foster's Group was also sold after reaching its price target after the announcement that SABMiller would acquire it.

Strong relative performance in the second half of the fourth quarter, more than made up for the initial underperformance during the market rally in October. Top contributors to performance included 'comfort stocks' that investors sought in uncertain market conditions. Stocks such as Pfizer, Universal, and Philip Morris all benefited from their defensive characteristics, especially healthy dividend yields. ENI also contributed positively as concerns over its Libyan production receded. Conversely, stocks that detracted from performance included Cable & Wireless (lowered revenue and profit guidance for the fourth quarter and replaced their CEO shortly after hiring him), and KPN (fears that a fourth mobile network would be introduced in the Netherlands, threatening the company's market share).

Activity during the fourth quarter included the purchase of Walgreen, China Merchants Holding and Willis Group largely based on their depressed valuations, ability to support dividends, and over-discounted fundamentals. Conversely, stocks to be sold included Telefonica (Spain's deteriorating macro-economic environment), Natura Cosmeticos, Paychex and Sysco (all on full valuations). The Fund had a very strong year as a whole due to its focus on dividends and stock selection, especially within financials (Gjensidige Forsikring) and IT (Intel and Taiwan Semiconductor). Some of the strong contributors for the year included the franchise, 'consistent earners' stocks such as Telstra, McDonalds, Pfizer, Philip Morris and Coca-Cola, which (not surprisingly) all did particularly well in the end-July/August equity market drawdown.

Manager's Report - continued

Outlook

Although the Money Manager finds valuations attractive (particularly in the U.S.), they are watchful of developments in Europe, and observe that a “successful resolution of the European financial crisis would presumably go a long way toward bolstering investor confidence in global securities markets, the core issue of a lack of united fiscal and monetary policy in the region persists”. The potential for a hard landing in China and a recession in the U.S. is also forcing them to be somewhat cautious in their positioning.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: Russell Global Index Net TR

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Global High Dividend Equity

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	161,903,961	106,016,848	56,768,645
Cash at bank (Note 4)	618,360	454,142	950,250
Cash held with brokers and counterparties for open derivative positions (Note 4)	650,000	595,000	430,000
Debtors:			
Receivable for investments sold	764,843	163,563	440,121
Receivable on fund shares issued	102,682	2,084,567	-
Dividends receivable	616,749	414,515	122,655
Other receivables	31,921	39,040	46,055
	<u>164,688,516</u>	<u>109,767,675</u>	<u>58,757,726</u>
Liabilities			
Creditors – amounts falling due within one year:			
Cash due to brokers and counterparties for open derivative contracts (Note 4)	-	(52,717)	(44,055)
Payable for investments purchased	-	(2,577,506)	(302,792)
Payable on fund shares redeemed	(62,456)	-	-
Management fees payable	(151,466)	(103,889)	(45,466)
Performance fees payable	(1,095,696)	-	-
Custodian and Trustee fees payable	(1,280)	(833)	(445)
Sub-custodian fees payable	(8,204)	(3,914)	(7,838)
Administration and transfer agency fees payable	(2,560)	(1,665)	(890)
Professional fees payable	(8,535)	(8,535)	(409)
Audit fees payable	(52,303)	(32,406)	(15,121)
Miscellaneous fees payable	(21,740)	(5,186)	(3,805)
	<u>(1,404,240)</u>	<u>(2,786,651)</u>	<u>(420,821)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	163,284,276	106,981,024	58,336,905
Adjustment from bid market prices to last traded market prices (Note 5)	169,749	123,087	46,565
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>163,454,025</u>	<u>107,104,111</u>	<u>58,383,470</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global High Dividend Equity

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	3,465,612	3,419,904	960,418
Bank and short term investment income	20	311	13
	<u>3,465,632</u>	<u>3,420,215</u>	<u>960,431</u>
Net gain (loss) on investment activities	(8,547,438)	8,040,229	6,217,009
Total investment income (expense)	<u>(5,081,806)</u>	<u>11,460,444</u>	<u>7,177,440</u>
Expenses			
Management fees (Note 3)	(801,194)	(663,191)	(157,728)
Performance fees (Note 3)	(1,119,808)	(377)	-
Custodian and Trustee fees (Note 3)	(9,679)	(7,590)	(2,021)
Sub-custodian fees (Note 3)	(29,333)	(42,037)	(24,001)
Administration and transfer agency fees (Note 3)	(40,478)	(45,201)	(13,307)
Audit fees	(17,570)	(32,406)	(16,130)
Professional fees	(18,777)	(44,771)	(19,770)
Miscellaneous fees	(33,809)	(58,688)	(25,299)
Total operating expenses	<u>2,070,648</u>	<u>(894,261)</u>	<u>(258,256)</u>
Net income (expense)	(7,152,454)	10,566,183	6,919,184
Finance costs			
Distributions (Note 14)	(2,784,072)	(1,712,784)	(789,029)
Interest expense	(3)	(286)	(19)
Profit (loss) for the financial period/year/period/ before taxation	(9,936,529)	8,853,113	6,130,136
Taxation (Note 6)			
Capital gains tax	(51,149)	-	-
Withholding tax	(586,024)	(577,153)	(168,381)
Profit (loss) for the financial period/year/period after taxation	(10,573,702)	8,275,960	5,961,755
Movement in adjustment from bid market prices to last traded market prices (Note 5)	<u>46,662</u>	<u>95,582</u>	<u>19,061</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(10,527,040)</u>	<u>8,371,542</u>	<u>5,980,816</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global High Dividend Equity

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(10,527,040)	8,371,542	5,980,816
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	65,447,525	70,217,800	24,136,251
Reinvestment of deemed distributions on accumulation shares (Note 14)	<u>1,429,429</u>	<u>286,213</u>	<u>37,847</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	56,349,914	78,875,555	30,154,914
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	<u>107,104,111</u>	<u>28,228,556</u>	<u>28,228,556</u>
End of period/year/period	<u><u>163,454,025</u></u>	<u><u>107,104,111</u></u>	<u><u>58,383,470</u></u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Transferable Securities (96.27%)			Diversified Financials		
Common Stock (96.27%)			Hong Kong Exchanges and		
Australia (6.58%)			155,200	Clearing	2,491,881 1.52
Communications Equipment			Holding Companies - Diversified Operations		
Telstra Corporation			China Merchants Holdings		
1,341,899	Ltd	4,581,133 2.80	1,375,156	International	3,992,708 2.44
Construction and Engineering			816,877	NWS Holdings	1,201,135 0.74
106,011	Sydney Airport	289,096 0.18	Media		
Electric Utilities			206,000	Television Broadcasts	1,247,946 0.76
105,169	Origin Energy	1,436,153 0.88	Real Estate		
Metals and Mining			684,896	Hopewell Holdings	1,751,350 1.07
199,293	Mineral Resources	2,239,295 1.37	<u>14,994,724 9.17</u>		
Multi-Line Retail			Ireland (3.39%)		
230,555	David Jones	560,185 0.34	Airlines		
Real Estate Investment Trusts			479,698	Ryanair Holdings	2,311,536 1.41
1,948,835	Dexus Property Group	1,648,306 1.01	Diversified Financials		
<u>10,754,168 6.58</u>			83,300	Willis Group Holdings	3,230,374 1.98
Bermuda (0.94%)			<u>5,541,910 3.39</u>		
Oil and Gas			Israel (1.47%)		
46,100	Seadrill Ltd	1,541,829 0.94	Biotechnology		
Brazil (1.39%)			Teva Pharmaceutical		
Communications Equipment			59,350	Industries	2,395,366 1.47
83,377	Telefonica Brasil - ADR	2,279,527 1.39	Italy (4.79%)		
Canada (1.67%)			Communications Equipment		
Oil and Gas			1,043,990	Telecom Italia	1,111,310 0.68
Canadian Oil Sands			Electric Utilities		
119,780	Trust	2,730,266 1.67	715,009	Enel	2,877,386 1.76
China (2.09%)			Oil and Gas		
Banks			186,605	ENI	3,839,524 2.35
Industrial & Commercial			<u>7,828,220 4.79</u>		
5,769,000	Bank of China	3,424,290 2.09	Korea, Republic of (1.43%)		
Czech Republic (1.64%)			Communications Equipment		
Electric Utilities			19,150	SK Telecom	2,343,880 1.43
67,339	CEZ	2,680,493 1.64	Malaysia (1.45%)		
France (4.70%)			Airlines		
Electric Utilities			2,006,400	AirAsia BHD	2,373,502 1.45
140,430	GDF Suez	3,841,044 2.35	Netherlands (3.39%)		
Oil and Gas			Communications Equipment		
74,894	Total	3,833,529 2.35	207,800	Koninklijke KPN	2,493,890 1.53
<u>7,674,573 4.70</u>			Oil and Gas		
Hong Kong (9.17%)			41,700	Royal Dutch Shell	3,046,185 1.86
Commercial Services and Supplies			<u>5,540,075 3.39</u>		
Hopewell Highway			Norway (1.45%)		
663,995	Infrastructure	330,006 0.20	Insurance		
Communications Equipment			Gjensidige Forsikring		
407,498	China Mobile	3,979,698 2.44	204,697	ASA	2,363,227 1.45

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global High Dividend Equity

Schedule of Investments - continued

31 December 2011

<u>Notional Amount USD</u>	<u>Average Cost Price USD</u>		<u>Unrealised Gain (Loss) USD</u>	<u>Fund %</u>
1,806,306	1,389.47	26 of MSCI EAFE EMINI Index Futures Long Futures Contracts Expiring March 2012	25,914	0.01
Net unrealised gain (loss) on open futures contracts			65,117	0.04
Total Financial Derivative Instruments			65,117	0.04
			<u>Fair Value USD</u>	<u>Fund %</u>
		Total Financial Assets at Fair Value through Profit or Loss (99.05%)	161,903,961	99.05
		Other Net Assets (0.85%)	1,380,315	0.85
		Adjustments from Bid Market Prices to Last Traded Market Prices (0.10%)	169,749	0.10
		Net Assets (100.00%)	163,454,025	100.00
			<u>% of total assets</u>	
		Analysis of total assets		
		Transferable securities admitted to an official stock exchange listing or traded on a regulated market		95.57
		Collective investment schemes		2.72
		Exchange traded financial derivative instruments		0.04
		Other assets		1.67
				100.00

The broker for the open futures contracts is UBS.

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global High Dividend Equity

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and total sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc The U.S. Dollar Cash Plus Fund II Class C Shares	89,073,000	Russell Investment Company III plc The U.S. Dollar Cash Plus Fund II Class C Shares	(88,327,460)
Reckitt Benckiser Group Plc	4,559,913	Natura Cosmetics SA	(3,203,713)
Walgreen Co	4,260,331	Telefonica SA	(2,998,447)
China Merchants Holdings International	3,942,722	Kraft Foods Inc	(2,043,530)
Merck & Co Inc	3,204,136	Sysco Corp	(1,970,552)
Microsoft Corp	3,158,089	Russell Investment Company III plc The Euro Liquidity Fund Class C Shares	(1,862,049)
Nestle SA	3,076,280	Paychex Inc	(1,611,939)
Willis Group Holdings Plc	3,047,755	Advanced Info Services	(1,600,126)
Swiss Re AG	2,963,341	Foster's Group	(1,391,642)
GDF Suez	2,785,043	Lockheed Martin Corp	(1,299,927)
China Mobile Ltd	2,594,633	Seek Ltd	(1,231,780)
Mineral Resources Ltd	2,361,515	Impala Platinum Holdings Ltd	(1,215,485)
Natura Cosmetics SA	2,288,618	Capitol Federal Financial Inc	(1,117,939)
CEZ AS	2,273,039	Kimberly Clark Corp	(1,054,460)
Telefonica Brasil (ADR)	2,224,223	Och-Ziff Capital Management Group LLC	(1,034,926)
Ares Capital Corp	2,162,021	Southern Copper Corp	(949,799)
Chimera Investment Corp	2,088,949	Man Group Plc	(923,016)
Industrial & Commercial Bank of China	2,054,783	Intesa Sanpaolo	(788,187)
MFA Financial Inc	2,011,947	Verizon Communications Inc	(757,875)
Annaly Capital Management Inc	1,970,753	France Telecom	(609,977)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

RARE Infrastructure Limited

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities, equity-related instruments and trust units.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -7.8 per cent on a gross-of-fee basis (-8.9 per cent on a net-of-fee basis), versus -8.5 per cent return for a comparable benchmark*.

Market Comment

Equity markets suffered a brutal sell-off during the quarter on concerns over European debt and global economic growth. Although infrastructure stocks were not immune from the declines, they did provide some downside protection due to the defensive nature of the asset class.

A good December helped the Fund outperform during the fourth quarter, which led to it posting impressive numbers for the year. Not only did the Fund outperform, it also had positive returns in a declining market. It is encouraging to see that stock selection continues to be the primary driver for performance.

General Comment on Money Manager/Performance

After seven consecutive quarters of outperformance, the Fund underperformed in the third quarter - albeit marginally. It took a very significant negative impact from currency effects to trump the very strong stock selection during the period. Stocks were impacted more due to the macro picture, as opposed to anything company specific. On the positive side, preferring the defensive names to the higher beta ones was net positive. Conversely, stocks which had concerns over growth and/ or impact from austerity measures (Spanish stocks, Abertis and Red Electrica) carried out in their country of domicile impacted the Fund negatively. Vinci was particularly hit hard as investors once again looked at it as a construction company and gave little credence to its toll-road business.

Changes in the portfolio revolved around making it defensive, primarily by reducing some macro risks in Spain (Red Electrica and Enagas sold) and Brazil (All America Latina and CCR sold). Proceeds were put in to the defensive, utility companies with new purchases including PG&E (multi-utilities in U.S.), Emera (electric in Canada) and United Utilities (water in U.K.). Cash was also increased marginally, as were positions in some other utility companies such as Westar Energy (U.S. electric), American Water (U.S. water) and Severn Trent (U.K. water). On the margin, they have also reduced the higher beta in the more cyclical area of the transports (reduced Vinci and Brisa) and rotated the money into more defensive names like Transurban and ConnectEast.

The Money Manager became increasingly bearish in the fourth quarter, and they rotated out of the more GDP sensitive areas of infrastructure (transports) into the more defensive, regulated ones (utilities). They sold out of toll-road companies, Vinci, Abertis, and Atlantia, and reduced exposure to Airports, Fraport and Aeroports de Paris as they became increasingly concerned over European politicians ability to resolve the debt crisis anytime soon. Utility companies added to the portfolio included U.S. electric transmission company, Northeast Utilities (attractive regulation) and U.S. electric distribution company, CMS Energy (regulation environment improving in Michigan). Australian company, DUET was also added to the portfolio, which has a strong balance sheet, a good regulatory environment for its gas and electric transmission and distribution business and offers a healthy dividend of 8-9 per cent. Finally, American Water was added to.

Some of the negative currency impacts of the previous quarter reversed in the fourth quarter, with the overweight to the Australian Dollar helping performance. Shenzhen International also rebounded from a poor third quarter, and Spark Infrastructure benefited from a regulatory case going in their favour. Finally, Sydney Airport bounced on an attractive asset swap with Ontario Teachers' pension fund.

Manager's Report - continued

Outlook

The Money Manager remains nervous about global growth as they expect the recession in Europe to be deeper than the market expects. They also have concerns over China and a potential slow down in U.S. growth in mid-year. Given this backdrop, they have invested around 70 per cent of their portfolio in the regulated, defensive utilities space. The Fund continues to offer a very healthy and fairly secure dividend yield in these challenging markets.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: S&P Global Infrastructure Index Net

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Global Listed Infrastructure

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	97,667,846	97,816,132	66,336,547
Cash at bank (Note 4)	1,617,252	568,563	145,082
Debtors:			
Receivable for investments sold	107,249	22,566	67,109
Receivable on fund shares issued	20,742	40,378	266,756
Dividends receivable	617,111	579,265	261,250
Other receivables	29,931	35,851	41,706
	<u>100,060,131</u>	<u>99,062,755</u>	<u>67,118,450</u>
Liabilities			
Creditors – amounts falling due within one year:			
Payable for investment purchased	(57,015)	(537,533)	-
Management fees payable	(71,941)	(70,025)	(52,812)
Performance fees payable	-	(1,255,497)	(466,055)
Custodian and Trustee fees payable	(800)	(771)	(486)
Sub-custodian fees payable	(6,170)	(6,768)	(10,341)
Administration and transfer agency fees payable	(1,601)	(1,543)	(1,087)
Professional fees payable	(8,266)	(8,535)	(3,919)
Audit fees payable	(31,994)	(22,933)	(14,942)
Miscellaneous fees payable.....	(22,119)	(62,564)	(1,216)
	<u>(199,906)</u>	<u>(1,966,169)</u>	<u>(550,858)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	99,860,225	97,096,586	66,567,592
Adjustment from bid market prices to last traded market prices (Note 5)	124,097	236,791	167,561
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>99,984,322</u>	<u>97,333,377</u>	<u>66,735,153</u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	2,237,477	3,408,439	1,319,567
Bank and short term investment income	503	29	-
	<u>2,237,980</u>	<u>3,408,468</u>	<u>1,319,567</u>
Net gain (loss) on investment activities	(10,095,682)	21,666,964	12,622,053
Total investment income (expense)	<u>(7,857,702)</u>	<u>25,075,432</u>	<u>13,941,620</u>
Expenses			
Management fees (Note 3)	(430,668)	(678,189)	(302,431)
Performance fees (Note 3)	(19,033)	(1,314,899)	(385,594)
Custodian and Trustee fees (Note 3)	(7,026)	(11,301)	(5,336)
Sub-custodian fees (Note 3)	(23,464)	(43,867)	(24,346)
Administration and transfer agency fees (Note 3)	(31,435)	(50,106)	(22,739)
Audit fees	(7,468)	(22,933)	(13,041)
Professional fees	(17,054)	(53,493)	(31,554)
Miscellaneous fees	(28,157)	(78,437)	(21,657)
Total operating expenses	<u>(564,305)</u>	<u>(2,253,225)</u>	<u>(806,698)</u>
Net income (expense)	(8,422,007)	22,822,207	13,134,922
Finance costs			
Distributions (Note 14)	(486,553)	(1,247,982)	(863,263)
Interest expense	(156)	(356)	(194)
Profit (loss) for the financial period/year/period before taxation	(8,908,716)	21,573,869	12,271,465
Taxation			
Withholding tax (Note 6)	(396,026)	(384,753)	(159,270)
Profit (loss) for the financial period/year/period after taxation	(9,304,742)	21,189,116	12,112,195
Movement in adjustment from bid market prices to last traded market prices (Note 5)	(112,694)	126,394	57,164
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(9,417,436)</u>	<u>21,315,510</u>	<u>12,169,359</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(9,417,436)	21,315,510	12,169,359
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	11,581,828	22,850,804	1,783,450
Reinvestment of deemed distributions on accumulation shares (Note 14)	<u>486,553</u>	<u>1,247,982</u>	<u>863,263</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	2,650,945	45,414,296	14,816,072
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	<u>97,333,377</u>	<u>51,919,081</u>	<u>51,919,081</u>
End of period/year/period	<u><u>99,984,322</u></u>	<u><u>97,333,377</u></u>	<u><u>66,735,153</u></u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Transferable Securities (94.31%)			Hong Kong (3.05%)		
Common Stock (94.31%)			Commercial Services and Supplies		
Australia (17.74%)			Shenzhen International		
Commercial Services and Supplies			47,321,882 Holdings 3,046,499 3.05		
855,023	Transurban Group	4,926,323 4.93	India (0.79%)		
Construction and Engineering			Gas Utilities		
1,533,991	Sydney Airport	4,183,245 4.18	109,957 GAIL India 793,024 0.79		
Electric Utilities			Luxembourg (3.30%)		
443,559	DUET Group	798,063 0.80	Communications Equipment		
1,691,800	SP AusNet	1,630,368 1.63	137,250 SES SA 3,300,619 3.30		
2,657,850	Spark Infrastructure Group ..	3,733,016 3.73	Mexico (1.94%)		
Pipelines			Commercial Services and Supplies		
536,278	APA Group	2,468,568 2.47	1,267,200 OHL Mexico SAB de CV ... 1,940,479 1.94		
		<u>17,739,583 17.74</u>	Netherlands (1.77%)		
Brazil (6.34%)			Transportation Equipment		
Electric Utilities			33,304 Koninklijke Vopak 1,764,795 1.77		
Cia Energetica de Minas			New Zealand (2.36%)		
116,500	Gerais	2,067,364 2.07	Construction and Engineering		
Eletropaulo Metropolitana			Auckland International		
49,100	Eleticidade de Sao Paulo	951,596 0.95	1,217,867 Airport 2,359,774 2.36		
63,240	Light	976,444 0.98	Singapore (1.03%)		
145,900	Tractebel Energia SA	2,342,691 2.34	Transportation Equipment		
		<u>6,338,095 6.34</u>	1,430,749 Singapore Post Inc 1,031,697 1.03		
Canada (7.23%)			United Arab Emirates (1.86%)		
Electric Utilities			Commercial Services and Supplies		
62,198	Emera	2,016,358 2.02	192,046 DP World Ltd 1,860,926 1.86		
Pipelines			United Kingdom (10.54%)		
119,323	TransCanada Corp	5,214,705 5.21	Gas Utilities		
		<u>7,231,063 7.23</u>	502,168 National Grid 4,869,818 4.87		
Chile (2.58%)			Water Utilities		
Water Utilities			144,795 Severn Trent 3,357,388 3.36		
4,566,150	Aguas Andinas	2,575,574 2.58	245,549 United Utilities Group 2,310,636 2.31		
Cyprus (0.57%)			<u>10,537,842 10.54</u>		
Transportation Services			United States (29.99%)		
Global Ports Investments			Electric Utilities		
		<u>571,396 0.57</u>	116,366 CMS Energy		
France (1.52%)			41,919 ITC Holdings Inc		
Construction and Engineering			109,136 Northeast Utilities		
6,259	Aeroports de Paris	430,306 0.43	74,074 PG&E		
Transportation Equipment			48,108 Pinnacle West Capital		
159,135	Groupe Eurotunnel	1,084,551 1.09	109,724 Southern Co		
		<u>1,514,857 1.52</u>	109,847 Westar Energy		
Germany (1.70%)			2,571,689 2.57		
Commercial Services and Supplies			3,180,814 3.18		
Hamburger Hafen und			3,936,535 3.94		
17,601	Logistik	519,694 0.52	3,051,108 3.05		
Construction and Engineering			2,318,324 2.32		
Fraport Frankfurt Airport			5,078,027 5.08		
24,006	Services Worldwide	1,184,988 1.18	3,162,495 3.16		
		<u>1,704,682 1.70</u>			

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Pipelines			Collective Investment Schemes (3.37%)		
53,106	Spectra Energy Corp	1,631,948 1.63	Ireland (3.37%)		
Water Utilities			Russell Investment Company		
158,629	American Water Works	5,055,506 5.06	III plc		
	29,986,446	29.99	337,050	The U.S. Dollar Cash Fund	
	II - Class C Shares			3,370,495	3.37
Total Common Stock	94,297,351	94.31	Total Collective Investment		
Total Transferable			Schemes		
Securities	94,297,351	94.31		3,370,495	3.37

	Fair Value USD	Fund %
Total Financial Assets at Fair Value through Profit or Loss (97.68%)	97,667,846	97.68
Other Net Assets (2.20%)	2,192,379	2.20
Adjustments from Bid Market Prices to Last Traded Market Prices (0.12%)	124,097	0.12
Net Assets (100.00%)	99,984,322	100.00

Analysis of total assets

	% of total assets
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	94.27
Collective investment schemes	3.37
Other assets	2.36
	100.00

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and total sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc		Russell Investment Company III plc	
The U.S. Dollar Cash Fund II		The U.S. Dollar Cash Fund II	
Class C Shares	35,712,000	Class C Shares	(35,507,700)
Northeast Utilities	3,750,199	Vinci	(4,258,613)
PG & E	3,160,699	Abertis Infraestructuras	(4,065,538)
American Water Works Co Inc	2,431,047	Red Electrica Corp	(2,718,829)
CMS Energy Corp	2,409,309	Enagas	(2,554,040)
United Utilities Group	2,351,293	Atlantia SPA	(2,478,067)
Westar Energy Inc	2,344,045	GDF Suez	(1,832,937)
Transurban Group	2,173,657	Ecorodovias Infraestrutur e Logistica	(1,784,274)
Emera Inc	2,037,502	Spectra Energy Corp	(1,706,374)
Severn Trent	1,972,064	All America Latina Logistica	(1,458,105)
National Grid	1,736,013	Northumbrian Water Group Plc	(1,392,555)
Vopak	1,608,281	Aeroports De Paris	(1,228,442)
Southern Co	1,519,130	MAP Group	(1,024,264)
Atlantia SPA	1,491,488	Light SA	(968,424)
Transcanada Corp	1,353,889	Southern Co	(584,846)
MAP Group	1,285,630	Transcanada Corp	(568,149)
Abertis Infraestructuras	1,010,434	National Grid Plc	(564,423)
Spark Infrastructure Group	1,008,176	ITC Holdings Inc	(546,698)
Ohl Mexico SAb de CV	994,449	CEZ AS	(486,929)
Eletropaulo Metropolitana Eletricidade de Sao Paulo	909,728	CCR SA	(473,131)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

CB Richard Ellis Global Real Estate

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities, equity-related instruments and trust units.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -11.7 per cent on a gross-of-fee basis (-12.6 per cent on a net-of-fee basis), versus -11.5 per cent return for a comparable benchmark*.

Market Comment

Absolute performance was strongly negative in the third quarter, following the market sell-off in August and September in particular. The continuing sovereign debt crisis, decelerating growth in China and double dip fears in the U.S. combined to drive the markets lower.

The global REIT markets ended the year on a high note with positive absolute returns in the fourth quarter, despite the ongoing eurozone sovereign debt crisis. The overall defensive portfolio positioning caused the Fund to trail in the October rally, protect on the downside mid-quarter and underperform again as markets spiked up towards the end of the year.

General Comment on Money Manager/Performance

The Fund underperformed its benchmark in the third quarter. The Money Manager's relative performance held up reasonably well during the market sell-off in August and September, but not enough to offset relative losses experienced earlier in the quarter.

CB Richard Ellis Global Real Estate benefited from being underweight Europe, as this was the worst performing region in the third quarter. Negative stock picks in the U.K. and Swiss market however more than offset the positive allocation effect. In Australia Stockland detracted significantly as the company released disappointing results, and concerns intensified about the Australian market in general being overheated. In Singapore Global Logistics Properties had a weak quarter on concerns about China (The company has got roughly 50 per cent exposure in China). The Money Manager benefited from its underweight in Hong Kong one of the worst performing major markets in quarter three, not holding Hong Kong Land Holdings and Henderson proved particularly beneficial as both stocks experienced heavy sell-offs during the quarter. In the U.S., the Money Manager benefited from holding Health Care REIT and American Campus at an overweight, both stocks are on the defensive side, and the latter held up really well, despite the apartments segment generally underperforming. The Money Manager added to Mitsui Fudosan in Japan, as a haven play, and maintained its high conviction allocation in Mitsubishi Estate despite recent outperformance.

The Money Manager's stock picks, particularly U.S. prime retail mall companies (Macerich, Taubman Centers and General Growth Properties), contributed in the fourth quarter, as they benefited from strong up market consumption growth. Property markets have had a tough year in Japan, as the effects of the earthquake early in the year put additional strain on the already leveraged government. Overweights to large diversified property companies (Mitsui Fudosan and Mitsubishi Estate) detracted, conversely, not holding Sumitomo Realty added to performance. Although Capitaland also detracted from performance due to recent management attrition, the manager expects the company to be able to deliver on its earnings expectations. The Money Manager remains overweight Australia and added to Stockland and took some profit from office names (Dexus). Recent interest rate decreases in the Australian market have supported consumer sentiment here, and demand for prime property remains strong. The Money Manager has also marginally increased the portfolio's beta by increasing its allocations in Hong Kong.

Manager's Report - continued

Outlook

Following a volatile 2011, the Money Manager's outlook for 2012 is slightly brighter. REITs generally have strong balance sheets, and the Money Manager expects earnings to increase and dividend growth to continue. The core positioning remains very blue chip oriented. There isn't a lot of new good supply, so the existing space is being bid rather tightly and as a result prime assets are expected to continue to outperform globally. The U.S. housing market remains deeply troubled, albeit the U.S. economic outlook is slowly improving. The Money Manager remains positive on U.S. prime retail malls and notes that non-traditional segments, including storage and healthcare, carry a large premium. The Money Manager is assuming fairly stable multiples worldwide, and is slowly tilting the portfolio towards markets that are deemed ahead of the recovery curve (Australia, the U.S. and Hong Kong). The portfolio remains underweight Canada and continental Europe. The Money Manager however remains conscious of the downside risk and global implications posed by a potential further escalation of the European sovereign debt crisis.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: FTSE EPRA/NAREIT Developed Index Net

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Global Opportunistic Listed Property

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	44,584,232	46,279,947	38,364,390
Cash at bank (Note 4)	114,824	548,622	393,904
Debtors:			
Receivable for investments sold	259,717	-	37,425
Receivable on fund share issued	-	-	10,316
Dividends receivable	193,395	168,113	98,290
Other receivables	28,765	35,210	41,585
	<u>45,180,933</u>	<u>47,031,892</u>	<u>38,945,910</u>
Liabilities			
Creditors – amounts falling due within one year:			
Payable for investments purchased	(129,738)	-	-
Management fees payable	(32,810)	(35,673)	(31,167)
Custodian and Trustee fees payable	(367)	(380)	(309)
Sub-custodian fees payable	(13,486)	(2,459)	(3,505)
Administration and transfer agency fees payable	(735)	(760)	(618)
Audit fees payable	(25,403)	(22,933)	(22,308)
Professional fees payable	(8,397)	(8,535)	(4,798)
Miscellaneous fees payable	(1,693)	(2,796)	(1,095)
	<u>(212,629)</u>	<u>(73,536)</u>	<u>(63,800)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	44,968,304	46,958,356	38,882,110
Adjustment from bid market prices to last traded market prices (Note 5)	69,497	55,787	37,898
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>45,037,801</u>	<u>47,014,143</u>	<u>38,920,008</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Opportunistic Listed Property

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends.....	705,860	1,303,094	533,602
Bank and short term investment interest	35	65	-
	<u>705,895</u>	<u>1,303,159</u>	<u>533,602</u>
Net gain (loss) on investment activities	(5,960,524)	7,233,618	5,420,137
Total investment income (expense)	<u>(5,254,629)</u>	<u>8,536,777</u>	<u>5,953,739</u>
Expenses			
Management fees (Note 3)	(198,447)	(370,707)	(165,754)
Custodian and Trustee fees (Note 3)	(3,205)	(5,548)	(2,429)
Sub-custodian fees (Note 3)	(34,969)	(16,726)	(3,212)
Administration and transfer agency fees (Note 3)	(18,379)	(33,165)	(13,599)
Audit fees	(706)	(22,933)	(11,114)
Professional fees	(8,122)	(31,577)	(18,333)
Miscellaneous fees	(19,566)	(34,699)	(18,900)
Total operating expenses	<u>(283,394)</u>	<u>(515,355)</u>	<u>(233,341)</u>
Net income (expense)	(5,538,023)	8,021,422	5,720,398
Finance costs			
Distributions (Note 14)	(439,119)	(378,463)	(150,647)
Interest expense	-	(81)	(45)
Profit (loss) for the financial period/year/period before taxation	<u>(5,977,142)</u>	<u>7,642,878</u>	<u>5,569,706</u>
Taxation			
Withholding tax (Note 6)	(140,456)	(181,888)	(97,835)
Profit (loss) for the financial period/year/period after taxation	<u>(6,117,598)</u>	<u>7,460,990</u>	<u>5,471,871</u>
Movement in adjustment from bid market prices to last traded market prices (Note 5)	<u>13,710</u>	<u>30,298</u>	<u>(12,409)</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(6,103,888)</u>	<u>7,491,288</u>	<u>5,459,462</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Opportunistic Listed Property

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(6,103,888)	7,491,288	5,459,462
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	3,688,427	18,004,859	12,170,366
Reinvestment of deemed distributions on accumulation shares (Note 14)	439,119	378,463	150,647
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(1,976,342)	25,874,610	17,780,475
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	47,014,143	21,139,533	21,139,533
End of period/year/period	<u>45,037,801</u>	<u>47,014,143</u>	<u>38,920,008</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Opportunistic Listed Property

Schedule of Investments

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Transferable Securities (96.92%)					
Common Stock (96.92%)					
Australia (9.77%)					
Real Estate					
471,072 Dexus Property Group	398,428	0.89	182,000 Hang Lung Properties Ltd ...	515,541	1.15
818,006 Goodman Group	473,820	1.05	105,000 Hong Kong Land Holdings .	476,700	1.06
143,600 GPT Group	451,962	1.00	72,100 Kerry Properties Ltd	237,189	0.53
431,464 ING Office Fund	263,191	0.58	201,291 Link REIT	737,354	1.64
214,900 Mirvac Group	258,871	0.58	197,300 Sino Land	279,440	0.62
204,610 Stockland	667,057	1.48	Sun Hung Kai Properties		
152,202 Westfield Group	1,218,653	2.71	145,000 Ltd	1,810,960	4.02
262,970 Westfield Retail Trust	668,600	1.48		5,400,474	11.99
	<u>4,400,582</u>	<u>9.77</u>	Japan (8.71%)		
Canada (3.11%)			Real Estate		
Real Estate			Advance Residence		
Allied Properties Real Estate			55 Investment	106,154	0.23
4,743 Investment Trust	117,614	0.26	Frontier Real Estate		
Calloway Real Estate			26 Investment Corp	210,866	0.47
12,300 Investment Trust	323,369	0.72	Japan Real Estate		
Canadian Real Estate			36 Investment	279,335	0.62
2,900 Investment Trust	100,735	0.22	Japan Retail Fund		
Dundee Real Estate			145 Investment	214,654	0.48
2,570 Investment Trust	82,457	0.18	47 Kenedix Realty Investment .	136,651	0.30
RioCan Real Estate			74,000 Mitsubishi Estate Co Ltd	1,103,171	2.45
29,991 Investment Trust	777,572	1.73	76,000 Mitsui Fudosan	1,107,305	2.46
	<u>1,401,747</u>	<u>3.11</u>	Nomura Real Estate		
China (0.98%)			14,000 Holdings	207,980	0.46
Real Estate			Nippon Accommodations		
273,137 Longfor Properties Co Ltd ..	307,018	0.68	20 Fund	134,650	0.30
200,000 Soho China	132,619	0.30	31 Nippon Building Fund	252,625	0.56
	<u>439,637</u>	<u>0.98</u>	10,000 Tokyo Tatemono Co Ltd	30,153	0.07
France (3.94%)			123 United Urban Investment	139,562	0.31
Real Estate				<u>3,923,106</u>	<u>8.71</u>
3,454 ICADE	270,464	0.60	Netherlands (0.30%)		
3,466 Klepierre	98,874	0.22	Real Estate		
6,900 Mercialys	222,946	0.49	3,060 Corio NV	133,391	0.30
1,600 SILIC	155,404	0.35	Singapore (3.73%)		
5,749 Unibail-Rodamco SE	1,028,783	2.28	Real Estate		
	<u>1,776,471</u>	<u>3.94</u>	Ascendas Real Estate		
Germany (0.55%)			74,000 Investment Trust	103,868	0.23
Diversified Financials			319,000 CapitaLand Ltd	541,241	1.20
8,679 GSW Immobilien AG	249,951	0.55	370,000 CapitaCommercial Trust	299,618	0.66
Hong Kong (11.99%)			259,900 CapitaMall Trust	340,747	0.76
Diversified Financials			290,699 Global Logistic Properties ..	393,458	0.88
95,000 Wharf Holdings	428,727	0.95		<u>1,678,932</u>	<u>3.73</u>
Real Estate			Sweden (0.46%)		
21,000 Cheung Kong Holdings	249,298	0.55	Real Estate		
China Overseas Land &			9,360 Castellum AB	116,466	0.26
262,900 Investment	438,020	0.97	8,900 Hufvudstaden AB	90,943	0.20
93,000 China Resources Land Ltd ..	148,961	0.33		<u>207,409</u>	<u>0.46</u>
40,000 Great Eagle Holdings	78,284	0.17	Switzerland (0.76%)		
			Real Estate		
			1,000 PSP Swiss Property	84,002	0.19
			3,400 Swiss Prime Site	256,518	0.57
				<u>340,520</u>	<u>0.76</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Opportunistic Listed Property

Schedule of Investments - continued

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
United Kingdom (4.53%)					
Real Estate					
62,710 British Land Co Plc	449,767	1.00	63,500 Host Hotels & Resorts	937,260	2.08
16,105 Derwent London Plc	388,697	0.86	19,700 Kimco Realty	319,731	0.71
46,780 Great Portland Estates Plc ...	234,824	0.52	19,300 Liberty Property Trust	595,984	1.32
82,730 Hammerson	462,597	1.03	16,858 Macerich	853,352	1.90
34,240 Land Securities Group	338,165	0.75	7,600 Pebblebrook Hotel Trust	145,616	0.32
24,700 Segro	79,920	0.18	6,800 Post Properties	297,296	0.66
48,493 ST Modwen Properties Plc ..	84,407	0.19	40,672 ProLogis	1,162,813	2.58
	<u>2,038,377</u>	<u>4.53</u>	7,350 Public Storage	988,281	2.19
United States (48.09%)			20,696 Simon Property Group Inc ...	2,668,542	5.93
Lodging			11,183 SL Green Realty	744,564	1.65
Starwood Hotels & Resorts			Tanger Factory Outlet		
8,200 Worldwide	393,518	0.87	7,700 Centers	225,456	0.50
Real Estate			7,300 Taubman Centers	452,819	1.01
AvalonBay Communities			29,700 UDR Inc	745,470	1.66
9,940 Inc	1,298,164	2.88	16,000 Ventas	882,080	1.96
12,100 Boston Properties	1,205,281	2.68	15,323 Vornado Realty Trust	<u>1,177,726</u>	<u>2.62</u>
11,100 BRE Properties Inc	559,884	1.24		<u>21,659,554</u>	<u>48.09</u>
34,060 Brookfield Properties	532,698	1.18	Total Common Stock	<u>43,650,151</u>	<u>96.92</u>
3,376 Camden Property Trust	209,920	0.47	Total Transferable		
34,084 DDR Corp	414,802	0.92	Securities	<u>43,650,151</u>	<u>96.92</u>
21,036 Equity Residential	1,199,683	2.66	Collective Investment Schemes (2.07%)		
4,340 Essex Property Trust	609,813	1.35	Ireland (2.07%)		
Federal Realty Investment			Russell Investment Company		
6,200 Trust	562,650	1.25	III plc		
47,193 General Growth Properties ..	708,839	1.57	The U.S. Dollar Cash Fund		
21,700 HCP Inc	899,031	2.00	93,407 II - Class A Shares	<u>934,081</u>	<u>2.07</u>
15,923 Health Care REIT Inc	868,281	1.93	Total Collective Investment		
			Schemes	<u>934,081</u>	<u>2.07</u>

Analysis of total assets

	Fair Value USD	Fund %
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	44,584,232	98.99
Collective investment schemes	384,072	0.86
Other assets	69,497	0.15
	<u>45,037,801</u>	<u>100.00</u>

The accompanying notes are an integral part of the financial statements.

OpenWorld plc
Global Opportunistic Listed Property

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

Portfolio Securities	Acquisition Cost USD	Portfolio Securities	Disposal Proceeds USD
Russell Investment Company III plc		Russell Investment Company III plc	
The U.S. Dollar Cash Fund II		The U.S. Dollar Cash Fund II	
Class A Shares	16,996,000	Class A Shares	(16,998,000)
Mitsui Fudosan	1,335,104	Digital Realty Trust Inc	(1,098,128)
Equity Residential	1,058,104	Stockland	(771,622)
UDR Inc	880,119	American Campus Communities Inc	(739,687)
Boston Properties	847,425	Camden Property Trust	(692,729)
Host Hotels & Resorts	840,199	Diamondrock Hospitality	(624,714)
HCP Inc	837,655	Global Logistic Properties	(604,893)
Ventas Inc	827,862	Alexandria Real Estate Equities Inc	(585,385)
Macerich	772,994	Mitsubishi Estate Co Ltd	(574,402)
Wharf Holdings Ltd	765,709	Equity Residential	(507,652)
GPT Group	630,041	Health Care REIT Inc	(506,157)
Sun Hung Kai Properties	616,336	Charter Hall Retail REIT	(502,939)
Simon Property Group Inc	591,088	Duke Realty Corp	(498,853)
Goodman Group	567,313	Kerry Properties Ltd	(498,155)
Liberty Property Trust	560,781	British Land Co Plc	(462,853)
China Overseas Land & Investment	551,983	Kungsleden	(379,480)
Mitsubishi Estate Co Ltd	545,004	Mapletree Commercial Trust	(378,352)
Federal Realty Investment Trust	519,754	Marriott International Inc	(367,031)
Land Securities Group	508,869	NTT Urban Development Corp	(361,504)
BRE Properties Inc	493,892	Klepierre	(360,906)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Money Manager

Quantum Advisors Inc.

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned -27.1 per cent on a gross-of-fee basis (-28.6 per cent on a net-of-fee basis), versus -31.3 per cent return for a comparable benchmark*.

Market Comment

In quarter three when equities suffered a brutal sell-off on the back of concerns over European debt and global economic growth, the Fund posted an impressive relative performance, albeit a negative absolute one.

Quarter four was yet another negative quarter for the Indian equity markets culminating into a very poor 2011. The weak Indian Rupee, which declined by around 12 per cent, most of it in the last four months of the year, certainly did not help. For the quarter, the crisis in Europe led to a retreat to the 'riskless' U.S. Dollar, which led to declines in the Indian equity and currency markets.

General Comment on Money Manager/Performance

The primary drivers for the Fund's outperformance in quarter three were the Fund's defensive bias with an underweight to the lower beta stocks, an average allocation of over 5 per cent to cash, and stock selection. Bajaj Auto, the Fund's largest holding, had a very strong third quarter. The second largest motorcycle manufacturer with a 32 per cent market share (and leader in the passenger three-wheeler with close to 80 per cent share) continues to impress on volume and profit growth. The company also pleasantly surprised the market by not only increasing their stake in the Austrian motorcycle company, KTM (from 24.5 per cent to 39.7 per cent), but also starting to manufacture a jointly-developed model (to be exported to the international markets) in India. Cement companies ACC and UltraTech also contributed strongly to performance at the back of better than expected volume growth. Cement prices were also kept in check during the typically poor monsoon season thanks to the recent consolidation in the industry. Conversely, stocks that contributed negatively included power company, Crompton Greaves (primarily due to their European exposure), engineering company, Voltas (conservative accounting by taking costs quicker) and Tata Steel (commodity stocks performed worse than declining underlying commodity/ raw material prices).

Stocks to perform well in quarter four included Bajaj Auto (good market share in the growing market for two and three-wheelers in India, strong balance sheet and good management) and Tata Global Beverages (the tea and fruit juices specialist's business is doing well globally and producing strong cash flows). Conversely, Voltas was one of the primary detractors due to their conservative accounting for a project in Qatar where they have booked costs quicker. Activity during quarter four included the purchase of NTPC (India's largest power generation company, which has aggressive capacity plans, cost advantage, strong financials and government support) and Cummins (the producer of diesel engines used for power back-up has plans to triple capacity). BPCL, Raymond, Dr Reddy's exited the portfolio on grounds of valuations, and 3i Infotech was sold as the management continues to postpone on debt restructuring. For the year as a whole, performance was driven by a moderate cash position (averaging around 8 per cent), an overweight to the discretionary sector and good stock selection (Bajaj Auto, Hindustan Unilever, cement companies, ACC and Ultratech, and not holding the big index constituents, Reliance Industries and ICICI Bank). Not surprisingly, engineering companies, Voltas and Crompton Greaves were among the detractors.

Outlook

The Money Manager observes that "though the U.S. and global economies are apparently seeing a strong recovery, any slippage into a downward path will not directly affect the Indian economy. But there will be pressure on share prices and the currency if capital moves back to the 'riskless' assets like the U.S. Dollar". Having said that, the recent declines in stock prices is offering them good long-term, investment opportunities. In that regard, they have reduced cash to little over 5 per cent, and the portfolio is currently trading at a very attractive upside of around 50 per cent.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: MSCI India Net

OpenWorld plc
India Focus Equity

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	6,221,639	27,715,586	26,597,654
Cash at bank (Note 4)	290,117	967,056	1,244,801
Debtors:			
Receivable for investments sold	-	27,525	-
Receivable on fund shares issued	-	14,417	543,649
Dividends receivable	-	96,842	-
Other receivables	31,887	38,995	46,025
	<u>6,543,643</u>	<u>28,860,421</u>	<u>28,432,129</u>
Liabilities			
Creditors – amounts falling due within one year:			
Payable for investments purchased	(9,662)	(69,107)	-
Management fees payable	(13,111)	(29,101)	(24,137)
Performance fees payable	(131,925)	(15,023)	(44,344)
Custodian and Trustee fees payable	(52)	(231)	(219)
Sub-custodian fees payable	(5,551)	(7,051)	(9,309)
Administration and transfer agency fees payable	(105)	(462)	(438)
Professional fees payable	(8,535)	(8,535)	(409)
Capital gains tax payable	-	-	(223,638)
Audit fees payable	(53,045)	(32,406)	(14,778)
Miscellaneous fees payable	(1,997)	(4,925)	(3,293)
	<u>(223,983)</u>	<u>(166,841)</u>	<u>(320,565)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	6,319,660	28,693,580	28,111,564
Adjustment from bid market prices to last traded market prices (Note 5)	5,666	13,246	27,263
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>6,325,326</u>	<u>28,706,826</u>	<u>28,138,827</u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	202,531	367,108	209,959
Net gain (loss) on investment activities	(4,989,474)	1,814,518	4,438,014
Total investment income (expense)	(4,786,943)	2,181,626	4,647,973
Expenses			
Management fees (Note 3)	(147,355)	(284,557)	(122,101)
Performance fees (Note 3)	(133,055)	(16,421)	(44,743)
Custodian and Trustee fees (Note 3)	(1,568)	(2,899)	(1,223)
Sub-custodian fees (Note 3)	(18,365)	(55,824)	(32,090)
Administration and transfer agency fees (Note 3)	(10,092)	(18,640)	(6,933)
Audit fees	(18,026)	(32,406)	(16,086)
Professional fees	(5,017)	(31,327)	(16,308)
Miscellaneous fees	(15,403)	(33,176)	(17,793)
Total operating expenses	(348,881)	(475,250)	(257,277)
Net income (expense)	(5,135,824)	1,706,376	4,390,696
Taxation			
Capital gains tax (Note 6)	-	(49,604)	(227,012)
Profit (loss) for the financial period/year/period after taxation	(5,135,824)	1,656,772	4,163,684
Movement in adjustment from bid market prices to last traded market prices (Note 5)	(7,580)	(16,160)	(2,143)
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(5,143,404)	1,640,612	4,161,541

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(5,143,404)	1,640,612	4,161,541
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	(17,238,096)	6,010,921	2,921,993
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(22,381,500)	7,651,533	7,083,534
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	28,706,826	21,055,293	21,055,293
End of period/year/period	<u>6,325,326</u>	<u>28,706,826</u>	<u>28,138,827</u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

Number of Shares	Fair Value USD	Fund %	Number of Shares	Fair Value USD	Fund %
Transferable Securities (92.87%)			Electrical Equipment		
Common Stock (92.87%)			Household Products		
India (92.87%)			Iron and Steel		
Automobiles			Leisure Equipment and Products		
12,552 Maruti Suzuki India	217,228	3.43	23,560 Hindustan Unilever	180,233	2.85
Banks			Lodging		
7,623 Axis Bank	115,698	1.83	28,959 Tata Steel	182,272	2.88
46,931 HDFC Bank	376,473	5.95	Media		
21,811 ING Vysya Bank	117,464	1.86	15,666 Bajaj Auto	468,166	7.40
7,673 State Bank of India	234,503	3.71	Machinery		
Beverages			235,375 Indian Hotels	240,007	3.79
137,779 Tata Tea	233,891	3.70	Oil and Gas		
Building Products			31,390 Cummins India	204,252	3.23
9,972 ACC	213,411	3.38	Transportation Equipment		
9,967 Ultratech Cement Ltd	217,189	3.43	16,620 Container of India	269,150	4.26
Communications Equipment			Total Common Stock		
25,974 Bharti Airtel	168,253	2.66	5,874,199 92.87		
Computers and Peripherals			Total Transferable		
7,157 Infosys Technologies	371,293	5.87	Securities		
Tata Consultancy			5,874,199 92.87		
17,363 Services	378,256	5.98	Collective Investment Schemes (5.49%)		
Construction and Engineering			Ireland (5.49%)		
131,551 Voltas Ltd	182,073	2.88	Russell Investment Company		
Diversified Financials			III plc		
Housing Development			The U.S. Dollar Cash Fund		
32,441 Finance	396,006	6.26	34,744 II - Class A Shares	347,440	5.49
51,640 Power Finance Corp	133,123	2.11	Total Collective Investment		
Electric Utilities			Schemes		
48,360 NTPC	145,749	2.30	347,440 5.49		
98,952 PTC India	72,670	1.15			
			Fair Value		
			USD		
			Fund		
			%		
Total Financial Assets at Fair Value through Profit or Loss (98.36%)			6,221,639		98.36
Other Net Assets (1.55%)			98,021		1.55
Adjustments from Bid Market Prices to Last Traded Market Prices (0.09%)			5,666		0.09
Net Assets (100.00%)			6,325,326		100.00
Analysis of total assets			% of		
Transferable securities admitted to an official stock exchange listing or traded on a regulated market			92.87		
Collective investment schemes			5.49		
Other assets			1.64		
			100.00		

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and total sales during the six months ended 31 December 2011

<u>Portfolio Securities</u>	<u>Acquisition Cost USD</u>	<u>Portfolio Securities</u>	<u>Disposal Proceeds USD</u>
Russell Investment Company III plc		Russell Investment Company III plc	
The U.S. Dollar Cash Fund II		The U.S. Dollar Cash Fund II	
Class C Shares	4,965,000	Class C Shares	(5,905,916)
Voltas Ltd	372,374	Bajaj Auto	(1,583,985)
State Bank of India	330,692	Housing Development Finance	(1,189,036)
Zee Entertainment Enterprise	272,279	Infosys Technologies	(1,174,344)
Maruti Suzuki India	244,049	Hindustan Unilever	(1,172,175)
Oil & Natural Gas	239,465	Tata Consultancy Services	(1,146,718)
Infosys Technologies	212,773	HDFC Bank	(1,125,716)
Cummins India	203,031	Zee Entertainment Enterprise	(964,402)
Tata Steel	199,383	Oil & Natural Gas	(841,421)
Container of India	159,442	Container of India	(814,501)
Power Finance Corp	153,098	Indian Hotels	(786,334)
Axis Bank	149,983	ACC Ltd	(769,279)
Indian Hotels	148,942	Ultratech Cement Ltd	(736,632)
Tata Global Beverages	148,925	Bharti Airtel	(675,483)
NTPC Ltd	146,215	Tata Global Beverages	(660,715)
Bajaj Auto	134,380	State Bank of India	(656,619)
Crompton Greaves	107,979	Maruti Suzuki India	(621,461)
Ultratech Cement Ltd	100,254	Tata Steel	(565,816)
Housing Development Finance	95,832	Voltas Ltd	(512,774)
HDFC Bank	90,986	ING Vysya Bank	(500,400)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Manager's Report

Investment Objective

Prior to the decision to terminate the Fund, it aimed to provide long-term capital appreciation from a portfolio comprised predominantly of equities and equity-related instruments.

Outlook

As the Fund ceased trading on 4 July 2011, there is no commentary of any significance to report.

Russell Investments Ireland Limited
January 2012

OpenWorld plc
Japan Focus Equity

Balance Sheet

As at 31 December 2011

	31 December 2011* (Unaudited) JPY	30 June 2011 (Audited) JPY	31 December 2010 (Unaudited) JPY
Assets			
Financial assets at fair value through profit or loss (Note 1)	-	44,591,000	1,629,481,600
Cash at bank (Note 4)	3,690,173	1,235,986,345	34,238,337
Cash held with brokers and counterparties for open financial derivative instruments (Note 4)	-	120,929,403	830,000
Debtors:			
Receivable for investments sold	-	183,209,949	-
Dividends receivable	-	2,022,750	7,156,350
Other receivables	2,920,286	3,681,613	4,325,450
	<u>6,610,459</u>	<u>1,590,421,060</u>	<u>1,676,031,737</u>
Liabilities			
Creditors – amounts falling due within one year:			
Management fees payable	(26,196)	(704,981)	(788,484)
Performance fees payable	-	-	(35,721)
Custodian and Trustee fees payable	-	(12,818)	(13,705)
Sub-custodian fees payable	-	(48,176)	(77,268)
Administration and transfer agency fees payable	-	(25,636)	(27,408)
Professional fees payable	(689,484)	(689,484)	-
Audit fees payable	(3,441,222)	(1,709,115)	(1,687,112)
Miscellaneous fees payable	(2,453,557)	(975,637)	(2,356,056)
	<u>(6,610,459)</u>	<u>(4,165,847)</u>	<u>(4,985,754)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	-	1,586,255,213	1,671,045,983
Adjustment from bid market prices to last traded market prices (Note 5)	-	-	1,502,250
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	-	1,586,255,213	1,672,548,233

* The Fund ceased trading on 4 July 2011.

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) JPY	Year ended 30 June 2011 (Audited) JPY	Six months ended 31 December 2010 (Unaudited) JPY
Income			
Dividends	-	38,443,150	20,978,200
Bank and Short term investment income	401	-	-
	<u>401</u>	<u>38,443,150</u>	<u>20,978,200</u>
Net gain (loss) on investment activities	26,349,398	(45,566,558)	49,140,471
Total investment income (expense)	<u>26,349,799</u>	<u>(7,123,408)</u>	<u>70,118,671</u>
Expenses			
Management fees (Note 3)	(95,388)	(8,892,687)	(4,479,467)
Custodian and Trustee fees (Note 3)	(1,734)	(173,609)	(81,267)
Sub-custodian fees (Note 3)	(67,749)	(566,971)	(374,999)
Administration and transfer agency fees (Note 3)	(3,469)	(665,625)	(279,732)
Audit fees	(1,630,053)	(1,709,115)	(284,101)
Professional fees	-	(2,335,059)	(1,290,124)
Miscellaneous fees	(2,923,904)	(1,307,091)	(2,624,984)
Total operating expenses	<u>(4,722,297)</u>	<u>(15,650,157)</u>	<u>(9,414,674)</u>
Net income (expense)	21,627,502	(22,773,565)	60,703,997
Finance costs			
Distributions (Note 14)	-	(13,095,789)	-
Interest expense	-	(126)	-
Profit (loss) for the financial period/year/period before taxation	21,627,502	(35,869,480)	60,703,997
Taxation			
Withholding tax (Note 6)	-	(2,691,021)	(1,468,474)
Profit (loss) for the financial period/year/period after taxation	21,627,502	(38,560,501)	59,235,523
Movement in adjustment from bid market prices to last traded market prices (Note 5)	-	(3,982,400)	(2,480,150)
Increase (decrease) in Net Assets attributable to redeemable participating shareholders resulting from operations	<u>21,627,502</u>	<u>(42,542,901)</u>	<u>56,755,373</u>

All amounts arose solely from terminating activities. There are no gains or losses other than those dealt within the Profit and Loss Account.

* The Fund ceased trading on 4 July 2011.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011* (Unaudited) JPY	Year ended 30 June 2011 (Audited) JPY	Six months ended 31 December 2010 (Unaudited) JPY
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	21,627,502	(42,542,901)	56,755,373
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	(1,607,882,715)	9,465	100,000
Reinvestment of deemed distributions on accumulation shares (Note 14)	-	13,095,789	-
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	(1,586,255,213)	(29,437,647)	56,855,373
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	<u>1,586,255,213</u>	<u>1,615,692,860</u>	<u>1,615,692,860</u>
End of period/year/period	<u><u>-</u></u>	<u><u>1,586,255,213</u></u>	<u><u>1,672,548,233</u></u>

* The Fund ceased trading on 4 July 2011.

The accompanying notes are an integral part of the financial statements.

Manager's Report

Money Manager

Logan Circle Partners, L.P.

Investment Objective

The Fund aims to provide long-term capital appreciation from a portfolio comprised predominantly of corporate debt securities (including corporate bonds) and other credit securities and instruments that are denominated in USD.

Fund Performance

During the six month period ended 31 December 2011, the Fund returned 4.6 per cent on a gross-of-fee basis (3.7 per cent on a net-of-fee basis), versus 4.8 per cent return for a comparable benchmark*.

Market Comment

Credit had a pretty weak third quarter underperforming similar duration Treasuries by a wide margin. Risk aversion intensified in early August as negative GDP revisions and the downgrade of the U.S. Government credit rating hit markets. The spread widening continued spurred on by persistent weak macroeconomic data and intensifying systemic risks from Europe's sovereign crises. With the outlook for global growth declining, high beta sectors of the market performed worst. Excess returns for basic materials, communications, and financials all lagged the wider corporate index. The market was disjointed not only on a quality basis but also on a maturity basis, as long corporate bonds underperformed Treasuries to a significant larger degree than did intermediate securities.

The fourth quarter was characterised by increased spread volatility, lack of liquidity, upside surprises from U.S. economic data and the ongoing eurozone debt crisis. Risky assets, by and large, rebounded at the back of a weak third quarter. Financial assets generally followed the pattern of a very strong October, followed by a weak November and a subdued yet somewhat positive close to the year.

General Comment on Money Manager/Performance

The overwhelming flight to quality led to broad based underperformance in high grade credit. Within financials, U.S. money centre banks who had been sheltered from the poor performance of the large European issuers fully participated in the third quarter sell-off. The Money Manager's overweight to Bank of America, Morgan Stanley and Goldman Sachs had a negative impact on returns. The life insurance sector underperformed similar duration Treasuries more than any other high grade subsector; the Money Manager's positions in AIG & Met Life also hurt relative returns. Amid the fears of global recession, growth sectors of the industrial market were also hit hard, overweight exposure to metals and mining (ArcelorMittal), retailers (Best Buy), and energy (Petrobras) underperformed the credit market. On the positive side, spreads held and provided positive carry in high quality non-cyclicals, including Philip Morris and Anheuser Busch Inbev. In addition, while much of the primary issuance brought during the quarter underperformed, participation in new issues of the highest quality that came with very significant concessions (AT&T and Intel) positively impacted performance.

Corporates outperformed similar maturity treasuries during the fourth quarter and the Fund outperformed its index comfortably. The Money Manager benefited from being underweight the non-corporate sector, while the majority of the excess return was driven by security selection. Several industrial sectors contributed positively to excess return with overweight exposure to basic materials (Rio Tinto & ArcelorMittal), energy (Anadarko, Shell) and tobacco (Altria) all outperforming the broader corporate index. The Fund also benefited from spread tightening in Home Depot and Georgia Pacific as strong earnings reports lead to ratings upgrades in both names. High quality names (including AT&T and Intel) also performed well as investors were looking for additional low-volatility yields. The financials exposure generally added to performance, as exposure to the insurance sector (MetLife, Zurich) and finance companies (I-Lease Finance and Discover) contributed to performance rebounding following a weak third quarter. Conversely the exposure to MF Global clearly detracted, as the company's disclosure of large Europe Sovereign debt allocations led to a loss of confidence ultimately resulting in its bankruptcy filing at the end of October. The healthcare/pharmaceuticals exposure also detracted, as primary issuance caused dramatic re-pricing of some of the secondary bonds (Humana, Amgen) in the portfolio. The Money Manager was active in the new issue market, as concessions increased and liquidity of secondaries continued to be challenged.

Some of the largest additions included Transocean, Hewlett Packard, Lowes, and International Paper all of which tightened more than the market from new issue.

Outlook

Industrials, basic materials, communications and energy remain focus sectors that the Money Manager favours from a relative value perspective. Identifying crossover opportunities may also continue to have a part to play in relative performance, as the spread differential between BBB and BB rated credits remains wide in a historical context. The Money Manager anticipates spreads to remain volatile in 2012, driven more by broader global developments and issuers financing needs than by fundamentals. Solid fundamentals and generous valuations, however, argue for tighter investment grade spreads in the longer term. The beginning of 2012 marks the second widest spreads to begin a year (second only to 2009) while the all-in yields are at the lowest (as measured by Barclays Credit Index). Despite steady investor demand for investment grade credit, the manager

Manager's Report - continued

expects liquidity to remain challenged until there is further clarity with respect to the “Volcker rule”.

Past performance is no indication of current or future performance. The reference to a benchmark is used for illustrative purposes only.

* Benchmark Source: Barclays Capital US Aggregate Credit Index

Russell Investments Ireland Limited
January 2012

Balance Sheet

As at 31 December 2011

	31 December 2011 (Unaudited) USD	30 June 2011 (Audited) USD	31 December 2010 (Unaudited) USD
Assets			
Financial assets at fair value through profit or loss (Note 1)	107,936,164	99,915,977	81,581,476
Cash at bank (Note 4)	335,086	120,748	2,410,765
Cash held with brokers and counterparties for open derivative contracts (Note 4)	-	-	8,000
Debtors:			
Receivable for investments sold	550,299	1,346,193	-
Interest receivable	1,293,131	1,233,365	1,073,694
Other receivables	32,491	39,688	46,901
	<u>110,147,171</u>	<u>102,655,971</u>	<u>85,120,836</u>
Liabilities			
Financial liabilities at fair value through profit or loss (Note 1) ..	(1,704,979)	(2,325,710)	(81,512)
Creditors – amounts falling due within one year:			
Cash due to brokers and counterparties for open derivative positions (Note 4)	-	(6,775)	-
Payable for investments purchased	(1,363,397)	(696,620)	(657,533)
Payable on fund shares redeemed	-	-	(717,811)
Management fees payable	(44,101)	(42,772)	(35,055)
Custodian and Trustee fees payable	(870)	(852)	(678)
Sub-custodian fees payable	(4,993)	(5,194)	(7,729)
Administration and transfer agency fees payable	(1,739)	(1,704)	(1,356)
Audit fees payable	(64,310)	(38,222)	(15,412)
Professional fees payable	(8,535)	(8,535)	(409)
Miscellaneous fees payable	(4,114)	(4,863)	(8,028)
	<u>(3,197,038)</u>	<u>(3,131,247)</u>	<u>(1,525,523)</u>
Net assets attributable to redeemable participating shareholders (at bid market prices)	106,950,133	99,524,724	83,595,313
Adjustment from bid market prices to last traded market prices (Note 5)	208,120	177,873	145,648
Net asset value attributable to redeemable participating shareholders (at last traded market prices)	<u>107,158,253</u>	<u>99,702,597</u>	<u>83,740,961</u>

The accompanying notes are an integral part of the financial statements.

Profit and Loss Account

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Income			
Dividends	1,541	-	-
Bond interest	2,575,574	3,634,772	1,912,338
Miscellaneous income	337	32,763	6,000
	<u>2,577,452</u>	<u>3,667,535</u>	<u>1,918,338</u>
Net gain (loss) on investment activities	(1,986,937)	9,526,121	4,397,537
Total investment income (expense)	<u>590,515</u>	<u>13,193,656</u>	<u>6,315,875</u>
Expenses			
Management fees (Note 3)	(262,906)	(435,207)	(196,224)
Custodian and Trustee fees (Note 3)	(7,619)	(10,802)	(3,897)
Sub-custodian fees (Note 3)	(14,893)	(36,188)	(20,528)
Administration and transfer agency fees (Note 3)	(25,058)	(37,202)	(13,966)
Audit fees	(23,248)	(38,222)	(17,598)
Professional fees	(18,721)	(61,298)	(31,899)
Miscellaneous fees	(28,824)	(60,227)	(18,685)
Total operating expenses	<u>(381,269)</u>	<u>(679,146)</u>	<u>(302,797)</u>
Net income (expense)	209,246	12,514,510	6,013,078
Finance costs			
Distributions (Note 14)	(2,049,047)	(2,819,283)	(1,174,233)
Interest expense	(29)	(66)	-
Profit (loss) for the financial period/year/period before taxation	<u>(1,839,830)</u>	<u>9,695,161</u>	<u>4,838,845</u>
Taxation			
Withholding tax (Note 6)	-	(10,035)	(3,685)
Profit (loss) for the financial period/year/period after taxation	<u>(1,839,830)</u>	<u>9,685,126</u>	<u>4,835,160</u>
Movement in adjustment from bid market prices to last traded market prices (Note 5)	<u>30,247</u>	<u>75,849</u>	<u>43,624</u>
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	<u>(1,809,583)</u>	<u>9,760,975</u>	<u>4,878,784</u>

All amounts arose solely from continuing operations. There are no gains or losses other than those dealt within the Profit and Loss Account.

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders

For the six months ended 31 December 2011

	Six months ended 31 December 2011 (Unaudited) USD	Year ended 30 June 2011 (Audited) USD	Six months ended 31 December 2010 (Unaudited) USD
Net increase (decrease) in net assets attributable to redeemable participating shareholders resulting from operations	(1,809,583)	9,760,975	4,878,784
Share transactions			
Net increase (decrease) in net assets resulting from redeemable participating share transactions (Note 5)	7,216,224	19,699,120	10,264,695
Reinvestment of deemed distributions on accumulation shares (Note 14)	<u>2,049,015</u>	<u>2,819,253</u>	<u>1,174,233</u>
Total net increase (decrease) in net assets attributable to redeemable participating shareholders	7,455,656	32,279,348	16,317,712
Net assets attributable to redeemable participating shareholders			
Beginning of period/year/period	<u>99,702,597</u>	<u>67,423,249</u>	<u>67,423,249</u>
End of period/year/period	<u><u>107,158,253</u></u>	<u><u>99,702,597</u></u>	<u><u>83,740,961</u></u>

The accompanying notes are an integral part of the financial statements.

Schedule of Investments

31 December 2011

	Principal Amount		Fair Value USD	Fund %		Principal Amount		Fair Value USD	Fund %	
		Transferable Securities (96.93%)					Finland (0.78%)			
		Long Term Bonds and Notes (96.93%)					Nokia			
		Australia (1.48%)				355,000	5.375% due 15/05/19	358,239	0.34	
		BHP Billiton Finance				495,000	6.625% due 15/05/39	474,551	0.44	
		USA						<u>832,790</u>	<u>0.78</u>	
USD	260,000	1.125% due 21/11/14	260,610	0.25						
	405,000	3.250% due 21/11/21	416,988	0.39			France (0.26%)			
		Rio Tinto Finance USA					Total Capital			
	495,000	2.250% due 20/09/16	504,157	0.47	250,000	4.450% due 24/06/20	278,464	0.26		
	380,000	3.750% due 20/09/21	398,188	0.37						
			<u>1,579,943</u>	<u>1.48</u>						
		Belgium (0.51%)					Ireland (0.70%)			
		Delhaize Group					Smurfit Kappa Treasury			
	465,000	6.500% due 15/06/17	546,525	0.51			Funding			
		Bermuda (1.37%)				110,000	7.500% due 20/11/25	103,950	0.10	
		Ingersoll-Rand Global					Willis Group Holdings			
	575,000	9.500% due 15/04/14	668,363	0.62	275,000	4.125% due 15/03/16	279,300	0.26		
		Montpelier Re Holdings					XL Group			
	520,000	6.125% due 15/08/13	529,887	0.50	350,000	5.250% due 15/09/14	370,130	0.34		
		White Mountains Re					<u>753,380</u>	<u>0.70</u>		
	295,000	7.506% due 31/12/49	268,757	0.25			Jersey, Channel Islands (0.27%)			
			<u>1,467,007</u>	<u>1.37</u>			United Business Media			
		Brazil (0.16%)				290,000	5.750% due 03/11/20	292,510	0.27	
		OGX Petroleo e Gas					Korea, Republic of (0.21%)			
	175,000	8.500% due 01/06/18	171,500	0.16			Korea National Oil			
		Canada (1.15%)				220,000	4.000% due 27/10/16	225,926	0.21	
		Cenovus Energy					Luxembourg (2.64%)			
	300,000	4.500% due 15/09/14	323,185	0.30			ArcelorMittal			
		Kinross Gold				430,000	3.750% due 01/03/16	408,194	0.38	
	75,000	6.875% due 01/09/41	76,534	0.07	915,000	5.250% due 05/08/20	830,877	0.78		
		Nexen				220,000	5.500% due 01/03/21	201,940	0.19	
	210,000	7.500% due 30/07/39	251,746	0.24		Eastern and Southern				
		Toronto-Dominion Bank					African Trade and			
	565,000	2.375% due 19/10/16	574,938	0.54	200,000	6.875% due 09/01/16	182,000	0.17		
			<u>1,226,403</u>	<u>1.15</u>		Development Bank				
		Cayman Islands (2.25%)				105,000	7.721% due 04/06/38	89,549	0.08	
		IPIC GMTN					Telecom Italia Capital			
	300,000	5.500% due 01/03/22	300,000	0.28		Tyco Electronics Group				
	260,000	6.875% due 01/11/41	264,875	0.24	275,000	6.000% due 01/10/12	284,649	0.27		
		Transocean				260,000	6.550% due 01/10/17	300,352	0.28	
	270,000	5.050% due 15/12/16	275,690	0.26		Tyco International				
	630,000	6.000% due 15/03/18	643,873	0.60		Finance				
	515,000	6.375% due 15/12/21	547,385	0.51	410,000	8.500% due 15/01/19	528,112	0.49		
	380,000	6.800% due 15/03/38	383,016	0.36		<u>2,825,673</u>	<u>2.64</u>			
			<u>2,414,839</u>	<u>2.25</u>			Mexico (0.81%)			
		USA					America Movil SAB de CV			
		BHP Billiton Finance				335,000	5.000% due 16/10/19	370,813	0.35	
		Rio Tinto Finance USA					Kansas City Southern de			
		White Mountains Re					Mexico de CV			
		Group				75,000	6.625% due 15/12/20	79,500	0.07	

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value USD	Fund %	Principal Amount		Fair Value USD	Fund %
	Petroleos Mexicanos				United States (80.60%)		
135,000	6.500% due 02/06/41	151,875	0.14		Abbott Laboratories		
	Telefonos de Mexico SAB de CV			345,000	5.125% due 01/04/19	400,593	0.37
200,000	5.500% due 27/01/15	216,124	0.20		Alta Wind Holdings LLC		
45,000	5.500% due 15/11/19	49,760	0.05	188,906	7.000% due 30/06/35	207,665	0.19
		<u>868,072</u>	<u>0.81</u>		Altria Group		
	Netherlands (1.30%)			435,000	9.700% due 10/11/18	585,255	0.55
	Cooperatieve Centrale Raiffeisen-Boerenleenbank BA			325,000	10.200% due 06/02/39	505,739	0.47
345,000	11.000% due 29/12/49	403,650	0.38	1,315,000	2.750% due 15/09/15	1,321,975	1.23
	Deutsche Telekom International Finance				American International Group		
285,000	4.875% due 08/07/14	303,439	0.28	730,000	4.875% due 15/09/16	690,806	0.64
	Enel Finance International			510,000	7.518% due 01/06/66	513,825	0.48
290,000	6.000% due 07/10/39	233,405	0.22		AmerisourceBergen		
	LyondellBasell Industries			395,000	5.875% due 15/09/15	450,214	0.42
265,000	6.000% due 15/11/21	274,938	0.25	70,000	3.500% due 15/11/21	71,884	0.07
	Shell International Finance				Amgen		
155,000	4.375% due 25/03/20	180,957	0.17	405,000	3.875% due 15/11/21	408,692	0.38
		<u>1,396,389</u>	<u>1.30</u>	450,000	5.650% due 15/06/42	489,220	0.46
	Norway (0.56%)				Anadarko Petroleum		
	Eksportfinans ASA			435,000	6.375% due 15/09/17	504,223	0.47
290,000	2.375% due 25/05/16	234,881	0.22	480,000	6.450% due 15/09/36	547,248	0.51
	Statoil ASA				Anheuser-Busch InBev Worldwide		
90,000	1.800% due 23/11/16	91,190	0.08	1,165,000	5.500% due 15/01/18	1,343,794	1.25
270,000	3.150% due 23/01/22	277,682	0.26		Applied Materials		
		<u>603,753</u>	<u>0.56</u>	255,000	4.300% due 15/06/21	270,800	0.25
	Qatar (0.32%)				Aristotle Holding		
	Qatar Government International Bond			680,000	4.750% due 15/11/21	703,644	0.66
330,000	4.500% due 20/01/22	339,900	0.32		AT&T Inc		
	Spain (0.76%)			265,000	2.950% due 15/05/16	276,166	0.26
	Telefonica Emisiones SAU			720,000	5.550% due 15/08/41	847,740	0.79
365,000	2.582% due 26/04/13	356,166	0.33	1,185,000	8.000% due 15/11/31	1,673,882	1.56
480,000	5.462% due 16/02/21	458,048	0.43		Bank of America		
		<u>814,214</u>	<u>0.76</u>	1,090,000	4.750% due 01/08/15	1,051,501	0.98
	Sweden (0.09%)			140,000	6.100% due 15/06/17	131,727	0.12
	Volvo Treasury				Bank of New York Mellon		
85,000	5.950% due 01/04/15	90,284	0.09	400,000	3.550% due 23/09/21	405,775	0.38
	United Kingdom (0.71%)				Bank One Capital III		
	Virgin Media Secured Finance			265,000	8.750% due 01/09/30	351,023	0.33
500,000	6.500% due 15/01/18	531,250	0.49		BB&T		
	WPP Finance UK			145,000	4.900% due 30/06/17	154,327	0.14
210,000	8.000% due 15/09/14	233,921	0.22		BB&T Capital Trust I		
		<u>765,171</u>	<u>0.71</u>	200,000	5.850% due 18/08/35	199,629	0.19
					Bear Stearns LLC		
				1,775,000	5.550% due 22/01/17	1,876,526	1.75
					Bemis		
				165,000	5.650% due 01/08/14	178,559	0.17

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value USD	Fund %		Principal Amount		Fair Value USD	Fund %	
	Berkshire Hathaway					DCP Midstream Operating			
130,000	3.750% due 15/08/21	135,076	0.13		95,000	3.250% due 01/10/15	95,872	0.09	
	Best Buy					Delta Air Lines 2002-1 Class G-2 Pass Through Trust			
535,000	6.750% due 15/07/13	567,259	0.53		295,000	6.417% due 02/07/12	298,688	0.28	
	Black & Decker					DirecTV Holdings LLC / DirecTV Financing			
510,000	8.950% due 15/04/14	588,978	0.55		555,000	3.550% due 15/03/15	577,683	0.54	
	Boston Scientific					Discover Financial Services			
440,000	4.500% due 15/01/15	461,742	0.43		640,000	10.250% due 15/07/19	780,133	0.73	
	Braskem America Finance					Dow Chemical			
450,000	7.125% due 22/07/41	432,563	0.40		445,000	7.600% due 15/05/14	503,214	0.47	
	Burlington Northern Santa Fe LLC					Duke Energy Carolinas LLC			
145,000	5.650% due 01/05/17	167,338	0.16		305,000	4.300% due 15/06/20	343,525	0.32	
	Carolina Power & Light					E*Trade Financial			
420,000	3.000% due 15/09/21	431,654	0.40		200,000	12.500% due 30/11/17	226,000	0.21	
500,000	6.300% due 01/04/38	679,346	0.63			Ecolab			
	Case New Holland					395,000	4.350% due 08/12/21	421,816	0.39
55,000	7.875% due 01/12/17	62,150	0.06		410,000	5.500% due 08/12/41	454,338	0.42	
	Caterpillar					Enterprise Products Operating LLC			
300,000	5.200% due 27/05/41	359,338	0.34		620,000	3.200% due 01/02/16	641,874	0.60	
	Cellco Partnership / Verizon Wireless Capital LLC					600,000	5.250% due 31/01/20	662,476	0.62
430,000	8.500% due 15/11/18	580,371	0.54		285,000	5.950% due 01/02/41	319,443	0.30	
	CF Industries					145,000	7.034% due 15/01/68	150,800	0.14
645,000	6.875% due 01/05/18	738,525	0.69			Express Scripts			
	Cigna					675,000	6.250% due 15/06/14	735,707	0.69
385,000	5.375% due 15/02/42	382,787	0.36			First Union Capital II			
	Cintas No 2					200,000	7.950% due 15/11/29	211,514	0.20
320,000	2.850% due 01/06/16	328,174	0.31			Ford Motor Credit LLC			
	Citigroup					305,000	7.500% due 01/08/12	314,796	0.29
1,915,000	4.587% due 15/12/15	1,927,250	1.80		165,000	3.875% due 15/01/15	164,384	0.15	
	Comcast					FPL Group Capital			
275,000	5.700% due 15/05/18	316,459	0.30		325,000	5.350% due 15/06/13	342,839	0.32	
	Commonwealth Edison					Freeport-McMoRan Copper & Gold			
595,000	5.800% due 15/03/18	702,447	0.66		225,000	8.375% due 01/04/17	239,063	0.22	
	Continental Airlines					General Electric			
190,000	6.563% due 15/02/12	190,475	0.18		370,000	5.250% due 06/12/17	424,672	0.40	
	Continental Airlines 2006-1 Class G Pass Through Trust					General Electric Capital			
161,272	0.879% due 02/06/13	151,595	0.14		145,000	0.806% due 15/09/14	139,102	0.13	
	Corp Andina de Fomento					270,000	5.625% due 15/09/17	298,829	0.28
150,000	8.125% due 04/06/19	184,245	0.17		1,100,000	4.650% due 17/10/21	1,148,034	1.07	
	Crown Castle Towers LLC					870,000	5.875% due 14/01/38	921,841	0.86
155,000	3.214% due 15/08/15	156,732	0.15			Genworth Financial			
	CSX					800,000	6.150% due 15/11/66	432,000	0.40
210,000	5.500% due 01/08/13	223,021	0.21			Georgia-Pacific LLC			
	CVS Caremark					355,000	8.875% due 15/05/31	487,970	0.46
440,000	3.250% due 18/05/15	463,914	0.43			Gilead Sciences			
425,000	5.750% due 15/05/41	506,061	0.47		145,000	3.050% due 01/12/16	148,405	0.14	
	CVS Pass-Through Trust					755,000	4.400% due 01/12/21	799,312	0.75
444,689	6.036% due 10/12/28	462,783	0.43						

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value USD	Fund %	Principal Amount		Fair Value USD	Fund %
555,000	5.650% due 01/12/41	614,475	0.57		Lowe's		
	Goldman Sachs Group			170,000	3.800% due 15/11/21	178,486	0.17
495,000	5.625% due 15/01/17	485,393	0.45	505,000	5.125% due 15/11/41	559,540	0.52
995,000	6.000% due 15/06/20	1,019,240	0.95		Mattel		
685,000	6.750% due 01/10/37	637,401	0.59	385,000	2.500% due 01/11/16	387,474	0.36
	Goodrich			475,000	4.350% due 01/10/20	508,003	0.47
160,000	6.290% due 01/07/16	188,683	0.18		MBNA Capital		
	Great Plains Energy			135,000	8.278% due 01/12/26	125,213	0.12
810,000	4.850% due 01/06/21	849,066	0.79		Medco Health Solutions		
	HCA			135,000	6.125% due 15/03/13	142,459	0.13
245,000	7.875% due 15/02/20	264,600	0.25	385,000	7.250% due 15/08/13	415,962	0.39
	Health Care REIT				Merrill Lynch & Co Inc		
475,000	6.500% due 15/03/41	475,931	0.44	825,000	6.400% due 28/08/17	798,851	0.75
	Hewlett-Packard				MetLife		
1,185,000	2.650% due 01/06/16	1,175,813	1.10	350,000	6.750% due 01/06/16	403,213	0.38
785,000	4.650% due 09/12/21	828,238	0.77	555,000	10.750% due 01/08/39	732,600	0.68
	Home Depot				MGM Resorts International		
425,000	5.875% due 16/12/36	533,325	0.50	135,000	13.000% due 15/11/13	160,313	0.15
	HSBC Finance				Morgan Stanley		
525,000	6.676% due 15/01/21	543,058	0.51	435,000	6.000% due 13/05/14	439,226	0.41
	Humana			2,035,000	6.625% due 01/04/18	2,009,447	1.88
440,000	8.150% due 15/06/38	570,720	0.53	340,000	5.500% due 28/07/21	314,376	0.29
	ICI Wilmington				Mosaic		
105,000	5.625% due 01/12/13	111,174	0.10	365,000	4.875% due 15/11/41	377,308	0.35
	IDEX				Motorola		
220,000	4.500% due 15/12/20	228,654	0.21	280,000	5.375% due 15/11/12	289,270	0.27
	Intel			475,000	6.000% due 15/11/17	532,411	0.50
170,000	1.950% due 01/10/16	174,763	0.16	230,000	7.500% due 15/05/25	271,354	0.25
255,000	3.300% due 01/10/21	268,624	0.25		Municipal Electric Authority of Georgia		
	International Lease Finance			705,000	6.637% due 01/04/57	732,805	0.68
280,000	6.500% due 01/09/14	286,300	0.27	280,000	7.055% due 01/04/57	284,547	0.27
	International Paper				Nalco		
550,000	6.000% due 15/11/41	597,087	0.56	495,000	8.250% due 15/05/17	561,825	0.52
	Jabil Circuit				National Rural Utilities Cooperative Finance		
115,000	7.750% due 15/07/16	128,225	0.12	390,000	1.900% due 01/11/15	392,325	0.37
	JC Penney				Nationwide Mutual Insurance		
275,000	6.375% due 15/10/36	229,969	0.21	355,000	9.375% due 15/08/39	429,001	0.40
	John Deere Capital				NB Capital Trust IV		
365,000	2.800% due 18/09/17	382,920	0.36	230,000	8.250% due 15/04/27	211,600	0.20
	JPMorgan Chase & Co				NBCUniversal Media LLC		
620,000	4.625% due 10/05/21	641,482	0.60	620,000	3.650% due 30/04/15	654,391	0.61
	Kinder Morgan Energy Partners				New Jersey State Turnpike Authority		
385,000	5.125% due 15/11/14	416,504	0.39	480,000	7.102% due 01/01/41	657,149	0.61
	Kraft Foods				News America		
500,000	4.125% due 09/02/16	542,864	0.51	695,000	6.150% due 15/02/41	801,051	0.75
500,000	5.375% due 10/02/20	576,926	0.54		NII Capital		
	Lorillard Tobacco			390,000	7.625% due 01/04/21	387,075	0.36
775,000	6.875% due 01/05/20	866,014	0.81				
175,000	8.125% due 01/05/40	201,396	0.19				

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Principal Amount		Fair Value USD	Fund %		Principal Amount		Fair Value USD	Fund %
380,000	O'Reilly Automotive 4.625% due 15/09/21	398,437	0.37		485,000	Ventas Realty / Ventas Capital 4.750% due 01/06/21	468,096	0.44
145,000	ONEOK Partners 3.250% due 01/02/16	149,255	0.14			Verizon Communications		
595,000	Petrohawk Energy 7.250% due 15/08/18	669,375	0.62		650,000	3.000% due 01/04/16	680,674	0.64
880,000	Philip Morris International 5.650% due 16/05/18	1,040,884	0.97		460,000	8.950% due 01/03/39	736,671	0.69
240,000	PNC Funding 3.625% due 08/02/15	252,101	0.24		140,000	VF Corp 3.500% due 01/09/21	145,432	0.14
110,000	PSEG Power LLC 5.500% due 01/12/15	122,264	0.11			Virginia Electric and Power		
255,000	Reed Elsevier Capital 7.750% due 15/01/14	284,509	0.27		390,000	5.400% due 15/01/16	449,469	0.42
495,000	Rockies Express Pipeline LLC 6.850% due 15/07/18	511,434	0.48		340,000	5.000% due 30/06/19	392,128	0.37
475,000	Sempra Energy 2.000% due 15/03/14	481,018	0.45			Wachovia Capital Trust III		
260,000	Simon Property Group 10.350% due 01/04/19	356,902	0.33		540,000	5.570% due 31/12/49	452,250	0.42
290,000	South Carolina Electric & Gas 5.450% due 01/02/41	346,997	0.32			Waste Management		
190,000	Southern Copper 6.375% due 27/07/15	206,699	0.19		465,000	6.100% due 15/03/18	549,606	0.51
405,000	Southern Natural Gas / Southern Natural Issuing 4.400% due 15/06/21	416,648	0.39		210,000	7.375% due 15/05/29	267,017	0.25
265,000	Staples 9.750% due 15/01/14	303,020	0.28			Watson Pharmaceuticals		
505,000	TD Ameritrade Holding 4.150% due 01/12/14	533,729	0.50		590,000	5.000% due 15/08/14	633,097	0.59
320,000	Textron 6.200% due 15/03/15	343,514	0.32			Wells Fargo & Co		
450,000	Time Warner 7.625% due 15/04/31	580,896	0.54		655,000	2.625% due 15/12/16	654,600	0.61
1,405,000	Time Warner Cable 5.850% due 01/05/17	1,600,053	1.49			Williams Partners		
145,000	Timken 6.000% due 15/09/14	156,919	0.15		745,000	7.250% due 01/02/17	883,822	0.82
605,000	Travelers 5.900% due 02/06/19	719,776	0.67			Willis North America		
1,010,000	U.S. Treasury Bonds 0.875% due 31/12/16	1,011,815	0.94		210,000	5.625% due 15/07/15	222,990	0.21
200,000	2.000% due 15/11/21*	202,281	0.19			Yum! Brands		
315,000	UnitedHealth Group 6.625% due 15/11/37	404,406	0.38		615,000	4.250% due 15/09/15	657,527	0.61
385,000	US Bancorp 2.200% due 15/11/16	388,699	0.36			ZFS Finance USA Trust II		
					500,000	6.450% due 15/12/65	455,000	0.42
							86,373,175	80.60
						Total Long Term Bonds and Notes	103,865,918	96.93
						Total Transferable Securities	103,865,918	96.93
					Number of Shares			
						Collective Investment Schemes (3.68%)		
						Ireland (3.68%)		
						Russell Investment Company III plc		
						The U.S. Dollar Cash Fund		
					394,233	II - Class C Shares	3,942,332	3.68
						Total Collective Investment Schemes	3,942,332	3.68
						Total Investments excluding Financial Derivative Instruments	107,808,250	100.61

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

Financial Derivative Instruments ((1.48)%)

Open Futures Contracts (0.02%)

Notional Amount USD	Average Cost Price USD		Unrealised Gain (Loss) USD	Fund %
(655,555)	(131.11)	5 of 10 Year U.S. Treasury Note Futures Short Futures Contracts Expiring March 2012	(7,031)	(0.01)
(144,795)	(144.80)	1 of 30 Year U.S. Treasury Bond Futures Short Futures Contracts Expiring March 2012	(1,734)	0.00
1,761,695	160.15	11 of Ultra Long U.S. Treasury Bond Futures Long Futures Contracts Expiring March 2012	36,781	0.03
Unrealised gain on open futures contracts			36,781	0.03
Unrealised loss on open futures contracts			(8,765)	(0.01)
Net unrealised gain (loss) on open futures contracts			28,016	0.02

Open Forward Foreign Currency Exchange Contracts (1.50%)

Settlement Date		Amount Bought		Amount Sold	Unrealised Gain (Loss) USD	Fund %
10/01/2012	EUR	1,990,134	USD	2,680,083	(96,497)	(0.09)
10/01/2012	EUR	1,989,986	USD	2,680,083	(96,689)	(0.09)
10/01/2012	EUR	1,990,073	USD	2,680,083	(96,576)	(0.09)
10/01/2012	EUR	1,990,156	USD	2,680,083	(96,468)	(0.09)
10/01/2012	EUR	1,989,978	USD	2,680,083	(96,699)	(0.09)
10/01/2012	EUR	1,990,436	USD	2,680,082	(96,104)	(0.09)
10/01/2012	EUR	112,266	USD	151,000	(5,257)	0.00
10/01/2012	EUR	716,883	USD	959,100	(28,444)	(0.02)
10/01/2012	GBP	9,807,754	USD	15,420,731	(179,298)	(0.17)
10/01/2012	GBP	9,807,816	USD	15,420,731	(179,201)	(0.17)
10/01/2012	GBP	9,807,448	USD	15,420,731	(179,773)	(0.17)
10/01/2012	GBP	9,807,941	USD	15,420,731	(179,007)	(0.17)
10/01/2012	GBP	9,807,318	USD	15,420,732	(179,977)	(0.17)
10/01/2012	GBP	436,274	USD	685,000	(7,023)	(0.01)
10/01/2012	GBP	9,807,816	USD	15,420,731	(179,201)	(0.17)
10/01/2012	USD	4,713,000	GBP	2,997,653	54,591	0.05
10/01/2012	USD	1,015,000	EUR	753,705	36,542	0.04
Unrealised gain on open forward foreign currency exchange contracts					91,133	0.09
Unrealised loss on open forward foreign currency exchange contracts					(1,696,214)	(1.59)
Net unrealised gain (loss) on open forward foreign currency exchange contracts ...					(1,605,081)	(1.50)
Total Financial Derivative Instruments					(1,557,066)	(1.48)

The accompanying notes are an integral part of the financial statements.

Schedule of Investments - continued

31 December 2011

	Fair Value USD	Fund %
Total Financial Assets at Fair Value through Profit or Loss (100.73%)	107,936,164	100.73
Total Financial Liabilities at Fair Value through Profit or Loss ((1.60%))	(1,704,979)	(1.60)
Net Financial Assets at Fair Value through Profit or Loss (99.13%)	106,231,185	99.13
Other Net Assets (0.68%)	718,948	0.68
Adjustments from Bid Market Prices to Last Traded Market Prices (0.19%)	208,120	0.19
Net Assets (100.00%)	<u>107,158,253</u>	<u>100.00</u>

	% of total assets
Analysis of total assets	
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	88.84
Transferable securities other than those admitted to an official stock exchange listing or traded on a regulated market	5.49
Collective investment schemes	3.58
Over the counter financial derivative instruments	0.08
Exchange trades financial derivative instruments	0.03
Other assets	1.98
	<u>100.00</u>

* Partly held as collateral by the broker in connection with the margin requirements for futures contracts held by the Fund.

The broker for the open futures contracts is HSBC.

The counterparties for the open forward foreign currency exchange contracts are:

Brown Brothers Harriman	Royal Bank of Canada
Citibank	State Street Bank
HSBC Bank	Westpac Banking Corporation
JP Morgan Chase Bank	

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Composition of Portfolio

Listed below are the 20 largest cumulative investment purchases and largest sales during the six months ended 31 December 2011

<u>Portfolio Securities</u>	<u>Acquisition Cost USD</u>	<u>Portfolio Securities</u>	<u>Disposal Proceeds USD</u>
Russell Investment Company III plc		Russell Investment Company III plc	
The U.S. Dollar Cash Fund II		The U.S. Dollar Cash Fund II	
Class C Shares	42,657,000	Class C Shares	(40,119,965)
U.S. Treasury Notes		U.S. Treasury Notes	
2.125% due 15/08/2021	24,337,378	2.125% due 15/08/2021	(24,353,123)
1.000% due 31/08/2016	8,701,398	3.125% due 15/05/2021	(9,102,649)
3.125% due 15/05/2021	8,696,083	1.000% due 31/08/2016	(8,688,005)
1.000% due 30/09/2016	7,238,948	1.000% due 15/05/2016	(7,237,429)
U.S. Treasury Bond		U.S. Treasury Bond	
4.375% due 15/05/2041	5,913,040	4.375% due 15/05/2041	(6,044,576)
U.S. Treasury Notes		U.S. Treasury Notes	
2.000% due 15/11/2021	5,375,375	2.000% due 15/11/2021	(5,165,826)
1.000% due 31/10/2016	4,792,241	1.000% due 31/10/2016	(4,807,755)
1.500% due 31/07/2016	4,540,021	1.500% due 31/07/2016	(4,559,387)
0.875% due 30/11/2016	4,412,767	0.875% due 30/11/2016	(4,410,205)
1.500% due 30/06/2016	3,539,141	1.500% due 30/06/2016	(3,559,853)
U.S. Treasury Bond		U.S. Treasury Bond	
3.750% due 15/08/2041	3,011,507	3.750% due 15/08/2041	(3,016,536)
Bank of America Corp		Citigroup Inc	
3.750% due 12/07/2016	2,208,099	3.953% due 15/06/2016	(2,669,343)
Goldman Sachs Group Inc		Bank of America Corp	
5.250% due 27/07/2021	2,094,674	5.000% due 13/05/2021	(2,522,815)
Citigroup Inc		U.S. Treasury Bond	
4.587% due 15/12/2015	1,993,372	4.750% due 15/02/2041	(2,352,229)
General Electric Capital Corp		Bank of America Corp	
4.650% due 17/10/2021	1,751,266	3.750% due 12/07/2016	(2,131,813)
U.S. Treasury Bond		Goldman Sachs Group Inc	
4.750% due 15/02/2041	1,703,340	5.250% due 27/07/2021	(2,085,982)
Time Warner Cable Inc		General Electric Capital Corp	
5.850% due 01/05/2017	1,585,543	5.300% due 11/02/2021	(2,020,021)
Goldman Sachs Group Inc		Wells Fargo & Company	
6.000% due 15/06/2020	1,508,299	4.600% due 01/04/2021	(1,901,666)
Citigroup Inc		Citigroup Inc	
5.500% due 15/10/2014	1,235,066	5.500% due 15/10/2014	(1,254,762)

A copy of the list of changes in the portfolio during the reference period may be obtained free of charge from the Company's Administrator or from the paying agent or paying and information agents in each country of distribution.

Notes to the Financial Statements

31 December 2011

1. Accounting Policies

The accounting policies applied during the period under review are consistent with those disclosed in the Company's annual audited financial statements as at and for the year ended 30 June 2011.

Basis of Accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

These condensed unaudited interim financial statements have been prepared in accordance with the Accounting Standards Board (the "ASB") Statement: Half Yearly Financial Reports. The condensed unaudited interim financial statements should be read in conjunction with the annual audited financial statements for the year ended 30 June 2011, which have been prepared in accordance with accounting standards generally accepted in Ireland and in accordance with Irish statute comprising the Companies Acts, 1963 to 2009. Accounting standards generally accepted in Ireland for preparing financial statements are those published by the Institute of Chartered Accountants in Ireland and issued by the ASB.

These financial statements have been prepared using the same measurement basis and have adopted the same accounting principles and practices as those used in the most recent annual financial statements for the year ended 30 June 2011.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares unless otherwise stated.

2. Basis of Preparation

The Company has availed of the exemption available to open-ended investment funds under FRS 1 (revised) not to prepare a cash flow statement.

The information required by Financial Reporting Standard No 3 "Reporting Financial Performance" to be included in a Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders' Funds is, in the opinion of the Directors, contained in the Profit and Loss Account and the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders. In arriving at the results for the financial period under review, all amounts in the Profit and Loss Account relate to continuing operations.

The financial statements of the individual Funds are prepared in the functional currency of the respective Fund.

The combined financial statements of the Company are measured using Euro. The Company has also adopted Euro as the presentation currency. The accounts of the individual Funds are accumulated into Euro using exchange rates as at the respective Balance Sheet dates for preparation of the Combined Balance Sheet. For the purpose of producing the Combined Profit and Loss Account and the Combined Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders, the average exchange rates for the respective periods under review are used. The currency gain or loss on retranslation of opening net assets, and the average rate difference arising on the translation of the Combined Profit and Loss Account and the Combined Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders, is included in the Combined Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders. This translation adjustment does not impact the net asset value per share of any of the individual Funds.

Estimates and judgements

The estimates and judgements applied in preparing these condensed unaudited interim financial statements are consistent with those applied and disclosed in the Company's annual audited financial statements as at and for the year ended 30 June 2011.

3. Significant Agreements and Transactions with Related Parties

Manager

Russell Investments Ireland Limited, a wholly owned subsidiary of Frank Russell Company, which in turn is a 95 per cent owned subsidiary of The Northwestern Mutual Life Insurance Company, is the Manager of the Company. The Manager is engaged in the business of providing investment management and administrative services to collective investment schemes. The Manager has: (a) appointed the Advisor to advise it on the Funds' investments; (b) delegated the administration of the Company to the Administrator; and (c) appointed the Advisor to market and promote the shares of the Funds.

For services rendered under the management agreement, the Company pays the Manager a fee, accrued daily and paid monthly in arrears, at the following annual rates based on the respective average daily net asset values of each class of shares.

Notes to the Financial Statements - continued

31 December 2011

Dynamic Assets*		Euro Credit		Europe Focus Equity		Global Climate Change**	
Class B EURO	2.00%	Class B EURO	1.40%	Class B EURO	1.85%	Class A STG£	1.70%
Class C EURO	2.70%	Class B Euro Income	1.40%	Class B STG£	1.85%	Class B US\$	2.00%
Class I AUD H	1.05%	Class B STG£ Income	1.40%	Class C EURO	2.60%	Class C EURO	2.90%
Class I EURO	1.00%	Class C EURO	1.80%	Class I EURO	0.65%	Class I STG£	0.90%
Class I STG£	1.05%	Class I EURO	0.60%	Class I STG£	0.65%	Class I US\$	0.90%
Class I US\$	1.05%	Class P EURO-NV	0.45%	Class P EURO	0.50%	Class P US\$-NV	0.75%
		Class P STG£ H	0.50%	Class P US\$ Income	0.50%		
Global Dynamic Bond***		Global Focus Equity		Global High Dividend Equity		Global Listed Infrastructure	
Class B EURO Income	1.40%	Class P JPY	0.55%	Class B EURO Income	1.90%	Class A STG£	1.60%
Class B STG£ Income	1.40%			Class B STG£ Income	1.90%	Class A US\$	1.60%
Class B US\$	1.40%			Class B US\$ Income	1.90%	Class B US\$	2.00%
Class I STG£	0.60%			Class C EURO	2.60%	Class C EURO	2.90%
Class I US\$	0.60%			Class I STG£	0.70%	Class I STG£	0.80%
Class P EURO H Income	0.50%			Class I US\$	0.70%	Class I US\$	0.80%
				Class P JPY	0.55%	Class I US\$-NV	0.80%
				Class P US\$ Income	0.55%	Class P US\$	0.70%
Global Opportunistic Listed Property		India Focus Equity		Japan Focus Equity****		US Credit	
Class A STG£	1.60%	Class B EURO	2.50%	Class I JPY	0.70%	Class B STG£ Income	1.40%
Class A US\$	1.60%	Class B STG£	2.50%	Class P JPY	0.55%	Class B US\$	1.40%
Class B EURO	2.20%	Class B US\$	2.50%			Class I STG£	0.60%
Class B US\$	2.20%	Class I STG£	1.15%			Class I US\$	0.60%
Class C EURO	2.75%	Class I US\$	1.20%			Class P EURO H-NV	0.50%
Class I STG£	0.80%	Class P US\$ Income	0.95%			Class P STG£ H-NV	0.50%
Class I US\$	0.80%						
Class I US\$-NV	0.80%						
Class P US\$	0.65%						

* The Fund commenced trading on 29 November 2011.

** The Fund ceased trading on 9 November 2011.

*** The Fund ceased trading on 2 November 2011.

**** The Fund ceased trading on 4 July 2011.

Rates for classes of shares not yet funded as at 31 December 2011 are not listed.

Performance Fees

In addition to the applicable management fee, a performance fee may be payable from the assets of a Fund (other than in respect of Euro Credit and US Credit).

A performance fee may accrue for each relevant Fund on each business day. The change in the cumulative performance fee accruing in respect of the Manager and a Money Manager's performance on each business day will never exceed 20 per cent of Positive Daily Performance (as defined below).

Positive Daily Performance means the daily added value generated by the daily outperformance of a Fund above either:

- (i) a benchmark plus any agreed hurdle during each Manager Performance Period (as defined in the Prospectus) and Money Manager Performance Period (as defined in the Prospectus), such benchmark being based on an index that is:
 - agreed upon by the Manager and the Money Manager from time to time; and
 - relevant to the investment strategies of the particular Fund; or
- (ii) a cash benchmark or absolute return target plus any agreed hurdle during each Manager Performance Period and Money Manager Performance Period, such benchmark or target being one:
 - agreed upon by the Manager and the Money Manager from time to time; and
 - that is more relevant than a recognised index to the investment approach of the relevant Money Manager (or Manager during those times where no Money Manager has been appointed) given that the Money Manager (or the Manager) is seeking to generate an absolute return.

Notes to the Financial Statements - continued

31 December 2011

The Manager's portion of a performance fee will relate to the performance of the relevant Fund while the Money Manager's portion will relate to its own performance during its term of appointment, i.e. a Money Manager's portion of the fee will not relate to the performance of any previous Money Managers. Any performance fee will be paid from the relevant assets of the relevant Fund to the Manager who will then share that performance fee between it and the relevant Money Manager using an agreed ratio.

The calculation of any performance fee must be verified by the Custodian and Trustee.

The below table lists the performance fee hurdle rates as of 31 December 2011, 30 June 2011 and 31 December 2010:

Fund	Benchmark	Hurdle Rates %
Dynamic Assets	ECB Main Refinancing Rate	1.00%
Global Listed Infrastructure	S&P Global Infrastructure Index Net	0.80%
Global Opportunistic Listed Property	FTSE EPRA/NAREIT Developed Index Net	0.80%
Global Climate Change	Russell Global Index Net*	0.90%
Global High Dividend Equity	Russell Global Index Net*	0.70%
Europe Focus Equity	Russell Europe Developed Large Cap Index Net*	0.95%
India Focus Equity	MSCI India Index Net	1.15%
Global Dynamic Bond Fund	Citi WGBI	0.60%
Japan Focus Equity	Russell Nomura Prime Index Net*	0.70%
Global Focus Equity Fund	MSCI World Index Net	1.00%

* Russell indices are managed and licensed by Russell Indexes, a division of Frank Russell Company.

Advisor and Money Managers

Subject to the supervision and guidance of the Manager, the Money Managers determine the investments to be purchased and sold by a Fund. The Manager discharges all fees payable to the Money Managers, other than performance fees payable to the Money Managers as previously described out of its management fee. The Manager discharges all fees payable to the Advisor and Distributor out of its management fee.

Fund Recharges

Russell Investments Limited as Advisor and Distributor to the Company, paid non-net asset value based fees of EUR 500,713 (year ended 30 June 2011: EUR 700,868 and six months ended 31 December 2010: EUR 484,197). Non-net asset value based fees are typically legal and professional fees, registration fees and other fees which are in relation to the operational costs of the Funds. These fees were recharged to the relevant sub-funds during the period.

Support Services Agreement

The Manager has also appointed the Advisor to provide certain operational support services pursuant to a support services agreement dated 13 March 2009 ("Support Services Agreement"). These services include assisting the Manager in relation to the registration of the Funds for distribution, attending to compliance matters, organising the preparation of the financial statements and the preparation of materials for meetings of the Board of Directors. EUR 14,806 (year ended 30 June 2011: EUR 44,753 and six months ended 31 December 2010: EUR 20,987) was paid by the Company as part of the Fund recharges in relation to these services during the period.

Transfer Agency

Transfer agency fees are charged based on the number of Funds in the umbrella structure and are subject to adequate minimum thresholds. The fee is based on the number of shareholders, number of statements issued, number of share classes and volume of trading in a period. Transfer agency fees are included in Administration and transfer agency Fees and are disclosed on the face of the Profit and Loss Account for each Fund.

Custodian and Trustee

State Street Custodial Services (Ireland) Limited is the Custodian and Trustee. The Custodian and Trustee has appointed its parent State Street Bank and Trust Company, Boston as its global sub-custodian who in turn has appointed a network of local sub-custodial agents. For certain Funds, State Street Bank and Trust Company also acts as counterparty for open forward foreign currency exchange contracts held at period end. The sub-custodian fees are paid at annual rates based on the total assets held in each individual country in which the Funds invest plus applicable transaction charges. Custodian and Trustee fees are accrued and paid at 0.01 per cent on the first USD 375 million, 0.0875 per cent on the next USD 375 million, 0.075 per cent on the next USD 375 million, 0.0625 per cent on the on the next USD 375 million and 0.05 per cent on any excess balance. Custodian and Trustee fees accrue daily and are paid monthly in arrears.

Included in the custodian agreement is a right of set off for fees owing to and monies lent by the Custodian and Trustee.

Notes to the Financial Statements - continued

31 December 2011

Administrator

State Street Fund Services (Ireland) Limited is the Administrator. The Administrator is responsible for the daily determination of net asset value, maintaining the books and records of the Funds in respect of the Company and other administrative services.

The Manager pays to the Administrator out of the assets of the Funds a fee of 0.02 per cent on the first USD 375 million, 0.01875 per cent on the next USD 375 million, 0.0175 per cent on the next USD 375 million, 0.01625 per cent on the next USD 375 million and 0.015 per cent on any excess balance. Such fees accrue daily and are paid monthly in arrears. The Manager shall discharge reasonable out of pocket expenses payable to the Administrator out of the Funds' assets.

The fees are stated net of discount, when the assets of Funds promoted or co-promoted by Russell Investments and administrated by the Administrator exceed a total value of USD 70 billion. The standard discount rate applicable here is 0.01 per cent. The discount rate increases to 0.015 per cent where such total value is in excess of USD 100 billion. The Administrator is also entitled to shareholder services fees as disclosed in the administration agreement and reporting services fees of USD 7,000 per Fund per annum.

The Custodian, Trustee and Administration fees disclosed in the Profit and Loss Account include minimum fees. If the total of the minimum fees is in excess of the combined administration and trustee percentage charges, the share class fee, the reporting service fee and the shareholder service fee, after the deduction of any discount, then this minimum will apply. The minimum fee for new Funds will be waived for one year from the launch of the new Fund.

The maximum aggregate Custodian and Trustee fee and Administration fee shall not be greater than 0.50 per cent of the NAV of a Fund.

Related Party Transactions

Directors

None of the Directors affiliated to Frank Russell Company, the Manager, the Money Manager, the Administrator or the Custodian and Trustee receive a Director's fee. Directors' fees charged during the period were EUR 5,342 (year ended 30 June 2011: EUR 8,508 and six months ended 31 December 2010: EUR 3,260), these amounts are included in miscellaneous fees in the Profit and Loss Account. Directors' fees are paid to non-executive directors. The Articles of Association provide that the Directors shall be entitled to a fee by way of remuneration at a rate to be determined from time to time by the Directors. The Prospectus dated 4 November 2011 provides that the Directors' remuneration will not exceed EUR 25,000 for the calendar year ended 31 December 2011. In addition to such fees, the Directors shall be entitled to be reimbursed out of the assets of the Company for all travelling, hotel and other reasonable out-of pocket expenses properly incurred by them in attending and returning from meetings of the Directors or any meetings in connection with the business of the Company.

All of the Directors of the Company are also directors of Russell Investment Company III plc.

All of the Directors of the Company are also directors of the Manager.

The following Directors of the Company are employed by the Advisor and Distributor: Mr. James Firm, Mr. James Beveridge, Mr. Michael Hunt, Mr. Neil Jenkins and Mr. Alan Schoenheimer.

The following Directors of the Company are employed by Frank Russell Company in Seattle: Mr. Peter Gunning and Mr. Kenneth Willman.

Promoter

Frank Russell Company acts as promoter to the Company (the "promoter"). During the period and prior period, the promoter earned no fees (year ended 30 June 2011: Nil) in its capacity as promoter to the Company.

Currency Trading

Russell Implementation Services Inc. is engaged by the Company to carry out currency trading for which a fee of 0.02 per cent per trade is included in individual transactions. For the six months ended 31 December 2011, this fee was EUR 37,567 (year ended 30 June 2011: EUR 57,055, six months ended 31 December 2010: EUR 9,902).

Notes to the Financial Statements - continued

31 December 2011

Investment in other Russell Funds**Investment in Russell Investment Company III plc**

The Funds may invest in funds of Russell Investment Company III plc (“RIC III plc”) which is also managed by the Manager. RIC III plc is organised as a UCITS umbrella fund with segregated liability between sub-funds. The investment objective of the RIC III plc sub-funds (in which the Funds invest) is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short term, high-grade debt and debt-related instruments. Uninvested cash in the Funds is swept daily to sub-funds of RIC III plc, as appropriate, to maximise the earnings of cash held. A management fee which varies from 0.05 per cent to 1.80 per cent of the underlying net asset value is incurred depending on the sub-fund/share class of RIC III plc in which a Fund invests.

Related Party Shareholders

As of 30 June 2011, The Northwestern Mutual Life Insurance Company, via its holding company Hollenberg 1, Inc. held redeemable participating shares in the Company, the value of which amounted to EUR 36,799,462 (as at 31 December 2010: EUR 45,927,124) of the Company’s net asset value, at last traded market prices, as of that date. The Northwestern Mutual Life Insurance Company fully redeemed its shareholdings in the Company during the six months ended 31 December 2011.

The table below discloses the value of shares held by related party shareholders in the Company and the percentage of this value against the Company’s combined net asset value as at the six months ended 31 December 2011, the year ended 30 June 2011 and the six months ended 31 December 2010.

Related Party Shareholder	31 December 2011		30 June 2011		31 December 2010	
	EUR	Company %	EUR	Company %	EUR	Company %
Russell Multi-Manager Funds plc .	23,282,213	3.25%	18,931,896	3.34%	19,658,807	5.20%
Russell Institutional Funds plc	217,911,593	30.43%	176,929,196	31.19%	154,487,731	40.92%

Directed Transactions

The Advisor retains the right to request that the Money Managers participate in Russell’s soft commission and commission recapture program (the “Program”) by executing a portion of their securities transactions through various brokers (the “Correspondent Broker Network”). The Program, including the Correspondent Broker Network, is administered by Recapture Services, division of BNY ConvergeEx Execution Solutions LLC (“BNY”). At the Advisor’s direction, Money Managers execute a portion of their securities transactions through the Correspondent Broker Network. As a result of this trading activity, BNY will set aside a portion of these commissions as “credits”. Credits can be earmarked for research (soft commission) or commission recapture. Research credits will be used by the Advisor to purchase third party research that will aid the Advisor in its investment decision-making process. Research purchased through the Program is obtained from unaffiliated third parties at market rates. All soft commission use is overseen by Russell’s soft commission committee (the “Committee”) which is made up of senior level investment personnel. The Committee, with the guidance of Russell’s investment strategy committee will establish an annual soft commission research budget. Once the soft commission research budget has been met Russell will instruct BNY to recapture future commission credits. Commission recapture credits are rebated directly back to the relevant Fund from which the commission was generated. The Advisor does not receive any revenue (directly or indirectly from BNY or any broker) from the commission recapture component of the Program. Money Manager participation in the Program is not mandatory and the appropriate participation percentage target is determined on a Money Manager by Money Manager basis, based upon asset class, investment mandate, trading habits, and tolerance for participation. Participation in the Program is always subject to a Money Manager’s ability to obtain best execution.

The gross amount of commission traded through the broker network operated by BNY, on behalf of the Program for the six months ended 31 December 2011 amounted to EUR 893 (year ended 30 June 2011: EUR 5,275, six months ended 31 December 2010: EUR 2,284).

Soft Commission Arrangements

The Advisor has the right under the terms of its agreements with the Money Managers to request that the Money Manager, subject to a requirement of best execution, execute transactions that enable it or its advisors to purchase brokerage and research services that assist in the provision of investment services to the Company and are in the best interests of the Company’s shareholders. Brokerage and research services include (1) advice either directly or indirectly through publications or writings as to the value of securities, the advisability of investing in, purchasing or selling securities and the availability of securities or of purchasers or sellers of securities, (2) analysis and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy and the performance of accounts; and/or (3) effecting securities transactions and performing functions incidental thereto (such as clearance and settlement) or that are required in connection therewith.

Notes to the Financial Statements - continued

31 December 2011

The Advisor has received the following goods and services from brokers and dealers over the period covered by these accounts: written and oral research reports from brokers or dealers; computer based financial systems together with their associated software and servicing support; and statistical analyses relating to markets, companies, industries, business and economic factors, market trends and portfolio strategies. All goods and services received comply with the requirements of the U.K. Financial Services Authority.

4. Cash at Bank and Cash Held with/due to Brokers and Counterparties

Cash at Bank

Cash at bank balances are comprised of cash balances held by State Street Bank and Trust Company, London and unrestricted margin accounts held by brokers and counterparties for financial derivative positions held by the Funds as at the respective balance sheet dates and are detailed in the tables below. Margin cash may also be covered by the Funds to brokers and counterparties for financial derivative positions held by the Funds as at balance sheet date and any such monies are disclosed as a liability on the relevant Funds' Balance Sheet and are also detailed in the tables below.

All cash at bank balances are held with State Street Bank & Trust Company, London for those Funds not listed below.

Cash held in U.S. Dollar bank accounts with State Street Bank and Trust Company, London automatically transfer into overnight deposit accounts held by State Street Cayman Trust Company Ltd., Cayman Islands.

As at 31 December 2011

Held with	Location	Euro Credit EUR	Europe Focus Equity EUR	Global Focus Equity USD	Global High Dividend Equity USD	US Credit USD
State Street Bank & Trust Company	London, United Kingdom	3,437,128	106,894	1,094,471	555,616	311,539
HSBC Securities (USA) Inc.	New York, U.S.A.	-	-	-	-	23,547
The Royal Bank of Scotland plc	London, United Kingdom	12,430	-	-	-	-
UBS Securities LLC	Jersey City, U.S.A.	-	1,074	60,726	62,744	-
		<u>3,449,558</u>	<u>107,968</u>	<u>1,155,197</u>	<u>618,360</u>	<u>335,086</u>

Held with	Location	Total EUR
State Street Bank & Trust Company	London, United Kingdom	5,055,115
HSBC Securities (USA) Inc.	New York, U.S.A.	18,139
The Royal Bank of Scotland plc	London, United Kingdom	12,430
UBS Securities LLC	Jersey City, U.S.A.	96,186
		<u>5,181,870</u>

As at 30 June 2011

Held with	Location	Europe Focus Equity EUR	Global Climate Change USD	Global Dynamic Bond USD	Global Focus Equity* USD	Global High Dividend Equity USD
State Street Bank & Trust Company	London, United Kingdom	150,137	7,467	573,414	946,658	454,142
HSBC Securities (USA) Inc.	New York, U.S.A.	-	-	-	-	-
Newedge USA, LLC	Chicago, U.S.A.	-	-	(15,808)	-	-
UBS Securities LLC	Jersey City, U.S.A.	(1,206)	(8,019)	-	(103,566)	(52,717)
		<u>148,931</u>	<u>(552)</u>	<u>557,606</u>	<u>843,092</u>	<u>401,425</u>

* The Fund launched 15 March 2011.

Held with	Location	US Credit USD	Total EUR
State Street Bank & Trust Company	London, United Kingdom	120,748	1,600,239
HSBC Securities (USA) Inc.	New York, U.S.A.	(6,775)	(4,673)
Newedge USA, LLC	Chicago, U.S.A.	-	(10,903)
UBS Securities LLC	Jersey City, U.S.A.	-	(114,530)
		<u>113,973</u>	<u>1,470,133</u>

Notes to the Financial Statements - continued

31 December 2011

As at 31 December 2010

<u>Held with</u>	<u>Location</u>	<u>Euro Credit EUR</u>	<u>Japan Focus Equity JPY</u>	<u>US Credit USD</u>	<u>Total EUR</u>
State Street Bank & Trust Company	London, United Kingdom	1,985,549	33,714,933	2,402,112	4,085,960
HSBC Securities (USA) Inc.	New York, U.S.A.	-	-	8,653	6,450
Morgan Stanley & Co Incorporated	New York, U.S.A.	-	523,404	-	4,810
The Royal Bank of Scotland plc	London, United Kingdom	12,395	-	-	12,395
		<u>1,997,944</u>	<u>34,238,337</u>	<u>2,410,765</u>	<u>4,109,615</u>

Cash held with broker and counterparties for open financial derivative positions

Cash is also deposited by or on behalf of the Funds for initial margin purposes with brokers for futures contracts held on the Funds as at 30 June 2011 and 30 June 2010 respectively as detailed in the tables below. As this amount is the minimum deemed by the brokers for collateral requirements the cash is as such restricted and is reported separately to the unrestricted cash on the Funds' Balance Sheets.

As at 31 December 2011

<u>Broker</u>	<u>Location</u>	<u>Euro Credit EUR</u>	<u>Europe Focus Equity EUR</u>	<u>Global Focus Equity USD</u>	<u>Global High Dividend Equity USD</u>	<u>Total EUR</u>
UBS Securities LLC	Jersey City, U.S.A.	-	145,000	1,000,000	650,000	1,416,040
The Royal Bank of Scotland plc	London, United Kingdom	42,639	-	-	-	42,639
		<u>42,639</u>	<u>145,000</u>	<u>1,000,000</u>	<u>650,000</u>	<u>1,458,679</u>

As at 30 June 2011

<u>Held with</u>	<u>Location</u>	<u>Euro Credit EUR</u>	<u>Europe Focus Equity EUR</u>	<u>Global Climate Change USD</u>	<u>Global Focus Equity USD</u>
Morgan Stanley & Co Incorporated	New York, U.S.A.	-	-	-	-
The Royal Bank of Scotland plc	London, United Kingdom	11,300	-	-	-
UBS Securities LLC	Jersey City, U.S.A.	-	145,000	200,000	700,000
		<u>11,300</u>	<u>145,000</u>	<u>200,000</u>	<u>700,000</u>

<u>Held with</u>	<u>Location</u>	<u>Global High Dividend Equity USD</u>	<u>Japan Focus Equity JPY</u>	<u>Total EUR</u>
Morgan Stanley & Co Incorporated	New York, U.S.A.	-	120,929,403	1,032,792
The Royal Bank of Scotland plc	London, United Kingdom	-	-	11,300
UBS Securities LLC	Jersey City, U.S.A.	595,000	-	1,176,142
		<u>595,000</u>	<u>120,929,403</u>	<u>2,220,234</u>

As at 31 December 2010

<u>Held with</u>	<u>Location</u>	<u>Euro Credit EUR</u>	<u>Europe Focus Equity EUR</u>	<u>Global Climate Change USD</u>	<u>Global High Dividend Equity USD</u>
HSBC Securities (USA) Inc.	New York, U.S.A.	-	-	-	-
UBS Securities LLC	Jersey City, U.S.A.	-	100,000	340,000	430,000
Morgan Stanley & Co Incorporated	New York, U.S.A.	-	-	-	-
The Royal Bank of Scotland plc	London, United Kingdom	18,850	-	-	-
		<u>18,850</u>	<u>100,000</u>	<u>340,000</u>	<u>430,000</u>

<u>Held with</u>	<u>Location</u>	<u>Japan Focus Equity JPY</u>	<u>US Credit USD</u>	<u>Total EUR</u>
HSBC Securities (USA) Inc.	New York, U.S.A.	-	8,000	5,963
UBS Securities LLC	Jersey City, U.S.A.	-	-	673,963
Morgan Stanley & Co Incorporated	New York, U.S.A.	830,000	-	7,628
The Royal Bank of Scotland plc	London, United Kingdom	-	-	18,850
		<u>830,000</u>	<u>8,000</u>	<u>706,404</u>

Notes to the Financial Statements - continued

31 December 2011

5. Number of Shares in Issue and Net Assets Attributable to Redeemable Participating Shareholders

Authorised Share Capital

The issued share capital of the Company shall not be less than EUR 2 represented by two subscriber shares of no par value and the maximum issued share capital shall not be more than EUR 500 billion divided into an unspecified number of shares of no par value. There are currently two subscriber shares in issue. Subscriber shares do not form part of the net asset value of the Company. They are disclosed in the financial statements by way of this note only.

Holders of subscriber shares are not entitled to dividends or any surplus of assets over liabilities upon the winding up of the Company. The subscriber shares are held by Frank Russell Company and the Advisor.

Redeemable Participating Shares

Each of the participating shares entitles the holder to participate equally on a pro rata basis in the profits and dividends of the relevant Fund attributable to such shares and to attend and vote at meetings of the Company and of the relevant Fund represented by those shares. No class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of shares or any voting rights in relation to matters relating solely to any other class of shares.

Each share represents an individual beneficial interest in the Company. The shares are not debt obligations or guaranteed by the Company. The return on an investment in the Company will depend solely upon the investment performance of the assets of the relevant Fund and the increase or decrease (as the case may be) in the net asset value of the shares. The amount payable to a shareholder in respect of each share upon liquidation of the Company or a Fund will equal the net asset value per share.

Listed investments and investments with prices quoted in over the counter markets or by market makers are stated at the last traded price as at the close of business on the relevant dealing day for the purpose of determining the net asset value per share for subscriptions and redemptions and for various fee calculations. However, for the purpose of compliance with FRS 26 and for financial statement reporting purposes is to value its investments at the relevant bid market prices on the balance sheet date.

Net assets attributable to shareholders represent a liability in the Balance Sheet, carried at the redemption amount that would be payable at the balance sheet date if the shareholder exercised the right to redeem the shares in the Company. Consequently, the differences described above adjust the carrying amount of the net assets attributable to the shareholders.

Participating Share Transactions for the six months ended 31 December 2011

All cash amounts are in the functional currency of the relevant Fund not the currency of the class. Net asset value per share may not recalculate due to rounding of fractional shares.

Dynamic Assets*

	<u>Class B EURO Shares</u>	<u>Class C EURO Shares</u>	<u>Class I AUD H Shares</u>	<u>Class I EURO Shares</u>	<u>Class I STG£ Shares</u>
At beginning of period	-	-	-	-	-
Shares issued	308	1	13,632	9,421	29,647
Shares redeemed	-	-	-	-	-
At end of period	<u>308</u>	<u>1</u>	<u>13,632</u>	<u>9,421</u>	<u>29,647</u>
	<u>Class B EURO EUR</u>	<u>Class C EURO EUR</u>	<u>Class I AUD H EUR</u>	<u>Class I EURO EUR</u>	<u>Class I STG£ EUR</u>
Subscriptions during the period	307,788	1,000	10,234,750	9,422,889	34,708,728
Redemptions during the period	-	-	-	-	-

Notes to the Financial Statements - continued

31 December 2011

Dynamic Assets*

	<u>Class I US\$ Shares</u>	
At beginning of period	-	
Shares issued	16,678	
Shares redeemed	-	
At end of period	<u>16,678</u>	
	<u>Class I US\$ EUR</u>	<u>Total EUR</u>
Subscriptions during the period	12,496,992	67,172,147
Redemptions during the period	-	-
		<u>67,172,147</u>

* The Fund launched on 29 November 2011.

Euro Credit

	<u>Class B EURO Shares</u>	<u>Class B EURO Income Shares</u>	<u>Class B STG£ Income Shares</u>	<u>Class C EURO Shares</u>	<u>Class I EURO Shares</u>	<u>Class P EURO-NV Shares</u>
At beginning of period	414	3	1	1,032	1	6,673
Shares issued	98	650	-	57	-	5,268
Shares redeemed	(195)	-	-	(165)	-	(514)
At end of period	<u>317</u>	<u>653</u>	<u>1</u>	<u>924</u>	<u>1</u>	<u>11,427</u>
	<u>Class B EURO EUR</u>	<u>Class B EURO Income EUR</u>	<u>Class B STG£ Income EUR</u>	<u>Class C EURO EUR</u>	<u>Class I EURO EUR</u>	<u>Class P EURO-NV EUR</u>
Subscriptions during the period	103,249	643,741	-	56,611	-	5,613,079
Redemptions during the period	(204,754)	-	-	(168,032)	-	(547,218)

Euro Credit

	<u>Class P STG£ H Shares</u>	
At beginning of period	52,109	
Shares issued	2,529	
Shares redeemed	(941)	
At end of period	<u>53,697</u>	
	<u>Class P STG£ H EUR</u>	<u>Total EUR</u>
Subscriptions during the period	3,065,776	9,482,456
Redemptions during the period	(1,164,002)	(2,084,006)
		<u>7,398,450</u>

Notes to the Financial Statements - continued

31 December 2011

Europe Focus Equity

	<u>Class B EURO Shares</u>	<u>Class B STG£ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I EURO Shares</u>	<u>Class I STG£ Shares</u>	<u>Class P EURO Shares</u>
At beginning of period	1,089	444	15	10,321	1	2,125
Shares issued	561	172	10	-	-	-
Shares redeemed	(199)	(13)	-	-	-	116
At end of period	<u>1,451</u>	<u>603</u>	<u>25</u>	<u>10,321</u>	<u>1</u>	<u>2,009</u>
	<u>Class B EURO EUR</u>	<u>Class B STG£ EUR</u>	<u>Class C EURO EUR</u>	<u>Class I EURO EUR</u>	<u>Class I STG£ EUR</u>	<u>Class P EURO EUR</u>
Subscriptions during the period	593,674	201,635	10,649	-	-	-
Redemptions during the period	(204,547)	(14,172)	-	-	-	(129,155)

Europe Focus Equity

	<u>Class P US\$ Income Shares</u>	
At beginning of period	25,000	
Shares issued	1	
Shares redeemed	(25,000)	
At end of period	<u>1</u>	
	<u>Class P US\$ Income EUR</u>	<u>Total EUR</u>
Subscriptions during the period	706	806,664
Redemptions during the period	(20,114,867)	(20,462,741)
		<u>(19,656,077)</u>

Global Climate Change*

	<u>Class A STG£ Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>	<u>Class I US\$ Shares</u>
At beginning of period	1	162	91	1	13,143
Shares issued	-	2	26	-	-
Shares redeemed	(1)	(164)	(117)	(1)	(13,143)
At end of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>Class A STG£ USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	-	1,970	33,266	-	-
Redemptions during the period	(1,507)	(152,637)	(142,742)	(1,497)	(14,427,871)

Notes to the Financial Statements - continued

31 December 2011

Global Climate Change*

	Total USD
Subscriptions during the period	35,236
Redemptions during the period	(14,726,254)
	<u>(14,691,018)</u>

* The Fund ceased trading on 9 November 2011.

Global Dynamic Bond*

	Class B EURO Income Shares	Class B STG£ Income Shares	Class B US\$ Shares	Class I STG£ Shares	Class I US\$ Shares
At beginning of period	491	822	1	1	1
Shares issued	371	214	-	-	-
Shares redeemed	(862)	(1,036)	(1)	(1)	(1)
At end of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Class B EURO Income USD	Class I STG£ Income USD	Class B US\$ Income USD	Class I STG£ Income GBP	Class I US\$ Income USD
Subscriptions during the period	507,919	364,085	-	-	-
Redemptions during the period	(1,162,668)	(1,750,167)	(1,243)	(1,838)	(1,311)

Global Dynamic Bond*

	Class P EURO H Income Shares	
At beginning of period	27,954	
Shares issued	-	
Shares redeemed	(27,954)	
At end of period	<u>-</u>	

	Class P EURO H Income USD	Total Income USD
Subscriptions during the period	-	872,004
Redemptions during the period	(41,130,159)	(44,047,386)
		<u>(43,175,382)</u>

* The Fund ceased trading on 2 November 2011.

Notes to the Financial Statements - continued

31 December 2011

Global Focus Equity

	<u>Class P JPY</u>	
	<u>Shares</u>	
At beginning of period	160,492	
Shares issued	79,619	
Shares redeemed	(82)	
At end of period	<u>240,029</u>	
	<u>Class P JPY</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>
Subscriptions during the period	93,616,844	93,616,844
Redemptions during the period	(92,433)	(92,433)
		<u>93,524,411</u>

Global High Dividend Equity

	<u>Class B</u>	<u>Class B</u>	<u>Class B</u>	<u>Class C</u>	<u>Class I</u>	<u>Class I</u>
	<u>EURO</u>	<u>STG£</u>	<u>US\$</u>	<u>EURO</u>	<u>STG£</u>	<u>US\$</u>
	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>
	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>
At beginning of period	13,986	19,152	1,114	223	1	4,683
Shares issued	7,299	6,769	1,091	99	-	48,070
Shares redeemed	(856)	(342)	-	(29)	-	(1,702)
At end of period	<u>20,429</u>	<u>25,579</u>	<u>2,205</u>	<u>293</u>	<u>1</u>	<u>51,051</u>
	<u>Class B</u>	<u>Class B</u>	<u>Class B</u>	<u>Class C</u>	<u>Class I</u>	<u>Class I</u>
	<u>EURO</u>	<u>STG£</u>	<u>US\$</u>	<u>EURO</u>	<u>STG£</u>	<u>US\$</u>
	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Income</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Subscriptions during the period	9,583,258	10,681,532	1,012,773	136,834	-	48,456,934
Redemptions during the period	(1,116,588)	(537,223)	-	(38,514)	-	(1,732,250)

Global High Dividend Equity

	<u>Class P JPY</u>	<u>Class P US\$</u>	
	<u>Shares</u>	<u>Income</u>	
	<u>Shares</u>	<u>Shares</u>	
At beginning of period	36,595	1	
Shares issued	-	-	
Shares redeemed	(860)	-	
At end of period	<u>35,735</u>	<u>1</u>	
	<u>Class P JPY</u>	<u>Class P US\$</u>	<u>Total</u>
	<u>USD</u>	<u>Income</u>	<u>USD</u>
Subscriptions during the period	-	-	69,871,331
Redemptions during the period	(999,231)	-	(4,423,806)
			<u>65,447,525</u>

Notes to the Financial Statements - continued

31 December 2011

Global Listed Infrastructure

	<u>Class A STG£ Shares</u>	<u>Class A US\$ Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>	<u>Class I US\$ Shares</u>
At beginning of period	1	10,096	517	388	183	11,123
Shares issued	-	754	2,107	688	101	5,417
Shares redeemed	-	(3,165)	(127)	(250)	(93)	(1,668)
At end of period	<u>1</u>	<u>7,685</u>	<u>2,497</u>	<u>826</u>	<u>191</u>	<u>14,872</u>

	<u>Class A STG£ USD</u>	<u>Class A US\$ USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	-	1,176,692	2,532,213	1,038,245	168,202	8,534,017
Redemptions during the period	-	(4,909,847)	(141,950)	(388,757)	(148,548)	(2,484,200)

Global Listed Infrastructure

	<u>Class I US\$-NV Shares</u>	<u>Class P US\$ Shares</u>
At beginning of period	5,545	30,240
Shares issued	-	4,653
Shares redeemed	(93)	(658)
At end of period	<u>5,452</u>	<u>34,235</u>

	<u>Class I US\$-NV USD</u>	<u>Class P US\$ USD</u>	<u>Total USD</u>
Subscriptions during the period	-	7,304,801	20,754,170
Redemptions during the period	(101,090)	(997,950)	(9,172,342)
			<u>11,581,828</u>

Global Opportunistic Listed Property

	<u>Class A STG£ Shares</u>	<u>Class A US\$ Shares</u>	<u>Class B EURO Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>
At beginning of period	1	7,946	381	297	36	1
Shares issued	-	346	11	-	20	-
Shares redeemed	-	(507)	(142)	(297)	-	-
At end of period	<u>1</u>	<u>7,785</u>	<u>250</u>	<u>-</u>	<u>56</u>	<u>1</u>

	<u>Class A STG£ USD</u>	<u>Class A US\$ USD</u>	<u>Class B EURO USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>
Subscriptions during the period	-	424,246	15,998	-	27,044	-
Redemptions during the period	-	(683,057)	(242,354)	(316,425)	-	-

Notes to the Financial Statements - continued

31 December 2011

Global Opportunistic Listed Property

	<u>Class I US\$ Shares</u>	<u>Class I US\$-NV Shares</u>	<u>Class P US\$ Shares</u>	
At beginning of period	1	5,644	19,068	
Shares issued	-	31	6,135	
Shares redeemed	-	(24)	(2,683)	
At end of period	<u>1</u>	<u>5,651</u>	<u>22,520</u>	
	<u>Class I US\$ USD</u>	<u>Class I US\$-NV USD</u>	<u>Class P US\$ USD</u>	<u>Total USD</u>
Subscriptions during the period	-	32,807	8,021,576	8,521,671
Redemptions during the period	-	(23,799)	(3,567,609)	(4,833,244)
				<u>3,688,427</u>

India Focus Equity

	<u>Class B EURO Shares</u>	<u>Class B STG£ Shares</u>	<u>Class I STG£ Shares</u>	<u>Class I US\$ Shares</u>
At beginning of period	1,960	1,983	1	1
Shares issued	1,978	412	-	-
Shares redeemed	(88)	(40)	-	-
At end of period	<u>3,850</u>	<u>2,355</u>	<u>1</u>	<u>1</u>
	<u>Class B EURO USD</u>	<u>Class B STG£ USD</u>	<u>Class I STG£ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	2,408,355	94,655	-	-
Redemptions during the period	(105,367)	(55,749)	-	-

India Focus Equity

	<u>Class P US\$ Income Shares</u>	
At beginning of period	20,000	
Shares issued	1	
Shares redeemed	(20,000)	
At end of period	<u>1</u>	
	<u>Class P US\$ Income USD</u>	<u>Total USD</u>
Subscriptions during the period	1,000	3,004,010
Redemptions during the period	(20,080,990)	(20,242,106)
		<u>(17,238,096)</u>

Notes to the Financial Statements - continued

31 December 2011

Japan Focus Equity*

	<u>Class P JPY</u>	
	<u>Shares</u>	
At beginning of period	18,665	
Shares issued	-	
Shares redeemed	(18,665)	
At end of period	<u>-</u>	
	<u>Class P JPY</u>	<u>Total</u>
	<u>JPY</u>	<u>JPY</u>
Subscriptions during the period	-	-
Redemptions during the period	(1,607,882,715)	(1,607,882,715)
		<u>(1,607,882,715)</u>

* The Fund ceased trading on 4 July 2011.

US Credit

	<u>Class B STG£</u>		<u>Class B US\$</u>		<u>Class I STG£</u>		<u>Class I US\$</u>		<u>Class P</u>
	<u>Income</u>		<u>Shares</u>		<u>Shares</u>		<u>Shares</u>		<u>EURO H-NV</u>
	<u>Shares</u>		<u>Shares</u>		<u>Shares</u>		<u>Shares</u>		<u>Shares</u>
At beginning of period	1		54		1		1,041		6,300
Shares issued	-		732		-		88		4,477
Shares redeemed	-		(137)		-		(231)		(337)
At end of period	<u>1</u>		<u>649</u>		<u>1</u>		<u>898</u>		<u>10,440</u>
	<u>Class B STG£</u>		<u>Class B US\$</u>		<u>Class I STG£</u>		<u>Class I US\$</u>		<u>Class P</u>
	<u>Income</u>		<u>USD</u>		<u>USD</u>		<u>USD</u>		<u>EURO H-NV</u>
	<u>USD</u>		<u>USD</u>		<u>USD</u>		<u>USD</u>		<u>USD</u>
Subscriptions during the period	-		823,245		-		100,000		7,114,382
Redemptions during the period	-		(156,521)		-		(260,000)		(523,041)

US Credit

	<u>Class P</u>	
	<u>STG£ H-NV</u>	
	<u>Shares</u>	
At beginning of period	48,853	
Shares issued	2,105	
Shares redeemed	(1,961)	
At end of period	<u>48,997</u>	
	<u>Class P</u>	<u>Total</u>
	<u>STG£ H-NV</u>	<u>USD</u>
	<u>USD</u>	<u>USD</u>
Subscriptions during the period	3,807,368	11,844,995
Redemptions during the period	(3,689,209)	(4,628,771)
		<u>7,216,224</u>

Notes to the Financial Statements - continued

31 December 2011

Participating Share Transactions for the year ended 30 June 2011

All cash amounts are in the functional currency of the relevant Fund not the currency of the class. Net asset value per share may not recalculate due to rounding of fractional shares.

Euro Credit

	Class B EURO Shares	Class B EURO Income Shares	Class B STG£ Income Shares	Class C EURO Shares	Class I EURO Shares	Class P EURO-NV Shares
At beginning of year	1	-	-	1	-	8,646
Shares issued	10,243	3	1	1,081	1	280
Shares redeemed	(9,830)	-	-	(50)	-	(2,253)
At end of year	<u>414</u>	<u>3</u>	<u>1</u>	<u>1,032</u>	<u>1</u>	<u>6,673</u>
	Class B EURO EUR	Class B EURO Income EUR	Class B STG£ Income EUR	Class C EURO EUR	Class I EURO EUR	Class P EURO-NV EUR
Subscriptions during the year	10,696,007	3,425	1,219	1,092,762	1,000	272,587
Redemptions during the year	(10,357,843)	-	-	(50,106)	-	(2,355,005)

Euro Credit

	Class P STG£ H Shares	Total EUR
At beginning of year	35,881	
Shares issued	25,938	
Shares redeemed	(9,710)	
At end of year	<u>52,109</u>	
	Class P STG£ H EUR	Total EUR
Subscriptions during the year	31,872,809	43,939,809
Redemptions during the year	(11,854,631)	(24,617,585)
		<u>19,322,224</u>

Europe Focus Equity

	Class B EURO Shares	Class B STG£ Shares	Class C EURO Shares	Class I EURO Shares	Class I STG£ Shares	Class P EURO Shares
At beginning of year	1	-	1	8,131	-	2,402
Shares issued	1,136	444	14	2,190	1	990
Shares redeemed	(48)	-	-	-	-	(1,267)
At end of year	<u>1,089</u>	<u>444</u>	<u>15</u>	<u>10,321</u>	<u>1</u>	<u>2,125</u>
	Class B EURO EUR	Class B STG£ EUR	Class C EURO EUR	Class I EURO EUR	Class I STG£ EUR	Class P EURO EUR
Subscriptions during the year	1,342,732	559,608	17,000	2,182,783	1,184	1,161,006
Redemptions during the year	(55,000)	-	-	-	-	(1,456,288)

Notes to the Financial Statements - continued

31 December 2011

Europe Focus Equity

	Class P US\$ Income Shares	
At beginning of year	25,000	
Shares issued	-	
Shares redeemed	-	
At end of year	<u>25,000</u>	
	Class P US\$ Income EUR	Total EUR
Subscriptions during the year	-	5,264,313
Redemptions during the year	-	(1,511,288)
		<u>3,753,025</u>

Global Climate Change

	Class A STG£ Shares	Class B US\$ Shares	Class C EURO Shares	Class I STG£ Shares	Class I US\$ Shares
At beginning of year	-	242	1	-	10,334
Shares issued	1	15	95	1	26,222
Shares redeemed	-	(95)	(5)	-	(23,413)
At end of year	<u>1</u>	<u>162</u>	<u>91</u>	<u>1</u>	<u>13,143</u>
	Class A STG£ USD	Class B US\$ USD	Class C EURO USD	Class I STG£ USD	Class I US\$ USD
Subscriptions during the year	1,554	15,402	135,170	1,554	28,776,859
Redemptions during the year	-	(88,621)	(7,364)	-	(26,296,728)

Global Climate Change

	Class P US\$-NV Shares	
At beginning of year	32,500	
Shares issued	-	
Shares redeemed	(32,500)	
At end of year	<u>-</u>	
	Class P US\$-NV USD	Total USD
Subscriptions during the year	-	28,930,539
Redemptions during the year	(36,564,488)	(62,957,201)
		<u>(34,026,662)</u>

Notes to the Financial Statements - continued

31 December 2011

Global Dynamic Bond

	Class B EURO Income	Class B STG£ Income	Class B US\$ Shares	Class I STG£ Shares	Class I US\$ Shares
At beginning of year	-	-	-	-	1
Shares issued	518	1,041	1	1	-
Shares redeemed	(27)	(219)	-	-	-
At end of year	<u>491</u>	<u>822</u>	<u>1</u>	<u>1</u>	<u>1</u>

	Class B EURO Income USD	Class I STG£ Income USD	Class B US\$ Income USD	Class I STG£ Income GBP	Class I US\$ Income USD
Subscriptions during the year	670,845	1,666,067	1,000	1,554	-
Redemptions during the year	(35,370)	(347,893)	-	-	-

Global Dynamic Bond

	Class P EURO H Income Shares
At beginning of year	27,260
Shares issued	4,248
Shares redeemed	(3,554)
At end of year	<u>27,954</u>

	Class P EURO H Income USD	Total Income USD
Subscriptions during the year	5,845,546	8,185,012
Redemptions during the year	(4,884,796)	(5,268,059)
		<u>2,916,953</u>

Global Focus Equity

	Class P JP¥ Income Shares
At beginning of period	-
Shares issued	160,500
Shares redeemed	(8)
At end of period	<u>160,492</u>

	Class P JP¥ Income USD	Total Income USD
Subscriptions during the period	198,515,276	198,515,276
Redemptions during the period	(10,796)	(10,796)
		<u>198,504,480</u>

Notes to the Financial Statements - continued

31 December 2011

Global High Dividend Equity

	Class B EURO Income Shares	Class B STG£ Income Shares	Class B US\$ Income Shares	Class C EURO Income Shares	Class I STG£ Income Shares	Class I US\$ Income Shares
At beginning of year	-	-	-	1	-	-
Shares issued	14,504	19,289	1,771	444	1	4,683
Shares redeemed	(518)	(137)	(657)	(222)	-	-
At end of year	<u>13,986</u>	<u>19,152</u>	<u>1,114</u>	<u>223</u>	<u>1</u>	<u>4,683</u>

	Class B EURO Income USD	Class B STG£ Income USD	Class B US\$ Income USD	Class C EURO Income USD	Class I STG£ Income USD	Class I US\$ Income USD
Subscriptions during the year	20,595,691	32,686,585	1,782,148	627,293	1,554	4,826,624
Redemptions during the year	(747,096)	(235,699)	(670,154)	(316,458)	-	-

Global High Dividend Equity

	Class P JP¥ Income Shares	Class P US\$ Income Shares	
At beginning of year	-	30,000	
Shares issued	36,595	1	
Shares redeemed	-	(30,000)	
At end of year	<u>36,595</u>	<u>1</u>	

	Class P JP¥ Income USD	Class P US\$ Income USD	Total Income USD
Subscriptions during the year	45,545,822	1,005	106,066,722
Redemptions during the year	-	(33,879,515)	(35,848,922)
			<u>70,217,800</u>

Global Listed Infrastructure

	Class A STG£ Income Shares	Class A US\$ Income Shares	Class B US\$ Income Shares	Class C EURO Income Shares	Class I STG£ Income Shares	Class I US\$ Income Shares
At beginning of year	-	12,271	314	1.00	-	8,348
Shares issued	1	119	276	398	183	7,264
Shares redeemed	-	(2,294)	(73)	(11)	-	(4,489)
At end of year	<u>1</u>	<u>10,096</u>	<u>517</u>	<u>388</u>	<u>183</u>	<u>11,123</u>

	Class A STG£ Income USD	Class A US\$ Income USD	Class B US\$ Income USD	Class C EURO Income USD	Class I STG£ Income USD	Class I US\$ Income USD
Subscriptions during the year	1,554	179,563	332,750	600,435	319,718	11,913,505
Redemptions during the year	-	(3,454,498)	(81,026)	(16,409)	-	(6,653,173)

Notes to the Financial Statements - continued

31 December 2011

Global Listed Infrastructure

	Class I US\$-NV Shares	Class P US\$ Shares
At beginning of year	-	21,236
Shares issued	5,545	10,652
Shares redeemed	-	(1,648)
At end of year	<u>5,545</u>	<u>30,240</u>

	Class I US\$-NV USD	Class P US\$ USD	Total USD
Subscriptions during the year	5,845,365	16,474,100	35,666,990
Redemptions during the year	-	(2,611,080)	(12,816,186)
			<u>22,850,804</u>

Global Opportunistic Listed Property

	Class A STG£ Shares	Class A US\$ Shares	Class B EURO Shares	Class B US\$ Shares	Class C EURO Shares	Class I STG£ Shares
At beginning of year	-	9,051	218	-	1	-
Shares issued	1	242	322	346	64	1
Shares redeemed	-	(1,347)	(159)	(49)	(29)	-
At end of year	<u>1</u>	<u>7,946</u>	<u>381</u>	<u>297</u>	<u>36</u>	<u>1</u>

	Class A STG£ USD	Class A US\$ USD	Class B EURO USD	Class B US\$ USD	Class C EURO USD	Class I STG£ USD
Subscriptions during the year	1,554	337,677	540,927	347,150	93,956	1,554
Redemptions during the year	-	(1,791,720)	(273,050)	(50,438)	(41,721)	-

Global Opportunistic Listed Property

	Class I US\$ Shares	Class I US\$-NV Shares	Class P US\$ Shares
At beginning of year	-	-	9,292
Shares issued	1	5,647	10,607
Shares redeemed	-	(3)	(831)
At end of year	<u>1</u>	<u>5,644</u>	<u>19,068</u>

	Class I US\$ USD	Class I US\$-NV USD	Class P US\$ USD	Total USD
Subscriptions during the year	1,000	5,939,947	14,085,263	21,349,028
Redemptions during the year	-	(3,050)	(1,184,190)	(3,344,169)
				<u>18,004,859</u>

Notes to the Financial Statements - continued

31 December 2011

India Focus Equity

	Class B EURO Shares	Class B STG£ Shares	Class B US\$ Shares	Class I STG£ Shares	Class I US\$ Shares
At beginning of year	1	-	-	-	-
Shares issued	2,115	1,987	222	1	1
Shares redeemed	(156)	(4)	(222)	-	-
At end of year	<u>1,960</u>	<u>1,983</u>	<u>-</u>	<u>1</u>	<u>1</u>

	Class B EURO USD	Class B STG£ USD	Class B US\$ USD	Class I STG£ USD	Class I US\$ USD
Subscriptions during the year	2,935,003	3,264,299	218,639	1,554	1,000
Redemptions during the year	(215,233)	(5,017)	(189,324)	-	-

India Focus Equity

	Class P US\$ Income Shares
At beginning of year	20,000
Shares issued	-
Shares redeemed	-
At end of year	<u>20,000</u>

	Class P US\$ Income USD	Total USD
Subscriptions during the year	-	6,420,495
Redemptions during the year	-	(409,574)
		<u>6,010,921</u>

Japan Focus Equity

	Class I JPY Shares	Class P JPY Shares
At beginning of year	-	18,665
Shares issued	1	-
Shares redeemed	(1)	-
At end of year	<u>-</u>	<u>18,665</u>

	Class I JPY JPY	Class P JPY JPY	Total JPY
Subscriptions during the year	100,000	-	100,000
Redemptions during the year	(90,535)	-	(90,535)
			<u>9,465</u>

Notes to the Financial Statements - continued

31 December 2011

US Credit

	Class B STG£ Income Shares	Class B US\$ Shares	Class I STG£ Shares	Class I US\$ Shares	Class P EURO H-NV Shares
At beginning of year	-	8	-	900	8,545
Shares issued	1	801	1	235	157
Shares redeemed	-	(755)	-	(94)	(2,402)
At end of year	<u>1</u>	<u>54</u>	<u>1</u>	<u>1,041</u>	<u>6,300</u>
	Class B STG£ Income USD	Class B US\$ USD	Class I STG£ USD	Class I US\$ USD	Class P EURO H-NV USD
Subscriptions during the year	1,586	862,969	1,554	245,000	222,441
Redemptions during the year	-	(811,637)	-	(103,419)	(3,604,962)

US Credit

	Class P STG£ H-NV Shares	Total USD
At beginning of year	35,605	
Shares issued	21,425	
Shares redeemed	(8,177)	
At end of year	<u>48,853</u>	
	Class P STG£ H-NV USD	Total USD
Subscriptions during the year	37,248,606	38,582,156
Redemptions during the year	(14,363,018)	(18,883,036)
		<u>19,699,120</u>

Participating Share Transactions for the six months ended 31 December 2010

All cash amounts are in the functional currency of the relevant Fund not the currency of the class. Net asset value per share may not recalculate due to rounding of fractional shares.

Euro Credit

	Class B EURO Shares	Class B STG£ Income Shares	Class C EURO Shares	Class I EURO Shares
At beginning of period	1	-	1	-
Shares issued	9,737	1	673	1
Shares redeemed	(9,630)	-	-	-
At end of period	<u>108</u>	<u>1</u>	<u>674</u>	<u>1</u>
	Class B EURO EUR	Class B STG£ Income EUR	Class C EURO EUR	Class I EURO EUR
Subscriptions during the period	10,172,634	1,184	680,437	1,000
Redemptions during the period	(10,151,916)	-	-	-

Notes to the Financial Statements - continued

31 December 2011

Euro Credit

	Class P EURO-NV Shares	Class P STG£ H Shares	
At beginning of period	8,646	35,881	
Shares issued	280	9,366	
Shares redeemed	(717)	(1,779)	
At end of period	<u>8,209</u>	<u>43,468</u>	
	Class P EURO-NV EUR	Class P STG£ H EUR	Total EUR
Subscriptions during the period	272,587	11,578,945	22,706,787
Redemptions during the period	(741,405)	(2,198,557)	(13,091,878)
			<u>9,614,909</u>

Europe Focus Equity

	Class B EURO Shares	Class B STG£ Shares	Class C EURO Shares	Class I EURO Shares	Class I STG£ Shares	Class P EURO Shares
At beginning of period	1	-	1	8,131	-	2,402
Shares issued	158	128	-	2,190	1	-
Shares redeemed	-	-	-	-	-	(761)
At end of period	<u>159</u>	<u>128</u>	<u>1</u>	<u>10,321</u>	<u>1</u>	<u>1,641</u>
	Class B EURO EUR	Class B STG£ EUR	Class C EURO EUR	Class I EURO EUR	Class I STG£ EUR	Class P EURO EUR
Subscriptions during the period	177,912	153,223	-	2,182,783	1,184	-
Redemptions during the period	-	-	-	-	-	(858,678)

Europe Focus Equity

	Class P US\$ Income Shares	
At beginning of period	25,000	
Shares issued	-	
Shares redeemed	-	
At end of period	<u>25,000</u>	
	Class P US\$ Income EUR	Total EUR
Subscriptions during the period	-	2,515,102
Redemptions during the period	-	(858,678)
		<u>1,656,424</u>

Notes to the Financial Statements - continued

31 December 2011

Global Climate Change

	<u>Class A STG£ Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>	<u>Class I US\$ Shares</u>
At beginning of period	-	242	1	-	10,334
Shares issued	1	10	13.95	1	26,222
Shares redeemed	-	(95)	(1.60)	-	(7,499)
At end of period	<u>1</u>	<u>157</u>	<u>13.35</u>	<u>1</u>	<u>29,057</u>

	<u>Class A STG£ USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	1554	9,700	18,762	1,554	28,776,859
Redemptions during the period	-	(88,621)	(2,269)	-	(7,996,728)

Global Climate Change

	<u>Class P US\$-NV Shares</u>	
At beginning of period	32,500	
Shares issued	-	
Shares redeemed	(25,000)	
At end of period	<u>7,500</u>	

	<u>Class P US\$-NV USD</u>	<u>Total USD</u>
Subscriptions during the period	-	28,808,429
Redemptions during the period	(27,631,283)	(35,718,901)
		<u>(6,910,472)</u>

Global Dynamic Bond

	<u>Class B EURO Income Shares</u>	<u>Class B STG£ Income Shares</u>	<u>Class B US\$ Shares</u>	<u>Class I STG£ Shares</u>
At beginning of period	-	-	-	-
Shares issued	360	651	-	1
Shares redeemed	-	(23)	-	-
At end of period	<u>360</u>	<u>628</u>	<u>1</u>	<u>1</u>

	<u>Class B EURO Income USD</u>	<u>Class I STG£ USD</u>	<u>Class B US\$ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	467,172	1,039,771	1,000	1,554
Redemptions during the period	-	(37,353)	-	-

Notes to the Financial Statements - continued

31 December 2011

Global Dynamic Bond

	<u>Class I US\$ Shares</u>	<u>Class P EURO H Income Shares</u>	
At beginning of period	1	27,260	
Shares issued	-	429	
Shares redeemed	-	(1,078)	
At end of period	<u>1</u>	<u>26,611</u>	
	<u>Class I US\$ USD</u>	<u>Class P EURO H Income USD</u>	<u>Total USD</u>
Subscriptions during the period	-	596,831	2,106,328
Redemptions during the period	-	(1,477,111)	(1,514,464)
			<u>591,864</u>

Global High Dividend Equity

	<u>Class B EURO Income Shares</u>	<u>Class B STG£ Income Shares</u>	<u>Class B US\$ Income Shares</u>	<u>Class C EURO Income Shares</u>	<u>Class I STG£ Income Shares</u>
At beginning of period	-	-	-	1.00	-
Shares issued	5,636	7,154	497	371	1
Shares redeemed	-	-	-	-	-
At end of period	<u>5,636</u>	<u>7,154</u>	<u>497</u>	<u>372</u>	<u>1</u>
	<u>Class B EURO Income USD</u>	<u>Class B STG£ Income USD</u>	<u>Class B US\$ Income USD</u>	<u>Class C EURO Income USD</u>	<u>Class I STG£ Income USD</u>
Subscriptions during the period	7,785,711	11,805,518	495,650	521,194	1,554
Redemptions during the period	-	-	-	-	-

Global High Dividend Equity

	<u>Class I US\$ Shares</u>	<u>Class P US\$ Income Shares</u>	
At beginning of period	-	30,000	
Shares issued	3,510	-	
Shares redeemed	-	-	
At end of period	<u>3,510</u>	<u>30,000</u>	
	<u>Class I US\$ USD</u>	<u>Class P US\$ Income USD</u>	<u>Total USD</u>
Subscriptions during the period	3,526,624	-	24,136,251
Redemptions during the period	-	-	-
			<u>24,136,251</u>

Notes to the Financial Statements - continued

31 December 2011

Global Listed Infrastructure

	<u>Class A STG£ Shares</u>	<u>Class A US\$ Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>	<u>Class I US\$ Shares</u>
At beginning of period	-	12,271	314	1	-	8,348
Shares issued	1	50	36	116	94	304
Shares redeemed	-	(1,451)	(62)	-	-	(4,486)
At end of period	<u>1</u>	<u>10,870</u>	<u>288</u>	<u>117</u>	<u>94</u>	<u>4,166</u>

	<u>Class A STG£ USD</u>	<u>Class A US\$ USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>	<u>Class I US\$ USD</u>
Subscriptions during the period	1,554	68,317	38,496	162,431	154,437	421,071
Redemptions during the period	-	(2,117,261)	(66,583)	-	-	(6,611,024)

Global Listed Infrastructure

	<u>Class I US\$-NV Shares</u>	<u>Class P US\$ Shares</u>	
At beginning of period	-	21,236	
Shares issued	5,307	9,077	
Shares redeemed	-	(870)	
At end of period	<u>5,307</u>	<u>24,253</u>	

	<u>Class I US\$-NV USD</u>	<u>Class P US\$ USD</u>	<u>Total USD</u>
Subscriptions during the period	5,572,000	5,398,795	11,817,101
Redemptions during the period	-	(1,238,783)	(10,033,651)
			<u>1,783,450</u>

Global Opportunistic Listed Property

	<u>Class A STG£ Shares</u>	<u>Class A US\$ Shares</u>	<u>Class B EURO Shares</u>	<u>Class B US\$ Shares</u>	<u>Class C EURO Shares</u>	<u>Class I STG£ Shares</u>
At beginning of period	-	9,051	218	-	1	-
Shares issued	1	41	196	327	5	1
Shares redeemed	-	(1,006)	(63)	-	-	-
At end of period	<u>1</u>	<u>8,086</u>	<u>351</u>	<u>327</u>	<u>6</u>	<u>1</u>

	<u>Class A STG£ USD</u>	<u>Class A US\$ USD</u>	<u>Class B EURO USD</u>	<u>Class B US\$ USD</u>	<u>Class C EURO USD</u>	<u>Class I STG£ USD</u>
Subscriptions during the period	1,554	55,981	324,992	327,150	6,265	1,554
Redemptions during the period	-	(1,274,405)	(104,401)	-	-	-

Notes to the Financial Statements - continued

31 December 2011

Global Opportunistic Listed Property

	<u>Class I US\$ Shares</u>	<u>Class I US\$-NV Shares</u>	<u>Class P US\$ Shares</u>	
At beginning of period	-	-	9,292	
Shares issued	1	5,338	7,459	
Shares redeemed	-	-	(349)	
At end of period	<u>1</u>	<u>5,338</u>	<u>15,117</u>	
	<u>Class I US\$ USD</u>	<u>Class I US\$-NV USD</u>	<u>Class P US\$ USD</u>	<u>Total USD</u>
Subscriptions during the period	1,000	5,599,008	7,687,682	14,005,186
Redemptions during the period	-	(362)	(455,652)	(1,834,820)
				<u>12,170,366</u>

India Focus Equity

	<u>Class B EURO Shares</u>	<u>Class B STG£ Shares</u>	<u>Class B US\$ Shares</u>	<u>Class I STG£ Shares</u>
At beginning of period	1	-	-	-
Shares issued	918	854	191	1
Shares redeemed	(60)	(1)	-	-
At end of period	<u>859</u>	<u>853</u>	<u>191</u>	<u>1</u>
	<u>Class B EURO USD</u>	<u>Class B STG£ USD</u>	<u>Class B US\$ USD</u>	<u>Class I STG£ USD</u>
Subscriptions during the period	1,323,032	1,494,229	190,600	1,554
Redemptions during the period	(87,435)	(987)	-	-

India Focus Equity

	<u>Class I US\$ Shares</u>	<u>Class P US\$ Income Shares</u>	
At beginning of period	-	20,000.00	
Shares issued	1	-	
Shares redeemed	-	-	
At end of period	<u>1</u>	<u>20,000</u>	
	<u>Class I US\$ USD</u>	<u>Class P US\$ Income USD</u>	<u>Total USD</u>
Subscriptions during the period	1,000	-	3,010,415
Redemptions during the period	-	-	(88,422)
			<u>2,921,993</u>

Notes to the Financial Statements - continued

31 December 2011

Japan Focus Equity

	<u>Class I JPY</u> <u>Shares</u>	<u>Class P JPY</u> <u>Shares</u>	
At beginning of period	-	18,665	
Shares issued	1	-	
Shares redeemed	-	-	
At end of period	<u>1</u>	<u>18,665</u>	
	<u>Class I JPY</u> <u>JPY</u>	<u>Class P JPY</u> <u>JPY</u>	<u>Total</u> <u>JPY</u>
Subscriptions during the period	100,000	-	100,000
Redemptions during the period	-	-	-
			<u>100,000</u>

US Credit

	<u>Class B STG£</u> <u>Income</u> <u>Shares</u>	<u>Class B US\$</u> <u>Shares</u>	<u>Class I STG£</u> <u>Shares</u>	<u>Class I US\$</u> <u>Shares</u>	<u>Class P</u> <u>EURO H-NV</u> <u>Shares</u>
At beginning of period	-	8.35	-	900	8,545
Shares issued	1	775.33	1	193	157
Shares redeemed	-	(686.30)	-	-	(733)
At end of period	<u>1</u>	<u>97.38</u>	<u>1</u>	<u>1,093</u>	<u>7,969</u>

	<u>Class B STG£</u> <u>Income</u> <u>USD</u>	<u>Class B US\$</u> <u>USD</u>	<u>Class I STG£</u> <u>USD</u>	<u>Class I US\$</u> <u>USD</u>	<u>Class P</u> <u>EURO H-NV</u> <u>USD</u>
Subscriptions during the period	1,554	835,949	1,554	196,581	189,555
Redemptions during the period	-	(734,864)	-	-	(982,990)

US Credit

	<u>Class P</u> <u>STG£ H-NV</u> <u>Shares</u>	
At beginning of period	35,605	
Shares issued	7,497	
Shares redeemed	(1,112)	
At end of period	<u>41,990</u>	
	<u>Class P</u> <u>STG£ H-NV</u> <u>USD</u>	<u>Total</u> <u>USD</u>
Subscriptions during the period	12,529,887	13,755,080
Redemptions during the period	(1,772,531)	(3,490,385)
		<u>10,264,695</u>

Notes to the Financial Statements - continued

31 December 2011

Swing Price Adjustments/Dilution Adjustments

The range of swing factors applied is disclosed in the table below:

Fund Name	Swing Factor Rate As at 31 December 2011		Swing Factor Rate As at 30 June 2011		Swing Factor Rate As at 31 December 2010
	On Subscriptions	On Redemptions	On Subscriptions	On Redemptions	On Subscriptions and On Redemptions
Dynamic Assets*	0.15%	0.15%	-	-	-
Euro Credit	0.25%	0.25%	0.20%	0.20%	0.25%
Europe Focus Equity	0.35%	0.20%	0.30%	0.15%	0.30%
Global Climate Change**	N/A	N/A	0.25%	0.25%	0.40%
Global Dynamic Bond***	N/A	N/A	0.05%	0.05%	0.05%
Global Focus Equity	0.20%	0.15%	0.15%	0.15%	N/A
Global High Dividend Equity	0.20%	0.15%	0.15%	0.15%	0.40%
Global Listed Infrastructure	0.40%	0.35%	0.40%	0.40%	0.40%
Global Opportunistic Listed Property	0.25%	0.20%	0.30%	0.25%	0.30%
India Focus Equity	0.40%	0.40%	0.35%	0.35%	0.65%
Japan Focus Equity****	N/A	N/A	0.20%	0.20%	0.20%
US Credit	0.40%	0.40%	0.30%	0.30%	0.30%

* The Fund commenced trading on 29 November 2011.

** The Fund ceased trading on 9 November 2011.

*** The Fund ceased trading on 2 November 2011.

**** The Fund ceased trading on 4 July 2011.

The rates are reviewed quarterly by Russell Investments.

Significant Shareholders*

The following table details the number of shareholders with significant holdings of at least 20 per cent of the relevant Fund's NAV and the aggregate value and percentage of that holding as at 31 December 2011.

Fund	Number of Significant Shareholders	Value of Holding	Aggregate Shareholding as a % of the Fund
Dynamic Assets	1	EUR 22,020,339	32.29%
Euro Credit	1	EUR 60,253,557	72.61%
Europe Focus Equity	1	EUR 10,836,125	69.92%
Global Focus Equity	2	USD 289,243,162	100.00%
Global High Dividend Equity	2	USD 81,145,020	49.64%
Global Listed Infrastructure	1	USD 40,525,934	40.53%
Global Opportunities Listed Property	1	USD 20,264,914	45.00%
India Focus Equity	3	USD 6,215,351	98.26%
US Credit	1	USD 105,326,756	98.29%

The following table details the number of shareholders with significant holdings of at least 20 per cent of the relevant Fund's NAV and the aggregate value and percentage of that holding as at 30 June 2011.

Fund	Number of Significant Shareholders	Value of Holding	Aggregate Shareholding as a % of the Fund
Euro Credit	1	EUR 61,194,492	87.71%
Europe Focus Equity	2	EUR 32,674,712	88.15%
Global Climate Change	1	USD 10,852,093	67.87%
Global Focus Equity	1	USD 208,356,036	100.00%
Global High Dividend Equity	2	USD 78,440,178	73.23%
Global Listed Infrastructure	1	USD 35,752,244	36.73%
Global Dynamic Bond Fund	1	USD 41,564,604	95.43%
Global Opportunities Listed Property	1	USD 17,354,030	36.91%
India Focus Equity	1	USD 22,914,420	79.82%
Japan Focus Equity	1	JPY 1,586,255,213	100.00%
US Credit	1	USD 88,213,346	88.48%

Notes to the Financial Statements - continued

31 December 2011

The following table details the number of shareholders with significant holdings of at least 20 per cent of the relevant Fund's NAV and the aggregate value and percentage of that holding as at 31 December 2010.

<u>Fund</u>	<u>Number of Significant Shareholders</u>	<u>Value of Holding</u>	<u>Aggregate Shareholding as a % of the Fund</u>
Euro Credit	1	EUR 61,584,303	98.73%
Europe Focus Equity	2	EUR 32,233,450	93.44%
Global Climate Change	2	USD 37,110,831	88.64%
Global Dynamic Bond Fund	1	USD 34,327,975	90.27%
Global High Dividend Equity	2	USD 45,161,592	77.35%
Global Listed Infrastructure	1	USD 27,763,016	41.60%
Global Opportunities Listed Property	1	USD 14,396,227	36.99%
India Focus Equity	1	USD 25,169,092	89.45%
Japan Focus Equity	1	JPY 1,672,448,945	99.99%
US Credit	1	USD 82,475,234	98.49%

* Shareholders who individually hold at least 20 per cent of the relevant Funds.

6. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended (the "TCA"). On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the TCA, are held by the Company or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and
- certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

7. Collateral

Each Fund's assets may be pledged as collateral to and held by the brokers for open futures contracts. Details of non cash collateral held at period end by brokers are asterisked within the Schedule of Investments of each relevant Fund. Securities held as collateral are typically U.S. Treasury Bills, or other international equivalents. Amounts of cash held as collateral at period end by brokers are disclosed on the Balance Sheet of each relevant Fund and included in Note 4 to the financial statements.

The collateral is held by the agent to the ISDA agreement entered into between the relevant Money Manager and the broker. The collateral must be immediately available to the Fund by the agent without recourse to the broker in the event of a default by that entity.

Notes to the Financial Statements - continued

31 December 2011

8. Efficient Portfolio Management

Each of the Funds may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes subject to the conditions and within the limits from time to time set forth in the Prospectus as follows:

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently using futures to achieve a particular strategy instead of using the underlying or related security or index, results in lower transaction costs being incurred.

A forward contract locks-in the price an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled on a gross or a net basis. These contracts cannot be transferred. The Funds' use of forward foreign exchange contracts may not include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another.

There were no other financial derivative instruments other than those described above held during the period.

9. Financial Risks

The activities of the Funds expose them to various financial risks such as market risk (including other price risk, interest rate risk, and currency risk), credit risk and liquidity risk. The overall risk management process for the Funds focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance for the Funds. The Funds combine Money Managers with varied investment styles to achieve returns in a broad range of market conditions and to manage exposure to risk through diversification.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's audited financial statements as at and for the year ended 30 June 2011.

10. Launch of New Funds and Classes of Shares

Dynamic Assets launched on 29 November 2011.

The following classes of shares were launched on Dynamic Assets during the six months ended 31 December 2011:

<u>Share Class</u>	<u>Launch Date</u>	<u>Launch Price</u>
Dynamic Assets		
Class B EURO	11/12/2011	EUR 1,000.00
Class C EURO	11/12/2011	EUR 1,000.00
Class I AUD H	29/11/2011	AUD 1,000.00
Class I EURO	29/11/2011	EUR 1,000.00
Class I STG£ H	29/11/2011	GBP 1,000.00
Class I US\$ H	29/11/2011	USD 1,000.00

Notes to the Financial Statements - continued

31 December 2011

The following classes of shares were launched during the year ended 30 June 2011:

<u>Share Class</u>	<u>Launch Date</u>	<u>Launch Price</u>
Euro Credit		
Class B EURO Income	11/03/2011	EUR 1,000.00
Class B STG£ Income	21/09/2010	GBP 1,000.00
Class I EURO	22/12/2010	EUR 1,000.00
Europe Focus Equity		
Class B STG£	21/09/2010	GBP 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Global Climate Change		
Class A STG£	21/09/2010	GBP 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Global Dynamic Bond		
Class B EURO Income	20/08/2010	EUR 1,000.00
Class B STG£ Income	28/07/2010	GBP 1,000.00
Class B US\$	20/08/2010	USD 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Global Focus Equity		
Class P JPY	15/03/2011	JPY 100,000
Global High Dividend Equity		
Class B EURO Income	28/07/2010	EUR 1,000.00
Class B STG£ Income	27/07/2010	GBP 1,000.00
Class B US\$ Income	12/11/2010	USD 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Class I US\$	17/09/2010	USD 1,000.00
Class P JPY	23/03/2011	JPY 100,000
Global Listed Infrastructure		
Class A STG£	21/09/2010	GBP 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Class I US\$ NV	03/08/2010	USD 1,000.00
Global Opportunistic Listed Property		
Class A STG£	21/09/2010	GBP 1,000.00
Class B US\$	12/11/2010	USD 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Class I US\$	22/12/2010	USD 1,000.00
Class I US\$ NV	03/08/2010	USD 1,000.00
India Focus Equity		
Class B STG£	20/08/2010	GBP 1,000.00
Class B US\$	11/11/2010	USD 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00
Class I US\$	22/12/2010	USD 1,000.00
Japan Focus Equity		
Class I JPY	21/12/2010	JPY 100,000
US Credit		
Class B STG£ Income	21/09/2010	GBP 1,000.00
Class I STG£	21/09/2010	GBP 1,000.00

Notes to the Financial Statements - continued

31 December 2011

11. Exchange Rates

Where applicable, the Administrator used the exchange rates listed below to translate foreign currency amounts, market value of investments and other assets and liabilities into Euro at the following rates for each EUR 1.

31 December 2011			31 December 2011			31 December 2011		
Australian Dollar	AUD	1.26624	Hong Kong Dollar	HKD	10.08221	South Korean Won	KRW	1,495.46881
Brazilian Real	BRL	2.42137	Indian Rupee	INR	68.93826	Swedish Krona	SEK	8.89921
British Pound	GBP	0.83531	Japanese Yen	JPY	99.87966	Swiss Franc	CHF	1.21390
Canadian Dollar	CAD	1.32184	Malaysian Ringgit	MYR	4.11514	Taiwan Dollar	TWD	39.30668
Chilean Peso	CLP	674.32402	Mexican Peso	MXN	18.11614	U.S. Dollar	USD	1.29815
Czech Republic Koruna	CZK	25.50255	Norwegian Krone	NOK	7.74729			
Danish Krone	DKK	7.43236	Singapore Dollar	SGD	1.68325			

30 June 2011			30 June 2011			30 June 2011		
Australian Dollar	AUD	1.35424	Indian Rupee	INR	64.81187	South African Rand	ZAR	9.82853
Brazilian Real	BRL	2.26503	Indonesian Rupiah	IDR	12,433.18000	South Korean Won	KRW	1547.93128
British Pound	GBP	0.90308	Japanese Yen	JPY	117.08981	Swedish Krona	SEK	9.14862
Canadian Dollar	CAD	1.39925	Malaysian Ringgit	MYR	4.37782	Swiss Franc	CHF	1.22077
Chilean Peso	CLP	679.32675	Mexican Peso	MXN	17.00223	Taiwan Dollar	TWD	41.64474
Chinese Yuan Renminbi	CNY	9.37182	Norwegian Krone	NOK	7.77909	Thai Baht	THB	44.54661
Czech Republic Koruna	CZK	24.33245	Philippine Peso	PHP	62.82921	U.S. Dollar	USD	1.44985
Danish Krone	DKK	7.45889	Polish Zloty	PLN	3.98027			
Hong Kong Dollar	HKD	11.28164	Singapore Dollar	SGD	1.77983			

31 December 2010			31 December 2010			31 December 2010		
Australian Dollar	AUD	1.30877	Hong Kong Dollar	HKD	10.42875	South African Rand	ZAR	8.87536
Brazil Real	BRL	2.22697	Indonesian Rupiah	IDR	12,087.37252	South Korean Won	KRW	1,522.52598
British Pound	GBP	0.85686	Japanese Yen	JPY	108.80648	Swedish Krona	SEK	9.01904
Canadian Dollar	CAD	1.33303	Malaysian Ringgit	MYR	4.13667	Swiss Franc	CHF	1.25046
Chinese Yuan Renminbi	CNY	8.84042	Norwegian Krone	NOK	7.79776	Taiwan Dollar	TWD	39.11493
Czech Koruna	CZK	25.09002	Philippine Peso	PHP	58.77334	U.S. Dollar	USD	1.34155
Danish Krone	DKK	7.45211	Singapore Dollar	SGD	1.71859			

The Administrator used the yearly average exchange rates listed below to translate the foreign currency amounts in the combined statements for the Profit and Loss Account and the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders into Euro at the following rates for each EUR 1.

31 December 2011			30 June 2011			31 December 2010		
Japanese Yen	JPY	107.6158	Japanese Yen	JPY	113.0181	Japanese Yen	JPY	110.58028
U.S. Dollar	USD	1.39146	U.S. Dollar	USD	1.3646	U.S. Dollar	USD	1.32869

Notes to the Financial Statements - continued

31 December 2011

12. Comparative Dealing Net Assets

As at 31 December 2011

Dynamic Assets*

	Class B EURO EUR	Class C 1 EURO EUR	Class I AUD H AUD	Class I EURO EUR	Class I STG£ GBP	Class I US\$ USD
Total net asset value						
31 December 2011	304,650	989	13,550,184	9,320,795	29,352,305	16,509,711
Net asset value per share						
31 December 2011	989.80	989.46	994.02	989.39	990.07	989.89

* The Fund commenced trading on 29 November 2011.

Euro Credit

	Class B EURO EUR	Class B EURO Income EUR	Class B STG £ Income GBP	Class C EURO EUR	Class I EURO EUR	Class P EURO-NV EUR
Total net asset value						
31 December 2011	334,701	664,330	994	941,038	1,031	12,273,304
30 June 2011	433,564	3,427	1,068	1,047,594	1,021	7,091,187
31 December 2010	111,885	-	1,000.07	677,046	1,003.68	8,578,569
Net asset value per share						
31 December 2011	1,054.26	986.85	945.09	1,018.67	1,031.31	1,074.10
30 June 2011	1,047.96	1,000.78	1,035.67	1,014.62	1,020.56	1,062.61
31 December 2010	1,035.97	-	1,000.07	1,004.52	1,003.68	1,045.02

Euro Credit

	Class P STG£ H-NV GBP
Total net asset value	
31 December 2011	57,457,254
30 June 2011	55,263,468
31 December 2010	45,418,844
Net asset value per share	
31 December 2011	1,070.03
30 June 2011	1,060.54
31 December 2010	1,044.88

Europe Focus Equity

	Class B EURO EUR	Class B STG£ GBP	Class C EURO EUR	Class I EURO EUR	Class I STG£ GBP
Total net asset value					
31 December 2011	1,639,027	611,349	28,005	10,837,175	1,027
30 June 2011	1,298,467	514,151	17,614	11,373,773	1,166
31 December 2010	188,297	139,502	1,178.27	11,225,739	1,092.80
Net asset value per share					
31 December 2011	1,129.74	1,013.49	1,115.84	1,050.01	1,027.13
30 June 2011	1,192.86	1,156.73	1,182.59	1,102.00	1,166.06
31 December 2010	1,184.26	1,089.86	1,178.27	1,087.66	1,092.80

Notes to the Financial Statements - continued

31 December 2011

Europe Focus Equity

	Class P EURO EUR	Class P US\$ Income USD
Total net asset value		
31 December 2011	2,258,904	3,514
30 June 2011	2,505,773	30,884,740
31 December 2010.....	1,908,680	28,184,500
Net asset value per share		
31 December 2011	1,124.56	4,007.32
30 June 2011	1,179.36	1,235.39
31 December 2010.....	1,163.12	1,127.38

Global Climate Change*

	Class A STG£ GBP	Class B US\$ USD	Class C EURO EUR	Class I STG£ GBP	Class I US\$ USD	Class P US\$-NV USD
Total net asset value						
31 December 2011	-	-	-	-	-	-
30 June 2011	1,146	182,662	90,982	1,150	15,608,231	-
31 December 2010.....	1,131.20	170,585	14,060.09	1,132.52	33,110,742	8,564,066
Net asset value per share						
31 December 2011	-	-	-	-	-	-
30 June 2011	1,145.96	1,126.33	1,005.06	1,150.00	1,187.58	-
31 December 2010	1,131.20	1,086.53	1,053.19	1,132.52	1,139.51	1,141.88

* The Fund ceased trading on 9 November 2011.

Global Dynamic Bond*

	Class B EURO Income EUR	Class B STG£ Income GBP	Class B US\$ USD	Class I STG£ GBP	Class I US\$ USD	Class P EURO H Income EUR
Total net asset value						
31 December 2011	-	-	-	-	-	-
30 June 2011	442,500	838,856	1,036	1,004	1,089	28,668,230
31 December 2010	342,421	641,646	1,006.54	995.91	1,054	27,250,995
Net asset value per share						
31 December 2011	-	-	-	-	-	-
30 June 2011	901.29	1,020.44	1,036.10	1,004.19	1,089.23	1,025.53
31 December 2010	951.17	1,021.73	1,006.54	995.91	1,054.00	1,024.05

* The Fund ceased trading on 2 November 2011.

Global Focus Equity

	Class P JP¥ JPY
Total net asset value	
31 December 2011	22,254,368,216
30 June 2011	16,826,832,888
Net asset value per share	
31 December 2011	92,715
30 June 2011	104,847

Notes to the Financial Statements - continued

31 December 2011

Global High Dividend Equity

	Class B EURO Income EUR	Class B STG£ Income GBP	Class B US\$ Income USD	Class C EURO EUR	Class I STG£ GBP
Total net asset value					
31 December 2011	20,515,028	25,493,560	2,020,839	300,562	1,028
30 June 2011	14,110,308	20,736,810	1,145,651	225,328	1,083
31 December 2010	5,985,037	7,733,188	497,536	391,385	1,060.81
Net asset value per share					
31 December 2011	1,004.19	996.67	916.60	1,024.33	1,027.51
30 June 2011	1,008.86	1,082.74	1,028.43	1,008.49	1,083.24
31 December 2010	1,061.93	1,080.96	1,001.08	1,052.11	1,060.81

Global High Dividend Equity

	Class I US\$ USD	Class P JPY JPY	Class P US\$ Income USD
Total net asset value			
31 December 2011	53,017,657	3,213,913,118	935
30 June 2011	5,300,486	3,761,702,029	1,019
31 December 2010	3,795,047	-	34,239,300
Net asset value per share			
31 December 2011	1,038.52	89,937	1,036.77
30 June 2011	1,131.76	102,793	1,155.20
31 December 2010	1,081.21	-	1,114.31

Global Listed Infrastructure

	Class A STG£ GBP	Class A US\$ USD	Class B US\$ USD	Class C EURO EUR	Class I STG£ GBP	Class I US\$ USD
Total net asset value						
31 December 2011	1,087	11,832,246	2,894,280	933,368	209,477	23,407,940
30 June 2011	1,159	17,128,002	661,147	434,900	212,717	19,213,185
31 December 2010	1,058.97	16,447,941	329,357	127,175	99,663.70	6,392,602
Net asset value per share						
31 December 2011	1,086.62	1,539.69	1,159.12	1,129.56	1,096.36	1,574.00
30 June 2011	1,158.53	1,696.51	1,279.71	1,120.01	1,164.11	1,727.33
31 December 2010	1,058.97	1,513.15	1,143.60	1,086.97	1,060.25	1,534.47

Global Listed Infrastructure

	Class I US\$-NV USD	Class P US\$ USD
Total net asset value		
31 December 2011	6,271,976	54,038,991
30 June 2011	7,000,973	52,356,163
31 December 2010	5,952,278	37,285,835
Net asset value per share		
31 December 2011	1,150.41	1,578.46
30 June 2011	1,262.50	1,731.38
31 December 2010	1,121.59	1,537.37

Notes to the Financial Statements - continued

31 December 2011

Global Opportunistic Listed Property

	Class A STG£ GBP	Class A US\$ USD	Class B EURO EUR	Class B US\$ USD	Class C EURO EUR	Class I STG£ GBP
Total net asset value						
31 December 2011	965	9,784,029	300,207	-	55,982	972
30 June 2011	1,068	11,421,110	470,512	312,203	37,522	1,072
31 December 2010	1,041.91	11,064,721	448,104	327,775	6,264.26	1,043.29
Net asset value per share						
31 December 2011	965.10	1,256.72	1,202.67	-	998.80	971.69
30 June 2011	1,067.78	1,437.26	1,235.29	1,049.63	1,028.67	1,071.94
31 December 2010	1,041.91	1,368.38	1,276.65	1,002.37	1,060.71	1,043.29

Global Opportunistic Listed Property

	Class I US\$ USD	Class I US\$-NV USD	Class P US\$ USD
Total net asset value			
31 December 2011	948	5,826,210	28,961,219
30 June 2011	1,079	6,628,787	27,910,957
31 December 2010	1,022.75	5,945,251	20,968,268
Net asset value per share			
31 December 2011	947.96	1,031.09	1,286.02
30 June 2011	1,079.21	1,174.48	1,463.77
31 December 2010	1,022.75	1,113.76	1,387.07

India Focus Equity

	Class B EURO EUR	Class B STG£ GBP	Class I STG£ GBP	Class I US\$ USD	Class P US\$ Income USD
Total net asset value					
31 December 2011	2,833,896	1,701,291	670	669	815
30 June 2011	1,824,019	1,959,235	911	938	22,914,420
31 December 2010	957,072	956,384	1,026.90	1,029.83	25,169,200
Net asset value per share					
31 December 2011	736.01	722.47	670.10	669.31	818.27
30 June 2011	930.79	987.77	910.61	937.67	1,145.72
31 December 2010	1,114.17	1,121.90	1,026.90	1,029.83	1,258.46

Japan Focus Equity*

	Class P JPY JPY
Total net asset value	
31 December 2011	-
30 June 2011	1,586,255,213
31 December 2010	1,672,439,995
Net asset value per share	
31 December 2011	-
30 June 2011	84,986
31 December 2010	89,603

* The Fund ceased trading on 4 July 2011.

Notes to the Financial Statements - continued

31 December 2011

US Credit

	Class B STG£ Income GBP	Class B US\$ USD	Class I STG£ GBP	Class I US\$ USD	Class P EURO H-NV EUR	Class P STG£ H-NV GBP
Total net asset value						
31 December 2011	1,067	749,494	1,074	1,030,770	12,285,821	57,541,851
30 June 2011	975	59,978	999	1,148,198	7,088,926	54,946,152
31 December 2010	983.99	104,634.81	985	1,158,460	8,594,088	45,313,928
Net asset value per share						
31 December 2011	1,023.73	1,154.49	1,074.13	1,147.98	1,176.78	1,174.39
30 June 2011	974.99	1,113.29	999.34	1,102.73	1,125.24	1,124.73
31 December 2010	983.99	1,074.50	985.00	1,059.89	1,078.44	1,079.16

13. Segregated Liability

Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. The Company has availed of the segregated liability provisions of the Investment Funds, Companies and Miscellaneous Provisions Act, 2005. The adoption of segregated liability ensures that liability incurred on behalf of a Fund will generally be discharged solely out of the assets of that Fund and there can generally be no recourse to other Funds to satisfy these liabilities. Notwithstanding the foregoing there can be no guarantee that should an action be brought against the Company in the court of another jurisdiction that the segregated nature of the Funds would necessarily be upheld.

14. Distributions

Total distributions for the six months ended 31 December 2011

Dynamic Assets, India Focus Equity and Japan Focus Equity did not declare a dividend during the period.

	Euro Credit EUR	Europe Focus Equity* EUR	Global Climate Change** USD	Global Dynamic Bond USD	Global Focus Equity USD	Global High Dividend Equity USD
Class A STG£	-	-	(15)	-	-	-
Class A US\$	-	-	-	-	-	-
Class B EURO	(7,696)	(14,083)	-	-	-	-
Class B EURO Income	(5,541)	-	-	(4,105)	-	(518,212)
Class B STG£	-	(6,161)	-	-	-	-
Class B STG£ Income	(24)	-	-	(9,076)	-	(804,353)
Class B US\$	-	-	(1,500)	(7)	-	-
Class B US\$ Income	-	-	-	-	-	(32,055)
Class C EURO	(20,943)	(185)	(1,105)	-	-	(7,290)
Class I EURO	(20)	(119,634)	-	-	-	-
Class I STG£	-	(14)	(15)	(10)	-	(38)
Class I US\$	-	-	(128,236)	(7)	-	(412,201)
Class I US\$-NV	-	-	-	-	-	-
Class P EURO	-	(26,358)	-	-	-	-
Class P EURO H Income	-	-	-	(259,186)	-	-
Class P EURO H-NV	-	-	-	-	-	-
Class P EURO-NV	(153,686)	-	-	-	-	-
Class P JPY	-	-	-	-	(5,316,906)	(1,009,900)
Class P STG£ H-NV	(1,268,464)	-	-	-	-	-
Class P US\$	-	-	-	-	-	-
Class P US\$ Income	-	(222,076)	-	-	-	(23)
Total	<u>(1,456,374)</u>	<u>(388,511)</u>	<u>(130,871)</u>	<u>(272,391)</u>	<u>(5,316,906)</u>	<u>(2,784,072)</u>
Distributions paid on income shares	<u>(5,565)</u>	<u>(222,076)</u>	<u>-</u>	<u>(272,367)</u>	<u>-</u>	<u>(1,354,643)</u>
Distributions deemed on accumulation shares	<u>1,450,809</u>	<u>166,435</u>	<u>130,871</u>	<u>24</u>	<u>5,316,906</u>	<u>1,429,429</u>

* The Fund ceased trading on 9 November 2011.

** The Fund ceased trading on 2 November 2011.

Notes to the Financial Statements - continued

31 December 2011

	Global Listed Infrastructure USD	Global Opportunistic Listed Property USD	US Credit USD
Class A STG£	(9)	(16)	-
Class A US\$	(83,970)	(104,662)	-
Class B EURO	-	(6,400)	-
Class B EURO Income	-	-	-
Class B STG£	-	-	-
Class B STG£ Income	-	-	(32)
Class B US\$	(3,672)	(2,924)	(1,208)
Class B US\$ Income	-	-	-
Class C EURO	(4,909)	(509)	-
Class I EURO	-	-	-
Class I STG£	(1,701)	(16)	(32)
Class I US\$	(95,777)	(10)	(23,133)
Class I US\$-NV	(34,880)	(62,162)	-
Class P EURO	-	-	-
Class P EURO H Income	-	-	-
Class P EURO H-NV	-	-	(214,905)
Class P EURO-NV	-	-	-
Class P JPY	-	-	-
Class P STG£ H-NV	-	-	(1,809,737)
Class P US\$	(261,635)	(262,420)	-
Class P US\$ Income	-	-	-
Total	<u>(486,553)</u>	<u>(439,119)</u>	<u>(2,049,047)</u>
Distributions paid on income shares	-	-	(32)
Distributions deemed on accumulation shares	<u>486,553</u>	<u>439,119</u>	<u>2,049,015</u>

Total distributions for the year ended 30 June 2011

	Euro Credit EUR	Europe Focus Equity EUR	Global Climate Change USD	Global Dynamic Bond USD	Global Focus Equity USD	Global High Dividend Equity USD	Global Listed Infrastructure USD
Class A STG£	-	-	-	-	-	-	(10)
Class A US\$	-	-	-	-	-	-	(342,367)
Class B EURO	(7,120)	(10)	-	-	-	-	-
Class B EURO Income	(12)	-	-	(2,295)	-	(175,219)	-
Class B STG£	-	-	-	-	-	-	-
Class B STG£ Income	(35)	-	-	(5,033)	-	(266,977)	-
Class B US\$	-	-	(526)	(5)	-	-	(6,695)
Class B US\$ Income	-	-	-	-	-	(4,765)	-
Class C EURO	(22,476)	(10)	(3)	-	-	(7,075)	(1,023)
Class I EURO	(31)	(76,360)	-	-	-	-	-
Class I JPY	-	-	-	-	-	-	-
Class I STG£	-	-	-	(8)	-	(38)	(893)
Class I US\$	-	-	(24,617)	(5)	-	(86,875)	(192,192)
Class I US\$-NV	-	-	-	-	-	-	(34,238)
Class P EURO	-	(24,103)	-	-	-	-	-
Class P EURO H Income	-	-	-	(169,748)	-	-	-
Class P EURO H-NV	-	-	-	-	-	-	-
Class P EURO-NV	(344,174)	-	-	-	-	-	-
Class P JPY	-	-	-	-	(188,578)	(192,225)	-
Class P STG£ H-NV	(2,262,356)	-	-	-	-	-	-
Class P US\$	-	-	-	-	-	-	(670,564)
Class P US\$ Income	-	(183,103)	-	-	-	(979,610)	-
Class P US\$-NV	-	-	(73,801)	-	-	-	-
Total	<u>(2,636,204)</u>	<u>(283,586)</u>	<u>(98,947)</u>	<u>(177,094)</u>	<u>(188,578)</u>	<u>(1,712,784)</u>	<u>(1,247,982)</u>
Distributions paid on income shares	(47)	(183,103)	-	(177,076)	-	(1,426,571)	-
Distributions deemed on accumulation shares	<u>2,636,157</u>	<u>100,483</u>	<u>98,947</u>	<u>18</u>	<u>188,578</u>	<u>286,213</u>	<u>1,247,982</u>

Notes to the Financial Statements - continued

31 December 2011

	Global Opportunistic Listed Property USD	Japan Focus Equity JPY	US Credit USD
Class A STG£	(10)	-	-
Class A US\$	(136,190)	-	-
Class B EURO	(6,294)	-	-
Class B EURO Income	-	-	-
Class B STG£	-	-	-
Class B STG£ Income	-	-	(30)
Class B US\$	(1,914)	-	(2,127)
Class B US\$ Income	-	-	-
Class C EURO	(54)	-	-
Class I EURO	-	-	-
Class I JPY	-	(777)	-
Class I STG£	(10)	-	(31)
Class I US\$	(6)	-	(38,354)
Class I US\$-NV	(34,712)	-	-
Class P EURO	-	-	-
Class P EURO H Income	-	-	-
Class P EURO H-NV	-	-	(408,880)
Class P EURO-NV	-	-	-
Class P JPY	-	(13,095,012)	-
Class P STG£ H-NV	-	-	(2,369,861)
Class P US\$	(199,273)	-	-
Class P US\$ Income	-	-	-
Class P US\$-NV	-	-	-
Total	<u>(378,463)</u>	<u>(13,095,789)</u>	<u>(2,819,283)</u>
Distributions paid on income shares	-	-	(30)
Distributions deemed on accumulation shares	<u>378,463</u>	<u>13,095,789</u>	<u>2,819,253</u>

Total distributions for the six months ended 31 December 2010

	Euro Credit EUR	Europe Focus Equity EUR	Global Climate Change USD	Global High Dividend Equity USD	Global Listed Infrastructure USD	US Credit USD
Class A STG£	-	-	-	-	-	-
Class A US\$	-	-	-	-	(247,782)	-
Class B EURO	(11)	(10)	-	-	-	-
Class B EURO Income	-	-	-	(27,666)	-	-
Class B STG£	-	-	-	-	-	-
Class B STG£ Income	-	-	-	(31,758)	-	-
Class B US\$	-	-	(526)	-	(4,800)	(145)
Class B US\$ Income	-	-	-	-	-	-
Class C EURO	(11)	(10)	(3)	(29)	(20)	-
Class I EURO	-	(76,360)	-	-	-	-
Class I STG£	-	-	-	(17)	-	-
Class I US\$	-	-	(24,617)	(37,801)	(155,427)	(15,380)
Class I US\$-NV	-	-	-	-	-	-
Class P EURO	-	(24,103)	-	-	-	-
Class P EURO H Income	-	-	-	-	-	-
Class P EURO H-NV	-	-	-	-	-	(188,267)
Class P EURO-NV	(97,927)	-	-	-	-	-
Class P STG£ H	(504,666)	-	-	-	-	-
Class P STG£ H-NV	-	-	-	-	-	(970,441)
Class P US\$	-	-	-	-	(455,234)	-
Class P US\$ Income	-	(183,103)	-	(691,758)	-	-
Class P US\$-NV	-	-	(73,801)	-	-	-
Total	<u>(602,615)</u>	<u>(283,586)</u>	<u>(98,947)</u>	<u>(789,029)</u>	<u>(863,263)</u>	<u>(1,174,233)</u>
Distributions paid on income shares	-	(183,103)	-	(751,182)	-	-
Distributions deemed on accumulation shares	<u>602,615</u>	<u>100,483</u>	<u>98,947</u>	<u>37,847</u>	<u>863,263</u>	<u>1,174,233</u>

Global Dynamic Bond, India Focus Equity and Japan Focus Equity did not declare a distribution during the six months to 31 December 2010.

Notes to the Financial Statements - continued

31 December 2011

15. Significant Events During the Period

Directors

Mr. Neil Jenkins was appointed as a full Director on 22 September 2011. Prior to his appointment as a full Director, he acted as permanent alternate Director to Mr. Peter Gunning.

Prospectus

The Prospectus for the Company was updated on 4 November 2011.

The principal amendments to the Prospectus filed on 4 November 2011 were:

The creation of three new sub-funds, Dynamic Assets, Japan Credit and Russell Fundamental Emerging Markets Index Fund. The section titled "General Investment Strategies and Restrictions" was updated to clarify that any investment by a Fund in Russell Investment Company plc will be aggregated with any investments by that Fund in other collective investment schemes for the purpose of the limit set out in this section. The section titled "Risk Considerations" was updated to include risk warnings titled "Commodities" and "Replication of an Index". The section titled "Dilution Adjustment" was amended to clarify the position with regard to the application of the dilution adjustment on the initial offer price of shares and in respect of in specie subscriptions and redemptions. The section titled "Conflicts of Interest" was updated to include reference to the manager's policies in relation to conflicts of interest, best execution and the exercise of voting rights. The section titled "Performance Fees" was amended to reflect that performance fees are payable in respect of Dynamic Assets but not in respect of Japan Credit or Russell Fundamental Emerging Markets Index Fund. A new section titled "Shareholder Complaints" was included which details how complaints can be made by shareholders. The creation of a new share classes: (i) Global Listed Infrastructure - Class I STG£ Income and (ii) Global Focus Equity - Class I EURO. The increase in management fee for Class I US\$ of India Focus Equity was from 1.15 per cent to 1.20 per cent.

A revised Simplified Prospectus was filed on 14 November 2011.

Fund Closures

Japan Focus Equity ceased trading on 4 July 2011.

Global Dynamic Bond ceased trading on 2 November 2011.

Global Climate Change ceased trading on 9 November 2011.

Fund Launches

Dynamic Assets launched on 29 November 2011.

Other Significant Events

On 1 July 2011, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 came into operation in Ireland giving effect to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009. The Company has adopted specific policies and procedures in order to comply with its obligations under these Regulations.

Notes to the Financial Statements - continued

31 December 2011

16. Significant Events Since the Period End

The Prospectus for the Company was updated on 16 January 2012. The principal amendments to the Prospectus filed on 16 January 2012 were:

A change in the policy for the calculation of net income in respect of Global Listed Infrastructure (that the fees and expenses of the Fund be charged to the capital (rather than income) of the Fund). Minor amendments to the disclosure on the use of derivatives for Dynamic Assets, Japan Credit and Russell Fundamental Emerging Markets Index Fund; and update of the sections titled "U.K. Distributor Status" and "U.K. Reporting Fund Status".

A revised Simplified Prospectus was filed on 16 January 2012.

17. Approval of the Financial Statements

The financial statements were approved by the Directors on 23 February 2012.

Appendix I - Total Expense Ratio

For the six months ended 31 December 2011

The average Total Expense Ratio (“TER”) table shows the actual expenses incurred over the preceding twelve month period by the respective share classes, active on each Fund during the six months to 31 December 2011, expressed as a percentage of the average (avg.) net asset values (“NAV”) of the that share class for the twelve month period.

	Expense % of avg. NAV of share class	Expense % (excluding Performance Fees) of avg. NAV of share class
Dynamic Assets		
Class B EURO	2.01%	2.01%
Class C EURO	2.71%	2.71%
Class I EURO	1.03%	1.03%
Class I AUD H	0.97%	0.97%
Class I STG£	1.02%	1.02%
Class I US\$	1.02%	1.02%
Euro Credit		
Class B EURO	1.71%	1.71%
Class B EURO Income	1.64%	1.64%
Class B STG£ Income	1.65%	1.65%
Class C EURO	2.05%	2.05%
Class I EURO	0.85%	0.85%
Class P EURO-NV	0.70%	0.70%
Class P STG£ H	0.75%	0.75%
Europe Focus Equity		
Class B EURO	3.46%	1.61%
Class B STG£	3.46%	1.13%
Class C EURO	4.20%	2.70%
Class I EURO	2.26%	0.94%
Class I STG£	2.28%	0.59%
Class P EURO	2.11%	0.63%
Class P US\$ Income	2.11%	0.85%
Global Climate Change		
Class A STG£	2.30%	2.30%
Class B US\$	2.60%	2.60%
Class C EURO	3.50%	3.50%
Class I STG£	1.50%	1.50%
Class I US\$	1.50%	1.50%
Class P US\$-NV	1.35%	1.35%
Global Dynamic Bond		
Class B EURO Income	2.12%	2.12%
Class B STG£ Income	2.12%	2.12%
Class B US\$	2.20%	2.20%
Class I STG£	1.31%	1.31%
Class I US\$	1.27%	1.27%
Class P EURO H Income	1.27%	1.26%
Global Focus Equity		
Class P JP¥	1.29%	0.69%

Appendix I - Total Expense Ratio - continued

For the six months ended 31 December 2011

	Expense % of avg. NAV of share class	Expense % (excluding Performance Fees) of avg. NAV of share class
Global High Dividend Equity		
Class B EURO Income	3.08%	1.93%
Class B STG£ Income	3.08%	1.93%
Class B US\$ Income	3.07%	0.98%
Class C EURO	3.78%	3.00%
Class I STG£	1.89%	0.81%
Class I US\$	1.87%	0.49%
Class P JPY	1.73%	0.56%
Class P US\$ Income	1.74%	1.70%
Global Listed Infrastructure		
Class A STG£	2.94%	1.52%
Class A US\$	2.93%	1.64%
Class B US\$	3.32%	2.91%
Class C EURO	4.22%	3.58%
Class I STG£	2.13%	0.98%
Class I US\$	2.13%	1.17%
Class I US\$ NV	2.13%	0.93%
Class P US\$	2.03%	0.98%
Global Opportunistic Listed Property		
Class A STG£	1.97%	1.97%
Class A US\$	1.96%	1.96%
Class B EURO	2.57%	2.57%
Class B US\$	2.58%	2.58%
Class C EURO	3.11%	3.11%
Class I STG£	1.16%	1.16%
Class I US\$	1.17%	1.17%
Class I US\$-NV	1.16%	1.16%
Class P US\$	1.02%	1.02%
India Focus Equity		
Class B EURO	3.63%	2.34%
Class B STG£	3.63%	2.42%
Class B US\$	3.61%	1.70%
Class I STG£	2.26%	1.05%
Class I US\$	2.26%	0.47%
Class P US\$ Income	2.05%	1.83%
Japan Focus Equity		
Class P JPY	0.96%	0.96%
US Credit		
Class B STG£ Income	1.65%	1.65%
Class B US\$	1.64%	1.64%
Class I STG£	0.83%	0.83%
Class I US\$	0.85%	0.85%
Class P EURO H-NV	0.75%	0.75%
Class P STG£ H-NV	0.75%	0.75%

Appendix II - Portfolio Turnover Rates

For the six months ended 31 December 2011

The Portfolio Turnover rate (“PTR”) shows the turnover* incurred by each Fund, whose redeemable participating shares are registered for sale in Switzerland during the reporting period, expressed as an unaudited percentage of the average net asset value of that Fund for the corresponding period. A PTR is not available for any of the Funds that remained unfunded during the reporting period.

	<u>PTR</u>
Dynamic Assets**	(771)%
Euro Credit	191%
Europe Focus Equity	135%
Global Climate Change***	298%
Global Dynamic Bond***	709%
Global Focus Equity	225%
Global High Dividend Equity	261%
Global Listed Infrastructure	290%
Global Opportunistic Listed Property	259%
India Focus Equity	118%
Japan Focus Equity***	(6)%
US Credit	741%

* Turnover being a Fund’s aggregate value of total cost of securities purchased plus total disposal proceeds of securities sold less the aggregate value of that Fund’s redeemable participating shares’ subscriptions plus redemptions during the reporting period. All values in the turnover calculation are in the functional currency of the respective Fund.

** Dynamic Assets launched on 29 November 2011.

*** Global Climate Change, Global Dynamic Bond and Japan Focus Equity terminated on 2 November 2011, 9 November 2011 and 4 July 2011, respectively.

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