

# RiverSource Income Opportunities Fund

## FUND DESCRIPTION

### Asset Class

Taxable Bond

### Investment Category

High Yield Bond

### Objective

High total return through current income and capital appreciation

### Strategy

The Fund invests in high-yield, below investment grade corporate bonds. However, a focus on higher-quality issues rated B & BB is maintained in an attempt to moderate risk. The Fund's holdings are supported by extensive internal credit analysis and research.

## PORTFOLIO MANAGEMENT

**Brian Lavin, CFA**

YEARS IN: FIRM IND.  
16 24

## FUND DETAILS

	Inception Date
Class A	6/19/2003
Class B	6/19/2003
Class C	6/19/2003

	Ticker	CUSIP
Class A	AIOAX	768912867
Class B	AIOBX	768912859
Class C	RIOCX	768912842

## TOTAL NET ASSETS

Fund Net Assets (\$M) 743.1

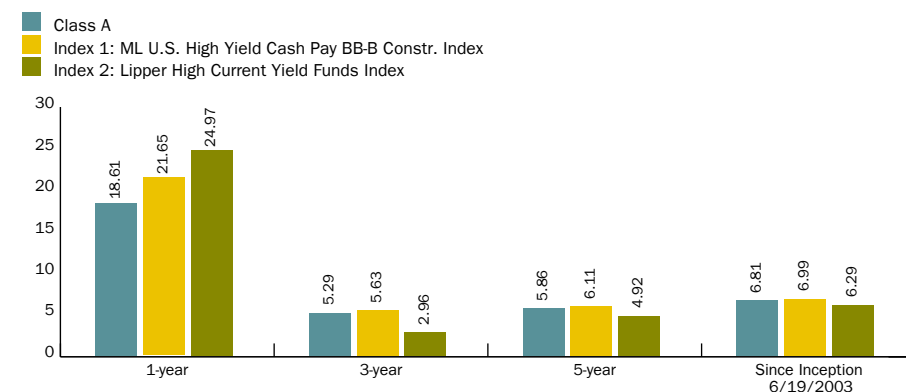
## FUND PERFORMANCE (%)

Without Sales Charges	1-year	3-year	5-year	Since Inception	Max Sales Charge	Maximum CDSC	* Expense Ratio Gross	** Expense Ratio Net
Class A	18.61	5.29	5.86	6.81	-	-	1.19	1.14
Class B	17.59	4.45	5.05	6.00	-	-	1.96	1.90
Class C	17.60	4.46	5.05	6.00	-	-	1.91	1.89
With Sales Charges								
Class A	12.97	3.59	4.84	6.08	4.75	-	1.19	1.14
Class B	12.59	3.61	4.75	6.00	-	5.00	1.96	1.90
Class C	16.60	4.46	5.05	6.00	-	1.00	1.91	1.89
Index 1	21.65	5.63	6.11	6.99	-	-	-	-
Index 2	24.97	2.96	4.92	6.29	-	-	-	-

The performance information shown represents past performance and is not a guarantee of future results. The investments return and principal value of your investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting [riversource.com/investments](http://riversource.com/investments).

\*Fund expense ratios are calculated based on the Fund's average net assets during the Fund's most recently completed fiscal year, and have not been adjusted for current asset levels. If adjusted for any decrease or increase in assets, expense ratios would be higher or lower, respectively, than the numbers shown above. The expense ratios include the effect of acquired fund fees and expenses, if any. Please see the Fund's prospectus for a complete list of operating expenses.

\*\*The investment manager and its affiliates have contractually agreed to waive certain fees and to absorb certain expenses of the Fund, as described in the Fund's prospectus, unless sooner terminated at the discretion of the Fund's board. Any amount waived will not be reimbursed. Net expense ratios reflect this fee waiver/expense cap. Fee waivers/expense caps would limit the impact that any decrease in assets would have on net expense ratios in the current fiscal year.



## CALENDAR YEAR RETURNS (%)

Class A without sales charges.

	2009	2008	2007	2006	2005
RiverSource Income Opportunities Fund CI A	40.26	-19.57	2.78	8.48	3.72
ML U.S. High Yield Cash Pay BB-B Constr. Index	45.98	-23.23	3.20	9.27	3.41
Lipper High Current Yield Funds Index	49.49	-28.84	2.13	10.17	3.00

It is not possible to invest directly in an index.

The Merrill Lynch U.S. High Yield Cash Pay BB-B Rated Constrained Index is an unmanaged index of high yield bonds. The index is subject to a 2% cap on allocation to any one issuer. The 2% cap is intended to provide broad diversification and better reflect the overall character of the high yield market. The index reflects reinvestment of all distributions and changes in market prices.

The Lipper High Current Yield Bond Funds Index includes the 30 largest high yield bond funds tracked by Lipper Inc. The index's returns include net reinvested dividends.

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

ColumbiaManagement



**PORTFOLIO STATISTICS**

	FUND
Number of Holdings	264
Duration (years)	4.31
Average Maturity (years)	6.24
SEC Yield	7.05
Fund Fiscal Year End	7/31/10

**RISK MEASURES**

(3-year period)

	FUND	INDEX
Standard Deviation	12.42	14.87
Sharpe Ratio	0.41	0.28
Beta	0.81	1.00
Alpha	1.74	0.00
R-Squared	0.95	1.00

**CREDIT QUALITY (%)**

	FUND
BBB & Above	3.86
BB	39.52
B	50.58
CCC & Below	4.65
Not Rated	0.75
Cash/Other	0.64

**MATURITY (%)**

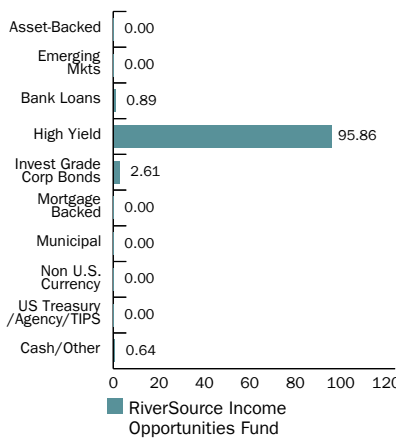
	FUND
0-1 Year	0.64
1-3 Years	1.83
3-7 Years	61.74
7-10 Years	32.45
10-15 Years	2.96
Above 15 Years	0.38

**COMPARATIVE INDEX**

ML U.S. High Yield Cash Pay BB-B  
Constr. Index

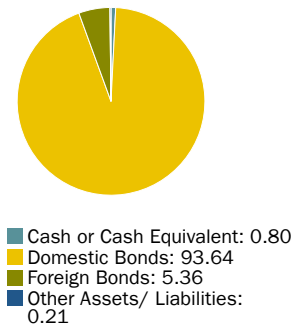
**SECTOR ALLOCATION (%)**

Subject to change.



**ASSET ALLOCATION (%)**

Subject to change.



**DEFINITIONS**

**Alpha**- measures the relationship between the Fund's performance and its beta over a three-year period. Alpha greater than 0.0 means an investment has performed better than the compared index given its level of risk. It can be viewed as a measure of the value added by the Fund manager.

**Average Maturity**- is a measure of investment risk; it is the weighted average of the maturities, or due dates, of all bonds held in a portfolio not considering other factors.

**Beta**- measures an investment's volatility relative to a market index. The index is equivalent to 1.0. An investment with a beta greater than 1.0 has been more volatile than the index while an investment with a beta less than 1.0 has been less volatile.

**Credit Quality**- Bond ratings apply to underlying holdings of the Fund and not the Fund itself. Whenever possible, the Standard and Poor's (S&P) rating is used to determine the credit quality of a security. S&P rates the creditworthiness of bonds, with 15 categories ranging from AAA (highest) to D (lowest). Ratings from A to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. If S&P doesn't rate a security, then Moody's rating is used. If a security is not rated by one of these two agencies, the bond is designated as Not Rated.

**Duration**- expressed in years, measures a bond portfolio's change in value for every 1% change in interest rates. Longer durations indicate higher rate sensitivities.

**R-Squared**- measures how closely the Fund's performance matches (or doesn't match) the performance of its benchmark index.

**SEC Yield**- Computed under an SEC standardized formula representing the net investment income earned by a fund over the preceding 30 day period, expressed as an annual percentage rate based on the maximum public offer price (POP) per share on the last day of the period. The SEC yield should be regarded as an estimate of the Fund's rate of investment income reflecting an estimated yield to maturity (assuming all current portfolio holdings are held to maturity), and it may not equal the Fund's actual income distribution rate or the income paid to a shareholders account. The SEC Yield reflects fee waivers in effect, if any. In the absence of such waivers, yields would be reduced.

**Sharpe Ratio**- divides an investment's return in excess of the 90-day Treasury bill by the investment's standard deviation to measure risk-adjusted performance.

**Standard Deviation**- measures an investment's historical volatility in performance.

**You should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus, which contains this and other important information about the funds, call 1(800) 221-2450. Read the prospectus carefully before investing.**

**The recent growth in the stock market has helped to produce short-term returns for some asset classes that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.**

There are risks associated with an investment in a bond fund, including credit risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer-term securities. Non-investment grade securities, commonly called "high-yield" or "junk" bonds, have more volatile prices and carry more risk to principal and income than investment grade securities.

International investing involves increased risk and volatility due to potential political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are particularly significant in emerging markets.

Not all products and all shares classes are available through all firms.

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