

# RiverSource Disciplined Small and Mid Cap Equity Fund

## FUND DESCRIPTION

### Asset Class

U.S. Stock

### Investment Category

Small/Mid Cap Blend

### Objective

Long-term capital growth

### Strategy

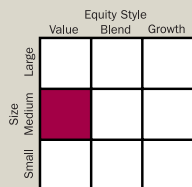
The Fund invests at least 80% of net assets in the stocks of companies with market capitalizations up to \$5 billion at time of investment, generally those that are in the Russell 2500 Index. Investments are selected, in part, through proprietary, disciplined quantitative methods that evaluate the relationship between each stock's risk and potential for positive returns. Attractive valuations, sound balance sheets and improving outlooks are also considered.

## PORTFOLIO MANAGEMENT

YEARS IN: FIRM IND.

**Alfred F. Alley III, CFA** 5 24  
**Brian M. Condon, CFA** 11 17

## MORNINGSTAR STYLE BOX™



The Morningstar Style Box™ reveals a fund's investment strategy. For equity funds, the vertical axis shows the market capitalization of the stocks owned, and the horizontal axis shows investment style (value, blend, or growth). Information shown is based on the most recent data provided by Morningstar.

## FUND DETAILS

### Inception Date

Class A 5/18/2006  
 Class B 5/18/2006  
 Class C 5/18/2006

### Ticker

### CUSIP

Class A RDSAX 768922866  
 Class B - 768922858  
 Class C RDSCX 768922841

## TOTAL NET ASSETS

Fund Net Assets (\$M) 134.0

## FUND PERFORMANCE (%)

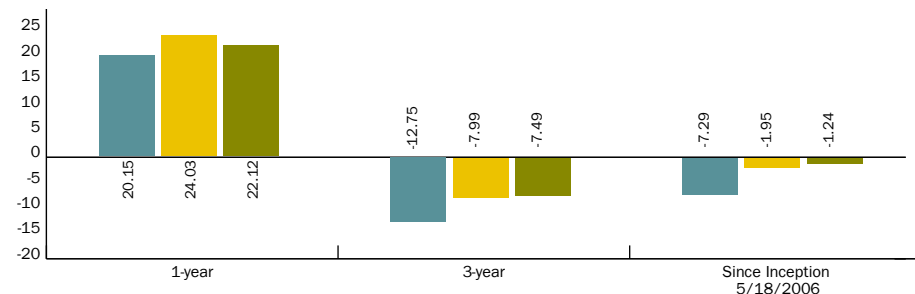
Without Sales Charges	1-year	3-year	Since Inception	Max Sales Charge	Maximum CDSC	* Expense Ratio Gross	** Expense Ratio Net
Class A	20.15	-12.75	-7.29	-	-	1.40	1.36
Class B	19.22	-13.44	-8.00	-	-	2.17	2.13
Class C	19.22	-13.44	-8.02	-	-	2.16	2.12
With Sales Charges							
Class A	13.25	-14.46	-8.62	5.75	-	1.40	1.36
Class B	14.22	-14.31	-8.45	-	5.00	2.17	2.13
Class C	18.22	-13.44	-8.02	-	1.00	2.16	2.12
Index 1	24.03	-7.99	-1.95	-	-	-	-
Index 2	22.12	-7.49	-1.24	-	-	-	-

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.

■ Class A  
 ■ Index 1: Russell 2500 Index  
 ■ Index 2: Lipper Mid Cap Core Funds Index



## CALENDAR YEAR RETURNS (%)

Class A without sales charges.

	2009	2008	2007
RiverSource Disciplined Small and Mid Cap Equity Fund Cl A	26.49	-35.78	-10.20
Russell 2500 Index	34.39	-36.79	1.38
Lipper Mid Cap Core Funds Index	39.34	-38.53	6.34

It is not possible to invest directly in an index.

The Russell 2500 Index, an unmanaged index, measures the performance of the 2,500 smallest companies in the Russell 3000 Index, which represents approximately 16% of the total market capitalization of the Russell 3000 Index. The index reflects reinvestment of all distributions and changes in market prices.

The Lipper Mid-Cap Core Funds Index includes the 30 largest mid-cap core funds tracked by Lipper Inc. The index's returns include net reinvested dividends. The Fund's performance is currently measured against this index for purposes of determining the performance incentive adjustment.

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

ColumbiaManagement



**PORTFOLIO STATISTICS**

	FUND	INDEX
Price-to-Earnings Ratio	10.38	14.83
Price-to-Book Ratio	1.40	0.21
Wtd. Avg Mkt Cap (\$B)	2.43	2.01
Number of Holdings	398	2,505
Fund Fiscal Year End	7/31/10	

**MARKET CAPITALIZATION (%)**

	FUND	INDEX
\$7.0 Billion & Above	8.17	0.00
\$1.0 Billion - \$7.0 Billion	58.09	74.18
\$0 - \$1.0 Billion	33.74	25.82

**RISK MEASURES**

(3-year period)

	FUND	INDEX
Standard Deviation	26.01	25.83
Sharpe Ratio	-0.50	-0.36
Beta	0.99	1.00
Alpha	-3.94	0.00
R-Squared	0.97	1.00

**TOP HOLDINGS (%)**

As of June 30, 2010

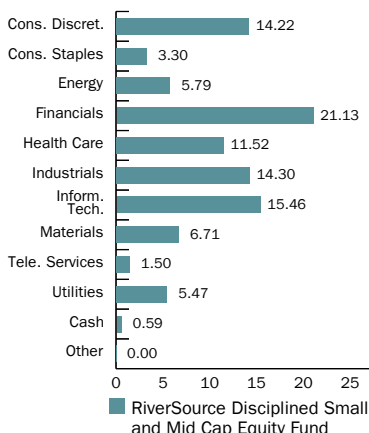
	FUND
1. Ryder System, Inc.	1.10
2. Raymond James Financial, Inc.	1.06
3. DST Systems, Inc.	1.06
4. The Finish Line, Inc., Class A	1.03
5. Mirant Corp.	0.96
6. Cree, Inc.	0.95
7. American Capital Agency Corp.	0.95
8. International Bancshares Corp.	0.94
9. Humana	0.91
10. Annaly Capital Management, Inc.	0.90

**COMPARATIVE INDEX**

Russell 2500 Index

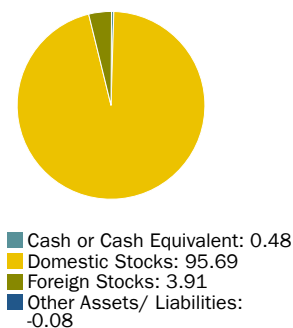
**SECTOR ALLOCATION (%)**

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.

**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.

**Price-to-Book Ratio**- is a stock's price divided by its book value, and may help determine if it is valued fairly.

**Price-to-Earnings Ratio**- is a stock's price divided by after-tax earnings over a trailing 12-month period, which serves as an indicator of value based on earnings.

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

**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.

Holdings are shown in descending order of value and exclude short-term holdings and cash, if applicable. Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security.

**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.**

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.

Investments in small- and mid-capitalization companies involve greater risks and volatility than investments in larger, more established companies.

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