



News Announcement

June 2009

Ivy Asset Strategy Fund Added to John Hancock's JH Signature™ Lineup

Ivy Funds recently announced that it has reached an agreement with John Hancock Retirement Services to offer Ivy Asset Strategy Fund as the first tactical asset allocation fund under the JH Signature™ lineup, providing 401(k) clients broader investment choices.

According to John Hancock, Ivy Asset Strategy is among six new funds, and one of four new managers, added to the JH Signature™ line this month, bringing advisors a broader span of choices when tailoring a 401(k) allocation strategy around specific client needs.

Ivy Asset Strategy Fund is a flexible fund with a flexible mandate that seeks high total returns over the long-term from any asset class, anywhere around the globe. Unlike traditional balanced or asset allocation funds, Ivy Asset Strategy is not restricted to certain percentages in stocks or bonds. The co-portfolio managers, Michael Avery and Ryan Caldwell, can invest in any asset class, at any time, for any duration, without regard to geographic, capitalization or asset class constraints. They do so by focusing their strategy in two key areas:

- Participating in global rebalancing, meaning centering on regions of the world, such as China, that they believe may exhibit stronger economic growth and consumption than the United States.
- Cushioning the bumps of volatility. The managers seek to distinguish between market noise and real long-term risks, while positioning the portfolio accordingly.

Ivy Asset Strategy Fund is part of the Ivy Funds family, which cover all major asset categories, including domestic, global and international equities; international and domestic balanced funds; domestic and international fixed income funds; specialty funds and a money market fund.

Ivy Funds ranked number nine out of 59 fund families in the 2008 list of “Best Mutual Fund Families,” an annual ranking of the best fund families published by *Barron's*. In addition, *Barron's* ranked Ivy Funds number three, out of 53 fund families, over the latest 5-year period. Over the most recent 10 years, Ivy Funds ranked 19th out of 48 firms. These 2008 rankings

follow a number eight ranking for Ivy Funds over the one-year period in the 2007 *Barron's* review.

Barron's rankings are based on asset-weighted returns in five categories: domestic equity, world equity (including international and global portfolios), mixed equity (stocks and bonds), taxable bonds and tax exempt funds. Rankings also take into account an individual fund's performance within its Lipper peer group. To qualify for the Lipper/*Barron's* Fund Survey, a fund group must have at least three funds in Lipper's general U.S.-stock category, as well as one in world equity, which combines global and international funds. They also require at least one mixed-equity fund, which holds both stocks and bonds. Fund shops must also then have at least two taxable bond funds and one tax-exempt offering.

The Ivy Funds are managed by Ivy Investment Management Company and distributed by its subsidiary, Ivy Funds Distributor, Inc. It is not affiliated with John Hancock USA. Please remember that, as with any mutual fund, investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

Consider all factors. Investment return and principal value will fluctuate, and it is possible to lose money by investing. The Fund allocates from 0-100% of its assets primarily among stocks, bonds, and short-term instruments, across domestic and foreign securities. International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. With regards to fixed income securities in which the fund may invest, these are subject to interest rate risk and, as such, the net asset value of the fund may fall as interest rates rise. Because the Fund may concentrate its investments, the Fund may experience greater volatility than an investment with greater diversification. These and other risks are more fully described in the Fund's prospectus.

Investors should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. For a prospectus containing this and other information for any of the Ivy Funds, call your financial advisor or visit www.ivyfund.com. Please read the prospectus carefully before investing.