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## News Release

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### **Ivy Funds #2 in *Barron's* 5-Year Ranking of “Best Mutual Fund Families”**

*Fund family near the top of the 5-year list for two years running*

OVERLAND PARK, KS, February 2, 2010/– The Ivy Funds and its sister fund family, the Waddell & Reed Advisors Funds, top the list of the “Best Mutual Fund Families” over the last five years in an annual ranking published by *Barron's*. In the newspaper's Feb. 1, 2010 issue, Waddell & Reed Advisors Funds ranked first and Ivy Funds second in terms of performance over the five-year period ended Dec. 31, 2009, out of 54 fund families ranked.

*Barron's* rankings require that a fund family has a broad lineup, as criteria 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.

“We strive to participate in equity gains, but our first priority is to protect our shareholders,” said Mike Avery, Chief Investment Officer for both fund families. “Over longer periods, when we're certainly likely to see volatility, we maintain more of a safe harbor philosophy, and we believe that has helped our performance. Over the recent one-year period, it may have tempered performance somewhat as we avoided some of the names that drove what we saw as a lower-quality rally earlier in 2009.”

Over the most recent one-year period, Ivy Funds ranked 39 and Waddell & Reed Advisors ranked 49, out of 61 firms. Over the most recent 10 years, Ivy Funds ranked 18 and Waddell & Reed Advisors 24, out of 48 firms, according to *Barron's*. In last year's *Barron's* rankings, Waddell & Reed Advisors Funds also were the top ranked fund family, and Ivy Funds number three, out of 53 fund families over the 5-year period. Waddell & Reed Advisors Funds were the fifth ranked fund family, and Ivy Funds ranked number nine, over the one-year period, out of 59 fund families last year. Those rankings were published on Feb. 2, 2009. And, in the 2008 rankings (2/4/08), Waddell & Reed Advisors Funds were the top ranked fund family, and Ivy Funds ranked number eight, out of 67 fund families ranked over the one-year period.

“The financial markets faced some tremendous challenges over the last couple years, including the worst downturn since the 1930s. Our daily research process is designed to help us evaluate market challenges effectively as we attempt to manage risk and endeavor to deliver consistency for our investors,” said Hank Herrmann, Chairman and CEO of Waddell & Reed Financial, Inc., parent company to both fund families.

The Ivy Funds offer a broad fund lineup covering all major asset categories, including international and domestic equity funds, specialty funds, fixed income funds and money market funds.

For the Barron's rankings, sales charges are not included in the calculation of returns, and the ranking period included time periods during which some funds' returns were affected by expense reduction arrangements.

The Waddell & Reed Advisors Funds are offered through Waddell & Reed advisors, the company's network of personal financial planners with offices around the country. Ivy Funds are offered through the company's wholesale channel, which includes national and regional broker/dealers, registered investment advisors and retirement platforms.

Through its subsidiaries, Waddell & Reed Financial, Inc. provides investment management and financial planning services to clients throughout the United States. Waddell & Reed Investment Management Company serves as investment advisor to the Waddell & Reed Advisors Group of Mutual Funds, Ivy Funds Variable Insurance Portfolios, Inc., and Waddell & Reed InvestEd Portfolios, Inc., while Ivy Investment Management Company serves as investment advisor to Ivy Funds, Inc. and the Ivy Funds portfolios. Waddell & Reed, Inc. serves as principal underwriter and distributor to the Waddell & Reed Advisors Group of Mutual Funds, Ivy Funds Variable Insurance Portfolios, Inc. and Waddell & Reed InvestEd Portfolios, Inc., while Ivy Funds Distributor, Inc. serves as principal underwriter and distributor to Ivy Funds, Inc. and the Ivy Funds portfolios.

**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](http://www.ivyfund.com). Please read the prospectus carefully before investing.**

**Investment return and principal value will fluctuate, and it is possible to lose money by investing. Past performance is not a guarantee of future results.**