



Waddell & Reed Advisors

Value Fund [WVAAX]

Q2/10 Portfolio information as of June 30, 2010

FUND PERFORMANCE^{1,2,3}

Average Annual Total Returns

Period	Class A NAV	Class A Load	Class Y	Russell 1000 Value	Lipper Large-Cap Value
3-Month	-10.81%	-15.94%	-10.80%	-11.15%	-12.22%
YTD	-3.63%	-9.17%	-3.53%	-5.12%	-7.16%
1-Year	19.70%	12.82%	20.28%	16.92%	-12.88%
3-Year	-9.16%	-10.93%	-8.72%	-12.32%	-11.93%
5-Year	-0.60%	-1.77%	-0.16%	-1.64%	-1.87%
Life	2.63%	1.99%	3.08%	1.66%	1.25%
Gross Expense	1.53%	1.53%	0.95%	-	-
Net Expense	1.52%	1.52%	0.94%	-	-
Inception	12/15/00	12/15/00	12/15/00	-	-

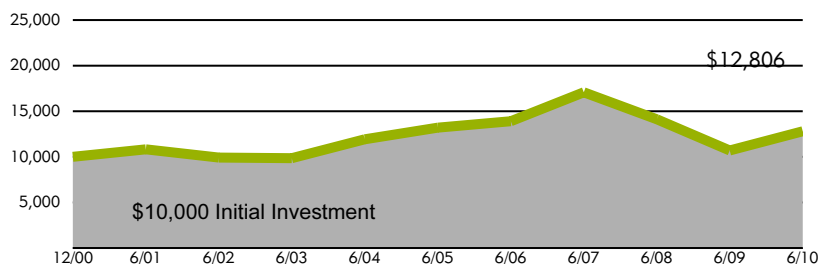
Calendar Year Returns

Year	Class A	Class Y	Russell 1000 Value	Lipper Large-Cap Value
2009	26.04%	26.98%	19.69%	23.10%
2008	-34.33%	-34.06%	-36.85%	-37.36%
2007	1.69%	2.02%	-0.17%	2.46%
2006	16.60%	17.16%	22.25%	18.28%
2005	3.96%	4.39%	7.05%	6.26%
2004	14.28%	14.69%	16.49%	12.00%
2003	24.48%	25.25%	30.03%	28.00%
2002	-15.51%	-15.20%	-15.52%	-19.68%
2001	8.03%	8.42%	-5.59%	-8.58%

Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit www.waddell.com for the most recent month-end performance.

- ¹ Performance at net asset value (NAV) does not include the effect of sales charges. Class A share performance, including sales charges, reflects the maximum applicable front-end sales load of 5.75%. Class Y shares are not subject to sales charges.
- ² Russell 1000 Value is an unmanaged index comprised of securities that represent the large cap sector of the stock market. It is not possible to invest directly in an index.
- ³ Performance results include the effect of a voluntary fee waiver in effect through September 16, 2016. If those arrangements had not been in place, the performance results would have been lower.

GROWTH OF A \$10,000 INVESTMENT Class A shares- 06/30/2000-6/30/2010



Assumes an investment over 10 years or life of the share class, reinvestment of dividends and capital gains, and does not include the effect of sales charges or taxes.

LIPPER RANKINGS

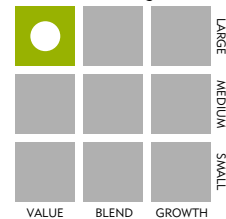
Category: Lipper Large-Cap Value Funds

	Rank	Percentile
1 Year	18/521	4
3 Year	57/474	12
5 Year	92/404	23

Rankings are for Class A Shares and are based on average annual total returns, but do not consider sales charges.

MORNINGSTAR STYLE BOX⁴

Source: Morningstar



PORTFOLIO MANAGEMENT

Matthew T. Norris, CFA

Waddell & Reed Investment Management Co.
18 years in industry
6 years with fund

OBJECTIVE

To provide long-term capital appreciation.

INVESTMENT APPROACH

We utilize both a top-down (assess the market environment) and bottom-up (research individual issuers) analysis in our selection process. In general, in selecting securities for the Fund, we evaluate market risk, interest rate trends and economic climate. Equities selected must represent value in a combination of relative and absolute measures. We attempt to concentrate the fund's equity holdings in companies with leading positions in their respective industries with solid management teams, strong balance sheets and high barriers to competition.



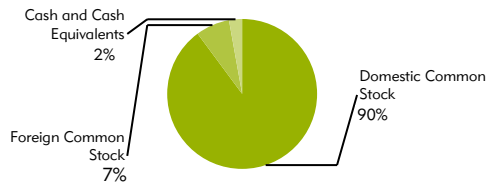
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PORTFOLIO COMPOSITION⁵

(as a % of net assets)



TOP 10 EQUITY HOLDINGS⁵

(as a % of net assets)

Bank of America Corporation	5.2%
Travelers Companies	4.6%
McKesson	4.4%
Wells Fargo & Company	4.2%
Occidental Petroleum	4.2%
Hewlett-Packard	4.0%
Union Pacific	3.5%
ACE Limited	3.3%
UnitedHealth Group	3.2%
Xerox Corporation	2.7%

TOP 5 SECTORS⁵

(as a % of equity holdings)

Financials	27.2%
Energy	21.5%
Consumer Discretionary	13.2%
Information Technology	12.0%
Industrials	8.6%

TICKER SYMBOL

Class A	WVAAX	Class Y	WVAYX
Class B	WVABX		
Class C	WVACX		

PORTFOLIO CHARACTERISTICS⁶

Fund Inception	12/15/2000
Net Assets	\$371.8 mil
Dividends	Annually
Turnover Rate (3/31/2010)	78%
Number equity holdings	45
Median market cap	\$18.7 bil
Alpha	0.76
Beta	0.89
R-Squared	94.81
Standard Deviation	16.53
Sharpe Ratio	-0.20

Consider all factors. The value of a security believed by the Fund's manager to be undervalued may never reach what the manager believes to be its full value, or such security's value may decrease. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. These and other risks are more fully described in the fund's prospectus.

⁴ The style box reveals a fund's investment strategy by displaying the fund's investment style and the market capitalization of the stocks owned.

⁵ Information is subject to change and is not intended to represent any past or future investment recommendations.

⁶ Alpha, Beta, R-Squared, Standard Deviation and Sharpe Ratio are 5 year statistics that represent the fund's oldest share class. Alpha is a measure of a fund's actual returns and expected performance, given its level of risk (as measured by beta). Beta reflects the sensitivity of the fund's return to fluctuations in the market index. R-squared indicated how much of a fund's fluctuations were attributable to movements in the fund's benchmark. Standard deviation is a measure of how volatile a fund's returns are. Sharpe ratio is a measure of a fund's risk-adjusted performance.

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 the Waddell & Reed Advisors Funds, call your financial advisor or visit us online at www.waddell.com. Please read the prospectus carefully before investing.

