



IVY

Science and Technology Fund [WSTCX]

Q2/10 Portfolio information as of June 30, 2010

Infinite Loop Category:  Innovation & Transformation

FUND PERFORMANCE^{1,2,3}

Average Annual Total Returns

Period	Class A NAV	Class A Load	Class C NAV	Class C Load	Class Y	S&P North Ameri Tech Sector	Lipper Science & Technology
3-Month	-10.83%	-15.96%	-10.99%	-11.89%	-10.81%	-12.50%	-11.07%
YTD	-9.13%	-14.36%	-9.47%	-10.37%	-9.08%	-10.39%	-7.94%
1-Year	10.24%	3.90%	9.40%	9.40%	10.37%	15.84%	17.92%
3-Year	0.13%	-1.83%	-0.65%	-0.65%	0.27%	-4.26%	-5.61%
5-Year	6.52%	5.26%	5.65%	5.65%	6.66%	3.06%	2.03%
10-Year	-	-	1.00%	1.00%	2.05%	-8.11%	-8.77%
Life	1.71%	1.11%	10.98%	10.98%	11.00%	-	-
Gross Expense	1.50%	1.50%	2.30%	2.30%	1.33%	-	-
Net Expense	1.50%	1.50%	2.30%	2.30%	1.33%	-	-
Inception	7/3/00	7/3/00	7/31/97	7/31/97	6/9/98	-	-

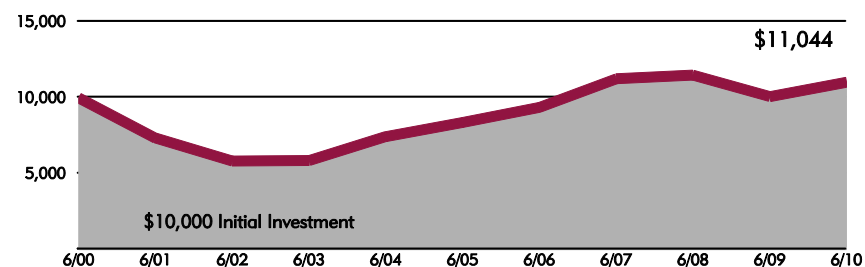
Calendar Year Returns

Year	Class A	Class C	Class Y	S&P North Ameri Tech Sector	Lipper Science & Technology
2009	39.55%	38.54%	39.80%	63.19%	60.45%
2008	-27.73%	-28.34%	-27.62%	-43.33%	-43.77%
2007	23.59%	22.55%	23.71%	16.94%	16.76%
2006	7.50%	6.62%	7.62%	8.98%	6.73%
2005	16.62%	15.64%	16.82%	2.03%	5.37%
2004	16.25%	15.18%	16.56%	2.92%	4.11%
2003	31.27%	30.17%	31.75%	54.18%	51.31%
2002	-25.90%	-26.57%	-25.67%	-40.27%	-41.38%
2001	-13.98%	-14.48%	-13.60%	-28.58%	-34.72%
2000	-	-26.31%	-25.66%	-37.84%	-30.27%

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.ivyfund.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%. For Class C shares, a 1% CDSC applies to the lesser of amount invested or redemption value of shares redeemed within twelve months after the purchase date. Class Y shares are not subject to sales charges.
- ² For Class C shares, performance prior to 3/24/00 is based on the fund's original Class B shares, which were combined with Class C Shares, effective 3/24/00, and redesignated as Class C shares. New Class B shares with fees and expenses different than the original Class B shares were added to Ivy Funds on 6/30/00.
- ³ S&P North Ameri Tech Sector is an unmanaged index comprised of securities that represent the technology sector of the stock market. It is not possible to invest directly in an index.

GROWTH OF A \$10,000 INVESTMENT Class C 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.

★★★★★

Overall Morningstar Rating*

Class C Shares among 186 Technology funds. Based on risk-adjusted returns. The fund received 5 stars for the 3-year period among 186 funds, 5 stars for the 5-year period among 177 funds and 5 stars for the 10-year period among 116 funds.*

LIPPER RANKINGS

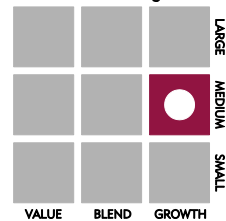
Category: Lipper Science & Technology Funds

	Rank	Percentile
1 Year	119/132	90
3 Year	20/129	16
5 Year	22/114	20
10 Year	5/72	7

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

MORNINGSTAR STYLE BOX⁴

Source: Morningstar



PORTFOLIO MANAGEMENT

Zachary H. Shafran

Ivy Investment Management Co.
22 years in industry
9 years with fund

OBJECTIVE

To provide long-term capital growth.

INVESTMENT APPROACH

We typically emphasize growth potential in selecting stocks; that is, we seek companies in which earnings are likely to grow faster than the economy. We aim to identify strong secular trends within industries and then apply a bottom-up stock selection process by considering a number of factors in selecting securities, including growth and earnings potential, quality of management, industry/market size potential, and applicable market and economic conditions.



IVY

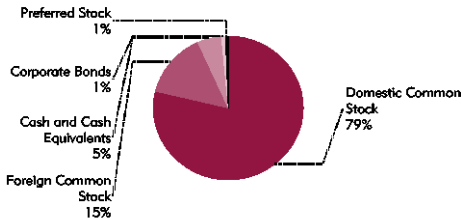
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PORTFOLIO COMPOSITION⁵

(as a % of net assets)



TOP 10 EQUITY HOLDINGS⁵

(as a % of net assets)

Apple	5.4%
Alliance Data Systems	5.2%
Cree	5.0%
Aspen Technology	4.5%
Microsoft	4.4%
Texas Instruments Incorporated	3.1%
ACI Worldwide	3.1%
Vertex Pharmaceuticals	3.0%
Lawson Software, Inc.	3.0%
Genzyme	3.0%

TOP 5 COUNTRIES⁵

(as a % of equity holdings)

United States	81.6%
Brazil	3.1%
Bermuda	2.8%
Japan	2.6%
Spain	2.5%

TOP 5 SECTORS⁵

(as a % of equity holdings)

Information Technology	66.5%
Health Care	13.4%
Industrials	8.8%
Consumer Staples	5.6%
Telecommunication Services	3.3%

TICKER SYMBOL

Class A	WSTAX	Class E	ISTEX
Class B	WSTBX	Class I	ISTIX
Class C	WSTCX	Class R	WSTRX
Class Y	WSTYX		

PORTFOLIO CHARACTERISTICS⁶

Fund Inception	7/31/1997
Net Assets	\$1.0 bil
Dividends	Annually
Turnover Rate (3/31/2010)	53%
Number equity holdings	55
Median market cap	\$2.5 bil
Alpha	3.05
Beta	0.72
R-Squared	85.50
Standard Deviation	16.69
Sharpe Ratio	0.18

Consider all factors. Investing in companies involved in one specified sector may be more risky and volatile than an investment with greater diversification. 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. Not all funds or fund classes may be offered at all broker/dealers.

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.

^{*} For each fund with at least a 3-year history, Morningstar calculates a risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of all sales charges), placing emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund and rated separately.) A fund's overall rating is derived from a weighted average of the 3-, 5- and 10-year (if applicable) rating metrics. Morningstar Rating is for the share classes specified; other classes may have different performance characteristics.

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 Ivy Funds, call your financial advisor or visit us online at www.ivyfund.com. Please read the prospectus carefully before investing.



IVY FUNDS[®]
PROVEN | FOCUSED | CONSTANT