



News Release

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For Fourth Year in a Row, Ivy Funds, Waddell & Reed Top *Barron's* "Best Mutual Fund Families" Over 5 Years

Either WR or Ivy Funds has held top spot in 5-year ranking since 2009

OVERLAND PARK, KS, February 6, 2012/– Across the last four years, either Ivy Funds or Waddell & Reed Advisors Funds consistently has occupied the top spot on the five-year ranking of "Best Mutual Fund Families," as published by *Barron's*. In the 2012 rankings, published on Feb. 6, 2012, Ivy Funds is number one over the last five years for the second year in a row, while Waddell & Reed Advisors Funds rank second, out of 53 firms ranked.

The two fund families, both affiliates of Waddell & Reed Financial, Inc. (NYSE:WDR), also rank well over 10 years, with Ivy Funds ranking number five and Waddell & Reed at number 18 for the 10-year period ended Dec. 31, 2011, out of 45 firms ranked. According to this year's article, "Waddell's twin threat is tops over five years," adding that Ivy Funds and Waddell & Reed both overcame a tough year in 2011 to remain numbers one and two, respectively, over the last five years.

"For most investors, clearly the longer-term performance of their mutual funds is key to overall financial success," said Henry J. Herrmann, Chairman and CEO of Waddell & Reed Financial, Inc., parent company to both fund families. "We are very careful to manage risk in our portfolios over time. Short-term volatility will always be a challenge, but longer term performance is paramount, and I think these rankings bear out the fact that our process has been effective across several years."

For the one-year period ended Dec. 31, 2011, a time marked by tremendous volatility and global uncertainty, Waddell & Reed Advisors Funds ranked 19 and Ivy Funds ranked 25, out of 58 firms ranked.

Consistency over time

Ivy Funds and Waddell & Reed Advisors Funds have demonstrated consistent high rankings in recent years:

- In last year's rankings (published Feb. 7, 2011) Ivy Funds ranked first and Waddell & Reed Advisors Funds ranked second in terms of performance over the five-year period ended Dec. 31, 2010, out of 53 fund families ranked.
- In 2010, Waddell & Reed Advisors Funds ranked first and Ivy Funds ranked second, over the five-year period ended Dec. 31, 2009, out of 54 fund families ranked.
- In the rankings published in 2009, Waddell & Reed Advisors Funds ranked first and Ivy Funds ranked third over the five-year period ended Dec. 31, 2008, out of 53 fund families ranked.

Barron's also breaks out several specific asset categories for separate one-year rankings, listing only the top five. Waddell & Reed Advisors ranked second in the U.S. Equity Funds category; Waddell & Reed Advisors ranked third in the World Equity Funds category; and Ivy Funds ranked fifth in the Taxable Bond Funds category.

“Our mandate as money managers is to monitor the global environment every day, and strive to capture opportunities while valuing capital preservation,” said Philip J. Sanders, Chief Investment Officer for both fund families. “These rankings provide solid perspective on our long-term approach and we’re pleased that these annual rankings continue to validate our work on behalf of our shareholders.”

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. 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.

Both the Waddell & Reed Advisors and Ivy Fund families 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.

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. The firm had approximately \$83 billion in total assets under management at Dec. 31, 2011. 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 InvestEd Portfolios, Inc., while Ivy Investment Management Company serves as investment advisor to the Ivy Funds. 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 the Ivy Funds.

Investors should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. For a prospectus, or if available, a summary prospectus, containing this and other information for any of the Waddell & Reed Advisors or Ivy Funds, call your financial advisor or visit www.waddell.com or www.ivyfunds.com. Please read the prospectus or summary 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.

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