



NEWS RELEASE

Ivy Distributors, Inc.

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Ivy reduces expenses on 10 key funds

Firm announces latest step in evolution of fund product line

Overland Park, KS—July 26, 2018 – Ivy Investments has taken another step in the ongoing refinement of its mutual fund product line, announcing today that it has filed with the Securities and Exchange Commission (SEC) to reduce expenses, via specific contractual fee waivers, on the Class I, and in some cases also Class N shares, of 10 of its funds, effective July 31, 2018, through July 31, 2020.

“Our focus is on reducing expenses on the funds and share classes that are providing the greatest impact and value to investors,” said Amy Scupham, president of Ivy Distributors, Inc. “We’re committed to addressing the changing dynamics of the industry in order to remain competitive and relevant.”

Across funds with the fee reductions, listed below, the peer ranking as it relates to expense ratio moved on average from the 65th percentile to the 37th percentile, as compared to each respective Morningstar peer group.

A key component of the firm’s overall strategy is the ongoing review of its product line and pricing, as announced last year. Central to that review is the pricing structure, which takes into account all products, all distribution channels and market demand.

The expense reductions follow steps in late 2017 and early 2018 to merge the former Waddell & Reed Advisors Funds into similar Ivy Funds, creating economies of scale. The firm in June filed with the SEC to merge five Ivy Funds and one Ivy Variable Insurance Portfolio (Ivy VIP) into other Ivy Funds, and one Ivy VIP, respectively, with generally similar investment objectives, creating more economies of scale for the benefit of fund shareholders. Those six mergers are subject to shareholder approval and, if approved, are anticipated to be effective in November 2018.

“As active managers, it is incumbent upon us to provide alpha for our clients within competitive products,” said Scupham. “Our investment process brings differentiated ideas through in-depth research, which enhances our ability to create the potential for additional value, supported now by reduced expenses.”



She added that Ivy chose to focus on Class I and Class N shares, given industry flow data showing that investors are rapidly moving to institutional share classes, matching a shift to fee-based advisory business models and away from transactional business.

“This expense reduction is a progression of our overall strategy and is a reflection of our comprehensive analysis of industry pricing,” said Scupham.

The selected funds and share classes include:

FUND	New Total Net Operating Expense Ratio (%)	Previous Total Net Operating Expense Ratio (%)
Ivy Apollo Multi-Asset Income Fund I	0.75	0.96
Ivy Apollo Multi-Asset Income Fund N	0.75	0.79
Ivy Apollo Strategic Income Fund I	0.67	0.86
Ivy Apollo Strategic Income Fund N	0.67	0.78
Ivy Energy Fund I	0.99	1.08
Ivy International Core Equity Fund I	0.79	0.97
Ivy IG International Small Cap Fund I	0.99	1.15
Ivy IG International Small Cap Fund N	0.99	1.15
Ivy Large Cap Growth Fund I	0.69	0.88
Ivy Large Cap Growth Fund N	0.69	0.72
Ivy Mid Cap Growth Fund I	0.79	1.04
Ivy Mid Cap Growth Fund N	0.79	0.87
Ivy Municipal High Income Fund I	0.61	0.68
Ivy Small Cap Core Fund I	0.89	1.10
Ivy Small Cap Core Fund N	0.89	0.95
Ivy Small Cap Growth Fund I	0.89	1.07
Ivy Small Cap Growth Fund N	0.89	0.91

Past performance is not a guarantee of future results. Investment return and principal value will fluctuate, and it is possible to lose money by investing. Please refer to each Fund’s prospectus for more risk information. Not all funds or fund classes may be offered at all broker/dealers.

IVY INVESTMENTS® refers to the investment management and investment advisory services offered by Ivy Investment Management Company, the financial services offered by Ivy Distributors, Inc., a



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Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a mutual fund. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at www.ivyinvestments.com or from a financial advisor. Please read it carefully before investing.