



News Release

InvestEd 529 Plan Again Named One of Best Performing

Arizona plan is first over one year, and over three years, according to www.savingforcollege.com

OVERLAND PARK, KS, August 22, 2008/PRNewswire/ -- A website devoted to research and information on the state sponsored 529 college savings plans around the country has released its quarterly review of the best-performing plans, and the InvestEd 529 Plan has again topped the list among advisor-sold plans, in terms of performance over the latest one- and three-year periods. This is the third consecutive quarter that the InvestEd Plan has topped the list.

Each quarter, www.savingforcollege.com analyzes the investment performance figures for hundreds of 529 portfolios and ranks advisor-sold 529 savings plans from best to worst for 1-year investment performance and for 3-year investment performance. According to rankings published recently, the InvestEd Plan, the largest 529 sponsored by Arizona, with underlying investments from the Ivy Funds and Waddell & Reed, was the best performing advisor-sold 529 plan over the last year and over the three-year period ended June 30, 2008, out of 32 and 27 plans, respectively. Plans sold directly to consumers are ranked separately.

The percentile scores are derived from an average of representative portfolios, which Savingforcollege.com selected to better compare plans equitably. The website selected specific portfolios from each 529 plan, or hundreds of investments, that can be compared on an apples-to-apples basis to portfolios in other 529 plans based on their allocation among stocks, bonds, and short-term instruments (money market and guaranteed investments). They set up seven different asset-allocation categories ranging from 100 percent equity to 100 percent fixed-income. For more information on the rankings, visit www.savingforcollege.com.

“The question I hear most from advisors is ‘which 529 plan is performing the best?’ ” Joe Hurley, president and CEO of savingforcollege.com, said in a recent Ignites.com news article. “This is our attempt to answer that question.”

Waddell & Reed has managed the InvestEd Plan since its creation in 2001, and it currently is the largest provider within Arizona’s program, reaching assets of approximately \$290 million at June 30, 2008.

“Waddell & Reed has devoted tremendous support and resources to the InvestEd Plan, worked to help Arizona families understand the benefits of saving for higher education and continually adapted the plan to ensure that it remains flexible and accessible,” said Dr. April L. Osborn, executive director of the Arizona Commission for Postsecondary Education. “We are very pleased with our partnership and look forward to the potential it holds.”

In 2007, the investment options within the InvestEd Plan were expanded, making it more adaptable to individual needs, as financial advisors work with their clients. The additional investment options include 17 individual Ivy Funds through an E share class, which complement the original age-based portfolios available within the InvestEd Plan.

The Waddell & Reed Advisors Funds were the top ranked, and the Ivy Funds were among the top 10, of the “Best Mutual Fund Families of 2007,” as ranked and published by *Barron’s*, out of 67 fund families ranked according to asset-weighted returns in five categories. The Waddell & Reed Advisors Funds ranked 23 and 9, out of 61 and 52 fund families, for the 5- and 10-year periods, respectively.

The Ivy Funds also ranked among the fastest growing mutual fund families in 2007, according to a recent study released by Financial Research Corporation (FRC). The Ivy Funds ranked second in terms of asset growth over the year among all firms with assets of \$5 billion or greater.

Changes to the Pension Protection Act, signed into law in October 2006, make permanent the federal income tax-free status of qualified withdrawals from 529 plans, further strengthening the public’s interest in such plans. (State and local taxes may apply.) For more information on the InvestEd Plan or on 529 plans generally, contact your local financial advisor, or visit www.invested529.com.

Please remember that, as with any mutual fund, investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost, and past performance is not a guarantee of future results.

Investors should consider the investment objectives, risks, charges and expenses associated with the InvestEd Plan carefully before investing. This and other information is found in the Waddell & Reed InvestEd Portfolios prospectus, the InvestEd Program Overview and the InvestEd Account Application, all of which can be obtained from your financial advisor. Please read these materials carefully before investing.

An investor should also consider, before investing, whether the investor’s or designated beneficiary’s home state offers any state tax or other benefits that are only available for investments in such state’s 529 college savings plan.

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

The InvestEd Plan was established under the Arizona Family College Savings Program, which was established by the State of Arizona as a qualified state tuition program in accordance with Section 529 of the Internal Revenue Code. InvestEd accounts are held in the name and for the benefit of the Arizona Commission for Postsecondary Education in its capacity as Trustee of the Family College Savings Program Trust Fund (the "Trust"). An investment in the InvestEd Plan constitutes a purchase of an interest in the Trust, which is considered a municipal fund security. InvestEd Plan accounts are not insured by the State of Arizona, the Arizona Commission for Postsecondary Education, Waddell & Reed, Inc. or any affiliated or related party, and neither the principal deposited nor the investment return is guaranteed by the above parties.

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.

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