

Release Date: 09-30-2018

Ivy VIP Mid Cap Growth

Investment Strategy from investment's prospectus

The investment seeks to provide growth of capital. The Portfolio seeks to achieve its objective by investing primarily in common stocks of mid-capitalization companies that IICO believes are high quality and/or offer above-average growth potential. Under normal circumstances, it invests at least 80% of its net assets in the securities of mid-capitalization companies, which, for purposes of this Portfolio, typically are companies with market capitalizations within the range of companies in the Russell Midcap Growth Index at the time of acquisition.

Past name: Ivy VIP Mid Cap Growth.

Category Description: Mid-Cap Growth

Some mid-cap growth funds invest in stocks of all sizes, thus leading to a mid-cap profile, but others focus on midsize companies. Mid-cap growth funds target firms that are projected to grow faster than other mid-cap stocks, therefore commanding relatively higher prices. Many of these stocks are found in the volatile technology, health-care and service sectors.

Operations

Fund Inception Date	04-28-05
Initial Share Class Inception Date	04-28-05
Advisor	Ivy Investment Management Co
Subadvisor	—

Fees and Expenses as of 04-30-18

Gross Prospectus Expense Ratio	1.15%
Net Prospectus Expense Ratio	1.10%

Waiver Data

Type	Exp.Date	%
Contractual	04-30-19	0.05

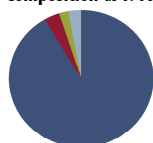
Portfolio Manager(s)

Kimberly A. Scott, CFA. M.B.A., University of Cincinnati. B.S., University of Kansas. Since 2005.

Nathan A. Brown. M.B.A., Vanderbilt University. B.B.A., University of Iowa. Since 2016.

Portfolio Analysis as of 06-30-18

Composition as of 06-30-18

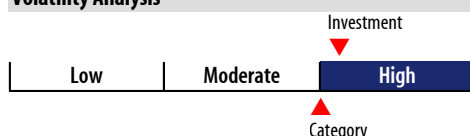


	% Assets
U.S. Stocks	91.56
Non-U.S. Stocks	3.46
Bonds	0.00
Cash	2.03
Other	2.95

Top 20 Holdings as of 06-30-18

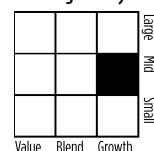
	% Assets
Zoetis Inc Class A	2.85
Tractor Supply Co	2.84
Electronic Arts Inc	2.82
Chipotle Mexican Grill Inc Class A	2.78
CoStar Group Inc	2.73
Intuitive Surgical Inc	2.60
GrubHub Inc	2.57
Fastenal Co	2.53
Tiffany & Co	2.21
Polaris Industries Inc	2.16
Lululemon Athletica Inc	2.11
Dunkin' Brands Group Inc	2.08
Edwards Lifesciences Corp	2.05
Expeditors International of Washington Inc	1.99
Abiomed Inc	1.94
Guidewire Software Inc	1.93
TransUnion	1.92
Ulta Beauty Inc	1.92
MercadoLibre Inc	1.90
ServiceNow Inc	1.86
Total Number of Stock Holdings	61
Total Number of Bond Holdings	—
Annual Turnover Ratio %	25.00
Total Fund Assets (\$mil)	791.92

Volatility Analysis



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

Morningstar Style Box™ as of 06-30-18



	% Mkt Cap
Giant	0.00
Large	38.30
Medium	57.38
Small	4.32
Micro	0.00

Statistics as of 06-30-18

	Stk Port Avg	S&P 500	Category
P/E Ratio	24.83	17.98	24.16
P/B Ratio	5.32	3.17	4.63
P/C Ratio	18.35	13.67	16.23
GeoAvgCap(\$mil)	13,221.45	109,557.79	12,655.86

Risk Measures as of 09-30-18

	Port Avg	S&P 500	Category
3 Yr Std Dev	11.19	9.18	11.15
3 Yr Sharpe Ratio	1.52	1.69	1.31
3 Yr Alpha	1.19	—	-0.94
3 Yr Beta	1.02	—	0.99
3 Yr R-squared	70.22	—	68.66

Morningstar Sectors as of 06-30-18

	%Fund	S&P 500 %
Cyclical	43.55	32.42
Basic Materials	3.64	2.27
Consumer Cyclical	28.64	12.18
Financial Services	8.40	15.79
Real Estate	2.87	2.18
Sensitive	36.05	42.67
Communication Services	0.00	3.24
Energy	0.00	6.00
Industrials	14.76	10.35
Technology	21.29	23.08
Defensive	20.40	24.92
Consumer Defensive	2.59	7.13
Healthcare	17.81	14.96
Utilities	0.00	2.83

Notes

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