

FOR IMMEDIATE RELEASE

DELAWARE INVESTMENTS PROVIDES UPDATE ON AUCTION RATE PREFERRED SECURITIES ISSUED BY MUNICIPAL CLOSED-END FUNDS

PHILADELPHIA, July 31, 2008 — Delaware Investments today provided an update on its efforts to find a solution to the lack of liquidity for holders of preferred shares issued by four of its closed-end funds: Delaware Investments Arizona Municipal Income Fund, Inc. (ASE: VAZ), Delaware Investments Colorado Municipal Income Fund, Inc. (ASE: VCF), Delaware Investments Minnesota Municipal Income Fund II, Inc. (ASE: VMM), and Delaware Investments National Municipal Income Fund (ASE:VFL). The unprecedented, industry-wide lack of liquidity in these securities is due to continuing failed auctions and remarketings of the preferred shares. Delaware Investments is acutely aware of the concerns of the preferred shareholders impacted by the failed remarketings and remains committed to act in the best interest of all of our fund shareholders.

Delaware Investments continues to communicate with other market participants to develop workable long-term solutions to these issues. Along with other issuers of closed-end funds, the firm is exploring a number of possible alternatives, including potentially issuing “liquidity enhanced” preferred shares eligible for purchase by a broader institutional market, in particular money market funds. These “liquidity enhanced” preferred shares would have a put feature that would require repurchase on demand by a liquidity provider in the event of a failed auction or remarketing.

A number of challenges remain in implementing this solution, including potentially obtaining exemptive relief from the Securities and Exchange Commission and locating liquidity partners and remarketing agents. Currently, no institutional market for “liquidity enhanced” preferred shares exists, and there is no guarantee that a market will develop. In addition, this approach may significantly increase the funds’ leveraging costs. The timing of some or all of these factors may be beyond the firm’s control.

Another option is the use of tender option bonds within some portfolios as an alternate form of leverage, which may allow for partial redemptions of some preferred shares. However, tender option bonds may not be practical for all municipal closed-end funds because they may have a relatively high cost of implementation. In addition, this form of leverage may impact portfolio management flexibility. Moreover, the financing for these bonds may increase the leverage costs for these funds.

Delaware Investments cannot guarantee that it will seek either of these alternatives, or be able to implement either of these alternatives, or that they will occur in a timely manner or be well received by the marketplace. The firm, however, remains committed to exploring options to address the current situation and to act in the best interests of the closed-end funds and all of their shareholders. Remarketing results will continue to be made available at www.delawareinvestments.com.

About Delaware Investments:

Delaware Investments, an affiliate of Lincoln Financial Group, is a Philadelphia-based diversified asset management firm with more than \$135 billion in assets under management as of June 30, 2008. Through a broad range of managed accounts and portfolios, mutual funds, retirement accounts, sub-advised funds, and other investment products, Delaware Investments provides investment services to individual investors and to institutional investors such as private and public pension funds, foundations, and endowment funds. Delaware Investments is the marketing name for Delaware Management Holdings, Inc. and its subsidiaries. For more information on Delaware Investments, visit the company at www.delawareinvestments.com. Lincoln Financial Group is the marketing name for Lincoln National Corporation (NYSE: LNC) and its affiliates. For more information on Lincoln Financial Group, visit www.lincolnfinancial.com.

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