



For immediate release

Delaware Investments Mutual Funds Earn Nine 2010 Lipper Awards in Eight Categories

PHILADELPHIA, March 25, 2010 — Delaware Investments, a member of Macquarie Group, earned nine 2010 Lipper Awards, including five for municipal bond funds, three for taxable fixed income funds and one for an asset-allocation fund. These funds delivered superior historical risk-adjusted performance to land as the top-performing funds in their respective Lipper peer groups in the time frame indicated. Delaware received awards for the following funds:

Delaware Diversified Income Fund, Institutional class (DPFFX)

Time period: 3 years

Lipper Classification: Multi-Sector Income Funds

Ranked best out of 106 funds for the 3-year period

Portfolio managers: Wen-Dar Chen, Thomas Chow, Roger Early, Paul Grillo, Kevin Loome

Delaware Extended Duration Bond Fund, Institutional class (DEEIX)

Time period: 10 years

Lipper Classification: Corporate Debt BBB-Rated Funds

Ranked best out of 60 funds for the 10-year period

Portfolio managers: Thomas Chow, Roger Early, Kevin Loome

Delaware Foundation® Conservative Allocation Fund, Institutional class (DFIIX)

Time period: 5 years

Lipper Classification: Mixed-Asset Target Allocation Conservative Funds

Ranked best out of 231 funds for the 5-year period

Portfolio managers: Michael Hogan, Paul Grillo, Sharon Hill, Frank Morris, Bob Zenouzi

Delaware Limited-Term Diversified Income Fund, Institutional class (DTINX)

Time period: 3 years

Lipper Classification: Short-Intermediate Investment Grade Debt Funds

Ranked best out of 124 funds for the 3-year period

Portfolio managers: Roger Early, Paul Grillo

Delaware Minnesota High-Yield Municipal Bond Fund, A class (DVMHX)

Time period: 10 years

Lipper Classification: Minnesota Municipal Debt Funds

Ranked best out of 31 funds for the 10-year period

Portfolio managers: Joseph Baxter, Stephen Czepiel

Delaware Tax-Free California Fund, A class (DVTAX)

Time period: 10 years

Lipper Classification: California Municipal Debt Funds

Ranked best out of 76 funds for the 10-year period

Portfolio managers: Joseph Baxter, Stephen Czepiel



Delaware Tax-Free Idaho Fund, A class (VIDAX)

Time period: 3 years

Lipper Classification: Other States Municipal Debt Funds

Ranked best out of 123 funds for the 3-year period

Portfolio managers: Joseph Baxter, Stephen Czepiel

Delaware Tax-Free Minnesota Fund, A class (DEFFX)

Time period: 5 years

Lipper Classification: Minnesota Municipal Debt Funds

Ranked best out of 32 funds for the 5-year period

Portfolio managers: Joseph Baxter, Stephen Czepiel

Delaware Tax-Free New York Fund, A class (FTNYX)

Time period: 10 years

Lipper Classification: New York Municipal Debt Funds

Ranked best out of 71 funds for the 10-year period

Portfolio managers: Joseph Baxter, Stephen Czepiel

The nine Lipper awards represent recognition for more than 20% of the current funds in the Delaware mutual fund family.

“These Lipper awards show that Delaware’s portfolio managers continue to implement their investment processes in a rigorous way, and that those processes are proven over time,” said Patrick P. Coyne, president of Delaware Investments. “I’m thrilled for our very talented investment professionals who are passionately committed to their work and to our clients.”

Delaware Diversified Income Fund’s rating against other funds in the Multi-Sector Income Funds category: # 94 of 154 in the last year, #1 of 106 in the last 3 years, and # 2 of 99 in the last 5 years.

Delaware Extended Duration Bond Fund’s rating against other funds in the Corporate Debt BBB-Rated Funds category: # 59 of 149 in the last year, #3 of 124 in the last 3 years, # 4 of 101 in the last 5 years, and # 1 of 60 in the last 10 years.

Delaware Foundation Conservative Allocation Fund’s rating against other funds in the Mixed-Asset Target Allocation Conservative Funds category: # 66 of 415 in the last year, # 9 of 360 in the last 3 years, # 1 of 231 in the last 5 years, and # 5 of 77 in the last 10 years.

Delaware Limited-Term Diversified Income Fund’s rating against other funds in the Short-Intermediate Investment grade Debt Funds category: # 60 of 150 in the last year, # 1 of 124 in the last 3 years, was removed from award eligibility at analyst’s discretion in 5-year category, and # 6 of 65 in the last 10 years.

Delaware Minnesota High-Yield Municipal Bond Fund’s rating against other funds in the Minnesota Municipal Debt Funds category: # 5 of 41 in the last year, # 22 of 38 in the last 3 years, # 4 of 32 in the last 5 years, and # 1 of 31 in the last 10 years.

Delaware Tax-Free California Fund’s rating against other funds in the California Municipal Debt Funds category: # 38 of 122 in the last year, # 9 of 109 in the last 3 years, #9 of 101 in the last 5 years, and # 1 of 76 in the last 10 years.

Delaware Tax-Free Idaho Fund's rating against other funds in the Other States Municipal Debt Funds category: # 80 of 132 in the last year, # 1 of 123 in the last 3 years, # 3 of 115 in the last 5 years, and # 4 of 103 in the last 10 years.

Delaware Tax-Free Minnesota Fund's rating against other funds in the Minnesota Municipal Debt Funds category: # 25 of 41 in the last year, # 4 of 38 in the last 3 years, # 1 of 32 in the last 5 years, and # 4 of 31 in the last 10 years.

Delaware Tax-Free New York Fund's rating against other funds in the New York Municipal Debt Funds category: # 61 of 95 in the last year, # 8 of 88 in the last 3 years, # 3 of 86 in the last 5 years, and #1 of 71 in the last 10 years.

Carefully consider a Fund's investment objectives, risk factors, charges, and expenses before investing. This and other information can be found in the Fund's prospectuses, which may be obtained by visiting www.delawareinvestments.com or calling 800 523-1918. Investors should read the prospectus carefully before investing.

Lipper Fund Awards are granted annually to the funds in each Lipper classification that achieve the highest score using the Lipper Leader for Consistent Return methodology, a measure of a fund's historic risk-adjusted returns, relative to peers. Ratings for Consistent Return are computed for all Lipper classifications with five or more distinct portfolios. The ratings are subject to change every month and are calculated for the following periods: 3-year, 5-year, 10-year, and overall. The highest 20% of funds in each classification are named Lipper Leaders for Consistent Return. The highest Lipper Leader for Consistent Return within each eligible classification determines the fund classification winner over 3, 5, or 10 years. Lipper ratings are based on total return with dividends reinvested and do not take into account or reflect sales charges (loads). Lipper, a wholly owned subsidiary of Reuters, is a leading global provider of mutual fund information and analysis to fund companies, financial intermediaries, and media organizations. © 2010 Lipper a subsidiary of Thomson Reuters.

The 2010 Lipper Fund Awards are based on performance for the 3-, 5-, and 10-year periods ended Dec. 31, 2009. **Past performance is not guarantee of future results.** Fee waivers were in place for all or some of those periods. Without such waivers, performance would have been lower and Lipper ratings would have been lower.

Investing involves risk, including the possible loss of principal. Bond funds are subject to credit risk, inflation risk, prepayment risk, and interest rate risk. When interest rates rise, the value of fixed income securities generally falls.

Risk disclosures

Fixed income securities and bond funds can lose value, and investors can lose principal, as interest rates rise. They also may be affected by economic conditions that hinder an issuer's ability to make interest and principal payments on its debt. The Funds may also be subject to prepayment risk, the risk that the principal of a fixed income security that is held by the Fund may be prepaid prior to maturity, potentially forcing the Fund to reinvest that money at a lower interest rate. • Funds that invest primarily in one state may be more susceptible to the economic, regulatory, and other factors of that state than funds that invest more broadly. • Some income from tax-free funds may be subject to the federal alternative minimum tax (AMT) that applies to certain investors. Capital gains, if any, are taxable. • High yielding, noninvestment grade bonds (junk bonds) involve higher risk than investment grade bonds.

International investments entail risks not ordinarily associated with U.S. investments including fluctuation in currency values, differences in accounting principles, or economic or political instability in other nations. Investing in emerging markets can be riskier than investing in established foreign markets due to increased volatility and lower trading volume. • If and when we invest in forward foreign currency contracts or use other investments to hedge against currency risks, the Funds will be subject to special risks, including counterparty risk. • Certain funds may experience portfolio turnover in excess of 100%, which could result in higher transaction costs and tax liability.



About Delaware Investments

Delaware Investments, a member of Macquarie Group, is a U.S.-based diversified asset management firm with more than \$130 billion in assets under management (as of Dec. 31, 2009).¹ Through a team of talented investment professionals, the firm manages assets across all major asset classes for a wide range of institutional and individual investors. Delaware Investments is supported by the resources of Macquarie Group (ASX: MQG; ADR: MQBKY), a global provider of asset management, investment, banking, financial and advisory services with approximately \$319 billion in assets under management (pro forma as of Nov. 30, 2009).

Delaware Investments is the marketing name for Delaware Management Holdings, Inc. and its subsidiaries, including the Fund's distributor, **Delaware Distributors, L.P.** Macquarie Group refers to Macquarie Group Limited and its subsidiaries and affiliates worldwide.

¹ Adjusted to reflect assets, as valued on Dec. 31, 2009, that transferred to a former affiliate on Jan. 4, 2010.

Investments in Delaware Investments mutual funds are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46 008 583 542 and its holding companies, including their subsidiaries or related companies (the "Macquarie Group"), and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of these funds, the repayment of capital from these funds, or any particular rate of return.

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