



Overall **MORNINGSTAR** Rating



Among 640 Mid-Cap Growth Funds (as of 3/31/16)

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the Fund's 3-, 5-, and 10-year (if applicable) Morningstar metrics.



Stephen E. Grant

Portfolio Manager

Mr. Grant has been Portfolio Manager of the Value Line Premier Growth Fund since 1996 and has over 20 years of investment experience. Mr. Grant earned an MBA from Wharton and a BA from Stanford University.

Fund Facts

Symbol: VALSX
Inception date: 5/30/56
Total assets: \$320M (as of 3/31/16)

Top 10 Holdings (as of 3/31/16)

Company	Weight (%)
Waste Connections Inc.	2.35
Roper Technologies Inc.	2.24
Fiserv Inc.	2.21
Toro Co.	2.15
Henry Schein Inc.	2.11
TJX Companies Inc.	1.99
Ultimate Software Grp Inc.	1.98
Church & Dwight Co. Inc.	1.95
O'Reilly Automotive Inc.	1.95
Mettler Toledo Intl Inc.	1.92

Portfolio Manager Q&A

Value Line Premier Growth Fund (VALSX)

Q1: Over the one year period, the Premier Growth Fund was in the top decile (10% or better) for performance among 719 Morningstar Mid-Cap Growth Funds as of March 31, 2016. What factors contributed to this relative outperformance?

At the end of the first quarter 2016, the Fund declined less than 1% while the Morningstar Mid Cap Growth Funds category average fell nearly 8% for the one year period. During this volatile time frame, faster growing companies within cyclical growth sectors, such as Health Care and Technology, fell out of favor and experienced significant declines, as investors worried about a slowing economy, an increasing interest rate environment and falling oil prices.

With the Premier Growth Fund, we utilize the venerable Value Line Research, which tends to avoid aggressive growth stocks by focusing on companies with proven long-term track records of consistent growth in earnings and stock price. We believe this process of investing in consistently growing companies with demonstrated results, the hallmark of our investment strategy, was the primary factor that led to the Fund's results.

Q2: Given that the Fund's strategy emphasizes consistency, what sectors does the Fund generally favor?

Our focus on companies with 10+ years of growth in earnings and stock price tends to result in the Fund being heavily weighted in more defensive sectors that usually have more consistent operating results. As of March 31, 2016, over 30% of the Fund's assets were comprised of Industrials stocks compared to only 18% in the Morningstar Mid Cap Growth Funds Category. In addition, the Fund's weighting in Consumer Staples stocks was nearly 10%; in comparison, its mid-cap growth peers had a weighting of about 6%.

During strong, rising markets there may be short-term periods when the Fund underperforms the category average. However, because of the Fund's conservative investment process, investing in these defensive areas of the market may produce lower volatility over a long term period of time, providing potentially greater principal protection.

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Q3: Due to the volatility in the market over the past several months, what major stock changes have you made to the Fund?

During periods of volatility, we typically do not make many significant changes to the Fund but view market changes opportunistically. For example, we may take advantage of lower prices to add to our current positions or may cut back on a position during rising markets and deploy the capital to other opportunities. Over the unusually volatile first quarter of 2016, only two holdings, Airgas (ARG), specialty gas and related equipment distributor, and Noble Energy (NBL), petroleum and natural gas exploration and development company, were sold. No new companies were added.

Generally, the Fund's positions are higher conviction holdings and are held over longer periods of time. For example, the Fund's average portfolio turnover of 12% as of December 31, 2015, is exceptionally low compared to its Morningstar Mid Cap Growth Fund peers' turnover of 63%.

Value Line Premier Growth Fund Performance (as of 3/31/16)				
	Average Annual Returns			
	1 Year	3 Year	5 Year	10 Year
Premier Growth Fund (VALSX)	-0.59%	8.14%	9.34%	6.93%
S&P 500 Index	1.78	11.82	11.58	7.01
Morningstar Mid-Cap Growth Category Average	-7.76	8.36	7.57	6.04
Morningstar Cat. Rank (%)	6	54	22	28
# of Funds in Category	719	640	574	428
Morningstar Risk		Low	Low	Below Avg.
Expense ratio: 1.23%				

Morningstar rates funds based on enhanced Morningstar risk-adjusted returns.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Past performance data through the most recent month end is available at vlfunds.com or by calling 800.243.2729. You should carefully consider investment objectives, risks, charges and expenses of Value Line Mutual Funds before investing. This and other information can be found in the fund's prospectus and summary prospectus, which can be obtained free of charge from your investment representative, by calling 800.243.2729, or by clicking on the applicable fund at www.vlfunds.com. Please read it carefully before you invest or send money.

The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. Investment results and the principal value of an investment will vary.

There are risks associated with investing in small and mid-cap stocks, which tend to be more volatile and less liquid than stocks of large companies, including the risk of price fluctuations.

The Morningstar Rating™ for funds methodology rates funds based on an enhanced Morningstar Risk-Adjusted Return measure, which also accounts for the effects of all sales charges, loads, or redemption fees. Funds are ranked by their Morningstar Risk-Adjusted Return scores and stars are assigned using the following scale: 5 stars for top 10%; 4 stars next 22.5%; 3 stars next 35%; 2 stars next 22.5%; 1 star for bottom 10%. Funds are rated for up to three periods: the trailing three-, five-, and 10-years. For a fund that does not change categories during the evaluation period, the overall rating is calculated using the following weights: At least 3 years, but less than 5 years uses 100% three-year rating. At least 5 years but less than 10 years uses 60% five-year rating/ 40% three-year rating. At least 10 years uses 50% ten-year rating / 30% five-year rating / 20% three-year rating. The Value Line Premier Growth Fund received 3 stars for the 3 year period and 4 stars for the 5 and 10 year periods ended 3/31/16, out of 640, 574 and 428 mid-cap growth funds, respectively.

The inception dates of Value Line Mutual Funds range from 1950 to 2015. **Value Line Mutual Funds are distributed by EULAV Securities LLC. Past performance is no guarantee of future results.**

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